



WE ARE READY FOR THE FUTURE OF INSURANCE  
AS WE EMBARK UPON OUR 100<sup>TH</sup> YEAR.

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# GENERAL INFORMATION

## Anadolu Anonim Türk Sigorta Şirketi 2024 Annual Report

### Corporate Title

Anadolu Anonim Türk Sigorta Şirketi

### Website

www.anadolusigorta.com.tr

**Anadolu Sigorta Trade Registration No:**  
4593/557

### Head Office and Regional Branches

#### Head Office

Rüzgarlıbahçe Mah. Çam Pınarı Sok. No: 6  
34805 Beykoz / İstanbul  
Tel: +90 850 724 0 850  
E-mail: bilgi@anadolusigorta.com.tr  
Registered e-mail address (KEP): anadolusigorta@hs03.kep.tr

#### İstanbul Regional Branch

Rüzgarlıbahçe Mah. Çam Pınarı Sok. No: 6  
34805 Beykoz / İstanbul  
Tel: +90 850 724 0 850  
E-mail: istanbulbolge@anadolusigorta.com.tr

#### Kadıköy Regional Branch

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34805 Beykoz / İstanbul  
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E-mail: kadikoybolge@anadolusigorta.com.tr

#### Mediterranean Regional Branch

Etiler Mah. Adnan Menderes Bulv. No: 61 F  
07010 Muratpaşa / Antalya  
Tel: +90 850 724 0 850  
E-mail: akdenizbolge@anadolusigorta.com.tr

#### Western Anatolia Regional Branch

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35210 Konak / İzmir  
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#### Middle Black Sea Regional Branch

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#### Southern Anatolia Regional Branch

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#### Middle Anatolia Regional Branch

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E-mail: ortaanadolubolge@anadolusigorta.com.tr

#### Central Anatolia Regional Branch

Söğütözü Mah. 2176. Sok. Platin Tower İş Merkezi No: 7/1  
06530 Çankaya/Ankara  
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#### Black Sea Regional Branch

Kaşüstü Mah. Devlet Karayolu Cad. Sabırlar İş Merkezi  
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E-mail: karadenizbolge@anadolusigorta.com.tr

#### Marmara Regional Branch

Odunluk Mah. Akademi Cad. Zeno İş Merkezi A Blok  
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E-mail: marmarabolge@anadolusigorta.com.tr

#### Cyprus Branch

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#### Gaziantep Sales Office

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Kepkepzade Park İş Merkezi C Blok  
No: 6/10 Şehitkamil/Gaziantep  
E-mail: antepsatis@anadolusigorta.com.tr







WE ARE CARRYING  
OUR TECHNOLOGY-  
ORIENTED INSURANCE  
CONCEPT TO OUR  
SECOND CENTURY  
DRAWING ON OUR  
ONE HUNDRED YEARS  
OF EXPERIENCE.

# CORPORATE PROFILE

TL **69,589** MILLION

TOTAL PREMIUM  
PRODUCTION

**ANADOLU SİGORTA WILL CONTINUE TO BACK THE ADVANCEMENT OF INSURANCE BUSINESS IN TÜRKİYE, AND FURTHER CEMENT ITS STRONG POSITION IN THE SECTOR WITH ITS BREAKTHROUGH IN DIGITAL INSURANCE.**

**9.42%**

TOTAL MARKET SHARE

In 2024 Anadolu Sigorta expanded its total premium production by 57.3% year-on-year to TL 69,589 million and controlled a 9.42% share of the overall market among non-life companies.

**1,797**

NUMBER OF EMPLOYEES

Anadolu Sigorta pursues its operations via 11 branches across the nation and Turkish Republic of Northern Cyprus and 1 Sales Office. The number of employees on the company's payroll averaged 1,797 in 2024. Anadolu Sigorta registered its highest premium production in the motor vehicles branch with TL 14,994 million, followed by the fire and natural disasters branch with TL 14,910 million in 2024. Trailing these two branches, in order, motor vehicle liability with TL 13,644 million, health with TL 12,690 million, general losses with TL 4,493 million and watercraft with TL 1,800 million.

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# OUR VISION, OUR MISSION, OUR CORPORATE VALUES

## OUR VISION

- To make Anadolu Sigorta 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

In keeping with the deeply-rooted, pioneering, honest, and solid corporate values of Anadolu Sigorta 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.

## CORPORATE VALUES

### A Company Entrenched In History

- It was founded in accordance with the instructions given by Mustafa Kemal Atatürk.
- It is Türkiye's first national insurance company.
- It has a powerful corporate structure built on its knowledge of insurance accumulated through the years.

### Pioneership

- Pioneer in creating product;
- Pioneer in service;
- Pioneer in technology;
- With its self-renewing ability preserves its pioneering position;
- It plays a pioneering role in social responsibility.

### Integrity

- It has ethical merits;
- It fulfills its promises definitely;
- It inheres in transparency as principle;
- It never abandons human values.

### Powerful Structure

- It has a stable financial power;
- It has an extended and efficient service network;
- It has a sophisticated and high qualified human source;
- It gains power from the synergy created by İşbank.



# MILESTONES FROM THE HISTORY OF ANADOLU SİGORTA



**1925**

Anadolu Sigorta was founded on April 1<sup>st</sup> at the initiative of Atatürk and under the leadership of İşbank, Türkiye's first national bank.



**1949**

The Company relocated to Anadolu Sigorta Han office building in Karaköy.



**1956**

The first automation system using computers started to be established.



**1961**

The first data processing system was set up.



**1987**

Activities commenced in the agricultural insurance branch.



**1991**

The life branch was transferred to Anadolu Hayat Sigorta, a newly-formed life insurer.



**1993**

Extending administrative and technical assistance to Günay Anadolu Sigorta, founded and started to operate in Azerbaijan, Anadolu Sigorta became the first Turkish insurance company to set up an international operation.



**1996**

Policies in legal protection insurance branch, another first in our country, were written.





## 1975

Being the leader of national insurance since the onset of the Turkish Republic, Anadolu Sigorta celebrated its 50<sup>th</sup> anniversary.



## 1983

"Blue Insurance" policies marking the introduction of comprehensive insurance system in Türkiye and offering 17 types of cover were put on sale for the first time.



## 1984

Highly acclaimed by the public and the sector, "Insurance of the Future", the most comprehensive life policy ever offered in Türkiye until then, was introduced.



## 1986

Representing a new branch in the Turkish insurance business, "Electronic Equipment Insurance" was first started by Anadolu Sigorta.



## 1997

Aiming to make the most of the possibilities offered by IT, a "Recon Project" was launched. Services were made more efficient and productive with the inclusion of all services and agencies in the data processing network with online and real-time systems.



## 1999

In order to provide the fastest and most comprehensive service to its policyholders in the aftermath of the disastrous earthquake of 17 August, the company worked round the clock to provide uninterrupted service.



## 2001

After providing service for over five decades, the company was relocated from its building in Karaköy to İş Towers, where it would be together with İşbank subsidiaries.



## 2002

A brand-new era began with the "Maximum Service in Insurance" concept. The company introduced the service philosophy under one title that it has possessed since its foundation, and once again became the author of a first in the sector.

# MILESTONES FROM THE HISTORY OF ANADOLU SİGORTA



## 2004

Voted as "the most satisfactory insurance company with its products and services", Anadolu Sigorta received the Active Academy Private Customer Satisfaction Award in Insurance. The company expanded its service range by taking over the health branch from Anadolu Hayat

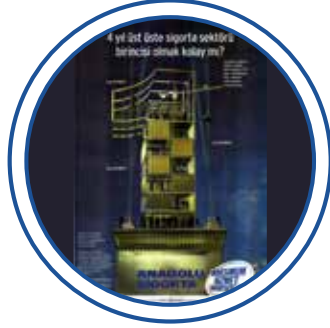
Emeklilik, which the company was required by law to give up. Anadolu Sigorta was awarded its ISO 9001: 2000 Quality Management System certification, an endorsement proving that the company's quality management system complies with international standards.

## 2006

The company maintained its sectoral leadership in premium production for the fifth consecutive year and realized a premium production in excess of TL 1 billion, undersigning yet another historic result in the history of the Turkish insurance industry.

## 2007

The sector's unrelenting champion in premium production for the last six years, Anadolu Sigorta became the first insurance company in Türkiye to exceed the USD 1 billion threshold in total premium production.



## 2015

While celebrating its 90<sup>th</sup> anniversary, the company launched its revamped website.

## 2019

The company reached TL 6.6 billion in total premium production in 2019. While the net profit for the period augmented by 31% to TL 403 million, RoE was 18.7%.

Having completed its 10<sup>th</sup> year by the end of 2019, the social responsibility initiative "Bir Usta Bin Usta" (One Master, Thousand Masters) reached its goal of opening 5 different vocational courses in 5 different cities each year, and came to a close after training 1,000 prospective masters for 50 different vocations risking vanishing.

## 2020

Teleworking scheme was introduced for the employees during the pandemic and insurance activities were carried on uninterruptedly.



## 2008

Anadolu Sigorta launched the C2C (Closer to Customer) change program whereby all business processes are reviewed and revised. While the company increased its profitability through sustainable growth strategy, it also received Active Academy Private Customer Satisfaction Award in Insurance for the fifth consecutive time.

## 2010

The company celebrated its 85<sup>th</sup> anniversary. Planned within the frame of the C2C change program, the first set of changes was put into life. The company launched its new social responsibility project, "Bir Usta Bin Usta" (From One Master to One Thousand), thus contributing to revitalize vanishing professions in Anatolia.

## 2012

The company received four international awards with its social responsibility project, and its 2011 Annual Report.

## 2013

Anadolu Sigorta relocated to its new head office in Kavacak-İstanbul.



## 2021

Due to the ongoing pandemic, the company transitioned to the hybrid working system.

## 2022

Anadolu Sigorta received the "onsite R&D Center" license from the Ministry of Industry and Technology, becoming the one and only company to do so in the insurance industry. The company's pioneering and leading position will be further reinforced with the innovative solutions to be offered via the R&D Center.

"The Eyes of the Forest" corporate social responsibility project was put into life in cooperation with the Ministry of Agriculture and Forestry Directorate General of Forestry.

## 2023


Following the earthquakes of 6 February 2023 that had their epicenters in Gaziantep and Kahramanmaraş, our Company has taken action swiftly for supporting the local people and for the safety and needs of the company employees, retirees, and business partners. We have gone above and beyond the call of duty to help minimize the implications of this horrific disaster.

## 2024

Stepping into its 100<sup>th</sup> year, the Company blended its experience drawn from the past with the needs of the future, and fortified its pioneering position in the sector with digital transformation projects, innovative products and customer-oriented services.







WE DELIVER A  
SPECIAL INSURANCE  
EXPERIENCE BUILT  
UPON AN IN-DEPTH  
UNDERSTANDING  
OF CUSTOMER  
NEEDS BASED ON  
OUR “TECHNOLOGY-  
ENABLED PERSONALIZED  
INSURANCE” VISION.



## CHAIRPERSON'S MESSAGE



### TOWARDS 100 YEARS

**AS WE DRAW NEAR OUR CENTENNIAL, WE ARE SETTING EVEN HIGHER TARGETS.**

#### **The fight against global inflation started producing successful results.**

In 2024, global economy remained resilient despite numerous uncertainties, thanks to the moderate course of inflation and revived trade. Notwithstanding, the increase in geopolitical risks persisted as the main element of concern deteriorating the overall economic outlook.

The economy policies introduced in 2022 to fight inflation helped converge the overall level of prices in several countries to targeted results as of 2024.

Global headline inflation is projected to drop to 4.2% in 2025 and to 3.5% in 2026. While the disinflation process will presumably occur faster in developed economies resulting in earlier achievement of targeted inflation levels, emerging markets and developing economies will probably experience a slower process.

According to the IMF World Economic Outlook released in January 2025, global economic growth is projected to be realized in the order of 3.3% in 2025.

In spite of the prediction that the world economy will maintain its recovery trend, Donald Trump's winning the American presidential elections for a second time adds to the concerns that protectionist measures will increase and downside pressures might be formed upon economic growth.

#### **The Turkish economy continues to undergo rebalancing.**

Upon adoption of conventional policies in the aftermath of 2023 elections, the CBRT (Central Bank of the Republic of Türkiye) increased its policy rate to 50% as of March 2024 and further tightened the monetary and exchange rate policies. While growth was secured in the first quarter thanks to high internal demand, the rate of growth slowed down significantly in the second and third quarters due to the effects of the monetary and fiscal policies implemented.

The higher-than-expected appreciation of the Turkish lira helped quickly lessen the FX-protected deposits, CBRT reserves grew, and the current deficit continued to narrow down particularly owing to the restrictions imposed on gold imports.

The CPI ended 2024 at 44.38%. With the downtrend in inflation albeit falling short of the targeted level, the CBRT decreased the policy rate to 47.5% in its December 2024 meeting, and initiated a rate cut process that is anticipated to be a measured one.

The IMF projects that Türkiye's growth in 2025 will slump to 2.6%, which was 5.1% in 2023 and is expected to be 2.8% in 2024.

### **The global insurance industry is going through transformation.**

In 2024, the global insurance industry recorded the highest growth rate of the past decade. Total premium production is estimated to have grown by 4.6% in real terms in 2024, to be followed by a projected slowdown that will pull real growth down to 2.6% on average in 2025 and 2026.

Although a macroeconomic and geopolitical environment crammed with uncertainties remains in existence, the economic growth that started gaining momentum is positively affected by the resilient labor markets, real income that increases with moderate inflation, and still-high long-term interest rates that support investment income. As of 2024, life insurance premiums constituted 43% of total premiums, whereas non-life (including health) insurance premiums made up the remaining 57%. This composition is anticipated to remain mainly unchanged over the next ten years.

Geopolitical tensions in various geographies such as Russia-Ukraine and the Middle East, as well as the speed and extensiveness of digitalization cause insurers to scrutinize risk areas such as cyber, political and marine risks more meticulously. On another note, insured losses from natural disasters reached substantial amounts across the world for the first time in the last six years.

According to Munich Re's annual review of natural catastrophes, natural disasters caused USD 320 billion in global economic loss, insured losses making up USD 140 billion thereof worldwide. While 2024 has been the third costliest year with respect to insured losses, it was ranked fifth on the cost scale since 1980 in terms of total losses. Weather catastrophes were responsible for 93% of natural catastrophe losses.

The fact that this loss figure is contributed by numerous big-ticket phenomena rather than a single major catastrophe demonstrates that the effects of natural disasters spread over a broader area. This indicates that the risk area has grown and that the reinsurance industry must review its risk assessment processes.

### **The transformation is aptly managed by our sector.**

According to premium production data released in December 2024 by TSB (Insurance Association of Türkiye), overall premium production amounted to TL 838.5 billion for a year-on growth by 72.5%. While non-life branch was responsible for 88.1% of premium production, 11.9% was written by the life branch.

Undergoing constant transformation in parallel with the fast-changing economic, technological and social dynamics, the insurance industry actors captured the transformation trend and acquired a solid growth reflex that allow them to produce fast and effective responses and actions for digitalization, AI (Artificial Intelligence), data analytics and sustainability axes that steer the said transformation, while also developing the corresponding products and services.

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## **72.5%**

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**PREMIUM PRODUCTION IN THE SECTOR INCREASED BY 72.5% YEAR-ON-YEAR.**

# CHAIRPERSON'S MESSAGE

## SUSTAINABILITY

**AT ANADOLU SIGORTA, WE ARE WORKING WITH THE GOAL OF BUILDING A SUSTAINABLE FUTURE IN KEEPING WITH OUR SLOGAN "NEVER LOSE" AND WE ARE INTEGRATING SUSTAINABILITY IN ALL OUR OPERATIONS.**

### **Our achievements empower us for our new goals.**

In 2024, we have performed strongly as evidenced by our premium production worth TL 69.6 billion. As we increased our total assets to TL 96.2 billion, we enlarged our equity by 115.8% and successfully improved our capital adequacy ratio by 40%. Thus, Anadolu Sigorta achieved a total shareholders' equity exceeding TL 30.6 billion in the insurance industry where this value directly affects premium production and retention ratio.

As we draw near our centennial, we are setting even higher targets. Along this line, our main goals include achieving a strong premium growth and a net profit growth above inflation based on our sustainable growth concept. We will keep maintaining a high capital adequacy ratio as we preserve our solid capitalization to further improve our financial strength. Furthermore, we intend to accomplish a significant enlargement of our investment portfolio, alongside our growing equity and increasing total assets. To reach these targets, we are further improving the dynamic pricing mechanisms that we have introduced and that made a difference in the sector. We are also speeding up our digital transformation projects and transposing our institutional architecture into a plain, effective and agile structure.

### **Sustainability is one of the key headings of our Medium Term Strategic Plan.**

At Anadolu Sigorta, we are working with the goal of building a sustainable future in keeping with our slogan "Never Lose" and we are integrating sustainability in all our operations. In this context, we published our "Sustainability Communication Policy" for the first time last year, whereby we disclosed our sustainability communication principles, practices and pledges.

We are making this nature-conscious, people- and society-oriented approach a core value of our Company. Sustainability is one of the 6 main headings in our Medium-Term Strategic Plan. Along this line, we are focusing on critical issues including climate change, environmental pollution and gender equality, and we are undertaking a thorough groundwork in all respects ranging from underwriting policies to HR practices, from risk models to decision-making processes.

For our projects, we are collaborating with various stakeholders, principally with civil society organizations, universities and public institutions. In our efforts, we are embracing the UN Sustainable Development Goals as our pathfinder. We acknowledge the importance of all the 17 goals intended to be achieved by 2030; we are, however, targeting to be more effective in "Quality Education", "Gender Equality", "Responsible Consumption and Production", "Climate Action", "Life on Land" and "Partnership for the Goals".

**We will continue to contribute value to our customers and our sector.**

With almost a century behind it, Anadolu Sigorta is not only Türkiye's first national insurance company, but is also one of the building blocks of assurance and solidarity culture in our country.

We have successfully stood for trust and innovation in the industry since our establishment. We have retained our pioneering role in the sector thanks to the service quality and need-based solutions we offer to our customers. With the support we derive from the robust institutional structure of İşbank, we increased our financial stability and our contributions to the society as we moved forward throughout our 100 year-journey. Today, we are further cementing our leadership in the sector, quickly adapting

to evolving customer expectations and digitalization processes. Empowered by our broad product array, our financial strength we have promoted to international standards, and our expert team, we will continue to make a difference, create a broad awareness of insurance, and steer the sector not just on the back of our existing achievements, but also through our forward-looking sustainability- and innovation-oriented strategies.

We thank all our colleagues at any level, our business partners, distribution channels, policyholders and all our shareholders who have been accompanying us in our journey for their support and contribution.

Sincerely,



**Füsun Tümsavaş**

Chairperson of the Board of Directors

## IN THE FORTHCOMING PERIOD

**WE WILL CONTINUE TO CREATE A BROAD AWARENESS OF INSURANCE, AND STEER THE SECTOR THROUGH OUR FORWARD-LOOKING SUSTAINABILITY- AND INNOVATION-ORIENTED STRATEGIES.**

## CEO'S MESSAGE



### THE COMPANY OF THE FUTURE

**AS WE EMBARK UPON OUR SECOND CENTURY, WE ARE BUILDING THE "COMPANY OF THE FUTURE" VISION WITH OUR APPROACHES THAT VALUE ITS EMPLOYEES, MAINTAIN A CUSTOMER-FOCUS AND PLACE SUSTAINABILITY PERSPECTIVE AND TECHNOLOGY AT THE CENTER.**

#### **Our sector is producing an increasingly stronger growth trend.**

In the insurance industry that registered a premium production of TL 838.5 billion according to December 2024 data released by TSB (Insurance Association of Türkiye), total premiums written in the non-life branch augmented by 72.0% to reach TL 738.6 billion and that in the life branch enlarged by 76.2% to TL 99.9 billion, as both branches registered double-digit real growth.

The highest premium generator in the non-life branch was motor vehicles liability sub-branch with TL 219.3 billion, which upped its market share from 27.5% to 29.7%. Other branches that registered increased market shares were illness/health, fire and natural disasters, legal protection and aircraft.

In December 2024, the enforcement of procedures associated with the IFRS 17 standard was postponed to 2026 as published in the Official Gazette; the sector carries on with its preparations in this respect. In addition, a risk management system aligned with the EU's Solvency II standards is being targeted with the aim of establishing a stronger structure within the frame of capital adequacy and risk management.

As for disaster management, the Medium Term Program (2025-2027) published by the Republic of Türkiye Presidency of Strategy and Budget stated that a disaster insurance that will encompass all disaster perils will be developed and rolled out as of the first quarter of 2025.

#### **Our performance results bolster our claim in the sector.**

In 2024, we have increased our premium production by 57.3% on a year-on-year basis to TL 69.6 billion.

Ranked in the top three in 10 of the 15 branches that make up non-life insurance, our Company preserves its first spot in Motor Vehicles, Watercraft and Bond branches, and its second spot in Fire and Natural Disasters, Marine, Accident, Aircraft and Aircraft Liability branches.

As we have booked TL 96.2 billion in total assets, we grew our total investments portfolio by 73% to TL 55.5 billion in the twelve months to year-end 2024. We successfully kept our combined ratio at 105% and posted TL 10.9 billion in net profit in 2024. Our total equity reached TL 30.7 billion and we registered an average RoE of 36%. We improved our loss/premium ratio by 19 points and our combined ratio by 14 points on an annual basis; our consolidated net profit was up by 80.9% as compared to 2023 and reached TL 11.5 billion.



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## Headed towards the insurance company of the future...

The level of digital maturity we have reached allows us to focus on the automation of insurance processes, dynamic pricing, decision-making automatization, big data analytics and personalized experience offering.

We are establishing the necessary infrastructure for sustainable success by building a rigid process and technology architecture for Anadolu Sigorta to achieve its targets. We believe that this structure will directly contribute to the strategy by enabling better management of efficiency, effectiveness and customer and employee experience while backing the improvement of all competencies end-to-end.

We are targeting to respond to our customers' needs over a broader array by increasing the diversity of the services we deliver on our digital platforms on the back of our leading and innovative approach in digital transformation. Furthermore, we are increasing the efficiency of our work processes by designing user-friendly screens for our agencies.

As for the health branch, we are adding value to the ecosystem by enriching both our production and claims payment systems with machine learning and AI learning technologies. With our Sigortam Cepte (Insurance on my Mobile) and Sağlıkım Cepte (My Health on Mobile) applications, we are offering a range of capabilities in our apps, from policy tracking to assistance services, online health examinations to 24/7 live and video health consultancy, and finding in-network healthcare institutions to making appointments with our expanded hospital network.

While we broaden the scope of claims functions provided digitally through the improved "Claims Journey" experience, we are optimizing claims file follow-up and procedures according to user needs and enabling digital traceability. We are making use of our innovative solutions to totally digitize various processes including digital missing document, digital rejection letter and so on, thanks to the integration of the claims file querying screen in the online branch. Through improvements to the in-network service shop screen and virtual assistant for claims developments, we are seeking to deliver a frictionless and fastidious claims experience to our customers, alongside the call center support.

We are building on our dynamic pricing models by increasing the depth of data analyses. Thanks to further advanced analyses and personalized pricing approach, we are offering our products to our customers with custom-tailored premiums. Our dynamic pricing journey that started with private car products in 2024 continues with the health branch. In 2025 and thereafter, we will continue to expand our coverage across different branches and product types such as various vehicle types, housing products, etc.

We are continually upgrading the quality of the service we furnish to our policyholders and all our stakeholders owing to our business processes that got quicker thanks to the agile transformation methodology. In the coming year, we will continue to develop innovative approaches that spearhead our sector in order to take this vision further by setting up new teams and creating new areas in agile transformation.

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## OUR FOCUS

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**WE FOCUS ON THE AUTOMATION OF INSURANCE PROCESSES, DYNAMIC PRICING, DECISION-MAKING AUTOMATIZATION, BIG DATA ANALYTICS AND PERSONALIZED EXPERIENCE OFFERING.**

# CEO'S MESSAGE

## GENERATING VALUE

**OUR COMPANY'S SUSTAINABILITY INITIATIVES PROCEED IN THE FIELDS OF ENVIRONMENT, ART, SPORTS AND EDUCATION IN LINE WITH THE MISSION OF GENERATING SOCIAL VALUE FOR A STRONGER FUTURE.**

With respect to our digital channels, we continue to develop effective communication and service processes via our call center, on the back of which we keep increasing our production volume and the number of our users significantly.

Being Türkiye's first insurance company with an onsite R&D center, we sign our name under internationally recognized projects. Drawing on our technological capabilities, we have long been making developments in robotic process automation, natural language processing, object recognition, and generative AI, and adapting these developments to our work processes. So far, we have successfully completed 15 projects, with seven others in the pipeline.

We have been recognized with awards at The IDC Future Enterprise EMEA Awards for our "Glass Repair/Replacement Detection with AS Artificial Intelligence" project we have launched with the motto "Repair instead of Replace", and at the 5<sup>th</sup> IDC Türkiye DX Summit for our SOBE Text Mining project that detects frauds based on surveyor reports. The awards attested to our position as a pioneering company in innovation, digital transformation and operational excellence as we once more exhibited our digital competencies on the international arena.

**We continue to create added value for the entire ecosystem with our sustainability initiatives.**

Our Company's sustainability initiatives that are targeted at high social impact based on an environmentally-sensitive, people- and society-oriented approach proceed in the fields of environment, art, sports and education in line with the mission of generating social value for a stronger future.

Throughout the year, we have extended support and sponsorship to various sports events including Anadolu Sigorta Marmaris Ultra Marathon, Maximiles Black The Bodrum Cup, and Uludağ Premium Ultra Trail.

Thanks to the "Eyes of the Forest" project we have launched in 2022 in cooperation with the Ministry of Agriculture and Forestry, Directorate General of Forestry for preventing forest fires, we have provided around-the-clock surveillance of 420 thousand hectares of forest land with 10 fire lookout towers, and enabled early detection of 155 fires in total to date.

Under the "Anadolu Sigorta Libraries" project we introduced in 2023 with the conviction that each child is entitled to quality education, we reached 18 schools in 2024, one of them a school for the visually impaired, and donated 21,776 books in total for their libraries.

Being a company where women constitute more than half of the employee body, gender equality is another topic we attach importance to in terms of social sustainability. We continue to act as a role model for our sector with our internal initiatives coordinated by our Equality Committee under the motto #DahaEşit (More Equal).

In a bid to contribute to circular economy, we are collecting outdated and dysfunctional electronics at our offices and sending them for recycling, thereby supporting the e-waste for autism project of TODEV, Turkish Foundation for Educating and Supporting Individuals with Autism, and we are also collaborating with an initiative that collects coffee grounds and upcycles them into other products such as cups.

### **As we embark upon our second century...**

While our deep-seated history cements our stakeholders' trustworthy perception, it imposes upon us the necessity to take solid and innovative steps in relation to the future, as well as the responsibility to be a pioneer for the sector. As we embark upon our second century, we are building the "Company of the Future" vision with our approaches that value its employees, maintain a customer-focus and place sustainability perspective and technology at the center.

We are working to bring our Company to the best position in several HR headings including diversity, equality, inclusiveness, and talent management. We are designing the work life of the future in a fair medium, by pursuing gender equality and prioritizing employee happiness, and we are making our working environment continually a more preferred one through best practices. With the awareness of the increasing importance of attracting and retaining young talents for the insurance world of the future, we are undertaking several initiatives to offer new opportunities to youngsters and to provide internship

and career opportunities. We are striving to add new ones to our existing initiatives such as the annual Hackathons, the Young Anadolu project that enables establishing new agencies, and programs we run in collaboration with universities.

We are adding momentum to our efforts to democratize flexible and customizable solutions backed with the technology that suits the needs of our customers with diverse risk profiles, using digitalization that has become one of our strongest muscles, AI applications and data analytics.

We focus on our country's sustainable economic development and social welfare, and we keep working in a bid to contribute more powerfully to the transformation of the insurance ecosystem in line with this goal.

I would like to extend my heartfelt thanks to all our stakeholders who join us in our belief that we will keep winning together, getting stronger and growing together, and building a safe future.

Sincerely,

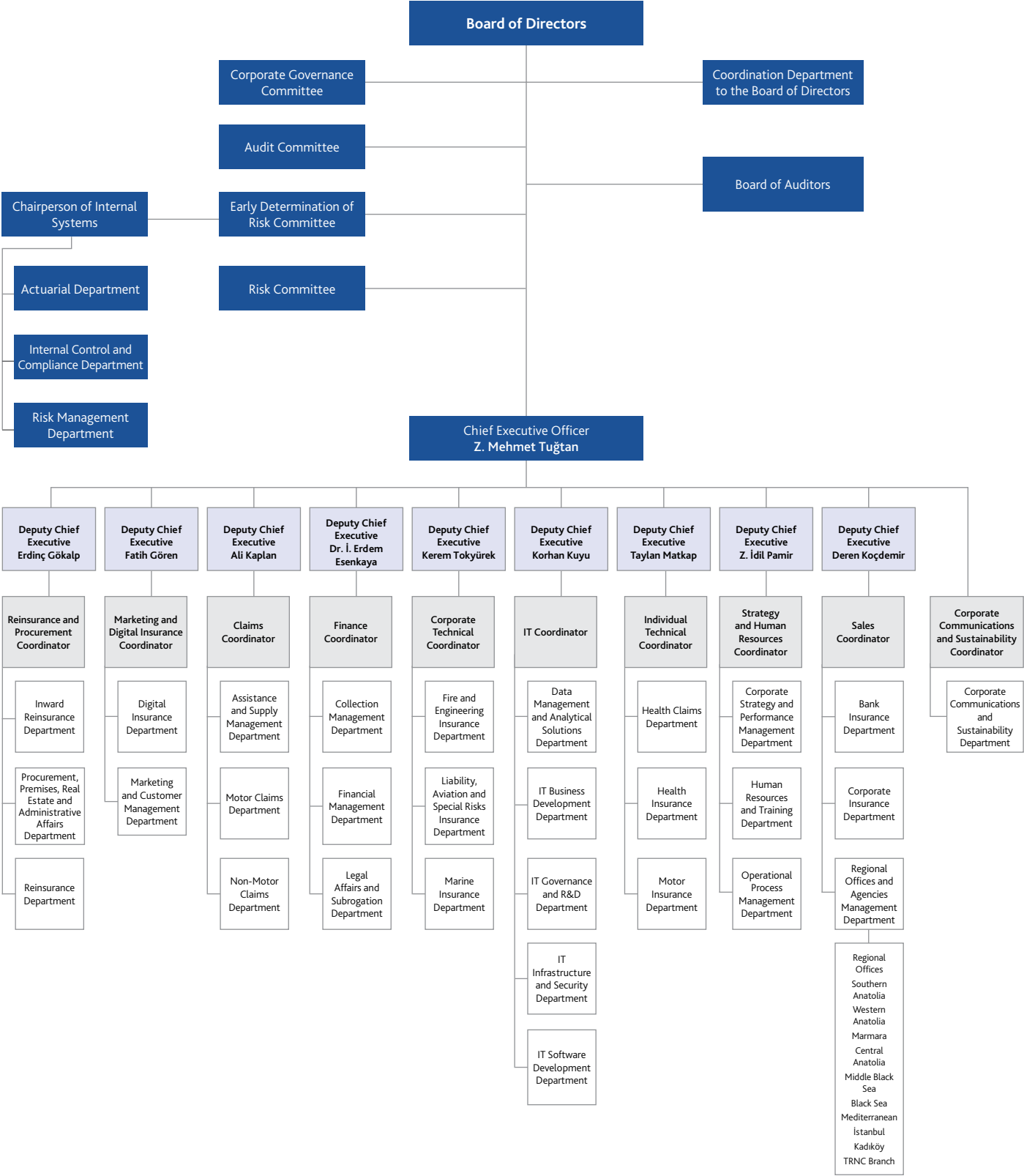


**Z. Mehmet Tuğtan**  
CEO

## **TRANSFORMATION**

**WE FOCUS ON OUR COUNTRY'S SUSTAINABLE ECONOMIC DEVELOPMENT AND SOCIAL WELFARE, AND WE KEEP WORKING IN A BID TO CONTRIBUTE MORE POWERFULLY TO THE TRANSFORMATION OF THE INSURANCE ECOSYSTEM IN LINE WITH THIS GOAL.**

# ORGANIZATION CHART



# CAPITAL AND SHAREHOLDER STRUCTURE

## CAPITAL INCREASES AND THEIR SOURCES

There were no capital increases in 2024.

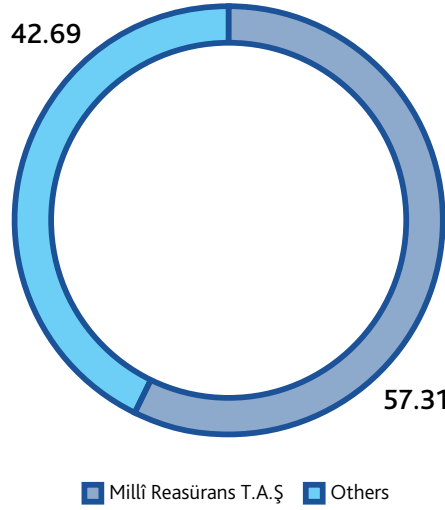
## DISCLOSURES ON PREFERRED SHARES

No more preferred shares remained following the amendment to the Articles of Incorporation registered by the company on 11 April 2013.

## CHANGES IN THE ARTICLES OF ASSOCIATION DURING 2024

There were no changes in the articles of association during 2024.

## CAPITAL STRUCTURE (%)



48% OF THE SHARES OF ANADOLU SİGORTA, A SUBSIDIARY OF İŞBANK, ARE QUOTED ON BIST (BORSA İSTANBUL) STAR MARKET.

## RATINGS

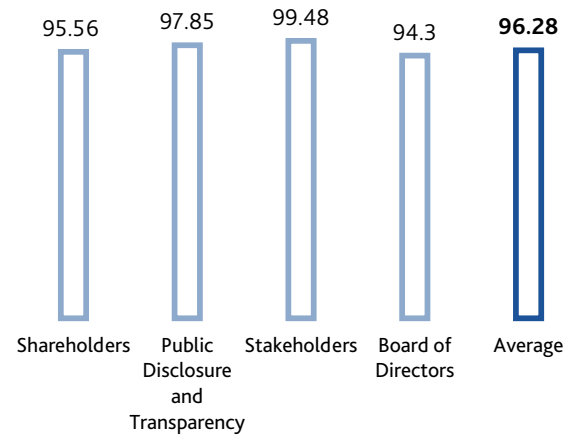
### Credit Ratings

Fitch Ratings (18 September 2024)	Note	Outlook
IFS	BB	Stable
National IFS	AA+ (tur)	Stable

### Corporate Governance Rating

Saha Kurumsal Derecelendirme Hizmetleri A.Ş. (8 November 2024)	Note
Corporate Governance Rating Note	9.63

### CORPORATE GOVERNANCE RATING





## BOARD OF DIRECTORS



**Füsun Tümsavaş**  
Chairperson

Füsun Tümsavaş graduated from Ankara University, Faculty of Political Science, Department of Economics-Finance. She started her professional career at the Ankara Branch of the Central Bank of the Republic of Türkiye in 1979. In 1981, she joined İşbank's I. Loans Division as a clerk, where she later held managerial positions before being appointed as the Head of the Commercial Loans Division in 2004. She was elected a member of İşbank's Board of Directors in 2008, Vice Chairperson of the Board in 2011, and Chairperson of the Board in 2019. She was also the Head of the Board of Directors Corporate Governance Committee, and a member on the Risk Committee, Audit Committee, TRNC Internal System Committee and Credit Committee, following which she served as a member and Vice Chairperson of the Board of Directors at İşbank Members' Supplementary Pension Fund.

She was appointed as Chairperson of the Board of Directors of Anadolu Sigorta on 29 April 2020.

In tandem, she serves as the President of İşbank Alumni Association and member of the Board of Directors of Tema, The Turkish Foundation for Combating Soil Erosion, for Forestation and for Protection of Nature.



**Filiz Tiryakioğlu**  
Vice Chairperson and Director

Filiz Tiryakioğlu graduated from Anadolu University, Faculty of Business Administration, Department of Business Administration. She started her career at Anadolu Sigorta as a Clerk in the Fire Department in 1985. After working in administrative positions in the Fire Insurance and Claims Departments, she became Training Manager in 2000 and was appointed as the Human Resources and Training Manager in 2004. Appointed as Deputy Chief Executive Officer in 2008, Ms. Tiryakioğlu served as 1<sup>st</sup> Deputy Chief Executive from 25 December 2013 until 31 January 2023. She was elected a Board of Directors member of Anadolu Sigorta on 31 January 2023 and Vice Chairperson of the Board on 27 March 2023.



**Z. Mehmet Tuğtan**  
CEO and Director

Z. Mehmet Tuğtan graduated from the International Relations Department of the Faculty of Political Sciences at Ankara University. He began his career in 2001 as a Trainee Assistant Inspector at İşbank. In 2009, he served as Deputy Manager in the Individual Banking Sales Department. In 2013, he held the position of Unit Manager in the same department. In 2017, he was appointed as the Branch Manager of the Çarşı-Bakırköy Branch. Between 2018 and 2021, he served as the Director of the Retail Banking Product Department, and between 2021 and 2022, he served as the Director of the Retail Banking Marketing Department. Additionally, Tuğtan is an auditor of İşbank Retirement Fund and he is a board member of Anadolu Hayat Emeklilik and Milli Reasürans T.A.Ş. In 2022, Z. Mehmet Tuğtan completed the Advanced Management Program at Harvard Business School, and on 20 January 2023, he began his role as the General Manager of Anadolu Sigorta.



**Dr. Nesip İlker Altıntaş**  
Director (Independent)

Nesip İlker Altıntaş received his bachelor's degree in computer engineering and his master's degree in Artificial Intelligence from the Faculty of Engineering at METU (Middle East Technical University). Having started his professional life as a research assistant in the same department in 1992, Dr. Altıntaş concurrently worked as a researcher on national and international projects at TÜBİTAK (Scientific and Technological Research Council of Türkiye) SRDC (Software Research and Development Center). He was the managing partner of Monad Software, a startup developing solutions in the healthcare industry, between 1998 and 2000.

From 2000 until 2012, he led a number projects and product developments in the fields of finance and banking in his position as a director at Cybersoft Information Technologies. In the same timeframe, he carried on with his academic studies and got his graduate degree in software engineering from METU Department of Computer Engineering.

Since 2012, he has held various positions at Akbank A.Ş., serving as Enterprise Architecture Manager, then as Head of Architecture and Core Banking, and from 2017 to 2023, as Deputy CEO responsible for Technology and Operations. From 2018 to 2023, he also served as a board member at Akbank AG, AkÖde AŞ, Bulutistan, and Ak Portföy.

Leading the transformation and progress of Information Technologies at startups and established organizations, Dr. Altıntaş has been offering technology, digital and management advisory to institutional companies as the founder of NIA Management and Technology Advisory company since April 2023.

In the meantime, Dr. Altıntaş completed the Executive MBA program at Sabancı University in 2016 and participated in leadership and entrepreneurship programs at MIT Sloan School of Management within the scope of the same program. He has been teaching "Digital Transformation and Innovation" in Executive MBA and Professional MBA programs at Sabancı Business School since 2021. He has a number of articles and publications featured in international conferences and periodicals, and participates as program committee member in national and international conferences. Dr. Altıntaş is also a member of Sabancı Business School Advisory Board, Center for Data Analytics Advisory Board, and METU Computer Engineering Industrial Advisory Board.



**Prof. Dr. Seda Ertaç Güler**  
Director (Independent)

Prof. Seda Ertaç Güler received her bachelor's degree in economics from Bilkent University, followed by master's and doctorate degrees from UCLA (University of California) in 2003 and 2006, respectively. Between 2006 and 2008, she was a postdoctoral researcher at the economics department of the University of Chicago. Since 2008, she has been a faculty member at the Department of Economics at Koç University and she earned the professor title in 2019. Prof. Seda Ertaç Güler's main field of expertise is experimental economics. Her main research interests include examining the development of individuals' economic preferences, attitudes, and skills from childhood onwards and the factors affecting them, designing and measuring the effects of large-scale educational programs and initiatives to develop attitudes and skills that can improve individual and social welfare, and examining policies that can increase self-confidence, work motivation and performance in education and workplaces.

Prof. Seda Ertaç Güler, who conducts innovative research at the intersection of economics, psychology, and neuroscience, received the TÜBA-GEBİP Award (Outstanding Young Scientist Award of the Turkish Academy of Sciences) in 2013, BAGEP award and TÜBİTAK Encouragement Award in 2017, and was awarded the European Research Council's ERC Consolidator grant worth EUR 2 million in 2019. Prof. Seda Ertaç Güler is an Associate Editor of the European Economic Review and a member of the Academy of Science.



**Prof. Dr. Ferda Yerdelen Tatoğlu**  
Director (Independent)

Prof. Ferda Yerdelen Tatoğlu received her bachelor's degree in econometrics from İstanbul University, Faculty of Economics. She got her master's degree in 2001 and doctorate degree in 2005, earning the Doctor of Econometrics title. She was a visiting professor at the University of Leicester Department of Economics in 2006-2007. At the end of 1999, she started to work as a research assistant in the Department of Econometrics at İstanbul University, Faculty of Economics, and acquired the title of professor at the same university in 2017. She currently works as a faculty member of the same department at the same university and serves as the Department Coordinator at İstanbul University, Open and Distance Education Faculty. She is the co-founder and general manager of a company operating in the fields of education, consultancy, and software within İstanbul University Teknokent. In 2007, she was the recipient of the Young Researcher First Prize for the best paper and presentation at the 8<sup>th</sup> Econometrics and Statistics Congress of Turkey. She has published numerous works both nationally and internationally, and her works have received numerous citations. She contributed to the econometrics community through her books "Panel Data Econometrics" and "Spatial Econometrics" that are taught as textbooks at various universities and used as reference books in scientific studies which had these courses incorporated in university curricula, and by serving on curriculum committees. She has been teaching in undergraduate and graduate programs at various public and private universities. In addition to serving as a consultant, referee, editorial board member, and field editor in numerous institutions and journals, including TÜBİTAK, she has also been invited as a guest speaker to various symposiums and has offered training, webinars, and seminars in different fields.

## BOARD OF DIRECTORS



**Gökhan Kahraman**  
Director

Gökhan Kahraman graduated from Selçuk University Niğde Faculty of Economic and Administrative Sciences, Business Administration Department. He started to work as a trainee in the Niğde Branch of İşbank in 1997. Between 2000 and 2023, he served as a service supervisor in the Konya Branch, II. Manager in the Afyonkarahisar Branch, Branch Manager of the Cizre / Şirnak Branch, Assistant Regional Manager in the Kocaeli Regional Sales Department, Branch Manager of the Elbistan / Kahramanmaraş Branch and Regional Sales Manager in Erzurum Regional Sales Department. He worked as Regional Sales Manager in the Samsun Regional Sales Department between 2019 and 2023. He currently serves as a Department Manager in the Retail Banking Sales Division.

He holds master's degrees in Management from Niğde University, Management and Organization from Kastamonu University, and Agricultural Economics from Akdeniz University.



**Zeliha Göker**  
Director

Zeliha Göker received her undergraduate degree in business administration from Boğaziçi University, and started her professional life as an assistant specialist in the Subsidiaries Department of İşbank. Promoted to assistant manager position in April 2017, Göker retains her title as Unit Head in the same department and holds a member seat on the Boards of Directors of various group companies.



**Sermin Nazime Saraç Sosanoğlu**  
Director

Sermin N. Saraç Sosanoğlu received her degree in international relations from İstanbul University, Faculty of Economics. She began her professional career as a clerk in İşbank's Bakırköy Branch in 1998. She worked as a Credit Specialist, Assistant Manager, and Unit Manager in the Corporate Credit Allocation Department from 1999 until 2017, when she was appointed as Ankara/Yıldız Commercial Branch Manager. Following her role as Head of Corporate and Commercial Banking Sales Division that she assumed in 2022, she was appointed as Başkent Corporate Branch Manager in December 2024. Ms. Sosanoğlu was a member on the boards of directors of A&T Finansal Kiralama A.Ş., JSC İşbank Georgia, İş Faktoring A.Ş., Anadolu Hayat Emeklilik A.Ş. and İş Finansal Kiralama A.Ş. between 2017 and 2024. She was elected as a member of the Board of Directors of Anadolu Sigorta on 25 September 2024.



**Ayşen Aygül**  
Board of Directors Reporter

### Information on Board Meetings Held in 2024 Fiscal Year

Anadolu Sigorta Board of Directors meetings are held once a month at the Company's head office; however, interim meetings can also be held as needed. Meeting agendas are prepared in line with the reports by the Board of Directors Committees, reports by the Internal Systems Directorate, reports by the Board of Inspectors, monthly working reports of the Executive Committee, proposals and informative memos from departments. Furthermore, various reports the Board of Directors demands from the Executive Board and various matters raised by the members are discussed in the meetings. The agenda and related documents are distributed to the members in advance of the meetings. During 2024, 12 Board meetings were held, 7 of them with full participation of its members. 3 meetings were held with the absence of one member, and one meeting was held with the absence of 2 members, in all cases due to justified excuses. The Board passed 218 decisions in 2024 and held its 1311<sup>th</sup> meeting in December.

# DECLARATIONS OF INDEPENDENCE BY INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

To: Anadolu Anonim Türk Sigorta Şirketi

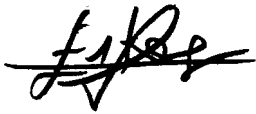
Head of the Corporate Governance Committee

I hereby declare that I stand for serving as an "independent member" on the Board of Directors of Anadolu Anonim Türk Sigorta Şirketi (the company) under the provisions of the criteria set out in the applicable legislation, the Articles of Incorporation, and the Corporate Governance Principles of CMB (Capital Markets Board of Türkiye). In this context, I hereby declare to the Committee, the company's shareholders and all related parties as follows:

- a) Neither I, nor my spouse, nor any relative of mine whether by blood or by marriage unto the second degree, have, within the most recent five years, entered into any employment relationship in an executive capacity involving major duties and responsibilities, or individually or jointly held more than 5% of the capital or voting rights or privileged shares, or established any commercial interest of a significant nature, with any corporate entity with which the company, any company in which the company has management control or significant influence, or any shareholder having management control or significant influence over the company or any corporate entity in which these shareholders have management control,
- b) I was neither a shareholder (5% and higher), nor have I worked in an executive capacity involving major duties and responsibilities for or served as a member on the boards of directors of any company from/to which, under a contract, the company purchased/sold services or products of material quantity during the period of time such services or products were being purchased or sold, and particularly of the firms performing the audit (including tax audit, legal audit and internal audit), rating and consultancy of the company, in the past five years,
- c) I possess the professional education, knowledge and experience for due performance of the duties I will assume in connection with being an independent board member,
- d) I will not work full-time at public institutions and organizations upon being elected a member, save for as a faculty member at a university in accordance with the applicable legislation,
- e) I am considered to be a resident of Türkiye for the purposes of the Income Tax Law no. 193 dated 31 December 1960,
- f) I possess strong ethical standards, professional credibility and experience that are necessary for making positive contributions to the company's operations, maintaining my independence in possible conflicts of interest between the company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,
- g) I am capable of dedicating sufficient amount of time to be able to follow up the execution of the company's affairs and to fully meet the requirements of the duties I undertake,
- h) I have not held a seat on the company's Board of Directors for more than six years in the past ten years,
- i) I am not serving as an independent board member in more than three companies which is controlled by the company or shareholders having management control over the company and in more than five companies in total traded on the stock exchange,
- j) I have not been registered and promulgated in the name of the corporate entity elected as a board member.

Hence, I hereby declare my independence.

Yours sincerely,



Prof. Dr. Seda Ertaç Güler

24 January 2024

# DECLARATIONS OF INDEPENDENCE BY INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

To: Anadolu Anonim Türk Sigorta Şirketi

Head of the Corporate Governance Committee

I hereby declare that I stand for serving as an "independent member" on the Board of Directors of Anadolu Anonim Türk Sigorta Şirketi (the company) under the provisions of the criteria set out in the applicable legislation, the Articles of Incorporation, and the Corporate Governance Principles of CMB (Capital Markets Board of Türkiye). In this context, I hereby declare to the Committee, the company's shareholders and all related parties as follows:

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- b) I was neither a shareholder (5% and higher), nor have I worked in an executive capacity involving major duties and responsibilities for or served as a member on the boards of directors of any company from/to which, under a contract, the company purchased/sold services or products of material quantity during the period of time such services or products were being purchased or sold, and particularly of the firms performing the audit (including tax audit, legal audit and internal audit), rating and consultancy of the company, in the past five years,
- c) I possess the professional education, knowledge and experience for due performance of the duties I will assume in connection with being an independent board member,
- d) I will not work full-time at public institutions and organizations upon being elected a member, save for as a faculty member at a university in accordance with the applicable legislation,
- e) I am considered to be a resident of Türkiye for the purposes of the Income Tax Law no. 193 dated 31 December 1960,
- f) I possess strong ethical standards, professional credibility and experience that are necessary for making positive contributions to the company's operations, maintaining my independence in possible conflicts of interest between the company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,
- g) I am capable of dedicating sufficient amount of time to be able to follow up the execution of the company's affairs and to fully meet the requirements of the duties I undertake,
- h) I have not held a seat on the company's Board of Directors for more than six years in the past ten years,
- i) I am not serving as an independent board member in more than three companies which is controlled by the company or shareholders having management control over the company and in more than five companies in total traded on the stock exchange,
- j) I have not been registered and promulgated in the name of the corporate entity elected as a board member.

Hence, I hereby declare my independence.

Yours sincerely,



Prof. Dr. Ferda Yerdelen Tatoğlu

24 January 2024



**To: Anadolu Anonim Türk Sigorta Şirketi**

**Head of the Corporate Governance Committee**

I hereby declare that I stand for serving as an "independent member" on the Board of Directors of Anadolu Anonim Türk Sigorta Şirketi (the company) under the provisions of the criteria set out in the applicable legislation, the Articles of Incorporation, and the Corporate Governance Principles of CMB (Capital Markets Board of Türkiye). In this context, I hereby declare to the Committee, the company's shareholders and all related parties as follows:

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- b) I was neither a shareholder (5% and higher), nor have I worked in an executive capacity involving major duties and responsibilities for or served as a member on the boards of directors of any company from/to which, under a contract, the company purchased/sold services or products of material quantity during the period of time such services or products were being purchased or sold, and particularly of the firms performing the audit (including tax audit, legal audit and internal audit), rating and consultancy of the company, in the past five years,
- c) I possess the professional education, knowledge and experience for due performance of the duties I will assume in connection with being an independent board member,
- d) I will not work full-time at public institutions and organizations upon being elected a member, save for as a faculty member at a university in accordance with the applicable legislation,
- e) I am considered to be a resident of Türkiye for the purposes of the Income Tax Law no. 193 dated 31 December 1960,
- f) I possess strong ethical standards, professional credibility and experience that are necessary for making positive contributions to the company's operations, maintaining my independence in possible conflicts of interest between the company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,
- g) I am capable of dedicating sufficient amount of time to be able to follow up the execution of the company's affairs and to fully meet the requirements of the duties I undertake,
- h) I have not held a seat on the company's Board of Directors for more than six years in the past ten years,
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- j) I have not been registered and promulgated in the name of the corporate entity elected as a board member.

Hence, I hereby declare my independence.

Yours sincerely,



Dr. Nesip İlker Altıntaş

24 January 2024

## EXECUTIVE COMMITTEE



**Z. Mehmet Tuğtan**  
CEO

Z. Mehmet Tuğtan graduated from the International Relations Department of the Faculty of Political Sciences at Ankara University. He began his career in 2001 as a Trainee Assistant Inspector at İşbank. In 2009, he served as Deputy Manager in the Individual Banking Sales Department. In 2013, he held the position of Unit Manager in the same department. In 2017, he was appointed as the Branch Manager of the Çarşı Bakırköy Branch. Between 2018 and 2021, he served as the Director of the Retail Banking Product Department, and between 2021 and 2022, he served as the Director of the Retail Banking Marketing Department. Additionally, Tuğtan is an auditor of İşbank Retirement Fund and he is a board member of Anadolu Hayat Emeklilik and Milli Reasürans T.A.Ş. In 2022, Z. Mehmet Tuğtan completed the Advanced Management Program at Harvard Business School, and on 20 January 2023, he began his role as the General Manager of Anadolu Sigorta.



**Erdiñ Gökulp**  
Deputy Chief Executive  
Reinsurance and Procurement Coordinator  
Inward Reinsurance Department  
Reinsurance Department  
Procurement, Premises, Real Estate and  
Administrative Affairs Department

After graduating from Kuleli Military High School and from the Turkish Military Academy, Department of Business Administration, Erdiñ Gökulp got his master's degree in insurance from Marmara University, Institute of Banking and Insurance. Having started his career as an assistant risk management specialist in the Marketing Department in 1991, he held administrative roles in Marketing, Accident Insurance and Reinsurance Departments before rising to the Reinsurance Manager position in 2001. During his employment, he earned the Atatürk scholarship granted by the Association of Insurance and Reinsurance Companies of Türkiye and received insurance education abroad for six months. A member of the Technical Committee of FAIR Nat Cat Pool since 2013 and a member of the Technical Committee of FAIR Oil and Energy Syndicate since 2018, Mr. Gökulp has been serving as a Deputy Chief Executive of our company since 2008.



**Fatih Gören**  
Deputy Chief Executive  
Marketing and Digital Insurance Coordinator  
Digital Insurance Department  
Marketing and Customer Management Department

Fatih Gören earned his degree in international relations from Ankara University, Faculty of Political Sciences in 1990. He completed the CII (Chartered Insurance Institute) certification program under the School of Banking and Insurance at Ziraat Bank in 1991. He worked as a specialist in Retail Banking and Agricultural Loans Departments at Ziraat Bank between 1991 and 1994. Having joined Anadolu Sigorta as an assistant inspector on the Board of Inspectors in 1994, Mr. Fatih Gören was appointed as Accounting Manager in 2004. Holding Corporate Governance Rating License and Capital Market Activities Level 3 License, Fatih Gören is a member of the Board of Directors at Softtech Ventures Teknoloji A.Ş. Mr. Gören has been serving as a Deputy Chief Executive of our company since 2008.

**Ali Kaplan**

Deputy Chief Executive  
Claims Coordinator  
Assistance and Supply Management Department  
Non-Motor Claims Department  
Motor Claims Department

Ali Kaplan received his degree in public administration from İstanbul University, Faculty of Political Sciences. He started his professional career as a clerk in our company's Fire Department in 1990, where he was promoted to Sub-Manager level in 1999. He then worked in managerial positions at Gaziantep Liaison Office, in the Marketing Department, Kadıköy Regional Branch, Bakırköy Regional Branch, and Corporate Insurance Department. After being appointed to İstanbul Regional Branch in Manager position in 2013, he became the manager of Kadıköy Regional Branch in 2016. He has been serving as a Deputy Chief Executive of our company since December 2018.

**Dr. İbrahim Erdem Esenkaya**

Deputy Chief Executive  
Finance Coordinator  
Legal Affairs and Subrogation Department  
Financial Management Department  
Collection Management Department

Dr. İbrahim Erdem Esenkaya received his degree in public administration from İstanbul University, Faculty of Political Sciences. Subsequently, he completed a master's degree in the Business Management and Organization graduate program at the Institute of Social Sciences at İstanbul University. He earned his doctorate degree in accounting and auditing from the Institute of Social Sciences at the same university. İbrahim Erdem Esenkaya pursued an academic career as a visiting lecturer at İstanbul University and as a doctor faculty member at İstanbul Esenyurt University at various times. He began his career at Anadolu Sigorta as an assistant inspector on the Board of Inspectors in 1995. He was later promoted to senior assistant inspector and grade III inspector positions. He served as an assistant manager in the Accounting and Finance Department and as a manager in Internal Audit Department. Mr. Esenkaya has been named the Chairperson of the Board of Inspectors in 2007 and a Deputy Chief Executive in January 2021.

**Kerem Tokyürek**

Deputy Chief Executive  
Corporate Technical Coordinator  
Marine Insurance Department  
Liability, Aviation and Special Risks Insurance Department  
Fire and Engineering Insurance Department

Kerem Tokyürek was born in Ankara in 1968 and received a degree in geological engineering from Hacettepe University, Faculty of Engineering. He started his career at Anadolu Sigorta in 1995 as an assistant risk management specialist in the Fire Insurance Department. Kerem Tokyürek served in the Şişli Regional Directorate in 2002 where he became Deputy Director in 2004. From 2008, he has worked for many years as a manager in the Corporate Insurance Directorate.

Mr. Tokyürek, who has been working as the Corporate Sales and Technical Coordinator at Anadolu Sigorta since 2021, was appointed as Anadolu Sigorta Deputy Chief Executive on 20 June 2022.

## EXECUTIVE COMMITTEE



### **Korhan Kuyu**

Deputy Chief Executive  
IT Coordinator  
IT Infrastructure and Security Department  
IT Business Development Department  
IT Software Development Department  
IT Governance and R&D Department  
Data Management and Analytical Solutions Department

Korhan Kuyu earned his degree in electrical and electronical engineering from the Middle East Technical University in 1996. Having started working as a software specialist in İşbank's Software Development Department the same year, he worked as specialist and manager in various units of the Bank until 2011. In 2011, he was appointed to SoftTech A.Ş. as the Director responsible for the Bank's digital channels. After a 4.5 year-tenure in this position, he transferred to Anadolu Sigorta, where he held Department Head position in various technology departments. Having served as Information Technology Coordinator at Anadolu Sigorta between 2021 and 2023, Mr. Kuyu has been appointed as a Deputy Chief Executive on 23 March 2023.

In 2022, Kuyu completed a master's program in business management at the Graduate School of Social Sciences at Bahçeşehir University. In addition, he has been serving as the assistant head of "Digitalization and Data Analytics Examination and Research Committee" of the Insurance Association of Türkiye.



### **Taylan Matkap**

Deputy Chief Executive  
Individual Technical Coordinator  
Motor Insurance Department  
Health Insurance Department  
Health Claims Department

Taylan Matkap received his degree in statistics from Ankara University and completed the master's program in Actuarial Sciences and Finance Department at Boston University. He started his career in the insurance industry in 2003. After working for various insurance companies, he joined Anadolu Sigorta as the Head of Actuary Department in 2008, and was brought to the position of the Head of Corporate Strategy and Performance Management in 2021.

Appointed as a Deputy Chief Executive of Anadolu Sigorta on 19 April 2023, Taylan Matkap was the president of the Actuarial Society of Türkiye between 2018-2021, during which time he worked to further the relations with the AAE (Actuarial Association of Europe) and IAA (International Actuarial Association) on behalf of the professional organization. Also a member of IABE (Institute of Actuaries in Belgium), Taylan Matkap currently pursues doctorate studies in the Labor Economy and Industrial Relations Department of İstanbul University.

**İdil Pamir**

Deputy Chief Executive  
Strategy and Human Resources Coordinator  
Corporate Strategy and Performance Management  
Department  
Human Resources and Training Department  
Operational Process Management Department

İdil Pamir got her bachelor's degree in economics from Ankara University, Faculty of Political Sciences, and her master's degree in insurance from Marmara University, Institute of Banking and Insurance. She started her business life in 1997 as an assistant specialist in the R&D and Actuarial Department at Anadolu Hayat Sigorta. Upon transfer of the health insurance branch from Anadolu Hayat Sigorta to Anadolu Sigorta in April 2004, she worked as assistant manager in the Health Insurance Department of Anadolu Sigorta. Having functioned as Health Insurance Manager between 2010 and 2016, İdil Pamir also served as Vice Chairperson of the Health Insurance Review and Research Committee of the Insurance Association of Türkiye. She completed Koç University Executive Development Program in 2018. Between 2016 and 2022, she first served as İstanbul Regional Manager and then as Kadıköy Regional Manager. She was brought to the position of Regional Coordinator on 1 April 2022. Ms. İdil Pamir has been appointed as a Deputy Chief Executive of Anadolu Sigorta on 22 June 2023.

**Deren Koçdemir**

Deputy Chief Executive  
Sales Coordinator  
Bank Insurance Department  
Regional Offices and Agencies Management  
Department  
Regional Offices  
Corporate Insurance Department

Deren Koçdemir received her bachelor's degree in business administration from İstanbul University, Faculty of Business Administration, and her master's degree in business informatics from the Graduate School of Business at the same university. She started her career at Anadolu Sigorta in 1998 as an assistant specialist in the Marketing Department. She worked as a senior specialist at Şişli Regional Directorate between 2003 and 2007 and as a II. manager in the Agency and Channel Management Directorate between 2007 and 2008. She was the CRM (Customer Relationship Management) Project Manager between 2008 and 2011. She worked as a manager in the Personal and Commercial Insurance Department between 2011 and 2014 and in the Marketing and Customer Management Department 2014 and 2022, in which roles she was responsible for marketing, product management, digital insurance, customer contact center, demand and complaint handling, customer data analytics, motor own damage and TPL commercial pricing. She completed Koç University Executive Development Program in 2018. As Kadıköy Regional Manager in 2022 and 2023, she was responsible for the production and sales processes of the agencies affiliated with the region. Ms. Koçdemir has been appointed as Sales Coordinator as of 1 June 2023 and as a Deputy Chief Executive as of 22 January 2025.

## HEADS OF UNITS UNDER THE INTERNAL SYSTEMS



**Soner Benli**  
Head of Internal Systems

Born in 1969, Soner Benli holds a degree in banking and finance from City, University of London Business School MSc. Having started to work as an assistant inspector at İşbank in 1994, Benli was assigned as an assistant manager in the Risk Management Department of İşbank in 2002 and as group head in the same department in 2006. Having been brought to the position of unit head in the Commercial Loans Allocation Department in 2007, he was assigned as Head of Credit Risk Management and Portfolio Follow-up Department in 2010. After serving as the Head of Consumer Loans Underwriting Department (2012-2020), Head of Retail Loans Underwriting Department (2020-2021), branch manager of Güneşli Corporate Branch (2021-2024) and Head of Internal Systems at Trakya Yatırım Holding (2024), Soner Benli was appointed Head of Internal Systems at our Company on 22 January 2025.



**Nurdan Türkdemir**  
Head of the Board of Inspectors

Nurdan Türkdemir received her bachelor's degree in mathematics from Boğaziçi University, MBA in finance from SUNY Binghamton University in the USA, and completed the Executive Development Program at Koç University. She started her career at Anadolu Sigorta on the Board of Inspectors in 2004, and received inspector title in 2008. She became assistant manager in Risk Management and Internal Control Department in 2011, where she rose to the position of manager from 2018. She functioned as Motor Insurance Manager between 2019 and 2023. She was appointed as the Head of Board of Inspectors in 2023, in which position she still serves. She is an actuary registered in the Undersecretariat of Treasury register. She represents the Actuarial Association as a member on the Actuarial Association of Europe Risk Committee.



**Caner Tonbil**  
Risk Management Manager

Caner Tonbil graduated from business administration department at the Middle East Technical University in 2009. He worked for Akbank T.A.Ş. Payment Systems in 2010-2011. Having started his career at Anadolu Sigorta on the Board of Inspectors in 2012, Caner Tonbil was appointed as Implementation Unit Manager to the Legal and Subrogations Department in 2021. He holds CICA (Certified Internal Controls Auditor) title. He has been working as Risk Manager since 1 October 2023.





**İbrahim Çakır**  
Actuary Manager and Appointed Actuary

İbrahim Çakır graduated from the Department of Actuarial Science at Hacettepe University, and pursued his graduate studies in Financial Economics at İstanbul Bilgi University. Having started his career at Anadolu Sigorta in the Actuarial Department in 2013, İbrahim Çakır completed the Actuary Exams of the Insurance and Private Pension Regulation and Supervision Agency in 2018 and was registered in the Registry of Actuaries (Register Number: 136). He completed Executive Development programs at Koç and Boğaziçi universities. Functioning as Appointed Actuary since April 2021, he is also the President of the Non-Life Actuary Committee of the Insurance Association of Türkiye the Vice President of the Actuarial Society of Türkiye.



**Deniz Yazıcı**  
Internal Control and Compliance Manager

Holding a degree in Economics from Dokuz Eylül University, Deniz Yazıcı completed a master's degree in Accounting and International Reporting at Bahçeşehir University and a second bachelor's degree in Sociology at İstanbul University. He is also a CISA (Certified Information Systems Auditor). Having started his career at Anadolu Sigorta on the Board of Inspectors in 2012, Deniz Yazıcı was appointed as Risk Management Unit Head in Risk Management and Internal Control Department after a 9-year tenure. Assigned to the Internal Control and Compliance Department on 1 July 2022, Deniz Yazıcı currently serves as Internal Control and Compliance Manager.

## FINANCIAL AFFAIRS MANAGERS



**Barış Hüseyin Şafak**  
Finance Coordinator

Barış Hüseyin Şafak graduated from İstanbul University, Faculty of Science, Department of Mathematics, and completed the Executive Development program at Koç University. He started his career at Anadolu Sigorta on 3 January 2005 as a Risk Management Assistant Specialist in the Accounting and Finance Department. He became a Senior Assistant Specialist in 2007 and Specialist in 2009 before rising to the position of Supervisor in the same Department in 2013. On 1 December 2018, he was appointed as Manager of the Fund Management and Investor Relations Department, which was set up on the same date. He has been working as Finance Coordinator since 01 June 2023. Mr. Şafak holds Level 3, Derivative Instruments and Corporate Governance Rating licenses issued by the Capital Markets Board of Türkiye.



**Barboros Levent Bozkurtan**  
Financial Management Manager

Barboros Levent Bozkurtan graduated from the department of economics from Hacettepe University, Faculty of Economic and Administrative Sciences, and successfully completed the Executive Development Program at Koç University. He started his career at Anadolu Sigorta in 2007 as an assistant inspector on the Board of Inspectors. After being promoted to Senior Assistant Inspector in 2010 and Inspector in 2011, he was appointed to the Risk Management and Internal Control Department in 2016 as a supervisor. Having transferred to the Accounting and Financial Affairs Department with the same title in 2018, Bozkurtan has been working as Finance Manager since 2023. Bozkurtan successfully passed the Level 1 actuarial exams held by the Insurance and Private Pension Regulation and Supervision Agency and was entitled to Actuary Apprentice title, and he holds CPA license. He continues to serve as a member on the Finance & Accounting Review and Research Committee of the Insurance Association of Türkiye.

## AVERAGE NUMBER OF EMPLOYEES BY CATEGORIES DURING THE REPORTING PERIOD

Average number of employees by categories during the reporting period is as follows:

	2024
Senior level managers	10
Managers	52
Consultants	2
Middle level managers	214
Specialists/Officers/Other employees	1,519
<b>Total</b>	<b>1,797</b>

## FINANCIAL RIGHTS PROVIDED TO THE MEMBERS OF THE GOVERNING BODY AND EXECUTIVES

In the fiscal year ended on 31 December 2024, TL 98,220,317 in total has been provided in remunerations and similar benefits to the governing body and senior executives such as the Chief Executive Officer and Deputy Chief Executive Officers. Further details are presented in the relevant section of financial notes.

## OTHER MEANS

The expenses incurred for the members of the company's governing body and senior executives under other means such as business related entertainment and travels amounted to TL 1,721 thousand.





WE ARE DEVISING THE  
INSURANCE COMPANY  
OF THE FUTURE AND  
CEMENTING OUR  
PIONEERING POSITION  
WITH OUR R&D  
COMPETENCE AND  
DIGITIZED SERVICE  
NETWORK.

# RESEARCH AND DEVELOPMENT PERTAINING TO NEW SERVICES AND BUSINESS ACTIVITIES

In line with our customer-oriented approach to service, the products and services mentioned below were introduced in view of the sector's dynamics in 2024.

- Contract renewal was completed with the Honda brand for the Honda Motor Own Damage policy that takes place among the Cobranded Motor Own Damage products, under which we offer our customers the privilege to use authorized service centers within the policy scope. Our collaboration with Honda will continue in the new term.
- Sponsorship agreement has been signed with Fenerbahçe Sports Club, one of the leading sports clubs in our country, and our product "Fenerbahçe Motor Own Damage" product was launched on 1 November 2024. Our customers purchasing this product that we offer to Fenerbahçe fans at all our distribution channels get the chance to support their clubs as well.
- Our Claims Center application on our website enables our policyholders to view the repair times associated with their motor own damage claims files without contacting

the call center. In addition, details such as missing document, provision of substitute vehicle and return dates can also be viewed from the related tab. A process has been designed for our customers to rapidly manage the entire claims process and experience it end-to-end.

- Under our collaboration with the Credit Bureau of Türkiye, users that disclose their Findex Score Report are entitled to varying discounts at gradual rates in their motor own damage policy renewals and housing policies, in addition to first-time motor own damage policies. Consumers have been informed about the discount format through the contacts via our sales channels, Anadolu Sigorta website, social networks and digital platforms.

Other highlights of 2024 include the following:

- Necessary developments have been completed to query the portfolio in hull branch using robotic processes via the services made available by SBM (Insurance Information and Monitoring Center).

- Contact information confirmation efforts were carried on, bringing the number of customers with confirmed mobile phone numbers to 9.8 million and the ratio of customers with policies in effect and confirmed mobile phone numbers to 95%. Email confirmation process was also launched, and the number of customers with confirmed emails reached 2.1 million.
- Under the Fraud Detection Platform SOBE Phase II project, non-motor rule engines were optimized, parameters were configured, and structured and stable operation of rules was ensured. Furthermore, social network analysis development was made specific to housing and traffic branches. Finally, own database was created for SOBE, and studies were carried out for platform optimization and increasing operating performance. This guaranteed effective and efficient utilization of the fraud system.



# PRIMARY GOALS AND POLICIES

As Türkiye's most established and most experienced insurance company, our vision is defined as being the brand preferred by everyone who needs insurance, and our mission is spelled out as helping create a broad awareness of insurance in our country, leading the sector, and enhancing the value of our company. In the centennial of our Company, we regard economic and social development as a whole and target to further increase the value we create for all our other stakeholders.

Maintaining our robust financial structure, achieving increased market share and profitability remained as our targets in 2024.

The agile transformation journey at our company will continue at an increasing speed. In this framework, actions will be taken to encourage agile working culture.

In addition to reviewing the way of doing business, manual processes are planned to be reduced through the steps to be taken towards effective technology use and ensuring operational efficiency.

Our digitalization efforts will be carried on for delivering a frictionless customer experience, fast service furnishing to stakeholders and simplification of our business processes. The company will spearhead the integrated and efficient operation of the ecosystem to be created in this respect.

Our employees represent one of our key stakeholders for which we aim to create value. Practices that promote protection of our employees' work-life balance will continue to be designed.

We are following up ESG (Environmental, Social, and Governance) criteria and international initiatives within the scope of our sustainability efforts. We are carrying out our insurance operations with awareness and mindfulness of our responsibilities toward the world and the society. In conducting these initiatives, we pursue the roadmap that seeks to engage all our stakeholders and customers in our sustainability initiatives.

# INFORMATION ON THE COMPANY'S INVESTMENTS

2024		Amount of Budget Item (Excl. Taxes)	Payments Effected
Investment Budget	Project Investments	90,951,600	81,198,853
	Hardware Investments	92,290,000	96,558,552
	Software License Investments	123,511,200	92,872,357
Total Investment Budget		306,752,800	270,629,762

# ACTIVITIES RELATED TO BUSINESS CONTINUITY MANAGEMENT

Anadolu Sigorta has established the Business Continuity Management System to resume its core activities as soon as possible in case of an incident that results in a general or company-specific business interruption while carrying out its insurance and reinsurance activities in non-life branches that represent the company's purpose.

The primary goals of the Business Continuity Management System executed in accordance with ISO 22301 standards are defined as follows:

- Ensure, first and foremost, safety of life
- Resume the service rendered to customers and sales channels at acceptable levels
- Sustain claims and reinsurance formalities without interruption
- Protect the company's reputation
- Minimize negative implications

In view of these goals, Business Continuity Plans are developed in line with the results derived from business impact analyses. These plans are updated according to changes in practices and structures.

Business Continuity drills are carried out to verify the feasibility of Business Continuity Plans, be more prepared in case of an incident, increase awareness within the company, and identify areas necessitating improvement or corrective actions in line with constant improvement understanding.

Information questionnaires and training programs are organized to build on the knowledge and raise increased awareness of the topic across the organization.

The program launched in 2022 to establish the existing situation and identify improvement/development areas within the scope of the anticipated Marmara earthquake and our business continuity preparations continued. In 2024, Business Continuity Management System was reviewed and updated according to international standards. The Anticipated Marmara Earthquake tabletop exercise was carried out in 2024. As the result of the exercise, actions were taken to boost organizational and operational resilience, the utmost priority having been assigned to employees.

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## AN ASSESSMENT OF 2024 BY THE BOARD OF INSPECTORS

The internal audit function at our company is carried out by the Board of Inspectors which reports directly to the Board of Directors and acts administratively independent with accordance to the "Regulation on Internal Systems in Insurance and Pension Sectors" published in the Official Gazette No. 31670 dated 25 November 2021. The 2024 Activity Report of the Board of Inspectors has been reviewed and acknowledged by the Board of Directors.

In 2024, a total of 21 'unit audits' which consists of 19 Headquarters Department and 2 Regional Offices; 5 'process audits', 1 'service provider audit' and 1 'planned agency audit' were scheduled, and the assessments and findings from completed audits were reported. During the planned agency audit conducted, 42 agencies out of 2,777 were suited for a remote audit that was performed from the headquarters, detailed investigations were carried out by paying onsite visits to 34 agencies, which were deemed riskier with respect to various aspects, and by interviewing the remaining 8 online.

Follow-up audit, a process where audited units are tracked to observe the progression on the findings, has continued in 2024. In 2024, a total of 33 reports were issued on unit audits, reviews, investigations and preliminary examinations. Follow-up audits were conducted on findings with expected action dates, including findings from previous years, via Jira.

In 2024, apart from the previous activities explained above, 15 studies were completed. These were; 4 investigations, 5 examinations and 6 preliminary examinations. Additionally, 12 examinations were performed in line with the letter sent from SEDDK (Insurance and Private Pension Regulation and Supervision Agency) on 29 November 2021 to insurance companies regarding the "financial statements digitization project".

The Board of Directors is informed of the audit reports prepared by the Board of Inspectors by way of monthly Activity Briefs submitted to the Audit Committee. In keeping with the obligation of the Internal Systems Guidelines, the Audit Committee has been briefed quarterly on the actions performed by the internal audit department. In 2024, apart from the aforementioned briefings, 18 meetings were held with the Audit Committee regarding the internal audit activities.

As of year-end 2024, the Board of Inspectors was staffed by 20 members which consists of inspectors and assistant inspectors. With the aim of supporting the professional development of the Board members and building on their professional knowledge, their participation in various online seminars, meetings and training programs has been facilitated. In this framework, efforts were carried on in 2024 for the members of the Board of Inspectors to obtain nationally- and internationally recognized professional certificates.

As the result of these efforts, one inspector from the Board of Inspectors earned a CIA (Certified Internal Auditor) certificate by successfully completing the exam given by

IIA (Institute of Internal Auditors), one other inspector and one senior assistant inspector from the Board earned CISA (Certified Information Systems Auditor) certificates by successfully completing the exam organized by ISACA (Information Systems Audit and Control Association), one senior assistant inspector from the Board earned CERT CII (Certificate in Insurance) certificate by completing the exam organized by CII (Chartered Insurance Institute), and two assistant inspectors from the Board earned the "Intern Actuary" title by successfully completing the Level 1 actuarial exam held by SEGEM (Insurance Education Center).

Developments are monitored to ensure that the audits conducted and the reports subsequently issued take account of the "Global Internal Audit Standards", are risk-focused, provide "assurance" for risk management and contribute "added value" to our company, and necessary revisions and changes are made accordingly in the audit processes and in the resulting audit reports.

Our 2025 Internal Audit Plan, prepared in accordance with the provisions of the Regulation on Internal Systems in Insurance and Private Pension Sectors that came into force on 25 November 2021, has been submitted for the approval of the Board of Directors, and internal audit activities will be carried on pursuant to the applicable regulation. The Board of Inspectors will keep carrying out the activities within the context of the internal audit program prepared, as well as other duties assigned to it outside of this scope, based on the fundamental approach for maximizing the benefits expected from the planned audits.

# AN ASSESSMENT OF THE INTERNAL CONTROL SYSTEM

Established on 01 July 2022 as per the Regulation on Internal Systems in Insurance and Private Pension Sectors published on 25 November 2021, Internal Control and Compliance Department reports to the Board of Directors via the Early Detection of Risk Committee.

The company's internal control system and internal control activities are structured and run to ensure protection of assets, provide reasonable assurance in relation to the control environment, execution of activities effectively and efficiently in accordance with the law, other applicable legislation, internal policies and insurance customs, and guarantee the reliability and integrity of the accounting and financial reporting system and all systems used in the execution of main services, as well as timely availability of information.

Control points in the company's schematized processes were determined and documented with the aim of establishing an effective internal control system that is aligned with the nature, complexity and risk structure of the company's operations; duly and efficiently managing, mitigating and controlling the risks involved in the company's operations; and employing a risk-focused approach to the conduct and management of review, control, monitoring, assessment and reporting activities concerning the activities of the company's units.

Internal Control and Compliance Department regularly reviews the design and operational effectiveness of the internal control activities carried out by process owners, and the activities conducted as part of internal control function and related findings are reported to the Board of Directors via the Early Detection of Risk Committee on a quarterly basis. In addition, internal control activities are conducted in accordance with the generally-accepted COSO (Committee of Sponsoring Organizations) internal control framework, and improvement opportunities are identified

and pursued.

During 2024, the Internal Control and Compliance Department carried out inspection and control activities as per the 2024 Internal Control Plan that was approved by the Early Detection of Risk Committee decision, and evaluation, monitoring and follow-up activities were carried on with the aim of remedying the irregularities and preventing recurrence of setbacks upon analyzing the results from the inspections and controls.

Compliance takes place among the primary duties and responsibilities of managers and employees serving at any level at the company. Duties and activities associated with compliance are followed up through corporate compliance activities carried out by the Internal Control and Compliance Department. The purpose of the Compliance Unit set up under the Internal Control and Compliance Department is to lend maximum contribution to effective management and control of compliance risk and to ensure that the company's operations are carried out in accordance and compliance with the applicable legislation, regulation and standards. Information on the company's compliance activities is regularly reported via the Early Detection of Risk Committee to the Board of Directors. The duties and responsibilities imposed on the compliance officers by the Law on the Prevention of Laundering of Proceeds from Crime and the provisions of the legislation in force based on the said Law are carried out by the manager working in the Internal Control and Compliance Department, who is also the company's legally appointed "Compliance Officer"

It was targeted to secure alignment with COBIT (Control Objectives for Information and Related Technology) in the execution of information systems processes and functions, and the relevant processes were updated in this respect. The following headings were

addressed under the COBIT Alignment Project for Information Technology Governance and Information Technology Processes:

- Devising the IT (Information Technology) Governance Model
- Creating the Governance Processes
- Formulating the IT Service Development Processes
- Developing the IT Service Delivery and Operation Processes
- Creating the IT Support Processes
- IT Audit Management.

Accordingly, the Information Systems Management Committee was set up, which will report directly to the Executive Board and will be responsible for IT strategy and steering operations and activities continue in this direction.

The Information Systems Management Committee was established with the purpose of managing information systems in alignment with the company's strategic goals, establishing the policies, procedures and processes for ensuring information security, and efficiently managing the risks arising from the use of information systems. Basically the Committee defines, assesses and reports on the risks arising from the use of information systems; creates the guidelines for the management of these risks, establishes and monitors relevant controls.

It is considered that the internal control policies and procedures introduced and the internal control activities carried out are aligned with the company's nature, the complexity of its operations and risk structure, and possesses the minimum elements of an efficient internal control system.

## ACTIVITIES OF THE ACTUARIAL DEPARTMENT

The primary purpose of the Actuarial Department is to provide assurance to the Company's senior management regarding the Company's overall pricing policy, actuarial adequacy of reinsurance contracts, the organization's financial position, the reliability and sufficiency of technical provisions by means of actuarial and statistical analyses within the frame of applicable legislation.

In 2024, regulatory and internal reporting activities were carried out under the IFRS 4 obligations. Ultimate loss ratio estimations were made quarterly on the basis of underwriting periods and accident periods for each branch pursuant to the provisions of applicable legislation, and the technical provisions calculated have been reported. URR

(Unexpired Risk Reserve) and discount rates were calculated and reported in accordance with the amended legislation.

The details of Outstanding Claims Provisions, actuarial methods used in calculating Technical Provisions, Ultimate loss ratio estimations by main branches, IBNR amounts, and periodic changes in estimates were reported on a quarterly basis to the Board of Directors via the Early Detection of Risk Committee. 2023 Actuarial Report, Actuarial Model Assumptions Report and Tariff Profitability Determination Report were prepared and submitted to SEDDK (Insurance and Pension Regulation and Supervision Authority).

For compliance with the Regulation on Internal Systems, priority was given to branches with high production volume, and "Tariff Profitability Report" has been prepared for evaluation of pricing processes, which has been submitted to the Board of Directors after being approved by the Early Detection of Risk Committee quarterly in 2024.

Under the IFRS 17 project carried out across the Company, extensive work was undertaken in relation to development of actuarial models and establishment of the data infrastructure for issued insurance contracts, retained reinsurance contracts, and issued reinsurance contracts.

## INFORMATION ON ASSOCIATES

The de facto scope of Anadolu Hayat Emeklilik A.Ş. covers engaging in individual or group private pension activities; setting up pension funds in this framework; creating fund bylaws for the funds to be set up; executing pension contracts, annuity contracts, portfolio management contracts, custody agreements with the custodian for safekeeping of fund assets; and offering individual or group life or whole life insurance policies and accident policies in connection therewith, as well as all sorts of life policies, and carrying out reinsurance operations in relation thereto.

The company has 20% stakeholding in Anadolu Hayat Emeklilik A.Ş.

31 December 2024	Book Value	Shareholding
Anadolu Hayat Emeklilik A.Ş.	8,944,000,000	20.0%

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## REPURCHASED OWN SHARES BY THE COMPANY

There are no repurchased own shares by the company.

## DISCLOSURES CONCERNING SPECIAL AUDIT AND PUBLIC AUDIT

The company undergoes independent audits conducted by the independent audit firm, PwC (PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi) on its semi-annual financial statements at six-month intervals and on its annual financial statements annually, as well as consolidation audits performed by İşbank at the end of first and third quarters of the year. Due to being an associate of the Bank, the company is also subject to the annual information systems audits banks conduct at their consolidated entities.

## OUTSOURCING

Under Article 4 of the Regulation on Insurance Support Services, Anadolu Sigorta outsources necessary support services such as emergency help (assistance), call center services, repairs and maintenance, etc. from competent business partners. Additionally, outsourcing is carried out for the software programs used by the Internal Systems Units for:

- VaR (Value at Risk) calculations and follow-up of investment restrictions associated with the market risk as part of Risk Management activities,
- Follow-up of sanction/exclusions lists as part of Internal Control and Compliance activities,
- Provision calculations as part of actuarial activities.



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## **LAWSUITS FILED AGAINST THE COMPANY AND POTENTIAL RESULTS**

Lawsuits brought against the company and their possible results are presented under the heading "42 - Risks" in the notes to the financial statements.

## **DISCLOSURE OF ADMINISTRATIVE OR JUDICIAL SANCTIONS AGAINST THE COMPANY AND/OR BOARD OF DIRECTORS MEMBERS**

During 2024, there were no penalties and/or sanctions of material nature imposed against the company and/or Board of Directors members on account of acts in violation of the legislation.

## **ASSESSMENT OF PRIOR PERIOD TARGETS AND GENERAL ASSEMBLY DECISIONS**

All decisions adopted in the Annual General Assembly meeting held on 27 March 2024 have been carried out.

Our company acts on the principle of providing quality service and it has preserved its leading position in terms of market share in line with its targets by furthering innovation and customer-orientation concepts.

## **EXPENSES INCURRED IN RELATION TO DONATIONS AND GRANTS AND SOCIAL RESPONSIBILITY PROJECTS**

In 2024, our company's expenses within the scope of social responsibility amounted to TL 56,227,949 and its donations amounted to TL 80,000.

## COMMITMENT TO SOCIAL RESPONSIBILITY

As a result of its efforts initiated in 2020 to explore a new corporate social responsibility initiative that will create sustainable social impact, Anadolu Sigorta concluded that nature is the topic that it needs to take action in in keeping with its mission "Never Lose", that befits its brand identity and will gain recognition before the public and its target audience. Accordingly, in a bid to carry out awareness and consciousness activities to prevent forest fires, the company started collaborating with the Ministry of Agriculture and Forestry within the scope of its initiative called "The Eyes of the Forest" for updating existing fire towers and increasing the number of unstaffed fire lookout towers. Along this line, the first unstaffed lookout tower was completed and opened for service in Adana in December 2022 in cooperation with the Directorate General of Forestry. In 2023, the second tower built in Adana, unstaffed towers in Antalya and Çanakkale, and staffed fire lookout tower in Muğla were brought to completion. Within the scope of the project,

five new Unstaffed Fire Lookout Towers were commissioned in 2024 in İstanbul, Bursa, Mersin, Kahramanmaraş and İzmir. Ten towers that were in use as of year-end 2024 provided protection over a total area of 420 thousand hectares for early detection of, and effective response to, forest fires. The towers detected and monitored over 150 dangerous forest fires and took on an important role in the conduct of the first response teams that were closest to the scenes. Work is underway for putting into use 6 new towers in 2025.

Anadolu Sigorta Libraries are targeted at bringing books to children and youth who are attending schools with no libraries or with libraries with insufficient books, thus helping with their social and cultural development. To this end, libraries were set up in five schools in Beykoz, İstanbul in 2023, and in 12 schools in Ümraniye, İstanbul, in 2024, complete with bookshelves, reading desks and chairs, murals and books. In addition, a library was set up in a school for visually-impaired children in

Şanlıurfa, which features headphones for benefiting from audio libraries and Braille books.

Anadolu Sigorta carries out various activities in cooperation with TURMEPA (Turkish Marine Environment Protection Association) to prevent marine pollution and to support the combat against pollution. Since 2011, TURMEPA has been receiving a share from the premium income generated on insurance for any type of vessel.



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## THE COMPANY'S TRANSACTIONS WITH THE RISK GROUP

During 2024 fiscal year, within the framework of the applicable provisions of TCC ( Turkish Commercial Code), our company is a subsidiary of İşbank Group. Pursuant to Article 199 of the TCC, the company's Board of Directors presented the declaration below in the conclusion of the affiliation report issued in relation to its relations with the controlling company or an affiliate thereof:

between our company and our principal shareholder İşbank and/or other 'Group Companies', there is no;

- transfer of receivables, payables or assets,
- legal transaction that may result in an obligation, such as furnishing surety, guarantee or endorsement,
- legal transaction that may result in transfer of profit.

Commercial transactions the company realized with its controlling shareholder and other Group Companies during 2024, which are detailed in the report, fall within the company's field of activity and were carried out on an arm's length basis. In all of the transactions the company realized in 2024 fiscal year with the controlling company and its affiliates, any and all legal acts carried out in favor of the controlling company or its affiliate with guidance from the controlling company, and any and all actions taken or avoided in favor of the controlling company or its affiliates in 2024 have been reviewed according to the conditions and circumstances known to us. We hereby declare that our company did not sustain any such loss on account of any transaction arising according to conditions and circumstances known in relation to 2024 fiscal year.

The company's transactions of a material nature with the related parties during 2024 are presented in Note no. 45 under the notes to the financial statements in the present report.

# SUMMARY REPORT BY THE BOARD OF DIRECTORS

Dear Shareholders,

Before presenting the 2024 financial statement figures for your approval and comments, we deem it useful to recap the changes and developments in economic life and the insurance sector.

The obscurity of economy policies increased sharply particularly with respect to trade and public finance. Anticipations in connection with the possible changes in policy by the new governments that took office in 2024 affected the pricing in financial markets in recent months. Political instabilities in certain countries in Asia and Europe caused market volatilities and created additional uncertainties regarding the setbacks in fiscal and structural reform processes. Geopolitical tensions in the Middle East and global trade conflicts were among the significant factors that added to the pressure upon economic outlook.

According to the IMF World Economic Outlook dated January 2025, global growth in 2024 is estimated as 3.2%, whereas growth rates for developed and developing

economies are expected to materialize at 1.7% and 4.2% respectively. The projected worldwide growth rate for 2025 is 3.3%.

Inflationist pressure persisted in 2024; however, some decline was observed within the year. The IMF projects that global inflation will drop to 4.2% in 2025 and 3.5% in 2026.

In the Turkish economy, tightened financial conditions were observed to have caused slowdown in household expenditures and investments to some extent. Increased prices in the services industry and escalated buying prices kept the core inflation at elevated levels. The CPI, which displayed a downtrend from the second quarter of the year, slid down to 44.38% in December.

According to the IMF World Economic Outlook dated January 2025, growth in Türkiye, which was 5.1% in 2023 and is expected to be 2.8% in 2024, is forecasted to decrease to 2.6% in 2025. The new Medium Term Program released in September, on the other hand, estimated growth at 3.5% and inflation at 41.5% in 2024.

The course of the global economy affects the insurance industry as well. Ongoing economic growth, robust labor markets, real income that grows with decelerating inflation, and high interest rates drive the demand for insurance.

According to Swiss Re Sigma data, total global premium production is estimated to have grown 4.6% in 2024 and average real growth in 2025 and 2026 is projected at 2.6%. As for total production, total production in the non-life and life branches are expected to be realized at 57% and 43%, respectively, over the next 10 years.

According to AON's Climate and Catastrophe Insight, while economic losses in 2024 amounted to USD 368 billion, USD 145 billion thereof was covered under insurance. While 78% of insured losses that occurred in the reporting period were in the US, the great majority of the losses resulted from hurricanes, storms and floods. The biggest-ticket loss was caused by Hurricane Helene.

Based on December 2024 data of the TSB (Insurance Association of Türkiye), total premium production of the overall insurance industry amounted to TL 838.5 billion, marking a 72.5% enlargement year-on-year. In the same timeframe, premium growth in life branch was registered as 76.2% and that in non-life branch was 72.0%. Responsible for 88.1% of premium production, non-life branch reached TL 738.6 billion in total premiums written.

Inflation has made another critical heading of 2024 with respect to the insurance industry. The negative effects high inflation bore on the world economy and the national economy led to significant results in the insurance industry as well. As inflation and exchange rates got higher, so did product prices and service charges.

A review of our company's financial position and operating results show that 2024 has been a year during which we successfully

increased our profit and achieved targets, while growing at the same time. According to unconsolidated results, our total assets grew by 64.8% year-over-year to TL 96.2 billion, while our premium production went up by 57.3% in the same period to TL 69.6 billion. Our company increased its net profit by 84.1% on an annual basis to TL 10.9 billion, thereby capturing 35.5% and 48.6% RoE, on stand-alone and consolidated bases, respectively. Additionally, our company ranked third in terms of market share in the non-life segment. On the basis of technical branches, motor vehicle branch claimed the biggest share of our total premium production with 21.5%. This was followed, in order, by fire and natural disasters branch with 21.4% share, motor vehicles motor vehicle liability branch with 19.6% share, and health branch with 18.2% share. Our company ended the year 2024 with a technical profitability of 21.5% and a technical profit figure of TL 15 billion.

In 2024, our company targets to maintain and further improve its production and profitability performance, remaining strictly adhered to leadership, innovation and customer-focus concepts.

Dear Shareholders,

We hereby present the Annual Report and our financial statements reflecting our 2024 activities for your review and comments. We would like to thank our customers for their trust in our company, our delivery channels and all other stakeholders, and our employees for their commitment and contributions.

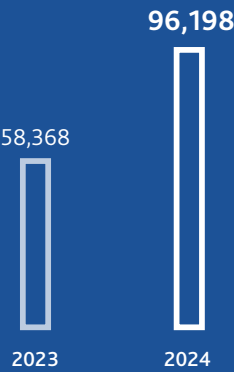
ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

BOARD OF DIRECTORS

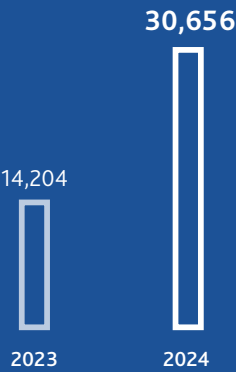


# FINANCIAL INFORMATION AND INDICATORS

TOTAL ASSETS  
(TL MILLION)



SHAREHOLDERS' EQUITY  
(TL MILLION)



ANADOLU SİGORTA POSTED A NET PROFIT OF TL 10,878 MILLION ON ITS 2024 OPERATIONS, UP BY 84.1% YEAR-TO- YEAR.

TL 96,198

MILLION

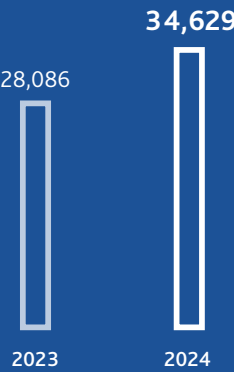
TOTAL ASSETS

TL 30,656

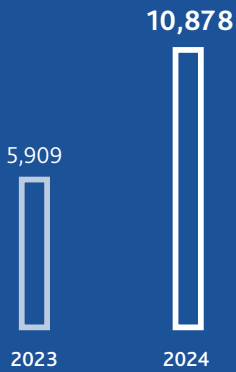
MILLION

SHAREHOLDERS' EQUITY

CLAIMS PAID  
(TL MILLION)



NET PROFIT  
(TL MILLION)



TL 34,629

MILLION

CLAIMS PAID

TL 10,878

MILLION

NET PROFIT

Financial Highlights (TL thousand)	2024	2023
Total Premium Production	69,589,122	44,228,418
Total Assets	96,197,626	58,368,226
Claims Paid	34,628,780	28,085,831
Paid-in Capital	500,000	500,000
Shareholders' Equity	30,655,832	14,203,844
Pretax Profit/Loss	14,136,483	7,573,883
Net Profit/Loss	10,877,687	5,909,397
Capital Adequacy Ratios	2024	2023
Premiums Received/Shareholders' Equity	2.27	3.11
Shareholders' Equity/Total Assets	0.32	0.24
Shareholders' Equity/Technical Provisions	0.60	0.39
Asset Quality and Liquidity Ratios	2024	2023
Liquid Assets/Total Assets	0.64	0.61
Current Ratio	1.32	1.23
Liquidity Ratio	1.88	1.53
Premium and Reinsurance Receivables/Total Assets	0.17	0.23
Receivables from Agencies/Shareholders' Equity	0.34	0.61
Operational Ratios	2024	2023
Retention Ratio <sup>(*)</sup>	0.75	0.73
Claims Payment Ratio	0.53	0.50
Profitability Ratios	2024	2023
Loss/Premium Ratio	0.76	0.93
Cost Ratio	0.29	0.26
Combined Ratio (Loss/Premium Ratio+Cost Ratio)	1.05	1.19
Pretax Profit/Premiums Received	0.20	0.17
Financial Profit (Gross) <sup>(**)</sup> /Premiums Received	0.23	0.27
Technical Profit-Loss/Premiums Received	0.22	0.17

<sup>(\*)</sup> Including premiums transferred to the Social Security Institution

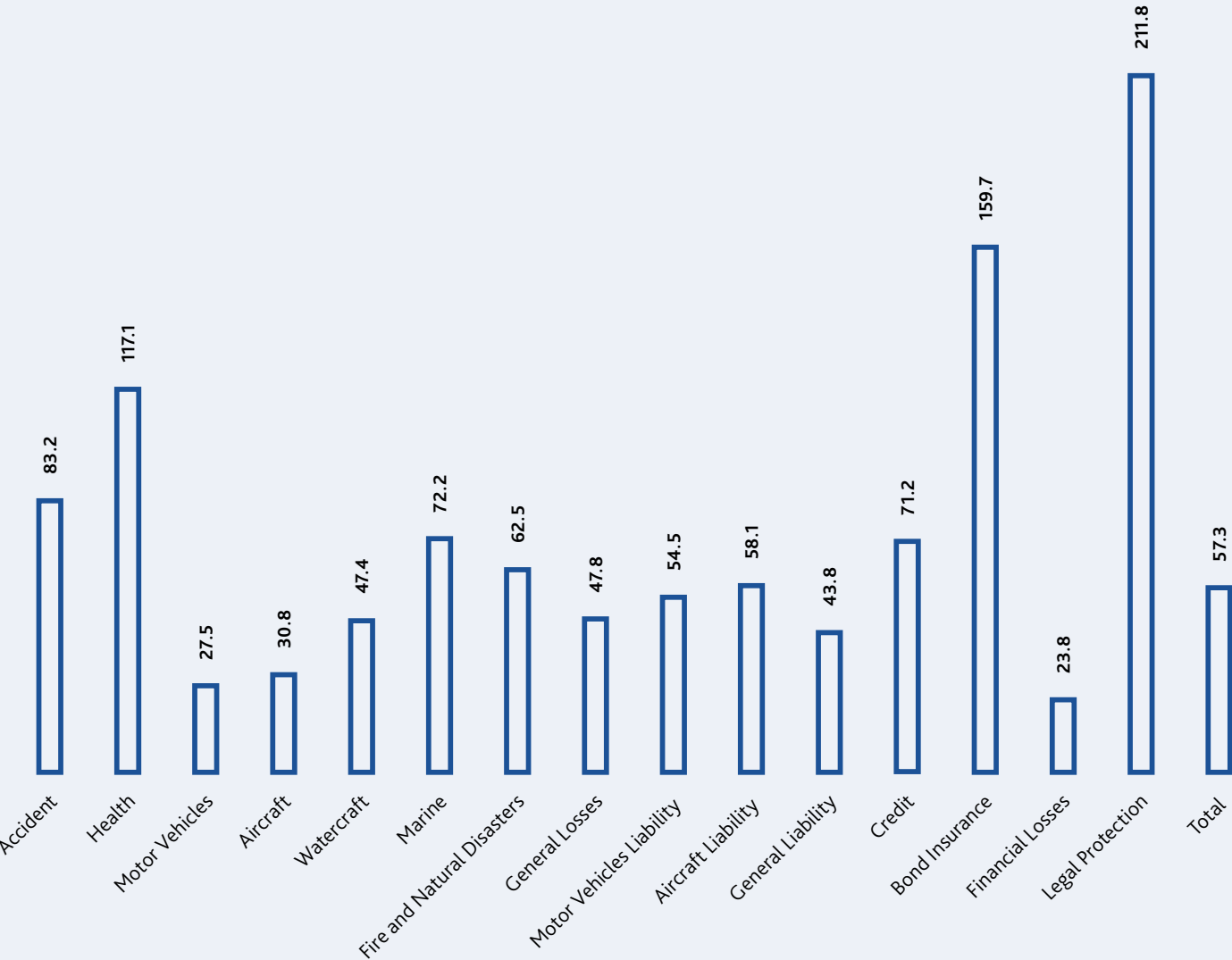
<sup>(\*\*)</sup> In the calculation of the financial profit, investment income that has been transferred from the non-technical division to the technical division was excluded.

# FINANCIAL INFORMATION AND INDICATORS

57.3%  
PREMIUM  
INCREASE RATE

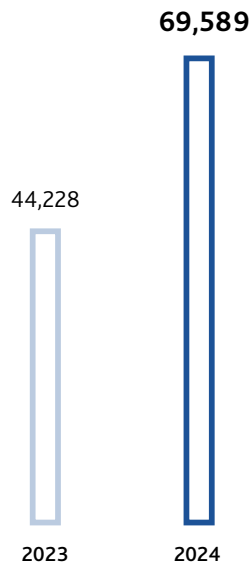
TOTAL PREMIUM  
PRODUCTION BY ANADOLU  
SİGORTA GREW 57.3% IN  
2024.

PREMIUM GROWTH RATE  
(%)



Premium Production (TL thousand)	2024	2023
Accident	1,353,451	738,661
Health	12,689,735	5,844,398
Motor Vehicles	14,993,976	11,763,157
Aircraft	659,052	503,992
Watercraft	1,799,900	1,221,446
Marine	1,534,099	890,824
Fire and Natural Disasters	14,910,047	9,172,776
General Losses	4,493,099	3,039,493
Motor Vehicles Liability	13,643,838	8,831,342
Aircraft Liability	413,383	261,552
General Liability	1,686,699	1,172,543
Credit	44,634	26,071
Bond Insurance	261,139	100,567
Financial Losses	630,361	509,022
Legal Protection	475,709	152,574
<b>Total</b>	<b>69,589,122</b>	<b>44,228,418</b>

#### TOTAL PREMIUM PRODUCTION (TL MILLION)



**TL 69,589**  
**MILLION**  
**PREMIUM PRODUCTION**

ANADOLU SİGORTA REGISTERED ITS HIGHEST PREMIUM PRODUCTION IN THE MOTOR VEHICLES BRANCH WITH TL 14,994 MILLION, FOLLOWED BY THE FIRE AND NATURAL DISASTERS BRANCH WITH TL 14,910 MILLION IN 2024. TRAILING THESE TWO BRANCHES, IN ORDER, WERE MOTOR VEHICLE LIABILITY WITH TL 13,644 MILLION, HEALTH WITH TL 12,690 MILLION, GENERAL LOSSES WITH TL 4,493 MILLION AND WATERCRAFT WITH TL 1,800 MILLION.

# ECONOMIC OVERVIEW

## THE WORLD ECONOMY

Growth GDP (%)	2023	2024 (E)	2025 (P)
Global	3.3	3.2	3.3
Developed economies	1.7	1.7	1.9
USA	2.9	2.8	2.7
Eurozone	0.4	0.8	1.0
Japan	1.5	-0.2	1.1
Other Developed Countries	1.9	2.0	2.1
Developing Countries	4.4	4.2	4.2
China	5.2	4.8	4.6
India	8.2	6.5	6.5
Russia	3.6	3.8	1.4
Türkiye	5.1	2.8	2.6

IMF World Economic Outlook January 2025  
(E): Estimated / (P): Projected

According to the IMF World Economic Outlook released in January 2025, global growth is projected to be realized in the order of 3.3% in 2025 and 2026 each. This ratio indicates at a growth performance below 3.7%, which is the average for the period between 2000 and 2019.

Growth in China and India lagged the estimates. Destabilized property market and declined consumer confidence in China curbed consumption. The marked deceleration in industrial activities in

India repressed growth. In the Eurozone, weak manufacturing and exports curtailed growth; however, recovered real income supported consumption. While Japan suffered contraction due to temporary supply issues, the US displayed a more positive performance as compared to other developed countries on the back of strong consumption.

Global inflation, on the other hand, is anticipated to show a gradual decline. Global headline inflation is projected to go down to 4.2% in 2025 and to 3.5% in 2026. While the

disinflation process will presumably occur faster in developed economies resulting in earlier achievement of targeted inflation levels, developing economies will likely experience a slower process.

It is expected that global growth will pursue a more stable progress, disinflation will continue with inflation maintaining its resistance in some countries, and uncertainties regarding economy policies will grow.

## THE TURKISH ECONOMY

Projections of İş Portföy, MTP\* and International Financial Institutions for Türkiye for the Period 2023-2025

YEARS	Growth GDP (%)			Inflation (%)		
	IMF	MTP	OECD	IMF	MTP	OECD
2023	5.1	5.1	5.1	64.8	64.8	53.9
2024 (E)	2.8	3.5	3.5	43.0	41.5	58.3
2025 (P)	2.6	4.0	2.6	24.0	17.5	30.7

\* MTP: Medium Term Program of the Republic of Türkiye Presidency of Strategy and Budget

\* E: Estimated P: Projected

January 2025 edition of the IMF World Economic Outlook estimates Türkiye's growth to slump from 5.1% in 2023 to 2.8% in 2024, projecting a further slide to 2.6% in 2025.

OECD Economic Outlook dated December 2024, on the other hand, suggested that tightening financial conditions and the negative impact inflation has on purchasing power will repress household consumption. Investment and public outlays are anticipated to decline in parallel with the mitigated effects of the post-earthquake redevelopment activities. In addition, exports will presumably increase owing to improved external environment and revived international tourism.

According to the data released by TURKSTAT (Turkish Statistical Institute), GDP registered 2.1% growth in the third quarter of 2024. While finance and insurance activities expanded by 6.2% and the agricultural sector by 4.6% in the same period, the industry sector contracted by 2.2%.

Current deficit, which was USD 45 billion in 2023, to GDP ratio was recorded as 3.6% in line with the MTP estimate. Looking at 2024, exports increased 2.5% in the twelve months to end-December on a year-on-year basis to USD 262 billion, whereas imports declined by 4.9% to USD 344 billion, with the foreign trade volume going down 1.9% to USD 606 billion.

Türkiye's 5-year CDS risk premium dropped to 265 base points on 31 December 2024, down by 23 bps as compared to 31 December 2023.



# INSURANCE INDUSTRY: OVERVIEW AND FUTURE OUTLOOK

## THE WORLD INSURANCE SECTOR

Five main trends that mold the industry gain the foreground: increased insecurity in a world of increased uncertainties; fast-evolving customer expectations; higher pace of digitalization; aggravated risks due to climate change, and the gradually increasing degree of mingling of cooperation and competition in the sector.

Ongoing economic growth, robust labor markets, real income that grows with decelerating inflation, and high interest rates drive the demand for insurance. Total global premium production is estimated to have grown 4.6% in 2024 and average real growth in 2025 and 2026 is projected at 2.6%. Growth is anticipated to occur mainly in the life segment. The non-life insurance segment will possibly grow at a slower pace as compared to recent years due to the tough market conditions. However, looking at total production, premium production by non-life branches is expected to make up 57% of total production, whereas premiums written in life branches will likely make up the remaining 43%. This composition will most probably hold fast over the next decade.

According to AON's Climate and Catastrophe Insight, while economic losses in 2024 amounted to USD 368 billion, USD 145 billion thereof was insured. USD 145 billion insured losses is about 54% above the average for

the 21<sup>st</sup> century. 78% of insured losses were in the US, and Hurricane Helene alone caused economic losses worth USD 75 billion. Besides hurricanes, extreme heat has become visible, and 2024 was the hottest year on record as compared to pre-industrial temperatures. 2024 has also been the sixth costliest year for the insurance industry. Adaptation and resilience processes once again proved to be critical as the result of the catastrophic events in 2024, and it is underlined that reinforced infrastructures and adaptation processes are the key to minimize these risks.

## THE TURKISH INSURANCE INDUSTRY

As of December 2024, there were 74 companies in the insurance and private pension sector in Türkiye. Of these companies, 50 are engaged in the non-life segment, 20 in life and four in reinsurance segments.

According to December 2024 premium production data announced by TSB (Insurance Association of Türkiye), premium production by end-December 2024 amounted to TL 838.5 billion. Premium production was up 72.5% year-on-year. While 88.1% of premiums were written on non-life branch, 11.9% was written on life branch. At end-December 2024, life and non-life segments saw 72% and 76.2% growth on an annual basis, respectively.

In a December 2024 edition of the Official Gazette, it has been announced that the enforcement of procedures associated with IFRS 17 standard was postponed to 2026; the sector carries on with its preparations in this respect. Furthermore, a risk management system is targeted, which is aligned with the EU's Solvency II standards, and the objective is to establish a stronger structure within the frame of capital adequacy and risk management.

The circular numbered 2024/18 released by SEDDK (Insurance and Private Pension Regulation and Supervision Agency) updated the publication process for internal system reports. Accordingly, file closure durations and business interruption reports started to be published on companies' websites from October 2024. In addition, it has become compulsory for new companies that obtained an operating license to make reporting as of the end of the quarter following the inception of premium production.

As for disaster management, the Medium-Term Program for 2025-2027 published by the Republic of Türkiye Presidency of Strategy and Budget stated that disaster insurance that will encompass all disaster perils will be developed and rolled out as of the first quarter of 2025.

# IMPORTANT CHANGES IN LEGISLATION

## **Law Amending the Criminal Procedures Law no. 7499 and Certain Other Laws**

Article 33 of the Law Amending the Criminal Procedures Law and Certain Other Laws published on 12 March 2024 in the Official Gazette and enforced on 01 June 2024 altered the conditions for processing specific personal data and the conditions for transfer of personal data abroad covered in the Personal Data Protection (PDPL) Law no. 6698.

## **Regulation Concerning Procedures and Principles for Transfer of Personal Data Abroad**

The said regulation that was published on the Official Gazette dated 10 July 2024 set out the principles and procedures regarding the implementation of Article 9 of the Personal Data Protection Law no. 6698 dated 24 March 2016, which sets forth the transfer of personal data abroad.

The regulation provided a definition of the act of transferring personal data abroad and stipulated that the regulation would apply to all activities falling under this definition. Accordingly, in the event that a data controller or data processor falling under the scope of the PDPL transfers personal data or makes them accessible in any other way to a data controller or data processor abroad, such personal data will be deemed to have been transferred abroad. The scope of the regulation is defined as the methods of transferring data abroad and associated procedures and principles.

## **Circular on the Implementation of Article 15 Paragraph 4 of the Regulation on Tariff Implementation Principles in Motor Vehicles Compulsory TPL Insurance**

The said circular dated 18 January 2024 set out the circumstances under which acts of "refraining from issuing a policy" defined under Article 15 (3) of the Regulation on Tariff Implementation Principles in Motor Vehicles Compulsory TPL Insurance, parameters for monitoring the same, and that penalty would be applied in case of violation.

## **Circular on Implementation of Inflation Accounting in the Insurance Sector (2024/32)**

The Announcement on Inflation Adjustment of Financial Statements of Companies Subject to Independent Audit published by the Public Oversight Authority and dated 23 November 2023 stated that organizations or institutions authorized to regulate and audit their respective fields could set transition deadlines deviating from what is prescribed for implementing TAS 29 or the provisions mentioned in Financial Reporting Standard for Large and Medium-Sized Enterprises, and grants freedom to organizations and institutions authorized to regulate and audit their respective fields for implementing inflation accounting. In this context, the deadline for insurance, reinsurance and pension companies to transition to inflation accounting implementation, which was previously set as 01 January 2025, was changed once again and it was decided that inflation accounting will not be implemented in the sector in 2025.

## **TFRS 17 Insurance Contracts Standard and Associated Regulations:**

TFRS 17, which is the new accounting standard pertaining to insurance contracts, brought along a number of comprehensive and critical changes. "Regulation Amending the Regulation Amending the Regulation of Financial Reporting by Insurance, Reinsurance and Pension Companies", "Communiqué Amending the Communiqué on the Presentation of Financial Statements of Insurance, Reinsurance and Pension Companies" and "Communiqué Amending the Communiqué on Uniform Chart of Accounts and Prospectus in Insurance" published in the Official Gazette issue 32765 dated 27 December 2024 postponed the inception date for the implementation of TFRS 17 as the legal book to 01 January 2026.

## **Regulation Amending the Regulation on Tariff Implementation Principles in Motor Vehicles Compulsory TPL Insurance**

The said regulation published in the Official Gazette on 13 December 2024 made alterations to insurance premiums and implementations. Accordingly, the distribution system for the risky insurance pool was modified and the insurer's production ratio in the immediately preceding month was made the basis for getting a share out of the pool as of 1 January 2025. In addition, the scope of risky insurance pool was narrowed down, and lorries, pickup trucks, and tow trucks were excluded from the pool. Furthermore, alterations were made to the premiums and covers related to insurance within the scope of risky insurance pool.





WE ARE STEADFASTLY  
REPRODUCING OUR  
LEADERSHIP IN THE  
INSURANCE BUSINESS  
IN OUR VALUE  
CREATION JOURNEY  
FOR OUR SOCIETY,  
COUNTRY AND  
PLANET.

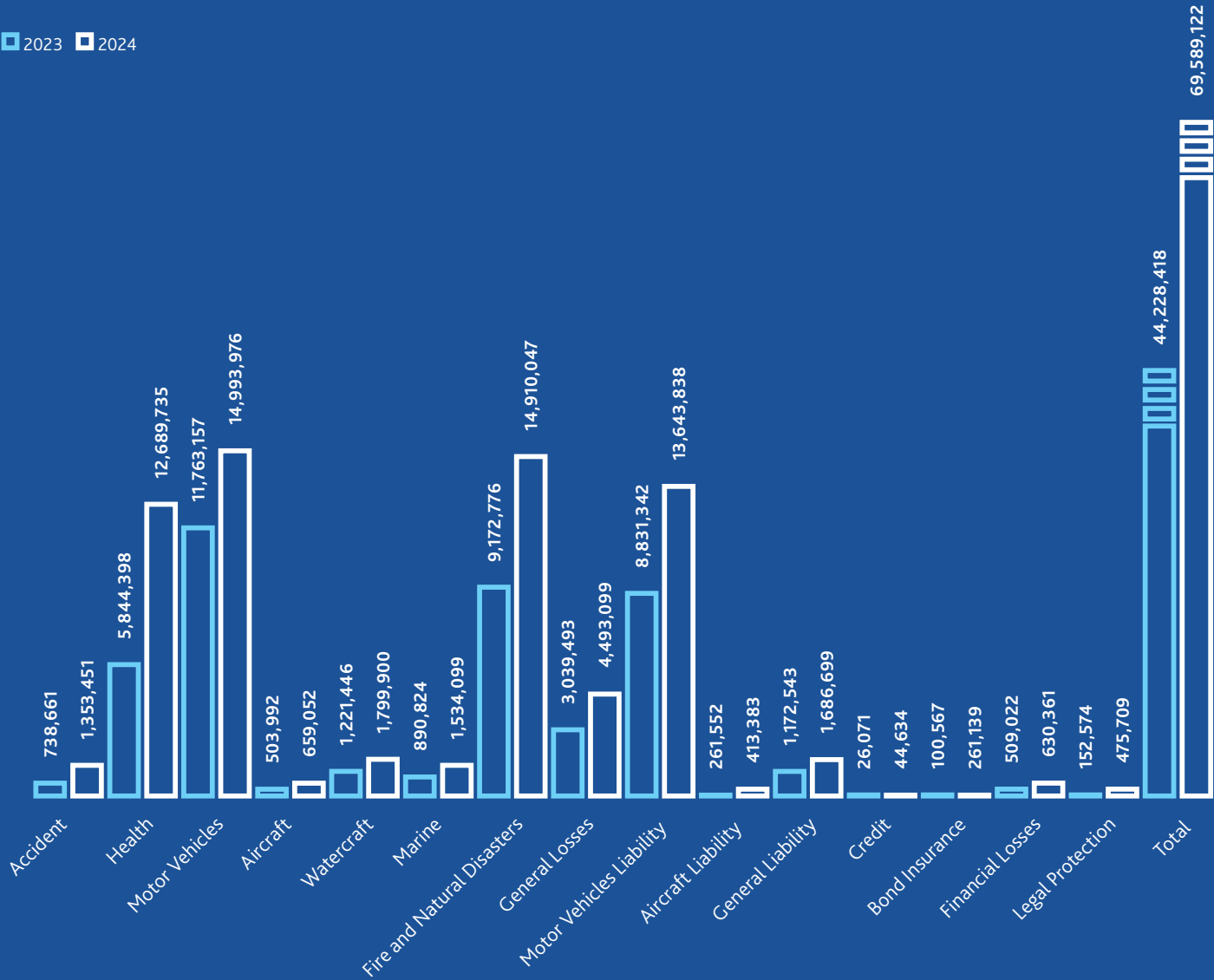
# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

TL **63,544**  
MILLION  
DIRECT PREMIUM  
PRODUCTION

IN 2024 THE DIRECT PREMIUM PRODUCTION OF ANADOLU SİGORTA REACHED TL 63,544 MILLION. WITH 21.5%, MOTOR VEHICLE BRANCH COMMANDS THE BIGGEST SHARE OF THE TOTAL PORTFOLIO.

PREMIUM PRODUCTION  
(TL THOUSAND)

2023 2024



Anadolu Sigorta is an insurer active in non-life branches, which include accident, health, motor vehicles, aircraft, watercraft, marine, fire and natural disasters, general losses, motor vehicle liability, aircraft liability, general liability, credit, bond insurance, financial losses and legal protection.

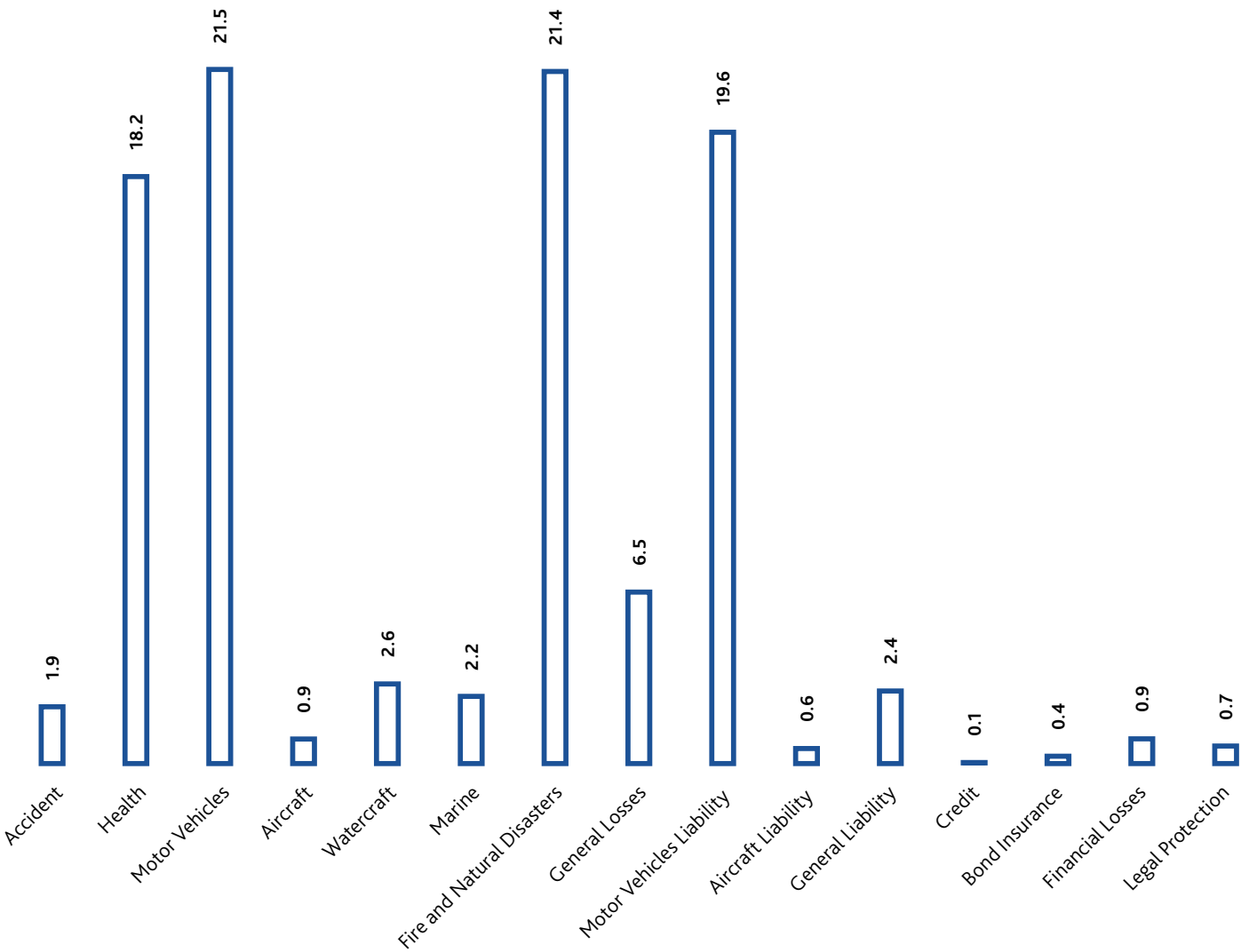
Premium Production and Technical Results

In 2024, direct premium production of Anadolu Sigorta reached TL 63,544 million including the indirect premiums (Risky Insureds Pool, Medical Insurance Pool, Claims of Treaty Activities and other indirect

business) received in the amount of TL 6,045 million, total premium production came to 69,589 million.

With 21.5%, motor vehicle branch commands the biggest share of the total portfolio. This is followed by fire and natural disasters, motor vehicle liability and health branches.

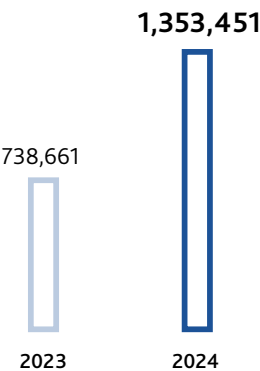
BREAKDOWN OF PREMIUM PRODUCTION BY BRANCHES (%)



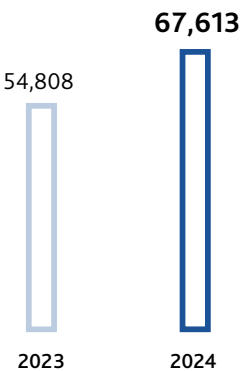


# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

PREMIUM PRODUCTION  
(TL THOUSAND)



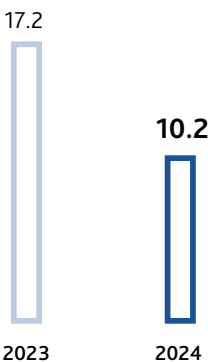
CLAIMS PAID  
(TL THOUSAND)



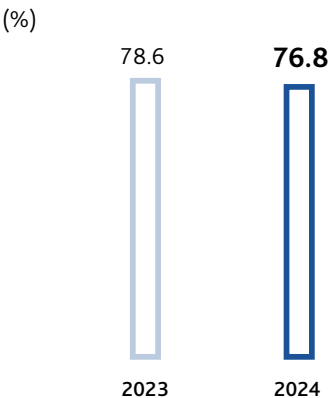
## ACCIDENT

Premium production in the accident branch was up 83.2% year-on-year and amounted to TL 1,353,451 thousand in 2024, while claims paid totaled TL 67,613 thousand. Technical profit in this branch increased by 79.2 % year-on-year and amounted to TL 1,039,983 thousand.

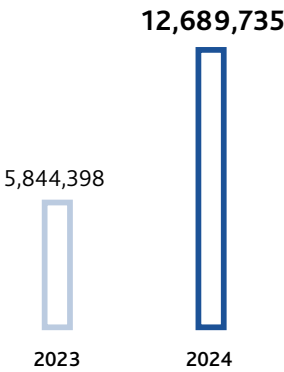
LOSS RATIO  
(%)



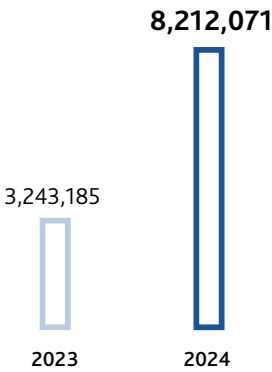
TECHNICAL PROFITABILITY  
RATIO



**PREMIUM PRODUCTION**  
(TL THOUSAND)



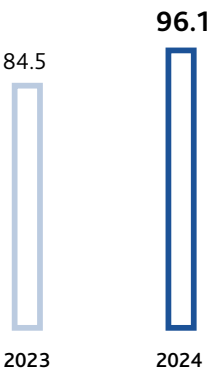
**CLAIMS PAID**  
(TL THOUSAND)



**HEALTH**

In 2024, premium production in the health branch augmented 117.1 % year-on-year and amounted to TL 12,689,735 thousand, while claims paid totaled TL 8,212,071 thousand. In 2024, the technical profit in this branch amounted to TL 396,184 thousand, TL 790,860 thousand less than what it was in 2023, due to deteriorated loss/premium ratio.

**LOSS RATIO**  
(%)

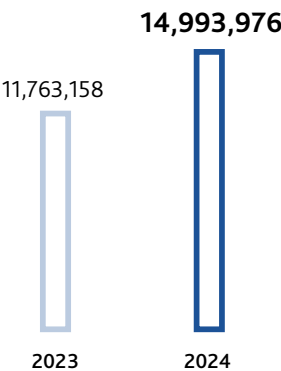


**TECHNICAL PROFITABILITY RATIO**  
(%)

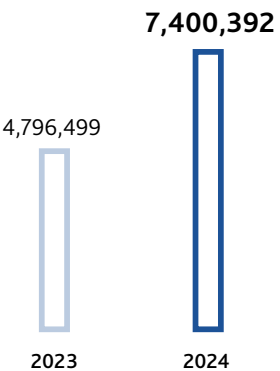


# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

PREMIUM PRODUCTION  
(TL THOUSAND)



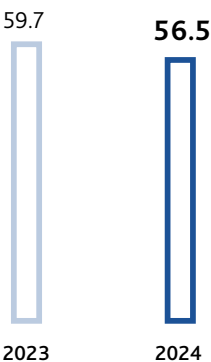
CLAIMS PAID  
(TL THOUSAND)



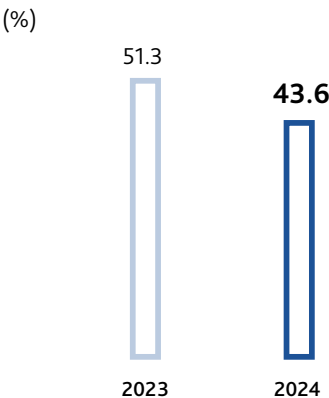
## MOTOR VEHICLES

Premium production on motor vehicles insurance that has the highest share in the premium production of Anadolu Sigorta boosted by 27.5 % year-on-year, amounting to TL 14,993,976 thousand in 2024. In the same period, claims paid rose by 54.3 % and were up to TL 7,400,392 thousand. In 2024, the technical profit figure was TL 6,542,383 thousand due to the decline in the loss/premium ratio.

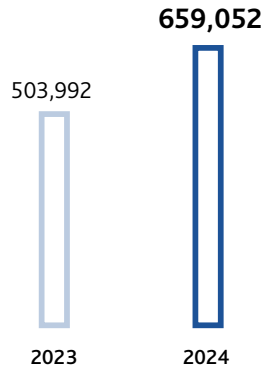
LOSS RATIO  
(%)



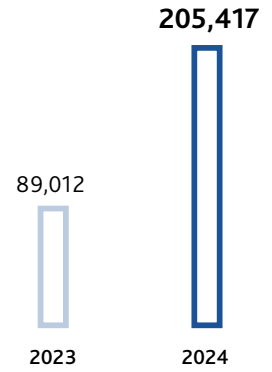
TECHNICAL PROFITABILITY  
RATIO



### PREMIUM PRODUCTION (TL THOUSAND)



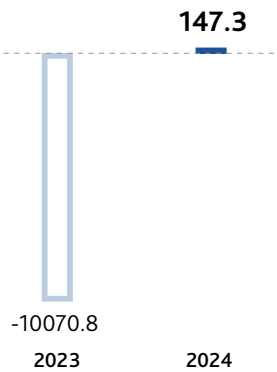
### CLAIMS PAID (TL THOUSAND)



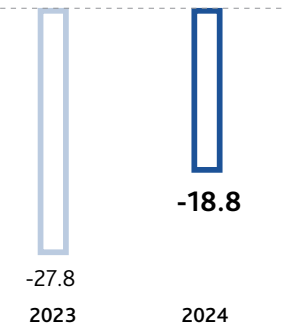
## AIRCRAFT

Premium production on aircraft was worth TL 659,052 thousand with an increase of 30.8 % year-on-year while claims paid amounted to TL 205,417 thousand. The aircraft branch posted TL 123,791 thousand in technical loss.

### LOSS RATIO (%)

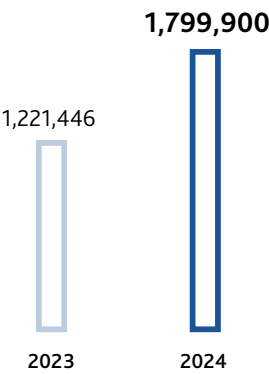


### TECHNICAL PROFITABILITY RATIO (%)

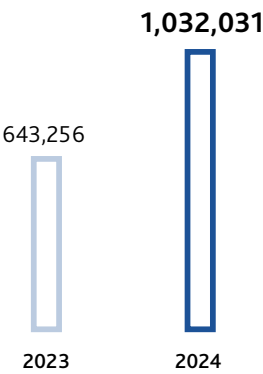


# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

PREMIUM PRODUCTION  
(TL THOUSAND)



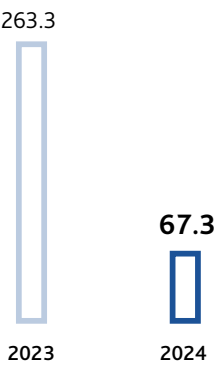
CLAIMS PAID  
(TL THOUSAND)



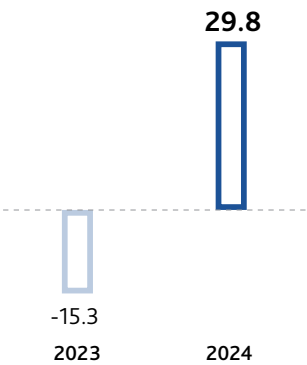
## WATERCRAFT

In 2024, watercraft insurance premium production went up by 47.4 % year-on-year and amounted to TL 1,799,900 thousand, while claims paid totaled TL 1,032,031 thousand. In 2024, the branch booked a technical profit figure of TL 536,089 thousand due to the improvement in the loss/premium ratio.

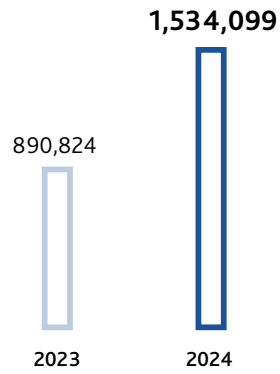
LOSS RATIO  
(%)



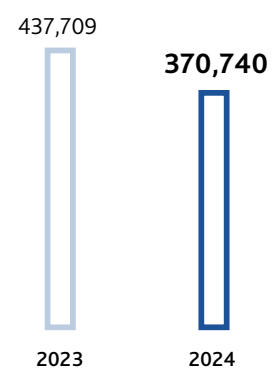
TECHNICAL PROFITABILITY  
RATIO  
(%)



### PREMIUM PRODUCTION (TL THOUSAND)



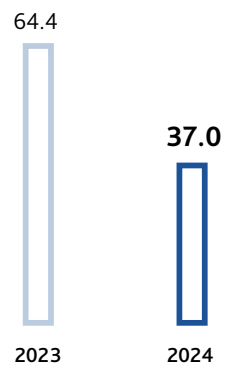
### CLAIMS PAID (TL THOUSAND)



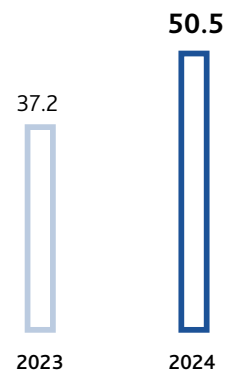
## MARINE

During 2024, premium production in the marine branch rose by 72.2 % to TL 1,534,099 thousand while claims paid amounted to TL 370,740 thousand. Technical profit was TL 774,937 thousand in 2024 with a year-on-year increase of 133.7%.

### LOSS RATIO (%)



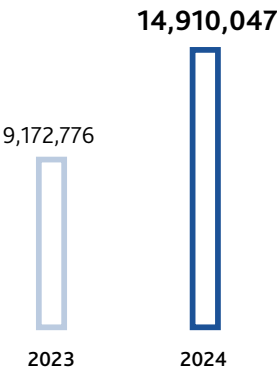
### TECHNICAL PROFITABILITY RATIO (%)



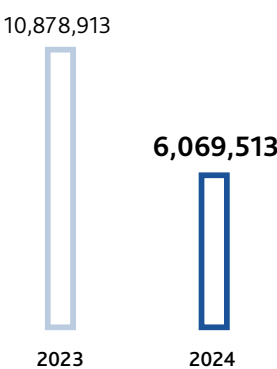


# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

PREMIUM PRODUCTION  
(TL THOUSAND)



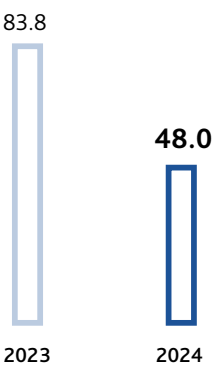
CLAIMS PAID  
(TL THOUSAND)



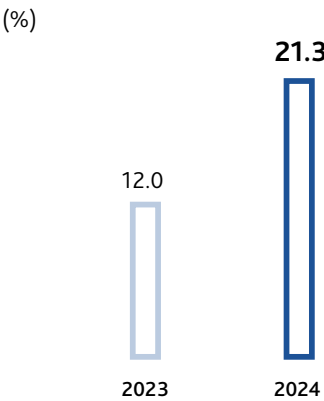
## FIRE AND NATURAL DISASTERS

Premium production on fire and natural disasters insurance, which is responsible for the second highest share in the company's total premium production, was up 62.5% in 2024 and reached TL 14,910,047 thousand while claims paid amounted to TL 6,069,513 thousand. Having posted a technical profit of TL 1,099,231 thousand in 2023, the fire and natural disasters branch booked a technical profit of TL 3,170,112 thousand in 2024 with a year-on increase of 188.4 %.

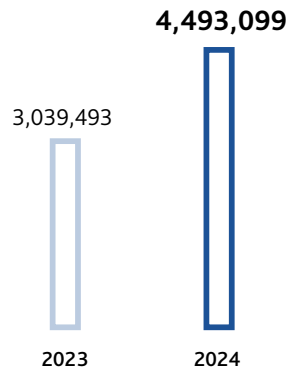
LOSS RATIO  
(%)



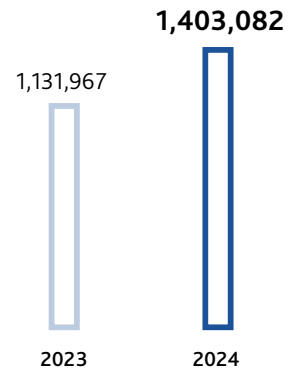
TECHNICAL PROFITABILITY  
RATIO



### PREMIUM PRODUCTION (TL THOUSAND)



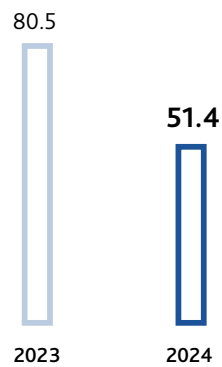
### CLAIMS PAID (TL THOUSAND)



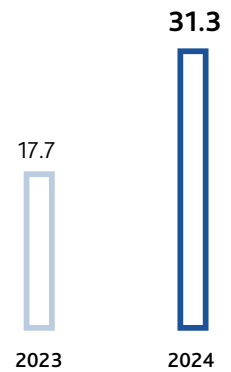
## GENERAL LOSSES

During 2024, premium production in general losses branch was up by 47.8 % and amounted to TL 4,493,099 thousand. While claims paid amounted to TL 1,403,082 thousand, technical profit was up by 161.6% as compared with 2023 and registered as TL 1,404,116 thousand in the reporting period.

### LOSS RATIO (%)

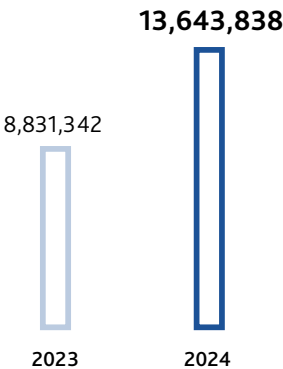


### TECHNICAL PROFITABILITY RATIO (%)

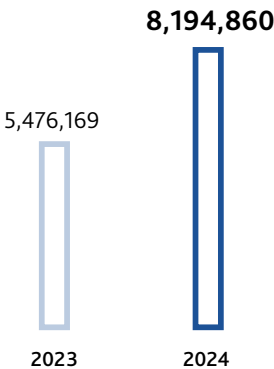


# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

PREMIUM PRODUCTION  
(TL THOUSAND)



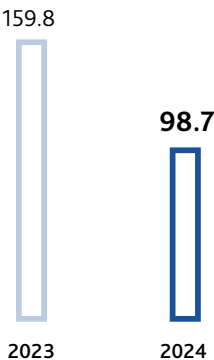
CLAIMS PAID  
(TL THOUSAND)



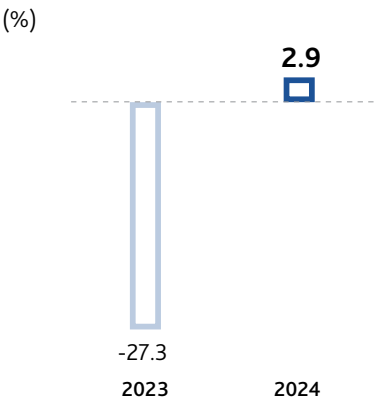
## MOTOR VEHICLES LIABILITY

Premium production on motor vehicles liability insurance, grew by 54.5 % in 2024 to TL 13,643,838 thousand, while claims paid amounted to TL 8,194,860 thousand. In 2024, the branch booked a technical profit figure of TL 394,133 thousand due to the improvement in the loss/premium ratio. The branch ceded premiums in the amount of TL 1,637,261 thousand to the Risky Insureds Pool in 2024, while the premiums taken over from the Pool amounted to TL 1,146,464 thousand.

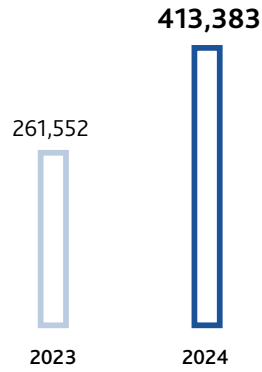
LOSS RATIO  
(%)



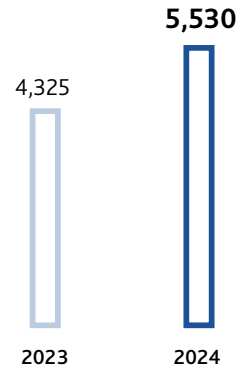
TECHNICAL PROFITABILITY  
RATIO



### PREMIUM PRODUCTION (TL THOUSAND)



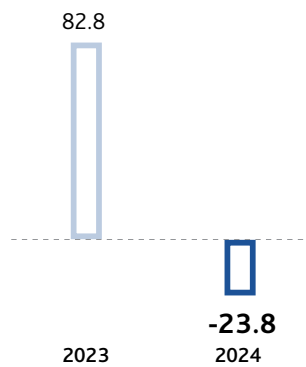
### CLAIMS PAID (TL THOUSAND)



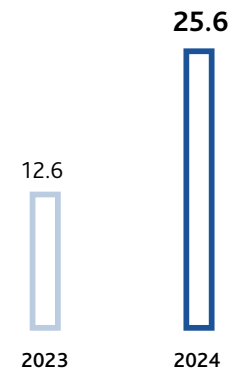
## AIRCRAFT LIABILITY

Premium production in the aircraft liability branch was TL 413,383 thousand in 2024, up by 58.1 %. Technical profit in this branch was TL 105,915 thousand, 220.7 % above the 2023 figure.

### LOSS RATIO (%)

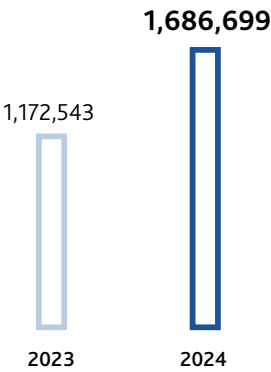


### TECHNICAL PROFITABILITY RATIO (%)

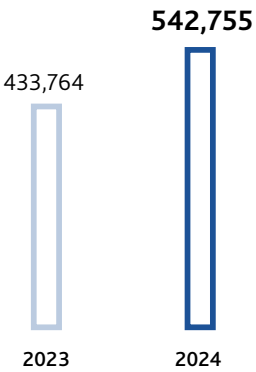


# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

PREMIUM PRODUCTION  
(TL THOUSAND)



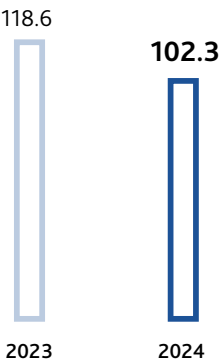
CLAIMS PAID  
(TL THOUSAND)



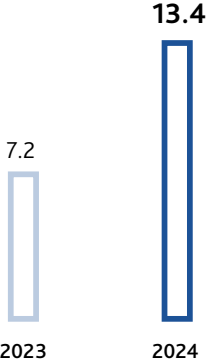
## GENERAL LIABILITY

During 2024, general liability insurance premium production grew 43.8 % and amounted to TL 1,686,699 thousand. While claims paid increased by 25.1 % year-on-year to TL 542,755 thousand, the branch closed the year with a technical profit of TL 226,440 thousand. While the branch ceded premiums in the amount of TL 22,685 thousand to the Medical Malpractice Insurance Pool in 2024, the premiums taken over from the Pool amounted to TL 9,505 thousand.

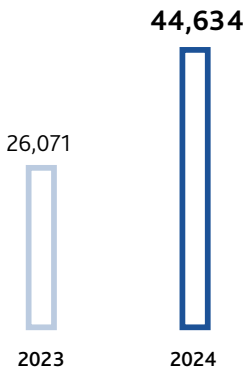
LOSS RATIO  
(%)



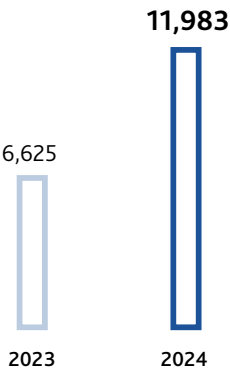
TECHNICAL PROFITABILITY  
RATIO  
(%)



**PREMIUM PRODUCTION**  
(TL THOUSAND)



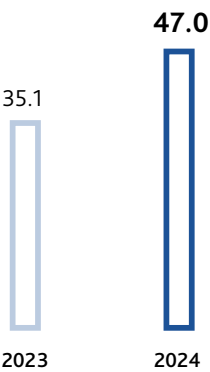
**CLAIMS PAID**  
(TL THOUSAND)



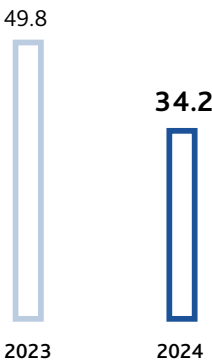
**CREDIT**

The credit insurance branch realized a premium production of TL 44,634 thousand in 2024 while TL 11,983 thousand was paid in claims. The branch booked a technical profit of TL 15,246 thousand on its 2024 operations.

**LOSS RATIO**  
(%)



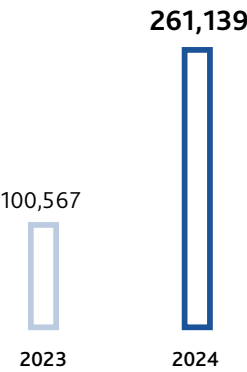
**TECHNICAL PROFITABILITY RATIO**  
(%)



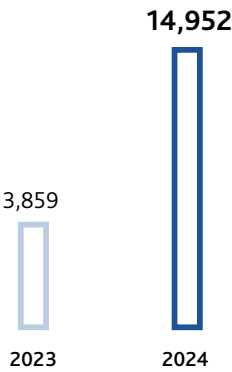


# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

PREMIUM PRODUCTION  
(TL THOUSAND)



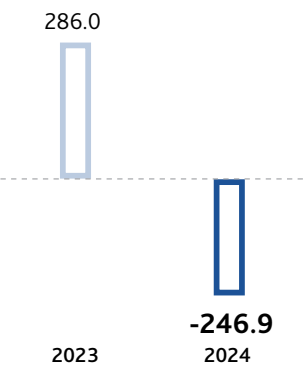
CLAIMS PAID  
(TL THOUSAND)



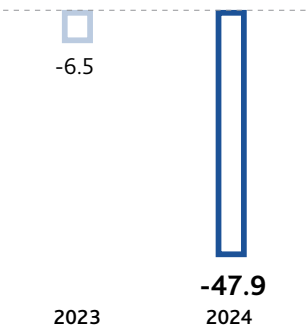
## BOND INSURANCE

Premium production in the bond insurance branch was worth TL 261,139 thousand in 2024, while claims paid amounted to TL 14,952 thousand. The technical loss in this branch was TL 123,309 thousand in 2024.

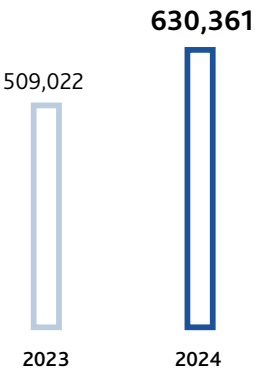
LOSS RATIO  
(%)



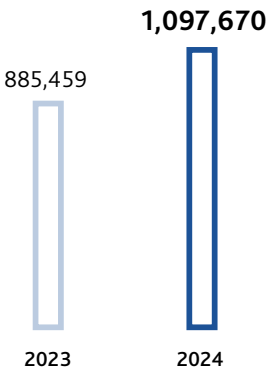
TECHNICAL PROFITABILITY  
RATIO  
(%)



**PREMIUM PRODUCTION**  
(TL THOUSAND)



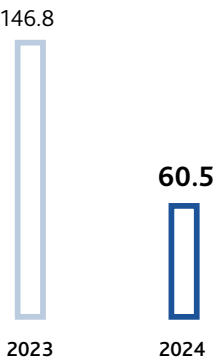
**CLAIMS PAID**  
(TL THOUSAND)



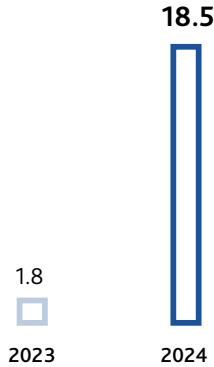
**FINANCIAL LOSSES**

Premium production in the financial losses branch totaled TL 630,361 thousand in 2024 and claims paid were worth TL 1,097,670 thousand. The financial losses branch posted a technical profit of TL 116,905 thousand in 2024.

**LOSS RATIO**  
(%)

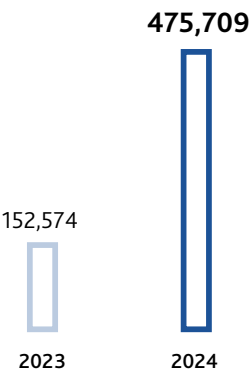


**TECHNICAL PROFITABILITY RATIO**  
(%)

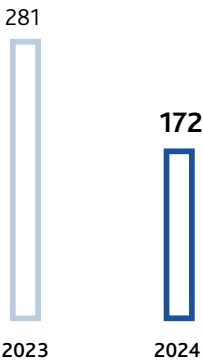


# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

PREMIUM PRODUCTION  
(TL THOUSAND)



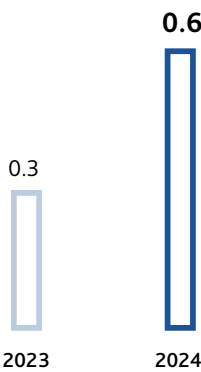
CLAIMS PAID  
(TL THOUSAND)



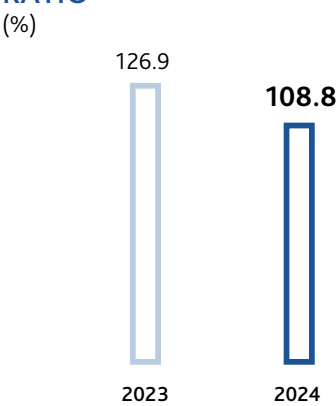
## LEGAL PROTECTION

Premium production in the legal protection branch stood at TL 475,709 thousand in 2024, 211.8 % higher than what it was in 2022. The branch attained a profitability of 108.8 % in in the reporting period for a technical profit of TL 517,451 thousand.

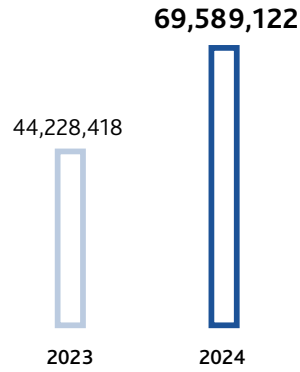
LOSS RATIO  
(%)



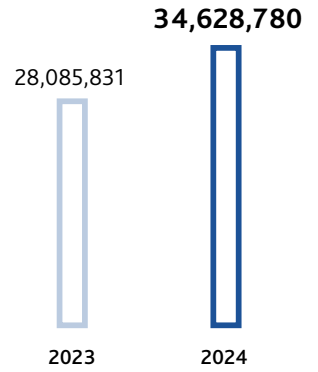
TECHNICAL PROFITABILITY  
RATIO



### PREMIUM PRODUCTION (TL THOUSAND)



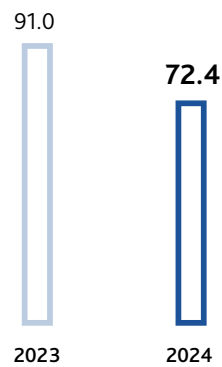
### CLAIMS PAID (TL THOUSAND)



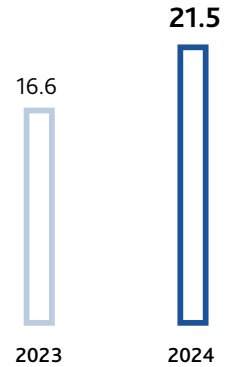
## TOTAL

Anadolu Sigorta's total premium production in 2024 was up 57.3% and reached TL 69,589,122 thousand, while claims paid grew by 23.3 % to TL 34,628,780 thousand. The technical profit figure surged by 103.8% to TL 14,992,792 thousand with the help of the 43.5 % increase in the income transferred from the financial division.

### LOSS RATIO (%)



### TECHNICAL PROFITABILITY RATIO (%)



# AN ASSESSMENT OF ANADOLU SİGORTA IN 2024

## Investment Income

Investment income increased by 19.6% to amount to TL 22,103,141 thousand in 2024.

The company, in 2024, derived TL 4,550,591 thousand as interest income on time deposits, TL 254,885 thousand from the matured government securities and private sector bonds, and TL 75,002 thousand in dividend income from equities.

A total of TL 2,845,959 thousand was booked as income on sales of financial investments during the reporting period. TL 376,334 thousand of this was from the sale of bills and bonds, while TL 735,293 thousand was from the sale of equities, and TL 1,673,892 thousand was from the sale of mutual funds. The portion of TL 60,440 thousand remaining outside these amounts consists of income generated by the sale of financial assets subject to repo trading, and the sale of other financial assets.

The "financial investments valuation account", which consists of valuation income derived from all equities, bills and bonds, mutual fund shares, repo trading, and fixed-term deposits, amounted to TL 6,954,559 thousand.

The company booked currency translation gains in the amount of TL 5,702,841 thousand, while income from derivatives were worth TL 1,254,382 thousand in 2024. Income from Anadolu Sigorta's equity participations amounted to TL 200,000 thousand.

Investment Income (TL thousand)	2024	2023	Change (%)
Income from Financial Investments	4,880,478	1,748,224	179.2
Revenues from the Sales of Financial Investments	2,845,959	3,406,011	-16.4
Valuation of Financial Investments	6,954,559	2,459,025	182.8
FX Gains	5,702,841	9,443,037	-39.6
Dividend from Affiliates	200,000	100,000	100
Income from Real Estate	264,922	145,141	82.5
Income from Derivatives	1,254,382	1,182,314	6.1
Other Investments	--	--	--
<b>Total</b>	<b>22,103,141</b>	<b>18,483,752</b>	<b>19.6</b>

## Investment Expenses

The company's investment expenses increased by 18.2 % to TL 22,071,957 thousand in 2024. The biggest component of this figure consisted of TL 16,926,488 thousand in investment income transferred to the technical division. Other significant amounts apart from this item within investment expenses included loss from derivatives in the amount of TL 318,543 thousand and FX losses in the amount of TL 3,842,465 thousand. Aside from these items, losses from liquidation of investments had an impact of TL 318,393 thousand, while investment and administration expenses, including interest, consisting of performance and management fees of asset management companies and IFRS 16 records, had an impact of TL 58,817 thousand.

Investment Expenses (TL thousand)	2024	2023	Change (%)
Investment Management Expenses (incl. interest)	-58,817	-214,151	-72.5
Devaluation of Investments	-432,330	-82,669	423.0
Loss from the Sales of Financial Investments	-318,393	-844,964	-62.3
Investment Income Transferred to the Technical Division	-16,926,488	-11,798,293	43.5
Loss from Derivatives	-318,543	-569,620	-44.1
FX Losses	-3,842,465	-5,043,064	-23.8
Depreciation Expenses	-174,921	-119,240	46.7
<b>Total</b>	<b>-22,071,957</b>	<b>-18,672,002</b>	<b>18.2</b>

## Revenues, Income, Expenses and Losses from Other Operations

The revenues, income, expenses and losses from other operations account stood at TL -887,495 thousand at year-end 2024. Of this account balance, TL 94,960 thousand is the deferred tax asset income account, followed by the reserves account of TL -622,473 thousand and the rediscounts account of TL -369,402 thousand.

Revenues, Income, Expenses and Losses from Other Operations (TL thousand)	2024	2023	Change (%)
Provisions	-622,473	-281,502	121.1
Rediscounts	-369,402	-54,166	582.0
Deferred Tax Asset Income	94,959	738,388	-87.1
Deferred Tax Asset Expenses	--	--	--
Other Revenues and Income	16,342	35,579	-54.1
Other Expenses and Losses	-6,921	-33,203	-79.2
<b>Total</b>	<b>-887,495</b>	<b>405,097</b>	<b>319.1</b>

## Operating Results

Key ratios concerning the company's performance in 2024 are shown in the chart below along with prior-year results for comparison.

	2024	2023
Technical Profitability	21.5%	16.6%
Claims Ratio	72.4%	91.0%
Return on Equity	35.5%	41.6%
Return on Assets	11.3%	10.1%

(TL thousand)	2024	2023	Change (%)
Technical Division Balance	14,922,794	7,357,036	103.8
Investment Income	22,103,141	18,483,752	19.6
Investment Expenses	-22,071,957	18,672,002	18.2
Revenues, Income, Expenses and Losses from Other Operations	-887,495	405,097	-319.1
<b>Total</b>	<b>14,136,483</b>	<b>7,573,883</b>	<b>86.6</b>
<b>Profit/Loss (Gross)</b>	<b>14,136,483</b>	<b>7,573,883</b>	<b>86.6</b>
Tax Provisions	-3,258,796	-1,664,486	95.8
<b>Profit/Loss (Net)</b>	<b>10,877,687</b>	<b>5,909,397</b>	<b>84.1</b>

## Assessment of the Company Capital and Comments

For the insurance industry, 2024 has been shaped under the influence of economic volatilities and regulatory changes. Escalated inflation and interest rates compel companies to take more prudent and strategic steps in their capital management. In this process, Anadolu Sigorta aims to establish the balance between its growth targets and sustainable profitability, while remaining keen on preserving its capital adequacy.

Information on capital adequacy is presented in the relevant section of the notes to the financial statements.

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## PROFIT DISTRIBUTION POLICY

- The company's profit distribution principles for shareholders and other people participating in the profit are governed by the applicable requirements of the Turkish Commercial Code, Capital Market legislation and our Articles of Incorporation.
- The dividend distribution proposals presented by the Board of Directors for the approval of the General Assembly are prepared in a manner to preserve the delicate balance between the expectations of our shareholders and the company's need to grow, and taking into consideration future expectations regarding the company's operations, capital adequacy targets and the conditions prevailing in capital markets, as well as the profitability of the company.
- The profit distribution policy espoused by the Board of Directors is based on the principle of proposing to the General Assembly the distribution of at least 30% of the net distributable profit for the period as bonus shares and/or in cash.
- In the event that the net distributable profit for the period calculated based on the legal records remains below 5% of the company's paid-in capital, the Board of Directors may propose to the General Assembly that no dividends be distributed.
- Dividend distribution formalities and processes are carried out so as to be completed by no later than the end of the fiscal year in which the General Assembly Meeting is convened.
- Pursuant to the company's Articles of Incorporation, our employees are paid dividends up to five times of their salaries, which, in the aggregate, must not be in excess of 3% of the amount remaining after the first dividend is set aside.
- The company may distribute advances on dividends in accordance with the principles and procedures set forth in the Capital Market legislation.
- There are no preference shares in the company.
- No founder's bonus certificates are given, nor are dividends paid to the members of the Board Directors.



# RISK MANAGEMENT POLICIES ADHERED TO BY TYPES OF RISKS

The company's risk policies and related implementation procedures include written standards devised and enforced by the Board of Directors. Determined and enforced by the Board of Directors in parallel with international practices on the basis of types of risks covered under insurance underwriting risk, credit risk, assets and liabilities management risk, operational risk, reputation risk and strategic risk, these are general standards that define the organization and scope of the risk management function, risk measurement procedures, 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.

Besides insurance underwriting, credit, assets and liabilities, reputation, strategic and operational risks, other risks can result from the reciprocal and successive interaction of these risks. Therefore, an integrated consideration should be adopted for all risk elements stemming from assets and liabilities positions.

The company's basic strategy with respect to the distribution of long-term assets and liabilities is to ensure consistency between assets and liabilities at optimum liquidity risk level so as to support the objective of maximizing returns. Accordingly, utmost importance is given to the following points:

The basic objective of the company's activity in the money and capital markets is to generate maximum possible return at a specified risk level. The priorities in asset investments are, in order of precedence, safe investment, liquidity and return.

When investing assets, the company takes into account market and liquidity risks, portfolio concentration risk, payables in high amounts such as known or foreseeable advance taxes, corporate taxes, reinsurer

payments and claims payments, as well as receivables from insurance activity.

Through scenario analyses and stress tests, the assets portfolio is exposed to various shocks and tested with respect to interest rates, exchange rates and share certificate prices. These tests are conducted at quarterly intervals at a minimum. Utmost attention is paid to maintaining a cash position in foreign currency for potential catastrophic risks equivalent to the lower limit of excess of loss agreements, as well as known liabilities for any given period.

The company has in place a Contingency Action and Funding Plan concerning actions to be taken in the event of a liquidity crisis by reason of negative market movements beyond its control, unexpected macroeconomic developments, catastrophe or big-ticket claims payments and/or other reasons.

The Board of Directors, taking into account long-term strategies, equity capabilities, returns to be derived and general economic expectations, sets the company's risk tolerance, which is then expressed in terms of risk limits. In line with the procedures set in the policies and in view of the market conditions in the relevant period, the Risk Management Department reports any limit violations to the CEO and the Board of Directors after obtaining input from the Early Detection of Risk Committee.

## 1- Insurance Underwriting Risk Policy

Insurance underwriting risk is defined as a risk that might arise basically from failure to correctly and effectively implement the insurance technique within the process of converting coverage provision for occurrences, which are probable, into sustainable commercial earnings. The scope of Insurance Underwriting Risk Policies consists of the scope, conditions and price of the coverage

to be provided for the risk; the principles applied in determining which of the coverages provided will be ceded up to what amounts and to whom in the case of risks decided to be transferred; conducting effective monitoring of risk portfolio loss frequency so as to allow formulation of fitting reinsurance strategies at sufficient frequency, and related monitoring and reporting system.

Management of insurance underwriting risk is based on the principle of forming the risk portfolio with risks that represent a low potential to cause loss. In order to avoid poor risk selection and incorrect pricing of insurance policies and to create accurate reinsurance policies, effective monitoring is carried out on loss frequency and loss severity of the risk portfolio. The risk portfolio is separately overseen on the basis of agents, industry, branches, regions, brands, models, tariffs, products, customers and other parameters.

A comprehensive insurance underwriting risk reporting system is used to ensure measurement of loss performance, oversee compliance with applicable legislation and ensure reporting on the effectiveness of insurance underwriting risk controls. The risk of the portfolio is regularly reported by executive departments and the Risk Management Department to the CEO and the Board of Directors after obtaining input from the Early Detection of Risk Committee.

## 2- Credit Risk Policy

Credit risk means the possibility of the company's sustaining loss due to failure on the part of policyholders, agents, reinsurers, fronting companies, coinsurers, and other parties to partially or totally fulfill their obligations towards the company. It also indicates to the loss of market capitalization caused by the deterioration in the financial standing of companies with which there are subsidiary or affiliate relationships. The Credit

# RISK MANAGEMENT POLICIES ADHERED TO BY TYPES OF RISKS

Risk section of the Risk Management Policy sets out the procedures and responsibilities related to the management, control and monitoring of credit risk, as well as matters in relation to credit risk limits.

Early identification and definition of issues are of the essence for effective management of credit risk. For this purpose early warning signals are determined; these are indicators pointing at cases that will adversely influence the credit risk and lead to a credit risk that is above the company's risk tolerance. For insurance brokers, these are declined collection ratios, reduced production performances, slackened discipline in conforming to company guidelines, and other data from intelligence. For Reinsurance companies and counterparties, these cover all kinds of data and information obtained in relation to negative ratings and developments. It is the duty and responsibility of executive units to obtain data and information in relation to credit risk. All kinds of information obtained are urgently considered within the frame of decision-making, monitoring, reporting and auditing processes.

A credit risk scoring system used, which has the capability to be made use of in the management of credit risk and decision-making, to enable monitoring risk on the basis of counterparties, to take notice of expected and unexpected losses, and to allow for making the decisions based not only on the return derived or anticipated to be derived from the counterparty at any time, but also on the risk underwritten. The risks of counterparties are regularly reported by the Risk Management Department to the CEO and the Board of Directors after obtaining input from the Early Detection of Risk Committee. The Risk Management Department also monitors regional, sectoral and market trends that have an actual or potential effect on the company's credit risk,

and reports the results to the CEO and the Board of Directors after obtaining input from the Early Detection of Risk Committee.

## 3-Assets and Liabilities Management Risk Policy

Assets and Liabilities Management risk means all financial risks such as market, liquidity, structural interest rate, capital investment and real estate investment, which arise from the company's assets and liabilities. Internationally-recognized approaches and advanced statistical methods are employed to measure the risk. Since these calculations cover risk prediction for the following days, the accuracy of predictions are compared subsequently with actual values and monitored on a daily basis. On the other hand, the portfolio is tested under different scenarios for determining the effects of occurrences, which pose a low probability in terms of occurrence, but big volume in terms of loss. The assessments, which include the possible mismatches among types and maturities of the company's assets and liabilities, are regularly reported in detail to the CEO and the Board of Directors after obtaining input from the Early Detection of Risk Committee.

Among the components of the Assets-Liabilities Management Risk, the Market Risk means the risk of loss in the value of the company's placements in financial borrowing instruments whose return is linked to interest rate; stock, other investment securities, all FX or FX-indexed assets and liabilities in or off the balance sheet, derivative contracts based on the said instruments, which loss might result from the volatilities in interest rates, stock prices and exchange rates.

The basic and ultimate purpose of the company's activities in money and capital markets is to generate returns. The basis of assets liabilities management policies is to measure, report and keep under control

the risk that the company is exposed to by reason of such activity. The top priority is to ensure that the company's assets liabilities management risk exposure is within the limits stipulated by applicable legislation and is compliant with the company's risk appetite. In assets liabilities risk management, risk appetite is expressed in terms of limits assigned to the Financial Management within the investment limits determined by the Board of Directors and the contracted asset management companies. Market risk limits are categorized into two groups: limits established by the value at risk method, and limits determined based on the ratio of each group of investment securities to the total portfolio and shareholders' equity. The Risk Management Department and Financial Management Department closely and constantly monitor limit violations. In case limits are exceeded, the amount by which a limit is exceeded and the reasons therefor are reported to the CEO and the Board of Directors, along with the assessments of the executive committee and after obtaining input from the Early Detection of Risk Committee. If limit violations are above the ratios or durations set by the Board of Directors, necessary action is determined by the Board of Directors.

## 4- Operational Risk Policy

Operational risk is defined as any risk other than insurance underwriting, credit, assets and liabilities management, strategic and reputation risks which might occur in relation to the organization, business continuity, insufficient or inoperative business processes, technology, human resource, underperformance by individuals, administrative mistakes, unfortunate events, misconduct, accident and fraud, systems or external factors, legislation, management and business environment, and which might cause physical or reputational loss to the company.

Within the framework of this definition, risks such as IT risk, human capital management risk, compliance risk, model risk, fraud risk, operating environment risk, transaction and process risk, and subheadings thereof are addressed and monitored under operational risk.

Limits are introduced for potential operational risks that might arise during the activities based on the "Company Risk Catalogue," which is the basic document used in defining and classifying all risks that may be faced with. The Risk Catalogue is updated in parallel with the changing conditions.

"Self-Assessment Methodology" is used in the identification of operational risks. In this method, the risks in relation to activities conducted are exposed with the involvement of the personnel performing the job. Qualitative and quantitative methods are used jointly in the measurement and evaluation of operational risk. The measurement process uses data obtained from "Impact-Probability" and "Loss Incident" database."

When managing operational risk, controls are developed to eliminate or mitigate the possibility of sustaining loss due to risks that the company may be exposed to in relation to its activities. Effectiveness and adequacy of existing or subsequently developed controls, and the implementation of action plans adopted in this regard are evaluated in coordination with the Risk Management and Internal Control Department and the Board of Inspectors. The Risk Management Department monitors all operational risks that the company may be exposed to during the course of its activities, and regularly reports on the same to the CEO and the Board of Directors after obtaining input from the Early Detection of Risk Committee.

Compliance risk, which is a sub-category of operational risk, is defined as the risk of fines imposed against the company, financial losses and reputational loss sustained due to non-compliance with the internal guidelines, besides with the laws, regulations, rules and standards governing its activities. All external legislations and obligations governing the company in addition to insurance legislation are taken into consideration in the management of compliance risk.

The basic strategy of the company in terms of compliance risk is to carefully plan, conduct and manage risk management activities independently, impartially, purposefully, productively and efficiently, employing a risk-focused approach and in line with applicable legislation and internationally accepted principles and standards. The basic principle in achieving this goal is to employ the most advanced tools and methods that are available and possible to be used.

### **5- Reputation Risk Policy**

Reputation risk refers to potential loss that may result from loss of confidence in the company or harm to the company's reputation stemming from failed operations or from regulatory non-compliance. At a minimum, the company's level of reputation risk exposure is monitored individually and assessed as a whole, in view of the perception and reputation survey questionnaire results; the extent at which products and services offered satisfy customer expectations; negative comments in printed, visual, audio and social media platforms; market capitalization; service continuity level; sanctions imposed and their implications; lawsuits brought against the company, and risk/control analyses pertaining to processes. Perception and reputation survey questionnaire results, customer complaints, negative news featured in media platforms

and similar occurrences are taken into consideration as warnings. Each element in relation to the level of reputation risk is monitored individually and/or collectively, and the Risk Management Department, at least on a quarterly basis, reports the assessment results to the CEO and the Board of Directors after obtaining input from the Early Detection of Risk Committee. The level of compliance with the corporate governance understanding that forms the basis of the reputation risk is also monitored by the Corporate Governance Committee.

### **6-Strategic Risk Policy**

Strategic risk is the risk of taking inappropriate decisions when setting the strategies related to the company's activities or failure to duly implement the strategic decisions. Strategy-related activities and monitoring activities carried out by the Corporate Strategy and Performance Management make sure that all executive units act in accordance with the company's strategies. The Risk Management Department performs measurements and risk assessments in relation to relevant risk headings. Measurements, analyses and suggestions in relation to strategic risks are periodically reported to the CEO and the Board of Directors by the Risk Management Department after obtaining input from the Early Detection of Risk Committee.

# ACTIVITIES OF THE EARLY DETECTION OF RISK COMMITTEE

Pursuant to the provisions of the Communiqué Serial: IV No: 56 on the Determination and Implementation of Corporate Governance Principles enforced upon its publication in the Official Gazette issue 28158 dated 30 December 2011, it has been decided to set up an Early Detection of Risk Committee as of 27 February 2012, which would be responsible for carrying out all relevant works and efforts for the early detection of risks that might endanger the existence, progress and survival of the company, implementation of measures and remedies against identified risks, and management of the risk. The committee makes an assessment of the situation in its bimonthly reports submitted to the Board of Directors; the said reports are also shared with the statutory auditor.

In accordance with the principles and procedures associated with internal systems and their operation stipulated in the Regulation on Internal Systems in Insurance and Private Pension Sectors which went into force upon its publication in the Official Gazette issue 31670 dated 25 November 2021, the company provided that the Audit Committee's tasks associated with internal control, risk management and actuarial functions are performed by the company's "Early Detection of Risk Committee", and the tasks associated with the internal audit function are performed by the "Audit Committee". In addition, Internal Systems Directorate has been set up at the company; a senior executive who is not a Board of Directors member has been assigned with the title Head of Internal Systems and will serve as a member of the Early Detection of Risk Committee, and the internal control, risk management and actuarial units were affiliated to the Head of Internal Systems administratively and functionally.

## RISK MANAGEMENT ACTIVITIES AND RISK ASSESSMENT

The company's risk exposure is monitored, assessed and controlled individually under the categories of insurance underwriting risk, credit risk, assets and liabilities risk, reputation risk, strategic risk, and operational risk in accordance with documented risk policies. The risks that might arise during the activities are defined and classified based on the "Company Risk Catalogue," and reported monthly and quarterly to the Board of Directors via the Early Detection of Risk Committee. Impact-likelihood analysis, scenario analysis, stress tests and risk indicators are used in addition to risk assessments for prioritization of risks. Risks, which are defined and whose management principles are described in detail in the Risk Catalogue, are regularly reviewed at least on an annual basis, and related definitions and principles are kept up-to-date.

When the company's risk exposure is assessed with respect to the magnitude of the potential impact of those risks, the effects of global and national developments upon the technical and financial performance, the potential earthquake in İstanbul, and low technical profitability come to the fore.

Looking at global risks, Israel's military campaigns and the latest developments in our region, particularly in Syria, combined with the Ukraine-Russia war increase geopolitical risks. Another popular belief is that Trump's policies will intensify the trade wars. In addition, global warming and climate change continue to represent the most critical risk heading for the future of the insurance industry, as it does for the whole world, and directly influences non-life insurance sector in particular.

From the standpoint of the Turkish economy, a number of factors including the policies of CBRT (Central Bank of the Republic of Türkiye) to fight against the high inflation, and international fund inflow will continue to make critical agenda items with respect to economic stability. The rise in minimum wage will likely boost the costs of companies with high market share particularly in motor compulsory TPL and liability branches. Geopolitical developments and the course of international relations are also among the telling factors in terms of economic stability.

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The compensation amounts that might result from earthquakes and other catastrophic risks that exceed the upper limits of various existing agreements are of a nature that might lead the company to suffer losses of a magnitude that cannot be made up for in a typical operating year. Modeling software is used to determine the magnitude of an earthquake in İstanbul and the potential losses that would arise therefrom, and the potential margin of error incorporated in such software is also taken into consideration when determining the final protection level. On the other hand, scenario analyses are employed to establish some uncertainties that cannot be calculated by modeling programs, such as personal injury, casco claims, tsunami, post-earthquake fire, changes in our protection level due to volatile exchange rates, inflation, high level coverage in conjunction with loss of profit, and a portfolio that expands during the course of the year, whereas a certain safety margin is allowed for some other uncertainties. A Contingency Action and Funding Plan and a Business Continuity Plan are in place for the management of potential risks that might increase substantially if triggered simultaneously by the potential earthquake in İstanbul. The operability of these plans is tested at regular intervals.

Low operating profitability is at the top of the risk elements that are critical for the company, which is the case also for all non-life companies in the sector. Profitability can be achieved with the support of investment income; however, the loss presented by technical results especially in liability branches poses a risk with respect to sustainable growth of the sector.

Disrupted supply chains and the pandemic-accelerated digitalization process compel a redesign of certain fundamental insurance functions according to evolving customer expectations. The said conditions call for upskilling and reskilling on the part of employees, whereas shifting human resources priorities and labor market dynamics directly concern insurance companies as well. Moreover, the deadline for the transition to the new insurance standard, IFRS 17 Insurance Contracts, remains as a key topic for insurers.

# INDEPENDENT AUDITOR'S REPORT ON THE EARLY RISK IDENTIFICATION SYSTEM AND COMMITTEE



To the Board of Directors of Anadolu Anonim Türk Sigorta Şirketi

1. We have audited the early risk identification system and committee established by Anadolu Anonim Türk Sigorta Şirketi (the "Company").

## Board of Directors' Responsibility

2. Pursuant to subparagraph 1 of Article 378 of Turkish Commercial Code ("TCC") No. 6102; Board of Directors is required to form an expert committee, and to run and to develop the necessary system for the purposes of early identification of causes that jeopardize the existence, development and continuity of the company; applying the necessary measures and remedies in this regard; and managing the related risks.

## Auditor's responsibility

3. Our responsibility is to reach a conclusion on the early risk identification system and committee based on our audit. Our audit was conducted in accordance with TCC, "Principles on Independent Auditor's Report on the Early Risk Identification System and Committee" issued by the Public Oversight Accounting and Auditing Standards Authority and ethical requirements. Those principles require us to identify whether the Company established the early risk identification system and committee or not and, if established requires us to assess whether the system and committee is operating or not within the framework of Article 378 of TCC. Our audit does not include evaluating the adequacy of the operations carried out by the management of the Company in order to manage these risks.

## Information on the Early Risk Identification System and Committee

4. The Company established the early risk identification system and committee and it is comprised of 3 members. The Committee has submitted the relevant reports for the period 1 January -

31 December 2024 to the Board of Directors that had been prepared for the purpose of early identification of risks that jeopardize the existence of the Company and its development, applying necessary measures and remedies in this regard and managing the risks.

## Conclusion

5. Based on our audit, it has been concluded that Anadolu Anonim Türk Sigorta Şirketi's early risk identification system and committee is sufficient, in all material respects, in accordance with Article 378 of TCC.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Ramazan Yüksekaya, SMMM  
Independent Auditor

Istanbul, 7 February 2025

# INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT

To the General Assembly of Anadolu Anonim Türk Sigorta Şirketi

## 1. Opinion

We have audited the annual report of Anadolu Anonim Türk Sigorta Şirketi (the "Company") for the 1 January – 31 December 2024 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Company's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated and unconsolidated financial statements and with the information obtained in the course of independent audit.

## 2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") and the regulations on the principles on auditing as set out in the insurance legislation. Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

## 3. Our Audit Opinion on the Full Set Consolidated and Unconsolidated Financial Statements

We expressed an unqualified opinion in the auditor's report dated 7 February 2025 on the full set consolidated and unconsolidated financial statements for the 1 January - 31 December 2024 period.

## 4. Board of Director's Responsibility for the Annual Report

Company management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102, Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") and the "Regulation on the Financial Structure of Insurance, Reinsurance and Pension Companies" (the "Regulation") published in the Official Gazette dated 7 August 2007 and numbered 26606 are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly.
- b) to prepare the annual report to reflect the Company's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Company may encounter are clearly indicated. The assessments of the Board of Directors with regards to these matters are also included in the report.



# INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT

## 4. Board of Director's Responsibility for the Annual Report (Continued)

c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,
- the Company's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

## 5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC, the Communiqué and the Regulation provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited consolidated and unconsolidated financial statements in the annual report are consistent and presented fairly with the audited consolidated and unconsolidated financial statements of the Company and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the regulations on the principles on auditing as set out in the insurance legislation and the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited consolidated and unconsolidated financial statements in the annual report are consistent and presented fairly with the audited consolidated and unconsolidated financial statements and with the information obtained in the course of audit.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Ramazan Yüksekaya, SMMM  
Independent Auditor

İstanbul, 28 February 2025

# DISCLOSURE POLICY

## General Framework

Anadolu Anonim Türk Sigorta Şirketi fulfills its obligations of public disclosure of financial and other type of information as required mainly by the Law on Insurances and relevant regulations hereunder and Capital Markets Legislation, Turkish Commercial Code and the legislation governing the BIST (Borsa İstanbul), through which our shares were listed and exchanged, in line with the generally accepted accounting principles and corporate governance principles; therefore, it follows a detailed public disclosure policy.

Main purpose of the disclosure policy is to ensure true, complete, convenient, less costly, understandable and fair conveyance of necessary information and disclosures, other than those classified as trade secret, to shareholders, investors, employees, clients, creditors, reinsurers and other concerned parties.

Having an active approach for the adoption and implementation of Corporate Governance Principles, our company attaches utmost care for compliance with the requirements of the relevant legislation and best international practices with respect to public disclosure. Anadolu Anonim Türk Sigorta Şirketi Disclosure Policy has been prepared within the scope of above principles and put into practice after its approval by the Board of Directors.

Anadolu Anonim Türk Sigorta Şirketi uses Public Disclosure Platform (PDP), Central Registry Institution (E-Company), Electronic General Assembly System (EGAS), national/local newspapers, TTRJ (Türkiye's Trade Registry Journal) and company's official website for informing the public.

## Authorization and Responsibility

The Board of Directors is responsible and authorized for preparation, monitoring, auditing and improvement of public disclosure policy of our company. Directors in charge of financial management and reporting and Investor Relations Department have been appointed for the responsibility of conducting and coordination of disclosure function under the policy. The officials of the mentioned department perform their duties in coordination with the Audit Committee, Corporate Governance Committee and the Board of Directors.

## Public Disclosure Operations and Methods and Instruments Used

Public Disclosure operations and methods and instruments used for these operations under the legislation on insurances, Capital Markets Legislation, Turkish Commercial Code and other relevant legislation are described below:

Financial statements and notes and explanations thereof for each quarter, which are prepared in accordance with the legislation issued by the Republic of Türkiye Undersecretariat of Treasury General Directorate of Insurance and Capital Markets Board and signed with an attestation by the Committee Members in charge of Audit and the CEO or Directors in charge of financial reporting, and external audit reports, issued annually semi-annually are published on our website and reported to the PDP (Public Disclosure Platform) within its legal deadline. Furthermore, our company issues financial statements for each quarter and upload them to the portal managed by the Undersecretariat of Treasury and convey most of these statements also to TSB (Insurance Association of Türkiye) for informative reasons.

Disclosures for special cases, which must be notified pursuant to the CMB (Capital Markets Board of Türkiye) legislation, are notified to PDP within its legal deadline.

Disclosures for special cases are published on the company website of Anadolu Sigorta on the next business day at the latest following the public disclosure and stays on the website for a duration of 5 years.

For the purpose of ensuring the confidentiality during the time until the public disclosure of special cases, persons who have access to insider information are informed about the requirements stemming from the relevant legislation. As for those who may have access to insider information through the service supplied from them, their contracts include a clause of confidentiality. On the other hand, Anadolu Sigorta carefully complies with the legislative requirements imposed by the Law on Insurance No. 5684 and relevant legislation requiring the safekeeping the customers' secrets and not disclosing them to parties other than those who are explicitly authorized by the law. This requirement binds not only the Anadolu Sigorta employees but also the employees of the companies through which the company gets support services.

In accordance with the legislation and the provisions of the Company Charter, announcements and notifications for changes to the Company Charter, General Assembly meetings, capital raise, reporting of year-end financial statements are given on the TTRJ and national newspapers. Documents and information about the General Assembly are delivered to shareholders through Electronic General Assembly System in line with the provisions of the Turkish Commercial Code.

Each year before the General Assembly meeting, annual activity report, in line with the relevant legislation, is presented for the examination of shareholders with a view to include all necessary information and descriptions and is published on our website (Both in Turkish and in English) and reported to PDP. When requested, this report may be obtained in print from our Investor Relations Department.

# DISCLOSURE POLICY

Regular meetings and briefings are not part of our policy. Instead, where requested or needed to respond to questions raised by the press members, press releases are made on the printed and visual media.

Press statements to printed and visual media may be made by the Chairperson of the Board, the Director General or its Deputy or other officials assigned by them. News about our company published on national or international media are followed by a professional media monitoring agency. Therefore, in case of a necessity of a disclosure for special case, which must be notified pursuant to the relevant legislation, necessary briefing is made on the subject gathering the departmental information from concerned departments.

When making a statement to press on news and talks, which are not classified as a special case disclosure by a legislation, type and content of the statement are defined according to certain factors such as the news' feature, size of the target audience of the media, whether the news affect the company reputation. If these news and rumors inherit a matter which requires the company to make a public disclosure, a special case disclosure is then made in line with the provisions of relevant legislation.

International and national investor meetings and road-shows are used to convey information to shareholders and to other concerned parties. These meetings and visits which were organized and managed by Investor Relations Department are sometimes attended by Director General, Directors in charge of financial management and reporting and the personnel of the Investor Relations Department. Where needed, the size of these contact teams may be enlarged. To ensure that all market participants are simultaneously and equally informed, the reports and presentations disclosed during the introductory and information meetings held with investors are published on the company website under the Investor Relations Section.

Investor Relations Department delivers via e-mail necessary information, mainly financial statements, to shareholders, national and international investors and to those companies which releases research reports on our company.

Investor Relations Section of the official website of our company ([www.anadolusigorta.com.tr](http://www.anadolusigorta.com.tr)) includes detailed information and data on our company. This section is managed and kept up-to-date by the Investor Relations Department. All questions sent by all stakeholders via e-mail, regular mail, phone, etc. are answered at the shortest delay under the coordination of the Investor Relations Department.

## Other Notifications

Notifications other than above are disclosed to public with signature of the officials whose power of signature was indicated in the company's certificate of signature.

## Forecasts

In case of disclosure of forecasts for the company, which may affect the investor decisions, the Board of Directors, Director General or other officials assigned by the latter make necessary disclosures via Public Disclosure Platform, activity reports or other means defined by the legislation. In case of a significant difference between the issues disclosed earlier and realizations, a statement may be released according to relevant legislation.

## Defining the Persons with Administrative Responsibility

Persons with administrative responsibility are the members of the Board of Directors and those, who are not a member of the Board, yet, have regular access to internal information of our company, directly or indirectly, and who are entitled to take administrative decisions which may affect the future development and commercial ends of our company.

Therefore, in defining the persons with administrative responsibility, the duties of the persons in the company organization and the nature of the information which may be accessed by these persons are taken into account.

In addition to Members of the Board, Director General and Deputy Director Generals, managers of certain departments, who have access to all information regarding the company and who are entitled to take administrative decisions on matters such as assets-liabilities structure, profit-loss, cash-flow, strategic targets, (decisions, which may affect these matters at macro level) have also been determined as persons with administrative responsibility.

## Official Website of Anadolu Sigorta: [www.anadolusigorta.com.tr](http://www.anadolusigorta.com.tr)

Our company's official website is actively used for informing the public and disclosure. The website includes all information and data envisaged by the Corporate Governance Principles and Regulatory Authorities in Turkish and English. This website is always kept updated with due care.

E-Company platform may also be used in communication with shareholders, a platform which was established within Central Registry Institution in accordance with pursuant to the provisions of Turkish Commercial Code on websites, which can be accessed through "Bilgi Toplum Hizmetleri" link. Documents indicated in the relevant legislation can be accessed through this platform.

# STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

CRF, which is used to report compliance with voluntary principles, and CGIF templates, which are used to provide information about the existing corporate governance practices, have been prepared in accordance with the formats set out in the Corporate Governance Communiqué no. II-17.1 based on the CMB (Capital Markets Board of Türkiye) decision no. 2/49 dated 10 January 2019. The same are disclosed on the Public Disclosure Platform and in our Annual Report.

We deem extreme benefit in the implementation of the Corporate Governance Principles, which we consider to be as important as financial performance, for the thriving of the national and international capital markets and for the interests of our company.

Our company is subjected to corporate governance rating by SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş., a rating agency that holds an activity license to carry out rating under the applicable legislation. Corporate Governance Rating Reports and information about our scores are disclosed on the Public Disclosure Platform, and also presented for the information of our investors under the Investor Relations tab of our corporate website.

Our company implements the principles that are defined as compulsory principles in the Corporate Governance Communiqué Serial: II-17.1.

In this context, our articles of incorporation do not contain any provisions stipulating stakeholder participation in the company's management and expanding the scope of minority rights beyond the provisions of applicable legislation; minority shares are not represented on our Board of Directors.

While our company has Charitable Donations Guidelines, we do not have a Donations and Grants Policy, nor a section on our corporate website where the said is posted.

Six women members serve on our Board of Directors; a company policy has been created governing the number of women members on the Board of Directors.

Necessary succession planning is made within the scope of the company's HR Policy.

While there are no rules governing outside positions held by our non-independent Board directors, they do not have any roles apart from their natural duties at the organizations they work for and apart from their natural duties at the establishments owned by the organizations they work for. As a matter of principle, care is taken to guarantee that the said situation does not lead to any conflicts of interest and does not disrupt the member's duties at the company. External positions held by our Board directors are presented for the information of our shareholders and stakeholders in our annual report and on our website.

In principle, our Board directors do not serve on more than one committee. Notwithstanding, since the entire Audit Committee and the heads of the Corporate Governance Committee and Early Detection of Risk Committee must be elected from amongst independent Board directors, two independent Board directors serve on two different committees.

The company's annual and medium-term goals are not publicly disclosed; the Board of Directors evaluates financial performance on a monthly basis.

The remunerations and similar benefits provided to the Board directors and senior management are disclosed cumulatively in the footnotes of our financial statements and in our annual report.

While there are no provisions stipulating stakeholder participation in the General Assembly meetings in our articles of incorporation, stakeholders wishing to participate as observers in those meetings may do so provided that they inform the company of their such desire prior to the General Assembly meeting. Hence, some stakeholders such as the audit firm representative, rating company specialist and some company employees have participated in the General Assembly meeting as observers within the knowledge of the company.

An insurance policy has been issued to cover the risk of damage that our Board directors and executives may cause to the company as a result of their fault in the discharge of their duties within the scope of İşbank Group's (İşbank and its Subsidiaries) liability policy. However, no disclosure was made about the subject on the Public Disclosure Platform.

Principles that are not yet implemented as an exception have not caused any conflicts of interest between stakeholders to date.

# CORPORATE GOVERNANCE COMPLIANCE REPORT

	Compliance Level					Remarks
	Yes	Partial	No	Exempted	Not Applicable	
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1- Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 -The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	No such transactions were carried out in 2024.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.			X			Stakeholders wishing to participate in the meeting as observers may do so provided that they inform the company of their such demand in advance of the meeting.
1.4. VOTING RIGHTS						
1.4.1-There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2-The company does not have shares that carry privileged voting rights.	X					
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.	X					
1.5. MINORITY RIGHTS						
1.5.1- The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2-The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			The company's articles of incorporation do not define minority rights as those who own less than one twentieth of the capital and care is taken to inform all shareholders equally.

	Compliance Level					Not Applicable	Remarks
	Yes	Partial	No	Exempted			
1.6. DIVIDEND RIGHT							
1.6.1 -The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X						
1.6.2-The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X						
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X						SEDDK (Insurance and Private Pension Regulation and Supervision Agency) Circular 2021/25 limits [profit distributions to be made to a level] that will not reduce capital adequacy level below 135%; since our company's capital adequacy is below 135%, dividends were not distributed. Retained earnings were added to capital reserves.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X						
1.7. TRANSFER OF SHARES							
1.7.1 - There are no restrictions preventing shares from being transferred.	X						
2.1. CORPORATE WEBSITE							
2.1.1.-The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X						
2.1.2-The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X						
2.1.4 -The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.		X					A substantial portion of the information available on our website is also presented in English so that international investors may make use of them.
2.2. ANNUAL REPORT							
2.2.1-The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X						
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X						
3.1. CORPORATION'S POLICY ON STAKEHOLDERS							
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X						
3.1.3-Policies or procedures addressing stakeholders' rights are published on the company's website.	X						
3.1.4 - A whistleblowing program is in place for reporting legal and ethical issues.	X						
3.1.5-The company addresses conflicts of interest among stakeholders in a balanced manner.	X						

# CORPORATE GOVERNANCE COMPLIANCE REPORT

	Compliance Level					Remarks
	Yes	Partial	No	Exempted	Not Applicable	
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1-The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	X					
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
3.3. HUMAN RESOURCES POLICY						
3.3.1- The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2-Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organizes trainings for employees.	X					
3.3.4-Meetings have been organized to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2-Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					

	Compliance Level					Not Applicable	Remarks
	Yes	Partial	No	Exempted			
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY							
3.5.1-The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X						
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X						
4.1. ROLE OF THE BOARD OF DIRECTORS							
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X						
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X						
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS							
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X						
4.2.2-Duties and authorities of the members of the board of directors are disclosed in the annual report.	X						
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X						
4.2.4-Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X						
4.2.5 - The roles of the Chairperson and Chief Executive Officer are separated and defined.	X						
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X						
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X						



# CORPORATE GOVERNANCE COMPLIANCE REPORT

	Compliance Level					Remarks
	Yes	Partial	No	Exempted	Not Applicable	
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9-The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					
4.3.10-At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1 All board members participated in the majority of board meetings either in person or by electronic means.	X					
4.4.2-The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					There were members who were unable to attend some of the 12 Board of Directors meetings held in 2024 due to their justified excuses, however, none provided written opinions about a topic.
4.4.4-Each member of the board has one vote.	X					
4.4.5-The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6-Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.				X		While there are no explicit limits in this respect, as a matter of principle, care is taken to guarantee that the said situation does not lead to any conflicts of interest and does not disrupt the member's duties at the company. Outside positions held by our Board members are presented for the information of our shareholders and stakeholders on the Public Disclosure Platform and in our annual report.

	Compliance Level					Not Applicable	Remarks
	Yes	Partial	No	Exempted			
4.5. BOARD COMMITTEES							
4.5.5-Board members serve in only one of the Board's committees.		X					In principle, our Board members do not serve on more than one committee. Notwithstanding, since the entire Audit Committee and the heads of the Corporate Governance Committee and Early Detection of Risk Committee must be elected from amongst independent Board directors, two independent Board members serve on two different committees.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X						
4.5.7-If external consultancy services are used, the independence of the provider is stated in the annual report.					X		No need arose for the use of external consultancy services within the scope of the committee's activities.
4.5.8-Minutes of all committee meetings are kept and reported to board members.	X						
4.6. FINANCIAL RIGHTS							
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.		X					The company's annual and medium-term goals are not publicly disclosed; the Board of Directors evaluates financial performance on a monthly basis. Moreover, the Board of Directors is not evaluated on the basis of individual members.
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favor of them.	X						
4.6.5-The individual remuneration of board members and executives is disclosed in the annual report.		X					Remunerations were disclosed cumulatively divided into two categories as remunerations of Board members and benefits provided to the senior management.

# CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organized by the company during the year	26
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	<a href="https://www.kap.org.tr/tr/Bildirim/1252850">https://www.kap.org.tr/tr/Bildirim/1252850</a>
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Provided.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There were no transactions that are not approved by the majority of independent directors or by unanimous votes of present Board members in the context of Principle 1.3.9.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	There are no related party transactions in the context of Article 9 of the Communiqué on Corporate Governance.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	There are no common and continuous transactions to be publicly disclosed in the context of Article 10 of the Communiqué on Corporate Governance.
The name of the section on the corporate website that demonstrates the donation policy of the company	While our company has Charitable Donations Guidelines, we do not have a Donations and Grants Policy, nor a section on our corporate website where the said is posted.
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	There is no PDP disclosure about the subject.
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	There are no provisions stipulating stakeholder participation in the General Assembly meetings in our articles of incorporation.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Some stakeholders such as the audit firm representative, rating company specialist and some company employees participated in the General Assembly meeting as observers within the knowledge of the company.

#### 1.4. Voting Rights

Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	There are no privileged shares.
The percentage of ownership of the largest shareholder	57.31%

#### 1.5. Minority Rights

Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association	-

#### 1.6. Dividend Right

The name of the section on the corporate website that describes the dividend distribution policy	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend	SEDDK (Insurance and Private Pension Regulation and Supervision Agency) Circular 2021/25 limits [profit distributions to be made to a level] that will not reduce capital adequacy level below 135%; since our company's capital adequacy is below 135%, dividends were not distributed. Retained earnings were added to capital reserves.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	<a href="https://www.kap.org.tr/tr/Bildirim/1263436">https://www.kap.org.tr/tr/Bildirim/1263436</a>

#### General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
27.03.2024	0	69.52%	0%	100%	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/general-assembly/general-assembly-agenda-minutes-of-general-assembly-meetings-and-additional-information">https://www.anadolusigorta.com.tr/en/investor-relations/general-assembly/general-assembly-agenda-minutes-of-general-assembly-meetings-and-additional-information</a>	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/general-assembly/general-assembly-agenda-minutes-of-general-assembly-meetings-and-additional-information">https://www.anadolusigorta.com.tr/en/investor-relations/general-assembly/general-assembly-agenda-minutes-of-general-assembly-meetings-and-additional-information</a>	None	0	<a href="https://www.kap.org.tr/tr/Bildirim/1252850">https://www.kap.org.tr/tr/Bildirim/1252850</a>

# CORPORATE GOVERNANCE INFORMATION FORM

## 2. DISCLOSURE AND TRANSPARENCY

### 2.1. Corporate Website

Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	<a href="https://www.anadolusigorta.com.tr/en/investor-relations">https://www.anadolusigorta.com.tr/en/investor-relations</a>
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/about-anadolu-sigorta">https://www.anadolusigorta.com.tr/en/investor-relations/about-anadolu-sigorta</a>
List of languages for which the website is available	Turkish, English

### 2.2. Annual Report

2.2.2. The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Board of Directors - Corporate Governance Compliance Report - Declarations of Independence by Independent Members of the Board of Directors
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Committees Operating within Anadolu Sigorta as per Corporate Governance and An Assessment by the Board of Directors
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Information on Board Meetings Held in 2024 Fiscal Year
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Developments and Changes in Legislation
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Financial Statements and Independent Auditor's Report / 42 - Risks
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Committees Operating within Anadolu Sigorta as per Corporate Governance and an Assessment by the Board of Directors - An Assessment of the Activities of the Independent Audit Firm in 2024 Activity Period by the Audit Committee
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There are no cross-ownership relations.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Human Resources Practices at Anadolu Sigorta - Commitment to Social Responsibility

### 3. STAKEHOLDERS

#### 3.1. Corporation's Policy on Stakeholders

The name of the section on the corporate website that demonstrates the employee remedy or severance policy	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
The number of definitive convictions the company was subject to in relation to breach of employee rights	Definitive convictions were adjudged in seven cases against the company in 2024, which related to labor rights.
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Audit Committee
The contact detail of the company alert mechanism.	Notifications received via bilgi@anadolusigorta.com.tr are referred to the Audit Committee and the Internal Audit Department for investigation.

#### 3.2. Supporting the Participation of the Stakeholders in the Corporation's Management

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies.	<a href="https://www.anadolusigorta.com.tr/en/hr-policies-and-practices">https://www.anadolusigorta.com.tr/en/hr-policies-and-practices</a>
Corporate bodies where employees are actually represented	The employees of our company are members of the Bank, Finance and Insurance Workers Union (Basisen) and there are union representative employees at the Head Office and Regional Branches. Our union representative employees play an important role in the handling of relations between our company and our employees.

#### 3.3. Human Resources Policy

The role of the board on developing and ensuring that the company has a succession plan for the key management positions	The Board of Directors is authorized to make appointments to key managerial positions. Additional work is undertaken by the Corporate Governance Committee.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
Whether the company provides an employee stock ownership program	None
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>  Measures are taken to prevent discrimination among our employees on the basis of race, religion, language or sex, to ensure that human rights are respected, and to safeguard the employees from internal physical, mental and/or emotional abuse.
The number of definitive convictions the company is subject to in relation to health and safety measures	None

#### 3.5. Ethical Rules and Social Responsibility

The name of the section on the corporate website that demonstrates the code of ethics	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	<a href="https://www.anadolusigorta.com.tr/en/media-social-responsibilities">https://www.anadolusigorta.com.tr/en/media-social-responsibilities</a>
Any measures combating any kind of corruption including embezzlement and bribery	Audit Committee, Internal Audit Department, Risk Management Department and Internal Control and Compliance Department actively work on these matters.

# CORPORATE GOVERNANCE INFORMATION FORM

## 4. BOARD OF DIRECTORS-I

### 4.2. Activity of the Board of Directors

Date of the last board evaluation conducted	28.02.2024
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Fusun Tümsavaş (Chairperson of the Board of Directors), Filiz Tiryakioğlu (Vice Chairperson of the Board of Directors)
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	In 2024, the Board of Auditors presented 12 reports.
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Internal Control System and An Assessment by the Governing Body
Name of the Chairperson	Fusun Tümsavaş
Name of the CEO	Zekai Mehmet Tuğtan
If the CEO and Chairperson functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	The functions of Chairperson of the Board and the General Manager who is the chief executive officer are fulfilled by different individuals.
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	While there is an insurance policy for the group to which our company belongs, no PDP notification was made about the same.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
The number and ratio of female directors within the Board of Directors	6 female directors / 67%

### Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director or Not	Whether Independent Director or Not	The First Election Date to Board	Link to PDP Notification That Includes the Independency Declaration	Whether the Independent Director Considered by The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy the Independence or Not	Whether the Director Has At Least 5 Years' Experience on Audit, Accounting And/or Finance or Not
Fusun Tümsavaş	Non-Executive	Not an Independent Director	29.04.2020			No	Yes
Filiz Tiryakioğlu	Non-Executive	Not an Independent Director	31.01.2023			No	Yes
Zekai Mehmet Tuğtan	Executive	Not an Independent Director	20.01.2023			No	Yes
Zeliha Göker	Non-Executive	Not an Independent Director	16.01.2024			No	Yes
Ferda Yerdelen Tatoğlu	Non-Executive	Independent Director	27.03.2024	Specified in the Annual Report.	Considered	No	Yes
Seda Ertaç Güler	Non-Executive	Independent Director	27.03.2024	Specified in the Annual Report.	Considered	No	Yes
Nesip İlker Altıntaş	Non-Executive	Independent Director	27.03.2024	Specified in the Annual Report.	Considered	No	Yes
Sermin Nazime Saraç Sosanoğlu	Non-Executive	Not an Independent Director	25.09.2024			No	Yes
Gökhan Kahraman	Non-Executive	Not an Independent Director	27.03.2023			No	Yes

#### 4. BOARD OF DIRECTORS-II

##### 4.4. Meeting Procedures of the Board of Directors

Number of physical or electronic board meetings in the reporting period (meetings in person)	During 2024, the Board of Directors held 12 physical meetings.
Director average attendance rate at board meetings	95.3%
Whether the board uses an electronic portal to support its work or not	There is a portal created specifically for the Board of Directors, and Board members are given access thereto.
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	4
The name of the section on the corporate website that demonstrates information about the board charter	Investor Relations/About Anadolu Sigorta/Anadolu Sigorta Articles of Incorporation
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None

##### 4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented.	Committees Operating within Anadolu Sigorta as per Corporate Governance and An Assessment by the Board of Directors
Link(s) to the PDP announcement(s) with the board committee charters	<a href="https://www.kap.org.tr/tr/Bildirim/187240">https://www.kap.org.tr/tr/Bildirim/187240</a> <a href="https://www.kap.org.tr/tr/Bildirim/1263440">https://www.kap.org.tr/tr/Bildirim/1263440</a>

##### Composition of Board Committees-I

Names of The Board Committees	Name of Committees Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chairperson or Not	Whether Board Member or Not
Audit Committee		Ferda Yerdelen Tatoğlu	Yes	Director
Audit Committee		Seda Ertaç Güler	No	Director
Corporate Governance Committee		Nesip İlker Altıntaş	Yes	Director
Corporate Governance Committee		Zeliha Göker	No	Director
Corporate Governance Committee		Barış Hüseyin Şafak	No	Not a director
Early Detection of Risk Committee		Seda Ertaç Güler	Yes	Director
Early Detection of Risk Committee		Ferda Yerdelen Tatoğlu	No	Director
Early Detection of Risk Committee		Soner Benli	No	Not a director



# CORPORATE GOVERNANCE INFORMATION FORM

## 4. BOARD OF DIRECTORS-III

### 4.5. Board Committees-II

Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>

### 4.6. Financial Rights

Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Summary Report by the Board of Directors / Message from the Chairperson / Message from the CEO
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations/Corporate Governance/Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Financial Statements and Independent Auditor's Report / 1.6 - Wages and similar benefits provided to the senior management

## Composition of Board Committees-II

Names of the Board Committees	Name of Committees Defined As "Other" in the First Column	The Percentage of Non-executive Directors	The Percentage of Independent Directors in the Committee	The Number of Meetings Held in Person	The Number of Reports on its Activities Submitted to the Board
Audit Committee		100%	100%	18	15
Corporate Governance Committee		67%	33%	9	5
Early Detection of Risk Committee		67%	67%	12	38

# ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

## Outside Positions Held by the Members of the Board of Directors

Name	Position	Outside Positions Currently Held	In- or Out-Group	Professional Experience (Years)
Fusun Tümsavaş	Chairperson	President of the Association of İşbank Retirees / Member of the Board of Directors at TEMA Foundation	In-Group	45
Filiz Tiryakioğlu	Vice Chairperson	None	In-Group	39
Zekai Mehmet Tuğtan	Director and CEO	Member of the Non-Life Management Committee of the Insurance Association of Türkiye	In-Group	23
Dr. Nesip İlker Altıntaş	Independent Director	Managing Partner at NIA Yönetim ve Teknoloji Danışmanlık Şirketi Instructor at Sabancı University, Sabancı Business School Member of MBA Advisory Board at Sabancı University, Sabancı Business School Member of Data and Analytics Center Advisory Board Member of METU Computer Engineering Industry Advisory Board	Out-Group	32
Prof. Seda Ertaç Güler	Independent Director	Faculty Member at Koç University, Department of Economics Associate Editor for European Economic Review journal Member of the Board of Directors at Economic Science Association	Out-Group	16
Prof. Ferda Yerdelen Tatoğlu	Independent Director	Faculty Member at İstanbul University, Faculty of Economics, Department of Econometrics Co-founder and General Manager of a company engaged in education, consultancy, and software, which is located within İstanbul University Teknokent Department Coordinator at İstanbul University, Faculty of Open and Distance Education.	Out-Group	25
Zeliha Göker	Director	Unit Manager at İşbank / Member of the Board of Directors at Anadolu Hayat Emeklilik A.Ş. / Member of the Board of Directors at Millî Reasürans T.A.Ş.	In-Group	19
Gökhan Kahraman	Director	Department Manager in the Retail Banking Sales Division at İşbank	In-Group	27
Sermin Nazime Saraç Sosanoğlu	Director	Branch Manager of Başkent Corporate Branch at İşbank	In-Group	26

## Shareholders

### Investor Relations Unit

An Investor Relations Unit has been set up in the company in 2005. Mr. Barış Hüseyin Şafak has been serving in the Investor Relations Unit. The head of the unit is Mr. Barış Hüseyin Şafak, who also serves as a member of the Corporate Governance Committee. Contact information for Mr. Barış Hüseyin Şafak working in this unit is as follows.

Name	Title	Phone No	E-Mail
Barış H. Şafak	Coordinator	+90 850 744 02 54	investor.relations@anadolusigorta.com.tr

## ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

This unit plays an active part in the protection of shareholding rights and facilitates their exercise, mainly regarding the right to obtain and review information, and establishes the communication between the Board of Directors and shareholders. Employees serving in the Investor Relations Department possess the required licenses.

The Investor Relations Department reports its activities to the Board of Directors four times a year, on a quarterly basis.

In essence, the Investor Relations Department works to;

Ensure maintenance of the records about Shareholders in a healthy, secure and up-to-date manner,

Respond to the Shareholders' and potential investors' written information requests about the company, apart from those that are not publicly disclosed, are of a confidential and/or commercial secret nature,

Make available to the shareholders such information and disclosures that may have an effect on the exercise of shareholding rights on the company website in an up-to-date manner

Ensure that the General Assembly Meetings are convened in accordance with the applicable legislation, the Articles of Incorporation and other internal regulations,

Prepare the documents the Shareholders could make use of in the General Assembly,

Ensure that the results of the voting are recorded and the reports thereon are communicated to the Shareholders,

Observe and monitor the fulfillment of all liabilities arising from the capital market legislation, including all requirements in relation to corporate governance and public disclosure,

Ensure representation of our company in investor relations meetings organized in Türkiye or abroad by international establishments through participation in such events,

Prepare the presentation materials to be used in meetings.

### General Assembly Meetings

For Shareholders who will have themselves represented in the General Assemblies in proxy, a specimen of a proxy statement is publicized along with the meeting announcements, and is also made available to Shareholders on the electronic medium.

In line with our Articles of Incorporation, General Assemblies are held in the place where our company headquarters is located and at a venue that will enable participation by all our Shareholders.

### Voting Rights and Minority Rights

There are no cross-shareholding interests between any Shareholder and the company.

There are no upper limits with regard to the number of votes that our Shareholders are allowed to cast in the General Assemblies.

SEDDK (Insurance and Private Pension Regulation and Supervision Agency) Circular 2021/25 limits [profit distributions to be made to a level] that will not reduce capital adequacy level below 135%; since our company's capital adequacy is below 135%, dividends were not distributed. Retained earnings were added to capital reserves.

### Stakeholders

#### Keeping Stakeholders Informed

In cases where the rights of stakeholders are not regulated by the legislation or contractually, the interests of the stakeholders are protected within the framework of the rules of good faith and to the extent permitted by the company's facilities, observing the company's credibility at the same time. The necessary structure is in place to enable stakeholders to report such transactions of the company that are contradictory to the legislation or are unethical.

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## **Stakeholder Participation in Management**

While the Articles of Incorporation contain no provisions on stakeholder participation in the company's management, the company's internal regulations cover practices to this end.

An employee proposal guideline has been formulated. Proposals that are innovative and aimed at improvement are assessed within the framework of this guideline and put into life across the company.

Stakeholders' opinions and complaints are followed up on by the Audit Committee.

Agencies Meetings, İşbank Branches Meetings and Managers Meetings are held, where the stakeholders, i.e. employees and suppliers, share their opinions.

## **Human Resources Policy**

Succession planning is made to identify the new managers to be appointed in cases where it is predicted that changes in a managerial position will cause hitches in the management of the company.

## **Board of Directors**

### **Structure and Formation of the Board of Directors**

Taking into consideration that there are no non-corporate ultimate Shareholders with a controlling interest in the company, it is thought that the Board Directors all naturally possess the advantage to act independently, and therefore, to be impartial in their decisions, upholding the interests of our company and the stakeholders above everything else.

The independent Board Directors have not served as members for more than six years in the past ten years. Term of office for all Board Directors is one year.

### **Operating Principles of the Board of Directors**

The Board meeting agenda is determined by the Chairperson of the Board of Directors in line with the proposals of the CEO and the Board Directors.

The Board of Directors decisions passed in 2024 were adopted with the unanimous votes of the members present in those meetings.

## **Strategic Goals of the Company**

Our strategic goals are set by our executives with a keen eye on competitive conditions, general economic conjuncture, overall expectations in national and international financial markets, and the company's medium and long-term targets and they are presented to the approval of the Board of Directors. Strategies and targets proposed are negotiated comprehensively by the Board of Directors on a broad perspective. Actualizations in relation to approved strategies and targets are reviewed during Board meetings and monthly within the scope of the assessment of company operations, financial structure and performance level. In principle, the Board of Directors meets monthly in order to efficiently and continuously fulfills its monitoring and supervision function. In the meetings, the basic topics of assessment are the company activities, approved annual budget and target realizations, the company's place in the sector, financial structure and performance level, reporting, and compliance of operations to international standards.

# SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

		Company Compliance Status				
		Yes	Partial	No	Not Applicable	Link
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Goals						
A1.1.	The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X			At Anadolu Sigorta, the main objective we adopt in relation to sustainability management is to eliminate environmental, economic and social risks with potential negative impacts upon the Company's operations, and to increase our performance in topics having the potential to create opportunities through our initiatives and efforts. In addition, another goal towards sustainability management is to act as the main business partner of our customers for the management of their sustainability risks through the products and services we develop.	
	The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X			Our policies covering our sustainability strategies and approaches are available to the public on the Sustainability page on our corporate website. In 2022, Equality Policy that incorporates our commitments in relation to gender equality was published in 2022, in addition to our existing policies, namely Sustainability Policy, Environment and Climate Change Policy, Environmental and Social Impact Management Policy, Responsible Investment Policy, Ethical Rules and Implementation Principles Policy, Policy for Combat Against Bribery and Corruption (AntiBribery and Anti-Corruption Policy), Gifts and Hospitality Policy. In 2023, the Sustainability Communication Policy was published in order to integrate it into our sustainability communication strategy and inform all our employees and their use.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-policies">https://www.anadolusigorta.com.tr/en/sustainability/our-policies</a>
A1.2.	The short and long-term targets set within the scope of ESG policies have been disclosed to the public.		X		Our goals under the headings " Human and the Society", " Climate Action" and " Operational Sustainability" that make our Sustainability Focus Areas are addressed in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
A2. Implementation/Monitoring						
A2.1.	The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X			The Sustainability Committee is our main management body for sustainability activities. Anadolu Sigorta Sustainability Committee is the primary management body responsible for identifying the climate change-related risks and opportunities; determining associated policies and strategies, business goals and management and implementation norms; their integration in corporate strategic plans; monitoring their execution and performance, and reporting them to the Senior Management and external stakeholders	
	The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X			Our sustainability efforts are covered in periodic Risk Reports submitted to the Board of Directors	

		Company Compliance Status				Explanation	Link
		Yes	Partial	No	Not Applicable		
A2.2.	In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	X				Our implementations and action plans included in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
A2.3.	The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	X				As part of our sustainability efforts, Sustainability Reports have been published since 2019. Our Sustainability Reports, which include all our efforts in line with our sustainability strategies and are prepared in accordance with the GRI Sustainability Reporting Standards, an internationally accepted standard, are shared with the public in the Sustainability section of our corporate website. Starting from 2022, the report has been prepared in accordance with the (IIRC) Integrated Reporting Framework, focusing on economic, social and environmental added values, and again starting from 2022, CDP–Carbon Disclosure Project Climate Change reporting has been conducted. As of 2021, our Company is included in the BIST Sustainability Index on Borsa Istanbul.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
A2.4.	The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X				In our Sustainability Reports, activities to improve sustainability performance for business processes or products and services are disclosed to the public under the title of Our Business Model and Value Creation Process.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
<b>A3. Reporting</b>							
A3.1.	The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X				"Compliance with Sustainability Principles" section in our Annual Reports provides summary information on the sustainability performance, goals and actions. Detailed information, examples and indicators can be found in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/financial-information/annual-reports">https://www.anadolusigorta.com.tr/en/investor-relations/financial-information/annual-reports</a>  <a href="https://www.anadolusigorta.com.tr/en/sustainability/">https://www.anadolusigorta.com.tr/en/sustainability/</a>
A3.2.	The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X				Our contribution to the Sustainable Development Goals is included in our Sustainability Report and on our website under the "Our Contributions to the Sustainable Development Goals" section. (3-Health and Quality of Life, 4-Quality Education, 5-Gender Equality, 7-Accessible and Clean Energy, 8-Decent Work and Economic Growth, 9-Industry, Innovation and Infrastructure, 11-Sustainable Cities and Communities, 12-Responsible Production and Consumption, 13-Climate Action, 14-Life Below Water, 15-Life on Land and 17-Partnerships for the Goals)	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>  <a href="https://www.anadolusigorta.com.tr/en/sustainability/sustainability-homepage/our-contribution-to-the-sustainable-development-goals">https://www.anadolusigorta.com.tr/en/sustainability/sustainability-homepage/our-contribution-to-the-sustainable-development-goals</a>
A3.3.	The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.	X				There are no lawsuits filed against our Company on account of such issues.	

# SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

		Company Compliance Status				Explanation	Link
		Yes	Partial	No	Not Applicable		
A4. Verification							
A4.1.	The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.		X			Our Greenhouse Gas Emission measurement has been verified and certified by an independent auditing firm.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
<b>B. ENVIRONMENTAL PRINCIPLES</b>							
B1.	The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.		X			Our policies concerning the environmental aspects of sustainability are disclosed in the "Environment and Climate Change Policy" under the sustainability tab on our corporate website. However, a documented ISO 14001 system is not being implemented. In 2022, a Zero Waste certificate was received from the Ministry of Environment and Urbanization for our headquarters building.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-policies">https://www.anadolusigorta.com.tr/en/sustainability/our-policies</a>
B2.	The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.	X				Limitations over reporting, reporting scope, reporting period, reporting date, data collection and reporting conditions of the environmental reports to be prepared for providing environmental management information is provided in detail in the Sustainability Report.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B3.	Provided in A2.1						
B4.	The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).		X			We track our emissions as a Key Performance Indicator (KPI) within our company performance management system. There are also incentives in this performance system.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B5.	How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	X				In our Sustainability Reports, the integration with our business goals and strategies is explained under the title of "Nature-conscious Anadolu Sigorta".	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B6.	Provided in A2.4						
B7.	The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	X				In our Sustainability Reports, we explain how environmental issues are integrated, including suppliers and customers, under the headings "Our Business Model and Value Creation Process" and "Sustainability in Our Value Chain".	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B8.	Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.	X				At the end of 2022, we started to be involved in policy-making processes as a member of the "Green Transformation Working Group" formed by SEDDK and TSB. In 2023, we participated as a member of the newly formed Green Transformation Review and Research Committee within TSB and were included in the committee work.	

		Company Compliance Status				Explanation	Link
		Yes	Partial	No	Not Applicable		
B9.	In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	X				According to the ISO 14064 standard, emission values, energy, water, paper and waste management data based on Categories 1, 2 and 3-6 are disclosed to the public in a periodically comparable manner in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B10.	Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	X				The GRI Standards given in the GRI Content Index section in our Sustainability Reports are taken into account. The calculation system of our greenhouse gas emissions is the current ISO 14064:2018 standard.	
B11.	The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X				Emission values, energy, water, paper and waste management data are disclosed to the public in a periodically comparable manner in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B12.	The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.		X			Determined and followed within the company targets and policies Although not yet publicly available not disclosed.	
B13.	A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X				Information is provided in our Sustainability Reports under the title "Our Combat With Climate Change".	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B14.	The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	X				Information is provided under the heading "Our Waste Management" in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
	The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.			X		In this context, actions are evaluated and planned.	
B15.	The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	X				In our Sustainability Reports, information is provided under the heading "Reducing the Climate and Environmental Impacts of Operations" in the "Nature-conscious Anadolu Sigorta" section.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B16.	The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	X				Our energy consumption is disclosed to the public in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B17.	The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.			X		None	



# SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

		Company Compliance Status				Explanation	Link
		Yes	Partial	No	Not Applicable		
B18.	The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X				Purchases are made and panels are installed for renewable energy use in our Head Office building and regional directorates. This is explained under the title of "Nature-conscious Anadolu Sigorta" in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B19.	The renewable energy production and usage data has been publicly disclosed.	X				Purchases are made and panels are installed for renewable energy use in our Head Office building and regional directorates. This is explained under the title of "Nature-conscious Anadolu Sigorta" in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B20.	The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.		X			In addition to the General Directorate Building, studies are carried out in our Regional Directorates and Branch buildings to increase efficiency in energy consumption, increase the use of renewable energy and thus reduce greenhouse gas emissions. This is explained in the "Nature-conscious Anadolu Sigorta" section of our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B21.	The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.		X			Water consumption with respect to 2018 baseline year is disclosed in our Sustainability Reports. We do not withdraw, recycle underground or overground water	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
B22.	The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).			X		All related national and international developments and regulations are monitored.	
B23.	The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.			X		None	
B24.	If carbon pricing is applied within the Company, the details have been disclosed.			X		None	
B25.	The platforms where the Company discloses its environmental information have been disclosed.	X				CDP Climate Change Disclosure is being reported since 2022	

		Company Compliance Status				Link	
		Yes	Partial	No	Not Applicable		Explanation
C. SOCIAL PRINCIPLES							
C1. Human Rights and Employee Rights							
C1.1.	The Institutional Human Rights and Employee Rights Policy has been established in the light of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.			X		None	
C1.2.	Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X				Our Human Resources policy is posted on our corporate website. Our Equality Policy and Ethical Rules and Implementation Principles Policy can be found in the sustainability section of our corporate website.	
C1.3	The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	X				Equality Policy can be found in the sustainability section of our corporate website	
C1.4.	The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X				These issues are available on our corporate website in our Human Resources Policy, Sustainability Policy, Ethical Rules and Implementation Principles Policy and Equality Policy. Information is provided in our Sustainability Reports in the "Our People-Centered Approach" section.	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>

## SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

		Company Compliance Status				Explanation	Link
		Yes	Partial	No	Not Applicable		
C1.5.	Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X				These matters are addressed in our Human Resources Policy , Remuneration Policy, Compensation Policy documents.	<a href="https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance">https://www.anadolusigorta.com.tr/en/investor-relations/corporate-governance</a>
	The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X				These matters are addressed in our Human Resources Policy , Remuneration Policy, Compensation Policy documents.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
	The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X				Information is provided in our Sustainability Reports under the section "Our People-Centred Approach".	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
C1.6.	The occupational health and safety policies have been established and disclosed.			X		There is an internal guideline devised in accordance with the applicable legislation, which is not, however, publicly disclosed.	
	The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X				Our occupational health and safety (OHS) performance is disclosed in the " Social Performance Indicators" tables in the " Appendices" section in our Sustainability Report	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
C1.7.	The personal data protection and data security policies have been established and disclosed.			X		Detailed information is available on our website within the scope of the Law on the Protection of Personal Data No. 6698. Although we have internal legislation on Data Security, it has not been disclosed to the public	
C1.8.	The ethics policy have been established and disclosed.	X				Ethical Rules and Implementation Principles Policy is in force and published on the corporate website.	<a href="https://www.anadolusigorta.com.tr/Files/Sustainability/Ethical-Rules-and-Implementation-Principles-Policy.pdf">https://www.anadolusigorta.com.tr/Files/Sustainability/Ethical-Rules-and-Implementation-Principles-Policy.pdf</a>
C1.9.	The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.	X				In our Sustainability Reports, information is provided regarding financial inclusion under the headings "Our Product Groups" and "Insurance Literacy", and regarding social investment and social responsibility under the headings "Our Sustainability and Social Impact".	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
C1.10.	The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X				There are trainings on our online training platform and announcements are made to our employees.	

		Company Compliance Status				Explanation	Link
		Yes	Partial	No	Not Applicable		
C2. Stakeholders, International Standards and Initiatives							
C2.1.	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X				There is a policy in accordance with ISO 10002 Customer Satisfaction Standard, which is published on the corporate website.	<a href="https://www.anadolusigorta.com.tr/en/about-us/company-profile">https://www.anadolusigorta.com.tr/en/about-us/company-profile</a>
C2.2.	The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X				Information is provided under the "Our Communication with Stakeholders" section in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
C2.3.	The international reporting standards that adopted in reporting have been explained.	X				In Sustainability Reports, information is provided under the heading "Presentation and About the Report".	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
C2.4.	The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	X				Information is provided in our Sustainability Reports under the heading "Our Memberships and Collaborations" and on our website.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/sustainability-homepage/our-memberships-and-collaborations">https://www.anadolusigorta.com.tr/en/sustainability/sustainability-homepage/our-memberships-and-collaborations</a>
C2.5.	The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X				Anadolu Sigorta has earned the right to be included in the "BIST Sustainability Index" in 2021. Research and studies have been conducted for participation in other indexes. (For example, Bloomberg Gender Equality Index)	
D. CORPORATE GOVERNANCE PRINCIPLES							
D1.	The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X				Our sustainability focus areas were determined in collaboration with our stakeholders. Opinions of all stakeholders have been sought in the Focus Areas Determination Workshop and disclosed under the "How do We Create Value" heading in our Sustainability Reports.	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>
D2.	The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X				Information is provided in our Sustainability Reports under the title "Ou Sustainability and Social Impact".	<a href="https://www.anadolusigorta.com.tr/en/sustainability/our-reports">https://www.anadolusigorta.com.tr/en/sustainability/our-reports</a>

# COMMITTEES OPERATING AT ANADOLU SİGORTA AND AN ASSESSMENT BY THE BOARD OF DIRECTORS

In order to ensure that the Board of Directors duly performs its duties and responsibilities in accordance with the requirements of applicable legislation, a Corporate Governance Committee, an Audit Committee, an Early Detection of Risk Committee and a Risk Committee were set up at the company. The Corporate Governance Committee also fulfills the functions of the Nomination Committee and Remuneration Committee. The Board of Directors makes all kinds of resources and support available necessary for the performance of their duties by the committees. The committees hold meetings at the frequency deemed necessary for ensuring efficiency of their activities and specified in their respective operating principles, and submit the reports covering information about their activities and meeting outcomes to the Board of Directors.

The objectives, formations, operating principles and procedures, and activities of our committees are described below.

## Corporate Governance Committee

Head of Committee: Dr. Nesip İlker Altıntaş

Member: Zeliha Göker

Member: Barış Hüseyin Şafak

## Objective

Overseeing compliance of the company with corporate governance principles, undertaking improvement efforts thereon, and submitting proposals to the Board of Directors,

Overseeing the activities of the Investor Relations Department.

## Formation

The Corporate Governance Committee was set up upon approval by the Board of Directors' decision no. 5508 dated 10 March 2005. The provisions governing the formation, principles and procedures and activities of the committee have been based on the Corporate Governance Communiqué issued by the CMB (Capital Markets Board of Türkiye) and put into force with the Board of Directors decision no. 06838 dated 26 June 2014. These provisions are carried out by the Board of Directors.

The committee consists of a minimum of two members to be elected from among directors and the Investor Relations Manager.

The members will elect the head of the committee from among themselves. The head of the committee is elected from among independent directors. Non-director individuals, who have expertise in their respective fields, can be members of the committee.

If the number of committee members elected from among Board Directors is two, then both of them must be non-executive directors; if such number is greater than two, then the majority of the members must be non-executive directors. The CEO may not serve on this committee.

The Investor Relations Managers must be a full-time employee of the company and must be assigned as a member of the Corporate Governance Committee.

A member's term of office on the Corporate Governance Committee is terminated when his/her term of office on the Board of Directors expires or upon a decision to such effect by the Board of Directors.

## Operating Procedures and Principles

- The Corporate Governance Committee holds at least four meetings a year, which must take place at least on a quarterly basis.
- Committee meetings are held with the attendance of all its members and decisions are passed with the votes of the majority of members in attendance.
- The committee shall keep a resolution book, in which the decisions, assigned a sequence number, will be entered.
- The committee shall enter the conclusions reached in a meeting in the minutes, and submit the assessments made and decisions passed, along with the grounds therefor, in a written report to the Board of Directors within no later than one month following the relevant committee meeting.
- Committee decisions shall take effect upon approval of the Board of Directors.

- The committee shall forthwith present its determinations, assessments and suggestions in relation to its duties and scope of responsibilities in writing to the Board of Directors.
- The committee may invite the individuals it deems necessary to its meetings and seek their opinions.
- Investor Relations Unit/Department shall determine the meeting agenda of the committee, make the invitations to the meeting, establish communication with committee members, keep the book of resolutions, and handle other secretarial tasks for the committee.
- As the committee fulfills its functions, the Board of Directors shall make all necessary resources and support available.
- The committee may seek independent expert opinion upon approval of the Board of Directors on matters that call for expertise and the committee deems necessary in relation to its activities. The cost of the consultancy service needed by the committee shall be borne by the company.
- Committee members shall observe the principles of independence and impartiality when performing their duties.

## Activities

The committee carries out the following activities with respect to corporate governance:

- Establishes whether the corporate governance principles are implemented in the company, as well as the grounds for non-implementation, if applicable; identifies conflicts of interest, if any, arising from failure to fully comply with these principles, and presents proposals to the Board of Directors for the improvement of corporate governance practices;
- Oversees the activities of the company's Investor Relations Department. Within this context, the committee sets and regularly reviews the basic principles for the company's communication with investors;

Works in cooperation with the Investor Relations Department to present suggested improvements for ensuring efficient communication between the company and investors, and elimination and resolution of potential conflicts to the Board of Directors;

- Reviews the company's Corporate Governance Compliance Report before it is published within the company's Annual Report, and presents its comments to the Board of Directors;
- Makes proposals and assessments regarding the determination or revision of the company's disclosure policy, and presents the same to the Board of Directors. The committee reviews that the Disclosure Policy covers the minimum content as stipulated by the legislation with respect to the company's communication with stakeholders, as well as the scope, quality, consistency and accuracy of documents, presentations and explanations prepared by the company for informative purposes, and oversees that the same are developed in accordance with the Disclosure Policy;
- Carries out activities to ensure that the corporate governance culture is established within the company, and is espoused by managers and employees working at any level. The committee follows up the developments related to corporate governance in and out of Turkey and examines their possible implications for the company.

The duties of the Nomination and Remuneration Committees shall be fulfilled by the Corporate Governance Committee, until these committees shall have been set up.

The committee's duties and responsibilities with respect to nomination are presented below:

- Works to create a transparent system regarding identification, assessment, training and rewarding of nominees eligible for the Board of Directors and managerial positions with administrative responsibility, and establishes related policies and strategies;

- Regularly evaluates the structure and efficiency of the Board of Directors and presents its suggestions for possible revisions to the Board of Directors;
- The committee is charged with performing the duties set out in the legislation concerning the nomination of independent members to the Board of Directors, which are announced every year by the Board and which are compulsory to be implemented by the group to which the company is affiliated.
- The committee's duties and responsibilities with respect to remuneration are presented below:
  - Setting and overseeing the principles, criteria and practices applicable for the remuneration of Board directors and executives with administrative responsibility, taking into consideration the company's long-term targets;
  - Presenting its suggestions regarding the remuneration to be paid to Board directors and executives with administrative responsibility, which will be determined in view of the extent the remuneration criteria have been achieved;
  - Developing suggestions and assessments for the formulation and revision of the company's remuneration policy, which sets out the remuneration principles for the Board directors and executives with administrative responsibility, and presenting its opinions to the Board of Directors.

The Corporate Governance Committee shall fulfill other duties and responsibilities to be assigned to it by the Board of Directors in relation to its field of activity.

## Audit Committee

Head of Committee: Prof. Ferda Yerdelen Tatoğlu

Member: Prof. Seda Ertaç Güler

## Objective

Overseeing the operation and efficiency of the company's accounting system, public disclosure of financial information, independent auditing of the company and internal control system.

## Formation

The Audit Committee was set up upon approval by the Board of Directors' decision no. 5317 dated 26 June 2003. The provisions governing the principles and procedures and activities of the committee have been based on the Corporate Governance Communiqué issued by CMB (Capital Markets Board of Türkiye) and put into force with the Board of Directors decision no. 06839 dated 26 June 2014. These provisions are carried out by the Board of Directors.

The committee consists of a minimum of two members to be elected from among the Board of Directors members.

The members will elect the head of the committee from among themselves.

All members of the committee are elected from among independent directors.

To the extent possible, at least one member of the Audit Committee should preferably have minimum five years of experience in audit/ accounting and finance.

A member's term of office on the Audit Committee is terminated when his/her term of office on the Board of Directors expires or upon a decision to such effect by the Board of Directors.

# COMMITTEES OPERATING AT ANADOLU SİGORTA AND AN ASSESSMENT BY THE BOARD OF DIRECTORS

## Operating Procedures and Principles

- The committee holds at least four meetings a year, which must take place at least on a quarterly basis.
- Committee meetings are held with the attendance of all its members and decisions are passed with the votes of the majority of members in attendance.
- The committee shall keep a resolution book, in which the decisions, assigned a sequence number, will be entered.
- The committee shall enter the conclusions reached in a meeting in the minutes, and submit the assessments made and decisions passed, along with the grounds therefor, in a written report to the Board of Directors within no later than one month following the relevant committee meeting.
- Committee decisions shall take effect upon approval of the Board of Directors.
- The committee shall forthwith present its determinations, assessments and suggestions in relation to its duties and scope of responsibilities in writing to the Board of Directors.
- The committee's activities and meeting results shall be described in the annual report. The annual report shall also specify the number of written reports the committee submitted to the Board of Directors during the fiscal year.
- The committee may invite the individuals it deems necessary to its meetings and seek their opinions.
- Board of Inspectors/Audit Department shall determine the meeting agenda of the committee, make the invitations to the meeting, establish communication with committee members, keep the book of resolutions, and handle other secretarial tasks for the committee.

- As the committee fulfills its functions, the Board of Directors shall make all necessary resources and support available.
- The committee may seek independent expert opinion upon approval of the Board of Directors on matters that call for expertise and the committee deems necessary in relation to its activities. The cost of the consultancy service needed by the committee shall be borne by the company.
- Committee members shall observe the principles of independence and impartiality when performing their duties.

## Activities

In essence, the Audit Committee;

- Oversees the operation and efficiency of the company's accounting system, public disclosure of financial information, independent auditing, internal control and internal audit systems;
- Supervises the selection of the independent audit firm, preparation of independent audit contracts and initiation of independent audit process, and every phase of the work carried out by the independent audit firm;
- Determines the independent audit firm from which the company will procure services and the services to be supplied therefrom, and submits the same for the approval of the Board of Directors;
- Establishes the methods and criteria for the handling and resolution of complaints received by the company in relation to the company's accounting, internal control and internal audit systems and its independent audit; and for addressing the company employees' notifications about the company's accounting and independent audit within the frame of confidentiality principle;

- Assesses the conformity of annual and interim financial statements to be publicly disclosed to the accounting principles pursued by the company, as well as their accuracy and fairness, and reports its written assessments to the Board of Directors, by incorporating the opinions of the company's responsible managers and of the independent audit firm.

The Audit Committee shall fulfill other duties and responsibilities to be assigned to it by the Board of Directors in relation to its field of activity.

## Early Detection of Risk Committee

Head of Committee: Prof. Seda Ertaç Güler

Member: Prof. Ferda Yerdelen Tatoğlu

Member: Soner Benli

## Objective

Managing the risks that might threaten the existence, progress and survival of the company.

## Formation

Early Detection of Risk Committee was set up as a result of the discussion of the General Directorate proposal no. 3550 dated 24 February 2012, pursuant to Article 4.5.1 of the Communiqué Serial:IV-56 on Determination and Implementation of Corporate Governance Principles enforced upon its publication in the Official Gazette issue 28158, dated 30 December 2011. The provisions governing the formation, principles and procedures and activities of the committee have been based on Article 378 of the Turkish Commercial Code and the Corporate Governance Communiqué issued by CMB (Capital Markets Board of Türkiye) and put into force with the Board of Directors decision no. 06840 dated 26 June 2014. They are carried out by the Board of Directors.



The committee consists of a minimum of two members to be elected from among the Board directors.

The members shall elect the head of the committee from among themselves. The head of the committee shall be elected from among independent directors. Non-director individuals, who have expertise in their respective fields, can be members of the committee.

If the committee is formed of two members, then both of them must be non-executive directors; if such number is greater than two, then the majority of the members must be non-executive directors. The CEO may not serve on this committee.

Under the Regulation on Internal Systems in Insurance and Pension Sectors published in the Official Gazette dated 25 November 2021, it has been decided that Risk Management, Internal Control and Compliance Department and the Actuarial Department will be affiliated to the Early Detection of Risk Committee, and therefore, to the Board of Directors. These departments carry out their activities under the responsibility of the Head of Internal Systems, who is a member of the Early Detection of Risk Committee.

A member's term of office on the committee is terminated when his/her term of office on the Board of Directors expires or upon a decision to such effect by the Board of Directors.

### Operating Procedures and Principles

- The committee holds at least four meetings a year, which must take place at least on a quarterly basis.
- Committee meetings are held with the attendance of all its members and decisions are passed with the votes of the majority of members in attendance.

- The committee shall keep a resolution book, in which the decisions, assigned a sequence number, will be entered.

- The committee shall enter the conclusions reached in a meeting in the minutes, and submit the assessments made and decisions passed, along with the grounds therefor, in a written report to the Board of Directors within no later than one month following the relevant committee meeting.

- Committee decisions shall take effect upon approval of the Board of Directors.

- The committee shall forthwith present its determinations, assessments and suggestions in relation to its duties and scope of responsibilities in writing to the Board of Directors.

- The committee may invite the individuals it deems necessary to its meetings and seek their opinions.

- Risk Management Unit/Department shall determine the meeting agenda of the committee, make the invitations to the meeting, establish communication with committee members, keep the book of resolutions, and handle other secretarial tasks for the committee.

- As the committee fulfills its functions, the Board of Directors shall make all necessary resources and support available.

- The committee may seek independent expert opinion upon approval of the Board of Directors on matters that call for expertise and the committee deems necessary in relation to its activities. The cost of the consultancy service needed by the committee shall be borne by the company.

- Committee members shall observe the principles of independence and impartiality when performing their duties.

### Activities

The Early Detection of Risk Committee:

- fulfills the duties and responsibilities assigned to it under the Regulation on Internal Systems in Insurance and Pension Sectors and relevant legislation in relation to Internal Control and Compliance, Risk Management and Actuarial Departments;
- Informs the Board of Directors of its opinions and comments in writing regarding the creation and development of the company's risk management system which will be aimed at minimizing the impact of risks that might affect the shareholders in particular and all stakeholders in general;
- Reviews the company's risk management systems at least on an annual basis;
- Oversees that risk management practices are carried out in accordance with the decisions of the Board of Directors and the committee;
- Reviews the determinations and assessments about risk management that will be incorporated in the company's annual report.

The Early Detection of Risk Committee fulfills other duties and responsibilities to be assigned to it by the Board of Directors in relation to its field of activity.



# COMMITTEES OPERATING AT ANADOLU SİGORTA AND AN ASSESSMENT BY THE BOARD OF DIRECTORS

## Risk Committee

Head of Committee: Füsün Tümsavaş

Member: Zekai Mehmet Tuğtan

Member: Zeliha Göker

Member: İbrahim Erdem Esenkaya, Ph.D.

Member: Soner Benli

Member: Caner Tonbil

## Objective

Draft the risk management strategy and policies to be pursued by the company within the frame of applicable legislation and the Bank's policies; submitting them for the approval of the Board of Directors, and overseeing implementation.

## Formation

Risk Committee was set up as a result of the deliberation of the proposal no. 4492 dated 22 June 2022 of the office of the CEO, upon approval of the Board of Directors decision no. 8191 dated 27 June 2022 with the purpose of expanding and implementing risk-driven audit and governance culture across the company within the frame of international best practices in response to the increased regulation of our sector following the institution of the Insurance and Private Pension Regulation and Supervision Agency on 18 October 2019, and increased frequency and depth of volatilities in our country and the world due to the economy, the pandemic and wars.

Risk Committee is composed of the Chairperson of the Board, a Director to be elected by the Board of Directors, CEO, Deputy Executive Office, Chief Financial Officer, Head of Internal Systems and Risk Manager. The Committee is headed by the Chairperson of the Board.

## Operating Procedures and Principles

- The Committee meets monthly.
- The Committee meets with full participation of its members and passes decisions unanimously.
- The Risk Manager is tasked with determining the Committee meeting agenda, summoning meetings, ensuring communication with Committee members, keeping a resolution book, and handling other secretarial tasks associated with the Committee. The decisions passed are assigned consecutive numbers and entered in the resolution book.
- Related managers may be invited to Committee meetings as and when deemed necessary to seek their opinions and information.
- Head of Committee may change the meeting frequency of the Committee if he/she so deems necessary.

## Activities

- Draft the risk management strategy and policies to be pursued; submit them for the approval of the Board of Directors.
- Track the company's capital adequacy and profitability; ensure their effective employment in the company's planning and decision-making processes.
- Oversee regulatory compliance and the remedy of findings from the company audits.
- Discuss and decide on the topics raised by the Risk Management Department.
- Propose limits associated with basic risks that the company is/may be exposed to the Board of Directors. Monitor limit overruns and make suggestions to the Board of Directors for their remedy.

- Make recommendations to the Board of Directors for modification of risk policies.
- Perform the tracking and communication for the risk identification, definition, measurement, assessment and management process to be performed by the Risk Management organization.
- Carry out oversight for ensuring accuracy and reliability of risk measurement, methods and results.
- Make recommendations to the Board of Directors for determining and revising the company's risk appetite expression.
- Develop measures that will provide establishment of the company's risk culture; create the processes by which it will fulfill its oversight responsibility; monitor that all risks arising from the company's operations are understood and integrated in the company's risk management system.

# AN ASSESSMENT OF THE OPERATION OF THE INDEPENDENT AUDIT FIRM IN 2024 ACTIVITY PERIOD VIA THE AUDIT COMMITTEE

Periodic financial statements and their footnotes are prepared in a manner to represent the actual financial status and within the framework of existing legislation and insurance business accounting standards. They are subjected to independent auditing and publicly disclosed at time intervals stipulated by the legislation.

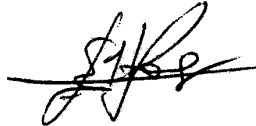
The independent audit firm we work with is alternated at certain intervals, and an independent audit firm is selected for a maximum of 7 fiscal years for regular and/or special audit. At least two years are allowed to pass before re-signing a regular and/or special audit contract with the same independent audit firm.

External auditing of our company is conducted in a fully independent manner, and the external auditor performs the relevant tasks adhering strictly to the principles of accuracy, professional integrity and straightforwardness, without being involved in any conflicts of interests that might restrict its independence. The external auditor auditing our company acts independently and also refrains from any activity that might lead third parties to doubt its independence.

No service is obtained, directly or indirectly from the firms we obtain independent audit service, save for the audit service itself, and no fees are paid to these firms, apart from the reasonable audit fee at current market conditions.

The factors that contribute to the independence of the firms we obtain independent audit service from are the existence of our Audit Committee, the efficient accounting and internal audit system in place at the company, and strongly established ethical rules attaching importance to correct public disclosures.

Independent conduct of the external auditing of our company testifies to the accuracy and veracity of our financial statements in the face of the public, and is perceived as guarantee by our Shareholders. The independent opinion of the external auditor further strengthens our company's corporate image in that they enhance the reliability of our financial statements. Having made it a principle to undertake public disclosure and to assure transparency in line with its ethical values, our company earns the trust of its investors by giving importance to independence of the external auditor, and therefore, aims to serve the development of national economy by contributing to accumulation of capital.



Prof. Seda Ertaç Güler  
Audit Committee Member



Prof. Ferda Yerdelen Tatoğlu  
Audit Committee Head

# HUMAN RESOURCES PRACTICES AT ANADOLU SİGORTA

## Human Resources Policy

Our company is proud to be the first national insurance company in Türkiye, established in 1925 at the directives of Mustafa Kemal Atatürk. Ever since its establishment, our company has continuously grown and developed and has been recognized and acknowledged as the grandee école of the Turkish insurance industry.

Utmost importance is given to our employees as they are the ones to undertake the biggest duty in carrying out our company's key policies. For this reason, the primary goal of our human resources policies and practices is to identify our company's needs for personnel in line with its objectives and strategies and assist the creation of human resources that are open to change and are focused on continuous success by recruiting high-quality people, motivating them, evaluating their performance, and encouraging interaction and communication among individuals and groups.

## Career Development

Various career paths within the frame of job families are available at the company. Employees recruited into any job family and level have the opportunity to advance to senior management positions in the company.

Our company's human resources strategy is defined as "Creating the organizational climate conducive to promoting creativity and innovation directed at ensuring customer satisfaction, and establishing a culture of superior performance supporting employees" development. In keeping with this strategy, employees successfully completing the training and development plans designed for the relative job families can advance to a higher level, if they display the performance

and capabilities required for the relevant level in the predetermined time. When rising to the specialist position, employees take the promotion exam that differs according to the job families and positions, and thus undergo assessment of their qualification for the technical know-how and competence levels required by the related position. Our employees in specialist position, which is the midpoint for all of our positions, are offered dual career paths, which give the option of advancing as a manager or a specialist in the relevant field. Career paths at this level are shaped and supported within the scope of the company's Development Center Initiative. The initiative that assesses managerial and specialist competencies provides our employees with personalized development plans, while supporting them with various resources, readying them for the next level. In "Pusula Buluşmaları" ("Compass Meetings") held on certain dates during the year, our colleagues who onboarded the Company in the past one year are informed about all the details they are curious to know, from the career paths available at the Company to the Academy structure and social clubs. A number of training opportunities are provided to our employees at any level who join us and become a member of our team in line with the competencies they need to acquire to further their careers, as well as their existing skills.

## Performance Management

Our employees are evaluated twice a year in line with specific performance criteria. The content of such evaluation varies depending on the competence requirements on the basis of job families. On the basis of the results of these performance evaluations, an employee's training needs are identified and a career plan is developed.

## Job Guarantee

Our employees enjoy a substantial degree of job guarantee within the framework of unionization composed by the Union and our company.

## Compensation Policy

Our employees' salaries are adjusted in accordance with the terms of a collective bargaining agreement that is renewed every two years and with annual or semi-annual raises based on current conditions. In addition to their salaries, employees receive extensive fringe benefits as well.

## Social Benefits

Our company's employees are entitled to a variety of social rights and benefits in keeping with current conditions. The healthcare costs of our employees and their dependent family members are covered by our company under its Healthcare Assistance Regulations. All our personnel are able to fulfill all their healthcare needs free of charge through the company's outsourced healthcare system. Employees are provided with free transportation services to and from work and with lunches as well. Our company implements hybrid working system, producing a working format under which our offices were converted into a space that promotes co-working rather than a place we are obliged to come on a daily basis. In addition, employees are provided with flexible working hours during office-based working days. Under a practice introduced to improve employee experience, they are allowed to work from any place they choose for a maximum period of one month during the summertime. The company transitioned to a format that prioritizes the principle of employee wellbeing and happiness on the back of various initiatives such as social

events, Happy Hour gatherings, cinema/theater organizations, "pick dinner from the office" practice, health webinars, Pilates classes and so on introduced under the roof of the "Happiness at Work Drive" intended for increased motivation and performance of employees.

### **Retirement Benefits**

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.

### **Academy / Training**

Anadolu Sigorta Academy that has been gradually growing and improving since 2021 offers various development programs to our employees, trainees, agencies and business partners. These programs are designed in accordance with current training approaches and hybrid working conditions while seeking to cater to participants' needs at the maximum extent. Diverse schools under the Academy roof provide contents addressing many different headings such as supporting competencies of employees, building on their professional skills and encouraging their participation in social events. The development journey of our colleagues starts with the orientation given on their first day at work, and continues throughout their career with continuous development understanding.

The Akademi Sosyal-İz structure undertakes the organization of our existing corporate clubs. In this framework, new clubs are set up in view of our colleagues' requests. Akademi

Sosyal-İz structure is intended to strengthen the sense of belonging of employees, promote social communication and interaction, and trigger common areas of interest. The company seeks to facilitate the development of diverse competencies and self-awareness by diversifying the clubs each year.

Inspired by the thought "We have libraries of books. Why don't we have a library of people?", the Academy launched the podcast channel "People Library". The channel aims to generate a wealthy library sharing the knowledge, experiences and inspiring stories of connoisseurs and experts of their fields. Believing that each individual is a unique story, the People Library invites people to uncover their own stories.

As part of our internal mentoring activities, we are regularly increasing the number of our mentors under our program "Companion" designed to contribute to the adjustment of new colleagues coming on board. Various development programs have been custom-designed for our executives addressing diverse contents such as "Women Leaders", "Koç University Executive Development", and "Transformed and Transformational Leadership". Additionally, "Academy Technical Training Series" was carried out, which offered technical information about various sector-related headings in response to professional needs of employees.

We are also addressing all training needs of our agencies through our agency training programs and our online portal. Furthermore, information was provided about all branches and claims processes with the "AcenTEKNİK Training Series" programs conducted.

As part of the Talent Pool activities, the Akademi Master Class Program was launched

for employees from different levels, which is a specific program designed to train and educate professionals equipped with the knowledge and skills that will make a differentiation in the sector. Akademi Master Class is intended to mold the future leaders and experts today with its contents that support both individual and institutional success. The "Data Analyst Training Program", which was implemented in previous years and re-introduced upon popular demand, aims to build on our colleagues' competencies in generating data-driven value by focusing on all processes from data collection to processing, analysis to interpretation.

In the periods ahead, we will continue to offer different programs to our employees and all our stakeholders, which we have created with contents tailored according to our company's needs.

### **Internal Communication and Employee Experience**

Our internal mobile app "Biz Bize" (Just Between Us) introduced in view of our employees' user habits in a bid to ensure healthy and continuous communication within the company is continually updated within the frame of employee needs. Our social platform that gives easy reach to ideas, achievements, and latest developments about the company, Biz Bize allows employees to add their bookings for office days to their calendars, easily create their requests for taking a leave and reach all internal announcements instantly. In addition, the HR chatbot, questionnaire and lot drawing features and feedback entry capabilities were migrated to Biz Bize, further improving the application.

# HUMAN RESOURCES PRACTICES AT ANADOLU SİGORTA

Since 2018, "Onboarding Satisfaction Questionnaire" is being sent to all newcomers within one month from the date they come on board to support them, facilitate their orientation, and seek their first impressions and feedback about their recruitment process. The questionnaire is followed by one-on-one interviews held with all newcomers under the roof of "İK ile Bi'Mola" (A Break with HR) to discuss in detail the responses they provided in the questionnaire. Along this line, our Employer Brand and Recruitment Management unit held one-on-one meetings with 152 employees in 2024 within the scope of "İK ile Bi'Mola". Under the TEM'AS (Contact) initiative introduced with the aim of expanding the coverage of our one-on-one communication with our employees, one-on-one meetings are held with employees that have been working at the company for at least two years, during which their expectations are explored. Recognized with a Bronze Stevie at the Stevie Awards, which is one of the world's prestigious business award programs, the TEM'AS project constitutes a distinctive HR initiative in the sector.

Annual Employee Engagement Surveys provide a tool to analyze employees' engagement levels and compile their perceptions and expectations regarding the working conditions, upon which various actions are taken to strengthen our corporate culture and values.

## Brand Employer Activities

During the course of the year, contacts are held with career centers and students' career clubs, and the company actively participates in events organized by universities and young talent platforms. These highly efficient and enjoyable events to which a large number of our employees contribute with their experiences are received with great interest by young talents. In this framework, our Brand Employer and Recruitment Management team took part in 22 different career events of different universities in 2024.

The Youth Programs we introduce are targeted at establishing continuous communication with students.

"Bi'Başka Deneyim Digital Mode: On Staj Programı" is a traineeship program for junior and senior-year university students from all over Türkiye that entails opportunities they have not experienced before, including one-on-one mentoring, personal development training, networking, and the chance to work on a real project. Due to the number of applications that increase by the year and as a result of our efforts to respond to the demand, our internship program started be implemented in two terms during the course of the year. In 2024, 62 young talents were provided with the opportunity to receive support in their career journeys and for getting future-ready within the scope of the Bi'Başka Deneyim Traineeship Program.

With the "Youth Senate Young Vision Program" that accepts applications from all university students in any year including prep class, sessions are held to ready the young people for business life, and the new generation's expectations from business life are heard first-hand. 100 members who took part in our program that was held for the fourth time in 2024 were selected from amongst youngsters who have actively taken part in student clubs and social responsibility projects throughout their education life, gained internship experience in various sectors, and are willing to achieve self-development.

Our MTs who start working under the "MT Young Talents Program" that covers newly-graduated young talents attend training programs and practices that will provide them with field-specific expertise and contribute to their self-development within the frame of a training program designed for them with the support of their mentors. Our MT program that allows rotation in different departments and gives the chance to select the preferred department to work for at the end of three months won 11 young talents for our company in 2024.

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# AGENDA OF THE ANNUAL GENERAL ASSEMBLY MEETING

1. Opening, election of the Presiding Board and authorization of the Presiding Board to sign the minutes of the Annual General Assembly
2. Presentation of and discussion on the Board of Directors' 2024 Annual Report, and presentation of the Independent Audit Report for 2024 fiscal year
3. Review, deliberation and ratification of 2024 financial statements
4. Approval of the membership of member elected as per Article 363 of the Turkish Commercial Code to fill the Board of Directors seats vacated during the reporting period
5. Acquittal of the members of the Board of Directors
6. Information on dividend distribution policy and decision on profit distribution
7. The submission of the amendment to Article 58, titled "Distribution of Profit" and paragraph "e" of the Company's Articles of Association for the approval of the General Assembly
8. Election of the Board Directors and determination of their terms of Office
9. Authorizing the Board Directors to perform the transactions specified in Articles 395 and 396 of the Turkish Commercial Code
10. Determination of remuneration for the members of the Board of Directors
11. Designation of the independent audit firm
12. Presentation of information on the donations and grants made during the reporting period
13. Ratification of the limit on donations intended to be made in 2025

# 2024 PROFIT DISTRIBUTION PROPOSAL

Our company booked TL 10,877,686,960 in profit for the current period on its 2024 operations. When the provision numbered "19" titled "Employee Benefits" set aside within the frame of the Turkish Accounting Standard is added to the amount mentioned in the preceding sentence taking into account that a certain portion of the net profit for the fiscal period has been distributed as profit share to the personnel under Article 58 of the Company's Articles of Association, profit for the period is calculated as TL 11,327,686,960 according to our legal records.

In CMB (Capital Markets Board of Türkiye) meeting of 27 January 2010, it has been resolved that companies obliged to draw up consolidated financial statements should compute the net distributable profit taking into account the net profits for the period descending in the consolidated financial statements that will be drawn up and publicly disclosed as per the Communiqué II-14.1 on Principles of Financial Reporting in the Capital Market, provided that the net distributable profit can be covered from the sources reflected in their legal records. In this context, after consolidation of Anadolu Hayat Emeklilik A.Ş. and after adding the profit share set aside to be paid out to employees, a consolidated net profit of TL 11,988,847,383 arises.

Accordingly, it is proposed as follows:

- Since general legal reserves account for more than 20% of the capital, general legal reserves not be set aside as per the provision of the applicable law,
- Out of TL 3,600,000,000, which corresponds to 30.03% of TL 11,988,927,383 which is calculated by adding total donations within the year in the amount of TL 80,000 to TL 11,988,847,383 that is the remaining amount as per the calculation made in accordance with the capital market legislation, the portion of TL 2,100,000,000 be distributed in cash and the remaining portion of TL 1,500,000,000 be distributed in stock as first dividends to shareholders, and that the paid-in capital be increased to TL 2,000,000,000 within the authorized capital, subject to obtaining of the necessary permissions from related institutions and agencies,
- TL 838,884,738 be set aside as statutory reserves as per the Articles of Incorporation,
- TL 357,500,000, which is 10% of the portion of the aggregate of all dividend amounts distributed that exceeds 5% of the Company's paid-in capital, be added to general legal reserves,
- TL 200,000,000 be allocated in funds for purchasing venture capital fund participation shares or venture capital trust shares within the frame of the provisions of the Tax Procedural Law, Article 325/A, and the Corporate Tax Law, Article 10,
- TL 6,331,302,222 that remains in the legal records after deduction of the above mentioned items be transferred to extraordinary reserves.
- It is also proposed that dividend distribution be commenced on 28 March 2025 provided that the dividend distribution proposal shall have been accepted.

# 2024 PROFIT DISTRIBUTION TABLE

ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ 2024 Profit Distribution Table (TL)			
1.	Paid-in/Issued Capital		500,000,000
2.	General Legal Reserves (according to legal records)		126,487,744
If there are privileges for distribution of profits according to the Articles of Incorporation, information on such privileges			None
		Based on CMB	Based on Legal Records
3.	Profit for the Period (*)	15,247,642,969	14,586,482,546
4.	Taxes Payable (-)	(3,258,795,586)	(3,258,795,586)
5.	Net Profit for the Period (=)	11,988,847,383	11,327,686,960
6.	Losses in Prior Years (-)	--	--
7.	General Legal Reserves (-)	--	--
8.	NET DISTRIBUTABLE PROFIT FOR THE PERIOD	11,988,847,383	11,327,686,960
9.	Donations during the Year (+)	80,000	
10.	Net Distributable Profit for the Period Including Donations	11,988,927,383	
11.	First Dividend to Shareholder		
	- Cash	2,100,000,000	
	- Bonus Shares	1,500,000,000	
	- Total	3,600,000,000	
12.	Dividends Distributed to Owners of Privileged Shares	--	
13.	Other Dividends Distributed (to Board Members, Employees, etc.)	--	
14.	Dividends Distributed to Owners of Redeemed Shares	--	
15.	Second Dividend to Shareholders	--	
16.	General Legal Reserves	357,500,000	
17.	Statutory Reserves	838,884,738	838,884,738
18.	Special Reserves (**)	200,000,000	200,000,000
19.	EXTRAORDINARY RESERVES (***)	6,992,462,645	6,331,302,222
20.	Other Resources to be Distributed		
	- Prior Year Profit		
	- Extraordinary Reserves		
	- Other Distributable Reserves Pursuant to the Law and the Articles of Incorporation		

(\*) Pursuant to Article 13 of the Dividend Communiqué featured in the CMB Weekly Bulletin numbered 2014/2 and published in the Official Gazette dated 23 January 2014, profit distribution was made based on the consolidated profit figure. Profit for the period for the year ended 31 December 2024 includes the provision for dividends to personnel in the amount of TL 450,000,000 which is set aside pursuant to TAS 19.

(\*\*) TL 200,000,000 in funds has been set aside for acquiring venture capital mutual fund participation shares or venture capital investment trust share certificates under Article 325/A of the Tax Procedure Law and Article 10 of the Corporate Tax Law.

(\*\*\*) As a result of profit distribution, TL 6,331,302,222 calculated according to legal records will be taken into account as extraordinary reserves

## DIVIDEND RATIO CHART

NET (****)	TOTAL DIVIDENDS DISTRIBUTED		TOTAL DIVIDENDS DISTRIBUTED/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDENDS PER SHARE WITH A NOMINAL VALUE OF TL 1	
	CASH (TL)	BONUS (TL)	RATIO (%)	CASH (TL)	BONUS (%)
TOTAL	1,785,000,000	1,500,000,000	27.40%	3.57	357.00%

(\*\*\*\*) 15% income tax will not be withheld from cash dividend payouts to resident institutions.

GROSS (****)	TOTAL DIVIDENDS DISTRIBUTED		TOTAL DIVIDENDS DISTRIBUTED/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDENDS PER SHARE WITH A NOMINAL VALUE OF TL 1	
	CASH (TL)	BONUS (TL)	RATIO (%)	CASH (TL)	BONUS (%)
TOTAL	2,100,000,000	1,500,000,000	30.03%	4.2	420.00%



# DETAILED INCOME STATEMENT (TL)

I- TECHNICAL PART	ACCIDENT	HEALTH	MOTOR VEHICLES	AIRCRAFT	WATERCRAFTS
Explanation					
A- Non-Life Technical Income	1,716,088,069	11,182,635,728	18,213,358,129	145,459,980	1,150,003,129
1- Earned Premiums (Net of Reinsurer Share)	957,370,700	8,491,054,062	13,287,098,179	141,154,250	801,550,988
1-1. Premiums (Net of Reinsurer Share)	1,261,804,960	12,317,591,877	14,618,976,745	155,486,615	968,648,180
1.2- Change in Unearned Premium Provisions (Net of Reinsurers Shares and Reserves Carried Forward) (+/-)	-307,223,409	-3,439,517,323	-1,331,878,566	-24,728,112	-310,483,039
1.3- Changes in Unexpired Risk Reserves (Net of Reinsurer Share and Reserves Carried Forward) (+/-)	2,789,149	0	0	0	0
1.4- Changes in Ongoing Risk Reserves (Net of Reinsurer Share and Reserves Carried Forward)(+/-)	0	-387,020,492	0	10,395,747	143,385,847
2- Investment Income Transferred from Non-Technical Divisions	758,599,674	2,691,579,732	4,545,345,220	2,567,199	331,691,500
3- Other Technical Income	3,318	1,934	37,739,988	1,041,786	1,099,790
4- Accrued Salvage and Subrogation Income	114,377	0	343,174,742	696,745	15,660,851
B- Non-Life Technical Expense (-)	-676,104,676	-10,786,451,787	-11,670,975,375	-269,251,203	-613,914,004
1- Realized Claims (Net of Reinsurer Share)	-97,276,168	-8,157,063,736	-7,505,176,144	-207,983,282	-539,364,000
1.1- Claims Paid (Net of Reinsurer Share)	-51,152,276	-7,986,318,269	-7,304,635,077	-151,355,494	-434,892,252
1.2- Changes in Outstanding Claims Provisions (Net of Reinsurer Share and Reserves Carried Forward) (+/-)	-46,123,892	-170,745,467	-200,541,067	-56,627,788	-104,471,748
2- Changes in Bonus and Discount Provisions (Net of Reinsurer Share and Reserves Carried Forward) (+/-)	0	0	0	0	0
3- Changes in Other Technical Reserves (Net of Reinsurer Share and Reserves Carried Forward) (+/-)	-2,301,002	-2,253,528	-44,712,912	0	0
4- Operating Expenses (-)	-557,117,598	-2,436,490,888	-3,331,469,513	-54,382,681	-64,532,938
5- Other Technical Expenses	-19,409,908	-190,643,635	-789,616,806	-6,885,240	-10,017,066
C- Non Life Technical Profit (A-B)	1,039,983,393	396,183,941	6,542,382,754	-123,791,223	536,089,125
II- NON TECHNICAL PART					
C- Non Life Technical Profit (A-B)					
J- Total Technical Profit (C)					
K- Investment Income					
1- Income from Financial Investments					
2- Income from Sales of Financial Assets					
3- Revaluation of Financial Assets					
4- Foreign Exchange Gains					
5- Dividend Income from Affiliates					
6- Income form Subsidiaries and Joint Ventures					
7- Real Estate Income					
8- Income from Derivative Instruments					
9- Other Investments					
10- Investment Income transferred from Life Technical Division					
L- Investment Expenses (-)					
1- Investment Management Expenses (including interest) (-)					
2- Valuation Allowance of Investments (-)					
3- Losses On Sales of Investments (-)					
4- Investment Income Transferred to Non - Life Technical Division (-)					
5- Losses from Derivative Instruments (-)					
6- Foreign Exchange Losses (-)					
7- Depreciation Expenses (-)					
8- Other Investment Expenses (-)					
M- Income and Expenses (+/-)					
1- Reserves (Provisions) Account (+/-)					
2- Rediscount Account (+/-)					
3- Specialized Insurances Account (+/-)					
4- Inflation Adjustment Account (+/-)					
5- Deferred Tax Asset Accounts (+/-)					
6- Deferred Tax Liability Expense (+/-)					
7- Other Income and Revenues					
8- Other Expense and Losses (-)					
9- Prior Period Income					
10- Prior Period Losses (-)					
N- Net Profit/(Loss)					
1- Profit/(Loss) Before Tax					
2- Taxes Provisions (-)					
3- Net Profit (Loss) after Tax					
4- Inflation Adjustment Account (+/-)					

MARINE	FIRE AND NATURAL DISASTERS	GENERAL LOSSES	MOTOR VEHICLES LIABILITY	AIRCRAFT LIABILITY	GENERAL LIABILITY	CREDIT	BOND INSURANCE	FINANCIAL LOSSES	LEGAL PROTECTION	TOTAL
1,197,510,428	7,933,227,631	2,948,620,076	11,739,126,520	114,227,437	1,514,892,839	48,667,607	44,229,403	292,064,831	565,198,698	58,805,310,505
733,581,388	4,713,699,595	1,928,100,750	8,538,839,938	68,553,973	1,028,952,839	34,690,177	-56,076,669	200,186,698	269,687,354	41,138,444,222
815,064,560	6,904,194,496	2,450,376,530	10,590,292,287	79,026,784	1,182,089,720	38,570,853	168,891,513	241,274,810	475,708,547	52,267,998,477
-81,483,172	-2,190,494,901	-522,275,780	-2,469,108,415	-10,472,811	-174,353,120	-3,880,676	-102,666,439	-66,986,814	-206,021,193	-11,241,573,770
0	0	0	200,818,899	0	0	0	0	0	0	203,608,048
0	0	0	216,837,167	0	21,216,239	0	-122,301,743	25,898,702	0	-91,588,533
385,290,883	3,152,947,081	987,004,894	3,049,135,692	45,673,464	477,648,619	16,518,869	99,573,364	87,399,546	295,512,497	16,926,488,234
38,402	2,380,787	135,397	2,637	0	16,787	4,390	0	0	0	42,465,216
78,599,755	64,200,168	33,379,035	151,148,253	0	8,274,594	-2,545,829	732,708	4,478,587	-1,153	697,912,833
-422,573,544	-4,763,115,272	-1,544,503,958	-11,344,993,616	-8,312,816	-1,288,452,823	-33,421,904	-167,538,275	-175,160,237	-47,747,468	-43,812,516,958
-271,445,596	-2,261,668,680	-991,290,686	-8,423,575,396	16,308,786	-1,052,877,805	-16,320,650	-138,468,047	-121,192,366	-1,618,581	-29,769,012,351
-204,382,194	-1,830,491,378	-915,618,579	-6,588,230,124	-5,529,325	-413,460,489	-11,988,790	-8,658,665	-100,631,997	-171,649	-26,007,516,558
-67,063,402	-431,177,302	-75,672,107	-1,835,345,272	21,838,111	-639,417,316	-4,331,860	-129,809,382	-20,560,369	-1,446,932	-3,761,495,793
0	0	0	0	0	0	0	0	0	0	0
0	-375,275,502	-18,962,068	0	0	0	-4,636,377	-19,056,485	-1,717,369	0	-468,915,243
-150,047,788	-1,946,743,843	-519,330,696	-2,549,714,888	-24,461,109	-226,831,006	-13,125,435	-9,976,042	-45,673,426	-45,408,997	-11,975,306,848
-1,080,160	-179,427,247	-14,920,508	-371,703,332	-160,493	-8,744,012	660,558	-37,701	-6,577,076	-719,890	-1,599,282,516
774,936,884	3,170,112,359	1,404,116,118	394,132,904	105,914,621	226,440,016	15,245,703	-123,308,872	116,904,594	517,451,230	14,992,793,547
										14,992,793,547
										14,992,793,547
										22,103,140,719
										4,880,478,454
										2,845,958,901
										6,954,558,960
										5,702,840,557
										200,000,000
										0
										264,922,253
										1,254,381,594
										0
										0
										-22,071,957,183
										-58,817,345
										-432,330,008
										-318,392,923
										-16,926,488,234
										-318,542,502
										-3,842,464,798
										-174,921,373
										0
										-887,494,537
										-622,472,515
										-369,402,278
										0
										0
										94,959,490
										0
										16,341,687
										-6,920,921
										0
										0
										10,877,686,960
										14,136,482,546
										-3,258,795,586
										10,877,686,960
										0

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**UNCONSOLIDATED FINANCIAL  
STATEMENTS AS OF DECEMBER 31, 2024  
TOGETHER WITH THE INDEPENDENT  
AUDITOR'S REPORTS**

# INDEPENDENT AUDITOR'S REPORT



To the General Assembly of Anadolu Anonim Türk Sigorta Şirketi

## A. Audit of the Unconsolidated Financial Statements

### 1. Opinion

We have audited the unconsolidated financial statements of Anadolu Anonim Türk Sigorta Şirketi (the "Company") which comprise the unconsolidated balance sheet as of 31 December 2024 and the unconsolidated statement of income, unconsolidated statement of changes in equity, unconsolidated statement of cash flows and statement of profit distribution for the year then ended and the notes to the unconsolidated financial statements including a summary of significant accounting policies.

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

### 2. Basis for Opinion

Our audit was conducted in accordance with the regulations on the principles on auditing as set out in the insurance legislation and the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the unconsolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

### 3. Key Audit Matters

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

Key audit matter	How our audit addressed the matter
<p><b>Estimation of provision for claims incurred but not reported</b></p> <p>As explained in Note 2 to the accompanying unconsolidated financial statements, the Company has accounted for a net provision for claims incurred but not reported amounting to TRY 23.457.245.048 as of 31 December 2024.</p> <p>The abovementioned provision is calculated by the Company's actuary using actuarial chain ladder methods, in accordance with "Circular on Outstanding Claim Provisions" dated 5 December 2014 and numbered 2014/16 published by the Ministry of Treasury and Finance. Accordingly, estimation of ultimate loss ratios, selection and aggregation of the claims data used in the calculation, adjustment procedures, selection of the most appropriate method and development factors, as well as interventions in the development factors, are carried out by the Company's actuary using actuarial methods on a branch basis. The amount calculated is compared to the incurred and reported provision for outstanding claims, and the difference is determined as the provision for claims incurred but not reported.</p> <p>The reason we focus on this area during our audit is the significance of the incurred but not reported claims provision for the unconsolidated financial statements and the significant actuarial judgments and estimates required by the nature of calculation of such provisions.</p>	<p>We tested the design and operational effectiveness of the key controls implemented by the Company management in relation to the incurred claims data used in the calculation of provision for claims incurred but not reported.</p> <p>In the branches selected by the sampling method, the paid and outstanding claims data together with the earned premiums data used in the calculation of provision for claims incurred but not reported was reconciled to the information in the accompanying unconsolidated financial statements. In addition, the estimated expected loss ratios and claim development trends, as well as the selected actuarial methods and assumptions considered by the Company's actuary in the calculation of the provision for incurred but not reported, have been assessed by the actuaries within our team using actuarial techniques, based on historical claim experiences and sector developments. Besides, for selected branches, independent actuarial analyses have been conducted and reasonable range estimates have been determined for the acceptable reserve ranges related to the provision for incurred but not reported claims calculated by the Company's actuary as of the balance sheet date, and these ranges have been compared with the amounts included in Company's accounting records.</p> <p>In addition to these, the compliance and consistency of the disclosures in the notes to the unconsolidated financial statements related to such provisions have been checked in accordance with the Regulation on Insurance Accounting and Financial Reporting Principles.</p>

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## INDEPENDENT AUDITOR'S REPORT

### 4. Other Matter

The audit of the unconsolidated financial statements of the Company for the year ended 31 December 2023 was conducted by another independent audit firm and an unqualified opinion was issued in audit report dated 7 February 2024 prepared by the mentioned independent audit firm.

### 5. Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

The Company management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the Regulation on Insurance Accounting and Financial Reporting Principles and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### 6. Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

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

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

As part of an independent audit conducted in accordance with the regulations on the principles on auditing as set out in the insurance legislation and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **B. Other Responsibilities Arising from Regulatory Requirements**

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 7 February 2025.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Ramazan Yüksekaya, SMMM  
Partner

Istanbul, 7 February 2025

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**UNCONSOLIDATED FINANCIAL STATEMENTS PREPARED**  
**AS OF DECEMBER 31, 2024**

We confirm that the unconsolidated financial statements and related disclosures and notes for the as of December 31, 2024 which were prepared in accordance with the accounting principles and standards in force as per the regulations of Republic of Turkey Ministry of Treasury and Finance are in compliance with the "Code Related to the Financial Reporting of Insurance, Reinsurance and Private Pension Companies" and the financial records of our Company.


İstanbul, February 7, 2025



Füsün TÜMSAVAŞ  
Chairperson of the Board



Prof. Dr. Ferda YERDELEN TATOĞLU  
Board Member Audit Committee Chair



Prof. Dr. Seda ERTAÇ GÜLER  
Board Member  
Audit Committee Member



Zekai Mehmet TUĞTAN  
Board Member and Chief Executive Officer



İbrahim Erdem ESENKAYA  
Executive Vice President of Finance



Barboros Levent BOZKURTAN  
Accounting Reporting Manager



İbrahim ÇAKIR  
Actuary

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# ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## UNCONSOLIDATED BALANCE SHEET

### AS OF DECEMBER 31, 2024

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

ASSETS			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>I- Current Assets</b>	<b>Note</b>		
<b>A- Cash and Cash Equivalents</b>	<b>14</b>	<b>24,337,623,292</b>	<b>11,302,917,518</b>
1- Cash	14	188,356	162,771
2- Cheques Received		-	-
3- Banks	14	18,025,940,387	7,850,389,227
4- Cheques Given and Payment Orders	14	(4,026)	(3,167)
5- Bank Guaranteed Credit Card Receivables with Maturities Less Than Three Months	14	6,311,498,575	3,452,368,687
6- Other Cash and Cash Equivalents		-	-
<b>B- Financial Assets and Financial Investments with Risks on Policyholders</b>	<b>11</b>	<b>37,497,770,996</b>	<b>24,169,488,129</b>
1- Available-for-Sale Financial Assets	11	11,401,702,581	10,063,692,677
2- Held to Maturity Investments	11	336,954,882	329,439,782
3- Financial Assets Held for Trading	11	25,759,113,533	13,776,355,670
4- Loans and Receivables		-	-
5- Provision for Loans and Receivables		-	-
6- Financial Investments with Risks on Saving Life Policyholders		-	-
7- Company's Own Equity Shares		-	-
8- Impairment in Value of Financial Investments		-	-
<b>C- Receivables from Main Operations</b>	<b>12</b>	<b>17,209,414,819</b>	<b>14,425,369,273</b>
1- Receivables from Insurance Operations	12	13,746,815,331	11,680,484,442
2- Provision for Receivables from Insurance Operations	2.21,12	(216,362,128)	(156,811,592)
3- Receivables from Reinsurance Operations	12	2,419,965,690	1,858,769,031
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited to Insurance and Reinsurance Companies	12	1,258,995,926	1,042,927,392
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders		-	-
8- Receivables from Individual Pension Operations		-	-
9- Doubtful Receivables from Main Operations	12	1,645,988,793	1,024,803,971
10- Provision for Doubtful Receivables from Main Operations	12	(1,645,988,793)	(1,024,803,971)
<b>D- Due from Related Parties</b>		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties		-	-
<b>E- Other Receivables</b>	<b>12</b>	<b>180,853,782</b>	<b>97,703,480</b>
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income		-	-
3- Deposits and Guarantees Given		119,339	119,339
4- Other Miscellaneous Receivables		180,734,443	97,584,141
5- Rediscount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables		-	-
<b>F- Prepaid Expenses and Income Accruals</b>		<b>5,384,057,595</b>	<b>3,278,475,974</b>
1- Prepaid Expenses	17	5,361,474,802	3,226,734,435
2- Accrued Interest and Rent Income		-	-
3- Income Accruals	12	20,414,619	43,567,096
4- Other Prepaid Expenses		2,168,174	8,174,443
<b>G- Other Current Assets</b>		<b>136,379,714</b>	<b>107,114,759</b>
1- Stocks to be Used in the Following Months		6,976,402	1,617,545
2- Prepaid Taxes and Funds		-	-
3- Deferred Tax Assets		-	-
4- Job Advances	4.2,12	129,403,312	105,460,876
5- Advances Given to Personnel		-	36,338
6- Inventory Count Differences		-	-
7- Other Miscellaneous Current Assets		-	-
8- Provision for Other Current Assets		-	-
<b>I- Current Assets</b>		<b>84,746,100,198</b>	<b>53,381,069,133</b>

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**UNCONSOLIDATED BALANCE SHEET**  
**AS OF DECEMBER 31, 2024**

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

ASSETS			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>II- Non-Current Assets</b>	<b>Note</b>		
<b>A- Receivables from Main Operations</b>		-	-
1- Receivables from Insurance Operations		-	-
2- Provision for Receivables from Insurance Operations		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited for Insurance and Reinsurance Companies		-	-
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders		-	-
8- Receivables from Individual Pension Business		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations		-	-
<b>B- Due from Related Parties</b>		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties		-	-
<b>C- Other Receivables</b>	<b>12</b>	<b>480,322</b>	<b>324,555</b>
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income		-	-
3- Deposits and Guarantees Given	12	324,555	324,555
4- Other Miscellaneous Receivables		155,767	-
5- Rediscount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables		-	-
<b>D- Financial Assets</b>	<b>9</b>	<b>8,944,000,000</b>	<b>3,276,600,000</b>
1- Investments in Equity Shares		-	-
2- Investments in Associates	9	8,944,000,000	3,276,600,000
3- Capital Commitments to Associates		-	-
4- Investments in Subsidiaries		-	-
5- Capital Commitments to Subsidiaries		-	-
6- Investments in Joint Ventures		-	-
7- Capital Commitments to Joint Ventures		-	-
8- Financial Assets and Financial Investments with Risks on Policyholders		-	-
9- Other Financial Assets		-	-
10- Impairment in Value of Financial Assets		-	-

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**UNCONSOLIDATED BALANCE SHEET**  
**AS OF DECEMBER 31, 2024**

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

ASSETS			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>II- Non-Current Assets</b>	<b>Note</b>		
<b>E- Tangible Assets</b>	<b>6</b>	<b>1,106,724,519</b>	<b>654,518,707</b>
1- Investment Properties	6,7	633,515,000	382,446,000
2- Impairment for Investment Properties		-	-
3- Owner Occupied Property	6	115,622,500	80,104,000
4- Machinery and Equipment	6	280,935,328	188,791,920
5- Furniture and Fixtures	6	33,582,547	23,458,824
6- Motor Vehicles	6	23,067,630	8,702,534
7- Other Tangible Assets (Including Leasehold Improvements)	6	53,191,675	44,763,190
8- Tangible Assets Acquired Through Finance Leases	6	276,072,287	147,307,025
9- Accumulated Depreciation	6	(309,262,448)	(221,054,786)
10- Advances Paid for Tangible Assets (Including Construction in Progress)		-	-
<b>F- Intangible Assets</b>	<b>8</b>	<b>491,201,040</b>	<b>346,041,149</b>
1- Rights	8	142	142
2- Goodwill	8	16,250,000	16,250,000
3- Pre-operating Expenses		-	-
4- Research and Development Costs	8	18,657,453	18,657,453
5- Other Intangible Assets	8	639,141,792	464,382,154
6- Accumulated Amortization	8	(464,908,488)	(379,806,512)
7- Advances Paid for Intangible Assets	8	282,060,141	226,557,912
<b>G- Prepaid Expenses and Income Accruals</b>	<b>17</b>	<b>99,400,742</b>	<b>2,160,700</b>
1- Prepaid Expenses	17	99,400,742	2,160,700
2- Income Accruals		-	-
3- Other Prepaid Expenses and Income Accruals		-	-
<b>H- Other Non-Current Assets</b>	<b>21</b>	<b>809,719,655</b>	<b>707,512,026</b>
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Stocks to be Used in the Following Years		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	21	809,719,655	707,512,026
6- Other Miscellaneous Non-Current Assets		-	-
7- Amortization on Other Non-Current Assets		-	-
8- Provision for Other Non-Current Assets		-	-
<b>II- Total Non-Current Assets</b>		<b>11,451,526,278</b>	<b>4,987,157,137</b>
<b>TOTAL ASSETS</b>		<b>96,197,626,476</b>	<b>58,368,226,270</b>

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

# ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## UNCONSOLIDATED BALANCE SHEET

### AS OF DECEMBER 31, 2024

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

LIABILITIES			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>III- Short-Term Liabilities</b>	<b>Note</b>		
<b>A- Financial Liabilities</b>	<b>4.2.20</b>	<b>48,081,177</b>	<b>19,138,720</b>
1- Loans to Financial Institutions		-	-
2- Finance Lease Liabilities	20	48,081,177	19,138,720
3- Deferred Leasing Costs		-	-
4- Current Portion of Long-Term Debts		-	-
5- Principal Instalments and Interests on Bonds Issued		-	-
6- Other Financial Assets Issued		-	-
7- Valuation Differences of Other Financial Assets Issued		-	-
8- Other Financial Liabilities		-	-
<b>B- Payables Arising from Main Operations</b>	<b>19</b>	<b>8,311,620,000</b>	<b>5,215,154,669</b>
1- Payables Due to Insurance Operations	19	5,620,665,294	3,779,204,030
2- Payables Due to Reinsurance Operations	19	144,438,265	187,244,739
3- Cash Deposited by Insurance and Reinsurance Companies	10,19	389,788,163	152,612,753
4- Payables Due to Individual Pension Operations		-	-
5- Payables Due to Other Main Operations	19	2,160,706,785	1,098,325,737
6- Rediscout on Payables from Other Main Operations	19	(3,978,507)	(2,232,590)
<b>C- Due to Related Parties</b>	<b>19</b>	<b>11,125,055</b>	<b>1,866,445</b>
1- Due to Shareholders		36,840	36,840
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		11,088,215	1,829,605
6- Due to Other Related Parties		-	-
<b>D- Other Payables</b>	<b>19</b>	<b>972,579,165</b>	<b>658,804,066</b>
1- Deposits and Guarantees Received		46,143,185	37,078,397
2- Medical Treatment Payables to Social Security Institution		350,845,855	209,150,205
3- Other Miscellaneous Payables		604,129,408	427,923,728
4- Discount on Other Miscellaneous Payables		(28,539,283)	(15,348,264)
<b>E- Insurance Technical Provisions</b>	<b>17</b>	<b>50,269,775,250</b>	<b>35,377,705,520</b>
1- Reserve for Unearned Premiums - Net	17	29,479,761,167	18,440,775,763
2- Reserve for Unexpired Risks - Net	2.26.17	1,736,758,039	1,645,169,506
3- Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net	4.1, 17	19,053,256,044	15,291,760,251
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net		-	-
<b>F- Provisions for Taxes and Other Similar Obligations</b>	<b>19</b>	<b>1,783,361,466</b>	<b>784,810,314</b>
1- Taxes and Funds Payable		780,377,912	515,634,901
2- Social Security Premiums Payable		85,083,433	40,818,240
3- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Payables		-	-
5- Corporate Tax Payable	19,35	3,258,795,586	1,664,485,864
6- Prepaid Taxes and Other Liabilities Regarding Current Period Income	19	(2,340,895,465)	(1,436,128,691)
7- Provisions for Other Taxes and Similar Liabilities		-	-
<b>G- Provisions for Other Risks</b>			
1- Provision for Employee Termination Benefits		-	-
2- Provision for Pension Fund Deficits		-	-
3- Provisions for Costs		-	-
<b>H- Deferred Income and Expense Accruals</b>		<b>2,675,469,154</b>	<b>1,247,685,651</b>
1- Deferred Income	19	988,240,822	776,083,577
2- Expense Accruals	23	1,684,998,570	470,000,174
3- Other Deferred Income and Expense Accruals		2,229,762	1,601,900
<b>I- Other Short-Term Liabilities</b>	<b>23</b>	<b>45,871,706</b>	<b>22,210,647</b>
1- Deferred Tax Liabilities		-	-
2- Inventory Count Differences		-	-
3- Other Various Short-Term Liabilities	23	45,871,706	22,210,647
<b>III- Total Short-Term Liabilities</b>		<b>64,117,882,973</b>	<b>43,327,376,032</b>

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**UNCONSOLIDATED BALANCE SHEET**  
**AS OF DECEMBER 31, 2024**

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

LIABILITIES			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>IV- Long-Term Liabilities</b>	<b>Note</b>		
<b>A- Financial Liabilities</b>	<b>4.2.20</b>	<b>160,363,616</b>	<b>95,310,198</b>
1- Loans to Financial Institutions		-	-
2- Finance Lease Liabilities	20	160,363,616	95,310,198
3- Deferred Leasing Costs		-	-
4- Bonds Issued		-	-
5- Other Financial Assets Issued		-	-
6- Valuation Differences of Other Financial Assets Issued		-	-
7- Other Financial Liabilities		-	-
<b>B- Payables Arising from Main Operations</b>		-	-
1- Payables Due to Insurance Operations		-	-
2- Payables Due to Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Due to Individual Pension Operations		-	-
5- Payables Due to Other Operations		-	-
6- Rediscount on Payables from Other Operations		-	-
<b>C- Due to Related Parties</b>		-	-
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties		-	-
<b>D- Other Payables</b>		-	-
1- Deposits and Guarantees Received		-	-
2- Medical Treatment Payables to Social Security Institution		-	-
3- Other Miscellaneous Payables		-	-
4- Discount on Other Miscellaneous Payables		-	-
<b>E- Insurance Technical Provisions</b>	<b>17</b>	<b>1,072,341,706</b>	<b>604,446,145</b>
1- Reserve for Unearned Premiums - Net	17	2,611,211	3,630,894
2- Reserve for Unexpired Risks - Net		-	-
3- Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net		-	-
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net	17	1,069,730,495	600,815,251
<b>F- Other Liabilities and Relevant Accruals</b>		-	-
1- Other Liabilities		-	-
2- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
3- Other Liabilities and Expense Accruals		-	-
<b>G- Provisions for Other Risks</b>	<b>23</b>	<b>191,205,849</b>	<b>137,249,863</b>
1- Provision for Employee Termination Benefits	23	191,205,849	137,249,863
2- Provision for Pension Fund Deficits		-	-
<b>H- Deferred Income and Expense Accruals</b>		-	-
1- Deferred Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income and Expense Accruals		-	-
<b>I- Other Long-Term Liabilities</b>		-	-
1- Deferred Tax Liabilities		-	-
2- Other Long-Term Liabilities		-	-
<b>IV- Total Long-Term Liabilities</b>		<b>1,423,911,171</b>	<b>837,006,206</b>

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**UNCONSOLIDATED BALANCE SHEET**  
**AS OF DECEMBER 31, 2024**

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

EQUITY			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>V- Equity</b>	<b>Note</b>		
<b>A- Paid in Capital</b>		<b>500,000,000</b>	<b>500,000,000</b>
1- (Nominal) Capital	2.13.15	500,000,000	500,000,000
2- Unpaid Capital		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences		-	-
5- Register in Progress Capital		-	-
<b>B- Capital Reserves</b>	<b>15</b>	<b>210,349,834</b>	<b>156,093,312</b>
1- Share Premiums		-	-
2- Cancellation Profits of Equity Shares		-	-
3- Profit on Asset Sales That Will Be Transferred to Capital		-	-
4- Currency Translation Adjustments		-	-
5- Other Capital Reserves	15	210,349,834	156,093,312
<b>C- Profit Reserves</b>		<b>18,647,439,569</b>	<b>7,217,998,044</b>
1- Legal Reserves	15	126,487,744	126,487,744
2- Statutory Reserves	15	902,653,470	265,356,498
3- Extraordinary Reserves	15	6,812,476,188	1,788,519,643
4- Special Funds	15	369,881,267	144,830,217
5- Revaluation of Financial Assets	15	10,548,813,892	4,929,934,412
6- Other Profit Reserves	15	(112,872,992)	(37,130,470)
<b>D- Retained Earnings</b>		<b>420,355,969</b>	<b>420,355,969</b>
1- Retained Earnings		420,355,969	420,355,969
<b>E- Accumulated Losses</b>		<b>-</b>	<b>-</b>
1- Accumulated Losses		-	-
<b>F- Net Profit/(Loss) for the Period</b>		<b>10,877,686,960</b>	<b>5,909,396,707</b>
1- Net Profit for the Period		10,877,686,960	5,902,206,682
2- Net Loss for the Period		-	-
3- Net Profit not Subject to Distribution		-	7,190,025
<b>V- Total Equity</b>		<b>30,655,832,332</b>	<b>14,203,844,032</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>96,197,626,476</b>	<b>58,368,226,270</b>

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**
**UNCONSOLIDATED STATEMENT OF INCOME  
FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

I-	TECHNICAL SECTION	Note	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>A-</b>	<b>Non-Life Technical Income</b>		<b>58,805,310,505</b>	<b>35,518,285,382</b>
1-	Earned Premiums (Net of Reinsurer Share)		41,138,444,222	23,246,572,202
1.1-	Written Premiums (Net of Reinsurer Share)	17	52,267,998,477	32,413,686,285
1.1.1-	Written Premiums, gross	17	69,589,122,185	44,228,418,367
1.1.2-	Written Premiums, ceded	10.17	(16,419,753,108)	(11,235,091,484)
1.1.3-	Premiums Transferred to Social Security Institutions	17	(901,370,600)	(579,640,598)
1.2-	Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)	5.29	(11,037,965,722)	(8,319,864,844)
1.2.1-	Reserve for Unearned Premiums, gross	17	(12,443,300,212)	(10,987,877,179)
1.2.2-	Reserve for Unearned Premiums, ceded	17	1,201,726,442	2,589,769,651
1.2.3-	Reserve for Unearned Premiums, Social Security Institution Share		203,608,048	78,242,684
1.3-	Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	5.17.29	(91,588,533)	(847,249,239)
1.3.1-	Reserve for Unexpired Risks, gross	17	309,275,742	(1,318,269,388)
1.3.2-	Reserve for Unexpired Risks, ceded	17	(400,864,275)	471,020,149
2-	Investment Income - Transferred from Non-Technical Section	1.7	16,926,488,234	11,798,293,048
3-	Other Technical Income (Net of Reinsurer Share)		42,465,216	31,226,932
3.1-	Other Technical Income, gross		42,465,216	31,226,932
3.2-	Other Technical Income, ceded		-	-
4-	Accrued Salvage and Subrogation Income	5	697,912,833	442,193,200
<b>B-</b>	<b>Non-Life Technical Expense</b>		<b>(43,812,516,958)</b>	<b>(28,161,249,230)</b>
1-	Incurred Losses (Net of Reinsurer Share)	17	(29,769,012,351)	(21,155,958,733)
1.1-	Claims Paid (Net of Reinsurer Share)	5.17.29	(26,007,516,558)	(14,858,749,932)
1.1.1-	Claims Paid, gross	17	(34,628,779,648)	(28,085,830,635)
1.1.2-	Claims Paid, ceded	10.17	8,621,263,090	13,227,080,703
1.2-	Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	17.29	(3,761,495,793)	(6,297,208,801)
1.2.1-	Change in Provisions for Outstanding Claims, gross	17	(2,498,910,779)	(13,857,306,035)
1.2.2-	Change in Provisions for Outstanding Claims, ceded	17	(1,262,585,014)	7,560,097,234
2-	Change in Provision for Bonus and Discounts (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
2.1-	Provision for Bonus and Discounts, gross		-	-
2.2-	Provision for Bonus and Discounts, ceded		-	-
3-	Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)	29	(468,915,243)	(80,177,084)
4-	Operating Expenses	32	(11,975,306,848)	(6,101,972,772)
5-	Change in Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
5.1-	Change in Mathematical Provisions, gross		-	-
5.2-	Change in Mathematical Provisions, ceded		-	-
6-	Change in Other Technical Provisions (Net of Reinsurer and Less the Amounts Carried Forward)	47	(1,599,282,516)	(823,140,641)
6.1-	Change in Other Technical Provisions, gross		(1,618,268,618)	(836,973,120)
6.2-	Change in Other Technical Provisions, ceded		18,986,102	13,832,479
<b>C-</b>	<b>Net Technical Income-Non-Life (A - B)</b>		<b>14,992,793,547</b>	<b>7,357,036,152</b>
<b>D-</b>	<b>Life Technical Income</b>		-	-
1-	Earned Premiums (Net of Reinsurer Share)		-	-
1.1-	Written Premiums (Net of Reinsurer Share)		-	-
1.1.1-	Written Premiums, gross		-	-
1.1.2-	Written Premiums, ceded		-	-
1.2-	Change in Reserve for Unearned Premiums (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
1.2.1-	Reserve for Unearned Premiums, gross		-	-
1.2.2-	Reserve for Unearned Premiums, ceded		-	-
1.3-	Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
1.3.1-	Reserve for Unexpired Risks, gross		-	-
1.3.2-	Reserve for Unexpired Risks, ceded		-	-
2-	Investment Income		-	-
3-	Unrealized Gains on Investments		-	-
4-	Other Technical Income (Net of Reinsurer Share)		-	-
4.1-	Other Technical Income, gross		-	-
4.2-	Other Technical Income, Ceded		-	-
5-	Accrued Salvage Income		-	-

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ****UNCONSOLIDATED STATEMENT OF INCOME  
FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

			Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
I-	TECHNICAL SECTION	Note		
E-	Life Technical Expense		-	-
1-	Incurred Losses (Net of Reinsurer Share)		-	-
1.1-	Claims Paid (Net of Reinsurer Share)		-	-
1.1.1-	Claims Paid, gross		-	-
1.1.2-	Claims Paid, ceded		-	-
1.2-	Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
1.2.1-	Change in Provisions for Outstanding Claims, gross		-	-
1.2.2-	Change in Provisions for Outstanding Claims, ceded		-	-
2-	Change in Provision for Bonus and Discounts (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
2.1-	Provision for Bonus and Discounts, gross		-	-
2.2-	Provision for Bonus and Discounts, ceded		-	-
3-	Change in Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
3.1-	Change in Mathematical Provisions, gross		-	-
3.1.1-	Change in Actuarial Mathematical Provisions, gross		-	-
3.1.2-	Change in Profit Share Provisions (Provision for Financial Investments with Risks on Saving Life Policyholders), gross		-	-
3.2-	Change in Mathematical Provisions, ceded		-	-
3.2.1-	Change in Actuarial Mathematical Provisions, ceded		-	-
3.2.2-	Change in Profit Share Provisions (Provision for Financial Investments with Risks on Saving Life Policyholders), ceded		-	-
4-	Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
5-	Operating Expenses		-	-
6-	Investment Expenses		-	-
7-	Unrealized Losses on Investments		-	-
8-	Investment Income Transferred to the Non-Life Technical Section		-	-
F-	Net Technical Income- Life (D - E)		-	-
G-	Pension Business Technical Income		-	-
1-	Fund Management Income		-	-
2-	Management Fee		-	-
3-	Entrance Fee Income		-	-
4-	Management Expense Charge in case of Suspension		-	-
5-	Income from Private Service Charges		-	-
6-	Increase in Value of Capital Allowances Given as Advance		-	-
7-	Other Technical Expense		-	-
H-	Pension Business Technical Expense		-	-
1-	Fund Management Expense		-	-
2-	Decrease in Value of Capital Allowances Given as Advance		-	-
3-	Operating Expenses		-	-
4-	Other Technical Expenses		-	-
I-	Net Technical Income - Pension Business (G - H)		-	-

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



**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**UNCONSOLIDATED STATEMENT OF INCOME**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>II- NON-TECHNICAL SECTION</b>	<b>Note</b>		
<b>C- Net Technical Income - Non-Life (A-B)</b>		<b>14,992,793,547</b>	<b>7,357,036,152</b>
<b>F- Net Technical Income - Life (D-E)</b>		-	-
<b>I- Net Technical Income - Pension Business (G-H)</b>		-	-
<b>J- Total Net Technical Income (C+F+I)</b>		<b>14,992,793,547</b>	<b>7,357,036,152</b>
<b>K- Investment Income</b>		<b>22,103,140,719</b>	<b>18,483,752,444</b>
1- Income from Financial Assets	4.2	4,880,478,454	1,748,224,230
2- Income from Disposal of Financial Assets	4.2	2,845,958,901	3,406,010,734
3- Valuation of Financial Assets	4.2	6,954,558,960	2,459,025,175
4- Foreign Exchange Gains	4.2	5,702,840,557	9,443,037,135
5- Income from Associates	4.2,9	200,000,000	100,000,000
6- Income from Subsidiaries and Joint Ventures		-	-
7- Income from Property, Plant and Equipment	7	264,922,253	145,141,404
8- Income from Derivative Transactions	4.2	1,254,381,594	1,182,313,766
9- Other Investments		-	-
10- Income Transferred from Life Section		-	-
<b>L- Investment Expense</b>		<b>(22,071,957,183)</b>	<b>(18,672,002,547)</b>
1- Investment Management Expenses (incl. interest)	4.2	(58,817,345)	(214,151,319)
2- Impairment in Value of Investments	4.2	(432,330,008)	(82,669,203)
3- Loss from Disposal of Financial Assets	4.2	(318,392,923)	(844,964,316)
4- Investment Income Transferred to Non-Life Technical Section	1.7	(16,926,488,234)	(11,798,293,048)
5- Loss from Derivative Transactions	4.2	(318,542,502)	(569,619,977)
6- Foreign Exchange Losses	4.2	(3,842,464,798)	(5,043,064,496)
7- Depreciation and Amortization Expenses	6,8	(174,921,373)	(119,240,188)
8- Other Investment Expenses		-	-
<b>M- Income and Expenses from Other and Extraordinary Operations</b>		<b>(887,494,537)</b>	<b>405,096,522</b>
1- Provisions	47	(622,472,515)	(281,501,678)
2- Rediscounts	47	(369,402,278)	(54,165,958)
3- Specified Insurance Accounts		-	-
4- Monetary Gains and Losses		-	-
5- Deferred Taxation (Deferred Tax Assets)	35	94,959,490	738,388,265
6- Deferred Taxation (Deferred Tax Liabilities)		-	-
7- Other Income		16,341,687	35,578,763
8- Other Expenses and Losses		(6,920,921)	(33,202,870)
9- Prior Year's Income		-	-
10- Prior Year's Expenses and Losses		-	-
<b>N- Net Profit for the Period</b>		<b>10,877,686,960</b>	<b>5,909,396,707</b>
1- Profit for the Period		14,136,482,546	7,573,882,571
2- Corporate Tax Provision and Other Fiscal Liabilities	35	(3,258,795,586)	(1,664,485,864)
3- Net Profit for the Period		10,877,686,960	5,909,396,707
4- Inflation Adjustment Account		-	-

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**
**UNCONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
	Note		
<b>A- Cash flows from operating activities</b>			
1- Cash provided from insurance activities		59,986,501,570	46,678,827,743
2- Cash provided from reinsurance activities		921,337,722	-
3- Cash provided from individual pension business		-	-
4- Cash used in insurance activities		(47,515,436,010)	(41,256,172,058)
5- Cash used in reinsurance activities		(821,580,850)	(1,416,785,711)
6- Cash used in individual pension business		-	-
<b>7- Cash provided by operating activities</b>		<b>12,570,822,432</b>	<b>4,005,869,974</b>
8- Interest paid		-	-
9- Income taxes paid		(2,576,500,777)	(1,538,898,642)
10- Other cash inflows		-	330,877,476
11- Other cash outflows		(3,451,768,390)	(10,694,877)
<b>12- Net cash provided by operating activities</b>		<b>6,542,553,265</b>	<b>2,787,153,931</b>
<b>B- Cash flows from investing activities</b>			
1- Proceeds from disposal of tangible assets		-	10,007
2- Acquisition of tangible assets	6, 8	(355,322,579)	(200,707,177)
3- Acquisition of financial assets	11	(76,364,895,199)	(69,844,474,853)
4- Proceeds from disposal of financial assets	11	72,356,492,553	65,828,275,026
5- Interests received		4,504,186,739	1,994,877,867
6- Dividends received		275,001,556	100,000,000
7- Other cash inflows		2,081,125,766	461,570,359
8- Other cash outflows		-	(396,612,355)
<b>9- Net cash provided by investing activities</b>		<b>2,496,588,836</b>	<b>(2,057,061,126)</b>
<b>C- Cash flows from financing activities</b>			
1- Equity shares issued		-	-
2- Cash provided from loans and borrowings		-	-
3- Finance lease payments		(74,838,743)	-
4- Dividends paid		-	-
5- Other cash inflows		-	-
6- Other cash outflows		-	-
<b>7- Net cash used in financing activities</b>		<b>(74,838,743)</b>	<b>-</b>
<b>D- Effect of exchange rate fluctuations on cash and cash equivalents</b>		<b>430,938,305</b>	<b>508,157,078</b>
<b>E- Net increase in cash and cash equivalents</b>		<b>9,395,241,663</b>	<b>1,238,249,883</b>
<b>F- Cash and cash equivalents at the beginning of the year</b>	<b>14</b>	<b>9,012,181,292</b>	<b>7,773,931,409</b>
<b>G- Cash and cash equivalents at the end of the year</b>	<b>14</b>	<b>18,407,422,955</b>	<b>9,012,181,292</b>

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**
**UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

**Audited Prior Period December 31, 2023**

	Note	Paid-in Capital	Own Shares of the Company	Revaluation of Financial Assets	Inflation Adjustment
I- Balance at the end of the previous year - December 31, 2022		500,000,000	-	2,676,776,271	-
II- Change in Accounting Standards		-	-	-	-
III- Restated balances (I+II) - (January 1, 2023)		500,000,000	-	2,676,776,271	-
A- Capital increase(A1+A2)		-	-	-	-
1- In cash		-	-	-	-
2- From reserves		-	-	-	-
B- Purchase of own shares		-	-	-	-
C- Gains or losses that are not included in the statement of incomes		-	-	-	-
D- Change in the value of financial assets	11,4.2	-	-	2,253,158,141	-
E- Currency translation adjustments		-	-	-	-
F- Other gains or losses		-	-	-	-
G- Inflation adjustment differences		-	-	-	-
H- Net profit for the period		-	-	-	-
I- Dividends paid		-	-	-	-
J- Transfers to reserves		-	-	-	-
IV- Balance at the end of the period - December 31, 2023		500,000,000	-	4,929,934,412	-

**Audited Prior Period December 31, 2024**

	Note	Paid-in Capital	Own Shares of the Company	Revaluation of Financial Assets	Inflation Adjustment
I- Balance at the end of the previous year - December 31, 2023		500,000,000	-	4,929,934,412	-
II- Change in Accounting Standards		-	-	-	-
III- Restated balances (I+II) - (January 1, 2024)		500,000,000	-	4,929,934,412	-
A- Capital increase(A1+A2)		-	-	-	-
1- In cash		-	-	-	-
2- From reserves		-	-	-	-
B- Purchase of own shares		-	-	-	-
C- Gains or losses that are not included in the statement of incomes		-	-	-	-
D- Change in the value of financial assets	11,4.2	-	-	5,618,879,480	-
E- Currency translation adjustments		-	-	-	-
F- Other gains or losses		-	-	-	-
G- Inflation adjustment differences		-	-	-	-
H- Net profit for the period		-	-	-	-
I- Dividends paid		-	-	-	-
J- Transfers to reserves		-	-	-	-
IV- Balance at the end of the period - December 31, 2024		500,000,000	-	10,548,813,892	-

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

Currency Translation Adjustment	Legal Reserves	Statutory Reserves	Other Reserves and Retained Earnings	Net Profit for the Year	Retained Earnings	Total
-	126,487,744	178,003,887	1,401,572,347	1,133,201,306	32,415,347	6,048,456,902
-	-	-	-	-	-	-
-	126,487,744	178,003,887	1,401,572,347	1,133,201,306	32,415,347	6,048,456,902
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(7,167,718)	-	-	(7,167,718)
-	-	-	-	-	-	2,253,158,141
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	5,909,396,707	-	5,909,396,707
-	-	-	-	-	-	-
-	-	87,352,611	657,908,073	(1,133,201,306)	387,940,622	-
-	126,487,744	265,356,498	2,052,312,702	5,909,396,707	420,355,969	14,203,844,032

Currency Translation Adjustment	Legal Reserves	Statutory Reserves	Other Reserves and Retained Earnings	Net Profit for the Year	Retained Earnings	Total
-	126,487,744	265,356,498	2,052,312,702	5,909,396,707	420,355,969	14,203,844,032
-	-	-	-	-	-	-
-	126,487,744	265,356,498	2,052,312,702	5,909,396,707	420,355,969	14,203,844,032
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(44,578,140)	-	-	(44,578,140)
-	-	-	-	-	-	5,618,879,480
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	10,877,686,960	-	10,877,686,960
-	-	-	-	-	-	-
-	-	637,296,972	5,272,099,735	(5,909,396,707)	-	-
-	126,487,744	902,653,470	7,279,834,297	10,877,686,960	420,355,969	30,655,832,332

# ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## UNCONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION FOR YEAR ENDED DECEMBER 31, 2024

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

	Note	Audited Current Period December 31, 2024 <sup>(**)</sup>	Audited Prior Period December 31, 2023 <sup>(****)</sup>
<b>I. PROFIT DISTRIBUTION</b>			
1.1. CURRENT YEAR PROFIT <sup>(*)</sup>		14,797,642,969	8,037,455,586
1.2. TAX AND FUNDS PAYABLE		(3,258,795,586)	(1,664,485,864)
1.2.1. Corporate Income Tax (Income Tax)	35	(3,258,795,586)	(1,664,485,864)
1.2.2. Income tax deduction			
1.2.3. Other taxes and Duties			
<b>A. NET PROFIT (1.1 - 1.2)</b>		<b>11,538,847,383</b>	<b>6,372,969,722</b>
1.3. PREVIOUS PERIOD LOSSES (-)			-
1.4. FIRST LEGAL RESERVE			-
1.5. STATUTORY FUND (-)			-
<b>B. NET PROFIT DISTRIBUTION [(A-(1.3 + 1.4 + 1.5))]</b>		<b>11,538,847,383</b>	<b>6,372,969,722</b>
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)			-
1.6.1. Holders of shares			-
1.6.2. Holders of Preferred shares			-
1.6.3. Holders of Redeemed shares			-
1.6.4. Holders of Participation Bond			-
1.6.5. Holders of Profit and Loss sharing certificate			-
1.7. DIVIDEND TO PERSONNEL (-)			-
1.8. DIVIDENDS TO BOARD OF DIRECTORS (-)			-
1.9. DIVIDENDS TO FOUNDERS (-)			-
1.10. SECOND DIVIDEND TO SHAREHOLDERS (-)			-
1.10.1. Holders of shares			-
1.10.2. Holders of Preferred shares			-
1.10.3. Holders of Redeemed shares			-
1.10.4. Holders of Participation Bond			-
1.10.5. Holders of Profit and Loss sharing certificate			-
1.11. SECOND LEGAL RESERVE (-)			-
1.12. STATUTORY RESERVES (-)			637,296,972
1.13. EXTRAORDINARY RESERVES			5,510,672,750
1.14. OTHER RESERVES			-
1.15. SPECIAL FUNDS	15		225,000,000
<b>II. DISTRIBUTION OF RESERVES</b>			
2.1. DISTRIBUTION OF RESERVES			-
2.2. SECOND LEGAL RESERVES (-)			-
2.3. COMMON SHARES (-)			-
2.3.1. Holders of shares			-
2.3.2. Holders of Preferred shares			-
2.3.3. Holders of Redeemed shares			-
2.3.4. Holders of Participation Bond			-
2.3.5. Holders of Profit and Loss sharing certificate			-
2.4. DIVIDENDS TO PERSONNEL (-)			-
2.5. DIVIDENDS TO BOARD OF DIRECTORS (-)			-
<b>III. PROFIT PER SHARE <sup>(****)</sup></b>			
3.1. HOLDERS OF SHARES		0,2308	0,1275
3.2. HOLDERS OF SHARES (%)		23.08	12.75
3.3. HOLDERS OF PREFERRED SHARES			-
3.4. HOLDERS OF PREFERRED SHARES (%)			-
<b>IV. DIVIDEND PER SHARE</b>			
4.1. HOLDERS OF SHARES			-
4.2. HOLDERS OF SHARES (%)			-
4.3. HOLDERS OF PREFERRED SHARES			-
4.4. HOLDERS OF PREFERRED SHARES (%)			-

<sup>(\*)</sup> According to the Law no. 13 of the Profit Share Annunciation which was announced in Capital Markets Board of Turkey's weekly bulletin numbered 2014/2, which was then published in the official gazette on January 23, 2014, the profit shares have been distributed based on consolidated profit. The detail of the undistributed profit is disclosed in the 2.23 Profit Distribution footnote.

<sup>(\*\*)</sup> Statement of profit distribution has not been filled yet due to the Board of Directors Meeting has not made as of preparation date of the financial statements.

<sup>(\*\*\*\*)</sup> The Figures of 2023 was filled by using the data which is located in "According to CMB" of the Profit Distribution.

<sup>(\*\*\*\*\*)</sup> Dividends per share is calculated over the consolidated net profit for the period.

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

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 1 General information

#### 1.1 Name of the Company and the ultimate owner of the group

The shareholding structure of Anadolu Anonim Türk Sigorta Şirketi ("the Company") is presented below. As of December 31, 2024, the shareholder having indirect control over the shares of Anadolu Anonim Türk Sigorta Şirketi ("the Company") is Türkiye İş Bankası A.Ş. ("İş Bankası").

Name	December 31, 2024		December 31, 2023	
	Shareholding Amount (TRY)	Shareholding Rate (%)	Shareholding Amount (TRY)	Shareholding Rate (%)
Milli Reasürans T.A.Ş.	286,550,106	57.31	286,550,106	57.31
Other <sup>(*)</sup>	213,449,894	42.69	213,449,894	42.69
<b>Paid in capital</b>	<b>500,000,000</b>	<b>100.00</b>	<b>500,000,000</b>	<b>100.00</b>

<sup>(\*)</sup> Consists of publicly traded shares

#### 1.2 Domicile and the legal structure of the Company, country and the address of the registered office (address of the operating centre if it is different from the registered office)

The Company was registered in Turkey and has the status of 'Incorporated Company'. The Company's address "Rüzgarlıbahçe Mahallesi, Kavak Sokak, No: 31 34805 Kavacık/İstanbul". Company has nine regional offices; two of them established in İstanbul and others established in Antalya, İzmir, Samsun, Adana, Ankara, Trabzon and Bursa, a sales centre in Gaziantep and a branch in Turkish Republic of Northern Cyprus.

#### 1.3 Business of the Company

The Company operates in almost all non-life insurance branches consisting of mainly accident, health, motor vehicles, air vehicles, water vehicles, marine, fire and natural disasters, general loss, credit, financial losses, and legal protection.

As of December 31, 2024, the Company serves through, 3002 authorized agencies and 136 unauthorized agencies (December 31, 2023: 2.842 authorized agencies and 124 unauthorized agencies) of which, 3138 agencies in total (December 31, 2023: 2.966).

#### 1.4 Description of the main operations of the Company

The Company conducts its operations in accordance with the Insurance Law No.5684 (the "Insurance Law") issued on June 14, 2007, dated and 26552 numbered Official Gazette and the communiqués and other regulations in force issued by the T.C. Ministry of Treasury and Finance based on the Insurance Law. The Company operates in insurance branches as mentioned above *Note 1.3 Business of the Company*.

The Company's shares have been listed on the Istanbul Stock Exchange ("BIST"). The Company operates based on its own specific laws and regulations in matters of establishment, auditing, supervision/oversight, accounting and financial reporting in accordance Capital Market Law No: 6362, part of VIII and paragraph of 5 of Article 136.

#### 1.5 The average number of the personnel during the period in consideration of their categories

The average number of the personnel during the period in consideration of their categories is as follows:

	December 31, 2024	December 31, 2023
Senior level managers	10	9
Directors	52	53
Consultants	2	1
Intermediate directors	214	215
Contracted personnel	1,519	1,430
<b>Total</b>	<b>1,797</b>	<b>1,708</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 1.6 Wages and similar benefits provided to the senior management

In the accounting period ending on December 31, 2024, the chairman and members of the board were provided with 12,516,762 TRY (December 31, 2023: TRY 5,860,466), and senior executives were provided with 85,703,555 TRY (December 31, 2023: TRY 41,939,368) in fees and similar benefits.

### 1.7 Keys used in the distribution of investment income and operating expenses (personnel, administrative, research and development, marketing and selling, services rendered from third parties and other operating expenses) in the financial statements

Procedures and principles related to keys used in the financial statements of the companies are determined in accordance with the 4 January 2008 dated and 2008/1 numbered "Communiqué Related to the Procedures and Principles for the Keys Used in the Financial Statements Being Prepared In Accordance With Insurance Accounting Plan" issued by the T.C. Ministry of Treasury and Finance.

In accordance with the above-mentioned Communiqué, insurance companies are allowed to transfer technical section operating expense to insurance section through methods determined by T.C. Ministry of Treasury and Finance or by the Company itself. Methods determined by the Company should be approved by the T.C. Ministry of Treasury and Finance. Known and exactly distinguishable operating expenses are distributed to related branches directly, while operating expenses are distributed to the sub-branches in accordance with the average of 3 ratios calculated by dividing "number of the policies produced within the last three years", "gross premium written within the last three years", and "number of the claims reported within the last three years" to the "total number of the policies", "total gross written premiums" and the "total number of the claims reported", respectively.

Income from the assets invested against non-life technical provisions is transferred to technical section from non-technical section; remaining income is transferred to the non-technical section.

### 1.8 Information on the financial statements as to whether they comprise an individual company Or a group of companies

The accompanying financial statements comprise only the unconsolidated financial information of the Company. As further discussed in note 2.2 - Consolidation, the Company has prepared additionally consolidated financial statements as of December 31, 2024.

### 1.9 Name or other identity information about the reporting entity and the changes in this information after previous reporting date

Trade name of the Company:	Anadolu Anonim Türk Sigorta Şirketi
Registered address of the head office:	Rüzgarlıbahçe Mahallesi, Çam Pınarı Sokak, No: 6 34805 Kavacık/İstanbul
The web page of the Company:	<a href="http://www.anadulusigorta.com.tr">www.anadulusigorta.com.tr</a>

The information presented above has not any change since the end of the previous reporting period.

### 1.10 Events after the reporting date

The unconsolidated financial statements prepared as of December 31, 2024, were approved by the Company's Board of Directors on February 7, 2025.

## 2 Summary of significant accounting policies

### 2.1 Basis of preparation

#### 2.1.1 Information about the principles and the specific accounting policies used in the preparation of the financial statements

The Company prepares its unconsolidated financial statements in accordance with the regulations published by SEDDK. The insurance legislation regarding financial reporting prior to the establishment of SEDDK and the commencement of its regulatory activities in the insurance sector was published by the Ministry of Treasury and Finance. In the preparation of unconsolidated financial statements, the "Insurance Accounting and Financial Reporting Legislation", which includes the regulations on accounting and financial reporting in force as required by insurance legislation and the provisions of the Turkish Financial Reporting Standards ("TFRS") for matters not regulated by these, is taken as basis.

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

**CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

The Company accounts for its activities as of December 31, 2024 and 2023 in accordance with the "Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies" published on July 14, 2007 and entered into force on January 1, 2008, within the framework of the said regulation and the TFRS announced by the Public Oversight, Accounting and Auditing Standards Authority ("KGK") and other regulations, explanations and circulars published by the Ministry of Treasury and Finance of the Republic of Turkey regarding accounting and financial reporting principles. Based on the letter dated 18 February 2008 and numbered 9 of the Ministry of Treasury and Finance of the Republic of Turkey, TAS 1, "Financial Statements and Presentation", TAS 27, "Consolidated and Non-Consolidated Financial Statements", TFRS 1, "Transition to TFRS" and TFRS 4, "Insurance Contracts" were excluded from the scope of this application in 2008. In addition, within the framework of subsequent regulations issued within the scope of insurance legislation, the application of TFRS 17, "Insurance Contracts", TFRS 9, "Financial Instruments" and TFRS 15, "Revenue from Customer Contracts" standards have also been postponed.

As of December 31, 2024, the Company has calculated and reflected its technical reserves related to insurance in the financial statements in accordance with the "Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and Assets in Which Such Reserves Will Be Invested" ("Technical Reserves Regulation") and other relevant legislation, which was enacted within the framework of the Insurance Law No. 5684 and published in the Official Gazette dated July 28, 2010 and numbered 27655; and which entered into force upon publication in the Official Gazette dated July 17, 2012 and numbered 28356.

**2.1.2 Other accounting policies appropriate for the understanding of the financial statements****Accounting in hyperinflationary countries**

The financial statements of companies operating in Turkey have been prepared as of December 31, 2004, in accordance with TAS 29- Financial Reporting in Hyperinflationary Economies, reflecting adjustments made due to changes in the general purchasing power of the Turkish lira. TAS 29 requires financial statements prepared in the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the reporting date, and that corresponding figures for previous years be restated in the same terms.

In accordance with the letter dated April 4, 2005, numbered 19387, of the Ministry of Treasury and Finance, the Company prepared its financial statements as of December 31, 2004, by adjusting them in accordance with the provisions regarding inflation accounting in the Capital Markets Board ("CMB") Communiqué No: 25 of Series XI, "Communiqué on Accounting Standards in Capital Market" published in the Official Gazette dated January 15, 2003, and numbered 25290. The practice of inflation accounting was terminated starting from January 1, 2005, according to the same declaration of the Ministry of Treasury and Finance. Therefore, as of December 31, 2023, non-monetary assets and liabilities and equity items including capital in the balance sheet were adjusted for inflation up to December 31, 2004, while entries after that date were carried at their nominal values.

**2.1.2 Other accounting policies appropriate for the understanding of the financial statements**

Based on the announcement made by Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying Turkish Financial Reporting Standards (TFRSs) are required to present their financial statements by adjusting for the impact of inflation for the annual reporting period ending on or after December 31, 2023, in accordance with the accounting principles specified in TAS 29. Based on the announcement of the KGK, SEDDK, with the "Circular on Inflation Accounting Application in the Insurance Sector" dated 6 December 2023 and numbered 2023/30, decided that the financial statements of insurance, reinsurance and pension companies dated 31 December 2023 will not be subject to the inflation adjustment that should be made within the scope of TAS 29. With the "Circular on Inflation Accounting Application in the Insurance Sector" (Circular No. 2024/10) published by SEDDK on March 11, 2024, the transition date for insurance, reinsurance and pension companies to inflation accounting was determined as January 1, 2025. However, with the "Circular on Inflation Accounting Application in the Insurance Sector" published by SEDDK on December 6, 2024, No. 2024/32, Circular No. 2024 was repealed and it was decided that insurance, reinsurance and pension companies would not apply inflation accounting in 2025. Accordingly, "TAS 29 Financial Reporting Standard in High Inflation Economies" is not applied in the unconsolidated financial statements of the Company as of December 31, 2024.

**Other accounting policies**

Information regarding other accounting policies is disclosed above in "Note 2.1.1 - Information about the principles and the specific accounting policies used in the preparation of the financial statements" and each under its own caption in the following sections of this report.



## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 2.1.3 Valid and presentation currency

The accompanying unconsolidated financial statements are presented in TL, which is the Company's functional currency.

### 2.1.4 Rounding scale of the amounts presented in the financial statements

Financial information presented in TL, has been rounded to the nearest TRY values.

### 2.1.5 Basis of measurement used in the preparation of the financial statements

The accompanying financial statements are prepared on the historical cost basis as adjusted for the effects of inflation that lasted until December 31, 2004, except for the financial assets at fair value through profit or loss, available-for-sale financial assets, derivative financial instruments and associates which are measured at their fair values unless reliable measures are available.

### 2.1.6 Accounting policies, changes in accounting estimates and errors

No changes or errors have occurred in the accounting policies for the current period.

Explanations on accounting estimates are given in the "Note 3" which is critical accounting estimates and judgments.

## 2.2 Consolidation

Circular Related to the Preparation of the Consolidated Financial Statements of Insurance, Reinsurance, and Individual Pension Companies" issued by the T.C. Ministry of Treasury and Finance in the December 31, 2008, dated and 27097 numbered Official Gazette, has been in force since March 31, 2009. Accordingly, consolidated financial statements are also prepared using the equity method of accounting to consolidate the Company's associate; Anadolu Hayat Emeklilik A.Ş. ("Anadolu Hayat").

In the August 12, 2008 dated and 2008/36 numbered "Sector Announcement Related to the Accounting of Subsidiaries, Associates and Joint Ventures in the Stand Alone Financial Statements of Insurance, Reinsurance and Individual Pension Companies" of the T.C. Ministry of Treasury and Finance, it is stated that although insurance, reinsurance and individual pension companies are exempted from TAS 27 - *Consolidated and Separate Financial Statements*, subsidiaries, associates and joint-ventures could be accounted in accordance with TAS 39 - *Financial Instruments: Recognition and Measurement* or at cost in accordance with the 37th paragraph of TAS 27 - *Consolidated and Separate Financial Statements*, Parallel to the related sector announcements mentioned above, as of the reporting date the Company has accounted for its associate at fair value based on quoted market price.

## 2.3 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, whose operating results are reviewed regularly by the Board of Directors (being chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. Since the main economic environment, where the Company operates, is Turkey, a geographical segment reporting has not been presented. A business segment reporting of the Company is presented in Note 5 in accordance with TFRS 8- *Operating Segments* standard.

## 2.4 Foreign currency transactions

Transactions are recorded in TRY, which is the Company's functional currency. Transactions in foreign currencies are recorded at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates ruling at the reporting date and foreign currency exchange differences are offset and all exchange differences are recognized in the statement of income.

Foreign currency exchange differences of unrecognized gains or losses arising from the difference between their fair value and the discounted values calculated per effective interest rate method of foreign currency available-for-sale financial assets are recorded in "Revaluation of financial assets" under equity and the realized gain or losses are recognized directly in the statement of income.

**CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED  
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

**2.5 Tangible assets**

Tangible assets of the Company are recorded at their historical costs that have been adjusted for the effects of inflation until the end of December 31, 2004. There have been no other inflationary adjustments for these tangible assets for the following years and therefore they have been recorded at their costs restated for the effects of inflation until December 31, 2004. Tangible assets that have been purchased after January 1, 2005, have been recorded at their costs after deducting any exchange rate differences and finance expenses.

The Company has started to show based on the revaluation model by measuring over fair value as of the third quarter of the 2015 year by making changes in the use of the property which is measuring the cost model in the financial statements before.

Buildings for own use is recognized by fair value that determined in valuations made by independent valuation experts who have professional competency by reducing their following accumulated depreciation. Accumulated depreciation which is at the date of revaluation net of gross book value and net amount brought to values after revaluation.

Increase of revaluation results in the carrying value of use of land and building account in equity in the balance sheet under "Other Capital Account" as the net of tax effects. As a result of the evaluation of real estate an increase on the corresponding impairments is deducted from the fund; all other decrease are reflected the profit/loss account.

Gains/losses arising from the disposal of the tangible assets are calculated as the difference between the net carrying value and the proceeds from the disposal of related tangible assets and reflected to the statement of income of the related period.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of tangible assets since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Normal maintenance and repair expenses incurred on tangible assets are recognized as expense.

There are no pledges, mortgages or any similar encumbrances on tangible assets.

There are no changes in accounting estimates that have a significant effect on the current period or are expected to have a significant effect in the following periods.

The relevant depreciation shares for tangible fixed assets are calculated using the straight-line depreciation method over their appraisal values based on their useful lives.

Depreciation rates and estimated useful lives are as follows:

<b>Tangible Assets</b>	<b>Estimated useful lives (years)</b>	<b>Depreciation rates (%)</b>
Buildings for own use	50	2
Machinery and equipment	3 - 16	6,3 - 33,3
Furniture and fixtures	4 - 16	6,3 - 25,0
Vehicles	5	20
Other tangible assets (including leasehold improvements)	5 - 10	10,0 - 20,0
Leased tangible assets	1 - 10	10,0 - 100,0

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 2.6 Investment properties

Investment properties are held either to earn rentals and/or for capital appreciation or for both.

In the event of investment property of first registration is measured on fair value including transaction costs after measured at cost. The changes which result of fair value valuation recognised in the income statement.

Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the period of retirement or disposal.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The fair value on the date of change in the usage is considered as cost in the reclassification recognition when investment property that measured with fair value is reclassified as a tangible asset.

### 2.7 Intangible assets

The Company's intangible assets consist of computer software, goodwill and advances paid for tangible assets.

Intangible assets are recorded at cost in compliance with "TAS 38 - Accounting for intangible assets". The cost of the intangible assets purchased before December 31, 2004, are restated from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs.

Amortization is charged on a straight-line basis over their estimated useful lives over the cost of the asset. The period of redemption of intangible assets is 3 to 15 years.

Goodwill is expressed as the parts of the purchased subsidiary/affiliate in net use of the Company's share in excess of the cost of purchasing the appropriate enclosure. Goodwill from the acquisition of associates is included in the "Affiliates" account and is tested for impairment as a part of the general balance. For the goodwill amount that is accounted for separately, an impairment test is performed each year and is shown at cost less accumulated impairment provisions. Provisions for impairment in goodwill are not cancelled. Gains or losses on the disposal of the business include the carrying amount of the goodwill associated with the sold business.

For the purpose of impairment testing, goodwill is allocated to cash-generating units. The allocations made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arises.

The Company has acquired the health portfolio of Anadolu Hayat Emeklilik A.Ş. at August 31, 2004, with all of its rights and liabilities. The value at acquisition of the portfolio amounting to TRY 16,250,000 is capitalized as goodwill by the Company.

### 2.8 Financial assets

A financial asset is any asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

Financial assets are classified in four categories; as financial assets held for trading, available-for-sale financial assets, held to maturity financial assets, and loans and receivables.

*Financial assets at fair value through profit or loss* are presented as financial assets held for trading in the accompanying unconsolidated financial statements and trading securities and derivatives are included in this category. Financial assets at fair value through profit or loss measured at their fair values and gain/loss arising due to changes in the fair values of related financial assets is recorded in profit/loss. Interest income earned on trading purpose financial assets and the difference between their fair values and acquisition costs are recorded as interest income in the statement of income. In case of disposal of such financial assets before their maturities, the gains/losses on such disposal are recorded under trading income/losses. Accounting policies of derivatives are detailed in note 2.10 - Derivative financial instruments.

*Loans and receivables* are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables those are not interest earning are measured by discounting of future cash flows less impairment losses, and interest earning loans and receivables are measured at amortized cost less impairment losses.

## **CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

*Held to maturity financial assets* are the financial assets with fixed maturities and fixed or pre-determined payment schedules that the Company has the intent and ability to hold until maturity, excluding loans and receivables. Subsequent to initial recognition, held to maturity financial assets and loans and receivables are measured at amortized cost using effective interest rate method less impairment losses, if any. The Company has no financial assets that are not allowed to be classified as held to maturity financial assets for two years due to the tainting rules applied for the breach of classification rules.

Available-for-sale financial assets are the financial assets other than assets held for trading purposes, held-to-maturity financial assets and loans and receivables.

Available-for-sale financial assets are initially recorded at cost and subsequently measured at their fair values. Unrecognized gains or losses derived from the difference between their fair value and the discounted values calculated per effective interest rate method are recorded in "Revaluation of financial assets" under shareholders' equity. Upon disposal, the realized gain or losses are recognized directly in the statement of income.

The determination of fair values of financial instruments not traded in an active market is determined by using valuation techniques. Observable market prices of the quoted financial instruments which are similar in terms of interest, maturity and other conditions are used in determining the fair value.

The Company has accounted equity shares classified as available-for-sale according to quoted market prices or dealer price quotations for financial instruments traded in active markets or according to cost less impairment losses for financial instruments not traded in active markets.

Securities are recognized and derecognized at the date of settlement.

Associates; shares of the associate of the Company; Anadolu Hayat Emeklilik A.Ş. are classified as available-for-sale financial assets in the unconsolidated financial statements and are recorded at their fair values since those shares are traded in an active market.

A financial asset is derecognized when the control over the contractual rights that comprise that asset is lost. This occurs when the rights are realized, expire or are surrendered.

### **Impairment on financial asset**

Financial assets or group of financial assets are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, the Company estimates the amount of impairment. A financial asset is impaired if, and only if, there is objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) ("loss event(s)") incurred subsequent to recognition. The losses expected to incur due to future events are not recognized even if the probability of loss is high.

Receivables are presented net of specific allowances for uncollectibility. Specific allowances are made against the carrying amounts of loans and receivables that are identified as being impaired based on regular reviews of outstanding balances to reduce these loans and receivable to their recoverable amounts.

The recoverable amount of an equity instrument is its fair value. The recoverable amount of debt instruments and purchased loans measured to fair value is calculated as the present value of the expected future cash flows discounted at the current market rate of interest.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost and available-for-sale financial assets that are debt securities, the reversal is recognized in the statement of operations. For available-for-sale financial assets that are equity securities, the reversal is recognized directly in equity.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 2.9 Impairment on assets

#### Impairment on tangible assets

On each reporting date, the Company evaluates whether there is an indication of impairment of tangible and intangible assets. If there is an objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the "TAS 36 - *Impairment of Assets*" and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

Rediscount and provision expenses of the period are detailed in *Note 47*.

### 2.10 Derivative financial instruments

As of December 31, 2024, the Company has classified TRY 235,256,132 of derivative financial instruments as held for trading financial assets (December 31, 2023: 118,720,901)

As of December 31, 2024, the Company has no balance in the income accruals account for gains arising from forward foreign exchange purchase and sale agreements. (December, 31 2023 TRY: 6,219,723).

In addition, the company has FX- protected deposits amounting to TRY 1,149,065,599.

Derivative instruments are treated as held for trading financial assets in compliance with the standard TAS 39 - *Financial Instruments: Recognition and measurement*.

The Company offset foreign forward currency agreements income/expense accruals in the income statement.

Derivative financial instruments are initially recognized at their fair value.

Collateral amounts and valuations that are necessary for derivative transactions are included in trading financial assets.

The receivables and liabilities arising from the derivative transactions are recognized under the off-balance sheet accounts through the contract amounts.

Derivative financial instruments are subsequently remeasured at fair value and positive fair value differences are presented either as "financial assets held for trading" and negative fair value differences are presented as "other financial liabilities" in the accompanying unconsolidated financial statements. All unrealized gains and losses on these instruments are included in the statement of income.

### 2.11 Offsetting of financial assets

Financial assets and liabilities are offset, and the net amount is presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the Reporting Standards, or for gains and losses arising from a group of transactions resulting from the Company's similar activities like trading transactions.

### 2.12 Cash and cash equivalents

Cash and cash equivalents, which form the basis for the preparation of the statement of cash flows, include cash on hand, checks received, other cash equivalents, demand deposits, and time deposits at banks with an original maturity of less than 3 months, which are readily available for use by the Company or not blocked for any other purpose.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 2.13 Share Capital

The shareholder having indirect control over the shares of the Company is İş Bankası Group, as of December 31, 2024, and 2023, the share capital and ownership structure of the Company are as follows:

Name	December 31, 2024		December 31, 2023	
	Shareholding Amount (TRY)	Shareholding Rate (%)	Shareholding Amount (TRY)	Shareholding Rate (%)
Milli Reasürans T.A.Ş.	286,550,106	57.31	286,550,106	57.31
Other <sup>(*)</sup>	213,449,894	42.69	213,449,894	42.69
<b>Paid in Capital</b>	<b>500,000,000</b>	<b>100</b>	<b>500,000,000</b>	<b>100.00</b>

<sup>(\*)</sup> Consists of publicly traded shares.

### Sources of capital increases during the period

The Company has not performed capital increase as of December 31, 2024 (December 31, 2023: None).

### Privileges on common shares representing share capital

As of December 31, 2024, the issued share capital of the Company is TRY 500,000,000 (December 31, 2023: TRY 500,000,000) and the Company unregistered Group 150 A shares which each of value is TRY 1,5 as of April 11, 2013, in which approved in Main Article of the Company dated on April 11, 2013. The share capital of the Company consists of 50,000,000,000 (December 31, 2023: 50,000,000,000 shares) issued shares with TRY 0,01 nominal value each.

### Registered capital system in the Company

The Company has accepted the registered capital system. As of December 31, 2024, the Company's registered capital is TRY 3,500,000,000 (December 31, 2023: TRY 3,500,000,000).

### Repurchased own shares by the Company

None.

### 2.14 Insurance and investments contracts - classification

An insurance contract is a contract under which the Company accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Insurance risk covers all risk except for financial risks. All premiums have been received within the coverage of insurance contracts recognized as revenue under the account caption "written premiums".

Investment contracts are those contracts which transfer financial risk with no significant insurance risk. Financial risk is the risk of a possible future change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided, that it is not specific to a party to the contract, in the case of a non-financial variable.

As of the reporting date, the Company does not have a contract which is classified as an investment contract.

**CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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**Premiums Transferred to the Social Security Institution**

The Law No. 6111 on "Restructuring of Certain Claims and Making Amendments to the Social Insurance and General Health Insurance Law and Some Other Laws and Decrees" published in the Official Gazette on February 25, 2011 ("Law") with the 98<sup>th</sup> article of the Highway Traffic Law No. 2918, amended by the 59<sup>th</sup> article, the collection and liquidation of the health service costs incurred due to traffic accidents are subject to new procedures and principles. In this context, the health service costs offered by all public and private health institutions and organizations due to traffic accidents will be covered by the Social Security Institution ("SSI"), regardless of whether the casualty has social security or not. Again, according to the Provisional Article 1 of the Law, it is stipulated that the costs of health services offered due to traffic accidents that occurred before the date of publication of the Law shall be covered by the SSI.

The liability of insurance companies regarding the service fees to be incurred within the framework of the aforementioned articles of the Law is the "Regulation on Procedures and Principles Regarding the Collection of Health Service Fees Offered to Persons Due to Traffic Accidents" ("Regulation"), dated 27 August 2011, published by the Ministry of Treasury and Finance, "Circular on the Procedures and Principles Regarding the Procedures and Principles Regarding the Collection of Health Service Fees Provided to the Related Persons Due to Traffic Accidents" dated September 15, 2011 and numbered 2011/17 ("Circular No. 2011/17"), dated October 17, 2011 and 2011/Circular No. 18 on the Accounting of the Payments Made to the Social Security Institution (SSI) for Treatment Costs and Opening a New Account Code in the Insurance Accounting Plan ("Circular No. 2011/18"), dated March 16, 2012 and numbered 2012/3 "Due to Traffic Accidents Implementation of the Regulation on the Procedures and Principles Regarding the Collection of Health Service Fees Provided to Relevant Persons The Circular on the Amendment of the Circular on the Procedures and Principles Regarding a (Circular No. 2012/3) and the "Regulation on the Procedures and Principles Regarding the Collection of Health Service Fees Provided to the Related Persons Due to Traffic Accidents" dated 30 April 2012 and numbered 2012/6. It has been determined according to the principles explained in the Related Sector Announcement ("Sector Announcement No. 2012/6") (Note 2.24). In this context, with regard to the treatment costs arising from traffic accidents occurring after the publication of the Law, the Company's policies written after February 25, 2011 in the branches of "Compulsory Transport Insurance", "Compulsory Traffic Insurance" and "Mandatory Seat Personal Accident Insurance" Regarding this, the premiums determined within the scope of the Regulation and Circular No. 2011/17 must be transferred to the SSI. Within the framework of the principles explained above, the company is TRY 901,370,600 in the accounting period of January 1 - December 31, 2024 (January 1 - December 31, 2023: TRY 579,640,598) has been accounted for under the "Premiums transferred to SSI" account.

**2.14 Insurance contracts and investment contracts with discretionary participation feature**

Discretionary participation feature within insurance contracts and investment contracts is the right to have following benefits in addition to the guaranteed benefits

- (i) that are likely to comprise a significant portion of the total contractual benefits;
- (ii) whose amount or timing is contractually at the discretion of the Issuer; and
- (iii) that are contractually based on:
  - (1) the performance of a specified pool of contracts or a specified type of contract;
  - (2) realized and/or unrealized investments returns on a specified pool of assets held by the Issuer; or
  - (3) the profit or loss of the Company, Fund or other entity that issues the contract.

As of the reporting date, the Company does not have any insurance or investment contracts that contain a discretionary participation feature.

**2.15 Investment contracts without discretionary participation feature**

As of the reporting date, the Company does not have any insurance contracts and investment contracts without discretionary participation feature.

**2.16 Liabilities**

*Financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity. Financial liabilities of the Company are measured at their discounted values. A financial liability is derecognized when it is extinguished.*

**2.17 Income taxes****Corporate tax**

Corporate tax rate in Turkey is 20%. The corporate tax rate is applied to the corporates' net income which is found as a result of adding the expenses that are not accepted as a deduction and deducting the exemptions and deductions in accordance with tax laws. If there is no dividend distribution planned, no further tax charges are made.

**CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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On April 6, 2020, with the amendment to Article 25 of Law No. 7394, the first paragraph of Article 32 titled "Corporate tax and temporary tax rate" of Law No. 5520 was amended, stipulating that banks, financial leasing, factoring, financing and savings finance companies, electronic payment and money institutions, authorized currency institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies would be subject to a corporate tax rate of 25% on their corporate income. However, due to the need to compensate for the economic losses caused by the earthquakes that occurred on February 6, 2023, Law No. 7456 was issued, stipulating that the corporate tax rate for insurance companies would be applied at 30%.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 10%. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

The prepaid taxes are calculated and paid at the rates valid for the earnings of the related years. The payments can be deducted from the annual corporate tax calculated for the whole year earnings.

**2.18 Income taxes**

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns with their tax offices by the end of 25<sup>th</sup> of the fourth month following the close of the accounting period to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based and may issue re-assessments based on their findings.

As per the Article 17 of the Omnibus Law published in the Official Gazette dated December 28, 2023, Banks, companies within the scope of the Law on Financial Leasing, Factoring, Financing and Savings Finance Companies, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will apply inflation accounting in accordance with the Tax Procedure Law as of December 31, 2023, and the profit/loss difference arising from the inflation adjustment made in the 2024 and 2025 accounting periods, including the temporary tax periods, will not be taken into account in the determination of the tax base.

In September 2023, the POA published amendments to IAS 12, which introduce a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. These amendments have clarified that IAS 12 will be applied to income data arising from tax laws that have entered into force or are close to entering into force for the purpose of implementing the Second Pillar Model Rules published by the Organisation for Economic Co-operation and Development (OECD). These changes also impose certain disclosure requirements for businesses affected by such tax laws. The exception that information on deferred taxes within this scope will not be recognized or disclosed and the provision explaining that the exception has been applied shall be implemented with the publication of the amendment. The Pillar 2 regulations agreed upon by the OECD member countries entered into force in Turkey with the Law on Amendments to Tax Laws and Certain Laws and Legislative Decree No. 375, published in the Official Gazette dated 2 August 2024. Although secondary legislation on the subject has not been published, preliminary assessments made by taking into account the regulations published by the OECD indicate that the said regulations will not have any impact on the financials. In addition, changes in legislation in Türkiye and other countries of operation are monitored.

The Domestic Minimum Corporate Tax was put into effect by the laws published in the Official Gazette dated August 2, 2024. This tax will be applied starting from the 2025 accounting period. "With the law numbered 7524, the institution of Minimum Corporate Tax was introduced, and a regulation was made stating that the corporate tax calculated within this scope cannot be less than 10% of the corporate profit before deductions and exemptions. The regulation will enter into force on the date of publication to be applied to corporate profits for the taxation period of 2025. In addition, the Corporate Tax General Communiqué No. 23 has been published on the subject.



## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### Deferred taxes

In accordance with TAS 12 - Income taxes, deferred tax assets and liabilities are recognized on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base, except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

Deferred tax assets and liabilities are reported as net in the unconsolidated financial statements if, and only if, the Company has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

In case where gains/losses resulting from the subsequent measurement of the assets are recognized in the statement of income, then the related current and/or deferred tax effects are also recognized in the statement of income. On the other hand, if such gains/losses are recognized as an item under equity, then the related current and/or deferred tax effects are also recognized directly in the equity.

As of December 31, 2024, a tax rate of 30% is used for temporary differences (December 31, 2023; 30%).

### Transfer pricing

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated November 18, 2007, sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

### 2.19 Employee benefits

#### Pension and other post-retirement obligations

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee and his/her dependants will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Employees of the Company are the members of "Anadolu Anonim Türk Sigorta Şirketi Pension Fund" which is established in accordance with the temporary Article 20 of the Social Security Act No: 506. As per the temporary sub article No: 20 of the Article 73 of the Social Security Law, pension funds should be transferred to the Social Security Institution within three years after the publication of a aforementioned Law published in the Official Gazette numbered 26870 and dated May 8, 2008. The related three-year transfer period has been prolonged for two years by the Cabinet decision, which was published on the Official Gazette dated April 9, 2011. Accordingly, the three-year period expired on May 8, 2011, was extended to the May 8, 2015.

With the 51st article of the Law No. 6645 published in the Official Gazette dated April 23, 2015 and numbered 29335, the first paragraph of the Provisional Article 20 of the Law No. 5510 on the transfer of Bank and Insurance Funds to the Social Security Institution was changed; "The participants of the funds established for the personnel of banks, insurance and reinsurance companies, chambers of commerce, chambers of industry, stock exchanges or their unions within the scope of the temporary article 20 of the Law No. The Council of Ministers is authorized to determine. As of the transfer date, the participants of the ballot box are deemed to be insured within the scope of subparagraph (a) of the first paragraph of Article 4 of this Law.

This regulation is valid for the expenditures within the scope of the temporary 20th fee of the Law No. 506, for insurance and reinsurance companies, chambers of commerce, chambers of industry, stock exchanges or unions in their organizations, the participants of the expanded funds, and those who leave or have a net income, and their right holders, until 8 May 2015 must be transferred to the Social Security Institution. The authority to determine the transfer date has been given to the Council of Ministers, thus the transfer of the funds have been postponed to an unknown date. The application made by the Republican People's Party to the Constitutional Court on 19 June 2008 for the annulment of some articles of the law, including the first paragraph of the provisional article 20, which includes the transfer provisions, and for the suspension of enforcement, was rejected in line with the decision taken at the meeting of the aforementioned court on 30 March 2011.

**CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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For each fund, the cash value of the liability regarding the transferred persons as of the date of transfer, including the participants leaving the fund, should be calculated according to the following provisions:

- The technical interest rate to be used in the actuarial calculation of the cash value is taken as 9.80%.
- The cash value of the liability is calculated by taking into account the income and expenses of the funds in terms of insurance branches within the scope of this Law.

As of December 31, 2024, there is no deficit according to the above-mentioned provisions (December 31, 2023: No Deficit).

**Employee termination benefits**

In accordance with existing Turkish Labour Law, the Company is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Company and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The amount payable for each year of service to the employee union members in the cases of death, disability, retirement, pension bonding is equivalent to their 60-day salary, in other cases it is equivalent to 45-day salary. For other employees, it is one month's salary. The computation of the liability is based upon the retirement pay ceiling announced by the Government. The applicable ceiling amount as of December 31, 2024, is TRY 41,828.42 (December 31, 2023: TRY 23,489.83). In Accordance TAS 19 which published by Public Company Accounting Oversight Board (PCAOB) dated March 12, 2013 is about "Benefits Employee Accounting Standard" and defined by beginning from December 31, 2012 net defined benefit liability of the actuarial gains and losses arising on re-measurement should be recognized in other comprehensive income under shareholders' equity and this effect should be applied retrospectively. The Company started to account current actuarial gains and losses under equity (other profit reserves) due to the fact that prior period actuarial gains and losses have remained below the materiality. The Company accounted for employee severance indemnities using actuarial method in compliance with the TAS 19 - *Employee Benefits*. The major actuarial assumptions used in the calculation of the total liability as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Discount rate	3.28%	3.28%
Expected rate of salary/limit increase	10.30%	0.30%
Estimated employee turnover rate	6.91%	6.91%

**Other employee benefits**

The Company has provided for undiscounted short-term employee benefits earned during the period as per services rendered in compliance with TAS 19 in the accompanying unconsolidated financial statements.

**2.20 Provisions**

A provision is made for an existing obligation resulting from past events if it is probable that the commitment will be settled, and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management on the expenses to incur as of the reporting date and, if material, such expenses are discounted to their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Company to settle the liability, the related liability is considered as "contingent" and disclosed in the notes to the unconsolidated financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized in unconsolidated financial statements since this may result in the recognition of income that may never be realized. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the unconsolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the unconsolidated financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, the Company discloses the contingent asset.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### 2.21 Revenue recognition

#### Written premiums and claims paid

Written premiums represent premiums on policies written during the period net of taxes, premiums of the cancelled policies which were produced in prior periods and premium ceded to reinsurance companies. Premiums ceded to reinsurance companies are accounted as "written premiums, ceded" in the statement of income.

Claims are recognized as expense as they are paid. Outstanding claims provision is provided for both reported unpaid claims at period-end and incurred but not reported claims. Reinsurer's shares of claims paid, and outstanding claims provisions are offset against these reserves.

#### Subrogation, salvage and quasi-income

According to the Circular 2010/13 dated September 20, 2010; the Company may account for income accrual for subrogation receivables without any voucher after the completion of the claim payments made to the insurer. If the amount cannot be collected from the counterparty insurance company, the Company provides provision for uncollected amounts due for six months. If the counter party is not an insurance Company, the provision is provided after four months. As of the reporting date, in accordance with the related circular the Company provided TRY 561,100,715 (December 31, 2023: TRY 338,107,609) subrogation receivables and recorded TRY 723,408,965 (December 31, 2023: TRY 449,617,028) (Note 12) net subrogation and salvage receivables under receivables from main operations. The Company provided allowance for uncollected subrogation receivables amounting to TRY 216,362,128 156,811,592 (December 31, 2023: TRY 156,811,592) (Note 12) in accordance with circular.

For the years ended December 31, 2024, and 2023, salvage and subrogation collected are as follows:

	December 31, 2024	December 31, 2023
Motor vehicles	4,801,050,175	3,280,856,563
Motor vehicles liability (MTPL)	234,987,405	105,850,204
Fire and natural disaster	51,420,582	73,300,282
Marine	24,032,501	12,565,462
Water vehicles	16,022,415	330,898
General losses	9,152,278	7,596,149
Breach of trust	3,717,486	3,746,085
General liability	2,461,875	2,118,240
Aircrafts	1,363,348	462,401
Accident	715,327	982,543
Financial losses	38,654	-
Legal protection	8,347	43,923
Aircrafts liability	7,160	157,796
<b>Total</b>	<b>5,144,977,553</b>	<b>3,488,010,546</b>

As of December 31, 2024, and 2023, accrued subrogation and salvage income per branches are as follows:

	December 31, 2024	December 31, 2023
Motor vehicles	582,850,216	345,600,913
Motor vehicles liability (MTPL)	70,889,264	36,721,423
Fire and natural disaster	46,867,982	49,955,618
Marine	12,244,330	9,626,981
General losses	5,802,940	1,354,716
Water vehicles	4,691,550	4,086,803
Accident	62,683	42,323
General liability	-	2,228,251
<b>Total</b>	<b>723,408,965</b>	<b>449,617,028</b>

## **CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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### **Commission income and expense**

As further disclosed in Note 2.24 - *Reserve for unearned premiums*, commissions paid to the agencies related to the production of the insurance policies and the commissions received from the reinsurance firms related to the premiums ceded are recognized over the life of the contract by deferring commission income and expenses within the calculation of reserve for unearned premiums for the policies produced before January 1, 2008 and recognizing deferred commission income and deferred commission expense in the financial statements for the policies produced after January 1, 2008.

### **Interest income and expense**

Interest income and expense are recognized using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

The calculation of the effective interest rate includes all fees and points paid or received transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

### **Trading income/expense**

Trading income/expense includes gains and losses arising from disposals of financial assets held for trading purpose and available-for-sale financial assets. Trading income and trading expenses are recognized as "Income from disposal of financial assets" and "Loss from disposal of financial assets" in the accompanying unconsolidated financial statements.

### **Dividends**

Dividend income is recognized when the Company's right to receive payment is ascertained.

### **2.22 Leasing transactions**

Tangible assets acquired by way of finance leasing are recognised in tangible assets and the obligations under finance leases arising from the lease contracts are presented under finance lease payables account in the financial statements. In the determination of the related assets and liabilities, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Financial costs of leasing agreements are expanded in lease periods at a fixed interest rate.

If there is impairment in the value of the assets obtained through financial lease and in the expected future benefits, the leased assets are valued with net realisable value. Depreciation for assets obtained through financial lease is calculated in the same manner as tangible assets.

Set out below are the accounting policies of the Company implementation of TFRS 16.

### **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of the right-of-use asset includes:

- (a) initial direct costs incurred,
- (b) lease payments made at or before the commencement date less any lease incentives received, and
- (c) All initial costs incurred by the company.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Right-of-use assets are subject to impairment.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Lease liabilities

The company measures the lease liability based on the present value of the lease payments that were not paid at the actual start of the lease.

The lease payments, which are included in the measurement of the lease liability at the actual start of the lease, consist of the following payments to be made for the right of use of the underlying asset during the lease term and which were not paid at the actual start of the lease:

- (a) fixed payments,
- (b) variable lease payments based on an index or ratio, the first measurement of which was made using an index or ratio at the actual beginning of the lease,
- (c) amounts expected to be paid by the company under residual value commitments
- (d) if the company is reasonably confident that it will exercise the option to purchase, the price at which the option is used and
- (e) penalty payments for termination of the lease if the lease term indicates that the company will exercise an option to terminate the lease.

Variable lease payments that are not linked to an index or ratio are recorded as expenses in the period in which the event or condition that triggered the payment occurs

The company sets the revised discount rate for the remainder of the lease period as this rate if the implied interest rate on the lease can be easily determined; if it cannot be easily determined as the alternative borrowing rate at the date of the company's reassessment.

After the actual start of the lease, the company measures the lease liability as follows:

- (a) increases the book value to reflect the interest on the lease obligation, and
- (b) reduces the book value to reflect the lease payments made.

In addition, a change in the fixed lease payments is essentially the lease or a change in the assessment of the option to purchase the underlying asset in case of a change in the value of finance lease liabilities is measured again.

Right-of-use assets calculated regarding to lease liabilities are accounted in "Tangible Assets" located in balance sheet.

Interest expense on lease liabilities and depreciation expense of right-of-use asset are accounted in "Investment Management Expenses (inc. interest)" and "Depreciation and Amortisation Expenses" respectively.

The details related to contracts term of operating leases and applied discount rates are presented below:

Assets subject to operating leases	Contract term (Year)	Discount rate - TRY (%)
Buildings	1-10 years	19.32- 24.42
Vehicles	1-3 years	23.62

### 2.23 Dividend distribution

Based on the guidelines and principals issued by the CMB dated January 27, 2010 for the distribution of dividends from the profit generated from operating activities in 2009, there is no requirement of minimum profit distribution for joint stock companies that are traded in the stock market and in this context, it has decided that dividend distribution will be performed in accordance with principles in Dividend Declaration numbered II-19.1 of the Board, clauses contained in the articles of association of the partnership and dividend policies which are disclosed the public of companies.

Additionally, as stated within the aforementioned decision of CMB, for entities required to prepare consolidated financial statements, it has been agreed upon to require the net distributed profit calculations to be performed on the net profit for the period as stated on the consolidated financial statements, so long that the distribution can be funded through statutory resources.

Company's Board of Directors proposal regarding the non-distribution of the net profit derived from the 2023 activities, prepared within the framework of the Company's Profit Distribution Policy, and presented for voting at the Ordinary General Assembly held on March 27, 2024, has been unanimously accepted.

Accordingly, the calculated net distributable profit of TRY 6,382,969,722 has not been distributed; TRY 637,296,972 allocated as statutory reserve and the remaining TRY 225,000,000 after allocating TRY 5,510,672,750 as special reserves have been transferred to extraordinary reserves (no cash dividends were distributed in 2023).

**CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

**2.24 Reserve for unearned premiums**

In accordance with the "Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves" ("Communiqué on Technical Reserves"), published in the Official Gazette numbered 26606 and dated August 7, 2007, and put into effect starting from January 1, 2008, the provision for unearned premiums represents the proportions of the gross premiums written without deductions of commission or any other allowance, in a period that relate to the period of risk subsequent to the reporting date for all short-term insurance policies. For commodity marine policies with indefinite expiration dates, 50% of the remaining portion of the premiums accrued in the last three months, less any commissions is also provided as unearned premium reserves.

Reserve for unearned premiums is calculated for all insurance contracts except for the contracts for which the mathematical reserve is provided. Reserve for unearned premiums is also calculated for the annual premiums of the annually renewed long term insurance contracts.

Since the "Communiqué on Technical Reserves" was effective from January 1, 2008, the T.C. Ministry of Treasury and Finance issued the "Circular to Assure the Compliance of the Technical Reserves of Insurance, Reinsurance and Pension Companies With the Insurance Law No, 5684" ("Compliance Circular") on July 4, 2007, numbered 2007/3, to regulate the technical provisions between the issuance date and enactment date of the "Communiqué on Technical Reserves." In accordance with the Compliance Circular, it is stated that companies should consider earthquake premiums written after June 14, 2007, in the calculation of the reserve for unearned premiums while earthquake premiums were deducted in the calculation of the reserve for unearned premiums before. Accordingly, the Company has started to calculate reserve for unearned premiums for the earthquake premiums written after June 14, 2007, while the Company had not calculated reserve for unearned premiums for the earthquake premiums written before June 14, 2007.

According to the Circular Related to Application of Technical Reserves issued on March 27, 2009, numbered 2009/9, which was published by the Undersecretariat of Treasury, reserve for unearned premiums is calculated by taking into account that all policies become active at 12:00 at noon and end at 12:00 at noon.

According to the Communiqué on Technical Reserves, for the calculation of unearned premium reserves of foreign currency indexed insurance agreements, foreign currency selling exchange rates announced by Turkish Central Bank will be considered, unless there is a specified exchange rate in the agreement. The Company has reclassified TRY 2,611,211 of provision for long-term health and personal accident policies to long-term liabilities (December 31, 2023: TRY 3,630,894).

As of the reporting date, the Company has provided reserve for unearned premiums amounting to TRY 36,603,651,090 (December 31, 2023: TRY 24,160,350,877) and reinsurer share in reserve for unearned premiums amounting TRY 6,574,405,493 (December 31, 2023: TRY 5,372,679,050). Furthermore, reserve for unearned premiums includes Social Security Institution ("SSI") share amounting to TRY 546,873,219 (December 31, 2023: TRY 343,265,170)

**2.25 Provision for outstanding claims**

Claims are recorded in the year in which they occur, based on reported claims or on the basis of estimates when not reported. Provision for outstanding claims represents the estimate of the total reported costs of notified claims on an individual case basis at the reporting date as well as the corresponding handling costs. Incurred but not reported claims ("IBNR") are also provided.

Ultimate Net Loss Ratio estimations are made by the company's chief actuary, as stipulated in the Circular No. 2014/16 dated 05/12/2014 of the Insurance and Private Pensions Regulation and Supervision Agency (SEDDK). On the basis of branches, selection and combination of the data to be used, the correction procedures, the selection of the most appropriate method and the development factors, and the intervention to the development factors are made by the company's actuary using actuarial methods and these issues are included in the actuarial report sent to SEDDK in accordance with Articles 33 and 36 of the Internal Systems Regulation in detail.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024, and 2023, IBNR amounts calculated by the Company actuaries on the basis of branches are as follows:

Branch	Method Used	December 31, 2024 <sup>(*)</sup>		December 31, 2023 <sup>(*)</sup>	
		Gross additional provision	Net additional provision	Gross additional provision	Net additional provision
Motor vehicles liability (MTPL)	Standard/Bornhuetter Ferguson	16,199,927,056	12,480,390,578	13,508,297,368	9,673,281,078
General liability	Standard/Bornhuetter Ferguson	6,134,080,618	4,943,799,029	3,502,785,332	2,735,110,058
Voluntary financial liability	Standard/Bornhuetter Ferguson	4,612,666,010	4,585,643,219	2,316,525,280	2,309,864,308
Fire and natural disasters	Standard	1,039,406,936	596,686,965	876,241,801	496,910,888
General losses	Standard	397,448,061	240,682,152	264,534,605	206,581,950
Marine	Standard	393,940,192	180,936,798	274,659,862	137,907,203
Water vehicles	Standard	320,439,166	165,670,138	279,263,907	135,607,729
Health	Standard	203,036,260	196,433,003	65,191,459	61,439,652
Aircrafts	Standard	177,166,836	85,887,230	139,303,633	57,260,102
Accident	Standard	155,723,315	139,153,335	76,232,843	70,573,018
Financial losses	Standard	97,788,416	60,557,380	119,834,466	58,275,304
Breach of trust	Standard	63,799,584	31,206,560	7,069,149	6,743,728
Credit	Standard	47,160,829	41,954,069	39,999,223	34,503,917
Aircrafts liability	Standard	40,655,707	12,114,745	32,269,560	15,696,225
Legal protection	Standard	4,359,465	4,359,465	2,095,772	2,095,772
Motor vehicles	Standard	(315,958,309)	(308,229,618)	(184,480,119)	(183,446,073)
<b>Total</b>		<b>29,571,640,142</b>	<b>23,457,245,048</b>	<b>21,319,824,141</b>	<b>15,818,404,859</b>

<sup>(\*)</sup> Provisions regarding too Risky Insured Pool and TKU (Medical Malpractice) Pool and provision allocated for treaties received has been included in the provision amount allocated for the related period.

The company calculated the Net Incurred But Not Reported (IBNR) amount on a branch-by-branch basis using updated reinsurance shares reflecting the impact of existing reinsurance agreements. The effects of the Pool of Insured Risky Individuals and the Pool Related to Medical Malpractice have been reflected in the Net IBNR calculation.

In the Mandatory Traffic branch, pool and non-pool business, and in the General Liability branch, Employer's Liability, Mandatory Medical Malpractice Liability, Professional Liability, Mandatory Liability for Hazardous Substances and Waste, and Other Liability branches are analysed separately by the company's actuary.

With the amendment made by the Circular on Discounting Net Cash Flows Arising from Outstanding Claims Provisions (No: 2022/22) published on 12/07/2023 to the Circular No: 2016/22, Article 7 of Circular No: 2016/22 has been changed to "Net cash flows are discounted to present value at the rate of 35% as of the financial reporting period date." Accordingly, a discount rate of 35% has been considered for discounting the net cash flows arising from outstanding claims provisions. As of December 31, 2024, the company calculated the net discount amount for outstanding claims provisions as TRY 17,954,668,084 (December 31, 2023: TRY 10,555,127,559).



**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ****CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED  
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(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

The Company's net outstanding claims provisions on a branch basis as of December 31, 2024 and December 31, 2023, before and after discount, are listed below:

<b>December 31, 2024</b> <b>Branch</b>	<b>Net outstanding claims</b> <b>provision before discount</b>	<b>Discount</b> <b>amount</b>	<b>Net outstanding claims</b> <b>provision after discount</b>
Motor vehicles liabilities	21,305,086,789	(11,438,198,237)	9,866,888,552
General liability	7,749,047,300	(5,104,495,948)	2,644,551,352
Fire and natural disasters	2,869,469,172	(426,222,201)	2,443,246,971
Motor vehicles	1,760,457,321	(127,804,247)	1,632,653,074
General losses	769,489,322	(168,629,938)	600,859,384
Water vehicles	727,076,566	(171,019,900)	556,056,666
Marine	514,794,695	(146,704,714)	368,089,981
Health	291,072,085	(14,744,706)	276,327,379
Aircrafts	255,761,135	(74,814,251)	180,946,884
Breach of trust	272,433,401	(124,937,390)	147,496,011
Accident	226,099,194	(85,560,614)	140,538,580
Financial losses	119,291,889	(22,938,379)	96,353,510
Aircrafts Liabilities	96,335,368	(30,677,108)	65,658,260
Credit	46,714,843	(16,145,195)	30,569,648
Legal protection	4,795,048	(1,775,256)	3,019,792
<b>Total</b>	<b>37,007,924,128</b>	<b>(17,954,668,084)</b>	<b>19,053,256,044</b>

<b>December 31, 2023</b> <b>Branch</b>	<b>Net outstanding claims</b> <b>provision before discount</b>	<b>Discount</b> <b>amount</b>	<b>Net outstanding claims</b> <b>provision after discount</b>
Motor vehicles liabilities	15,061,552,630	(7,030,009,349)	8,031,543,281
Motor vehicles	1,526,945,508	(94,833,502)	1,432,112,006
General Liabilities	4,659,167,824	(2,654,033,787)	2,005,134,037
Fire and natural disasters	2,304,483,399	(292,413,729)	2,012,069,670
General losses	644,786,612	(119,599,334)	525,187,278
Health	110,210,024	(4,628,113)	105,581,911
Accident	136,456,980	(42,042,292)	94,414,688
Marine	408,059,777	(107,033,198)	301,026,579
Water vehicles	548,934,161	(97,349,242)	451,584,919
Financial losses	90,631,061	(14,837,921)	75,793,140
Aircrafts	166,446,524	(42,127,429)	124,319,095
Legal protection	2,324,980	(752,121)	1,572,859
Aircrafts Liabilities	119,099,377	(31,603,006)	87,496,371
Credit	37,951,509	(11,713,721)	26,237,788
Breach of trust	29,837,444	(12,150,815)	17,686,629
<b>Total</b>	<b>25,846,887,810</b>	<b>(10,555,127,559)</b>	<b>15,291,760,251</b>



## ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

# CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The methods used to estimate the Company's net cash flows as of December 31, 2024 and December 31, 2023 and the estimated net cash flows for each main branch are given below.

December 31, 2024 Branch	Method Used	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Motor vehicles liabilities	Chart 57	5,432,388,879	2,763,747,963	2,113,002,365	2,120,955,763	2,203,988,224	2,230,880,440	2,075,679,021	1,672,837,671	683,745,524	7,860,939	21,305,086,789
Motor vehicles	Chart 57	1,609,632,682	58,467,971	51,533,001	24,016,205	11,909,903	5,336,351	(438,792)	-	-	-	1,760,457,321
General Liabilities	Chart 57	768,290,273	846,249,078	794,850,917	903,493,647	1,070,484,280	1,047,497,547	992,788,019	812,633,702	400,348,404	112,411,433	7,749,047,300
Fire and natural disasters	Chart 57	2,354,107,054	285,557,334	124,840,836	68,016,478	25,158,071	8,469,697	3,319,702	-	-	-	2,869,469,172
General losses	Chart 57	537,749,490	117,374,552	56,293,140	18,611,386	14,283,275	11,050,243	4,174,318	4,551,558	2,863,400	2,537,960	769,489,322
Health	Chart 57	289,086,329	1,848,564	71,952	128,698	37,612	-28,140	(72,930)	-	-	-	291,072,085
Accident	Chart 57	95,324,877	44,101,339	27,640,352	19,486,759	12,903,336	11,641,626	9,181,943	4,242,018	1,462,525	114,419	226,099,194
Marine	Chart 57	296,050,186	90,633,945	40,179,804	31,665,185	39,556,143	26,067,036	(4,526,271)	(389,707)	(4,295,071)	(146,555)	514,794,695
Water vehicles	Chart 57	488,951,694	123,178,940	34,347,974	24,437,685	22,168,619	22,617,887	6,522,398	3,680,955	1,163,645	6,769	727,076,566
Financial losses	Chart 57	83,568,424	26,430,728	5,791,675	1,924,218	1,272,598	299,313	4,933	-	-	-	119,291,889
Aircrafts	Chart 57	137,843,018	41,976,396	49,817,426	19,916,666	6,207,629	-	-	-	-	-	255,761,135
Legal protection	Chart 57	1,790,553	1,197,525	799,552	534,766	353,194	107,879	11,579	-	-	-	4,795,048
Aircrafts Liabilities	Chart 57	42,034,483	30,842,547	7,092,270	9,681,515	3,247,498	2,289,566	1,147,489	-	-	-	96,335,368
Credit	Chart 57	27,128,085	1,803,676	2,485,902	3,391,020	4,253,997	6,854,809	797,354	-	-	-	46,714,843
Breach of trust	Chart 57	80,278,686	54,666,389	27,939,102	27,388,507	51,981,050	28,216,823	1,962,844	-	-	-	272,433,401

December 31, 2023 Branch	Metod Used	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
Motor vehicles liabilities	Chart 57	4,054,176,523	2,192,246,766	1,655,001,901	1,529,280,363	1,456,391,473	1,314,058,125	1,182,349,973	1,019,304,205	573,629,828	85,113,473	15,061,552,630
Motor vehicles	Chart 57	1,396,126,657	50,712,622	44,697,525	20,830,631	10,330,141	4,628,523	(380,591)	-	-	-	1,526,945,508
General liability	Chart 57	567,934,750	622,280,863	550,364,898	615,931,165	536,424,860	538,906,742	434,144,352	459,654,523	225,013,642	108,512,029	4,659,167,824
Fire and natural disasters	Chart 57	1,890,593,800	229,332,360	100,260,228	54,624,334	20,204,558	6,802,051	2,666,068	-	-	-	2,304,483,399
General losses	Chart 57	446,106,117	103,899,461	46,907,123	18,062,326	14,515,325	16,488,831	1,829,026	(2,032,473)	(1,090,279)	101,155	644,786,612
Health	Chart 57	109,458,148	699,931	27,243	48,730	14,241	(10,655)	(27,614)	-	-	-	110,210,024
Accident	Chart 57	62,740,841	27,840,611	14,982,285	11,482,465	7,890,435	5,000,267	4,757,756	1,226,956	434,732	100,632	136,456,980
Marine	Chart 57	219,118,072	90,677,022	28,687,824	12,159,328	26,872,865	30,152,839	(1,234,735)	(880,872)	1,693,538	813,896	408,059,777
Water vehicles	Chart 57	406,143,965	71,438,855	21,467,950	23,222,479	17,740,700	7,340,592	1,222,947	299,692	55,955	1,026	548,934,161
Financial losses	Chart 57	63,490,444	20,080,535	4,400,179	1,461,909	966,846	227,401	3,747	-	-	-	90,631,061
Aircrafts	Chart 57	89,706,715	27,317,775	32,420,631	12,961,547	4,039,856	-	-	-	-	-	166,446,524
Legal protection	Chart 57	868,187	580,645	387,679	259,293	171,254	52,307	5,615	-	-	-	2,324,980
Aircrafts Liabilities	Chart 57	38,423,406	74,018,588	803,535	839,648	1,658,813	3,002,824	16,782	117,982	217,799	-	119,099,377
Credit	Chart 57	22,039,071	1,465,320	2,019,566	2,754,891	3,455,981	5,568,901	647,779	-	-	-	37,951,509
Breach of trust	Chart 57	8,792,280	5,987,171	3,059,946	2,999,643	5,693,067	3,090,362	214,975	-	-	-	29,837,444

According to Temporary Article 12 of the Regulation on Tariff Application Principles in Compulsory Financial Liability Insurance for Motor Vehicles, published in the Official Gazette dated July 11, 2017, and numbered 30121, a "Risky Insureds Pool" was announced to be established as of April 12, 2017, for high-risk categories and/or vehicle groups with high claim frequencies.

In this context, starting from April 12, 2017, premiums and claims amounts related to motor vehicle insurance policies issued under the pool are shared among insurance companies within the framework of the principles determined by the Insurance Information and Monitoring Center (SBM) and the Insurance Supervisory and Regulatory Authority. Following the legislative changes, the Company has created accounting entries based on the monthly statements finalized and forwarded by the Turkish Motor Vehicles Bureau (TMVB), covering the premiums, claims, and commission amounts transferred to and received from the pool within its share.

Within the scope of this pool application, the Company has estimated the final claims/premium ratio based on its own pool policies and calculated the IBNR amounts for the transferred and received pool portfolios in line with this estimate.

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In accordance with the Communiqué on the Amendment of the Communiqué on the Procedures and Principles of the Contribution of the Institution in the Compulsory Financial Liability Insurance for Medical Malpractice Law, published in the Official Gazette dated October 7, 2017 and numbered 30203, the Compulsory Financial Liability Insurance for Medical Malpractice the rules for premium and damage sharing have been established. Türk Reasürans A.Ş. has been appointed of such transactions has been indefinitely.

In this context, premiums and claims related to the policies issued as of October 1, 2017 have been started to be allocated among the insurance companies within the framework of the principles determined by the Insurance and Private Pension Regulation and Supervision Agency.

After the change in the legislation, the Company created the accounting records over the premium, damage and commission amounts transferred to the pool within the scope of the monthly receipts finalized and forwarded by Türk Reasürans A.Ş. and taken over from the pool within the scope of its share.

As of December 31, 2024, the Company has outstanding claims provision amounting to TRY 30,298,920,879 (December 31, 2023: TRY 27,800,010,100) and TRY 11,245,664,835 outstanding claims provision reinsurer share (December 31, 2023: TRY 12,508,249,849) in the unconsolidated financial statements.

According to the "Circular on the Explanation of the Notification of the Undersecretariat of Treasury on the Calculation of the Realized But Unreported Compensation (IBNR)" dated November 26, 2011 and numbered 2011/23, the companies are opened against the Company in sub-branches according to the last five years' (15% in the branches where there is no new five-year data and started the new activity) by calculating a win rate over the amounts of the cases by not exceeding 25% of the outstanding files accrued for the files in the trial period. As of December 31, 2024, the Company did not any discount against provisions for litigious file claims (December 31, 2023: None

**2.26 Reserve for unexpired risks**

Under the Regulation on Technical Provisions, companies are required to conduct a sufficiency test for each accounting period, covering the last 12 months, to ensure that the provision for unearned premiums allocated for insurance contracts in force does not exceed the potential damage and compensation that may arise from those contracts. During this test, the net provision for unearned premiums must be multiplied by the expected net loss premium ratio. The expected net loss premium ratio is determined by dividing the incurred losses (outstanding losses and claims, net + paid losses and claims, net - transferred outstanding losses and claims, net) by the earned premium (written premiums, net + transferred unearned premiums, net - unearned premiums, net).

In accordance with the Circular No. 2012/15 issued by the Insurance and Private Pension Regulation and Supervision Institution, calculations previously made for each sub-branch were consolidated at the main branch level as of December 31, 2012. According to this calculation, if the expected loss premium ratio is above 95%, the amount resulting from multiplying the excess over 95% by the net provision for unearned premiums is added to the provision for unearned premiums of the relevant main branch.

According to the sector announcement numbered 2015/30 by the Insurance and Private Pension Regulation and Supervision Institution, the amount of the initial provision for outstanding claims used in determining the expected loss premium ratio for the calculation of provisions for ongoing risks as of December 31, 2017, has been redefined consistently with the current period.

In accordance with the directive numbered 2011/18 by the Insurance and Private Pension Regulation and Supervision Institution, in the calculation of provisions for ongoing risks in Mandatory Traffic, Mandatory Road Transport Liability, and Bus Mandatory Seat Individual Accident branches, the calculation of the expected loss premium ratio has been adjusted by deducting all amounts related to premiums and claims transferred to the Social Security Institution from the numerator and denominator.

Furthermore, with the directive numbered 2019/5 by the Insurance and Private Pension Regulation and Supervision Institution, it has been stated that in addition to the above-mentioned method, the calculation of provisions for ongoing risks for all branches can also be made using the following method: if the discounted final loss premium ratio calculated, including indirect transactions, based on the accident year exceeds 85%, then the excess portion is multiplied by the gross Written Premium Income (WPI) to determine the gross provisions for ongoing risks; similarly, it is multiplied by the net WPI to determine the net provisions for ongoing risks.

With the amendment made by the directive numbered 2020/1 by the Insurance and Private Pension Regulation and Supervision Institution, in cases where 100% of the direct production is transferred to pools established in Turkey, a separate calculation is made. In this scenario, if the gross loss premium ratio exceeds 100% for these transactions, provision for ongoing risks calculation is performed; for other transactions, if the gross loss premium ratio exceeds 85%, provision for ongoing risks calculation is carried out.

Lastly, with the directive numbered 2022/27 published on November 24, 2022, the methods used in provision for ongoing risks calculation have been supplemented with the provision for "the best estimate based on the underwriting (business) year."

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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Under Article 3, Paragraph 2 of the regulation, insurance companies may calculate the gross loss premium rate based on the current period, including the total of the last three quarters, taking into account indirect operations. When calculating the incurred loss amount by the company actuary, the fact that the loss development process for the policy year has not matured is also considered based on the best estimate principles.

Under Article 3, Paragraph 6 of the regulation, the amounts of direct operations related to the business where 100% of the direct production is transferred to pools established in Turkey are not included in the loss premium calculation. Since the company's obligations regarding these operations arise solely from indirect production, calculation is performed separately from other branches' production, considering only indirect productions and losses along with other income and expense items in this distinction.

In accordance with the second paragraph of the third article of Directive 2022/27 regarding Continuing Risk Reserves, the company actuary has calculated the Final Loss Premium Rate estimates for the last four quarters based on actuarial analyses conducted using the "Underwriting Year" instead of the "Accident Year" to eliminate the misleading effect of fluctuations resulting from seasonal variations in tariff changes that lead to deterioration in loss development and premium increases due to factors such as inflation, minimum wage, exchange rates, and other influences in the Mandatory Traffic branch.

As a result of the relevant methods, as of the reporting date, the Company has accounted gross unexpired risk amounting to TRY 1,935,025,732 (December 31, 2023: TRY 1,935,025,732) and TRY 1,736,758,039 net unexpired risk reserve (December 31, 2023: TRY 1,645,169,506).

Branch	Claims/Premium	December 31, 2024		December 31, 2023	
		Gross URR	Net URR	Gross URR	Net URR
Motor Vehicles Liability		1,112,646,419	1,112,646,419	1,329,483,585	1,329,483,585
- Motor Vehicles Liability (Expect for RSH)	106%	808,753,741	808,753,741	894,160,048	894,160,048
- RSH Received	151%	303,892,678	303,892,678	435,323,537	435,323,537
General Liabilities		75,444,463	57,515,346	108,909,938	78,731,584
- General liability (Expect for TKU)	95%	71,051,510	53,122,393	104,749,963	74,571,609
- TKU Received	166%	4,392,953	4,392,953	4,159,975	4,159,975
Health	91%	393,142,035	387,020,492	-	-
Breach of trust	247%	209,416,079	127,127,583	43,489,146	4,825,841
Financial Losses	60,5%	-	-	130,513,559	25,898,702
Aircrafts	147%	144,376,736	52,448,199	198,719,223	62,843,947
Water Vehicles	67%	-	-	433,186,023	143,385,847
<b>Total</b>		<b>1,935,025,732</b>	<b>1,736,758,039</b>	<b>2,244,301,474</b>	<b>1,645,169,506</b>

### 2.27 Equalization provision

In accordance with the Communiqué on Technical Reserves put into effect starting from November 10, 2008, the companies should provide equalization provision in credit insurance and earthquake branches to equalize the fluctuations in future possible claims and for catastrophic risks. Equalization provision, started to be provided in 2008, is calculated as 12% of net premiums written in credit insurance and earthquake branches. In the calculation of net premiums, fees paid for un-proportional reinsurance agreements are considered as premiums ceded to the reinsurance firms. The companies should provide equalization provision up to reaching 150% of the highest premium amount written in a year within the last five years.

In the event of a loss occurrence, amounts attributable to reinsurers and amounts below the deductible limit specified in the contract cannot be deducted from equalization provisions. If there are claims paid due to the provided coverage, they are deducted from the equalization provisions according to the first in, first out method starting from the reserves allocated in the first year. The expense impact of the earthquake centred in Kahramanmaraş and affecting 11 provinces on February 6, 2023, has been compensated for with Equalization Reserves, and as of December 31, 2024, an amount of TRY 127,636,838 has been deducted from the equalization reserve (December 31, 2023: TRY 258,889,026). Equalization reserves are presented within long-term liabilities as "other technical provisions" in the accompanying unconsolidated financial statements. As of the end of the reporting period, an equalization reserve of TRY 1,062,027,735 (December 31, 2023: TRY 593,112,491) has been allocated in the accompanying unconsolidated financial statements.

## **CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

### **2.28 Related parties**

Parties are considered related to the Company if;

- (a) directly, or indirectly through one or more intermediaries, the party:
  - controls, is controlled by, or is under common control with the Company (this includes parent, subsidiaries and fellow subsidiaries);
  - has an interest in the Company that gives it significant influence over the Company; or
  - has joint control over the Company;
- (b) the party is an associate of the Company;
- (c) the party is a joint venture in which the Company is a venturer;
- (d) the party is member of the key management personnel of the Company and its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled or significantly influenced by, or for which significant voting power in such entity resides with directly or indirectly, any individual referred to in (d) or
- (g) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

A number of transactions are entered into with related parties in the normal course of business.

### **2.29 Earnings per share**

Earnings per share are determined by dividing the net income by the weighted average number of shares outstanding during the year attributable to the shareholders of the Company. In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus Shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus shares issued are regarded as issued shares. Accordingly, the weighted average number of shares used in these calculations has been determined taking into account the retrospective effects of such stock distributions

### **2.30 Events after the reporting date**

Events after the reporting date that provide additional information about the Company's position at the reporting dates (adjusting events) are reflected in the unconsolidated financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

### **2.31 The new standards, amendments and interpretations**

The accounting policies adopted in preparation of the unconsolidated financial statements as of December 31, 2024, are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

#### **i) The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows**

- **Amendment to IAS 1 - Non-current liabilities with covenants** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **Amendment to IFRS 16 - Leases on sale and leaseback**; effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.
- **IFRS S1, 'General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.
- **IFRS S2, 'Climate-related disclosures';** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

However, in the Board Decision of the KGK published in the Official Gazette dated 29 December 2023, it was announced that certain enterprises will be subject to mandatory sustainability reporting as of 1 January 2024. Within the scope of the "Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)" dated January 5, 2024, businesses that fall within the scope of sustainability application are counted for the purpose of determining the businesses that will be subject to sustainability reporting. On the other hand, in accordance with the "Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)" dated 16 December 2024, a change has been made in the scope of the business that will be subject to sustainability reporting.

### ii) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024

- **IFRS 17, 'Insurance Contracts' ("IFRS 17");** effective for annual reporting periods beginning on or after January 1, 2023. This standard replaces IFRS 4, which currently allows a wide range of applications. IFRS 17 will fundamentally change the accounting of all entities that issue insurance contracts and investment contracts with discretionary participation features.

As a result of the legislative changes published by SEDDK in the Official Gazette dated December 29, 2023 and numbered 32414, the application date of IFRS 17 standard in the statutory financial statements of insurance companies was initially determined as January 1, 2025; however, as a result of the legislative changes published by SEDDK in the Official Gazette dated December 27, 2024 and numbered 32765, the application date of IFRS 17 standard in the statutory financial statements of insurance companies was determined as January 1, 2026.

- **Amendments to IAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:
  - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- **Annual improvements to IFRS - Volume 11;** Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

- **IFRS 18 Presentation and Disclosure in Financial Statements**; effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
  - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**; effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
  - it does not have public accountability; and
  - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Company has evaluated the effects of the above-mentioned standards and amendments on the financial statements and has reached the conclusion that the amendments do not have a significant effect other than the effects of TFRS 17. The Company has established the necessary accounting policies within the scope of TFRS 17 and the analysis and evaluations regarding the effects of TFRS 17 on the financial statements are ongoing.

### 3 Critical accounting estimates and judgments in applying accounting policies

The notes given in this section are provided in addition to the commentary on the management of insurance risk note 4.1 - *Management of insurance risk* and note 4.2 - *Financial risk management*.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas at estimation uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Note 4.1- *Management of insurance risk*

Note 4.2- *Financial risk management*

Note 10 - *Reinsurance assets and liabilities*

Note 11 - *Financial assets*

Note 12 - *Loans and receivables*

Note 17 - *Insurance contract liabilities and reinsurance assets*

Note 17 - *Deferred commissions*

Note 19 - *Trade and other payables, deferred income*

Note 21 - *Deferred tax*

Note 23 - *Other liabilities and provisions*

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 4 Management of insurance and financial risk

#### 4.1 Management of insurance risk

Insurance risk is defined as coverage for exposures that exhibit a possibility of financial loss due to applying inappropriate and insufficient insurance techniques. Main reasons of insurance risk exposure result from the risk selection and inaccurate calculation of insurance coverage, policy terms and fee or inaccurate calculation of coverage portion kept within the Company and coverage portion transfers to policyholders and transfer conditions.

#### Objective of managing risks arising from insurance contracts and policies used to minimize such risks

Potential risks that may be exposed in transactions are managed based on the requirements set out in the Company's "Risk Management Policies" issued by the approval of the Board of Directors. The main objective of risk management policies is to determine the risk measurement, assessment, and control procedures and maintain consistency between the Company's asset quality and limitations allowed by the insurance standards together with the Company's risk tolerance of the accepted risk level assumed in return for a specific consideration. In this respect, instruments that are related to risk transfer, such as; insurance risk selection, risk quality follow-up by providing accurate and complete information, effective monitoring of level of claims by using risk portfolio claim frequency, treaties, facultative reinsurance contracts and coinsurance agreements, and risk management instruments, such as; risk limitations, are used in achieving the related objective.

Risk tolerance is determined by the Board of Directors, taking into account the Company's long-term strategies, equity resources, expected returns, and general economic expectations, and is expressed in terms of risk limits. Authorization limits in the insurance process include the authority to accept risks granted to agents, regional directorates, technical directorates, coordinators, assistant general managers, and the Executive Board for risks, special risks that cannot be accepted or could be accepted with prior approval, coverage scopes, and geographical regions during the policy issuance stage, and the authority to pay claims granted to the claims management department, motor claims department, non-motor claims department, health claims department, legal and subrogation processes department, treaty transactions department, claims coordinator, and the Claims Board consisting of the general manager and assistant general managers

In any case, risk acceptance is based on technical income expectations under the precautionary principle. In determining insurance coverage, policy terms and fee, these expectations are based accordingly

It is essential that all the authorized personnel in charge of executing policy issuance transactions, which is the initial phase of insurance process, should ensure to gather or provide all the accurate and complete information to issue policies in order to obtain evidence on the acceptable risks that the Company can tolerate from the related insurance transactions. On the other hand, decision to be made on risk acceptance will be possible by transferring the coverage to the reinsurers and/or co-insurers and considering the terms of the insurance policy.

In order to avoid destructive losses over company's financial structure, company transfers the exceeding portion of risks assumed over the Company's risk tolerance and equity resources through treaties, facultative reinsurance contracts and coinsurance agreements to reinsurance and coinsurance companies. Insurance coverage and policy terms of reinsurance are determined by assessing the nature of each insurance branch

#### Sensitivity to insurance risk

The case of potential claims' arising from earthquake and other catastrophic risks exceeding the maximum limit of the excess of loss agreements, such risks are treated as the primary insurance risks and are managed based on the precautionary principle. Maximum limit of excess of loss agreements is determined based on the worst-case scenario on the possibility of an earthquake that Istanbul might be exposed to in terms of its severity and any potential losses incurred in accordance with the generally accepted international earthquake models. The total amount of protection for catastrophic risks of the Company is identified taking into the compensation amount for an earthquake will occur in 1000 years.



## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### Insurance risk concentration

The Company's gross and net insurance risk concentrations (net of reinsurer share) in terms of insurance branches are summarized as below:

Total claims liability <sup>(*)</sup> December 31, 2024	Gross total claims liability	Reinsurance share of total claims liability	Net total claims liability
Motor vehicles liability (MTPL)	12,191,657,646	(2,324,769,094)	9,866,888,552
Fire and natural disasters	6,607,250,187	(4,164,003,216)	2,443,246,971
General liability	3,836,241,518	(1,191,690,166)	2,644,551,352
Motor vehicles	1,660,343,972	(27,690,900)	1,632,653,072
General losses	1,609,821,183	(1,008,961,799)	600,859,384
Water vehicles	1,453,219,361	(897,162,695)	556,056,666
Marine	1,062,706,250	(694,616,269)	368,089,981
Health	284,273,184	(7,945,805)	276,327,379
Aircrafts	633,296,138	(452,349,254)	180,946,884
Breach of trust	257,478,716	(109,982,705)	147,496,011
Accident	163,047,095	(22,508,515)	140,538,580
Financial losses	306,426,759	(210,073,249)	96,353,510
Aircrafts liability	194,350,078	(128,691,817)	65,658,261
Credit	35,788,999	(5,219,351)	30,569,648
Legal protection	3,019,793	-	3,019,793
<b>Total</b>	<b>30,298,920,879</b>	<b>(11,245,664,835)</b>	<b>19,053,256,044</b>

Total claims liability <sup>(*)</sup> December 31, 2023	Gross total claims liability	Reinsurance share of total claims liability	Net total claims liability
Motor vehicles liability (MTPL)	10,616,002,863	(2,584,459,581)	8,031,543,282
Fire and natural disasters	8,136,221,045	(6,124,151,376)	2,012,069,669
General liability	2,842,352,997	(837,218,961)	2,005,134,036
Motor vehicles	1,445,627,339	(13,515,333)	1,432,112,006
General losses	808,674,696	(283,487,419)	525,187,277
Water vehicles	1,226,070,086	(774,485,168)	451,584,918
Marine	678,646,738	(377,620,159)	301,026,579
Aircrafts	481,353,187	(357,034,091)	124,319,096
Health	110,049,257	(4,467,346)	105,581,911
Accident	113,161,368	(18,746,680)	94,414,688
Aircrafts liability	156,722,888	(69,226,516)	87,496,372
Financial losses	1,126,893,698	(1,051,100,557)	75,793,141
Credit	31,715,920	(5,478,132)	26,237,788
Guarantee	24,945,159	(7,258,530)	17,686,629
Legal protection	1,572,859	-	1,572,859
<b>Total</b>	<b>27,800,010,100</b>	<b>(12,508,249,849)</b>	<b>15,291,760,251</b>

<sup>(\*)</sup> Total claims liability includes outstanding claims reserve (excluding contingent amounts deducted from claims reserve determined by winning probability) and incurred but not reported claims.



# CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

Gross and net insurance risk concentrations of the insurance contracts (net of reinsurer share) based on geographical regions are summarized as below:

Total claims liability <sup>(*)</sup> December 31, 2024	Gross total claims liability	Reinsurance share of total claims liability	Net total claims liability
Turkey	19,894,390,543	10,155,759,760	9,738,630,783
Europe	336,535,158	162,761,013	173,774,145
America	210,367,882	115,277,144	95,090,738
Asia	1,195,815,917	994,711,692	201,104,225
Australia	279,018	117,885	161,133
Africa	166,432,335	127,129,522	39,302,813
<b>Total</b>	<b>21,803,820,853</b>	<b>11,555,757,016</b>	<b>10,248,063,837</b>

Total claims liability <sup>(*)</sup> December 31, 2024	Gross total claims liability	Reinsurance share of total claims liability	Net total claims liability
Marmara Region	8,757,929,024	4,751,625,959	4,006,303,065
Middle Anatolian Region	3,569,740,359	2,038,051,946	1,531,688,413
Aegean Region	2,436,898,958	1,069,553,564	1,367,345,394
Mediterranean Region	2,544,784,527	1,451,327,170	1,093,457,357
Black Sea Region	1,333,017,427	495,813,866	837,203,561
East Anatolian Region	507,328,813	153,905,774	353,423,039
South East Anatolian Region	744,691,435	195,481,481	549,209,954
<b>Total</b>	<b>19,894,390,543</b>	<b>10,155,759,760</b>	<b>9,738,630,783</b>

<sup>(\*)</sup> Total claims liability includes estimated compensation indemnity for realized claims. Gross incurred but not reported claims amounting to TRY25,501,886,117 discount of outstanding claim reserves amounting to TRY (22,318,924,143) TRY amounting to TRY1,748,422,280 Risky Insured Pool and TKU (Medical Malpractice) Pool IBNR and discount, outstanding claims of treaty activities which could not be distributed to geographical regions amounting to TRY3,568,732,547 are excluded from the table.

Total claims liability <sup>(*)</sup> December 31, 2023	Gross total claims liability	Reinsurance share of total claims liability	Net total claims liability
Turkey	18,294,506,547	11,070,361,578	7,224,144,969
Europe	390,515,247	199,746,721	190,768,526
America	162,633,136	105,703,063	56,930,073
Asia	305,458,059	238,774,546	66,683,513
Australia	5,524	-	5,524
Africa	97,034,732	60,455,206	36,579,526
<b>Total</b>	<b>19,250,153,245</b>	<b>11,675,041,114</b>	<b>7,575,112,131</b>

Total claims liability <sup>(*)</sup> December 31, 2023	Gross total claims liability	Reinsurance share of total claims liability	Net total claims liability
Marmara Region	6,022,036,216	2,985,750,168	3,036,286,048
Middle Anatolian Region	2,983,046,660	1,838,929,748	1,144,116,912
Aegean Region	1,811,254,821	748,257,187	1,062,997,634
Mediterranean Region	5,469,931,060	4,790,959,982	678,971,078
Black Sea Region	837,887,626	260,676,565	577,211,061
East Anatolian Region	436,225,362	156,770,104	279,455,258
South East Anatolian Region	734,124,802	289,017,824	445,106,978
<b>Total</b>	<b>18,294,506,547</b>	<b>11,070,361,578</b>	<b>7,224,144,969</b>

<sup>(\*)</sup>Total claims liability includes estimated compensation indemnity for realized claims. Gross incurred but not reported claims amounting to TRY17.995.198.539 discount of outstanding claim reserves amounting to TRY (13.970.367.622), amounting to TRY1.600.752.044 Risky Insured Pool and TKU (Medical Malpractice) Pool IBNR and discount, outstanding claims of treaty activities which could not be distributed to geographical regions amounting to TRY 2.924.273.894 are excluded from the table.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### Given insurance collateral amounts in respect to branches

	December 31, 2024	December 31, 2023
Motor vehicles liability (MTPL)	24,605,246,326,190	15,695,160,876,221
Motor vehicles	11,209,629,866,473	8,495,175,908,204
Fire and natural disasters	3,013,059,213,050	1,497,148,063,715
General losses	1,667,927,373,205	912,301,239,939
Marine	538,627,291,220	309,582,460,893
Accident	450,683,150,951	336,546,465,562
General liability	247,545,907,329	189,084,898,038
Water vehicles	183,222,802,756	79,932,973,016
Health	104,422,006,363	211,908,703,313
Financial losses	68,289,449,879	26,229,675,471
Aircrafts liability	57,428,166,034	41,488,209,950
Legal protection	11,052,363,739	15,255,639,329
Breach of trust	6,212,781,412	71,345,682
Aircrafts	6,356,395,285	4,146,448,588
<b>Total (*)</b>	<b>42,169,703,093,886</b>	<b>27,814,032,907,921</b>

(\*) Net amount which deducted share of reinsurance and social security

## 4.2 Management of financial risk

### Introduction and overview

This note presents information about the Company's exposure to each of the below risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Duties and responsibilities of the Risk Management and Internal Control Department include design and implementation of risk management system and identification and implementation of risk management policies. It is also responsible for ensuring that the Company implements all necessary risk management techniques. Activities of the Risk Management and Internal Control Department are managed directly by General Manager. The Board of Directors monitors the effectiveness of the risk management system through the internal audit department.

Risk management policies and guidelines are set by the Board of Directors and applied by the top management. These policies include organisation and scope of the risk management function, risk measurement and assessment methods, duties and responsibilities of the Board of Directors, top management and all of the employees, procedures followed in the case of limit extension and compulsory approval and confirmation processes for certain situations.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### Credit risk

Credit risk is most simply defined as the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The balance sheet items that the Company is exposed to credit risks are as follows:

- Cash at banks
- Other cash and cash equivalents
- Available for sale financial assets (except equity-shares)
- Financial assets held for trading (except equity-shares)
- Held to maturity financial asset
- Premium receivables from policyholders
- Receivables from intermediaries (agencies)
- Receivables from reinsurance companies related to commissions and claims paid
- Reinsurance shares of insurance liability
- Receivables from related parties
- Other receivables

Reinsurance contracts are the most common method to manage insurance risk. The contract does not, however, discharge the Company's liability as the primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalization of the reinsurance contract.

Net book value of the assets that is exposed to credit risk is shown in the table below.

	December 31, 2024	December 31, 2023
Cash and cash equivalents (Note 14)	24,337,438,962	11,302,757,914
Financial assets (Note 11)	31,919,956,936	21,562,180,817
Receivables from main operations (Note 12)	17,209,414,819	14,425,369,273
Reinsurer share in provision for outstanding claims (Note 10), (Note 17)	11,245,664,835	12,508,249,849
Other receivables (Note 12)	181,334,104	98,028,035
Other miscellaneous current assets (Note 12)	129,403,312	105,497,214
Income accruals (Note 12)	20,414,619	43,567,096
<b>Total</b>	<b>85,043,627,587</b>	<b>60,045,650,198</b>

<sup>(\*)</sup> Equity shares amounting to TRY 5,577,814,060 are not included (December 31, 2023 TRY 2,607,307,312).

As of December 31, 2024, and 2023, the aging of the receivables from main operations and the provisions set aside are as follows:

	December 31, 2024		December 31, 2023	
	Gross Amount	Provision	Gross Amount	Provision
Not past due	15,764,175,997	-	11,215,640,552	-
Past due 0-30 days	1,346,016,245	(27,859,547)	3,149,524,249	(15,197,891)
Past due 31-60 days	144,651,806	(20,847,644)	60,755,039	(15,936,262)
Past due 61-90 days	24,310,323	(21,032,361)	46,581,447	(15,997,861)
More than 90 days <sup>(*)</sup>	1,792,611,369	(1,792,611,369)	1,134,483,549	(1,134,483,549)
<b>Total</b>	<b>19,071,765,740</b>	<b>(1,862,350,921)</b>	<b>15,606,984,836</b>	<b>(1,181,615,563)</b>

<sup>(\*)</sup> As per the February 3, 2005 dated and B.02.1.HM.O.SGM.0.3.1/01/05 numbered Circular issued by the T.C. Ministry of Treasury and Finance, in case where subrogation is subject to claim/legal action, related subrogation amount is recognized as doubtful receivables and allowance for doubtful receivables is provided by the same amount in the unconsolidated financial statements. Related amounts are presented in "More than 90 days" line in the above table.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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The movements of the allowances for doubtful receivables from main operations during the period are as follows:

	December 31, 2024	December 31, 2023
Provision for receivables from insurance operations at the beginning of the period	1,181,615,563	800,186,362
Provision for receivables provided for subrogation - salvage receivables during the period (Note 47)	482,959,557	284,504,881
Provision for losses provided during the period (Note 47)	139,238,829	1,524,940
Provision for receivables provided for subrogation during the period	59,550,536	98,121,610
Collections during the period	(1,013,564)	(2,722,230)
<b>Provision for receivables from insurance operations at the beginning of the period</b>	<b>1,862,350,921</b>	<b>1,181,615,563</b>

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial instruments.

#### Management of the liquidity risk

The Company considers the maturity match between asset and liabilities for the purpose of avoiding liquidity risk and ensure that it will always have sufficient liquidity to meet its liabilities when due.

Maturity distribution of monetary assets and liabilities:

December 31, 2024	Net book value	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Unallocated
Financial assets	37,497,770,996	148,766,800	338,277,261	3,197,309,942	7,698,273,094	-	26,115,143,899
Cash and cash equivalents	24,337,623,292	11,770,262,378	12,097,629,362	228,000,418	-	-	241,731,134
Receivables from main operations	17,209,414,819	1,187,262,338	5,791,903,642	4,580,814,881	5,649,433,958	-	-
Other receivables	181,334,104	41,088,953	24,458,107	38,395,794	76,791,589	480,322	119,339
Work advances	129,403,312	-	-	-	-	-	129,403,312
Income accruals	20,414,619	-	19,945,058	-	-	-	469,561
<b>Total monetary assets</b>	<b>79,375,961,146</b>	<b>13,147,380,469</b>	<b>18,272,213,430</b>	<b>8,044,521,035</b>	<b>13,424,498,641</b>	<b>480,322</b>	<b>26,486,867,245</b>
Insurance technical provisions <sup>(*)</sup>	19,053,256,044	2,133,185,457	4,266,370,914	5,070,668,031	7,583,031,642	-	-
Payables arising from main operations	8,311,620,000	-	1,518,692,603	780,162,782	6,012,764,615	-	-
Provisions for taxes and other similar obligations	1,783,361,466	865,461,345	917,900,121	-	-	-	-
Expense accruals	1,684,998,570	2,890,420	181,514,536	-	1,494,556,000	-	6,037,614
Other liabilities	972,579,165	575,801,049	350,634,931	-	46,143,185	-	-
Financial liabilities	208,444,793	-	-	-	48,081,177	160,363,616	-
Provisions for other risks and expense accruals	191,205,849	-	-	-	-	191,205,849	-
<b>Total monetary liabilities</b>	<b>32,205,465,885</b>	<b>3,577,338,271</b>	<b>7,235,113,105</b>	<b>5,850,830,813</b>	<b>15,184,576,619</b>	<b>351,569,465</b>	<b>6,037,614</b>

<sup>(\*)</sup> Provision for outstanding claims is presented as short-term liabilities in the accompanying unconsolidated financial statements whereas maturity distribution is presented according to projected payment dated in the above table

## ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

# CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

December 31, 2023	Net book value	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Unallocated
Financial assets	24,169,488,129	155,324,962	736,672,928	1,842,158,440	8,716,096,159	-	12,719,235,640
Receivables from main operations	14,425,369,273	872,830,481	4,201,430,158	3,646,633,211	5,704,475,423	-	-
Cash and cash equivalents	11,302,917,518	5,146,252,734	5,310,528,267	33,716,798	-	-	812,419,719
Other receivables	98,028,035	21,919,897	13,975,567	20,562,892	41,125,785	324,555	119,339
Income accruals	43,567,096	4,937,974	18,926,377	-	19,233,184	-	469,561
<b>Total monetary assets</b>	<b>50,039,370,044</b>	<b>6,201,266,048</b>	<b>10,281,533,297</b>	<b>5,543,071,341</b>	<b>14,480,930,551</b>	<b>324,555</b>	<b>13,532,244,259</b>
Insurance technical provisions <sup>(*)</sup>	15,291,760,251	1,767,921,158	3,535,842,317	4,245,871,412	5,742,125,364	-	-
Payables arising from main operations	5,215,154,669	-	415,822,131	473,813,389	4,325,519,149	-	-
Provisions for taxes and other similar obligations	784,810,314	556,453,141	228,357,173	-	-	-	-
Other liabilities	658,804,066	378,789,544	242,936,125	-	37,078,397	-	-
Expense accruals	470,000,174	-	149,093,210	-	315,617,104	-	5,289,860
Provisions for other risks and expense accruals	137,249,863	-	-	-	-	137,249,863	-
Financial liabilities	114,448,918	-	-	-	19,138,720	95,310,198	-
<b>Total monetary liabilities</b>	<b>22,672,228,255</b>	<b>2,703,163,843</b>	<b>4,572,050,956</b>	<b>4,719,684,801</b>	<b>10,439,478,734</b>	<b>232,560,061</b>	<b>5,289,860</b>

<sup>(\*)</sup> Provision for outstanding claims is presented as short-term liabilities in the accompanying unconsolidated financial statements whereas maturity distribution is presented according to projected payment dated in the above table

### Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and credit spreads will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

### Foreign currency risk

The Company is exposed to currency risk through insurance and reinsurance transactions in foreign currencies.

Foreign exchange gains and losses arising from foreign currency transactions are recorded at transaction dates. At the end of the periods, foreign currency assets and liabilities evaluated by the Central Bank of the Republic of Turkey's spot purchase rates and the differences arising from foreign currency rates are recorded as foreign exchange gain or loss in the statement of income.

The Company's exposure to foreign currency risk is as follows:

December 31, 2024	US Dollar	Euro	Other currencies	Total
Financial assets	6,690,452,685	452,049,300	-	7,142,501,985
Receivables from main operations	4,300,891,681	1,731,362,673	852,942,350	6,885,196,704
Cash and cash equivalents	468,491,686	64,376,362	3,087,519	535,955,567
<b>Total foreign currency assets</b>	<b>11,459,836,052</b>	<b>2,247,788,335</b>	<b>856,029,869</b>	<b>14,563,654,256</b>
Insurance technical provisions	3,208,395,379	1,510,015,018	901,153,806	5,619,564,203
Payables arising from main operations	2,094,718,392	4,450,295,887	68,748,480	6,613,762,759
<b>Total foreign currency liabilities</b>	<b>5,303,113,771</b>	<b>5,960,310,905</b>	<b>969,902,286</b>	<b>12,233,326,962</b>
<b>Net financial position</b>	<b>6,156,722,281</b>	<b>(3,712,522,570)</b>	<b>(113,872,417)</b>	<b>2,330,327,294</b>

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**
**CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

December 31, 2023	US Dollar	Euro	Other currencies	Total
Receivables from main operations	3,248,902,341	2,026,314,647	660,573,920	5,935,790,908
Financial assets	6,456,169,579	628,062,160	-	7,084,231,739
Cash and cash equivalents	272,113,495	61,389,868	41,387,369	374,890,732
<b>Total foreign currency assets</b>	<b>9,977,185,415</b>	<b>2,715,766,675</b>	<b>701,961,289</b>	<b>13,394,913,379</b>
Insurance technical provisions	2,685,744,805	658,571,697	848,151,401	4,192,467,903
Payables arising from main operations	1,436,361,872	2,193,129,118	105,813,867	3,735,304,857
Financial liabilities	2,237,303,200	-	-	2,237,303,200
<b>Total foreign currency liabilities</b>	<b>6,359,409,877</b>	<b>2,851,700,815</b>	<b>953,965,268</b>	<b>10,165,075,960</b>
<b>Net financial position</b>	<b>3,617,775,538</b>	<b>(135,934,140)</b>	<b>(252,003,979)</b>	<b>3,229,837,419</b>

TRY equivalents of the related monetary amounts denominated in foreign currencies are presented in the above table.

If technical provision denominated in any currency not specified, it is evaluated are evaluated by the Central Bank of the Republic of Turkey's spot sales rates as of December 31, 2023 and Foreign currency transactions are recorded at the foreign exchange rates ruling at the dates of the transactions and foreign currency denominated monetary items are evaluated by the Central Bank of the Republic of Turkey's spot purchase rates as of December 31, 2023.

*Exposure to currency risk*

Foreign currency rates used for the translation of foreign currency denominated assets and liabilities as of December 31, 2024, and 2023 are as follows:

	US Dollar	Euro
December 31, 2024	35,2803	36,7362
December 31, 2023	29,4382	32,5739

A 10 percent depreciation of the TRY against the following currencies as of December 31, 2023 and 2022 would have increased or decreased equity and profit or loss (excluding tax effects) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. In case of a 10 percent appreciation of the TRY against the following currencies, the effect will be in opposite direction.

	December 31, 2024		December 31, 2023	
	Profit or loss	Equity <sup>(*)</sup>	Profit or loss	Equity <sup>(*)</sup>
US Dollar	615,672,228	615,672,228	361,777,554	361,777,554
Euro	(371,252,257)	(371,252,257)	(13,593,414)	(13,593,414)
Other	(11,387,242)	(11,387,242)	(25,200,398)	(25,200,398)
<b>Total, Net</b>	<b>233,032,729</b>	<b>233,032,729</b>	<b>322,983,742</b>	<b>322,983,742</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of 10% depreciation of TRY against related currencies.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Exposure to interest rate risk

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instrument because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for repricing bands.

As of reporting date, the interest rate profile of the Company's interest earning financial assets and interest bearing financial liabilities are detailed as below:

	December 31, 2024	December 31, 2023
<i>Financial assets/(liabilities) with fixed interest rates:</i>		
Available for sale financial assets - Other (Note 11)	-	93,498
Cash in banks (Note 14) <sup>(*)</sup>	17,784,397,608	7,038,132,280
Other-financial liabilities (Note 20)	(208,444,793)	(114,448,918)
Available for sale financial assets - Government bonds (Note 11)	6,719,311,370	6,432,314,086
Available for sale financial assets - Private debt securities (Note 11)	235,943,528	41,946,440
Held to maturity investments - Government bonds (Note 11)	336,954,882	329,439,781
Cash deposited to insurance and reinsurance companies (Note 12)	1,258,995,926	1,042,927,392
<i>Financial assets with variable interest rates:</i>		
Available for sale financial assets - Government bonds (Note 11)	2,945,188,166	2,334,986,132
Available for sale financial assets - Private debt securities (Note 11)	43,822,189	72,181,668

<sup>(\*)</sup> Demand deposits amounting to TRY241,542,779 (December 31, 2023: TRY266,059,749).

### Interest rate sensitivity of the financial instruments

The interest rate sensitivity of the income statement is the effect of changes in interest rates on net interest income for the period ended December 31, 2024, and 2023. This analysis assumes that the other variables remain constant. The table below does not include the effect of the change in interest rates on the income statement and equity, the related loss or tax effects on income.

December 31, 2024	Income Statement		Equity <sup>(*)</sup>	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Available for sale financial assets	(545,048)	558,922	-	-
<b>Total, net</b>	<b>(545,048)</b>	<b>558,922</b>	<b>-</b>	<b>-</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of assumed change in interest rates.

December 31, 2023	Income Statement		Equity <sup>(*)</sup>	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Available for sale financial assets	(981,071)	1,014,787	-	-
<b>Total, net</b>	<b>(981,071)</b>	<b>1,014,787</b>	<b>-</b>	<b>-</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of assumed change in interest rates.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### Fair value information

The estimated fair values of financial instruments have been determined using available market information, and where they exist, appropriate valuation methodologies.

The Company has classified its financial assets as held for trading, available for sale or held to maturity. As of the reporting date, available for sale financial assets and financial assets held for trading are measured at their fair values based on their quoted prices or fair value information obtained from brokers in the accompanying unconsolidated financial statements. Equity shares not traded in active markets are measured at cost less impairment losses if any. The Company has not held to maturity investment measured at amortised cost calculating the effective interest method.

Management estimates that the fair value of other financial assets and liabilities are not materially different than their net book value

### Fair value sensitivity of the equity shares

Equity share price risk is the risk that the fair values of equity shares decrease as a result of the changes in the levels of equity shares indices and the value of equity shares.

The effect on income as a result of 10% change in the fair value of equity share instruments held as held for trading financial assets (traded at İstanbul Stock Exchange) due to a reasonably possible change in equity share indices, with all other variables held constant, is as follows (excluding tax effect):

	December 31, 2024		December 31, 2023	
	Profit or loss	Equity <sup>(*)</sup>	Profit or loss	Equity <sup>(*)</sup>
Financial assets held for trading	(412,037,673)	(412,037,673)	(174,249,197)	(174,249,197)
Available for sale financial assets	-	(145,743,733)	-	(118,226,435)
Associates	-	(894,400,000)	-	(327,660,000)
<b>Total, net</b>	<b>(412,037,673)</b>	<b>(1,452,181,406)</b>	<b>(174,249,197)</b>	<b>(620,135,632)</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of assumed change in interest rates.

### Classification of fair value measurements

TFRS 7 - *Financial instruments: Disclosures* requires the classification of fair value measurements into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value of financial instruments measured at fair value to be disclosed. This classification basically relies on whether the relevant inputs are observable or not. Observable inputs refer to the use of market data obtained from independent sources, whereas unobservable inputs refer to the use of predictions and assumptions about the market made by the Company. This distinction brings about a fair value measurement classification generally as follows:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Classification requires the utilization of observable market data, if available.



# CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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The classification of fair value measurements of financial assets and liabilities measured at fair value are as follows:

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Financial assets held for trading (Note 11)	19,878,001,017	5,881,112,516	-	25,759,113,533
Available for sale financial assets <sup>(*)</sup> (Note 11)	11,400,988,829	-	-	11,400,988,829
Associates (Note 9)	8,944,000,000	-	-	8,944,000,000
Investment Properties (Note 7)	-	-	633,515,000	633,515,000
Owner Occupied Property (Note 6)	-	-	115,622,500	115,622,500
<b>Total financial assets</b>	<b>40,222,989,846</b>	<b>5,881,112,516</b>	<b>749,137,500</b>	<b>46,853,953,614</b>
<b>December 31, 2023</b>				
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Financial assets held for trading (Note 11)	6,890,625,789	6,885,729,881	-	13,776,355,670
Available for sale financial assets <sup>(*)</sup> (Note 11)	10,062,978,925	-	-	10,062,978,925
Associates (Note 9)	3,276,600,000	-	-	3,276,600,000
Investment Properties (Note 7)	-	-	382,446,000	382,446,000
Owner Occupied Property (Note 6)	-	-	80,104,000	80,104,000
<b>Total financial assets</b>	<b>20,230,204,714</b>	<b>6,885,729,881</b>	<b>462,550,000</b>	<b>27,578,484,595</b>
<sup>(*)</sup> As of December 31, 2024, equity shares that are not publicly traded and the determination of fair values could not be obtained reliably amounting to TRY713,752 have been measured at cost value (December 31, 2023: TRY713,752).				
<b>Gains and losses from financial assets</b>				
<b>Gains and losses recognized in the statement of income:</b>	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
Income from investment funds as available for sale financial assets	6,996,558,517		2,926,628,867	
Foreign exchange gains	5,702,840,557		9,443,037,135	
Interest income from bank deposits	4,367,784,090		1,618,939,306	
Income from debt securities classified as available-for-sale financial assets	2,188,566,203		911,446,548	
Income from derivative transactions	1,254,381,594		1,182,313,766	
Income from equity shares classified as available-for-sale financial assets	1,092,711,724		2,129,549,417	
Income from investments in associates	200,000,000		100,000,000	
Income from debt securities classified as held to maturity financial investments	16,081,663		24,641,815	
Income from equity shares classified as available-for-sale financial assets	1,135,289		101,868	
Other	18,158,829		1,952,318	
<b>Investment income</b>	<b>21,838,218,466</b>		<b>18,338,611,040</b>	
Foreign exchange losses	(3,842,464,798)		(5,043,064,496)	
Loss from valuation of financial assets	(432,330,008)		(82,669,203)	
Loss from derivative transactions	(318,542,502)		(569,619,977)	
Loss from disposal of financial assets	(318,392,923)		(844,964,316)	
Investment expenses - including interest	(58,817,345)		(214,151,319)	
<b>Investment expenses</b>	<b>(4,970,547,576)</b>		<b>(6,754,469,311)</b>	
<b>Financial gains and losses recognized in the statement of income, net</b>	<b>16,867,670,890</b>		<b>11,584,141,729</b>	

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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<i>Financial gains and losses recognized in equity:</i>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Fair value changes in investments in associates (Note 15)	5,667,400,000	1,191,720,000
Net gains transferred from statement of equity to the statement of income on disposal of available for sale financial assets (Note 15)	1,024,385,299	(1,662,906,893)
Fair value changes in available-for-sale financial assets (Note 15)	(1,072,905,819)	2,724,345,034
<b>Gains and losses recognized in equity, net</b>	<b>5,618,879,480</b>	<b>2,253,158,141</b>

### Capital management

The Company's capital management policies include the following:

- To comply with the insurance capital requirements determined by the T.C. Ministry of Treasury and Finance
- To ensure the continuity of the Company's activities within the framework of the Company's continuity principle

In accordance with the "Communiqué on Measurement and Assessment of Capital Adequacy for Insurance, Reinsurance and Individual Pension Companies" issued by Undersecretariat of Treasury and Finance on January 19, 2008 dated and 26761 numbered; capital adequacy calculations are carried out twice a year in June and December, within the following two months. As of the reporting date, the Company measured its minimum capital requirement as TRY13,059,476,744 in the calculation of the Company's last reporting period June 30, 2024. As of June 30, 2024, the capital amount of the Company presented in the unconsolidated financial statements is TRY14,669,223,361 above the minimum capital requirement amounts calculated according to the communiqué.

### 5 Segment Reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

#### Business segment

A business segment reporting of the Company is presented in accordance with TFRS 8 - *Operating Segments* standard in this section.

#### Insurance on Fire and Natural Disaster

Insurance on fire and natural disasters covers material damages occurred due to fire, lightening, explosion or smoke, steam and temperature resulted from fire, lightning and explosion up to insurance policy limits.

#### Insurance on Motor Third Party Liability

According to the Motorway Traffic Code numbered 2918, Motor Third Party Liability Insurance is covers vehicle owner's legal liability for all bodily damages to third persons and financial damages to other vehicles.

Damages caused by the trailer or semi-trailers (included light trailers) or the vehicles pulled is covered by the insurance of the trailer. However, the trailers used for transportation of people should be included in an additional liability insurance in order to obtain coverage.

In order to reduce and prevent the damage in the accident happened, reasonable and necessary expenses of the policyholder is compensated by the Company. This insurance also covers unfair claims against the policyholders.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### Insurance on Motor Vehicles

Insurance on motor vehicles covers the following dangers related with vehicles. It is possible to widen policy scope for accessories or audio, display and communication devices which are not included in standard version of the vehicle by specifying on the insurance policy.

- Accident with the motorized or non-motorized vehicles which used in high-ways,
- Crash with fixed or moving items without desire of the driver or accidents due to crash, capsize, fall or tumble,
- The actions of third parties resulted from bad intention or mischief,
- Burn,
- Theft or attempted theft.

### Insurance on Health

Insurance on health compensates treatment costs of illnesses or accidental injuries during the period of insurance and, if any, daily allowances in this general framework with special conditions up to the amount written in the policy. Geographical limits of the insurance are stated in the policy.

### Geographical segment

The main geographical segment which the Company operates is Turkey. Hence, the Company has not disclosed report on geographical segments.

	Motor third party liability	Health	Motor vehicles	Fire and natural disasters	Other	Unallocated	Total
<b>January 1 - December 31, 2024</b>							
1- Earned Premiums (Net of Reinsurer Share)	8,538,839,938	8,491,054,062	13,287,098,179	4,713,699,595	6,107,752,448	-	41,138,444,222
1.1- Written Premiums (Net of Reinsurer Share)	10,590,292,287	12,317,591,877	14,618,976,745	6,904,194,496	7,836,943,072	-	52,267,998,477
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)	(2,268,289,516)	(3,439,517,323)	(1,331,878,566)	(2,190,494,901)	(1,807,785,416)	-	(11,037,965,722)
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	216,837,167	(387,020,492)	-	-	78,594,792	-	(91,588,533)
2- Other Technical Income (Net of Reinsurer Share)	2,637	1,934	37,739,988	2,380,787	2,339,870	-	42,465,216
3- Accrued Salvage and Subrogation Income	151,148,253	-	343,174,742	64,200,168	139,389,670	-	697,912,833
<b>Technical income (*)</b>	<b>8,689,990,828</b>	<b>8,491,055,996</b>	<b>13,668,012,909</b>	<b>4,780,280,550</b>	<b>6,249,481,988</b>	<b>-</b>	<b>41,878,822,271</b>
1- Incurred Losses (Net of Reinsurer Share)	(8,423,575,396)	(8,157,063,736)	(7,505,176,144)	(2,261,668,680)	(3,421,528,395)	-	(29,769,012,351)
1.1- Claims Paid (Net of Reinsurer Share)	(6,588,230,124)	(7,986,318,269)	(7,304,635,077)	(1,830,491,378)	(2,297,841,710)	-	(26,007,516,558)
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	(1,835,345,272)	(170,745,467)	(200,541,067)	(431,177,302)	(1,123,686,685)	-	(3,761,495,793)
2- Changes in provision for bonus and discounts Net of Reinsurer Share and Less the Amounts Carried Forward)	-	-	-	-	-	-	-
3- Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)	-	(2,253,528)	(44,712,912)	(375,275,502)	(46,673,301)	-	(468,915,243)
4- Operating Expenses	(2,549,714,888)	(2,436,490,888)	(3,331,469,513)	(1,946,743,843)	(1,710,887,716)	-	(11,975,306,848)
5- Other Technical Expenses	(371,703,332)	(190,643,635)	(789,616,806)	(179,427,247)	(67,891,496)	-	(1,599,282,516)
<b>Technical expense</b>	<b>(11,344,993,616)</b>	<b>(10,786,451,787)</b>	<b>(11,670,975,375)</b>	<b>(4,763,115,272)</b>	<b>(5,246,980,908)</b>	<b>-</b>	<b>(43,812,516,958)</b>
Investment Income						22,103,140,719	22,103,140,719
Investment Expense (*)						(5,145,468,949)	(5,145,468,949)
Other (**)						(982,454,027)	(982,454,027)
<b>Net income before tax</b>							<b>14,041,523,056</b>
<b>Income tax</b>						(3,163,836,096)	(3,163,836,096)
<b>Net income</b>							<b>10,877,686,960</b>

(\*) Investment income transferred to non-technical section from technical section amounting to TRY16,926,488,234 is not included.

(\*\*) Deferred tax expense amounting TRY94,959,490 is presented as income tax.

## ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

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	Motor third party liability	Health	Motor vehicles	Fire and natural disasters	Other	Unallocated	Total
<b>January 1 - December 31, 2023</b>							
1- Earned Premiums (Net of Reinsurer Share)	4,783,425,476	3,707,081,372	8,920,634,974	2,870,234,153	2,965,196,227	-	23,246,572,202
1.1- Written Premiums (Net of Reinsurer Share)	6,670,224,752	5,639,633,822	11,716,697,423	4,049,220,389	4,337,909,899	-	32,413,686,285
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)	(1,224,639,035)	(1,963,749,743)	(2,796,062,449)	(1,178,986,236)	(1,156,427,381)	-	(8,319,864,844)
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	(662,160,241)	31,197,293	-	-	(216,286,291)	-	(847,249,239)
2- Other Technical Income (Net of Reinsurer Share)	4,637,449	112,079	20,774,732	2,113,993	3,588,679	-	31,226,932
3- Accrued Salvage and Subrogation Income	75,453,641	-	206,493,973	32,688,240	127,557,346	-	442,193,200
<b>Technical income (*)</b>	<b>4,863,516,566</b>	<b>3,707,193,451</b>	<b>9,147,903,679</b>	<b>2,905,036,386</b>	<b>3,096,342,252</b>	<b>-</b>	<b>23,719,992,334</b>
1- Incurred Losses (Net of Reinsurer Share)	(7,643,429,425)	(3,133,836,899)	(5,326,570,832)	(2,405,422,968)	(2,646,698,609)	-	(21,155,958,733)
1.1- Claims Paid (Net of Reinsurer Share)	(4,251,585,820)	(3,079,784,760)	(4,597,255,059)	(1,490,148,701)	(1,439,975,592)	-	(14,858,749,932)
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	(3,391,843,605)	(54,052,139)	(729,315,773)	(915,274,267)	(1,206,723,017)	-	(6,297,208,801)
2- Bonus and Discount Provision	-	-	-	-	-	-	-
3- Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)	-	(2,384,160)	(59,026,481)	(37,945,044)	19,178,601	-	(80,177,084)
4- Operating Expenses	(1,389,090,541)	(975,058,773)	(1,876,332,755)	(981,752,192)	(879,738,511)	-	(6,101,972,772)
5- Other Technical Expenses	(192,969,787)	(69,651,529)	(470,524,112)	(40,962,274)	(49,032,939)	-	(823,140,641)
<b>Technical expense</b>	<b>(9,225,489,753)</b>	<b>(4,180,931,361)</b>	<b>(7,732,454,180)</b>	<b>(3,466,082,478)</b>	<b>(3,556,291,458)</b>	<b>-</b>	<b>(28,161,249,230)</b>
Investment Income						18,483,752,444	18,483,752,444
Investment Expense (*)						(6,873,709,499)	(6,873,709,499)
Other (**)						(333,291,743)	(333,291,743)
<b>Net income before tax</b>							<b>6,835,494,306</b>
<b>Income tax</b>						(926,097,599)	(926,097,599)
<b>Net income</b>							<b>5,909,396,707</b>

(\*) Investment income transferred to non-technical section from technical section amounting to TRY11,798,293,048 is not included.

(\*\*) Deferred tax income amounting TRY738,388,265 is presented as income tax.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 6 Tangible assets

Movements in tangible assets in the period of January 1 - December 31, 2024, are presented below:

	January 1, 2024	Additions	Disposal	Valuation Differences	December 31, 2024
<b>Cost:</b>					
Investment properties (Note 7)	382,446,000	-	-	251,069,000	633,515,000
Buildings for own use	80,104,000	-	-	35,518,500	115,622,500
Machinery and equipment	188,791,920	92,143,408	-	-	280,935,328
Furniture and fixtures	23,458,824	10,123,723	-	-	33,582,547
Motor vehicles	8,702,534	14,365,096	-	-	23,067,630
Other tangible assets (including leasehold improvements)	44,763,190	8,428,485	-	-	53,191,675
Leased tangible assets	147,307,025	128,765,262	-	-	276,072,287
<b>Total</b>	<b>875,573,493</b>	<b>253,825,974</b>	<b>-</b>	<b>286,587,500</b>	<b>1,415,986,967</b>
<b>Accumulated depreciation: *</b>					
Buildings for own use	(133,509)	(1,670,933)	1,611,736	-	(192,706)
Machinery and equipment	(111,885,635)	(35,347,541)	-	-	(147,233,176)
Furniture and fixtures	(17,189,145)	(2,184,040)	-	-	(19,373,185)
Motor vehicles	(5,786,698)	(1,394,481)	-	-	(7,181,179)
Other tangible assets (including leasehold improvements)	(31,660,415)	(3,694,360)	-	-	(35,354,775)
Leased tangible assets	(54,399,384)	(45,528,043)	-	-	(99,927,427)
<b>Total</b>	<b>(221,054,786)</b>	<b>(89,819,398)</b>	<b>1,611,736</b>	<b>-</b>	<b>(309,262,448)</b>
<b>Net book value</b>	<b>654,518,707</b>				<b>1,106,724,519</b>

The Company's property for own use is valued over fair value as of 2024 and 2023 year-end and subjected to valuation in this context. Expertise reports regarding this property are prepared by CMB licenced Property Valuation Company in December 2024. There is not any pledge over Company's property for own use.

As of December 31, 2024, and 2023, property for own use's fair value (except VAT) and net book value is as following:

Landings and buildings for own use	Expertise date	Expertise value	Net Book Value (December 31, 2023)	Net Book Value (December 31, 2024)
İzmir Regional Office	December 2024	62,260,000	39,693,733	62,156,233
Adana Regional Office	December 2024	28,325,000	18,748,700	28,277,791
Lefkoşe Kıbrıs Branch	December 2024	20,145,000	17,235,226	20,111,425
Adana Office	December 2024	855,000	623,958	853,575
Others	December 2024	4,037,500	3,668,875	4,030,770
<b>Total</b>		<b>115,622,500</b>	<b>79,970,492</b>	<b>115,429,794</b>

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ****CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

**Fair value measurement**

Fair value of landings and buildings for own use is determined by equivalence value method.

Movements in tangible assets in the period of January 1 - December 31, 2023, are presented below:

	January 1, 2023	Additions	Disposal	Valuation Differences	December 31, 2023
<b>Cost:</b>					
Investment properties (Note 7)	244,385,000	-	-	138,061,000	382,446,000
Buildings for own use	58,465,000	-	-	21,639,000	80,104,000
Machinery and equipment	138,654,988	50,146,939	(10,007)	-	188,791,920
Furniture and fixtures	19,551,052	3,907,772	-	-	23,458,824
Motor vehicles	8,702,534	-	-	-	8,702,534
Other tangible assets (including leasehold improvements)	36,384,889	8,378,301	-	-	44,763,190
Leased tangible assets	98,988,793	48,318,232	-	-	147,307,025
<b>Total</b>	<b>605,132,256</b>	<b>110,751,244</b>	<b>(10,007)</b>	<b>159,700,000</b>	<b>875,573,493</b>
<b>Accumulated depreciation: *</b>					
Buildings for own use	(19,180)	(518,887)	404,558	-	(133,509)
Machinery and equipment	(91,342,147)	(20,543,488)	-	-	(111,885,635)
Furniture and fixtures	(15,607,848)	(1,581,297)	-	-	(17,189,145)
Motor vehicles	(4,085,486)	(1,701,212)	-	-	(5,786,698)
Other tangible assets (including leasehold improvements)	(28,658,896)	(3,001,519)	-	-	(31,660,415)
Leased tangible assets	(33,244,160)	(21,155,224)	-	-	(54,399,384)
<b>Total</b>	<b>(172,957,717)</b>	<b>(48,501,627)</b>	<b>404,558</b>	<b>-</b>	<b>(221,054,786)</b>
<b>Net book value</b>	<b>432,174,539</b>				<b>654,518,707</b>

There is no any mortgage over tangible assets of the Company as of December 31, 2024, and 2023.

**7 Investment properties**

Additions and disposals for investment properties is given "6- Tangible Assets" note in table of current period movement of tangible assets.

Investment property is presented by fair value method as of December 31, 2024, and 2023 on balance sheet.

The Company's investment property expertise reports are prepared by independent professional valuation specialists authorized by Capital Markets Board. As of December 31, 2022, the Company has gained the rent income from investment properties amounting to TRY13,853,253 (December 31, 2023: TRY7,080,404).

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The expertise (excluding VAT) and net book values of investment properties are as follows on the basis of real estate. Expertise reports regarding these properties are prepared by independent professional valuation specialists authorized by CMB in December 2023. There is no pledge on the real estates.

Investment land and buildings	Expertise date	Expertise value	Net book value December 31, 2023,	Net book value December 31, 2024
Building/İzmir	December 2024	280,740,000	167,240,000	114,000,000
Land/Mersin	December 2024	220,250,000	119,710,000	220,250,000
Building/İzmir	December 2024	114,000,000	84,280,000	280,740,000
Building/Bursa	December 2024	13,500,000	7,360,000	13,500,000
Building/Adana	December 2024	5,025,000	3,856,000	5,025,000
<b>Total</b>		<b>633,515,000</b>	<b>382,446,000</b>	<b>633,515,000</b>

### Fair value measurement

Fair value of investment property is determined by equivalence value method.

### 8 Intangible assets

Movements in intangible assets in the period of January 1 - December 31, 2024 are presented below:

	January 1, 2024	Additions	Transfers	Disposal	December 31, 2024
<b>Cost:</b>					
Rights	142	-	-	-	142
Goodwill	16,250,000	-	-	-	16,250,000
Research And Development	18,657,453	59,875,727	(59,875,727)	-	18,657,453
Advances given for intangible assets	226,557,912	55,502,229	-	-	282,060,141
Other intangible assets	464,382,154	114,883,911	59,875,727	-	639,141,792
<b>Total</b>	<b>725,847,661</b>	<b>230,261,867</b>	<b>-</b>	<b>-</b>	<b>956,109,528</b>
<b>Accumulated amortization:</b>					
Other intangible assets	(379,806,512)	(85,101,976)	-	-	(464,908,488)
<b>Total</b>	<b>(379,806,512)</b>	<b>(85,101,976)</b>			<b>(464,908,488)</b>
<b>Net book value</b>	<b>346,041,149</b>				<b>491,201,040</b>

## ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

Movements in tangible assets in the period of January 1 - December 31, 2023, are presented below:

	January 1, 2023	Additions	Transfers	Disposal	December 31, 2023
<b>Cost:</b>					
Rights	142	-	-	-	142
Goodwill	16,250,000	-	-	-	16,250,000
Research And Development	896,749	18,937,015	(1,176,311)	-	18,657,453
Advances given for intangible assets	154,671,670	71,886,242	-	-	226,557,912
Other intangible assets	415,754,935	47,450,908	1,176,311	-	464,382,154
<b>Total</b>	<b>587,573,496</b>	<b>138,274,165</b>	<b>-</b>	<b>-</b>	<b>725,847,661</b>
<b>Accumulated amortization:</b>					
Other intangible assets	(307,881,996)	(71,924,516)	-	-	(379,806,512)
<b>Total</b>	<b>(307,881,996)</b>	<b>(71,924,516)</b>	<b>-</b>	<b>-</b>	<b>(379,806,512)</b>
<b>Net book value</b>	<b>279,691,500</b>				<b>346,041,149</b>

## 9 Investments in associates

	December 31, 2024		December 31, 2023	
	Net book value	Participation rate	Net book value	Participation rate
Anadolu Hayat Emeklilik A.Ş. <sup>(*)</sup>	8,944,000,000	20.00%	3,276,600,000	20,0%
<b>Investments in associates, net</b>	<b>8,944,000,000</b>		<b>3,276,600,000</b>	
<b>Total financial assets (Note 4.2)</b>	<b>8,944,000,000</b>		<b>3,276,600,000</b>	

	Total assets	Shareholders' equity	Retained earnings	Profit for the period	Audited or not	Period
Anadolu Hayat Emeklilik A.Ş. (consolidated)	260,339,161,440	10,071,525,906	186,293,195	4,305,802,455	Audited	December 31 2024

<sup>(\*)</sup> It is carried at fair value in non-consolidated financial statements.

The Company has TRY200,000,000 of dividend income from subsidiaries. (December 31, 2023: TRY100,000,000).

## 10 Reinsurance assets and liabilities

As of December 31, 2024 and 2023, reinsurance assets and liabilities of the Company in accordance with existing reinsurance contracts are as follows:

Reinsurance assets	December 31, 2024	December 31, 2023
Provision for outstanding claims, ceded (Note 4.2), (Note 17)	11,245,664,835	12,508,249,849
Reserve for unearned premiums, ceded (Note 17)	6,574,405,493	5,372,679,050
Cash deposited to reinsurance companies (Note 12)	1,258,995,926	1,042,927,392
Reserve for unexpired risks, ceded	198,267,693	599,131,968
Reinsurers share in the provision for subrogation and salvage receivables	33,127,579	14,475,565
<b>Total</b>	<b>19,310,461,526</b>	<b>19,537,463,824</b>



## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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There is no impairment losses recognised for reinsurance assets.

Reinsurance liabilities	December 31, 2024	December 31, 2023
Payables to the reinsurers related to premiums written (Note 19)	4,989,223,574	3,459,293,851
Deferred commission income (Note 19)	988,240,822	776,083,577
Commission payables to the reinsurers related to written premiums (Note 23)	-	35,383,333
Cash deposited by reinsurance companies (Note 19)	389,788,163	152,612,753
<b>Total</b>	<b>6,367,252,559</b>	<b>4,423,373,514</b>

Gains and losses recognized in the statement of income in accordance with existing reinsurance contracts are as follows:

	December 31, 2024	December 31, 2023
Premiums ceded during the period (Note 17)	(16,419,753,108)	(11,235,091,484)
Reserve for unearned premiums, ceded at the beginning of the period (Note 17)	(5,372,679,050)	(2,782,909,399)
Reserve for unearned premiums, ceded at the end of the period (Note 17)	6,574,405,493	5,372,679,050
<b>Premiums earned, ceded (Note 17)</b>	<b>(15,218,026,665)</b>	<b>(8,645,321,833)</b>
Claims paid, ceded during the period (Note 17)	8,621,263,090	13,227,080,703
Provision for outstanding claims, ceded at the beginning of the period (Note 17)	(12,508,249,849)	(4,948,152,615)
Provision for outstanding claims, ceded at the end of the period (Note 17)	11,245,664,835	12,508,249,849
<b>Claims incurred, ceded (Note 17)</b>	<b>7,358,678,076</b>	<b>20,787,177,937</b>
Commission income accrued from reinsurers during the period	2,138,103,019	1,514,712,276
Deferred commission income at the beginning of the period	776,083,577	402,700,486
Deferred commission income at the end of the period	(988,240,822)	(776,083,577)
<b>Commission income earned from reinsurers (Note 32)</b>	<b>1,925,945,774</b>	<b>1,141,329,185</b>
<b>Commission debt accrued to reinsurers</b>	<b>-</b>	<b>35,383,333</b>
<b>Total, net</b>	<b>(5,933,402,815)</b>	<b>13,318,568,622</b>

### 11 Financial assets

As of December 31, 2024 and 2023, financial assets of the Company are as follows:

	December 31, 2024	December 31, 2023
Available for sale financial assets	11,401,702,581	10,063,692,677
Held to maturity financials assets	336,954,882	329,439,782
Financial assets held for trading	25,759,113,533	13,776,355,670
<b>Total</b>	<b>37,497,770,996</b>	<b>24,169,488,129</b>

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As of December 31, 2024, and 2023, the details of the Company's available for sale financial assets are as follows:

	December 31, 2024			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Government bonds - TRY	2,052,177,748	2,340,820,164	4,507,339,420	4,507,339,420
Private sector bonds - TRY	56,400,000	56,400,000	58,484,045	58,484,045
Bonds issued by Türkiye İş Bankası A.Ş. (Note 45)	14,400,000	14,400,000	14,661,852	14,661,852
Other	42,000,000	42,000,000	43,822,193	43,822,193
Government bonds - EUR	73,472,400	74,372,437	76,991,310	76,991,310
Government bonds - USD	4,767,920,863	4,563,075,815	5,080,168,806	5,080,168,806
Private sector bonds and notes - USD	176,401,500	176,597,234	183,178,560	183,178,560
Private sector bonds and notes - EUR	36,736,200	36,773,108	38,103,112	38,103,112
<b>Total</b>	<b>7,163,108,711</b>	<b>7,248,038,758</b>	<b>9,944,265,253</b>	<b>9,944,265,253</b>
<b>Other non-fixed income financial assets:</b>				
Equity shares	73,097,556	74,591,345	1,457,437,328	1,457,437,328
<b>Total</b>	<b>73,097,556</b>	<b>74,591,345</b>	<b>1,457,437,328</b>	<b>1,457,437,328</b>
<b>Total financial assets held for trading (Note 4.2)</b>	<b>7,236,206,267</b>	<b>7,322,630,103</b>	<b>11,401,702,581</b>	<b>11,401,702,581</b>
	December 31, 2023			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Government bonds - TRY	661,348,162	1,427,291,699	2,395,746,214	2,395,746,214
Private sector bonds - TRY	98,500,000	96,767,220	114,128,110	114,128,110
Bonds issued by Türkiye İş Bankası A.Ş. (Note 45)	10,000,000	10,000,000	10,242,835	10,242,835
Other	88,500,000	86,767,220	103,885,275	103,885,275
Government bonds - EUR	325,739,000	325,739,000	328,522,993	328,522,993
Government bonds - USD	5,668,766,983	5,341,602,704	6,043,031,008	6,043,031,008
<b>Total</b>	<b>6,754,354,145</b>	<b>7,191,400,623</b>	<b>8,881,428,325</b>	<b>8,881,428,325</b>
<b>Other non-fixed income financial assets:</b>				
Stocks	73,097,556	74,591,345	1,182,264,352	1,182,264,352
<b>Total</b>	<b>73,097,556</b>	<b>74,591,345</b>	<b>1,182,264,352</b>	<b>1,182,264,352</b>
<b>Total financial assets held for trading (Note 4.2)</b>	<b>6,827,451,701</b>	<b>7,265,991,968</b>	<b>10,063,692,677</b>	<b>10,063,692,677</b>

# CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024, and 2023, financial assets held for trading of the Company are as follows:

	December 31, 2024			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Reverse repurchases	-	-	-	-
<b>Total</b>				
<b>Other non-fixed income financial assets:</b>				
Investment funds	8,898,826,685	13,428,675,912	20,254,415,067	20,254,415,067
Issued by İş Portföy Yönetimi A.Ş. (Note 45)	3,612,817,029	7,576,757,873	12,170,503,636	12,170,503,636
Issued by Maxis Girişim Sermayesi Portföy Yönetimi (Note 45)	234,655,708	344,829,803	454,721,414	454,721,414
Other investment funds	5,051,353,948	5,507,088,236	7,629,190,017	7,629,190,017
Equity shares	92,258,883	4,301,091,299	4,120,376,735	4,120,376,735
Derivatives	90,610	230,259,174	235,256,132	235,256,132
FX-protected deposits	1,072,589,705	1,072,589,705	1,149,065,599	1,149,065,599
<b>Total</b>	<b>10,063,765,883</b>	<b>19,032,616,090</b>	<b>25,759,113,533</b>	<b>25,759,113,533</b>
<b>Total financial assets held for trading (Note 4.2)</b>	<b>10,063,765,883</b>	<b>19,032,616,090</b>	<b>25,759,113,533</b>	<b>25,759,113,533</b>
	December 31, 2023			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Reverse repurchases		93,172	93,498	93,498
<b>Total</b>		<b>93,172</b>	<b>93,498</b>	<b>93,498</b>
<b>Other non-fixed income financial assets:</b>				
Investment funds	9,648,284,070	7,943,861,696	9,602,831,063	9,602,831,063
Issued by İş Portföy Yönetimi A.Ş. (Note 45)	4,087,235,431	5,455,761,089	6,586,598,907	6,586,598,907
Issued by Maxis Girişim Sermayesi Portföy Yönetimi (Note 45)	101,209,694	119,830,206	152,761,591	152,761,591
Other	5,459,838,945	2,368,270,401	2,863,470,565	2,863,470,565
Equity shares	53,403,206	1,375,426,903	1,425,042,958	1,425,042,958
Derivatives	20,061,000	117,644,053	118,720,901	118,720,901
Other	2,120,718,459	2,381,380,212	2,629,667,250	2,629,667,250
<b>Total</b>	<b>11,842,466,735</b>	<b>11,818,312,864</b>	<b>13,776,262,172</b>	<b>13,776,262,172</b>

As of December 31, 2024, and 2023, financial assets held to maturity of the Company are as follows:

	December 31, 2024			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Government bonds - EUR	325,445,996	326,271,969	338,277,261	336,954,882
<b>Total held to maturity financial assets</b>	<b>325,445,996</b>	<b>326,271,969</b>	<b>338,277,261</b>	<b>336,954,882</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

	December 31, 2023			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Government bonds - EUR	29,438,200	27,819,099	30,371,400	29,900,615
Government bonds - USD	288,572,180	290,038,963	300,728,500	299,539,167
<b>Total held to maturity financial assets</b>	<b>318,010,380</b>	<b>317,858,062</b>	<b>331,099,900</b>	<b>329,439,782</b>

As of December 31, 2023, equity shares classified as available for sale financial assets with a net book value of TRY713,752 are not publicly traded (December 31, 2023: TRY713,752).

There is no debt security issued during the period or issued before and paid during the period by the Company.

There is no financial asset that is overdue but not impaired among the Company's financial investments portfolio. Value increases in financial assets including equity shares classified as available for sale financial assets for the last 3 years (including tax effects):

Year	Change in value increase/(decrease)	Total increase/(decrease)
2024	5,618,879,480	10,548,813,892
2023	2,253,158,141	4,929,934,412
2022	2,464,540,356	2,676,776,271

Movements of the financial assets during the period are presented below:

	December 31, 2024			
	Trading <sup>(*)</sup>	Available for sale	Held to maturity	Total
<b>Balance at the beginning of the period</b>	<b>13,776,355,670</b>	<b>10,063,692,677</b>	<b>329,439,782</b>	<b>24,169,488,129</b>
Acquisitions during the period	65,135,476,730	11,229,418,469	-	76,364,895,199
Disposals (sale and redemption)	(59,521,428,120)	(12,785,270,397)	(49,794,036)	(72,356,492,553)
Change in the fair value of financial assets (Note 15)	5,946,477,299	(1,219,110,494)	-	4,727,366,805
Change in the amortized costs of financial assets	422,231,954	4,112,972,326	57,309,136	4,592,513,416
<b>Balance at the end of the period</b>	<b>25,759,113,533</b>	<b>11,401,702,581</b>	<b>336,954,882</b>	<b>37,497,770,996</b>

	December 31, 2023			
	Trading <sup>(*)</sup>	Available for sale	Held to maturity	Total
<b>Balance at the beginning of the period</b>	<b>2,365,503,900</b>	<b>7,341,058,220</b>	<b>379,792,253</b>	<b>10,086,354,373</b>
Acquisitions during the period	67,346,845,910	2,497,628,943	-	69,844,474,853
Disposals (sale and redemption)	(61,306,187,757)	(4,260,527,148)	(261,560,121)	(65,828,275,026)
Change in the fair value of financial assets (Note 15)	5,370,193,617	2,863,902,782	-	8,234,096,399
Change in the amortized costs of financial assets	-	1,621,629,880	211,207,650	1,832,837,530
<b>Balance at the end of the period</b>	<b>13,776,355,670</b>	<b>10,063,692,677</b>	<b>329,439,782</b>	<b>24,169,488,129</b>

# CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

## 12 Loans and receivables

	December 31, 2024	December 31, 2023
Receivables from main operations (Note 4.2)	17,209,414,819	14,425,369,273
Other receivables (Note 4.2) <sup>(*)</sup>	181,334,104	98,028,035
Income accruals (Note 4.2),	20,414,619	43,567,096
Other current assets (Note 4.2)	129,403,312	105,497,214
<b>Total</b>	<b>17,540,566,854</b>	<b>14,672,461,618</b>
Short-term receivables	17,540,086,532	14,672,137,063
Long - term receivables	480,322	324,555
<b>Total</b>	<b>17,540,566,854</b>	<b>14,672,461,618</b>

<sup>(\*)</sup> As of December 31, 2024, other receivables amounting to TRY181,334,104 (December 31, 2023: TRY98,028,035) comprise of receivables from DASK and TARİM amounting to TRY30,795,299 (December 31, 2023: TRY 15,332,573) and other miscellaneous receivables amounting to TRY150,538,805 (December 31, 2023: TRY 82,695,462)

As of December 31, 2024, and 2023 the details of the receivables from main operations are as follows:

	December 31, 2024	December 31, 2023
Receivables from agencies, brokers and intermediaries	9,729,119,692	8,202,425,696
Long term receivable which is bank guarantee and three months credit card	2,488,815,298	1,598,638,932
Salvage and subrogation receivables	723,408,965	449,617,028
Receivables from insurance and reinsurance companies	706,208,454	1,248,087,878
Receivables from policyholders	99,262,922	181,714,908
<b>Total receivables from insurance operations, net</b>	<b>13,746,815,331</b>	<b>11,680,484,442</b>
Receivables from reinsurance operations	2,419,965,690	1,858,769,031
Cash deposited to insurance and reinsurance companies (Note 4.2), (Note 10)	1,258,995,926	1,042,927,392
Provisions for receivables from insurance operations - subrogation receivables	(216,362,128)	(156,811,592)
Doubtful receivables from insurance operations - subrogation receivables	1,469,513,028	986,553,472
Provisions for doubtful receivables from insurance operations - subrogation receivables (Note 4.2)	(1,469,513,028)	(986,553,472)
Doubtful receivables from main operations - premium receivables	176,475,765	38,250,499
Provisions for doubtful receivables from main operations - premium receivables (Note 4.2)	(176,475,765)	(38,250,499)
<b>Receivables from main operations</b>	<b>17,209,414,819</b>	<b>14,425,369,273</b>

As of December 31, 2024, and 2023, the details of mortgages and other guarantees for the Company's receivables are presented below:

	December 31, 2024	December 31, 2023
Letters of guarantees	331,150,182	244,510,302
Mortgages notes	684,095,541	409,683,801
Other guarantees	761,727,962	302,647,538
Government bonds and treasury bills	230,000	230,000
<b>Total</b>	<b>1,777,203,685</b>	<b>957,071,641</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Provisions for overdue receivables and doubtful receivables not due yet

a) Receivables under legal or administrative follow up (due): TRY176,475,765 (December 31, 2023: TRY38,250,499).

b) Provision for subrogation receivables under legal or administrative follow up (due): TRY1,685,875,156 (December 31, 2023: TRY1,143,365,064).

The Company's receivables from and payables to shareholders, associates and subsidiaries are detailed in note 45 - *Related party transactions*.

The details of the receivables and payables denominated in foreign currencies and foreign currency rates used for the translation are presented in Note 4.2- *Financial risk management*.

### 13 Derivative financial instruments

The company holds derivative financial assets classified as trading as of December 31, 2024, amounting to TRY235,256,132 (December 31, 2023: TRY118,720,901)

The Company has no increase in value under the income accruals account due to forward foreign exchange contracts as of December 31, 2024. (December 31, 2023: TRY6,219,723).

In addition, the company has FX-protected deposits amounting to TRY1,149,065,599.

### 14 Cash and cash equivalents

As of December 31, 2024, and 2023, the details of the cash and cash equivalents are as follows:

	December 31, 2024		December 31, 2023	
	At the end of the period	At the beginning of the period	At the end of the period	At the beginning of the period
Cash	188,356	162,771	162,771	154,985
Banks	18,025,940,387	7,850,389,227	7,850,389,227	7,466,091,175
Cheques given and payment orders	(4,026)	(3,167)	(3,167)	(14,481)
Bank guaranteed credit card receivables with maturities less than three months	6,311,498,575	3,452,368,687	3,452,368,687	1,787,066,011
<b>Cash and cash equivalents in the balance sheet</b>	<b>24,337,623,292</b>	<b>11,302,917,518</b>	<b>11,302,917,518</b>	<b>9,253,297,690</b>
Bank deposits - blocked <sup>(*)</sup> (Note 17)	(4,291,084,005)	(1,734,548,631)	(1,734,548,631)	(1,465,822,315)
Time deposits with maturities longer than 3 months	(1,377,071,442)	(481,838,426)	(481,838,426)	-
Interest accruals on banks deposits	(262,044,890)	(74,349,169)	(74,349,169)	(13,543,966)
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>18,407,422,955</b>	<b>9,012,181,292</b>	<b>9,012,181,292</b>	<b>7,773,931,409</b>

(\*) Bank deposits in cash and cash equivalents has been kept in favour of the T.C. Private Pension Regulation and Supervision Agency as a guarantee for the insurance activities amounting is TRY4,291,084,005 (December 31, 2023: TRY1,363,261,798).

As of December 31, 2024, and 2023, the details of the bank deposits are as follows:

	December 31, 2024	December 31, 2023
Foreign currency denominated bank deposits		
- time deposits	318,414,658	9,261,091
- demand deposits	217,361,029	365,471,726
Bank deposits in Turkish Lira		
- time deposits	17,465,982,951	7,028,871,189
- demand deposits	24,181,749	446,785,221
<b>Bank deposits</b>	<b>18,025,940,387</b>	<b>7,850,389,227</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### 15 Equity

#### Paid in capital

The shareholder having direct or indirect control over the shares of the Company is İş Bankası Group.

The Company does not increase its share capital in the current period.

As of December 31, 2023, the issued share capital of the Company is TRY 500.000.000 (December 31, 2023: TRY500.000.000) and the Company unregistered Group 150 A shares which each of value is TRY 1,5 as of April 11, 2013 in which approved in Main Article of the Company dated in April 11, 2013. The share capital of the Company consists of 50.000.000.000 (December 31, 2023: 50.000.000.000 shares) issued shares with TRY 0,01 nominal value each.

#### Other capital reserves

In accordance with tax legislation, 75% of profits from sales of participation shares and 50% real estates included in the assets of companies is exempt from corporate tax provided that it is classified under a special fund for full five years. The exempt gains cannot be transferred to another account other than a capital increase or cannot be withdrawn from the entity for five years. As of December 31, 2023, the tax exempt which obtained thanks to sale of participation shares and real estate in 2010, 2011, 2013, 2014, 2015, 2016 years respectively, amounting to TRY 8.081.516, TRY 80.025, TRY 647.763, TRY 920.272, TRY 2.541.500, TRY 15.094 and real estate revaluation funds of 2018, 2019, 2020, 2021 and 2022 the profit not subject to distribution for 2018, 2019, 2020, 2021, 2022 and 2023 are classified as other capital reserves.

	December 31, 2024	December 31, 2023
<b>Other capital reserves at the beginning of the period</b>	<b>156,093,312</b>	<b>69,232,563</b>
Transfer from profit	23,143,190	62,084,950
Use property revaluation fund	31,113,332	24,775,799
<b>Other capital reserves at the end of the period</b>	<b>210,349,834</b>	<b>156,093,312</b>

#### Legal reserves

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the entity's share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the entity's share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital but may be used to absorb losses in the event that the general reserve is exhausted.

The movement of legal reserves are presented below:

	December 31, 2024	December 31, 2023
<b>Legal reserves at the beginning of the period</b>	<b>126,487,744</b>	<b>126,487,744</b>
Transfer from profit	-	-
<b>Legal reserves at the end of the period</b>	<b>126,487,744</b>	<b>126,487,744</b>

#### Extraordinary reserves

The movement of extraordinary reserves are presented below:

	December 31, 2024	December 31, 2023
<b>Extraordinary reserves at the beginning of the period</b>	<b>1,788,519,643</b>	<b>1,236,427,049</b>
Transfer from profit	5,023,956,545	552,092,594
<b>Extraordinary reserves at the end of the period</b>	<b>6,812,476,188</b>	<b>1,788,519,643</b>

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### Statutory reserves

The movement of statutory reserves are presented below:

	December 31, 2024	December 31, 2023
<b>Statutory reserves at the beginning of the period</b>	<b>265,356,498</b>	<b>178,003,887</b>
Transfer from profit	637,296,972	87,352,611
<b>Statutory reserves at the end of the period</b>	<b>902,653,470</b>	<b>265,356,498</b>

### Special reserves

The movement of special funds are presented below:

	December 31, 2024	December 31, 2023
<b>Special reserves at the beginning of the period</b>	<b>144,830,217</b>	<b>101,099,688</b>
Venture capital investment fund	225,000,000	43,730,529
Other	51,050	-
<b>Special funds at the end of the period</b>	<b>369,881,267</b>	<b>144,830,217</b>

### Valuation of financial assets

The movements of valuation differences related available for sale financial assets and associates are presented below:

	December 31, 2024		
	Available for sale financial assets	Associates	Total
<b>Valuation difference at the beginning of the period</b>	<b>1,844,366,280</b>	<b>3,085,568,132</b>	<b>4,929,934,412</b>
Change in fair value during the period	(1,219,110,494)	5,867,400,000	4,648,289,506
Net gains transferred to the statement of income	1,024,385,299	(200,000,000)	824,385,299
Deferred tax effect	146,204,675	-	146,204,675
<b>Valuation difference at the end of the period</b>	<b>1,795,845,760</b>	<b>8,752,968,132</b>	<b>10,548,813,892</b>

	December 31, 2023		
	Available for sale financial assets	Associates	Total
<b>Valuation difference at the beginning of the period</b>	<b>782,928,139</b>	<b>1,893,848,132</b>	<b>2,676,776,271</b>
Change in fair value during the period	2,863,902,782	1,291,720,000	4,155,622,782
Net gains transferred to the statement of income	(1,662,906,893)	(100,000,000)	(1,762,906,893)
Deferred tax effect	(139,557,748)	-	(139,557,748)
<b>Valuation difference at the end of the period</b>	<b>1,844,366,280</b>	<b>3,085,568,132</b>	<b>4,929,934,412</b>

### Other profit reserves

In accordance with the July 4, 2007, dated and 2007/3 numbered Compliance Circular issued by the T.C. Ministry of Treasury and Finance, it was stated that the companies would not further provide earthquake provision for the year 2007. However, it was also stated that earthquake provisions provided in previous periods (earthquake provision in the financial statements as of December 31, 2006) should be transferred to the reserve accounts under equity in accordance with the 5<sup>th</sup> Temporary Article of the Insurance Law. The companies had to transfer total amount of provisions, including earthquake provisions reserved as of December 31, 2006 and related gains obtained from investment of these amounts to the account called as "549.01 - transferred earthquake provisions" which would be opened as of September 1, 2007 within Uniform Chart of Account and the reserves amount should not be subject to dividend distribution or should not be transferred to other accounts.



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Accordingly, the Company initially transferred total provisions amounting to TRY96,036,157 including earthquake provisions reserved as of December 31, 2006, and related gains obtained from investment of this amount to the reserve accounts under equity, TRY51,846,111 of this amount is used for capital increase in 2010. As of December 31, 2024, accordance with TAS 19, to add the amount of actuarial loss and net profit of TRY (157,063,038) defined remeasure net profit debt, the amount of new balance is TRY(112,872,992) (December 31, 2023: TRY(37,130,470)).

### Non-distributable profit for the period

In accordance with tax legislation, 75% of profits from sales of participation shares and 50% of real estates included in the assets of companies is exempt from corporate tax provided that it is classified under a special fund for full five years. The exempt gains cannot be transferred to another account other than a capital increase or cannot be withdrawn from the entity for five years.

### 16 Other reserves and equity component of discretionary participation feature

As of December 31, 2024, and 2023, change in fair values of available-for-sale financial assets which is presented as "valuation of financial assets" and earthquake provisions provided in the previous years presented under "other profit reserves" are explained in detail in Note 15 - *Equity* above. As of December 31, 2024, and 2023, the Company does not hold any insurance or investment contracts which contain a discretionary participation feature

### 17 Insurance contract liabilities and reinsurance assets

Estimation of the ultimate payment for the outstanding claims is one of the most important accounting assumptions of the Company. Estimation of the insurance contract liabilities contains several ambiguities by nature. The Company makes calculation of the related insurance technical provisions accordance with the Insurance Legislation and reflects them into unconsolidated financial statements as mentioned in Note *Summary of significant accounting policy*.

As of December 31, 2024, and 2023, technical reserves of the Company are as follows:

	December 31, 2024	December 31, 2023
Reserve for unearned premiums, gross	36,603,651,090	24,160,350,877
Reserve for unearned premiums, ceded	(6,574,405,493)	(5,372,679,050)
Reserve for unearned premiums, SSI share	(546,873,219)	(343,265,170)
<b>Reserves for unearned premiums, net</b>	<b>29,482,372,378</b>	<b>18,444,406,657</b>
Provision for outstanding claims, gross	30,298,920,879	27,800,010,100
Provision for outstanding claims, ceded	(11,245,664,835)	(12,508,249,849)
<b>Provision for outstanding claims, net</b>	<b>19,053,256,044</b>	<b>15,291,760,251</b>
Gross of reserve for unexpired risk	1,935,025,732	2,244,301,474
Reinsurer's share of the reserve for unexpired risk	(198,267,693)	(599,131,968)
<b>Provision unexpired risk reserve, net</b>	<b>1,736,758,039</b>	<b>1,645,169,506</b>
Equalization provision, net	1,062,027,735	593,112,491
General provision, net <sup>(*)</sup>	7,702,760	7,702,760
<b>Other technical provisions, net</b>	<b>1,069,730,495</b>	<b>600,815,251</b>
<b>Total technical provisions, net</b>	<b>51,342,116,956</b>	<b>35,982,151,665</b>
Short-term	50,269,775,250	35,377,705,520
Medium and long-term	1,072,341,706	604,446,145
<b>Total technical provisions, net</b>	<b>51,342,116,956</b>	<b>35,982,151,665</b>

<sup>(\*)</sup> It contains a provision which has been reflected in the prior unconsolidated financial statements amounting TRY 7.702.760 due to the possible impact of adverse developments that may occur by company's management

# CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024, and 2023, the movements of the insurance liabilities and related reinsurance assets are presented below:

Reserve for unearned premiums	December 31, 2024			
	Gross	Ceded	SSI share	Net
Reserve for unearned premiums at the beginning of the period	24,160,350,877	(5,372,679,050)	(343,265,170)	18,444,406,657
Premiums written during the period	69,589,122,185	(16,419,753,108)	(901,370,600)	52,267,998,477
Premiums earned during the period	(57,145,821,972)	15,218,026,665	697,762,551	(41,230,032,756)
<b>Reserve for unearned premiums at the end of the period</b>	<b>36,603,651,090</b>	<b>(6,574,405,493)</b>	<b>(546,873,219)</b>	<b>29,482,372,378</b>
Reserve for unearned premiums	December 31, 2023			
	Gross	Ceded	SSI share	Net
Reserve for unearned premiums at the beginning of the period	13,172,473,698	(2,782,909,399)	(265,022,486)	10,124,541,813
Premiums written during the period	44,228,418,367	(11,235,091,484)	(579,640,598)	32,413,686,285
Premiums earned during the period	(33,240,541,188)	8,645,321,833	501,397,914	(24,093,821,441)
<b>Reserve for unearned premiums at the end of the period</b>	<b>24,160,350,877</b>	<b>(5,372,679,050)</b>	<b>(343,265,170)</b>	<b>18,444,406,657</b>
Provision for outstanding claims	December 31, 2024			
	Gross	Ceded		Net
Provision for outstanding claims at the beginning of the period	27,800,010,100	(12,508,249,849)		15,291,760,251
Claims reported during the period and changes in the estimations of provisions for outstanding claims provided at the beginning of the period	37,127,690,427	(7,358,678,076)		29,769,012,351
Claims paid during the period	(34,628,779,648)	8,621,263,090		(26,007,516,558)
<b>Provision for outstanding claims at the end of the period</b>	<b>30,298,920,879</b>	<b>(11,245,664,835)</b>		<b>19,053,256,044</b>
Provision for outstanding claims	December 31, 2023			
	Gross	Ceded		Net
Provision for outstanding claims at the beginning of the period	13,942,704,065	(4,948,152,615)		8,994,551,450
Claims reported during the period and changes in the estimations of provisions for outstanding claims provided at the beginning of the period	41,943,136,670	(20,787,177,937)		21,155,958,733
Claims paid during the period	(28,085,830,635)	13,227,080,703		(14,858,749,932)
<b>Provision for outstanding claims at the end of the period</b>	<b>27,800,010,100</b>	<b>(12,508,249,849)</b>		<b>15,291,760,251</b>
Reserve for unexpired risk	December 31, 2024			
	Gross	Ceded		Net
Reserve for unexpired risk at the beginning of the period	2,244,301,474	(599,131,968)		1,645,169,506
Change in the reserve during the current period	(309,275,742)	400,864,275		91,588,533
<b>Reserve for unexpired risk at the end of the period</b>	<b>1,935,025,732</b>	<b>(198,267,693)</b>		<b>1,736,758,039</b>
Reserve for unexpired risk	December 31, 2023			
	Gross	Ceded		Net
Reserve for unexpired risk at the beginning of the period	926,032,086	(128,111,819)		797,920,267
Change in the reserve during the current period	1,318,269,388	(471,020,149)		847,249,239
<b>Reserve for unexpired risk at the end of the period</b>	<b>2,244,301,474</b>	<b>(599,131,968)</b>		<b>1,645,169,506</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

Equalization provision	December 31, 2024	December 31, 2023
Equalization provision at the beginning of the period	593,112,491	512,935,407
Provision deducted during the period	(127,636,838)	(258,889,026)
Provision added during the period	596,552,082	339,066,110
<b>Equalization provision at the end of the period</b>	<b>1,062,027,735</b>	<b>593,112,491</b>

### Claim development tables

The basic assumption used in the estimation of provisions for outstanding claims is the Company's past experience on claim developments. Judgment is used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. The sensitivity of certain assumptions like legislative change, uncertainty in the estimation process, etc., is not possible to quantify. Furthermore, because of delays that arise between occurrence of a claim and its subsequent notification and eventual settlement, the outstanding claim provisions are not known with certainty at the reporting date. Consequently, the ultimate liabilities will vary as a result of subsequent developments. Differences resulting from reassessment of the ultimate liabilities are recognized in subsequent unconsolidated financial statements.

Development of insurance liabilities enables to measure the performance of the Company in estimation of its ultimate claim losses. The amounts presented on the top of the below tables show the changes in estimations of the Company for the claims in subsequent years after claim years. The amounts presented on the below of the tables below give the reconciliation of total liabilities with provision for outstanding claims presented in the accompanying unconsolidated financial statements

Claim year	December 31, 2024					Total
	2019	2020	2021	2022	2023	
Claim year	3,497,611,108	5,125,555,248	10,580,040,144	33,185,638,925	34,997,157,237	87,386,002,662
1 year later	4,034,236,925	6,161,274,125	12,992,466,462	35,198,738,990	-	58,386,716,502
2 years later	4,294,257,071	6,762,222,372	13,846,616,270	-	-	24,903,095,713
3 years later	4,593,164,576	7,265,735,792	-	-	-	11,858,900,368
4 years later	5,332,400,356	-	-	-	-	5,332,400,356
Current estimate of cumulative claims	5,332,400,356	7,265,735,792	13,846,616,270	35,198,738,990	34,997,157,237	96,640,648,645
Cumulative payments to date	3,648,563,955	5,954,412,929	11,350,364,770	30,185,996,476	20,202,224,212	71,341,562,342
Provision recognized in the financial statements	1,683,836,401	1,311,322,863	2,496,251,500	5,012,742,514	14,794,933,026	25,299,086,304
Provision recognized in the financial statements before 2015						4,999,834,576
<b>Total gross outstanding claims presented in the unconsolidated financial statements at the end of the period</b>						<b>30,298,920,879</b>

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**
**CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

Claim year	December 31, 2023					Total
	2018	2019	2020	2021	2022	
Claim year	3,084,992,257	3,495,603,368	5,217,227,738	10,924,622,868	38,693,556,119	61,416,002,350
1 year later	3,263,577,298	4,011,075,019	6,241,608,392	13,376,826,698	-	26,893,087,407
2 years later	3,382,129,581	4,259,781,610	6,726,519,251	-	-	14,368,430,442
3 years later	3,504,278,805	4,541,680,778	-	-	-	8,045,959,583
4 years later	3,742,785,611	-	-	-	-	3,742,785,611
Current estimate of cumulative claims	3,742,785,611	4,541,680,778	6,726,519,251	13,376,826,698	38,693,556,119	67,081,368,457
Cumulative payments to date	3,017,796,412	3,422,653,430	5,548,562,331	10,306,549,987	20,697,020,766	42,992,582,926
Provision recognized in the financial statements	724,989,199	1,119,027,348	1,177,956,921	3,070,276,711	17,996,535,352	24,088,785,531
Provision recognized in the financial statements before 2015						3,711,224,569
<b>Total gross outstanding claims presented in the unconsolidated financial statements at the end of the period</b>						<b>27,800,010,100</b>

**Total amount of guarantee that should be provided by the Company for life and non-life branches and guarantees placed for the life and non-life branches in respect of related assets**

	December 31, 2024		
	Amount be provided (*)	Provided	Net book value
<i>Non-life:</i>			
Financial Assets		2,479,382,243	2,479,382,243
Bank deposits (Note 14)		4,291,084,005	4,291,084,005
<b>Total</b>	<b>5,609,154,232</b>	<b>6,770,466,248</b>	<b>6,770,466,248</b>

	December 31, 2023		
	Amount be provided (*)	Provided	Net book value
<i>Non-life:</i>			
Financial Assets		2,631,289,711	2,631,289,711
Bank deposits (Note 14)		1,363,261,798	1,363,261,798
<b>Total</b>	<b>2,911,831,817</b>	<b>3,994,551,509</b>	<b>3,994,551,509</b>

(\*) "According to the 7<sup>th</sup> article of the "Circular Related to the Financial Structure of Insurance, Reinsurance, and Private Pension Companies" which regulates necessary guarantee amount, minimum guarantee fund for capital adequacy calculation period will be provided as a guarantee in two months following the calculation period. According to "Regulations Regarding to Capital Adequacy Measurement and Assessment of Insurance, Reinsurance, and Private Pension Companies", companies must prepare their capital adequacy tables twice in a financial year in June and December periods and must sent capital adequacy tables to the Insurance and Private Pension Regulation and Supervisory Agency within two months. Since the amounts that to be provided as of December 31, 2024 will be through the calculated amounts as of December 31, 2024, the settled amounts as of December 31, 2024 is presented as "to be provided" amounts...

**Company's number of life insurance policies, additions, disposals during the period and the related mathematical reserves**

None.

**Distribution of new life insurance policyholders in terms of numbers and gross and net premiums as individual or group during the period**

None.

**Distribution of mathematical reserves for life insurance policyholders who left the Company's portfolio as individual or group during the period**

None.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Deferred commission expenses

The Company capitalizes commissions paid to the intermediaries related to policy production under short-term and long-term prepaid expenses. As of December 31, 2024, short-term prepaid expenses amounting to TRY5,361,474,802 (December 31, 2023: TRY 3,226,734,435) consist of deferred commission expenses amounting to TRY4,622,745,568 (December 31, 2023: TRY3,042,926,735) and other prepaid expenses amounting to TRY738,729,234 (December 31, 2023: TRY183,807,700) Long-term prepaid expenses amounting TRY99,400,742 (December 31, 2023: TRY2,160,700 are composed of other prepaid expenses.

	December 31, 2024	December 31, 2023
Deferred commission expenses at the beginning of the period	3,042,926,735	1,680,470,721
Commissions accrued during the period (Note:32)	9,382,635,315	5,926,875,222
Commissions expensed during the period (Note:32)	(7,802,816,482)	(4,564,419,208)
<b>Deferred commission expenses at the end of the period (*)</b>	<b>4,622,745,568</b>	<b>3,042,926,735</b>

(\*) Commission expenses that accounted in reinsurance commissions are included.

### Individual pension funds

None.

### 18 Investment contract liabilities

None

### 19 Trade and other payables and deferred income

	December 31, 2024	December 31, 2023
Payables arising from main operations	8,311,620,000	5,215,154,669
Taxes and funds payable and other similar obligations	1,783,361,466	784,810,314
Deferred commission income (Note 10)	988,240,822	776,083,577
Other payables	972,579,165	658,804,066
Financial liabilities	208,444,793	114,448,918
Trade payables to related parties	11,125,055	1,866,445
<b>Total</b>	<b>12,275,371,301</b>	<b>7,551,167,989</b>
Short-term liabilities	12,115,007,685	7,455,857,791
Long-term liabilities	160,363,616	95,310,198
<b>Total</b>	<b>12,275,371,301</b>	<b>7,551,167,989</b>

As of 31 December 2024, other payables amounting to TRY 604.129.408 (31 December 2023: TRY 427.923.728) consist of payables to TARSİM and DASK and outsourced benefits and services.

As of December 31, 2024 and 2023, the details of the payables account from main activities are as follows:

	December 31, 2024	December 31, 2023
Payables to reinsurance companies (Note 10)	4,844,785,309	3,272,049,112
Payables to agencies, brokers and intermediaries	775,879,985	507,154,918
<b>Total payables arising from insurance operations</b>	<b>5,620,665,294</b>	<b>3,779,204,030</b>
<b>Payables arising from reinsurance activities to reinsurance companies</b>	<b>144,438,265</b>	<b>187,244,739</b>
Payables arising from other operating activities	2,156,728,278	1,096,093,147
Cash deposited by insurance and reinsurance companies (Note 10)	389,788,163	152,612,753
<b>Payables arising from main operations</b>	<b>8,311,620,000</b>	<b>5.215.154.669</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

Corporate tax liabilities and prepaid taxes are disclosed below:

	December 31, 2024	December 31, 2023
Prepaid taxes	2,340,895,465	1,436,128,691
Provision of calculated corporate tax	(3,258,795,586)	(1,664,485,864)
<b>Corporate tax assets/(liabilities), net</b>	<b>(917,900,121)</b>	<b>(228,357,173)</b>

There are no investment incentives which will be benefited in current and future periods.

### 20 Financial liabilities

The Company's total lease liability and the movement table of lease liabilities accounted for under the TFRS 16- Leases standard are as follows:

	December 31, 2024	December 31, 2023
Liabilities from operating leases (Note 34)	208,444,793	114,448,918
<i>Short Term</i>	48,081,177	19,138,720
<i>Long Term</i>	160,363,616	95,310,198
<b>Total</b>	<b>208,444,793</b>	<b>114,448,918</b>

	December 31, 2024	December 31, 2023
<b>Total lease liabilities as of January 1</b>	114,448,918	81,039,521
Lease payments	(74,838,743)	(38,942,001)
Additions	128,765,262	48,318,232
Other	40,069,356	24,033,166
<b>Total</b>	<b>208,444,793</b>	<b>114,448,918</b>

### 21 Deferred Tax

As of December 31, 2024 and 2023, deferred tax assets and liabilities are attributable to the following:

	December 31, 2024	December 31, 2023
	Deferred tax assets/(liabilities)	Deferred tax assets/(liabilities)
Provisions for unexpired risk	521,027,412	493,550,852
Other provision	417,079,340	128,693,026
Equalization provision	69,073,625	78,127,626
Provisions for employee termination benefits and unused vacations	67,283,702	43,998,588
Provision for subrogation receivables	64,908,638	47,043,478
TAS adjustment differences in depreciation	39,378,867	34,560,335
Discount of receivables and payables	14,147,590	5,185,561
Real estate valuation	(98,577,321)	(41,611,651)
Valuation differences in financial assets	(284,602,198)	(82,035,789)
<b>Deferred tax assets/(liabilities), net</b>	<b>809,719,655</b>	<b>707,512,026</b>

The movement of deferred tax assets table:

	December 31, 2024	December 31, 2023
<b>Opening balance on 1 January</b>	<b>707,512,026</b>	<b>147,253,439</b>
Recognised in profit or loss (Note 35)	94,959,490	738,388,265
Recognised in equity	174,904,295	(109,592,594)
Cancellation corporate tax provision <sup>(*)</sup>	(167,656,156)	(68,537,084)
<b>Deferred tax asset</b>	<b>809,719,655</b>	<b>707,512,026</b>

<sup>(\*)</sup> Cancellation of corporate tax provision is included in deferred tax income.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 22 Retirement benefit obligations

According to the technical balance sheet reports prepared within the framework of Law No. 5754 published in the Official Gazette No. 26870 dated 8 May 2008 and using the specified rate of 9.80% technical interest, it was reported that there was no technical deficit for the Fund as of 31 December 2024 and 31 December 2023.

The Company's liability as of the balance sheet date regarding the benefits to be transferred to the Social Security Institution is the estimated payment amount that will need to be made during the transfer to the Social Security Institution, and the actuarial parameters and results used in measuring this amount reflect the provisions of Law No. 5754 published in the Official Gazette No. 26870 dated 8 May 2008 regarding the retirement and health benefits to be transferred to the Social Security Institution (9.80% real discount rate, etc.).

In calculating the liability amount for transferable benefits, largely fixed and specific assumptions are used within the framework of the relevant law. However, the final amount of liability that the Company will bear upon transfer may vary depending on factors such as the number of participants and the rate of separation, primarily the discount rate, inflation and wage increases.

	December 31, 2024	December 31, 2023
Foundation Assets <sup>(*)</sup>	3,097,029,989	1,770,946,616
Employee Contributions	6,762,981,924	2,971,370,711
<b>Total Assets</b>	<b>9,860,011,913</b>	<b>4,742,317,327</b>
Total Cash Values of Pension	4,210,428,513	2,449,052,090
Total Cash Values of Management Expenses	3,381,491	1,485,685
Total Cash Value of Health Benefits	658,641,091	511,777,764
<b>Total Liability</b>	<b>4,872,451,095</b>	<b>2,962,315,539</b>
<b>Actual and Technical Surplus Amount <sup>(**)</sup></b>	<b>4,987,560,818</b>	<b>1,780,001,788</b>

<sup>(\*)</sup> The fair values of the assets have been taken into account.

<sup>(\*\*)</sup> Since a final report has not been prepared, the figures in the table may vary.

In the "2. Economic Assumptions" section of Annex-5 of the Circular on Actuarial Audit of Institutions Making Commitments for Retirement (2022/18), which includes the title "Points to be Considered in the Selection of Assumptions", 9.8% real interest rate has been taken as the basis as the discount and return rate for foundations providing services within the scope of the temporary 20th article of the "Social Insurance and General Health Insurance Law No. 5510".

### 23 Other liabilities and provisions

As of December 31, 2024 and 2023; the details of the provisions for other risks are as follows:

	December 31, 2024	December 31, 2023
Provision for employee termination benefits	191,205,849	137,249,863
Provision for unused vacation pay liability	45,871,706	22,210,647
<b>Total provision for other risks</b>	<b>237,077,555</b>	<b>159,460,510</b>
	December 31, 2024	December 31, 2023
Provision for employee bonus	950,000,000	138,000,000
Provision for agency award	275,625,275	77,139,109
Provision for reinsurance activities	176,049,238	5,179,480
Provision for excess of claim contract substitution premium	117,133,687	120,930,645
Provision for guarantee account	90,477,809	58,455,043
Provision for traffic and TKU pool	59,330,849	28,162,564
Provision for bank expense	14,000,000	6,750,000
Provision for sliding scale commission (Note 10)	-	35,383,333
Other provisions	2,381,712	-
<b>Expense accruals</b>	<b>1,684,998,570</b>	<b>470,000,174</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The movements of provision for employee termination benefits during the period are presented below:

	December 31, 2024	December 31, 2023
<b>Provision for employee termination benefits at the beginning of the period</b>	<b>137,249,863</b>	<b>104,972,836</b>
Interest cost (Note 47)	36,645,714	24,752,595
Service cost (Note 47)	4,330,736	3,274,244
Payments made during the period (Note 47)	(95,224,066)	(41,383,408)
Actuarial difference	108,203,602	45,633,596
<b>Provision for employee termination benefits at the end of the period</b>	<b>191,205,849</b>	<b>137,249,863</b>

### 24 Net insurance premium

Net insurance premium revenue is presented in detailed in the accompanying unconsolidated statement of income.

### 25 Fee revenue

None.

### 26 Investment income

Investment income is presented in "Note 4.2 - Financial Risk Management".

### 27 Net income accrual on financial assets

Net realized gains on financial assets are presented in "Note 4.2 - Financial Risk Management".

### 28 Assets held at fair value through profit or loss

Presented in "Note 4.2 - Financial Risk Management".

### 29 Insurance rights and claims

	January 1 - December 31, 2024	January 1 - December 31, 2023
Claims paid, net off reinsurers' share	26,007,516,558	14,858,749,932
Changes in provision for unearned premiums, net off reinsurers' share	11,037,965,722	8,319,864,844
Changes in provision for outstanding claims, net off reinsurers' share	3,761,495,793	6,297,208,801
Change in equalization provisions	468,915,243	80,177,084
Changes in reserve for unexpired risks, net off reinsurers' share	91,588,533	847,249,239
<b>Total</b>	<b>41,367,481,849</b>	<b>30,403,249,900</b>

### 30 Investment contract benefits

None.

### 31 Other expenses

The allocation of the expenses with respect to their nature or function is presented in Note 32 - Expenses by nature below.



## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 32 Operating expenses

As of December 31, 2024 and 2023 the operating expenses are disclosed as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Commission expenses (Note 17)	(6,819,349,128)	(3,878,782,172)
Commissions to intermediaries accrued during the period (Note 17)	(8,358,751,300)	(5,141,604,918)
Change in deferred commission expenses (Note 17)	1,539,402,172	1,262,822,746
Employee benefit expenses (Note 33)	(4,074,760,768)	(1,445,544,815)
Administration expenses	(1,375,241,194)	(857,404,008)
Advertising and marketing expenses	(307,744,711)	(145,187,404)
Outsourced benefits and services	(340,689,467)	(230,746,522)
Commission income from reinsurers (Note 10)	1,925,945,774	1,141,329,185
Commission income from reinsurers accrued during the period (Note 10)	2,138,103,019	1,514,712,277
Change in deferred commission income (Note 10)	(212,157,245)	(373,383,092)
Commission expense from reinsurance activities (Note 10)	(983,467,354)	(685,637,036)
Commission expense from reinsurance activities (Note 10, 17)	(1,023,884,015)	(785,270,304)
Change in deferred commission expense (Note 10)	40,416,661	99,633,268
<b>Total</b>	<b>(11,975,306,848)</b>	<b>(6,101,972,772)</b>

### 33 Employee benefits expenses

	January 1 - December 31, 2024	January 1 - December 31, 2023
Wages and salaries	(3,107,947,066)	(1,014,907,952)
Insurance payments	(740,525,126)	(325,223,140)
Other	(226,288,576)	(105,413,723)
<b>Total</b>	<b>(4,074,760,768)</b>	<b>(1,445,544,815)</b>

### 34 Financial costs

As of December 31, 2024 TRY39,458,297 interest expense and TRY45,528,043 (January 1 - December 31, 2023: TRY24,113,027) amortisation expense arising from leases which are the subject to *TFRS 16 Leases*, have recognised as "Investment Management Expenses - Inc. Interest" and "Depreciation and Amortisation Expenses" respectively in the accompanying unconsolidated financial statements (January 1 - December 31, 2023: TRY21,128,948).

As of December 31, 2024 and 2023, discounted reimbursement plan for operating leases of the Companies are as follows:

	December 31, 2024	December 31, 2023
Up to 1 year	48,081,177	19,138,720
1 to 2 years	49,379,090	21,909,694
2 to 3 years	51,192,877	19,945,926
3 to 4 years	59,791,649	23,934,707
4 to 5 years	-	29,519,871
Over 5 years	-	-
<b>Total</b>	<b>208,444,793</b>	<b>114,448,918</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 35 Income Tax

Income tax expense items in the accompanying unconsolidated financial statements are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
<b>Corporate tax expense provision:</b>		
Corporate tax provision	(3,258,795,586)	(1,664,485,864)
<b>Deferred taxes:</b>		
Origination and reversal of temporary differences	(72,696,666)	669,851,181
Previous period corporation tax closure <sup>(*)</sup>	167,656,156	68,537,084
<b>Total income tax expense recognised in profit or loss</b>	<b>(3,163,836,096)</b>	<b>(926,097,599)</b>

<sup>(\*)</sup> The Corporate Tax Provision Closure is presented in the "Provisions Account".

For the period then ended as of December 31, 2024, and 2023, a reconciliation of tax expense applicable to profit from operating activities before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate are as follows:

	December 31, 2024		December 31, 2023	
<b>Profit before tax</b>	<b>14,041,523,056</b>	<b>Tax rate (%)</b>	<b>6,835,494,306</b>	<b>Tax rate (%)</b>
Taxes on income per statutory tax rate	4,212,456,917	30	2,050,648,292	30
Tax exempt income	(1,441,603,849)	(10.27)	(1,036,027,292)	(15.16)
Non-deductible expenses	392,983,028	2.80	21,495,899	0.31
Effect of change in tax rate	-	-	(110,019,300)	(1.61)
<b>Total tax income recognized in profit or loss</b>	<b>3,163,836,096</b>	<b>22.53</b>	<b>926,097,599</b>	<b>13.55</b>

### 36 Net foreign Exchange gains

Net foreign exchange gains are presented in "Note 4.2 - Financial Risk Management" above.

### 37 Earnings per share

Earnings per share are calculated by dividing net profit of the period to the weighted average number of shares.

	January 1 - December 31, 2024	January 1 - December 31, 2023
Net profit/(loss) for the period	10,877,686,960	5,909,396,707
Weighted average number of shares	50,000,000,000	50,000,000,000
Earnings/loss per share (TRY)	0,2176	0,1182

### 38 Dividends per share

No cash dividend payment to shareholders in 2024 (December 31, 2023: None).

### 39 Cash generated from operations

The cash flows from operating activities are presented in the accompanying unconsolidated statement of cash flows.

### 40 Convertible bonds

None.

### 41 Redeemable preference shares

None.

## CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 42 Risks

In the normal course of its operations, the Company is exposed to legal disputes, claims and challenges, which mainly stem from its insurance operations. The necessary income/expense accruals for the revocable cases against/on behalf of the Company are provided under provision for outstanding claims in the accompanying unconsolidated financial statements.

As of December 31, 2024, total amount of the claims that the Company face is TRY8,050,124,000 in gross TRY6,877,845,645. The Company provided provision for outstanding claims in the unconsolidated financial statements by considering collateral amounts.

As of December 31, 2023, ongoing lawsuits prosecuted by the Company against the third parties amounting TRY3,146,893,093. (December 31, 2023: TRY2,121,300,741).

### 43 Commitments

The details of the guarantees that are given by the Company for the operations in non-life branches are presented in Note 17.

### 44 Business combinations

None.

### 45 Related party transactions

The ultimate controlling party of the Company is İş Bankası Group and the groups having direct control over İş Bankası Group and the affiliates and associates of İş Bankası Group are defined as related parties of the Company.

The related party balances as of December 31, 2024, and 2023 are as follows:

	December 31, 2024	December 31, 2023
Türkiye İş Bankası - banks deposits <sup>(*)</sup>	8,381,787,311	2,031,901,279
<b>Banks</b>	<b>8,381,787,311</b>	<b>2,031,901,279</b>
Investment funds founded by İş Portföy Yönetimi A.Ş. (Note 11)	12,170,503,636	6,586,598,907
Investment funds issued by Maxis Girişim Sermayesi Portföy Yönetimi A.Ş. (Note 11)	454,721,414	152,761,591
Investment funds issued by İş Faktöring A.Ş. (Note 11)	14,661,852	-
Investment funds issued by Türkiye İş Bankası A.Ş. (Note 11)	-	10,242,835
<b>Financial assets</b>	<b>12,639,886,902</b>	<b>6,749,603,333</b>
İş Bankası - receivables stem from premiums written via the Bank	1,486,926,307	1,002,618,714
İş Bankası - credit card receivables	832,757,957	453,841,023
<i>Maturities less than three months</i>	637,995,041	264,215,130
<i>Maturities more than three months</i>	194,762,916	189,625,893
Receivables stems from premiums written via Şişecam Sigorta Aracılık Hiz. A.Ş.	46,445,380	20,709,690
Anadolu Hayat Emeklilik A.Ş. - premium receivables	4,176,669	391,963
<b>Receivables from main operations</b>	<b>2,370,306,313</b>	<b>1,931,402,413</b>
Milli Reasürans T.A.Ş. - payables from reinsurance operations	83,902,260	(114,713,391)
İş Bankası - commission payables	129,182,425	94,661,046
Şişecam Sigorta Aracılık Hizmetleri A.Ş. - commission payables	12,622	2,698,999
<b>Payables from main operations</b>	<b>213,097,307</b>	<b>(17,353,346)</b>

<sup>(\*)</sup> The amount of FX-protected deposits balance TRY1,149,065,599 is excluded.

No guarantees have been taken against receivables from related parties.

There are no doubtful receivables from shareholders, subsidiaries and joint ventures.

No guarantees, commitments, guarantee letters, advances and endorsements given in favour of shareholders, associates and subsidiaries.

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ****CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

The Company has accrued TRY861,451,696 premium (December 31, 2023: TRY1,140,607,724) for related party policies in 2024. The transactions with related parties during the period ended December 31, 2024, and 2023 are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
İş Bankası - premiums written via the Bank	9,837,978,292	5,987,016,099
Premiums written via Şişecam Sigorta Aracılık Hizmetleri A.Ş.	142,718,892	96,897,095
Anadolu Hayat Emeklilik A.Ş. - premiums written	74,987,706	46,150,057
Milli Reasürans T.A.Ş.	1,318,433	3,130,067
<b>Premiums written</b>	<b>10,057,003,323</b>	<b>6,133,193,318</b>
Milli Reasürans T.A.Ş.	(171,447,034)	(1,142,440,505)
<b>Premiums written, ceded</b>	<b>(171,447,034)</b>	<b>(1,142,440,505)</b>
İş Bankası - interest income from deposits	1,284,036,050	755,240,458
İş Portföy Yönetimi - income from investment funds	1,123,092,667	369,280,455
Türkiye Sınai Kalkınma Bankası - income from bonds	-	173,900,693
Türkiye İş Bankası - income from bonds	3,682,665	720,857
İş Gayrimenkul Yatırım Ortaklığı A.Ş. income from bonds	4,413,705	-
İş Faktöring A.Ş. - income from bonds	-	39,530
<b>Investment income</b>	<b>2,415,225,087</b>	<b>1,299,181,993</b>
Türkiye İş Bankası A.Ş. - commission expense	(990,164,155)	(594,443,143)
Anadolu Hayat Emeklilik A.Ş. - commission expense	(27,237,434)	(18,830,775)
Şişecam Sigorta Aracılık Hizmetleri A.Ş. - commission expense	(581,451)	(451,052)
<b>Operating expenses, net</b>	<b>(1,017,983,040)</b>	<b>(613,724,970)</b>
Milli Reasürans T.A.Ş. - commission expense	171,447,034	249,379,975
<b>Operating expenses, net</b>	<b>171,447,034</b>	<b>309,025</b>
Anadolu Hayat ve Emeklilik A.Ş. - rent income	834,246	309,025
<b>Other income</b>	<b>834,246</b>	<b>309,025</b>
İş Merkezleri Yönetim ve İşletim A.Ş. -service cost	(53,406,496)	(25,997,630)
İş Gayrimenkul Yatırım Ortaklığı A.Ş. - TFRS 16 interest expense	(25,884,312)	(14,034,408)
Anadolu Anonim Türk Sigorta Şirketi Memurları Emekli Sandığı ve Dayanışma Vakfı - TFRS 16 interest expense	(1,430,081)	(1,103,853)
İş Portföy Yönetimi - management commission	-	(27,584,038)
İş Portföy Yönetimi - performance commission	(624,868)	(401,764)
Yatırım Finansman Menkul Değerler - management commission	(2,890,420)	-
<b>Other expense</b>	<b>(84,236,177)</b>	<b>(69,121,693)</b>

**46 Events after the reporting date**

None.

# CONVENIENCE TRANSLATION OF NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

## 47 Other

Items and amounts classified under the "other" account in financial statements either exceeding 20% of the total amount of the group to which they relate or 5% of the total assets in the balance sheet.

They are presented in the related notes above.

"Payables to employees and receivables from employees presented under accounts, "other receivables" and "other short- or long-term payables", and which have balance more than 1% of the total assets

None.

Subrogation recorded in "Off-Balance Sheet Accounts."

None.

Real rights on properties and their values

None.

Explanatory note for the amounts and nature of previous years' income and losses

None.

Fees for services received from Independent Auditor/Independent audit firm.

	December 31, 2024	December 31, 2023
Independent audit fee for reporting period	2,499,000	3,614,590
Fees for tax advisory services	1,428,000	-
<b>Total</b>	<b>3,927,000</b>	<b>3,614,590</b>

(\*) The fee is excluding VAT.

## Information on other technical expenses items in income statement

The part of amounting to TRY 1.599.282.516 under other technical expenses in the income statement, TRY 692.650.068 consists of assistance expenses, TRY 594.889.717 of bank and credit card commissions and TRY 311.742.731 of other expenses.

For the periods ended December 31, 2024, and 2023, details of discount and provision expenses are as follows

Provision expenses	January 1 - December 31, 2024	January 1 - December 31, 2023
Provision expense for doubtful receivables (Note 4.2)	(622,198,386)	(286,029,821)
Other provisions (Note 23)	(31,874,250)	(1,242,912)
Provision expense for unused vacation (Note 23)	(23,661,059)	(10,307,744)
Provisions no longer required income/(expense)	1,013,564	2,722,230
Provision expense for employee termination benefits (Note 23)	54,247,616	13,356,569
<b>Provisions account</b>	<b>(622,472,515)</b>	<b>(281,501,678)</b>
Rediscount expenses	January 1 - December 31, 2024	January 1 - /December 31, 2023
Rediscount expense	(1,149,041,755)	(538,930,185)
Rediscount income	779,639,477	484,764,227
<b>Total of rediscounts</b>	<b>(369,402,278)</b>	<b>(54,165,958)</b>

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**CONSOLIDATED FINANCIAL  
STATEMENTS AS OF DECEMBER 31, 2024  
TOGETHER WITH THE INDEPENDENT  
AUDITOR'S REPORTS**

## INFORMATION ON CONSOLIDATED SUBSIDIARIES

### ANADOLU HAYAT EMEKLİLİK A.Ş.

Anadolu Hayat Emeklilik A.Ş. Offering service in private pension and life insurance segments, Anadolu Hayat Emeklilik was founded in 1990 as "Turkey's first life insurance company".

The first and only publicly-traded pension company in Turkey, Anadolu Hayat Emeklilik is the largest company among the privately-owned companies in the sector in terms of total funds attained in life insurance and private pension branches.

Headquartered in İstanbul, Anadolu Hayat Emeklilik brings its products to its customers via regional offices in İstanbul (3), Ankara (2), Adana, Antalya, Bursa, Trabzon, İzmir, Kocaeli and Diyarbakır, and a branch in the Turkish Republic of Northern Cyprus, direct sales force, and nearly 430 agencies.

Anadolu Hayat Emeklilik possesses the most extensive bank insurance network in Turkey. The company uses the branches in its bancassurance network, mainly the branches of İşbank, as a fundamental element of its service delivery.

A subsidiary of İşbank, Anadolu Hayat Emeklilik's shares are quoted on the Borsa İstanbul (BIST) Star Market under the symbol (ANHYT).

The company stands out among the pension companies in the sector with TL 203.6 billion in life and private pension (excluding autoenrollment) funds, 1.84 million in the number of individual pension contracts and certificates (excluding autoenrollment), and in total assets with TL 259.9 billion.

Gross premium production on life insurance grew by 76% year-on-year to TL 12.4 billion.

According to the Pension Monitoring Center (PMC) data dated 31 December 2024, Anadolu Hayat Emeklilik achieved 60% growth in total funds (excluding auto-enrollment, including state contribution) in the twelve months to year-end 2024. Having reached TL 203.6 million in total funds including state contribution funds and 1,56,105 people in the number of participants, Anadolu Hayat Emeklilik is a leading player in the sector with respective market shares of 18% and 16% in total funds including state contribution funds and number of participants.

Total unconsolidated assets of Anadolu Hayat Emeklilik were up 60% year-on-year and reached TL 259.9 billion at year end 2023. Posting TL 5.5 billion in net profit, the company successfully completed yet another year in terms of sustainable profitability.

# INDEPENDENT AUDITOR'S REPORT



To the General Assembly of Anadolu Anonim Türk Sigorta Şirketi

## A. Audit of the Consolidated Financial Statements

### 1. Opinion

We have audited the consolidated financial statements of Anadolu Anonim Türk Sigorta Şirketi (the "Company") which comprise the consolidated balance sheet as of 31 December 2024 and the consolidated statement of income, consolidated statement of changes in equity, consolidated statement of cash flows and consolidated statement of profit distribution for the year then ended and the notes to the consolidated financial statements including a summary of significant accounting policies.

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

### 2. Basis for Opinion

Our audit was conducted in accordance with the regulations on the principles on auditing as set out in the insurance legislation and the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the consolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

### 3. Key Audit Matters

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

Key audit matter	How our audit addressed the matter
<p><b>Estimation of provision for claims incurred but not reported</b></p> <p>As explained in Note 2 to the accompanying consolidated financial statements, the Company has accounted for a net provision for claims incurred but not reported amounting to TRY 23.457.245.048 as of 31 December 2024.</p> <p>The abovementioned provision is calculated by the Company's actuary using actuarial chain ladder methods, in accordance with "Circular on Outstanding Claim Provisions" dated 5 December 2014 and numbered 2014/16 published by the Ministry of Treasury and Finance. Accordingly, estimation of ultimate loss ratios, selection and aggregation of the claims data used in the calculation, adjustment procedures, selection of the most appropriate method and development factors, as well as interventions in the development factors, are carried out by the Company's actuary using actuarial methods on a branch basis. The amount calculated is compared to the incurred and reported provision for outstanding claims, and the difference is determined as the provision for claims incurred but not reported.</p> <p>The reason we focus on this area during our audit is the significance of the incurred but not reported claims provision for the consolidated financial statements and the significant actuarial judgments and estimates required by the nature of calculation of such provisions.</p>	<p>We tested the design and operational effectiveness of the key controls implemented by the Company management in relation to the incurred claims data used in the calculation of provision for claims incurred but not reported.</p> <p>In the branches selected by the sampling method, the paid and outstanding claims data together with the earned premiums data used in the calculation of provision for claims incurred but not reported was reconciled to the information in the accompanying consolidated financial statements. In addition, the estimated expected loss ratios and claim development trends, as well as the selected actuarial methods and assumptions considered by the Company's actuary in the calculation of the provision for incurred but not reported, have been assessed by the actuaries within our team using actuarial techniques, based on historical claim experiences and sector developments. Besides, for selected branches, independent actuarial analyses have been conducted and reasonable range estimates have been determined for the acceptable reserve ranges related to the provision for incurred but not reported claims calculated by the Company's actuary as of the balance sheet date, and these ranges have been compared with the amounts included in Company's accounting records.</p> <p>In addition to these, the compliance and consistency of the disclosures in the notes to the consolidated financial statements related to such provisions have been checked in accordance with the Regulation on Insurance Accounting and Financial Reporting Principles.</p>



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# INDEPENDENT AUDITOR'S REPORT

## 4. Other Matter

The audit of the consolidated financial statements of the Company for the year ended 31 December 2023 was conducted by another independent audit firm and an unqualified opinion was issued in audit report dated 7 February 2024 prepared by the mentioned independent audit firm.

## 5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulation on Insurance Accounting and Financial Reporting Principles and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## 6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

As part of an independent audit conducted in accordance with the regulations on the principles on auditing as set out in the insurance legislation and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

#### **B. Other Responsibilities Arising from Regulatory Requirements**

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 7 February 2025.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Ramazan Yüksekaya, SMMM  
Partner

Istanbul, 7 February 2025

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**CONSOLIDATED FINANCIAL STATEMENTS PREPARED**  
**AS OF DECEMBER 31, 2024**

We confirm that the consolidated financial statements and related disclosures and notes for the as of December 31, 2024 which were prepared in accordance with the accounting principles and standards in force as per the regulations of Republic of Turkey Ministry of Treasury and Finance are in compliance with the "Code Related to the Financial Reporting of Insurance, Reinsurance and Private Pension Companies" and the financial records of our Company.

İstanbul, February 7, 2024



Füsun TÜMSAVAŞ  
Chairperson of the Board



Prof. Dr. Ferda YERDELEN TATOĞLU  
Board Member Audit Committee Chair



Prof. Dr. Seda ERTAÇ GÜLER  
Board Member  
Audit Committee Member



Zekai Mehmet TUĞTAN  
Board Member and Chief Executive Officer



İbrahim Erdem ESENKAYA  
Executive Vice President of Finance



Barboros Levent BOZKURTAN  
Accounting Reporting Manager



İbrahim ÇAKIR  
Actuary

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# ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## CONSOLIDATED BALANCE SHEET

### AS OF DECEMBER 31, 2024

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

ASSETS			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>I- Current Assets</b>	<b>Note</b>		
<b>A- Cash and Cash Equivalents</b>	<b>14</b>	<b>24,337,623,292</b>	<b>11,302,917,518</b>
1- Cash	14	188,356	162,771
2- Cheques Received		-	-
3- Banks	14	18,025,940,387	7,850,389,227
4- Cheques Given and Payment Orders	14	(4,026)	(3,167)
5- Bank Guaranteed Credit Card Receivables with Maturities Less Than Three Months	14	6,311,498,575	3,452,368,687
6- Other Cash and Cash Equivalents		-	-
<b>B- Financial Assets and Financial Investments with Risks on Policyholders</b>	<b>11</b>	<b>37,497,770,996</b>	<b>24,169,488,129</b>
1- Available-for-Sale Financial Assets	11	11,401,702,581	10,063,692,677
2- Held to Maturity Investments	11	336,954,882	329,439,782
3- Financial Assets Held for Trading	11	25,759,113,533	13,776,355,670
4- Loans and Receivables		-	-
5- Provision for Loans and Receivables (-)		-	-
6- Financial Investments with Risks on Saving Life Policyholders		-	-
7- Company's Own Equity Shares		-	-
8- Impairment in Value of Financial Investments (-)		-	-
<b>C- Receivables from Main Operations</b>	<b>12</b>	<b>17,209,414,819</b>	<b>14,425,369,273</b>
1- Receivables from Insurance Operations	12	13,746,815,331	11,680,484,442
2- Provision for Receivables from Insurance Operations (-)	2.21,12	(216,362,128)	(156,811,592)
3- Receivables from Reinsurance Operations	12	2,419,965,690	1,858,769,031
4- Provision for Receivables from Reinsurance Operations (-)		-	-
5- Cash Deposited to Insurance and Reinsurance Companies	12	1,258,995,926	1,042,927,392
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders		-	-
8- Receivables from Individual Pension Operations		-	-
9- Doubtful Receivables from Main Operations	12	1,645,988,793	1,024,803,971
10- Provision for Doubtful Receivables from Main Operations (-)	12	(1,645,988,793)	(1,024,803,971)
<b>D- Due from Related Parties</b>		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
<b>E- Other Receivables</b>	<b>12</b>	<b>180,853,782</b>	<b>97,703,480</b>
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income (-)		-	-
3- Deposits and Guarantees Given		119,339	119,339
4- Other Miscellaneous Receivables		180,734,443	97,584,141
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
<b>F- Prepaid Expenses and Income Accruals</b>		<b>5,384,057,595</b>	<b>3,278,475,974</b>
1- Prepaid Expenses	17	5,361,474,802	3,226,734,435
2- Accrued Interest and Rent Income		-	-
3- Income Accruals	12	20,414,619	43,567,096
4- Other Prepaid Expenses		2,168,174	8,174,443
<b>G- Other Current Assets</b>		<b>136,379,714</b>	<b>107,114,759</b>
1- Stocks to be Used in the Following Months		6,976,402	1,617,545
2- Prepaid Taxes and Funds		-	-
3- Deferred Tax Assets		-	-
4- Job Advances	4.2,12	129,403,312	105,460,876
5- Advances Given to Personnel		-	36,338
6- Inventory Count Differences		-	-
7- Other Miscellaneous Current Assets		-	-
8- Provision for Other Current Assets		-	-
<b>I- Current Assets</b>		<b>84,746,100,198</b>	<b>53,381,069,133</b>

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**CONSOLIDATED BALANCE SHEET**  
**AS OF DECEMBER 31, 2024**

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

ASSETS			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>II- Non-Current Assets</b>	<b>Note</b>		
<b>A- Receivables from Main Operations</b>		-	-
1- Receivables from Insurance Operations		-	-
2- Provision for Receivables from Insurance Operations (-)		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations (-)		-	-
5- Cash Deposited for Insurance and Reinsurance Companies		-	-
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders (-)		-	-
8- Receivables from Individual Pension Business		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations (-)		-	-
<b>B- Due from Related Parties</b>		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
<b>C- Other Receivables</b>	<b>12</b>	<b>480,322</b>	<b>324,555</b>
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income (-)		-	-
3- Deposits and Guarantees Given	12	324,555	324,555
4- Other Miscellaneous Receivables		155,767	-
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
<b>D- Financial Assets</b>	<b>9</b>	<b>2,014,305,113</b>	<b>1,289,891,512</b>
1- Investments in Equity Shares		-	-
2- Investments in Associates	9	2,014,305,113	1,289,891,512
3- Capital Commitments to Associates		-	-
4- Investments in Subsidiaries		-	-
5- Capital Commitments to Subsidiaries (-)		-	-
6- Investments in Joint Ventures		-	-
7- Capital Commitments to Joint Ventures		-	-
8- Financial Assets and Financial Investments with Risks on Policyholders		-	-
9- Other Financial Assets		-	-
10- Impairment in Value of Financial Assets (-)		-	-

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**CONSOLIDATED BALANCE SHEET**  
**AS OF DECEMBER 31, 2024**

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

ASSETS			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>II- Non-Current Assets</b>	<b>Note</b>		
<b>E- Tangible Assets</b>	<b>6</b>	<b>1,106,724,519</b>	<b>654,518,707</b>
1- Investment Properties	6,7	633,515,000	382,446,000
2- Impairment for Investment Properties (-)		-	-
3- Owner Occupied Property	6	115,622,500	80,104,000
4- Machinery and Equipment	6	280,935,328	188,791,920
5- Furniture and Fixtures	6	33,582,547	23,458,824
6- Motor Vehicles	6	23,067,630	8,702,534
7- Other Tangible Assets (Including Leasehold Improvements)	6	53,191,675	44,763,190
8- Tangible Assets Acquired Through Finance Leases	6	276,072,287	147,307,025
9- Accumulated Depreciation (-)	6	(309,262,448)	(221,054,786)
10- Advances Paid for Tangible Assets (Including Construction in Progress)		-	-
<b>F- Intangible Assets</b>	<b>8</b>	<b>491,201,040</b>	<b>346,041,149</b>
1- Rights	8	142	142
2- Goodwill	8	16,250,000	16,250,000
3- Pre-operating Expenses		-	-
4- Research and Development Costs	8	18,657,453	18,657,453
5- Other Intangible Assets	8	639,141,792	464,382,154
6- Accumulated Amortization	8	(464,908,488)	(379,806,512)
7- Advances Paid for Intangible Assets	8	282,060,141	226,557,912
<b>G- Prepaid Expenses and Income Accruals</b>	<b>17</b>	<b>99,400,742</b>	<b>2,160,700</b>
1- Prepaid Expenses	17	99,400,742	2,160,700
2- Income Accruals		-	-
3- Other Prepaid Expenses and Income Accruals		-	-
<b>H- Other Non-Current Assets</b>	<b>21</b>	<b>809,719,655</b>	<b>707,512,026</b>
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Stocks to be Used in the Following Years		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	21	809,719,655	707,512,026
6- Other Miscellaneous Non-Current Assets		-	-
7- Amortization on Other Non-Current Assets (-)		-	-
8- Provision for Other Non-Current Assets (-)		-	-
<b>II- Total Non-Current Assets</b>		<b>4,521,831,391</b>	<b>3,000,448,649</b>
<b>TOTAL ASSETS</b>		<b>89,267,931,589</b>	<b>56,381,517,782</b>

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

# ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## CONSOLIDATED BALANCE SHEET

### AS OF DECEMBER 31, 2024

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

LIABILITIES			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>III- Short-Term Liabilities</b>	<b>Note</b>		
<b>A- Financial Liabilities</b>	<b>4.2,20</b>	<b>48,081,177</b>	<b>19,138,720</b>
1- Loans to Financial Institutions		-	-
2- Finance Lease Liabilities (-)	20	48,081,177	19,138,720
3- Deferred Leasing Costs		-	-
4- Current Portion of Long-Term Debts		-	-
5- Principal Instalments and Interests on Bonds Issued		-	-
6- Other Financial Assets Issued		-	-
7- Valuation Differences of Other Financial Assets Issued (-)		-	-
8- Other Financial Liabilities		-	-
<b>B- Payables Arising from Main Operations</b>	<b>19</b>	<b>8,311,620,000</b>	<b>5,215,154,669</b>
1- Payables Due to Insurance Operations	19	5,620,665,294	3,779,204,030
2- Payables Due to Reinsurance Operations	19	144,438,265	187,244,739
3- Cash Deposited by Insurance and Reinsurance Companies	10,19	389,788,163	152,612,753
4- Payables Due to Individual Pension Operations		-	-
5- Payables Due to Other Main Operations	19	2,160,706,785	1,098,325,737
6- Rediscount on Payables from Other Main Operations (-)	19	(3,978,507)	(2,232,590)
<b>C- Due to Related Parties</b>	<b>19</b>	<b>11,125,055</b>	<b>1,866,445</b>
1- Due to Shareholders		36,840	36,840
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		11,088,215	1,829,605
6- Due to Other Related Parties		-	-
<b>D- Other Payables</b>	<b>19</b>	<b>972,579,165</b>	<b>658,804,066</b>
1- Deposits and Guarantees Received		46,143,185	37,078,397
2- Medical Treatment Payables to Social Security Institution		350,845,855	209,150,205
3- Other Miscellaneous Payables		604,129,408	427,923,728
4- Discount on Other Miscellaneous Payables (-)		(28,539,283)	(15,348,264)
<b>E- Insurance Technical Provisions</b>	<b>17</b>	<b>50,269,775,250</b>	<b>35,377,705,520</b>
1- Reserve for Unearned Premiums - Net	17	29,479,761,167	18,440,775,763
2- Reserve for Unexpired Risks - Net	2.26,17	1,736,758,039	1,645,169,506
3- Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net	4.1, 17	19,053,256,044	15,291,760,251
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net		-	-
<b>F- Provisions for Taxes and Other Similar Obligations</b>	<b>19</b>	<b>1,783,361,466</b>	<b>784,810,314</b>
1- Taxes and Funds Payable		780,377,912	515,634,901
2- Social Security Premiums Payable		85,083,433	40,818,240
3- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Payables		-	-
5- Corporate Tax Payable	19,35	3,258,795,586	1,664,485,864
6- Prepaid Taxes and Other Liabilities Regarding Current Period Income	19	(2,340,895,465)	(1,436,128,691)
7- Provisions for Other Taxes and Similar Liabilities		-	-
<b>G- Provisions for Other Risks</b>			
1- Provision for Employee Termination Benefits		-	-
2- Provision for Pension Fund Deficits		-	-
3- Provisions for Costs		-	-
<b>H- Deferred Income and Expense Accruals</b>		<b>2,675,469,154</b>	<b>1,247,685,651</b>
1- Deferred Income	19	988,240,822	776,083,577
2- Expense Accruals	23	1,684,998,570	470,000,174
3- Other Deferred Income and Expense Accruals		2,229,762	1,601,900
<b>I- Other Short-Term Liabilities</b>	<b>23</b>	<b>45,871,706</b>	<b>22,210,647</b>
1- Deferred Tax Liabilities		-	-
2- Inventory Count Differences		-	-
3- Other Various Short-Term Liabilities	23	45,871,706	22,210,647
<b>III- Total Short-Term Liabilities</b>		<b>64,117,882,973</b>	<b>43,327,376,032</b>

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



# ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## CONSOLIDATED BALANCE SHEET

### AS OF DECEMBER 31, 2024

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

LIABILITIES			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>IV- Long-Term Liabilities</b>	<b>Note</b>		
<b>A- Financial Liabilities</b>	<b>4.2,20</b>	<b>160,363,616</b>	<b>95,310,198</b>
1- Loans to Financial Institutions		-	-
2- Finance Lease Liabilities	20	160,363,616	95,310,198
3- Deferred Leasing Costs (-)		-	-
4- Bonds Issued		-	-
5- Other Financial Assets Issued		-	-
6- Valuation Differences of Other Financial Assets Issued (-)		-	-
7- Other Financial Liabilities		-	-
<b>B- Payables Arising from Main Operations</b>		-	-
1- Payables Due to Insurance Operations		-	-
2- Payables Due to Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Due to Individual Pension Operations		-	-
5- Payables Due to Other Operations		-	-
6- Rediscount on Payables from Other Operations (-)		-	-
<b>C- Due to Related Parties</b>		-	-
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties		-	-
<b>D- Other Payables</b>		-	-
1- Deposits and Guarantees Received		-	-
2- Medical Treatment Payables to Social Security Institution		-	-
3- Other Miscellaneous Payables		-	-
4- Discount on Other Miscellaneous Payables (-)		-	-
<b>E- Insurance Technical Provisions</b>	<b>17</b>	<b>1,072,341,706</b>	<b>604,446,145</b>
1- Reserve for Unearned Premiums - Net	17	2,611,211	3,630,894
2- Reserve for Unexpired Risks - Net		-	-
3- Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net		-	-
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net	17	1,069,730,495	600,815,251
<b>F- Other Liabilities and Relevant Accruals</b>		-	-
1- Other Liabilities		-	-
2- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
3- Other Liabilities and Expense Accruals		-	-
<b>G- Provisions for Other Risks</b>	<b>23</b>	<b>191,205,849</b>	<b>137,249,863</b>
1- Provision for Employee Termination Benefits	23	191,205,849	137,249,863
2- Other Liabilities and Expense Accruals		-	-
<b>H- Deferred Income and Expense Accruals</b>		-	-
1- Deferred Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income and Expense Accruals		-	-
<b>I- Other Long-Term Liabilities</b>		-	-
1- Deferred Tax Liabilities		-	-
2- Other Long-Term Liabilities		-	-
<b>IV- Total Long-Term Liabilities</b>		<b>1,423,911,171</b>	<b>837,006,206</b>

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**CONSOLIDATED BALANCE SHEET**  
**AS OF DECEMBER 31, 2024**

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

EQUITY			
		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>V- Equity</b>	<b>Note</b>		
<b>A- Paid in Capital</b>		<b>500,000,000</b>	<b>500,000,000</b>
1- (Nominal) Capital	2.13,15	500,000,000	500,000,000
2- Unpaid Capital (-)		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences (-)		-	-
5- Register in Progress Capital		-	-
<b>B- Capital Reserves</b>	<b>15</b>	<b>240,900,157</b>	<b>186,643,635</b>
1- Share Premiums		-	-
2- Cancellation Profits of Equity Shares		-	-
3- Profit on Asset Sales That Will Be Transferred to Capital		30,550,323	30,550,323
4- Currency Translation Adjustments		-	-
5- Other Capital Reserves	15	210,349,834	156,093,312
<b>C- Profit Reserves</b>		<b>10,793,807,164</b>	<b>4,616,789,199</b>
1- Legal Reserves	15	212,924,562	192,633,559
2- Statutory Reserves	15	991,410,914	316,566,248
3- Extraordinary Reserves	15	7,263,298,497	1,932,838,657
4- Special Funds	15	417,289,636	165,509,750
5- Revaluation of Financial Assets	15	2,032,513,284	2,012,966,959
6- Other Profit Reserves	15	(123,629,729)	(3,725,974)
<b>D- Retained Earnings</b>		<b>652,582,741</b>	<b>533,542,963</b>
1- Retained Earnings		652,582,741	533,542,963
<b>E- Accumulated Losses (-)</b>		<b>-</b>	<b>-</b>
1- Accumulated Losses		-	-
<b>F- Net Profit/(Loss) for the Period</b>		<b>11,538,847,383</b>	<b>6,380,159,747</b>
1- Net Profit for the Period		11,538,847,383	6,372,969,722
2- Net Loss for the Period (-)		-	-
3- Net Profit not Subject to Distribution		-	7,190,025
<b>Total Equity</b>		<b>23,726,137,445</b>	<b>12,217,135,544</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>89,267,931,589</b>	<b>56,381,517,782</b>

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

# ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## CONSOLIDATED STATEMENT OF INCOME

### FOR THE PERIOD ENDED DECEMBER 31, 2024

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

I- TECHNICAL SECTION	Note	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>A- Non-Life Technical Income</b>		<b>58,805,310,505</b>	<b>35,518,285,382</b>
1- Earned Premiums (Net of Reinsurer Share)		41,138,444,222	23,246,572,202
1.1- Written Premiums (Net of Reinsurer Share)	17	52,267,998,477	32,413,686,285
1.1.1- Written Premiums, gross (+)	17	69,589,122,185	44,228,418,367
1.1.2- Written Premiums, ceded (-)	10,17	(16,419,753,108)	(11,235,091,484)
1.1.3- Premiums Transferred to Social Security Institutions (-)	17	(901,370,600)	(579,640,598)
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward) (+/-)	5,29	(11,037,965,722)	(8,319,864,844)
1.2.1- Reserve for Unearned Premiums, gross (-)	17	(12,443,300,212)	(10,987,877,179)
1.2.2- Reserve for Unearned Premiums, ceded (+)	17	1,201,726,442	2,589,769,651
1.2.3- Reserve for Unearned Premiums, Social Security Institution Share (+/-)		203,608,048	78,242,684
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)	5,17,29	(91,588,533)	(847,249,239)
1.3.1- Reserve for Unexpired Risks, gross (-)	17	309,275,742	(1,318,269,388)
1.3.2- Reserve for Unexpired Risks, ceded (+)	17	(400,864,275)	471,020,149
2- Investment Income - Transferred from Non-Technical Section	1.7	16,926,488,234	11,798,293,048
3- Other Technical Income (Net of Reinsurer Share) (+/-)		42,465,216	31,226,932
3.1- Other Technical Income, gross (+/-)		42,465,216	31,226,932
3.2- Other Technical Income, ceded (+/-)		-	-
4- Accrued Salvage and Subrogation Income (+)	5	697,912,833	442,193,200
<b>B- Non-Life Technical Expense</b>		<b>(43,812,516,958)</b>	<b>(28,161,249,230)</b>
1- Incurred Losses (Net of Reinsurer Share) (+/-)	17	(29,769,012,351)	(21,155,958,733)
1.1- Claims Paid (Net of Reinsurer Share)	5,17,29	(26,007,516,558)	(14,858,749,932)
1.1.1- Claims Paid, gross (-)	17	(34,628,779,648)	(28,085,830,635)
1.1.2- Claims Paid, ceded (+)	10,17	8,621,263,090	13,227,080,703
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)	17,29	(3,761,495,793)	(6,297,208,801)
1.2.1- Change in Provisions for Outstanding Claims, gross (-)	17	(2,498,910,779)	(13,857,306,035)
1.2.2- Change in Provisions for Outstanding Claims, ceded (+)	17	(1,262,585,014)	7,560,097,234
2- Change in Provision for Bonus and Discounts (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)		-	-
2.1- Provision for Bonus and Discounts, gross (-)		-	-
2.2- Provision for Bonus and Discounts, ceded (+)		-	-
3- Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)	29	(468,915,243)	(80,177,084)
4- Operating Expenses (-)	32	(11,975,306,848)	(6,101,972,772)
5- Change in Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)		-	-
5.1- Change in Mathematical Provisions, gross (-)		-	-
5.2- Change in Mathematical Provisions, ceded (+)		-	-
6- Change in Other Technical Provisions (Net of Reinsurer and Less the Amounts Carried Forward) (-)	47	(1,599,282,516)	(823,140,641)
6.1- Change in Other Technical Provisions, gross (-)		(1,618,268,618)	(836,973,120)
6.2- Change in Other Technical Provisions, ceded (+)		18,986,102	13,832,479
<b>C- Net Technical Income-Non-Life (A - B)</b>		<b>14,992,793,547</b>	<b>7,357,036,152</b>
<b>D- Life Technical Income</b>		<b>-</b>	<b>-</b>
1- Earned Premiums (Net of Reinsurer Share)		-	-
1.1- Written Premiums (Net of Reinsurer Share)		-	-
1.1.1- Written Premiums, gross (+)		-	-
1.1.2- Written Premiums, ceded (-)		-	-
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)		-	-
1.2.1- Reserve for Unearned Premiums, gross (-)		-	-
1.2.2- Reserve for Unearned Premiums, ceded (+)		-	-
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)		-	-
1.3.1- Reserve for Unexpired Risks, gross (-)		-	-
1.3.2- Reserve for Unexpired Risks, ceded (+)		-	-
2- Investment Income		-	-
3- Unrealized Gains on Investments		-	-
4- Other Technical Income (Net of Reinsurer Share) (+/-)		-	-
4.1- Other Technical Income, gross (+/-)		-	-
4.2- Other Technical Income, ceded (+/-)		-	-
5- Accrued Salvage Income (+)		-	-

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
I-	TECHNICAL SECTION	Note	
E-	Life Technical Expense		-
1-	Incurred Losses (Net of Reinsurer Share) (+/-)		-
1.1-	Claims Paid (Net of Reinsurer Share) (-)		-
1.1.1-	Claims Paid, gross (-)		-
1.1.2-	Claims Paid, ceded (+)		-
1.2-	Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)		-
1.2.1-	Change in Provisions for Outstanding Claims, gross (-)		-
1.2.2-	Change in Provisions for Outstanding Claims, ceded (+)		-
2-	Change in Provision for Bonus and Discounts (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)		-
2.1-	Provision for Bonus and Discounts, gross (-)		-
2.2-	Provision for Bonus and Discounts, gross (+)		-
3-	Change in Mathematical Provisions (Provision for Financial Investments with Risks on Saving Life Policyholders) (+/-)		-
3.1-	Change in Mathematical Provisions, gross (+/-)		-
3.1.1-	Change in Actuarial Mathematical Provisions, gross		-
3.1.2-	Change in Profit Share Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward), gross		-
3.2-	Change in Mathematical Provisions, ceded (+)		-
3.2.1-	Change in Actuarial Mathematical Provisions, ceded (+)		-
3.2.2-	Change in Profit Share Provisions (Provision for Financial Investments with Risks on Saving Life Policyholders), ceded (+)		-
4-	Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)		-
5-	Operating Expenses (-)		-
6-	Investment Expenses (-)		-
7-	Unrealized Losses on Investments (-)		-
8-	Investment Income Transferred to the Non-Life Technical Section (-)		-
F-	Net Technical Income- Life (D - E)		-
G-	Pension Business Technical Income		-
1-	Fund Management Income		-
2-	Management Fee		-
3-	Entrance Fee Income		-
4-	Management Expense Charge in case of Suspension		-
5-	Income from Private Service Charges		-
6-	Increase in Value of Capital Allowances Given as Advance		-
7-	Other Technical Expense		-
H-	Pension Business Technical Expense		-
1-	Fund Management Expense		-
2-	Decrease in Value of Capital Allowances Given as Advance		-
3-	Operating Expenses		-
4-	Other Technical Expenses		-
I-	Net Technical Income - Pension Business (G - H)		-

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**  
**CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
<b>II- NON-TECHNICAL SECTION</b>	<b>Note</b>		
<b>C- Net Technical Income - Non-Life (A-B)</b>		<b>14,992,793,547</b>	<b>7,357,036,152</b>
<b>F- Net Technical Income - Life (D-E)</b>		-	-
<b>I- Net Technical Income - Pension Business (G-H)</b>		-	-
<b>J- Total Net Technical Income (C+F+I)</b>		<b>14,992,793,547</b>	<b>7,357,036,152</b>
<b>K- Investment Income</b>		<b>22,764,301,142</b>	<b>18,954,515,484</b>
1- Income from Financial Assets	4.2	4,880,478,454	1,748,224,230
2- Income from Disposal of Financial Assets	4.2	2,845,958,901	3,406,010,734
3- Valuation of Financial Assets	4.2	6,954,558,960	2,459,025,175
4- Foreign Exchange Gains	4.2	5,702,840,557	9,443,037,135
5- Income from Associates	4.2,9	861,160,423	570,763,040
6- Income from Subsidiaries and Joint Ventures		-	-
7- Income from Property, Plant and Equipment	7	264,922,253	145,141,404
8- Income from Derivative Transactions	4.2	1,254,381,594	1,182,313,766
9- Other Investments		-	-
10- Income Transferred from Life Section		-	-
<b>L- Investment Expense</b>		<b>(22,071,957,183)</b>	<b>(18,672,002,547)</b>
1- Investment Management Expenses (incl. interest) (-)	4.2	(58,817,345)	(214,151,319)
2- Impairment in Value of Investments (-)	4.2	(432,330,008)	(82,669,203)
3- Loss from Disposal of Financial Assets (-)	4.2	(318,392,923)	(844,964,316)
4- Investment Income Transferred to Non-Life Technical Section (-)	1.7	(16,926,488,234)	(11,798,293,048)
5- Loss from Derivative Transactions (-)	4.2	(318,542,502)	(569,619,977)
6- Foreign Exchange Losses	4.2	(3,842,464,798)	(5,043,064,496)
7- Depreciation and Amortization Expenses	6,8	(174,921,373)	(119,240,188)
8- Other Investment Expenses (-)		-	-
<b>M- Income and Expenses From Other and Extraordinary Operations</b>		<b>(887,494,537)</b>	<b>405,096,522</b>
1- Provisions (+/-)	47	(622,472,515)	(281,501,678)
2- Rediscounts (+/-)	47	(369,402,278)	(54,165,958)
3- Specified Insurance Accounts (+/-)		-	-
4- Monetary Gains and Losses (+/-)		-	-
5- Deferred Taxation (Deferred Tax Assets) (+/-)	35	94,959,490	738,388,265
6- Deferred Taxation (Deferred Tax Liabilities) (-)		-	-
7- Other Income		16,341,687	35,578,763
8- Other Expenses and Losses (-)		(6,920,921)	(33,202,870)
9- Prior Year's Income		-	-
10- Prior Year's Expenses and Losses (-)		-	-
<b>N- Net Profit for the Period</b>		<b>11,538,847,383</b>	<b>6,380,159,747</b>
1- Profit for the Period		14,797,642,969	8,044,645,611
2- Corporate Tax Provision and Other Fiscal Liabilities (-)	35	(3,258,795,586)	(1,664,485,864)
3- Net Profit for the Period		11,538,847,383	6,380,159,747
4- Inflation Adjustment Account		-	-

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**
**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

		Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
	Note		
<b>A. Cash flows from operating activities</b>			
1. Cash provided from insurance activities		59,986,501,570	46,678,827,743
2. Cash provided from reinsurance activities		921,337,722	-
3. Cash provided from individual pension business		-	-
4. Cash used in insurance activities (-)		(47,515,436,010)	(41,256,172,058)
5. Cash used in reinsurance activities (-)		(821,580,850)	(1,416,785,711)
6. Cash used in individual pension business (-)		-	-
<b>7. Cash provided by operating activities</b>		<b>12,570,822,432</b>	<b>4,005,869,974</b>
8. Interest paid (-)		-	-
9. Income taxes paid (-)		(2,576,500,777)	(1,538,898,642)
10. Other cash inflows		-	330,877,476
11. Other cash outflows (-)		(3,451,768,390)	(10,694,877)
<b>12. Net cash provided by operating activities</b>		<b>6,542,553,265</b>	<b>2,787,153,931</b>
<b>B. Cash flows from investing activities</b>			
1. Proceeds from disposal of tangible assets		-	10,007
2. Acquisition of tangible assets (-)	6, 8	(355,322,579)	(200,707,177)
3. Acquisition of financial assets (-)	11	(76,364,895,199)	(69,844,474,853)
4. Proceeds from disposal of financial assets	11	72,356,492,553	65,828,275,026
5. Interests received		4,504,186,739	1,994,877,867
6. Dividends received		275,001,556	100,000,000
7. Other cash inflows		2,081,125,766	461,570,359
8. Other cash outflows (-)		-	(396,612,355)
<b>9. Net cash provided by investing activities</b>		<b>2,496,588,836</b>	<b>(2,057,061,126)</b>
<b>C. Cash flows from financing activities</b>			
1. Equity shares issued		-	-
2. Cash provided from loans and borrowings		-	-
3. Finance lease payments (-)		(74,838,743)	-
4. Dividends paid (-)		-	-
5. Other cash inflows		-	-
6. Other cash outflows (-)		-	-
<b>7. Net cash used in financing activities</b>		<b>(74,838,743)</b>	<b>-</b>
<b>D. Effect of exchange rate fluctuations on cash and cash equivalents</b>		<b>430,938,305</b>	<b>508,157,078</b>
<b>E. Net increase in cash and cash equivalents</b>		<b>9,395,241,663</b>	<b>1,238,249,883</b>
<b>F. Cash and cash equivalents at the beginning of the year</b>	<b>14</b>	<b>9,012,181,292</b>	<b>7,773,931,409</b>
<b>G. Cash and cash equivalents at the end of the year</b>	<b>14</b>	<b>18,407,422,955</b>	<b>9,012,181,292</b>

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

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

**Audited Prior Period Consolidated Equity Movement - December 31, 2023**

	Note	Paid-in Capital	Own Shares of the Company	Revaluation of Financial Assets	Inflation Adjustments
I- Balance at the end of the previous year- December 31, 2022		500,000,000	-	926,119,969	-
II- Change in Accounting Standards		-	-	-	-
III- Restated balances (I+II)- (January 1, 2023)		500,000,000	-	926,119,969	-
A- Capital increase		-	-	-	-
1- In cash		-	-	-	-
2- From reserves		-	-	-	-
B- Purchase of own shares		-	-	-	-
C- Gains or losses that are not included in the statement of incomes		-	-	-	-
D- Change in the value of financial assets	11,4.2	-	-	1,086,846,990	-
E- Currency translation adjustments		-	-	-	-
F- Other gains or losses		-	-	-	-
G- Inflation adjustment differences		-	-	-	-
H- Net profit for the period		-	-	-	-
I- Dividends paid		-	-	-	-
J- Transfers to reserves		-	-	-	-
II- Balance at the end of the period- December 31, 2023		500,000,000	-	2,012,966,959	-

**Audited Current Period Consolidated Equity Movement - December 31, 2024**

	Note	Paid-in Capital	Own Shares of the Company	Revaluation of Financial Assets	Inflation Adjustments
I- Balance at the end of the previous year- December 31, 2023		500,000,000	-	2,012,966,959	-
II- Change in Accounting Standards		-	-	-	-
III- Restated balances (I+II)- (January 1, 2024)		500,000,000	-	2,012,966,959	-
A- Capital increase		-	-	-	-
1- In cash		-	-	-	-
2- From reserves		-	-	-	-
B- Purchase of own shares		-	-	-	-
C- Gains or losses that are not included in the statement of incomes		-	-	-	-
D- Change in the value of financial assets	11,4.2	-	-	19,546,325	-
E- Currency translation adjustments		-	-	-	-
F- Other gains or losses		-	-	-	-
G- Inflation adjustment differences		-	-	-	-
H- Net profit for the period		-	-	-	-
I- Dividends paid		-	-	-	-
J- Transfers to reserves		-	-	-	-
II- Balance at the end of the period- December 31, 2024		500,000,000	-	2,032,513,284	-

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





**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ**
**CONSOLIDATED STATEMENT OF PROFIT DISTRIBUTION  
FOR YEAR ENDED DECEMBER 31, 2024**

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

	Note	Audited Current Period <sup>(**)</sup> December 31, 2024	Audited Prior Period <sup>(****)</sup> December 31, 2023
<b>I. PROFIT DISTRIBUTION</b>			
1.1. CURRENT YEAR PROFIT <sup>(*)</sup>		14,797,642,969	8,037,455,586
1.2. TAX AND FUNDS PAYABLE		(3,258,795,586)	(1,664,485,864)
1.2.1. Corporate Income Tax (Income Tax)	35	(3,258,795,586)	(1,664,485,864)
1.2.2. Income tax deduction			
1.2.3. Other taxes and Duties			
<b>A. NET PROFIT(1.1 - 1.2)</b>		<b>11,538,847,383</b>	<b>6,372,969,722</b>
1.3. PREVIOUS PERIOD LOSSES (-)			-
1.4. FIRST LEGAL RESERVE			-
1.5. STATUTORY FUND (-)			-
<b>B. NET PROFIT DISTRIBUTION [(A-(1.3 + 1.4 + 1.5)]</b>		<b>11,538,847,383</b>	<b>6,372,969,722</b>
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)			-
1.6.1. Holders of shares			-
1.6.2. Holders of Preferred shares			-
1.6.3. Holders of Redeemed shares			-
1.6.4. Holders of Participation Bond			-
1.6.5. Holders of Profit and Loss sharing certificate			-
1.7. DIVIDEND TO PERSONNEL (-)			-
1.8. DIVIDENDS TO BOARD OF DIRECTORS (-)			-
1.9. SECOND DIVIDEND TO SHAREHOLDERS (-)			-
1.10. SECOND DIVIDEND TO SHAREHOLDERS (-)			-
1.10.1. Holders of shares			-
1.10.2. Holders of Preferred shares			-
1.10.3. Holders of Redeemed shares			-
1.10.4. Holders of Participation Bond			-
1.10.5. Holders of Profit and Loss sharing certificate			-
1.11. SECOND LEGAL RESERVE (-)			-
1.12. STATUTORY RESERVES (-)			637,296,972
1.13. EXTRAORDINARY RESERVES			5,510,672,750
1.14. OTHER RESERVES			-
1.15. SPECIAL FUNDS	15		225,000,000
<b>II. DISTRIBUTION OF RESERVES</b>			-
2.1. DISTRIBUTION OF RESERVES			-
2.2. SECOND LEGAL RESERVES (-)			-
2.3. COMMON SHARES (-)			-
2.3.1. Holders of shares			-
2.3.2. Holders of Preferred shares			-
2.3.3. Holders of Redeemed shares			-
2.3.4. Holders of Participation Bond			-
2.3.5. Holders of Profit and Loss sharing certificate			-
2.4. DIVIDENDS TO PERSONNEL (-)			-
2.5. DIVIDENDS TO BOARD OF DIRECTORS (-)			-
<b>III. PROFIT PER SHARE <sup>(****)</sup></b>			-
3.1. HOLDERS OF SHARES		0.2308	0.1275
3.2. HOLDERS OF SHARES (%)		23.08	12.75
3.3. HOLDERS OF PREFERRED SHARES			-
3.4. HOLDERS OF PREFERRED SHARES (%)			-
<b>IV. DIVIDEND PER SHARE</b>			-
4.1. HOLDERS OF SHARES			-
4.2. HOLDERS OF SHARES (%)			-
4.3. HOLDERS OF PREFERRED SHARES			-
4.4. HOLDERS OF PREFERRED SHARES (%)			-

<sup>(\*)</sup> According to the Law no. 13 of the Profit Share Annunciation which was announced in Capital Markets Board of Turkey's weekly bulletin numbered 2014/2, which was then published in the official gazette on January 23, 2014, the profit shares have been distributed based on consolidated profit.

<sup>(\*\*)</sup> Statement of profit distribution has not been filled yet due to the Board of Directors Meeting has not made as of preparation date of the financial statements.

<sup>(\*\*\*)</sup> The Figures of 2023 was filled by using the data which is located in "According to CMB" of the Profit Distribution.

<sup>(\*\*\*\*)</sup> Dividends per share is calculated over the consolidated net profit for the period.

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

# CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

## 1 General information

### 1.1 Name of the Company and the ultimate owner of the group

The shareholding structure of Anadolu Anonim Türk Sigorta Şirketi ("the Company") is presented below. As of December 31, 2024, the shareholder having indirect control over the shares of Anadolu Anonim Türk Sigorta Şirketi ("the Company") is Türkiye İş Bankası A.Ş. ("İş Bankası").

Name	December 31, 2024		December 31, 2023	
	Shareholding Amount (TRY)	Shareholding Rate (%)	Shareholding Amount (TRY)	Shareholding Rate (%)
Milli Reasürans T.A.Ş.	286,550,106	57.31	286,550,106	57.31
Other <sup>(*)</sup>	213,449,894	42.69	213,449,894	42.69
<b>Paid in Capital</b>	<b>500,000,000</b>	<b>100.00</b>	<b>500,000,000</b>	<b>100.00</b>

<sup>(\*)</sup> Consists of publicly traded shares.

### 1.2 Domicile and the legal structure of the Company, country and the address of the registered office (address of the operating centre if it is different from the registered office)

The Company was registered in Turkey and has the status of 'Incorporated Company'. The Company's address "Rüzgarlıbahçe Mahallesi, Kavak Sokak, No: 31 34805 Kavacık/İstanbul". Company has ten regional offices; two of them established in İstanbul and others established in Antalya, İzmir, Samsun, Adana, Ankara, Trabzon, Konya and Bursa, a sales centre in Gaziantep and a branch in Turkish Republic of Northern Cyprus.

### 1.3 Business of the Company

The Company operates in almost all non-life insurance branches consisting of mainly accident, health, motor vehicles, air vehicles, water vehicles, marine, fire and natural disasters, general loss, credit, financial losses, and legal protection.

As of December 31, 2024, the Company serves through, 3002 authorized agencies and 136 unauthorized agencies (December 31, 2023: 2,842 authorized agencies and 124 unauthorized agencies) of which, 3,138 agencies in total (December 31, 2023: 2,966).

### 1.4 Description of the main operations of the Company

The Company conducts its operations in accordance with the Insurance Law No.5684 (the "Insurance Law") issued on June 14, 2007 dated and 26552 numbered Official Gazette and the communiqués and other regulations in force issued by the T.C. Ministry of Treasury and Finance based on the Insurance Law.

The Company operates in insurance branches as mentioned above Note 1.3 Business of the Company.

The Company's shares have been listed on the Istanbul Stock Exchange ("BİST"). The Company operates based on its own specific laws and regulations in matters of establishment, auditing, supervision/oversight, accounting and financial reporting in accordance Capital Market Law No: 6362, part of VIII and paragraph of 5 of Article 136.

### 1.5 The average number of the personnel during the period in consideration of their categories

The average number of the personnel during the period in consideration of their categories is as follows:

	December 31, 2024	December 31, 2023
Senior level managers	10	9
Directors	52	53
Consultants	2	1
Intermediate directors	214	215
Contracted personnel	1,519	1,430
<b>Total</b>	<b>1,797</b>	<b>1,708</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 1.6 Wages and similar benefits provided to the senior management

In the accounting period ending on December 31, 2024, the chairman and members of the board were provided with TRY 12,516,368 (December 31, 2023: TRY 5,860,466), and senior executives were provided with TRY 85,703,355 (December 31, 2023: TRY 41,939,368) in fees and similar benefits.

### 1.7 Keys used in the distribution of investment income and operating expenses (personnel, administrative, research and development, marketing and selling, services rendered from third parties and other operating expenses) in the financial statements

Procedures and principles related to keys used in the financial statements of the companies are determined in accordance with the 4 January 2008 dated and 2008/1 numbered "Communiqué Related to the Procedures and Principles for the Keys Used in the Financial Statements Being Prepared In Accordance With Insurance Accounting Plan" issued by the T.C. Ministry of Treasury and Finance.

In accordance with the above-mentioned Communiqué, insurance companies are allowed to transfer technical section operating expense to insurance section through methods determined by T.C. Ministry of Treasury and Finance or by the Company itself. Methods determined by the Company should be approved by the T.C. Ministry of Treasury and Finance. Known and exactly distinguishable operating expenses are distributed to related branches directly, while operating expenses are distributed to the sub-branches in accordance with the average of 3 ratios calculated by dividing "number of the policies produced within the last three years", "gross premium written within the last three years", and "number of the claims reported within the last three years" to the "total number of the policies", "total gross written premiums" and the "total number of the claims reported", respectively.

Income from the assets invested against non-life technical provisions is transferred to technical section from non-technical section; remaining income is transferred to the non-technical section.

### 1.8 Information on the financial statements as to whether they comprise an individual company or a group of companies

The accompanying unconsolidated financial statements comprise consolidated financial information of the Company and basis of the consolidation is detailed in note 2.2 - Consolidation.

The Company owns 20% of Anadolu Hayat Emeklilik Anonim Şirketi ("Anadolu Hayat") and this associate have been consolidated in the accompanying consolidated financial statements by using the equity method of accounting. In the notes to the consolidated financial statements, Anadolu Anonim Türk Sigorta Şirketi and its equity-accounted subsidiary Anadolu Hayat are referred to as the Company. The activities of Anadolu Hayat involve providing individual and group insurance and reinsurance services relating to group life, individual life, retirement and related personal accident branches, establishing, retirement funds, developing internal rules and regulations related to these funds, carrying out retirement, annual income insurance, portfolio management and custody contracts for the assets of the funds held in custody.

The special fund established by the Company has not been consolidated within the framework of the "Sector announcement regarding the preparation of consolidated financial statements" dated 23 December 2022 and numbered 2022/14 of the Insurance and Private Pension Regulation and Supervision Agency ("SEDDK").

### 1.9 Name or other identity information about the reporting entity and the changes in this information after previous reporting date

Trade name of the Company:	Anadolu Anonim Türk Sigorta Şirketi
Registered address of the head office:	Rüzgarlıbahçe Mahallesi, Çam Pınarı Sokak, No: 6 34805 Kavacık/İstanbul
The web page of the Company:	<a href="http://www.anadolusigorta.com.tr">www.anadolusigorta.com.tr</a>

The information presented above has not any change since the end of the previous reporting period.

### 1.10 Events after the reporting date

The consolidated financial statements prepared as of December 31, 2024, were approved by the Company's Board of Directors on February 7, 2025.

**CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

**2 Summary of significant accounting policies****2.1 Basis of preparation****2.1.1 Information about the principles and the specific accounting policies used in the preparation of the financial statements**

The Company prepares its consolidated financial statements in accordance with the regulations published by SEDDK. The insurance legislation regarding financial reporting prior to the establishment of SEDDK and the commencement of its regulatory activities in the insurance sector was published by the Ministry of Treasury and Finance. In the preparation of consolidated financial statements, the "Insurance Accounting and Financial Reporting Legislation", which includes the regulations on accounting and financial reporting in force as required by insurance legislation and the provisions of the Turkish Financial Reporting Standards ("TFRS") for matters not regulated by these, is taken as basis.

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

The Company accounts for its activities as of December 31, 2024 and 2023 in accordance with the "Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies" published on July 14, 2007 and entered into force on January 1, 2008, within the framework of the said regulation and the TFRS announced by the Public Oversight, Accounting and Auditing Standards Authority ("KGK") and other regulations, explanations and circulars published by the Ministry of Treasury and Finance of the Republic of Turkey regarding accounting and financial reporting principles. Based on the letter dated 18 February 2008 and numbered 9 of the Ministry of Treasury and Finance of the Republic of Turkey, TAS 1, "Financial Statements and Presentation", TAS 27, "Consolidated and Non-Consolidated Financial Statements", TFRS 1, "Transition to TFRS" and TFRS 4, "Insurance Contracts" were excluded from the scope of this application in 2008. In addition, within the framework of subsequent regulations issued within the scope of insurance legislation, the application of TFRS 17, "Insurance Contracts", TFRS 9, "Financial Instruments" and TFRS 15, "Revenue from Customer Contracts" standards have also been postponed.

As of December 31, 2024, the Company has calculated and reflected its technical reserves related to insurance in the financial statements in accordance with the "Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and Assets in Which Such Reserves Will Be Invested" ("Technical Reserves Regulation") and other relevant legislation, which was enacted within the framework of the Insurance Law No. 5684 and published in the Official Gazette dated July 28, 2010 and numbered 27655; and which entered into force upon publication in the Official Gazette dated July 17, 2012 and numbered 28356.

**2.1.2 Other accounting policies appropriate for the understanding of the financial statements****Accounting in hyperinflationary countries**

The unconsolidated financial statements of companies operating in Turkey have been prepared as of December 31, 2004, in accordance with TAS 29 - Financial Reporting in Hyperinflationary Economies, reflecting adjustments made due to changes in the general purchasing power of the Turkish Lira. TAS 29 requires financial statements prepared in the currency of a hyperinflationary economy to be stated in terms of the measuring unit current at the reporting date, and that corresponding figures for previous years be restated in the same terms.

In accordance with the letter dated April 4, 2005, numbered 19387, of the Ministry of Treasury and Finance, the Company prepared its unconsolidated financial statements as of December 31, 2004, by adjusting them in accordance with the provisions regarding inflation accounting in the Capital Markets Board ("CMB") Communiqué No: 25 of Series XI, "Communiqué on Accounting Standards in Capital Market" published in the Official Gazette dated January 15, 2003, and numbered 25290. The practice of inflation accounting was terminated starting from January 1, 2005, according to the same declaration of the Ministry of Treasury and Finance. Therefore, as of December 31, 2023, non-monetary assets and liabilities and equity items including capital in the balance sheet were adjusted for inflation up to December 31, 2004, while entries after that date were carried at their nominal values.

**CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

Based on the announcement made by Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying Turkish Financial Reporting Standards (TFRSs) are required to present their financial statements by adjusting for the impact of inflation for the annual reporting period ending on or after December 31, 2023, in accordance with the accounting principles specified in TAS 29. Based on the announcement of the KGK, SEDDK, with the "Circular on Inflation Accounting Application in the Insurance Sector" dated 6 December 2023 and numbered 2023/30, decided that the financial statements of insurance, reinsurance and pension companies dated 31 December 2023 will not be subject to the inflation adjustment that should be made within the scope of TAS 29. With the "Circular on Inflation Accounting Application in the Insurance Sector" (Circular No. 2024/10) published by SEDDK on March 11, 2024, the transition date for insurance, reinsurance and pension companies to inflation accounting was determined as January 1, 2025. However, with the "Circular on Inflation Accounting Application in the Insurance Sector" published by SEDDK on December 6, 2024, No. 2024/32, Circular No. 2024 was repealed and it was decided that insurance, reinsurance and pension companies would not apply inflation accounting in 2025. Accordingly, "TAS 29 Financial Reporting Standard in High Inflation Economies" is not applied in the consolidated financial statements of the Company as of December 31, 2024.

**Other accounting policies**

Information regarding other accounting policies is disclosed above in "Note 2.1.1 - Information about the principles and the specific accounting policies used in the preparation of the financial statements" and each under its own caption in the following sections of this report.

**2.1.3 Valid and presentation currency**

The accompanying consolidated financial statements are presented in TRY, which is the Company's functional currency.

**2.1.4 Rounding scale of the amounts presented in the financial statements**

Financial information presented in TRY, has been rounded to the nearest TRY values.

**2.1.5 Basis of measurement used in the preparation of the financial statements**

The accompanying unconsolidated financial statements are prepared on the historical cost basis as adjusted for the effects of inflation that lasted until December 31, 2004, except for the financial assets at fair value through profit or loss, available-for-sale financial assets, derivative financial instruments and associates which are measured at their fair values unless reliable measures are available.

**2.1.6 Accounting policies, changes in accounting estimates and errors**

No changes or errors have occurred in the accounting policies for the current period.

Explanations on accounting estimates are given in the "Note 3" which is critical accounting estimates and judgments.

**2.2 Consolidation**

"Circular Related to the Preparation of the Consolidated Financial Statements of Insurance, Reinsurance, and Individual Pension Companies" issued by the T.C. Ministry of Treasury and Finance in the December 31, 2008 dated and 27097 numbered Official Gazette, has been in force since March 31, 2009. Accordingly, consolidated financial statements are also prepared using the equity method of accounting to consolidate the Company's associate; Anadolu Hayat Emeklilik A.Ş. ("Anadolu Hayat"). Accordingly, consolidated financial statements are prepared using the equity method of accounting to consolidate the Company's associate; Anadolu Hayat.

Under the equity method, the carrying value of the investment is adjusted to account for changes in the Company's share of the subsidiary's net assets since the date of acquisition. The income statement reflects the Company's share of the operating results of its subsidiary. Any changes in the income statement of the investee company are shown as part of the Company's income. In addition, when there is a change recognised in the equity of the subsidiary, the Company recognises its share of any change in the statement of changes in equity (Note 9).

**2.3 Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, whose operating results are reviewed regularly by the Board of Directors (being chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. Since the main economic environment, where the Company operates, is Turkey, a geographical segment reporting has not been presented. A business segment reporting of the Company is presented in Note 5 in accordance with TFRS 8- Operating Segments standard.

**CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

**2.4 Foreign currency transactions**

Transactions are recorded in TRY, which is the Company's functional currency. Transactions in foreign currencies are recorded at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates ruling at the reporting date and foreign currency exchange differences are offset and all exchange differences are recognized in the statement of income.

Foreign currency exchange differences of unrecognized gains or losses arising from the difference between their fair value and the discounted values calculated per effective interest rate method of foreign currency available-for-sale financial assets are recorded in "Revaluation of financial assets" under equity and the realized gain or losses are recognized directly in the statement of income.

**2.5 Tangible assets**

Tangible assets of the Company are recorded at their historical costs that have been adjusted for the effects of inflation until the end of December 31, 2004. There have been no other inflationary adjustments for these tangible assets for the following years and therefore they have been recorded at their costs restated for the effects of inflation until December 31, 2004. Tangible assets that have been purchased after January 1, 2005 have been recorded at their costs after deducting any exchange rate differences and finance expenses.

The Company has started to show based on the revaluation model by measuring over fair value as of the third quarter of the 2015 year by making changes in the use of the property which is measuring the cost model in the consolidated financial statements before.

Buildings for own use is recognized by fair value that determined in valuations made by independent valuation experts who have professional competency by reducing their following accumulated depreciation. Accumulated depreciation which is at the date of revaluation net of gross book value and net amount brought to values after revaluation.

Increase of revaluation results in the carrying value of use of land and building account in equity in the balance sheet under "Other Capital Account" as the net of tax effects. As a result of the evaluation of real estate an increase on the corresponding impairments is deducted from the fund; all other decrease are reflected the profit/loss account.

Gains/losses arising from the disposal of the tangible assets are calculated as the difference between the net carrying value and the proceeds from the disposal of related tangible assets and reflected to the statement of income of the related period.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of tangible assets since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Normal maintenance and repair expenses incurred on tangible assets are recognized as expense.

There are no pledges, mortgages or any similar encumbrances on tangible assets.

There are no changes in accounting estimates that have a significant effect on the current period or are expected to have a significant effect in the following periods.

The relevant depreciation shares for tangible fixed assets are calculated using the straight-line depreciation method over their appraisal values based on their useful lives.

Depreciation rates and estimated useful lives are as follows:

<b>Tangible Assets</b>	<b>Estimated useful lives (years)</b>	<b>Depreciation rates (%)</b>
Buildings for own use	50	2
Machinery and equipment	3 - 16	6,3 - 33,3
Furniture and fixtures	4 - 16	6,3 - 25,0
Vehicles	5	20
Other tangible assets (including leasehold improvements)	5 - 10	10,0 - 20,0
Leased tangible assets	1 - 10	10,0 - 100,0

## **CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

### **2.6 Investment properties**

Investment properties are held either to earn rentals and/or for capital appreciation or for both.

In the event of investment property of first registration is measured on fair value including transaction costs after measured at cost. The changes which result of fair value valuation recognised in the income statement.

Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the period of retirement or disposal.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The fair value on the date of change in the usage is considered as cost in the reclassification recognition when investment property that measured with fair value is reclassified as a tangible asset.

### **2.7 Intangible assets**

The Company's intangible assets consist of computer software, goodwill and advances paid for tangible assets.

Intangible assets are recorded at cost in compliance with "TAS 38 - Accounting for intangible assets". The cost of the intangible assets purchased before December 31, 2004 are restated from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs.

Amortization is charged on a straight-line basis over their estimated useful lives over the cost of the asset. The period of redemption of intangible assets is 3 to 15 years.

Goodwill is expressed as the parts of the purchased subsidiary/affiliate in net use of the Company's share in excess of the cost of purchasing the appropriate enclosure. Goodwill from the acquisition of associates is included in the "Affiliates" account and is tested for impairment as a part of the general balance. For the goodwill amount that is accounted for separately, an impairment test is performed each year and is shown at cost less accumulated impairment provisions. Provisions for impairment in goodwill are not cancelled. Gains or losses on the disposal of the business include the carrying amount of the goodwill associated with the sold business.

For the purpose of impairment testing, goodwill is allocated to cash-generating units. The allocations made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arises.

The Company has acquired the health portfolio of Anadolu Hayat Emeklilik A.Ş. on August 31, 2004 with all of its rights and liabilities. The value at acquisition of the portfolio amounting to TRY 16,250,000 is capitalized as goodwill by the Company.

### **2.8 Financial assets**

A financial asset is any asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

Financial assets are classified in four categories; as financial assets held for trading, available-for-sale financial assets, held to maturity financial assets, and loans and receivables.

Financial assets at fair value through profit or loss are presented as financial assets held for trading in the accompanying consolidated financial statements and trading securities and derivatives are included in this category. Financial assets at fair value through profit or loss measured at their fair values and gain/loss arising due to changes in the fair values of related financial assets is recorded in profit/loss. Interest income earned on trading purpose financial assets and the difference between their fair values and acquisition costs are recorded as interest income in the statement of income. In case of disposal of such financial assets before their maturities, the gains/losses on such disposal are recorded under trading income/losses. Accounting policies of derivatives are detailed in note 2.10 - Derivative financial instruments.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables those are not interest earning are measured by discounting of future cash flows less impairment losses, and interest earning loans and receivables are measured at amortized cost less impairment losses.



## **CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

Held to maturity financial assets are the financial assets with fixed maturities and fixed or pre-determined payment schedules that the Company has the intent and ability to hold until maturity, excluding loans and receivables. Subsequent to initial recognition, held to maturity financial assets and loans and receivables are measured at amortized cost using effective interest rate method less impairment losses, if any. The Company has no financial assets that are not allowed to be classified as held to maturity financial assets for two years due to the tainting rules applied for the breach of classification rules.

Available-for-sale financial assets are the financial assets other than assets held for trading purposes, held-to-maturity financial assets and loans and receivables.

Available-for-sale financial assets are initially recorded at cost and subsequently measured at their fair values. Unrecognized gains or losses derived from the difference between their fair value and the discounted values calculated per effective interest rate method are recorded in "Revaluation of financial assets" under shareholders' equity. Upon disposal, the realized gain or losses are recognized directly in the statement of income.

The determination of fair values of financial instruments not traded in an active market is determined by using valuation techniques. Observable market prices of the quoted financial instruments which are similar in terms of interest, maturity and other conditions are used in determining the fair value.

The Company has accounted equity shares classified as available-for-sale according to quoted market prices or dealer price quotations for financial instruments traded in active markets or according to cost less impairment losses for financial instruments not traded in active markets.

Securities are recognized and derecognized at the date of settlement.

Associates; Anadolu Hayat has been consolidated in the accompanying consolidated financial statements by using the equity method of accounting.

A financial asset is derecognized when the control over the contractual rights that comprise that asset is lost. This occurs when the rights are realized, expire or are surrendered.

### **Impairment on financial asset**

Financial assets or group of financial assets are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, the Company estimates the amount of impairment. A financial asset is impaired if, and only if, there is objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) ("loss event(s)") incurred subsequent to recognition. The losses expected to incur due to future events are not recognized even if the probability of loss is high.

Receivables are presented net of specific allowances for uncollectibility. Specific allowances are made against the carrying amounts of loans and receivables that are identified as being impaired based on regular reviews of outstanding balances to reduce these loans and receivable to their recoverable amounts.

The recoverable amount of an equity instrument is its fair value. The recoverable amount of debt instruments and purchased loans measured to fair value is calculated as the present value of the expected future cash flows discounted at the current market rate of interest.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost and available-for-sale financial assets that are debt securities, the reversal is recognized in the statement of operations. For available-for-sale financial assets that are equity securities, the reversal is recognized directly in equity.



## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 2.9 Impairment on assets

#### Impairment on tangible assets

On each reporting date, the Company evaluates whether there is an indication of impairment of tangible and intangible assets. If there is an objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the "TAS 36 - Impairment of Assets" and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

Rediscount and provision expenses of the period are detailed in Note 47.

### 2.10 Derivative financial instruments

As of December 31, 2024, the Company has classified TRY 235,256,132 of derivative financial instruments as held for trading financial assets (December 31, 2023: TRY 118,720,901).

As of December 31, 2024, the Company has not a balance under the account of income accruals for gains arising from forward foreign exchange contracts (December 31, 2023: TRY 6,219,723)

In addition, there is no balance of FX- protected deposits amounting.

Derivative instruments are treated as held for trading financial assets in compliance with the standard TAS 39 - Financial Instruments: Recognition and measurement.

The Company offset foreign forward currency agreements income/expense accruals in the income statement.

Derivative financial instruments are initially recognized at their fair value.

Collateral amounts and valuations that are necessary for derivative transactions are included in trading financial assets.

The receivables and liabilities arising from the derivative transactions are recognized under the off-balance sheet accounts through the contract amounts.

Derivative financial instruments are subsequently remeasured at fair value and positive fair value differences are presented either as "financial assets held for trading" and negative fair value differences are presented as "other financial liabilities" in the accompanying unconsolidated financial statements. All unrealized gains and losses on these instruments are included in the statement of income.

### 2.11 Offsetting of financial assets

Financial assets and liabilities are offset, and the net amount is presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the Reporting Standards, or for gains and losses arising from a group of transactions resulting from the Company's similar activities like trading transactions.

### 2.12 Cash and cash equivalents

Cash and cash equivalents, which form the basis for the preparation of the statement of cash flows, include cash on hand, checks received, other cash equivalents, demand deposits, and time deposits at banks with an original maturity of less than 3 months, which are readily available for use by the Company or not blocked for any other purpose.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### 2.13 Share Capital

The shareholder having indirect control over the shares of the Company is İş Bankası Group, as of December 31, 2024 and 2023, the share capital and ownership structure of the Company are as follows:

Name	December 31, 2024		December 31, 2023	
	Shareholding Amount (TRY)	Shareholding Rate (%)	Shareholding Amount (TRY)	Shareholding Rate (%)
Milli Reasürans T.A.Ş.	286,550,106	57.31	286,550,106	57.31
Other <sup>(*)</sup>	213,449,894	42.69	213,449,894	42.69
<b>Paid in capital</b>	<b>500,000,000</b>	<b>100.00</b>	<b>500,000,000</b>	<b>100.00</b>

<sup>(\*)</sup> Consists of publicly traded shares.

### Sources of capital increases during the period

The Company has not performed capital increase as of December 31, 2024 (December 31, 2023: None).

### Privileges on common shares representing share capital

As of December 31, 2024, the issued share capital of the Company is TRY 500,000,000 (December 31, 2023: TRY 500,000,000) and the Company unregistered Group 150 A shares which each of value is TRY 1.5 as of April 11, 2013 in which approved in Main Article of the Company dated on April 11, 2013. The share capital of the Company consists of 50,000,000,000 (December 31, 2023: 50,000,000,000 shares) issued shares with TRY 0.01 nominal value each.

### Registered capital system in the Company

The Company has accepted the registered capital system. As of December 31, 2024, the Company's registered capital is TRY 3,500,000,000 (December 31, 2023: TRY 3,500,000,000).

### Repurchased own shares by the Company

None.

### 2.14 Insurance and investments contracts - classification

An insurance contract is a contract under which the Company accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Insurance risk covers all risk except for financial risks. All premiums have been received within the coverage of insurance contracts recognized as revenue under the account caption "written premiums".

Investment contracts are those contracts which transfer financial risk with no significant insurance risk. Financial risk is the risk of a possible future change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided, that it is not specific to a party to the contract, in the case of a non-financial variable.

As of the reporting date, the Company does not have a contract which is classified as an investment contract.

### Premiums Transferred to the Social Security Institution

The Law No. 6111 on "Restructuring of Certain Claims and Making Amendments to the Social Insurance and General Health Insurance Law and Some Other Laws and Decrees" published in the Official Gazette on February 25, 2011 ("Law") with the 98th article of the Highway Traffic Law No. 2918, amended by the 59th article, the collection and liquidation of the health service costs incurred due to traffic accidents are subject to new procedures and principles. In this context, the health service costs offered by all public and private health institutions and organizations due to traffic accidents will be covered by the Social Security Institution ("SSI"), regardless of whether the casualty has social security or not. Again, according to the Provisional Article 1 of the Law, it is stipulated that the costs of health services offered due to traffic accidents that occurred before the date of publication of the Law shall be covered by the SSI.

**CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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The liability of insurance companies regarding the service fees to be incurred within the framework of the aforementioned articles of the Law is the "Regulation on Procedures and Principles Regarding the Collection of Health Service Fees Offered to Persons Due to Traffic Accidents" ("Regulation"), dated 27 August 2011, published by the Ministry of Treasury and Finance, "Circular on the Procedures and Principles Regarding the Procedures and Principles Regarding the Collection of Health Service Fees Provided to the Related Persons Due to Traffic Accidents" dated September 15, 2011 and numbered 2011/17 ("Circular No. 2011/17"), dated October 17, 2011 and 2011/Circular No. 18 on the Accounting of the Payments Made to the Social Security Institution (SSI) for Treatment Costs and Opening a New Account Code in the Insurance Accounting Plan ("Circular No. 2011/18"), dated March 16, 2012 and numbered 2012/3 "Due to Traffic Accidents Implementation of the Regulation on the Procedures and Principles Regarding the Collection of Health Service Fees Provided to Relevant Persons The Circular on the Amendment of the Circular on the Procedures and Principles Regarding a (Circular No. 2012/3) and the "Regulation on the Procedures and Principles Regarding the Collection of Health Service Fees Provided to the Related Persons Due to Traffic Accidents" dated 30 April 2012 and numbered 2012/6. It has been determined according to the principles explained in the Related Sector Announcement ("Sector Announcement No. 2012/6") (Note 2.24). In this context, with regard to the treatment costs arising from traffic accidents occurring after the publication of the Law, the Company's policies written after February 25, 2011 in the branches of "Compulsory Transport Insurance", "Compulsory Traffic Insurance" and "Mandatory Seat Personal Accident Insurance" Regarding this, the premiums determined within the scope of the Regulation and Circular No. 2011/17 must be transferred to the SSI. Within the framework of the principles explained above, the company is TRY 901,370,600 in the accounting period of January 1 - December 31, 2024 (January 1 - December 31, 2023: TRY 579,640,598) has been accounted for under the "Premiums transferred to SSI" account.

**2.14 Insurance contracts and investment contracts with discretionary participation feature**

Discretionary participation feature within insurance contracts and investment contracts is the right to have following benefits in addition to the guaranteed benefits.

- (i) that are likely to comprise a significant portion of the total contractual benefits;
- (ii) whose amount or timing is contractually at the discretion of the Issuer; and
- (iii) that are contractually based on:
  - (1) the performance of a specified pool of contracts or a specified type of contract;
  - (2) realized and/or unrealized investments returns on a specified pool of assets held by the Issuer; or
  - (3) the profit or loss of the Company, Fund or other entity that issues the contract.

As of the reporting date, the Company does not have any insurance or investment contracts that contain a discretionary participation feature.

**2.15 Investment contracts without discretionary participation feature**

As of the reporting date, the Company does not have any insurance contracts and investment contracts without discretionary participation feature.

**2.16 Liabilities**

*Financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity. Financial liabilities of the Company are measured at their discounted values. A financial liability is derecognized when it is extinguished.*

**2.17 Income taxes****Corporate tax**

Corporate tax rate in Turkey is 20%. The corporate tax rate is applied to the corporates' net income which is found as a result of adding the expenses that are not accepted as a deduction and deducting the exemptions and deductions in accordance with tax laws. If there is no dividend distribution planned, no further tax charges are made.

On April 6, 2020, with the amendment to Article 25 of Law No. 7394, the first paragraph of Article 32 titled "Corporate tax and temporary tax rate" of Law No. 5520 was amended, stipulating that banks, financial leasing, factoring, financing and savings finance companies, electronic payment and money institutions, authorized currency institutions, asset management companies, capital market institutions, insurance and reinsurance companies, and pension companies would be subject to a corporate tax rate of 25% on their corporate income. However, due to the need to compensate for the economic losses caused by the earthquakes that occurred on February 6, 2023, Law No. 7456 was issued, stipulating that the corporate tax rate for insurance companies would be applied at 30%.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 10%. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

**CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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The prepaid taxes are calculated and paid at the rates valid for the earnings of the related years. The payments can be deducted from the annual corporate tax calculated for the whole year earnings.

**2.18 Income taxes**

In Turkey, there is no procedure for a final and definite agreement on tax assessments. Companies file their tax returns with their tax offices by the end of 25th of the fourth month following the close of the accounting period to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based and may issue re-assessments based on their findings.

As per the Article 17 of the Omnibus Law published in the Official Gazette dated December 28, 2023, Banks, companies within the scope of the Law on Financial Leasing, Factoring, Financing and Savings Finance Companies, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will apply inflation accounting in accordance with the Tax Procedure Law as of December 31, 2023, and the profit/loss difference arising from the inflation adjustment made in the 2024 and 2025 accounting periods, including the temporary tax periods, will not be taken into account in the determination of the tax base.

In September 2023, the POA published amendments to IAS 12, which introduce a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. These amendments have clarified that IAS 12 will be applied to income data arising from tax laws that have entered into force or are close to entering into force for the purpose of implementing the Second Pillar Model Rules published by the Organisation for Economic Co-operation and Development (OECD). These changes also impose certain disclosure requirements for businesses affected by such tax laws. The exception that information on deferred taxes within this scope will not be recognized or disclosed and the provision explaining that the exception has been applied shall be implemented with the publication of the amendment. The Pillar 2 regulations agreed upon by the OECD member countries entered into force in Turkey with the Law on Amendments to Tax Laws and Certain Laws and Legislative Decree No. 375, published in the Official Gazette dated 2 August 2024. Although secondary legislation on the subject has not been published, preliminary assessments made by taking into account the regulations published by the OECD indicate that the said regulations will not have any impact on the financials. In addition, changes in legislation in Türkiye and other countries of operation are monitored.

The Domestic Minimum Corporate Tax was put into effect by the laws published in the Official Gazette dated August 2, 2024. This tax will be applied starting from the 2025 accounting period. "With the law numbered 7524, the institution of Minimum Corporate Tax was introduced, and a regulation was made stating that the corporate tax calculated within this scope cannot be less than 10% of the corporate profit before deductions and exemptions. The regulation will enter into force on the date of publication to be applied to corporate profits for the taxation period of 2025. In addition, the Corporate Tax General Communiqué No. 23 has been published on the subject.

**Deferred taxes**

In accordance with TAS 12 - Income taxes, deferred tax assets and liabilities are recognized on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base, except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

Deferred tax assets and liabilities are reported as net in the consolidated financial statements if, and only if, the Company has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity.

In case where gains/losses resulting from the subsequent measurement of the assets are recognized in the statement of income, then the related current and/or deferred tax effects are also recognized in the statement of income. On the other hand, if such gains/losses are recognized as an item under equity, then the related current and/or deferred tax effects are also recognized directly in the equity.

As of December 31, 2024, a tax rate of 30% is used for temporary differences (December 31, 2023; 30%).

**Transfer pricing**

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated November 18, 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 2.19 Employee benefits

#### Pension and other post-retirement obligations

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee and his/her dependants will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Employees of the Company are the members of "Anadolu Anonim Türk Sigorta Şirketi Pension Fund" which is established in accordance with the temporary Article 20 of the Social Security Act No: 506. As per the temporary sub article No: 20 of the Article 73 of the Social Security Law, pension funds should be transferred to the Social Security Institution within three years after the publication of the aforementioned Law published in the Official Gazette numbered 26870 and dated May 8, 2008. The related three-year transfer period has been prolonged for two years by the Cabinet decision, which was published on the Official Gazette dated April 9, 2011. Accordingly, the three-year period expired on May 8, 2011 was extended to the May 8, 2015.

With the 51st article of the Law No. 6645 published in the Official Gazette dated April 23, 2015 and numbered 29335, the first paragraph of the Provisional Article 20 of the Law No. 5510 on the transfer of Bank and Insurance Funds to the Social Security Institution was changed; "The participants of the funds established for the personnel of banks, insurance and reinsurance companies, chambers of commerce, chambers of industry, stock exchanges or their unions within the scope of the temporary article 20 of the Law No. The Council of Ministers is authorized to determine. As of the transfer date, the participants of the ballot box are deemed to be insured within the scope of subparagraph (a) of the first paragraph of Article 4 of this Law.

This regulation is valid for the expenditures within the scope of the temporary 20th fee of the Law No. 506, for insurance and reinsurance companies, chambers of commerce, chambers of industry, stock exchanges or unions in their organizations, the participants of the expanded funds, and those who leave or have a net income, and their right holders, until 8 May 2015 must be transferred to the Social Security Institution. The authority to determine the transfer date has been given to the Council of Ministers, thus the transfer of the funds have been postponed to an unknown date. The application made by the Republican People's Party to the Constitutional Court on 19 June 2008 for the annulment of some articles of the law, including the first paragraph of the provisional article 20, which includes the transfer provisions, and for the suspension of enforcement, was rejected in line with the decision taken at the meeting of the aforementioned court on March 30, 2011.

For each fund, the cash value of the liability regarding the transferred persons as of the date of transfer, including the participants leaving the fund, should be calculated according to the following provisions:

- The technical interest rate to be used in the actuarial calculation of the cash value is taken as 9.80%.
- The cash value of the liability is calculated by taking into account the income and expenses of the funds in terms of insurance branches within the scope of this Law.

As of December 31, 2024, there is no deficit according to the above-mentioned provisions (December 31, 2023: No Deficit).

#### Employee termination benefits

In accordance with existing Turkish Labour Law, the Company is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Company and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The amount payable for each year of service to the employee union members in the cases of death, disability, retirement, pension bonding is equivalent to their 60-day salary, in other cases it is equivalent to 45-day salary. For other employees, it is one month's salary. The computation of the liability is based upon the retirement pay ceiling announced by the Government. The applicable ceiling amount as of December 31, 2024 is TRY 41,828.42 (December 31, 2023: TRY 23,489.83). In Accordance TAS 19 which published by Public Company Accounting Oversight Board (PCAOB) dated March 12, 2013 is about "Benefits Employee Accounting Standard" and defined by beginning from December 31, 2012 net defined benefit liability of the actuarial gains and losses arising on re-measurement should be recognized in other comprehensive income under shareholders' equity and this effect should be applied retrospectively. The Company started to account current actuarial gains and losses under equity (other profit reserves) due to the fact that prior period actuarial gains and losses have remained below the materiality.

The Company accounted for employee severance indemnities using actuarial method in compliance with the TAS 19 - Employee Benefits, The major actuarial assumptions used in the calculation of the total liability as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2024
Discount rate	3.28%	3.28%
Expected rate of salary/limit increase	10.30%	10.30%
Estimated employee turnover rate	6.91%	6.91%

## **CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

### **Other employee benefits**

The Company has provided for undiscounted short-term employee benefits earned during the period as per services rendered in compliance with TAS 19 in the accompanying consolidated financial statements.

### **2.20 Provisions**

A provision is made for an existing obligation resulting from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management on the expenses to incur as of the reporting date and, if material, such expenses are discounted to their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Company to settle the liability, the related liability is considered as "contingent" and disclosed in the notes to the unconsolidated financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized in consolidated financial statements since this may result in the recognition of income that may never be realized. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, the Company discloses the contingent asset.

### **2.21 Revenue recognition**

#### **Written premiums and claims paid**

Written premiums represent premiums on policies written during the period net of taxes, premiums of the cancelled policies which were produced in prior periods and premium ceded to reinsurance companies. Premiums ceded to reinsurance companies are accounted as "written premiums, ceded" in the statement of income.

Claims are recognized as expense as they are paid. Outstanding claims provision is provided for both reported unpaid claims at period-end and incurred but not reported claims. Reinsurer's shares of claims paid and outstanding claims provisions are offset against these reserves.

#### **Subrogation, salvage and quasi income**

According to the Circular 2010/13 dated September 20, 2010; the Company may account for income accrual for subrogation receivables without any voucher after the completion of the claim payments made to the insurer. If the amount cannot be collected from the counterparty insurance company, the Company provides provision for uncollected amounts due for six months. If the counter party is not an insurance Company, the provision is provided after four months. As of the reporting date, in accordance with the related circular the Company provided TRY 561,100,715 (December 31, 2023: TRY 338,107,609) subrogation receivables and recorded TRY 723,408,965 (December 31, 2023: TRY 449,617,028) (Not 12) net subrogation and salvage receivables under receivables from main operations. The Company provided allowance for uncollected subrogation receivables amounting to TRY 216,362,128 (December 31, 2023: TRY 156,811,592) (Note 12) in accordance with circular.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

For the years ended December 31, 2024 and 2023, salvage and subrogation collected are as follows:

	December 31, 2024	December 31, 2023
Motor vehicles	4,801,050,175	3,280,856,563
Motor vehicles liability (MTPL)	234,987,405	105,850,204
Fire and natural disaster	51,420,582	73,300,282
Marine	24,032,501	12,565,462
Water vehicles	16,022,415	330,898
General losses	9,152,278	7,596,149
Breach of trust	3,717,486	3,746,085
General liability	2,461,875	2,118,240
Aircrafts	1,363,348	462,401
Accident	715,327	982,543
Financial losses	38,654	-
Legal protection	8,347	43,923
Aircrafts liability	7,160	157,796
<b>Total</b>	<b>5,144,977,553</b>	<b>3,488,010,546</b>

As of December 31, 2024 and 2023, accrued subrogation and salvage income per branches are as follows:

	December 31, 2024	December 31, 2023
Motor vehicles	582,850,216	345,600,913
Motor vehicles liability (MTPL)	70,889,264	36,721,423
Fire and natural disaster	46,867,982	49,955,618
Marine	12,244,330	9,626,981
General losses	5,802,940	1,354,716
Water vehicles	4,691,550	4,086,803
Accident	62,683	42,323
General liability	-	2,228,251
<b>Total</b>	<b>723,408,965</b>	<b>449,617,028</b>

### Commission income and expense

As further disclosed in Note 2.24 - *Reserve for unearned premiums*, commissions paid to the agencies related to the production of the insurance policies and the commissions received from the reinsurance firms related to the premiums ceded are recognized over the life of the contract by deferring commission income and expenses within the calculation of reserve for unearned premiums for the policies produced before January 1, 2008 and recognizing deferred commission income and deferred commission expense in the financial statements for the policies produced after January 1, 2008.

### Interest income and expense

Interest income and expense are recognized using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

The calculation of the effective interest rate includes all fees and points paid or received transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.



## **CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

### **Trading income/expense**

Trading income/expense includes gains and losses arising from disposals of financial assets held for trading purpose and available-for-sale financial assets. Trading income and trading expenses are recognized as "Income from disposal of financial assets" and "Loss from disposal of financial assets" in the accompanying consolidated financial statements.

### **Dividends**

Dividend income is recognized when the Company's right to receive payment is ascertained.

### **2.22 Leasing transactions**

Tangible assets acquired by way of finance leasing are recognised in tangible assets and the obligations under finance leases arising from the lease contracts are presented under finance lease payables account in the financial statements. In the determination of the related assets and liabilities, the lower of the fair value of the leased asset and the present value of leasing payments is considered. Financial costs of leasing agreements are expanded in lease periods at a fixed interest rate.

If there is impairment in the value of the assets obtained through financial lease and in the expected future benefits, the leased assets are valued with net realisable value. Depreciation for assets obtained through financial lease is calculated in the same manner as tangible assets.

Set out below are the accounting policies of the Company implementation of TFRS 16.

### **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of the right-of-use asset includes:

- (a) initial direct costs incurred,
- (b) lease payments made at or before the commencement date less any lease incentives received, and
- (c) All initial costs incurred by the company.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Right-of-use assets are subject to impairment.

### **Lease liabilities**

The company measures the lease liability based on the present value of the lease payments that were not paid at the actual start of the lease.

The lease payments, which are included in the measurement of the lease liability at the actual start of the lease, consist of the following payments to be made for the right of use of the underlying asset during the lease term and which were not paid at the actual start of the lease:

- (a) fixed payments,
- (b) variable lease payments based on an index or ratio, the first measurement of which was made using an index or ratio at the actual beginning of the lease,
- (c) amounts expected to be paid by the company under residual value commitments
- (d) if the company is reasonably confident that it will exercise the option to purchase, the price at which the option is used and
- (e) penalty payments for termination of the lease if the lease term indicates that the company will exercise an option to terminate the lease.

Variable lease payments that are not linked to an index or ratio are recorded as expenses in the period in which the event or condition that triggered the payment occurs

The company sets the revised discount rate for the remainder of the lease period as this rate if the implied interest rate on the lease can be easily determined, if it cannot be easily determined as the alternative borrowing rate at the date of the company's reassessment.



## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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After the actual start of the lease, the company measures the lease liability as follows:

- (a) increases the book value to reflect the interest on the lease obligation, and
- (b) reduces the book value to reflect the lease payments made.

In addition, a change in the fixed lease payments is essentially the lease or a change in the assessment of the option to purchase the underlying asset in case of a change in the value of finance lease liabilities is measured again.

Right-of-use assets calculated regarding to lease liabilities are accounted in "Tangible Assets" located in balance sheet.

Interest expense on lease liabilities and depreciation expense of right-of-use asset are accounted in "Investment Management Expenses (inc. interest)" and "Depreciation and Amortisation Expenses" respectively..

The details related to contracts term of operating leases and applied discount rates are presented below:

Assets subject to operating leases	Contract term (Year)	Discount rate - TRY (%)
Buildings	1-10 years	19.32 - 24.42
Vehicles	1-3 years	23.62

### 2.23 Dividend distribution

Based on the guidelines and principals issued by the CMB dated January 27, 2010 for the distribution of dividends from the profit generated from operating activities in 2009, there is no requirement of minimum profit distribution for joint stock companies that are traded in the stock market and in this context, it has decided that dividend distribution will be performed in accordance with principles in Dividend Declaration numbered II-19.1 of the Board, clauses contained in the articles of association of the partnership and dividend policies which are disclosed the public of companies.

Additionally, as stated within the aforementioned decision of CMB, for entities required to prepare consolidated financial statements, it has been agreed upon to require the net distributed profit calculations to be performed on the net profit for the period as stated on the consolidated financial statements, so long that the distribution can be funded through statutory resources.

Company's Board of Directors proposal regarding the non-distribution of the net profit derived from the 2023 activities, prepared within the framework of the Company's Profit Distribution Policy, and presented for voting at the Ordinary General Assembly held on March 27, 2024, has been unanimously accepted.

Accordingly, the calculated net distributable profit of TRY 6,382,969,722 has not been distributed; TRY 6,382,969,722 allocated as statutory reserve and the remaining TRY 25,000,000 after allocating TRY 5,510,672,750 as special reserves have been transferred to extraordinary reserves (no cash dividends were distributed in 2023)

### 2.24 Reserve for unearned premiums

In accordance with the "Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves" ("Communiqué on Technical Reserves"), published in the Official Gazette numbered 26606 and dated August 7, 2007, and put into effect starting from January 1, 2008, the provision for unearned premiums represents the proportions of the gross premiums written without deductions of commission or any other allowance, in a period that relate to the period of risk subsequent to the reporting date for all short-term insurance policies. For commodity marine policies with indefinite expiration dates, 50% of the remaining portion of the premiums accrued in the last three months, less any commissions are also provided as unearned premium reserves.

Reserve for unearned premiums is calculated for all insurance contracts except for the contracts for which the mathematical reserve is provided. Reserve for unearned premiums is also calculated for the annual premiums of the annually renewed long term insurance contracts.

Since the "Communiqué on Technical Reserves" was effective from January 1, 2008, the T.C. Ministry of Treasury and Finance issued the "Circular to Assure the Compliance of the Technical Reserves of Insurance, Reinsurance and Pension Companies With the Insurance Law No, 5684" ("Compliance Circular") on July 4, 2007, numbered 2007/3, to regulate the technical provisions between the issuance date and enactment date of the "Communiqué on Technical Reserves." In accordance with the Compliance Circular, it is stated that companies should consider earthquake premiums written after June 14, 2007, in the calculation of the reserve for unearned premiums while earthquake premiums were deducted in the calculation of the reserve for unearned premiums before. Accordingly, the Company has started to calculate reserve for unearned premiums for the earthquake premiums written after June 14, 2007, while the Company had not calculated reserve for unearned premiums for the earthquake premiums written before June 14, 2007.

According to the Circular Related to Application of Technical Reserves issued on March 27, 2009, numbered 2009/9, which was published by the Undersecretariat of Treasury, reserve for unearned premiums is calculated by taking into account that all policies become active at 12:00 at noon and end at 12:00 at noon.

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According to the Communiqué on Technical Reserves, for the calculation of unearned premium reserves of foreign currency indexed insurance agreements, foreign currency selling exchange rates announced by Turkish Central Bank will be considered, unless there is a specified exchange rate in the agreement. The Company has reclassified TRY 2,611,211 of provision for long-term health and personal accident policies to long-term liabilities (December 31, 2023: TRY 3,630,893).

As of the reporting date, the Company has provided reserve for unearned premiums amounting to TRY 36,603,651,090 (December 31, 2023: TRY 24,160,350,877) and reinsurer share in reserve for unearned premiums amounting TRY 6,574,405,493 (December 31, 2023: TRY 5,372,679,050). Furthermore, reserve for unearned premiums includes Social Security Institution ("SSI") share amounting to TRY 546,873,219 (December 31, 2023: TRY 343,265,170).

### 2.25 Provision for outstanding claims

Claims are recorded in the year in which they occur, based on reported claims or on the basis of estimates when not reported. Provision for outstanding claims represents the estimate of the total reported costs of notified claims on an individual case basis at the reporting date as well as the corresponding handling costs. Incurred but not reported claims ("IBNR") are also provided.

Ultimate Net Loss Ratio estimations are made by the company's chief actuary, as stipulated in the Circular No. 2014/16 dated 05/12/2014 of the Insurance and Private Pensions Regulation and Supervision Agency (SEDDK). On the basis of branches, selection and combination of the data to be used, the correction procedures, the selection of the most appropriate method and the development factors, and the intervention to the development factors are made by the company's actuary using actuarial methods and these issues are included in the actuarial report sent to SEDDK in accordance with Articles 33 and 36 of the Internal Systems Regulation in detail.

As of December 31, 2024 and 2023, IBNR amounts calculated by the Company actuaries on the basis of branches are as follows:

Branch	Method used	December 31, 2024 <sup>(*)</sup>		December 31, 2023 <sup>(*)</sup>	
		Gross additional provision	Net additional provision	Gross additional provision	Net additional provision
Motor vehicles liability (MTPL)	Standard/Bornhuetter Ferguson	16,199,927,056	12,480,390,578	13,508,297,368	9,673,281,078
General liability	Standard/Bornhuetter Ferguson	6,134,080,618	4,943,799,029	3,502,785,332	2,735,110,058
Voluntary financial liability	Standard/Bornhuetter Ferguson	4,612,666,010	4,585,643,219	2,316,525,280	2,309,864,308
Fire and natural disasters	Standard	1,039,406,936	596,686,965	876,241,801	496,910,888
General losses	Standard	397,448,061	240,682,152	264,534,605	206,581,950
Marine	Standard	393,940,192	180,936,798	274,659,862	137,907,203
Water vehicles	Standard	320,439,166	165,670,138	279,263,907	135,607,729
Health	Standard	203,036,260	196,433,003	65,191,459	61,439,652
Aircrafts	Standard	177,166,836	85,887,230	139,303,633	57,260,102
Accident	Standard	155,723,315	139,153,335	76,232,843	70,573,018
Financial losses	Standard	97,788,416	60,557,380	119,834,466	58,275,304
Breach of trust	Standard	63,799,584	31,206,560	7,069,149	6,743,728
Credit	Standard	47,160,829	41,954,069	39,999,223	34,503,917
Aircrafts liability	Standard	40,655,707	12,114,745	32,269,560	15,696,225
Legal protection	Standard	4,359,465	4,359,465	2,095,772	2,095,772
Motor vehicles	Standard	(315,958,309)	(308,229,618)	(184,480,119)	(183,446,073)
<b>Total</b>		<b>29,571,640,142</b>	<b>23,457,245,048</b>	<b>21,319,824,141</b>	<b>15,818,404,859</b>

<sup>(\*)</sup> Provisions regarding to Risky Insured Pool and TKU (Medical Malpractice) Pool and provision allocated for treaties received has been included in the provision amount allocated for the related period.

The company calculated the Net Incurred but Not Reported (IBNR) amount on a branch-by-branch basis using updated reinsurance shares reflecting the impact of existing reinsurance agreements. The effects of the Pool of Insured Risky Individuals and the Pool Related to Medical Malpractice have been reflected in the Net IBNR calculation.

In the Mandatory Traffic branch, pool and non-pool business, and in the General Liability branch, Employer's Liability, Mandatory Medical Malpractice Liability, Professional Liability, Mandatory Liability for Hazardous Substances and Waste, and Other Liability branches are analysed separately by the company's actuary.

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With the amendment made by the Circular on Discounting Net Cash Flows Arising from Outstanding Claims Provisions (No: 2024/3) published on 15/01/2024 to the Circular No: 2016/22, Article 7 of Circular No: 2016/22 has been changed to "Net cash flows are discounted to present value at the rate of 35% as of the financial reporting period date." Accordingly, a discount rate of 35% has been considered for discounting the net cash flows arising from outstanding claims provisions. As of December 31, 2024, the company calculated the net discount amount for outstanding claims provisions as TRY 17,954,668,084 (December 31, 2023: TRY 10,555,127,559).

The Company's net outstanding claims provisions on a branch basis as of December 31, 2024 and December 31, 2023, before and after discount, are listed below:

December 31, 2024 Branche	Net outstanding claims provision before discount	Discount amount	Net outstanding claims provision after discount
Motor vehicles liability	21,305,086,789	(11,438,198,237)	9,866,888,552
General liability	7,749,047,300	(5,104,495,948)	2,644,551,352
Fire and natural disasters	2,869,469,172	(426,222,201)	2,443,246,971
Motor vehicles	1,760,457,321	(127,804,247)	1,632,653,074
General losses	769,489,322	(168,629,938)	600,859,384
Water vehicles	727,076,566	(171,019,900)	556,056,666
Marine	514,794,695	(146,704,714)	368,089,981
Health	291,072,085	(14,744,706)	276,327,379
Aircrafts	255,761,135	(74,814,251)	180,946,884
Breach of trust	272,433,401	(124,937,390)	147,496,011
Accident	226,099,194	(85,560,614)	140,538,580
Financial losses	119,291,889	(22,938,379)	96,353,510
Aircrafts liability	96,335,368	(30,677,108)	65,658,260
Credit	46,714,843	(16,145,195)	30,569,648
Legal protection	4,795,048	(1,775,256)	3,019,792
<b>Total</b>	<b>37,007,924,128</b>	<b>(17,954,668,084)</b>	<b>19,053,256,044</b>

December 31, 2023 Branche	Net outstanding claims provision before discount	Discount amount	Net outstanding claims provision after discount
Motor vehicles liability	15,061,552,630	(7,030,009,349)	8,031,543,281
Motor vehicles	1,526,945,508	(94,833,502)	1,432,112,006
General liability	4,659,167,824	(2,654,033,787)	2,005,134,037
Fire and natural disasters	2,304,483,399	(292,413,729)	2,012,069,670
General losses	644,786,612	(119,599,334)	525,187,278
Health	110,210,024	(4,628,113)	105,581,911
Accident	136,456,980	(42,042,292)	94,414,688
Marine	408,059,777	(107,033,198)	301,026,579
Water vehicles	548,934,161	(97,349,242)	451,584,919
Financial losses	90,631,061	(14,837,921)	75,793,140
Aircrafts	166,446,524	(42,127,429)	124,319,095
Legal protection	2,324,980	(752,121)	1,572,859
Aircrafts liability	119,099,377	(31,603,006)	87,496,371
Credit	37,951,509	(11,713,721)	26,237,788
Breach of trust	29,837,444	(12,150,815)	17,686,629
<b>Total</b>	<b>25,846,887,810</b>	<b>(10,555,127,559)</b>	<b>15,291,760,251</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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The methods used to estimate the Company's net cash flows as of December 31, 2024 and December 31, 2023 and the estimated net cash flows for each main branch are given below.

December 31, 2024 Branche	Method used	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Motor vehicles liability	Chart 57	5,432,388,879	2,763,747,963	2,113,002,365	2,120,955,763	2,203,988,224	2,230,880,440	2,075,679,021	1,672,837,671	683,745,524	7,860,939	21,305,086,789
Motor vehicles	Chart 57	1,609,632,682	58,467,971	51,533,001	24,016,205	11,909,903	5,336,351	(438,792)	-	-	-	1,760,457,321
General liability	Chart 57	768,290,273	846,249,078	794,850,917	903,493,647	1,070,484,280	1,047,497,547	992,788,019	812,633,702	400,348,404	112,411,433	7,749,047,300
Fire and natural disasters	Chart 57	2,354,107,054	285,557,334	124,840,836	68,016,478	25,158,071	8,469,697	3,319,702	-	-	-	2,869,469,172
General losses	Chart 57	537,749,490	117,374,552	56,293,140	18,611,386	14,283,275	11,050,243	4,174,318	4,551,558	2,863,400	2,537,960	769,489,322
Health	Chart 57	289,086,329	1,848,564	71,952	128,698	37,612	-28,140	(72,930)	-	-	-	291,072,085
Accident	Chart 57	95,324,877	44,101,339	27,640,352	19,486,759	12,903,336	11,641,626	9,181,943	4,242,018	1,462,525	114,419	226,099,194
Marine	Chart 57	296,050,186	90,633,945	40,179,804	31,665,185	39,556,143	26,067,036	(4,526,271)	(389,707)	(4,295,071)	-146,555	514,794,695
Water vehicles	Chart 57	488,951,694	123,178,940	34,347,974	24,437,685	22,168,619	22,617,887	6,522,398	3,680,955	1,163,645	6,769	727,076,566
Financial losses	Chart 57	83,568,424	26,430,728	5,791,675	1,924,218	1,272,598	299,313	4,933	-	-	-	119,291,889
Aircrafts	Chart 57	137,843,018	41,976,396	49,817,426	19,916,666	6,207,629	-	-	-	-	-	255,761,135
Legal protection	Chart 57	1,790,553	1,197,525	799,552	534,766	353,194	107,879	11,579	-	-	-	4,795,048
Aircrafts liability	Chart 57	42,034,483	30,842,547	7,092,270	9,681,515	3,247,498	2,289,566	1,147,489	-	-	-	96,335,368
Credit	Chart 57	27,128,085	1,803,676	2,485,902	3,391,020	4,253,997	6,854,809	797,354	-	-	-	46,714,843
Breach of trust	Chart 57	80,278,686	54,666,389	27,939,102	27,388,507	51,981,050	28,216,823	1,962,844	-	-	-	272,433,401

December 31, 2023 Branche	Method used	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
Motor vehicles liability	Chart 57	4,054,176,523	2,192,246,766	1,655,001,901	1,529,280,363	1,456,391,473	1,314,058,125	1,182,349,973	1,019,304,205	573,629,828	85,113,473	15,061,552,630
Motor vehicles	Chart 57	1,396,126,657	50,712,622	44,697,525	20,830,631	10,330,141	4,628,523	(380,591)	-	-	-	1,526,945,508
General liability	Chart 57	567,934,750	622,280,863	550,364,898	615,931,165	536,424,860	538,906,742	434,144,352	459,654,523	225,013,642	108,512,029	4,659,167,824
Fire and natural disasters	Chart 57	1,890,593,800	229,332,360	100,260,228	54,624,334	20,204,558	6,802,051	2,666,068	-	-	-	2,304,483,399
General losses	Chart 57	446,106,117	103,899,461	46,907,123	18,062,326	14,515,325	16,488,831	1,829,026	(2,032,473)	(1,090,279)	101,155	644,786,612
Health	Chart 57	109,458,148	699,931	27,243	48,730	14,241	(10,655)	(27,614)	-	-	-	110,210,024
Accident	Chart 57	62,740,841	27,840,611	14,982,285	11,482,465	7,890,435	5,000,267	4,757,756	1,226,956	434,732	100,632	136,456,980
Marine	Chart 57	219,118,072	90,677,022	28,687,824	12,159,328	26,872,865	30,152,839	(1,234,735)	(880,872)	1,693,538	813,896	408,059,777
Water vehicles	Chart 57	406,143,965	71,438,855	21,467,950	23,222,479	17,740,700	7,340,592	1,222,947	299,692	55,955	1,026	548,934,161
Financial losses	Chart 57	63,490,444	20,080,535	4,400,179	1,461,909	966,846	227,401	3,747	-	-	-	90,631,061
Aircrafts	Chart 57	89,706,715	27,317,775	32,420,631	12,961,547	4,039,856	-	-	-	-	-	166,446,524
Legal protection	Chart 57	868,187	580,645	387,679	259,293	171,254	52,307	5,615	-	-	-	2,324,980
Aircrafts liability	Chart 57	38,423,406	74,018,588	803,535	839,648	1,658,813	3,002,824	16,782	117,982	217,799	-	119,099,377
Credit	Chart 57	22,039,071	1,465,320	2,019,566	2,754,891	3,455,981	5,568,901	647,779	-	-	-	37,951,509
Breach of trust	Chart 57	8,792,280	5,987,171	3,059,946	2,999,643	5,693,067	3,090,362	214,975	-	-	-	29,837,444

According to Temporary Article 12 of the Regulation on Tariff Application Principles in Compulsory Financial Liability Insurance for Motor Vehicles, published in the Official Gazette dated July 11, 2017 and numbered 30121, a "Risky Insureds Pool" was announced to be established as of April 12, 2017, for high-risk categories and/or vehicle groups with high claim frequencies.

In this context, starting from April 12, 2017, premiums and claims amounts related to motor vehicle insurance policies issued under the pool are shared among insurance companies within the framework of the principles determined by the Insurance Information and Monitoring Centre (SBM) and the Insurance Supervisory and Regulatory Authority.

Following the legislative changes, the Company has created accounting entries based on the monthly statements finalized and forwarded by the Turkish Motor Vehicles Bureau (TMVB), covering the premiums, claims, and commission amounts transferred to and received from the pool within its share.

Within the scope of this pool application, the Company has estimated the final claims/premium ratio based on its own pool policies and calculated the IBNR amounts for the transferred and received pool portfolios in line with this estimate.

In accordance with the Communiqué on the Amendment of the Communiqué on the Procedures and Principles of the Contribution of the Institution in the Compulsory Financial Liability Insurance for Medical Malpractice Law, published in the Official Gazette dated October 7, 2017 and numbered 30203, the Compulsory Financial Liability Insurance for Medical Malpractice the rules for premium and damage sharing have been established. Türk Reasürans A.Ş. has been appointed of such transactions has been indefinitely.

In this context, premiums and claims related to the policies issued as of October 1, 2017 have been started to be allocated among the insurance companies within the framework of the principles determined by the Insurance and Private Pension Regulation and Supervision Agency.

**CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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After the change in the legislation, the Company created the accounting records over the premium, damage and commission amounts transferred to the pool within the scope of the monthly receipts finalized and forwarded by Türk Reasürans A.Ş. and taken over from the pool within the scope of its share.

As of December 31, 2024, the Company has outstanding claims provision amounting to TRY 30,298,920,879 (December 31, 2023: TRY 27,800,010,100) and TRY 11,245,664,835 outstanding claims provision reinsurer share (December 31, 2023: TRY 12,508,249,849) in the consolidated financial statements.

According to the "Circular on the Explanation of the Notification of the Undersecretariat of Treasury on the Calculation of the Realized But Unreported Compensation (IBNR)" dated November 26, 2011 and numbered 2011/23, the companies are opened against the Company in sub-branches according to the last five years' (15% in the branches where there is no new five-year data and started the new activity) by calculating a win rate over the amounts of the cases by not exceeding 25% of the outstanding files accrued for the files in the trial period. As of December 31, 2024, the Company did not any discount against provisions for litigious file claims (December 31, 2023: None).

**2.26 Reserve for unexpired risks**

Under the Regulation on Technical Provisions, companies are required to conduct a sufficiency test for each accounting period, covering the last 12 months, to ensure that the provision for unearned premiums allocated for insurance contracts in force does not exceed the potential damage and compensation that may arise from those contracts. During this test, the net provision for unearned premiums must be multiplied by the expected net loss premium ratio. The expected net loss premium ratio is determined by dividing the incurred losses (outstanding losses and claims, net + paid losses and claims, net - transferred outstanding losses and claims, net) by the earned premium (written premiums, net + transferred unearned premiums, net - unearned premiums, net).

In accordance with the Circular No. 2012/15 issued by the Insurance and Private Pension Regulation and Supervision Institution, calculations previously made for each sub-branch were consolidated at the main branch level as of December 31, 2012. According to this calculation, if the expected loss premium ratio is above 95%, the amount resulting from multiplying the excess over 95% by the net provision for unearned premiums is added to the provision for unearned premiums of the relevant main branch.

According to the sector announcement numbered 2015/30 by the Insurance and Private Pension Regulation and Supervision Institution, the amount of the initial provision for outstanding claims used in determining the expected loss premium ratio for the calculation of provisions for unexpired risks as of December 31, 2017, has been redefined consistently with the current period.

In accordance with the directive numbered 2011/18 by the Insurance and Private Pension Regulation and Supervision Institution, in the calculation of provisions for unexpired risks in Mandatory Traffic, Mandatory Road Transport Liability, and Bus Mandatory Seat Individual Accident branches, the calculation of the expected loss premium ratio has been adjusted by deducting all amounts related to premiums and claims transferred to the Social Security Institution from the numerator and denominator.

Furthermore, with the directive numbered 2019/5 by the Insurance and Private Pension Regulation and Supervision Institution, it has been stated that in addition to the above-mentioned method, the calculation of provisions for unexpired risks for all branches can also be made using the following method: if the discounted final loss premium ratio calculated, including indirect transactions, based on the accident year exceeds 85%, then the excess portion is multiplied by the gross Written Premium Income (WPI) to determine the gross provisions for unexpired risks; similarly, it is multiplied by the net WPI to determine the net provisions for unexpired risks.

With the amendment made by the directive numbered 2020/1 by the Insurance and Private Pension Regulation and Supervision Institution, in cases where 100% of the direct production is transferred to pools established in Turkey, a separate calculation is made. In this scenario, if the gross loss premium ratio exceeds 100% for these transactions, provision for unexpired risks calculation is performed; for other transactions, if the gross loss premium ratio exceeds 85%, provision for unexpired risks calculation is carried out.

Lastly, with the directive numbered 2022/27 published on November 24, 2022, the methods used in provision for unexpired risks calculation have been supplemented with the provision for "the best estimate based on the underwriting (business) year."

*Under Article 3, Paragraph 2 of the regulation, insurance companies may calculate the gross loss premium rate based on the current period, including the total of the last three quarters, taking into account indirect operations. When calculating the incurred loss amount by the company actuary, the fact that the loss development process for the policy year has not matured is also considered based on the best estimate principles.*

*Under Article 3, Paragraph 6 of the regulation, the amounts of direct operations related to the business where 100% of the direct production is transferred to pools established in Turkey are not included in the loss premium calculation. Since the company's obligations regarding these operations arise solely from indirect production, calculation is performed separately from other branches' production, considering only indirect productions and losses along with other income and expense items in this distinction.*

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In accordance with the second paragraph of the third article of Directive 2022/27 regarding Unexpired Risk Reserves, the company actuary has calculated the Final Loss Premium Rate estimates for the last four quarters based on actuarial analyses conducted using the "Underwriting Year" instead of the "Accident Year" to eliminate the misleading effect of fluctuations resulting from seasonal variations in tariff changes that lead to deterioration in loss development and premium increases due to factors such as inflation, minimum wage, exchange rates, and other influences in the Mandatory Traffic branch.

As a result of the relevant methods, as of the reporting date, the Company has accounted gross unexpired risk reserves amounting to TRY 1,935,025,732 (December 31, 2023: TRY 2,244,301,474 TRY) and TRY 1,736,758,039 net unexpired risk reserve (December 31, 2023: TRY 599,131,968).

Branch	Claims/Premium	December 31, 2024		December 31, 2023	
		Gross URR	Net URR	Gross URR	Net URR
Motor vehicles liability		1,112,646,419	1,112,646,419	1,329,483,585	1,329,483,585
- Motor Vehicles Liability (Except for RSH)	106%	808,753,741	808,753,741	894,160,048	894,160,048
- RSH received	151%	303,892,678	303,892,678	435,323,537	435,323,537
General liability		75,444,463	57,515,346	108,909,938	78,731,584
- General liability (Except for TKU)	95%	71,051,510	53,122,393	104,749,963	74,571,609
- TKU received	166%	4,392,953	4,392,953	4,159,975	4,159,975
Health	91%	393,142,035	387,020,492	-	-
Legal protection	247%	209,416,079	127,127,583	43,489,146	4,825,841
Financial losses	60,5%	-	-	130,513,559	25,898,702
Aircrafts	147%	144,376,736	52,448,199	198,719,223	62,843,947
Water vehicles	67%	-	-	433,186,023	143,385,847
<b>Total</b>		<b>1,935,025,732</b>	<b>1,736,758,039</b>	<b>2,244,301,474</b>	<b>1,645,169,506</b>

### 2.27 Equalization provision

In accordance with the Communiqué on Technical Reserves put into effect starting from November 10, 2008, the companies should provide equalization provision in credit insurance and earthquake branches to equalize the fluctuations in future possible claims and for catastrophic risks. Equalization provision, started to be provided in 2008, is calculated as 12% of net premiums written in credit insurance and earthquake branches. In the calculation of net premiums, fees paid for un-proportional reinsurance agreements are considered as premiums ceded to the reinsurance firms. The companies should provide equalization provision up to reaching 150% of the highest premium amount written in a year within the last five years.

In the event of a loss occurrence, amounts attributable to reinsurers and amounts below the deductible limit specified in the contract cannot be deducted from equalization provisions. If there are claims paid due to the provided coverage, they are deducted from the equalization provisions according to the first in, first out method starting from the reserves allocated in the first year. The expense impact of the earthquake centred in Kahramanmaraş and affecting 11 provinces on February 6, 2024, has been compensated for with Equalization Reserves, and as of December 31, 2024, an amount of TRY 127,636,838 has been deducted from the equalization reserve (December 31, 2023: TRY 258,889,026). Equalization reserves are presented within long-term liabilities as "other technical provisions" in the accompanying consolidated financial statements. As of the end of the reporting period, an equalization reserve of TRY 1,062,027,735 (December 31, 2023: TRY 593,112,491) has been allocated in the accompanying consolidated financial statements.



## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### 2.28 Related parties

Parties are considered related to the Company if;

(a) directly, or indirectly through one or more intermediaries, the party:

- controls, is controlled by, or is under common control with the Company (this includes parent, subsidiaries and fellow subsidiaries);
- has an interest in the Company that gives it significant influence over the Company; or
- has joint control over the Company;

(b) the party is an associate of the Company;

(c) the party is a joint venture in which the Company is a venturer;

(d) the party is member of the key management personnel of the Company and its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled or significantly influenced by, or for which significant voting power in such entity resides with directly or indirectly, any individual referred to in (d) or

(g) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

A number of transactions are entered into with related parties in the normal course of business.

### 2.29 Earnings per share

Earnings per share are determined by dividing the net income by the weighted average number of shares outstanding during the year attributable to the shareholders of the Company. In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("Bonus Shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus shares issued are regarded as issued shares. Accordingly, the weighted average number of shares used in these calculations has been determined taking into account the retrospective effects of such stock distributions.

### 2.30 Events after the reporting date

Events after the reporting date that provide additional information about the Company's position at the reporting dates (adjusting events) are reflected in the consolidated financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

### 2.31 The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of December 31, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2023 and thereafter. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

#### i) Standards, amendments, and interpretations applicable as of 31 December 2024:

- **Amendment to IAS 1 - Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **T Amendment to IFRS 16 - Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

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- **IFRS S1, 'General requirements for disclosure of sustainability-related financial information';** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.
- **IFRS S2, 'Climate-related disclosures';** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

However, in the Board Decision of the KGK published in the Official Gazette dated 29 December 2023, it was announced that certain enterprises will be subject to mandatory sustainability reporting as of 1 January 2024. Within the scope of the "Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)" dated January 5, 2024, businesses that fall within the scope of sustainability application are counted for the purpose of determining the businesses that will be subject to sustainability reporting. On the other hand, in accordance with the "Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)" dated 16 December 2024, a change has been made in the scope of the business that will be subject to sustainability reporting.

### ii) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:

- **IFRS 17, 'Insurance Contracts' ("IFRS 17");** effective for annual reporting periods beginning on or after January 1, 2023. This standard replaces IFRS 4, which currently allows a wide range of applications. IFRS 17 will fundamentally change the accounting of all entities that issue insurance contracts and investment contracts with discretionary participation features.

As a result of the legislative changes published by SEDDK in the Official Gazette dated December 29, 2023 and numbered 32414, the application date of TFRS 17 standard in the statutory financial statements of insurance companies was initially determined as January 1, 2025; however, as a result of the legislative changes published by SEDDK in the Official Gazette dated December 27, 2024 and numbered 32765, the application date of TFRS 17 standard in the statutory financial statements of insurance companies was determined as January 1, 2026.

- **Amendments to IAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:
  - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
  - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- **Annual improvements to IFRS - Volume 11;** Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.



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- **IFRS 18 Presentation and Disclosure in Financial Statements**; effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
  - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**; effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
  - it does not have public accountability; and
  - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Company has evaluated the effects of the above-mentioned standards and amendments on the financial statements and has reached the conclusion that the amendments do not have a significant effect other than the effects of TFRS 17. The Company has established the necessary accounting policies within the scope of TFRS 17 and the analysis and evaluations regarding the effects of TFRS 17 on the financial statements are ongoing.

### 3 Critical accounting estimates and judgments in applying accounting policies

The notes given in this section are provided in addition to the commentary on the management of insurance risk note 4.1 - Management of insurance risk and note 4.2 - Financial risk management.

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas at estimation uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amount recognised in the consolidated financial statements are described in the following notes:

Not 4.1 - *Management of insurance risk*

Not 4.2 - *Financial risk management*

Not 10 - *Reinsurance assets and liabilities*

Not 11 - *Financial assets*

Not 12 - *Loans and receivables*

Not 17 - *Insurance contract liabilities and reinsurance assets*

Not 17 - *Deferred commissions*

Not 19 - *Trade and other payables, deferred income*

Not 21 - *Deferred tax*

Not 23 - *Other liabilities and provisions*

## **CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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### **4 Management of insurance and financial risk**

#### **4.1 Management of insurance risk**

Insurance risk is defined as coverage for exposures that exhibit a possibility of financial loss due to applying inappropriate and insufficient insurance techniques. Main reasons of insurance risk exposure result from the risk selection and inaccurate calculation of insurance coverage, policy terms and fee or inaccurate calculation of coverage portion kept within the Company and coverage portion transfers to policyholders and transfer conditions.

#### **Objective of managing risks arising from insurance contracts and policies used to minimize such risks**

Potential risks that may be exposed in transactions are managed based on the requirements set out in the Company's "Risk Management Policies" issued by the approval of the Board of Directors. The main objective of risk management policies is to determine the risk measurement, assessment, and control procedures and maintain consistency between the Company's asset quality and limitations allowed by the insurance standards together with the Company's risk tolerance of the accepted risk level assumed in return for a specific consideration. In this respect, instruments that are related to risk transfer, such as; insurance risk selection, risk quality follow-up by providing accurate and complete information, effective monitoring of level of claims by using risk portfolio claim frequency, treaties, facultative reinsurance contracts and coinsurance agreements, and risk management instruments, such as; risk limitations, are used in achieving the related objective.

Risk tolerance is determined by the Board of Directors, taking into account the Company's long-term strategies, equity resources, expected returns, and general economic expectations, and is expressed in terms of risk limits. Authorization limits in the insurance process include the authority to accept risks granted to agents, regional directorates, technical directorates, coordinators, assistant general managers, and the Executive Board for risks, special risks that cannot be accepted or could be accepted with prior approval, coverage scopes, and geographical regions during the policy issuance stage, and the authority to pay claims granted to the claims management department, motor claims department, non-motor claims department, health claims department, legal and subrogation processes department, treaty transactions department, claims coordinator, and the Claims Board consisting of the general manager and assistant general managers.

In any case, risk acceptance is based on technical income expectations under the precautionary principle. In determining insurance coverage, policy terms and fee, these expectations are based accordingly

It is essential that all the authorized personnel in charge of executing policy issuance transactions, which is the initial phase of insurance process, should ensure to gather or provide all the accurate and complete information to issue policies in order to obtain evidence on the acceptable risks that the Company can tolerate from the related insurance transactions. On the other hand, decision to be made on risk acceptance will be possible by transferring the coverage to the reinsurers and/or co-insurers and considering the terms of the insurance policy.

In order to avoid destructive losses over company's financial structure, company transfers the exceeding portion of risks assumed over the Company's risk tolerance and equity resources through treaties, facultative reinsurance contracts and coinsurance agreements to reinsurance and coinsurance companies. Insurance coverage and policy terms of reinsurance are determined by assessing the nature of each insurance branch.

#### **Sensitivity to insurance risk**

Insurance risks are generally not of a nature that can cause irreparable losses in a normal activity period, except for earthquakes and other catastrophic risks. Therefore, a high degree of sensitivity in terms of insurance risk is relevant for earthquakes and other catastrophic risks.

The case of potential claims' arising from earthquake and other catastrophic risks exceeding the maximum limit of the excess of loss agreements, such risks are treated as the primary insurance risks and are managed based on the precautionary principle. Maximum limit of excess of loss agreements is determined based on the worst case scenario on the possibility of an earthquake that Istanbul might be exposed to in terms of its severity and any potential losses incurred in accordance with the generally accepted international earthquake models. The total amount of protection for catastrophic risks of the Company is identified taking into the compensation amount for an earthquake will occur in 1000 years.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Insurance risk concentration

The Company's gross and net insurance risk concentrations (net of reinsurer share) in terms of insurance branches are summarized as below:

<b>Total claims liability (*) December 31, 2024</b>	<b>Gross total claims liability</b>	<b>Reinsurance share of total claims liability</b>	<b>Net total claims liability</b>
Motor vehicles liability (MTPL)	12,191,657,646	(2,324,769,094)	9,866,888,552
Fire and natural disasters	6,607,250,187	(4,164,003,216)	2,443,246,971
General liability	3,836,241,518	(1,191,690,166)	2,644,551,352
Motor vehicles	1,660,343,972	(27,690,900)	1,632,653,072
General losses	1,609,821,183	(1,008,961,799)	600,859,384
Water vehicles	1,453,219,361	(897,162,695)	556,056,666
Marine	1,062,706,250	(694,616,269)	368,089,981
Health	284,273,184	(7,945,805)	276,327,379
Aircrafts	633,296,138	(452,349,254)	180,946,884
Breach of trust	257,478,716	(109,982,705)	147,496,011
Accident	163,047,095	(22,508,515)	140,538,580
Financial losses	306,426,759	(210,073,249)	96,353,510
Aircrafts liability	194,350,078	(128,691,817)	65,658,261
Credit	35,788,999	(5,219,351)	30,569,648
Legal protection	3,019,793	-	3,019,793
<b>Total</b>	<b>30,298,920,879</b>	<b>(11,245,664,835)</b>	<b>19,053,256,044</b>

<b>Total claims liability (*) December 31, 2023</b>	<b>Gross total claims liability</b>	<b>Reinsurance share of total claims liability</b>	<b>Net total claims liability</b>
Motor vehicles liability (MTPL)	10,616,002,863	(2,584,459,581)	8,031,543,282
Fire and natural disasters	8,136,221,045	(6,124,151,376)	2,012,069,669
General liability	2,842,352,997	(837,218,961)	2,005,134,036
Motor vehicles	1,445,627,339	(13,515,333)	1,432,112,006
General losses	808,674,696	(283,487,419)	525,187,277
Water vehicles	1,226,070,086	(774,485,168)	451,584,918
Marine	678,646,738	(377,620,159)	301,026,579
Aircrafts	481,353,187	(357,034,091)	124,319,096
Health	110,049,257	(4,467,346)	105,581,911
Accident	113,161,368	(18,746,680)	94,414,688
Aircrafts liability	156,722,888	(69,226,516)	87,496,372
Financial losses	1,126,893,698	(1,051,100,557)	75,793,141
Credit	31,715,920	(5,478,132)	26,237,788
Breach of trust	24,945,159	(7,258,530)	17,686,629
Legal protection	1,572,859	-	1,572,859
<b>Total</b>	<b>27,800,010,100</b>	<b>(12,508,249,849)</b>	<b>15,291,760,251</b>

(\*) Total claims liability includes outstanding claims reserve (excluding contingent amounts deducted from claims reserve determined by winning probability) and incurred but not reported claims.

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**CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

Gross and net insurance risk concentrations of the insurance contracts (net of reinsurer share) based on geographical regions are summarized as below:

<b>Total claims liability (*) December 31, 2024</b>	<b>Gross total claims liability</b>	<b>Reinsurance share of total claims liability</b>	<b>Net total claims liability</b>
Turkey	19,894,390,543	10,155,759,760	9,738,630,783
Europe	336,535,158	162,761,013	173,774,145
America	210,367,882	115,277,144	95,090,738
Asia	1,195,815,917	994,711,692	201,104,225
Australia	279,018	117,885	161,133
Africa	166,432,335	127,129,522	39,302,813
<b>Total</b>	<b>21,803,820,853</b>	<b>11,555,757,016</b>	<b>10,248,063,837</b>

<b>Total claims liability (*) December 31, 2024</b>	<b>Gross total claims liability</b>	<b>Reinsurance share of total claims liability</b>	<b>Net total claims liability</b>
Marmara Region	8,757,929,024	4,751,625,959	4,006,303,065
Middle Anatolian Region	3,569,740,359	2,038,051,946	1,531,688,413
Aegean Region	2,436,898,958	1,069,553,564	1,367,345,394
Mediterranean Region	2,544,784,527	1,451,327,170	1,093,457,357
Black Sea Region	1,333,017,427	495,813,866	837,203,561
East Anatolian Region	507,328,813	153,905,774	353,423,039
South East Anatolian Region	744,691,435	195,481,481	549,209,954
<b>Total</b>	<b>19,894,390,543</b>	<b>10,155,759,760</b>	<b>9,738,630,783</b>

(\*) Total claims liability includes estimated compensation indemnity for realized claims, Gross incurred but not reported claims amounting to TRY (22,318,924,143) discount of outstanding claim reserves amounting to TRY 25,501,886,117, amounting to TRY 1,748,422,280 Risky Insured Pool and TKU (Medical Malpractice) Pool IBNR and discount, outstanding claims of treaty activities which could not be distributed to geographical regions amounting to TRY 3,568,732,547 are excluded from the table.

<b>Total claims liability (*) December 31, 2023</b>	<b>Gross total claims liability</b>	<b>Reinsurance share of total claims liability</b>	<b>Net total claims liability</b>
Turkey	18,294,506,547	11,070,361,578	7,224,144,969
Europe	390,515,247	199,746,721	190,768,526
America	162,633,136	105,703,063	56,930,073
Asia	305,458,059	238,774,546	66,683,513
Australia	5,524	-	5,524
Africa	97,034,732	60,455,206	36,579,526
<b>Total</b>	<b>19,250,153,245</b>	<b>11,675,041,114</b>	<b>7,575,112,131</b>

<b>Total claims liability (*) December 31, 2023</b>	<b>Gross total claims liability</b>	<b>Reinsurance share of total claims liability</b>	<b>Net total claims liability</b>
Marmara Region	6,022,036,216	2,985,750,168	3,036,286,048
Middle Anatolian Region	2,983,046,660	1,838,929,748	1,144,116,912
Aegean Region	1,811,254,821	748,257,187	1,062,997,634
Mediterranean Region	5,469,931,060	4,790,959,982	678,971,078
Black Sea Region	837,887,626	260,676,565	577,211,061
East Anatolian Region	436,225,362	156,770,104	279,455,258
South East Anatolian Region	734,124,802	289,017,824	445,106,978
<b>Total</b>	<b>18,294,506,547</b>	<b>11,070,361,578</b>	<b>7,224,144,969</b>

(\*) The gross total claims liability includes estimated claim amounts that have actually occurred. The gross realized but unreported claims and compensation amount totalling TRY 17,995,198,539, the TRY (13,970,367,622) discounted provision for outstanding claims, TRY 1,600,752,044 for the Pool for Risky Policyholders and Medical Malpractice Pool Incurred But Not Reported (IBNR) and discount amounts, excluding treaty transactions amounting to TRY 2,924,273,894 that could not be distributed based on the geographic region where the claims occurred.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Given insurance collateral amounts in respect to branches

	December 31, 2024	December 31, 2023
Motor vehicles liability (MTPL)	24,605,246,326,190	15,695,160,876,221
Motor vehicles	11,209,629,866,473	8,495,175,908,204
Fire and natural disasters	3,013,059,213,050	1,497,148,063,715
General losses	1,667,927,373,205	912,301,239,939
Marine	538,627,291,220	309,582,460,893
Accident	450,683,150,951	336,546,465,562
General liability	247,545,907,329	189,084,898,038
Water vehicles	183,222,802,756	79,932,973,016
Health	104,422,006,363	211,908,703,313
Financial losses	68,289,449,879	26,229,675,471
Aircrafts liability	57,428,166,034	41,488,209,950
Legal protection	11,052,363,739	15,255,639,329
Breach of trust	6,212,781,412	71,345,682
Aircrafts	6,356,395,285	4,146,448,588
<b>Total (*)</b>	<b>42,169,703,093,886</b>	<b>27,814,032,907,921</b>

(\*) Net amount which deducted share of reinsurance and social security

### 4.2 Management of financial risk

#### Introduction and overview

This note presents information about the Company's exposure to each of the below risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Duties and responsibilities of the Risk Management and Internal Control Department include design and implementation of risk management system and identification and implementation of risk management policies. It is also responsible for ensuring that the Company implements all necessary risk management techniques. Activities of the Risk Management and Internal Control Department are managed directly by General Manager. The Board of Directors monitors the effectiveness of the risk management system through the internal audit department.

Risk management policies and guidelines are set by the Board of Directors and applied by the top management. These policies include organisation and scope of the risk management function, risk measurement and assessment methods, duties and responsibilities of the Board of Directors, top management and all of the employees, procedures followed in the case of limit extension and compulsory approval and confirmation processes for certain situations.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Credit risk

Credit risk is most simply defined as the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The balance sheet items that the Company is exposed to credit risks are as follows:

- Cash at banks
- Other cash and cash equivalents
- Available for sale financial assets (except equity-shares)
- Financial assets held for trading (except equity-shares)
- Held to maturity financial asset
- Premium receivables from policyholders
- Receivables from intermediaries (agencies)
- Receivables from reinsurance companies related to commissions and claims paid
- Reinsurance shares of insurance liability
- Receivables from related parties
- Other receivables

Reinsurance contracts are the most common method to manage insurance risk. The contract does not, however, discharge the Company's liability as the primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalization of the reinsurance contract.

Net book value of the assets that is exposed to credit risk is shown in the table below.

	December 31, 2024	December 31, 2023
Cash and cash equivalents (Note 14)	24,337,438,962	11,302,757,914
Financial assets (Note 11) <sup>(*)</sup>	31,919,956,936	21,562,180,817
Receivables from main operations (Note 12)	17,209,414,819	14,425,369,273
Reinsurer share in provision for outstanding claims (Note 10), (Note 17)	11,245,664,835	12,508,249,849
Other receivables (Note 12)	181,334,104	98,028,035
Other miscellaneous current assets (Note 12)	129,403,312	105,497,214
Income accruals (Note 12)	20,414,619	43,567,096
<b>Total</b>	<b>85,043,627,587</b>	<b>60,045,650,198</b>

<sup>(\*)</sup> Equity shares amounting to TRY 5,577,814,060 are not included (December 31, 2023: TRY 2,607,307,312).

As of December 31, 2024 and 2023, the aging of the receivables from main operations are as follows:

	December 31, 2024		December 31, 2023	
	Gross Amount	Provision	Gross Amount	Provision
Not past due	15,764,175,997	-	11,215,640,552	-
Past due 0-30 days	1,346,016,245	(27,859,547)	3,149,524,249	(15,197,891)
Past due 31-60 days	144,651,806	(20,847,644)	60,755,039	(15,936,262)
Past due 61-90 days	24,310,323	(21,032,361)	46,581,447	(15,997,861)
More than 90 days <sup>(*)</sup>	1,792,611,369	(1,792,611,369)	1,134,483,549	(1,134,483,549)
<b>Total</b>	<b>19,071,765,740</b>	<b>(1,862,350,921)</b>	<b>15,606,984,836</b>	<b>(1,181,615,563)</b>

<sup>(\*)</sup> As per the February 3, 2005 dated and B.02.1.HM.O.SGM.0.3.1/01/05 numbered Circular issued by the T.C. Ministry of Treasury and Finance, in case where subrogation is subject to claim/legal action, related subrogation amount is recognized as doubtful receivables and allowance for doubtful receivables is provided by the same amount in the consolidated financial statements. Related amounts are presented in "More than 90 days" line in the above table.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The movements of the allowances for receivables from main operations during the period are as follows:

	December 31, 2024	December 31, 2023
Provision for receivables from insurance operations at the beginning of the period	1,181,615,563	800,186,362
Provision for receivables provided for subrogation - salvage receivables during the period (Note 47)	482,959,557	284,504,881
Provision for losses provided during the period (Note 47)	139,238,829	1,524,940
Provision for receivables provided for subrogation during the period	59,550,536	98,121,610
Collections during the period	(1,013,564)	(2,722,230)
<b>Provision for receivables from insurance operations at the end of the period</b>	<b>1,862,350,921</b>	<b>1,181,615,563</b>

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial instruments.

#### Management of the liquidity risk

The Company considers the maturity match between asset and liabilities for the purpose of avoiding liquidity risk and ensure that it will always have sufficient liquidity to meet its liabilities when due.

Maturity distribution of monetary assets and liabilities:

December 31, 2024	Net book value	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Unallocated
Cash and cash equivalents	37,497,770,996	148,766,800	338,277,261	3,197,309,942	7,698,273,094	-	26,115,143,899
Financial assets	24,337,623,292	11,770,262,378	12,097,629,362	228,000,418	-	-	241,731,134
Receivables from main operations	17,209,414,819	1,187,262,338	5,791,903,642	4,580,814,881	5,649,433,958	-	-
Other receivables	181,334,104	41,088,953	24,458,107	38,395,794	76,791,589	480,322	119,339
Work advances	129,403,312	-	-	-	-	-	129,403,312
Income accruals	20,414,619	-	19,945,058	-	-	-	469,561
<b>Total monetary assets</b>	<b>79,375,961,146</b>	<b>13,147,380,469</b>	<b>18,272,213,430</b>	<b>8,044,521,035</b>	<b>13,424,498,641</b>	<b>480,322</b>	<b>26,486,867,245</b>
Insurance technical provisions (*)	19,053,256,044	2,133,185,457	4,266,370,914	5,070,668,031	7,583,031,642	-	-
Payables arising from main operations	8,311,620,000	-	1,518,692,603	780,162,782	6,012,764,615	-	-
Provisions for taxes and other similar obligations	1,783,361,466	865,461,345	917,900,121	-	-	-	-
Expense accruals	1,684,998,570	2,890,420	181,514,536	-	1,494,556,000	-	6,037,614
Other liabilities	972,579,165	575,801,049	350,634,931	-	46,143,185	-	-
Financial liabilities	208,444,793	-	-	-	48,081,177	160,363,616	-
Provisions for other risks and expense accruals	191,205,849	-	-	-	-	191,205,849	-
<b>Total monetary liabilities</b>	<b>32,205,465,885</b>	<b>3,577,338,271</b>	<b>7,235,113,105</b>	<b>5,850,830,813</b>	<b>15,184,576,619</b>	<b>351,569,465</b>	<b>6,037,614</b>

(\*) Provision for outstanding claims is presented as short-term liabilities in the accompanying consolidated financial statements whereas maturity distribution is presented according to projected payment dated in the above table.

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

December 31, 2023	Net book value	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Unallocated
Financial assets	24,169,488,129	155,324,962	736,672,928	1,842,158,440	8,716,096,159	-	12,719,235,640
Receivables from main operations	14,425,369,273	872,830,481	4,201,430,158	3,646,633,211	5,704,475,423	-	-
Cash and cash equivalents	11,302,917,518	5,146,252,734	5,310,528,267	33,716,798	-	-	812,419,719
Other receivables	98,028,035	21,919,897	13,975,567	20,562,892	41,125,785	324,555	119,339
Income accruals	43,567,096	4,937,974	18,926,377	-	19,233,184	-	469,561
<b>Total monetary assets</b>	<b>50,039,370,044</b>	<b>6,201,266,048</b>	<b>10,281,533,297</b>	<b>5,543,071,341</b>	<b>14,480,930,551</b>	<b>324,555</b>	<b>13,532,244,259</b>
Insurance technical provisions <sup>(*)</sup>	15,291,760,251	1,767,921,158	3,535,842,317	4,245,871,412	5,742,125,364	-	-
Payables arising from main operations	5,215,154,669	-	415,822,131	473,813,389	4,325,519,149	-	-
Provisions for taxes and other similar obligations	784,810,314	556,453,141	228,357,173	-	-	-	-
Other liabilities	658,804,066	378,789,544	242,936,125	-	37,078,397	-	-
Expense accruals	470,000,174	-	149,093,210	-	315,617,104	-	5,289,860
Provisions for other risks and expense accruals	137,249,863	-	-	-	-	137,249,863	-
Financial liabilities	114,448,918	-	-	-	19,138,720	95,310,198	-
<b>Total monetary liabilities</b>	<b>22,672,228,255</b>	<b>2,703,163,843</b>	<b>4,572,050,956</b>	<b>4,719,684,801</b>	<b>10,439,478,734</b>	<b>232,560,061</b>	<b>5,289,860</b>

<sup>(\*)</sup> Provision for outstanding claims is presented as short-term liabilities in the accompanying consolidated financial statements whereas maturity distribution is presented according to projected payment dated in the above table.

**Market risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and credit spreads will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

**Foreign currency risk**

The Company is exposed to currency risk through insurance and reinsurance transactions in foreign currencies.

Foreign exchange gains and losses arising from foreign currency transactions are recorded at transaction dates. At the end of the periods, foreign currency assets and liabilities evaluated by the Central Bank of the Republic of Turkey's spot purchase rates and the differences arising from foreign currency rates are recorded as foreign exchange gain or loss in the statement of income.



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# CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The Company's exposure to foreign currency risk is as follows:

December 31, 2024	US Dollar	Euro	Other currencies	Total
Financial assets	6,690,452,685	452,049,300	-	7,142,501,985
Receivables from main operations	4,300,891,681	1,731,362,673	852,942,350	6,885,196,704
Cash and cash equivalents	468,491,686	64,376,362	3,087,519	535,955,567
<b>Total foreign currency assets</b>	<b>11,459,836,052</b>	<b>2,247,788,335</b>	<b>856,029,869</b>	<b>14,563,654,256</b>
Insurance technical provisions	3,208,395,379	1,510,015,018	901,153,806	5,619,564,203
Payables arising from main operations	2,094,718,392	4,450,295,887	68,748,480	6,613,762,759
<b>Total foreign currency liabilities</b>	<b>5,303,113,771</b>	<b>5,960,310,905</b>	<b>969,902,286</b>	<b>12,233,326,962</b>
<b>Net financial position</b>	<b>6,156,722,281</b>	<b>(3,712,522,570)</b>	<b>(113,872,417)</b>	<b>2,330,327,294</b>
December 31, 2023	US Dollar	Euro	Other currencies	Total
Receivables from main operations	3,248,902,341	2,026,314,647	660,573,920	5,935,790,908
Financial assets	6,456,169,579	628,062,160	-	7,084,231,739
Cash and cash equivalents	272,113,495	61,389,868	41,387,369	374,890,732
<b>Total foreign currency assets</b>	<b>9,977,185,415</b>	<b>2,715,766,675</b>	<b>701,961,289</b>	<b>13,394,913,379</b>
Insurance technical provisions	2,685,744,805	658,571,697	848,151,401	4,192,467,903
Payables arising from main operations	1,436,361,872	2,193,129,118	105,813,867	3,735,304,857
Financial liabilities	2,237,303,200	-	-	2,237,303,200
<b>Total foreign currency liabilities</b>	<b>6,359,409,877</b>	<b>2,851,700,815</b>	<b>953,965,268</b>	<b>10,165,075,960</b>
<b>Net financial position</b>	<b>3,617,775,538</b>	<b>(135,934,140)</b>	<b>(252,003,979)</b>	<b>3,229,837,419</b>

TRY equivalents of the related monetary amounts denominated in foreign currencies are presented in the above table.

If technical provision denominated in any currency not specified, it is evaluated are evaluated by the Central Bank of the Republic of Turkey's spot sales rates as of December 31, 2024 and Foreign currency transactions are recorded at the foreign exchange rates ruling at the dates of the transactions and foreign currency denominated monetary items are evaluated by the Central Bank of the Republic of Turkey's spot purchase rates as of December 31, 2024.

### Exposure to currency risk

Foreign currency rates used for the translation of foreign currency denominated assets and liabilities as of December 31, 2024 and 2023 are as follows:

	US Dollar	Euro
December 31, 2024	35.2803	36.7362
December 31, 2023	29.4382	32.5739

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A 10 percent depreciation of the TRY against the following currencies as of December 31, 2024 and 2023 would have increased or decreased equity and profit or loss (excluding tax effects) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. In case of a 10 percent appreciation of the TRY against the following currencies, the effect will be in opposite direction.

	December 31, 2024		December 31, 2024	
	Profit or loss	Equity <sup>(*)</sup>	Profit or loss	Equity <sup>(*)</sup>
US Dollar	615,672,228	615,672,228	361,777,554	361,777,554
Euro	(371,252,257)	(371,252,257)	(13,593,414)	(13,593,414)
Other	(11,387,242)	(11,387,242)	(25,200,398)	(25,200,398)
<b>Total, net</b>	<b>233,032,729</b>	<b>233,032,729</b>	<b>322,983,742</b>	<b>322,983,742</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of 10% depreciation of TRY against related currencies.

**Exposure to interest rate risk**

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instrument because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for repricing bands.

As of reporting date, the interest rate profile of the Company's interest earning financial assets and interest bearing financial liabilities are detailed as below:

	December 31, 2024	December 31, 2023
<i>Financial assets/(liabilities) with fixed interest rates:</i>		
Available for sale financial assets - Other (Note 11)	-	93,498
Cash in banks (Note 14) <sup>(*)</sup>	17,784,397,608	7,038,132,280
Other-financial liabilities (Note 20)	(208,444,793)	(114,448,918)
Available for sale financial assets - Government bonds (Note 11)	6,719,311,370	6,432,314,086
Available for sale financial assets - Private debt securities (Note 11)	235,943,528	41,946,440
Held to maturity investments - Government bonds (Note 11)	336,954,882	329,439,781
Cash deposited to insurance and reinsurance companies (Note 12)	1,258,995,926	1,042,927,392
<i>Financial assets with variable interest rates:</i>		
Available for sale financial assets - Government bonds (Note 11)	2,945,188,166	2,334,986,132
Available for sale financial assets - Private debt securities (Note 11)	43,822,189	72,181,668

<sup>(\*)</sup> Demand deposits amounting to 241,542,779 are not included (December 31, 2023: TRY 266,059,749).

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### Interest rate sensitivity of the financial instruments

The interest rate sensitivity of the income statement is the effect of changes in interest rates on net interest income for the period ended December 31, 2024 and 2023. This analysis assumes that the other variables remain constant. The table below does not include the effect of the change in interest rates on the income statement and equity, the related loss or tax effects on income.

December 31, 2024	Income Statement		Equity <sup>(*)</sup>	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Available for sale financial assets	(545,048)	558,922	-	-
<b>Total, net</b>	<b>(545,048)</b>	<b>558,922</b>	<b>-</b>	<b>-</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of assumed change in interest rates.

December 31, 2023	Income Statement		Equity <sup>(*)</sup>	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Available for sale financial assets	(981,071)	1,014,787	-	-
<b>Total, net</b>	<b>(981,071)</b>	<b>1,014,787</b>	<b>-</b>	<b>-</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of assumed change in interest rates.

### Fair value information

The estimated fair values of financial instruments have been determined using available market information, and where they exist, appropriate valuation methodologies.

The Company has classified its financial assets as held for trading, available for sale or held to maturity. As of the reporting date, available for sale financial assets and financial assets held for trading are measured at their fair values based on their quoted prices or fair value information obtained from brokers in the accompanying consolidated financial statements. Equity shares not traded in active markets are measured at cost less impairment losses if any. The Company has no held to maturity investment measured at amortised cost calculating the effective interest method.

Management estimates that the fair value of other financial assets and liabilities are not materially different than their net book value.

### Fair value sensitivity of the equity shares

Equity share price risk is the risk that the fair values of equity shares decrease as a result of the changes in the levels of equity shares indices and the value of equity shares.

The effect on income as a result of 10% change in the fair value of equity share instruments held as held for trading financial assets (traded at İstanbul Stock Exchange) due to a reasonably possible change in equity share indices, with all other variables held constant, is as follows (excluding tax effect):

	December 31, 2024		December 31, 2023	
	Profit or loss	Equity <sup>(*)</sup>	Profit or loss	Equity <sup>(*)</sup>
Financial assets held for trading	(412,037,673)	(412,037,673)	(174,249,197)	(174,249,197)
Available for sale financial assets	-	(145,743,733)	-	(118,226,435)
<b>Total, net</b>	<b>(412,037,673)</b>	<b>(557,781,406)</b>	<b>(174,249,197)</b>	<b>(292,475,632)</b>

<sup>(\*)</sup> Equity effect also includes profit or loss effect of assumed change in interest rates.

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### Classification of fair value measurements

IFRS 7 - *Financial instruments: Disclosures* requires the classification of fair value measurements into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value of financial instruments measured at fair value to be disclosed. This classification basically relies on whether the relevant inputs are observable or not. Observable inputs refer to the use of market data obtained from independent sources, whereas unobservable inputs refer to the use of predictions and assumptions about the market made by the Company. This distinction brings about a fair value measurement classification generally as follows:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Classification requires the utilization of observable market data, if available.

The classification of fair value measurements of financial assets and liabilities measured at fair value are as follows:

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
<i>Financial assets:</i>				
Financial assets held for trading (Note 11)	19,878,001,017	5,881,112,516	-	25,759,113,533
Available for sale financial assets <sup>(*)</sup> (Note 11)	11,400,988,829	-	-	11,400,988,829
Investment properties (Note 7)	-	-	633,515,000	633,515,000
Owner occupied property (Note 6)	-	-	115,622,500	115,622,500
<b>Total financial assets</b>	<b>31,278,989,846</b>	<b>5,881,112,516</b>	<b>749,137,500</b>	<b>37,909,239,862</b>

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
<i>Financial assets:</i>				
Financial assets held for trading (Note 11)	6,890,625,789	6,885,729,881	-	13,776,355,670
Available for sale financial assets <sup>(*)</sup> (Note 11)	10,062,978,925	-	-	10,062,978,925
Investment properties (Note 7)	-	-	382,446,000	382,446,000
Owner occupied property (Note 6)	-	-	80,104,000	80,104,000
<b>Total financial assets</b>	<b>16,953,604,714</b>	<b>6,885,729,881</b>	<b>462,550,000</b>	<b>24,301,884,595</b>

<sup>(\*)</sup> As of December 31, 2024, equity shares that are not publicly traded and the determination of fair values could not be obtained reliably amounting to TRY 713,752 have been measured at cost value (December 31, 2023: TRY 713,752).

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### Gains and losses from financial assets

<i>Gains and losses recognized in the consolidated statement of income:</i>	December 31, 2024	December 31, 2023
Income from investment funds as trading financial assets	6,996,558,517	2,926,628,867
Foreign exchange gains	5,702,840,557	9,443,037,135
Interest income from bank deposits	4,367,784,090	1,618,939,306
Income from debt securities classified as available-for-sale financial assets	2,188,566,203	911,446,548
Income from derivative transactions	1,254,381,594	1,182,313,766
Income from equity shares classified as trading financial assets	1,092,711,724	2,129,549,417
Income from investments in associates	861,160,423	570,763,040
Income from debt securities classified as held to maturity financial investments	16,081,663	24,641,815
Income from equity shares classified as available-for-sale financial assets	1,135,289	101,868
Other	18,158,829	1,952,318
<b>Investment income</b>	<b>22,499,378,889</b>	<b>18,809,374,080</b>
Foreign exchange losses	(3,842,464,798)	(5,043,064,496)
Loss from valuation of financial assets	(432,330,008)	(82,669,203)
Loss from derivative transactions	(318,542,502)	(569,619,977)
Loss from disposal of financial assets	(318,392,923)	(844,964,316)
Investment expenses - including interest	(58,817,345)	(214,151,319)
<b>Investment expenses</b>	<b>(4,970,547,576)</b>	<b>(6,754,469,311)</b>
<b>Financial gains and losses recognized in the consolidated statement of income, net</b>	<b>17,528,831,313</b>	<b>12,054,904,769</b>
<i>Financial gains and losses recognized in consolidated equity:</i>	December 31, 2024	December 31, 2023
Fair value changes in investments in associates (Note 15)	68,066,845	122,408,849
Net gains transferred from statement of equity to the statement of income on disposal of available for sale financial assets (Note 15)	824,385,299	(1,762,906,893)
Fair value changes in available-for-sale financial assets (Note 15)	(872,905,819)	2,727,345,034
<b>Gains and losses recognized in consolidated equity, net</b>	<b>19,546,325</b>	<b>1,086,846,990</b>

### Capital management

The Company's capital management policies include the following:

- To comply with the capital adequacy requirements determined by the relevant legislation
- To ensure the continuity of the Company's activities within the framework of the Company's continuity principle

In accordance with the "Communiqué on Measurement and Assessment of Capital Adequacy for Insurance, Reinsurance and Individual Pension Companies" issued by Undersecretariat of Treasury and Finance on January 19, 2008 dated and 26761 numbered; capital adequacy calculations are carried out twice a year in June and December, within the following two months. As of the reporting date, the Company measured its minimum capital requirement as TRY 13,059,476,744 in the calculation of the Company's last reporting period June 30, 2024. As of June 30, 2024, the capital amount of the Company presented in the consolidated financial statements is TRY 14,669,223,361 above the minimum capital requirement amounts calculated according to the communiqué.

## **CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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### **5 Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

#### **Business segment**

A business segment reporting of the Company is presented in accordance with TFRS 8 - *Operating Segments* standard in this section.

#### **Insurance on Fire and Natural Disaster**

Insurance on fire and natural disasters covers material damages occurred due to fire, lightening, explosion or smoke, steam and temperature resulted from fire, lightning and explosion up to insurance policy limits.

#### **Insurance on Motor Third Party Liability**

According to the Motorway Traffic Code numbered 2918, Motor Third Party Liability Insurance is covers vehicle owner's legal liability for all bodily damages to third persons and financial damages to other vehicles.

Damages caused by the trailer or semi-trailers (included light trailers) or the vehicles pulled is covered by the insurance of the trailer. However, the trailers used for transportation of people should be included in an additional liability insurance in order to obtain coverage.

In order to reduce and prevent the damage in the accident happened, reasonable and necessary expenses of the policyholder is compensated by the Company. This insurance also covers unfair claims against the policyholders.

#### **Insurance on Motor Vehicles**

Insurance on motor vehicles covers the following dangers related with vehicles. It is possible to widen policy scope for accessories or audio, display and communication devices which are not included in standard version of the vehicle by specifying on the insurance policy.

- Accident with the motorized or non-motorized vehicles which used in high-ways,
- Crash with fixed or moving items without desire of the driver or accidents due to crash, capsize, fall or tumble,
- The actions of third parties resulted from bad intention or mischief,
- Burn,
- Theft or attempted theft.

#### **Insurance on Health**

Insurance on health compensates treatment costs of illnesses or accidental injuries during the period of insurance and, if any, daily allowances in this general framework with special conditions up to the amount written in the policy. Geographical limits of the insurance are stated in the policy.

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### Geographical segment

The main geographical segment which the Company operates is Turkey. Hence, the Company has not disclosed report on geographical segments.

	Motor third party liability	Health	Motor vehicles	Fire and natural disasters	Other	Unallocated	Total
<b>January 1 - December 31, 2024</b>							
1- Earned Premiums (Net of Reinsurer Share)	8,538,839,938	8,491,054,062	13,287,098,179	4,713,699,595	6,107,752,448	-	41,138,444,222
1,1- Written Premiums (Net of Reinsurer Share)	10,590,292,287	12,317,591,877	14,618,976,745	6,904,194,496	7,836,943,072	-	52,267,998,477
1,2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)	(2,268,289,516)	(3,439,517,323)	(1,331,878,566)	(2,190,494,901)	(1,807,785,416)	-	(11,037,965,722)
1,3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	216,837,167	(387,020,492)	-	-	78,594,792	-	(91,588,533)
2- Other Technical Income (Net of Reinsurer Share)	2,637	1,934	37,739,988	2,380,787	2,339,870	-	42,465,216
3- Accrued Salvage and Subrogation Income	151,148,253	-	343,174,742	64,200,168	139,389,670	-	697,912,833
<b>Technical income <sup>(*)</sup></b>	<b>8,689,990,828</b>	<b>8,491,055,996</b>	<b>13,668,012,909</b>	<b>4,780,280,550</b>	<b>6,249,481,988</b>	<b>-</b>	<b>41,878,822,271</b>
1- Incurred Losses (Net of Reinsurer Share)	(8,423,575,396)	(8,157,063,736)	(7,505,176,144)	(2,261,668,680)	(3,421,528,395)	-	(29,769,012,351)
1,1- Claims Paid (Net of Reinsurer Share)	(6,588,230,124)	(7,986,318,269)	(7,304,635,077)	(1,830,491,378)	(2,297,841,710)	-	(26,007,516,558)
1,2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	(1,835,345,272)	(170,745,467)	(200,541,067)	(431,177,302)	(1,123,686,685)	-	(3,761,495,793)
2- Change in Bonus and Discount Provision	-	-	-	-	-	-	-
3- Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)	-	(2,253,528)	(44,712,912)	(375,275,502)	(46,673,301)	-	(468,915,243)
4- Operating Expenses	(2,549,714,888)	(2,436,490,888)	(3,331,469,513)	(1,946,743,843)	(1,710,887,716)	-	(11,975,306,848)
5- Other Technical Expenses	(371,703,332)	(190,643,635)	(789,616,806)	(179,427,247)	(67,891,496)	-	(1,599,282,516)
<b>Technical expense</b>	<b>(11,344,993,616)</b>	<b>(10,786,451,787)</b>	<b>(11,670,975,375)</b>	<b>(4,763,115,272)</b>	<b>(5,246,980,908)</b>	<b>-</b>	<b>(43,812,516,958)</b>
Investment Income						22,764,301,142	22,764,301,142
Investment Expense <sup>(*)</sup>						(5,145,468,949)	(5,145,468,949)
Other <sup>(**)</sup>						(982,454,027)	(982,454,027)
<b>Net income before tax</b>							<b>14,702,683,479</b>
<b>Income tax</b>						(3,163,836,096)	(3,163,836,096)
<b>Net income</b>							<b>11,538,847,383</b>

<sup>(\*)</sup> Investment income transferred to non-technical section from technical section amounting to TRY 16,926,488,234 is not included.

<sup>(\*\*)</sup> Deferred tax expense amounting TRY 94,959,490 is presented as income tax.

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	Motor third party liability	Health	Motor vehicles	Fire and natural disasters	Other	Unallocated	Total
<b>January 1 - December 31, 2023</b>							
1- Earned Premiums (Net of Reinsurer Share)	4,783,425,476	3,707,081,372	8,920,634,974	2,870,234,153	2,965,196,227	-	23,246,572,202
1,1- Written Premiums (Net of Reinsurer Share)	6,670,224,752	5,639,633,822	11,716,697,423	4,049,220,389	4,337,909,899	-	32,413,686,285
1,2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)	(1,224,639,035)	(1,963,749,743)	(2,796,062,449)	(1,178,986,236)	(1,156,427,381)	-	(8,319,864,844)
1,3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)	(662,160,241)	31,197,293	-	-	(216,286,291)	-	(847,249,239)
2- Other Technical Income (Net of Reinsurer Share)	4,637,449	112,079	20,774,732	2,113,993	3,588,679	-	31,226,932
3- Accrued Salvage and Subrogation Income	75,453,641	-	206,493,973	32,688,240	127,557,346	-	442,193,200
<b>Technical income (*)</b>	<b>4,863,516,566</b>	<b>3,707,193,451</b>	<b>9,147,903,679</b>	<b>2,905,036,386</b>	<b>3,096,342,252</b>	<b>-</b>	<b>23,719,992,334</b>
1- Incurred Losses (Net of Reinsurer Share)	(7,643,429,425)	(3,133,836,899)	(5,326,570,832)	(2,405,422,968)	(2,646,698,609)	-	(21,155,958,733)
1,1- Claims Paid (Net of Reinsurer Share)	(4,251,585,820)	(3,079,784,760)	(4,597,255,059)	(1,490,148,701)	(1,439,975,592)	-	(14,858,749,932)
1,2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	(3,391,843,605)	(54,052,139)	(729,315,773)	(915,274,267)	(1,206,723,017)	-	(6,297,208,801)
2- Change in Bonus and Discount Provision	-	-	-	-	-	-	-
3- Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)	-	(2,384,160)	(59,026,481)	(37,945,044)	19,178,601	-	(80,177,084)
4- Operating Expenses	(1,389,090,541)	(975,058,773)	(1,876,332,755)	(981,752,192)	(879,738,511)	-	(6,101,972,772)
5- Other Technical Expenses	(192,969,787)	(69,651,529)	(470,524,112)	(40,962,274)	(49,032,939)	-	(823,140,641)
<b>Technical expense</b>	<b>(9,225,489,753)</b>	<b>(4,180,931,361)</b>	<b>(7,732,454,180)</b>	<b>(3,466,082,478)</b>	<b>(3,556,291,458)</b>	<b>-</b>	<b>(28,161,249,230)</b>
Investment Income						18,954,515,484	18,954,515,484
Investment Expense (*)						(6,873,709,499)	(6,873,709,499)
Other (**)						(333,291,743)	(333,291,743)
<b>Net income before tax</b>							<b>7,306,257,346</b>
<b>Income tax</b>						(926,097,599)	(926,097,599)
<b>Net income</b>							<b>6,380,159,747</b>

(\*) Investment income transferred to non-technical section from technical section amounting to TRY 11,798,293,048 is not included.

(\*\*) Deferred tax income amounting TRY 738,388,265 is presented as income tax.



## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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### 6 Tangible assets

Movements in tangible assets in the period of January 1 - December 31, 2024 are presented below:

	January 1, 2024	Additions	Disposal	Valuation Differences	December 31, 2024
<b>Cost:</b>					
Investment properties (Note 7)	382,446,000	-	-	251,069,000	633,515,000
Buildings for own use	80,104,000	-	-	35,518,500	115,622,500
Machinery and equipment	188,791,920	92,143,408	-	-	280,935,328
Furniture and fixtures	23,458,824	10,123,723	-	-	33,582,547
Motor vehicles	8,702,534	14,365,096	-	-	23,067,630
Other tangible assets (including leasehold improvements)	44,763,190	8,428,485	-	-	53,191,675
Leased tangible assets	147,307,025	128,765,262	-	-	276,072,287
<b>Total</b>	<b>875,573,493</b>	<b>253,825,974</b>	<b>-</b>	<b>286,587,500</b>	<b>1,415,986,967</b>
<b>Accumulated depreciation:*</b>					
Buildings for own use	(133,509)	(1,670,933)	1,611,736	-	(192,706)
Machinery and equipment	(111,885,635)	(35,347,541)	-	-	(147,233,176)
Furniture and fixtures	(17,189,145)	(2,184,040)	-	-	(19,373,185)
Motor vehicles	(5,786,698)	(1,394,481)	-	-	(7,181,179)
Other tangible assets (including leasehold improvements)	(31,660,415)	(3,694,360)	-	-	(35,354,775)
Leased tangible assets	(54,399,384)	(45,528,043)	-	-	(99,927,427)
<b>Total</b>	<b>(221,054,786)</b>	<b>(89,819,398)</b>	<b>1,611,736</b>	<b>-</b>	<b>(309,262,448)</b>
<b>Net book value</b>	<b>654,518,707</b>				<b>1,106,724,519</b>

The Company's property for own use is valued over fair value as of 2024 and 2023 year-end and subjected to valuation in this context. Expertise reports regarding this property are prepared by CMB licenced Property Valuation Company in December 2024. There is no any pledge over Company's property for own use.

As of December 31, 2024 and 2023, property for own use's fair value (except VAT) and net book value is as following:

Landings and buildings for own use	Expertise date	Expertise value	Net Book Value (December 31, 2023)	Net Book Value (December 31, 2024)
İzmir Regional Office	December 2024	62,260,000	39,693,733	62,156,233
Adana Regional Office	December 2024	28,325,000	18,748,700	28,277,791
Lefkoşe Kıbrıs Branch	December 2024	20,145,000	17,235,226	20,111,425
Adana Office	December 2024	855,000	623,958	853,575
Others	December 2024	4,037,500	3,668,875	4,030,770
<b>Total</b>		<b>115,622,500</b>	<b>79,970,492</b>	<b>115,429,794</b>

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ****CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

**Fair value measurement**

Fair value of landings and buildings for own use is determined by equivalence value method.

Movements in tangible assets in the period of January 1 - December 31, 2023 are presented below:

	January 1, 2023	Additions	Disposal	Valuation Differences	December 31, 2023
<b>Cost:</b>					
Investment properties (Note 7)	244,385,000	-	-	138,061,000	382,446,000
Buildings for own use	58,465,000	-	-	21,639,000	80,104,000
Machinery and equipment	138,654,988	50,146,939	(10,007)	-	188,791,920
Furniture and fixtures	19,551,052	3,907,772	-	-	23,458,824
Motor vehicles	8,702,534	-	-	-	8,702,534
Other tangible assets (including leasehold improvements)	36,384,889	8,378,301	-	-	44,763,190
Leased tangible assets	98,988,793	48,318,232	-	-	147,307,025
<b>Total</b>	<b>605,132,256</b>	<b>110,751,244</b>	<b>(10,007)</b>	<b>159,700,000</b>	<b>875,573,493</b>
<b>Accumulated depreciation:*</b>					
Buildings for own use	(19,180)	(518,887)	404,558	-	(133,509)
Machinery and equipment	(91,342,147)	(20,543,488)	-	-	(111,885,635)
Furniture and fixtures	(15,607,848)	(1,581,297)	-	-	(17,189,145)
Motor vehicles	(4,085,486)	(1,701,212)	-	-	(5,786,698)
Other tangible assets (including leasehold improvements)	(28,658,896)	(3,001,519)	-	-	(31,660,415)
Leased tangible assets	(33,244,160)	(21,155,224)	-	-	(54,399,384)
<b>Total</b>	<b>(172,957,717)</b>	<b>(48,501,627)</b>	<b>404,558</b>	<b>-</b>	<b>(221,054,786)</b>
<b>Net book value</b>	<b>432,174,539</b>				<b>654,518,707</b>

There is no any mortgage over tangible assets of the Company as of December 31, 2024 and 2023.

**7 Investment properties**

Additions and disposals for investment properties is given "6- Tangible Assets" note in table of current period movement of tangible assets.

Investment property is presented by fair value method as of December 31, 2024 and 2023 on balance sheet.

The Company's investment property expertise reports are prepared by independent professional valuation specialists authorized by Capital Markets Board. As of December 31, 2023, the Company has gained the rent income from investment properties amounting to TRY 13,853,253 TRY (December 31, 2023: TRY 7,080,404).

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The expertise (excluding VAT) and net book values of investment properties are as follows on the basis of real estate. Expertise reports regarding these properties are prepared by independent professional valuation specialists authorized by CMB in December 2023. There is no pledge on the real estates.

Investment land and buildings	Expertise date	Expertise value	Net book value December 31, 2023	Net book value December 31, 2024
Building/İzmir	December 2024	280,740,000	167,240,000	114,000,000
Land/Mersin	December 2024	220,250,000	119,710,000	220,250,000
Building/İzmir	December 2024	114,000,000	84,280,000	280,740,000
Building/Bursa	December 2024	13,500,000	7,360,000	13,500,000
Building/Adana	December 2024	5,025,000	3,856,000	5,025,000
<b>Total</b>		<b>633,515,000</b>	<b>382,446,000</b>	<b>633,515,000</b>

### Fair value measurement

Fair value of investment property is determined by equivalence value method.

### 8 Intangible assets

Movements in intangible assets in the period of January 1 - December 31, 2024 are presented below:

	January 1, 2024	Additions	Transfers	Disposal	December 31, 2024
<b>Cost:</b>					
Rights	142	-	-	-	142
Goodwill	16,250,000	-	-	-	16,250,000
Research And Development	18,657,453	59,875,727	(59,875,727)	-	18,657,453
Advances given for intangible assets	226,557,912	55,502,229	-	-	282,060,141
Other intangible assets	464,382,154	114,883,911	59,875,727	-	639,141,792
<b>Total</b>	<b>725,847,661</b>	<b>230,261,867</b>	<b>-</b>	<b>-</b>	<b>956,109,528</b>
<b>Accumulated amortization:</b>					
Other intangible assets	(379,806,512)	(85,101,976)	-	-	(464,908,488)
<b>Total</b>	<b>(379,806,512)</b>	<b>(85,101,976)</b>			<b>(464,908,488)</b>
<b>Net book value</b>	<b>346,041,149</b>				<b>491,201,040</b>

## ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

Movements in tangible assets in the period of January 1 - December 31, 2023 are presented below:

	January 1, 2023	Additions	Transfers	Disposal	December 31, 2023
<b>Cost:</b>					
Rights	142	-	-	-	142
Goodwill	16,250,000	-	-	-	16,250,000
Research And Development	896,749	18,937,015	(1,176,311)	-	18,657,453
Advances given for intangible assets	154,671,670	71,886,242	-	-	226,557,912
Other intangible assets	415,754,935	47,450,908	1,176,311	-	464,382,154
<b>Total</b>	<b>587,573,496</b>	<b>138,274,165</b>	<b>-</b>	<b>-</b>	<b>725,847,661</b>
<b>Accumulated amortization:</b>					
Other intangible assets	(307,881,996)	(71,924,516)	-	-	(379,806,512)
<b>Total</b>	<b>(307,881,996)</b>	<b>(71,924,516)</b>	<b>-</b>	<b>-</b>	<b>(379,806,512)</b>
<b>Net book value</b>	<b>279,691,500</b>				<b>346,041,149</b>

## 9 Investments in associates

	December 31, 2024		December 31, 2023	
	Net book value	Participation rate	Net book value	Participation rate
Anadolu Hayat Emeklilik A.Ş. <sup>(*)</sup>	2,014,305,113	20,00%	1,289,891,512	20,0%
<b>Subsidiaries, net</b>	<b>2,014,305,113</b>		<b>1,289,891,512</b>	
<b>Total financial assets (Note 4.2)</b>	<b>2,014,305,113</b>		<b>1,289,891,512</b>	

Name	Total assets	Shareholders' equity	Retained earnings	Profit for the period	Audited or not	Period
Anadolu Hayat Emeklilik A.Ş. (consolidated)	260,339,161,440	10,071,525,906	186,293,195	4,305,802,455	Audited	December, 31, 2023

<sup>(\*)</sup> It is accounted for using the equity method in the consolidated financial statements.

The Company has obtained income amounting to TRY 861,160,423 from associates through equity accounted consolidation method, (December 31, 2023: TRY 570,763,040)

## 10 Reinsurance assets and liabilities

As of December 31, 2024 and 2023, reinsurance assets and liabilities of the Company in accordance with existing reinsurance contracts are as follows:

Reinsurance assets	December 31, 2024	December 31, 2023
Provision for outstanding claims, ceded (Note 4.2), (Note 17)	11,245,664,835	12,508,249,849
Reserve for unearned premiums, ceded (Note 17)	6,574,405,493	5,372,679,050
Cash deposited to reinsurance companies (Note 12)	1,258,995,926	1,042,927,392
Reserve for unexpired risks, ceded	198,267,693	599,131,968
Reinsurers share in the provision for subrogation and salvage receivables	33,127,579	14,475,565
<b>Total</b>	<b>19,310,461,526</b>	<b>19,537,463,824</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

There is no impairment losses recognised for reinsurance assets.

Reinsurance liabilities	December 31, 2024	December 31, 2023
Payables to the reinsurers related to premiums written (Note 19)	4,989,223,574	3,459,293,851
Deferred commission income (Note 19)	988,240,822	776,083,577
Commission payables to the reinsurers related to written premiums (Note 23)	-	35,383,333
Cash deposited by reinsurance companies (Note 19)	389,788,163	152,612,753
<b>Total</b>	<b>6,367,252,559</b>	<b>4,423,373,514</b>

Gains and losses recognized in the statement of income in accordance with existing reinsurance contracts are as follows:

	December 31, 2024	December 31, 2023
Premiums ceded during the period (Note 17)	(16,419,753,108)	(11,235,091,484)
Reserve for unearned premiums, ceded at the beginning of the period (Note 17)	(5,372,679,050)	(2,782,909,399)
Reserve for unearned premiums, ceded at the end of the period (Note 17)	6,574,405,493	5,372,679,050
<b>Premiums earned, ceded (Note 17)</b>	<b>(15,218,026,665)</b>	<b>(8,645,321,833)</b>
Claims paid, ceded during the period (Note 17)	8,621,263,090	13,227,080,703
Provision for outstanding claims, ceded at the beginning of the period (Note 17)	(12,508,249,849)	(4,948,152,615)
Provision for outstanding claims, ceded at the end of the period (Note 17)	11,245,664,835	12,508,249,849
<b>Claims incurred, ceded (Note 17)</b>	<b>7,358,678,076</b>	<b>20,787,177,937</b>
Commission income accrued from reinsurers during the period	2,138,103,019	1,514,712,276
Deferred commission income at the beginning of the period	776,083,577	402,700,486
Deferred commission income at the end of the period	(988,240,822)	(776,083,577)
<b>Commission income earned from reinsurers (Note 32)</b>	<b>1,925,945,774</b>	<b>1,141,329,185</b>
<b>Commission debt accrued to reinsurers</b>	<b>-</b>	<b>35,383,333</b>
<b>Total, net</b>	<b>(5,933,402,815)</b>	<b>13,318,568,622</b>

### 11 Financial assets

As of December 31, 2024 and 2023, financial assets of the Company are as follows:

	December 31, 2024	December 31, 2023
Available for sale financial assets	11,401,702,581	10,063,692,677
Held to maturity financials assets	336,954,882	329,439,782
Financial assets held for trading	25,759,113,533	13,776,355,670
<b>Total</b>	<b>37,497,770,996</b>	<b>24,169,488,129</b>

## ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024 and 2023, the details of the Company's available for sale financial assets are as follows:

	December 31, 2024			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Government bonds - TRY	2,052,177,748	2,340,820,164	4,507,339,420	4,507,339,420
Private sector bonds - TRY	56,400,000	56,400,000	58,484,045	58,484,045
Bonds issued by İş Faktoring A.Ş. (Note 45)	14,400,000	14,400,000	14,661,852	14,661,852
Other	42,000,000	42,000,000	43,822,193	43,822,193
Government bonds - EUR	73,472,400	74,372,437	76,991,310	76,991,310
Government bonds - USD	4,767,920,863	4,563,075,815	5,080,168,806	5,080,168,806
Private sector bonds - USD	176,401,500	176,597,234	183,178,560	183,178,560
Private sector bonds and - EUR	36,736,200	36,773,108	38,103,112	38,103,112
<b>Total</b>	<b>7,163,108,711</b>	<b>7,248,038,758</b>	<b>9,944,265,253</b>	<b>9,944,265,253</b>
<b>Other non-fixed income financial assets:</b>				
Equity shares	73,097,556	74,591,345	1,457,437,328	1,457,437,328
<b>Total</b>	<b>73,097,556</b>	<b>74,591,345</b>	<b>1,457,437,328</b>	<b>1,457,437,328</b>
<b>Total available for sale financial assets (Note 4.2)</b>	<b>7,236,206,267</b>	<b>7,322,630,103</b>	<b>11,401,702,581</b>	<b>11,401,702,581</b>
	December 31, 2023			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Government bonds - TRY	661,348,162	1,427,291,699	2,395,746,214	2,395,746,214
Private sector bonds - TRY	98,500,000	96,767,220	114,128,110	114,128,110
Bonds issued by Türkiye İş Bankası A.Ş. (Note 45)	10,000,000	10,000,000	10,242,835	10,242,835
Other	88,500,000	86,767,220	103,885,275	103,885,275
Government bonds - EUR	325,739,000	325,739,000	328,522,993	328,522,993
Government bonds - USD	5,668,766,983	5,341,602,704	6,043,031,008	6,043,031,008
<b>Total</b>	<b>6,754,354,145</b>	<b>7,191,400,623</b>	<b>8,881,428,325</b>	<b>8,881,428,325</b>
<b>Other non-fixed income financial assets:</b>				
Equity shares	73,097,556	74,591,345	1,182,264,352	1,182,264,352
<b>Total</b>	<b>73,097,556</b>	<b>74,591,345</b>	<b>1,182,264,352</b>	<b>1,182,264,352</b>
<b>Total available for sale financial assets (Note 4.2)</b>	<b>6,827,451,701</b>	<b>7,265,991,968</b>	<b>10,063,692,677</b>	<b>10,063,692,677</b>

# CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024 and 2023, financial assets held for trading of the Company are as follows:

	December 31, 2024			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Reverse repurchases	-	-	-	-
<b>Total</b>				
<b>Other non-fixed income financial assets:</b>				
Investment funds	8,898,826,685	13,428,675,912	20,254,415,067	20,254,415,067
Issued by İş Portföy Yönetimi A.Ş. (Note 45)	3,612,817,029	7,576,757,873	12,170,503,636	12,170,503,636
Issued by Maxis Girişim Sermayesi Portföy Yönetimi (Note 45)	234,655,708	344,829,803	454,721,414	454,721,414
Other	5,051,353,948	5,507,088,236	7,629,190,017	7,629,190,017
Equity shares	92,258,883	4,301,091,299	4,120,376,735	4,120,376,735
Derivatives	90,610	230,259,174	235,256,132	235,256,132
FX-protected deposits	1,072,589,705	1,072,589,705	1,149,065,599	1,149,065,599
<b>Total</b>	<b>10,063,765,883</b>	<b>19,032,616,090</b>	<b>25,759,113,533</b>	<b>25,759,113,533</b>
<b>Total financial assets held for trading (Note 4.2)</b>	<b>10,063,765,883</b>	<b>19,032,616,090</b>	<b>25,759,113,533</b>	<b>25,759,113,533</b>
	December 31, 2023			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Reverse repurchases		93,172	93,498	93,498
<b>Total</b>		<b>93,172</b>	<b>93,498</b>	<b>93,498</b>
<b>Other non-fixed income financial assets:</b>				
Investment funds	9,648,284,070	7,943,861,696	9,602,831,063	9,602,831,063
Issued by İş Portföy Yönetimi A.Ş. (Note 45)	4,087,235,431	5,455,761,089	6,586,598,907	6,586,598,907
Issued by Maxis Girişim Sermayesi Portföy Yönetimi (Note 45)	101,209,694	119,830,206	152,761,591	152,761,591
Other	5,459,838,945	2,368,270,401	2,863,470,565	2,863,470,565
Equity shares	53,403,206	1,375,426,903	1,425,042,958	1,425,042,958
Derivatives	20,061,000	117,644,053	118,720,901	118,720,901
<b>Other</b>	<b>2,120,718,459</b>	<b>2,381,380,212</b>	<b>2,629,667,250</b>	<b>2,629,667,250</b>
<b>Total</b>	<b>11,842,466,735</b>	<b>11,818,312,864</b>	<b>13,776,262,172</b>	<b>13,776,262,172</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024, and 2023, financial assets held to maturity of the Company are as follows:

	December 31, 2024			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Government bonds - EUR	325,445,996	326,271,969	338,277,261	336,954,882
<b>Total held to maturity financial assets</b>	<b>325,445,996</b>	<b>326,271,969</b>	<b>338,277,261</b>	<b>336,954,882</b>
	December 31, 2023			
	Nominal value	Cost	Fair value	Net book value
<b>Debt instruments:</b>				
Government bonds - EUR	29,438,200	27,819,099	30,371,400	29,900,615
Government bonds - USD	288,572,180	290,038,963	300,728,500	299,539,167
<b>Total held to maturity financial assets</b>	<b>318,010,380</b>	<b>317,858,062</b>	<b>331,099,900</b>	<b>329,439,782</b>

As of December 31, 2024, equity shares classified as available for sale financial assets with a net book value of TRY 713,752 are not publicly traded (December 31, 2023: TRY 713,752).

There is no debt security issued during the period or issued before and paid during the period by the Company.

There is no financial asset that is overdue but not impaired among the Company's financial investments portfolio. Value increases in financial assets including equity shares classified as available for sale financial assets for the last 3 years (including tax effects):

Year	Change in value increase/(decrease)	Total increase/(decrease)
2024	19,546,325	2,032,513,284
2023	1,086,846,990	2,012,966,959
2022	901,292,520	926,119,969



## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

Movements of the financial assets during the period are presented below:

	December 31, 2024			
	Trading	Available for sale	Held to maturity	Total
<b>Balance at the beginning of the period</b>	<b>13,776,355,670</b>	<b>10,063,692,677</b>	<b>329,439,782</b>	<b>24,169,488,129</b>
Acquisitions during the period	65,135,476,730	11,229,418,469	-	76,364,895,199
Disposals (sale and redemption)	(59,521,428,120)	(12,785,270,397)	(49,794,036)	(72,356,492,553)
Change in the fair value of financial assets (Note 15)	5,946,477,299	(1,219,110,494)	-	4,727,366,805
Change in the amortized costs of financial assets	422,231,954	4,112,972,326	57,309,136	4,592,513,416
<b>Balance at the end of the period</b>	<b>25,759,113,533</b>	<b>11,401,702,581</b>	<b>336,954,882</b>	<b>37,497,770,996</b>

	December 31, 2023			
	Trading	Available for sale	Held to maturity	Total
Acquisitions during the period	2,365,503,900	7,341,058,220	379,792,253	10,086,354,373
Disposals (sale and redemption)	67,346,845,910	2,497,628,943	-	69,844,474,853
Change in the fair value of financial assets (Note 15)	(61,306,187,757)	(4,260,527,148)	(261,560,121)	(65,828,275,026)
Change in the amortized costs of financial assets	5,370,193,617	2,863,902,782	-	8,234,096,399
Acquisitions during the period	-	1,621,629,880	211,207,650	1,832,837,530
<b>Balance at the end of the period</b>	<b>13,776,355,670</b>	<b>10,063,692,677</b>	<b>329,439,782</b>	<b>24,169,488,129</b>

### 12 Loans and receivables

	December 31, 2024	December 31, 2023
Receivables from main operations (Note 4,2)	17,209,414,819	14,425,369,273
Other receivables (Note 4,2) (*)	181,334,104	98,028,035
Income accruals (Note 4,2),	20,414,619	43,567,096
Other current assets (Note 4,2)	129,403,312	105,497,214
<b>Total</b>	<b>17,540,566,854</b>	<b>14,672,461,618</b>

Short-term receivables	17,540,086,532	14,672,137,063
Long and medium-term receivables	480,322	324,555
<b>Total</b>	<b>17,540,566,854</b>	<b>14,672,461,618</b>

(\*) As of December 31, 2024, other receivables amounting to TRY 181,334,104 (December 31, 2023: TRY 98,028,035) comprise of receivables from DASK and TARSİM amounting to TRY 30,795,299 (December 31, 2023: TRY 15,332,573) and other miscellaneous receivables amounting to TRY 150,538,805 (December 31, 2023: TRY 82,695,462).

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024 and 2023 the details of the receivables from main operations are as follows:

	December 31, 2024	December 31, 2023
Receivables from agencies, brokers and intermediaries	9,729,119,692	8,202,425,696
Long term receivable which is bank guarantee and three months credit card	2,488,815,298	1,598,638,932
Salvage and subrogation receivables	723,408,965	449,617,028
Receivables from insurance and reinsurance companies	706,208,454	1,248,087,878
Receivables from policyholders	99,262,922	181,714,908
<b>Total receivables from insurance operations, net</b>	<b>13,746,815,331</b>	<b>11,680,484,442</b>
Receivables from reinsurance operations	2,419,965,690	1,858,769,031
Cash deposited to insurance and reinsurance companies (Note 4,2), (Note 10)	1,258,995,926	1,042,927,392
Provisions for receivables from insurance operations - subrogation receivables	(216,362,128)	(156,811,592)
Doubtful receivables from insurance operations - subrogation receivables	1,469,513,028	986,553,472
Provisions for doubtful receivables from insurance operations - subrogation receivables (Note 4,2)	(1,469,513,028)	(986,553,472)
Doubtful receivables from main operations - premium receivables	176,475,765	38,250,499
Provisions for doubtful receivables from main operations - premium receivables (Note 4,2)	(176,475,765)	(38,250,499)
<b>Receivables from main operations</b>	<b>17,209,414,819</b>	<b>14,425,369,273</b>

As of December 31, 2024 and 2023, the details of mortgages and other guarantees for the Company's receivables are presented below:

	December 31, 2024	December 31, 2023
Letters of guarantees	331,150,182	244,510,302
Mortgages notes	684,095,541	409,683,801
Other guarantees	761,727,962	302,647,538
Government bonds and treasury bills	230,000	230,000
<b>Total</b>	<b>1,777,203,685</b>	<b>957,071,641</b>

### Provisions for overdue receivables and receivables not due yet

- a) Receivables under legal or administrative follow up (due): TRY 176,475,765 (December 31, 2023: TRY 38,250,499).  
b) Provision for subrogation receivables under legal or administrative follow up: TRY 1,685,875,156 (December 31, 2023: TRY 1,143,365,064).

The Company's receivables from and payables to shareholders, associates and subsidiaries are detailed in note 45 - *Related party transactions*.

The details of the receivables and payables denominated in foreign currencies and foreign currency rates used for the translation are presented in Note 4.2- *Financial risk management*.

### 13 Derivative financial instruments

The company holds derivative financial assets classified as trading as of December 31, 2024, amounting to TRY 235,256,132 (December 31, 2023: 118,720,901).

The company has no increase in value under the income accruals account due to forward foreign exchange contracts as of December 31, 2024 (December 31, 2023: TRY 6,219,723).

In addition, the company has FX-protected deposits amounting to TRY 1,149,065,599.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 14 Cash and cash equivalents

As of December 31, 2024 and 2023, the details of the cash and cash equivalents are as follows:

	December 31, 2024		December 31, 2023	
	At the end of the period	At the beginning of the period	At the end of the period	At the beginning of the period
Cash on hand	188,356	162,771	162,771	154,985
Bank deposits	18,025,940,387	7,850,389,227	7,850,389,227	7,466,091,175
Cheques given and payment orders	(4,026)	(3,167)	(3,167)	(14,481)
Bank guaranteed credit card receivables with maturities less than three months	6,311,498,575	3,452,368,687	3,452,368,687	1,787,066,011
<b>Cash and cash equivalents in the balance sheet</b>	<b>24,337,623,292</b>	<b>11,302,917,518</b>	<b>11,302,917,518</b>	<b>9,253,297,690</b>
Bank deposits - blocked <sup>(*)</sup> (Note 17)	(4,291,084,005)	(1,734,548,631)	(1,734,548,631)	(1,465,822,315)
Time deposits with maturities longer than 3 months	(1,377,071,442)	(481,838,426)	(481,838,426)	-
Interest accruals on banks deposits	(262,044,890)	(74,349,169)	(74,349,169)	(13,543,966)
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>18,407,422,955</b>	<b>9,012,181,292</b>	<b>9,012,181,292</b>	<b>7,773,931,409</b>

<sup>(\*)</sup> Bank deposits in cash and cash equivalents have been kept in favour of the T,C, Private Pension Regulation and Supervision Agency as a guarantee for the insurance activities amounting is TRY 4,291,084,005, (December 31, 2023: TRY 1,363,261,798).

As of December 31, 2024, and 2023, the details of the bank deposits are as follows:

	December 31, 2024	December 31, 2023
Foreign currency denominated bank deposits		
- time deposits	318,414,658	9,261,091
- demand deposits	217,361,029	365,471,726
Bank deposits in Turkish Lira		
- time deposits	17,465,982,951	7,028,871,189
- demand deposits	24,181,749	446,785,221
<b>Bank deposits</b>	<b>18,025,940,387</b>	<b>7,850,389,227</b>

### 15 Equity

#### Paid in capital

The shareholder having direct or indirect control over the shares of the Company is İş Bankası Group.

The Company does not increase its share capital in the current period.

As of December 31, 2024 the issued share capital of the Company is TRY 500,000,000 (December 31, 2023: TRY 500,000,000) and the Company unregistered Group 150 A shares which each of value is TRY 1.5 as of April 11, 2013 in which approved in Main Article of the Company dated on April 11, 2013. The share capital of the Company consists of 50,000,000,000 (December 31, 2023: 50,000,000,000 shares) issued shares with TRY 0,01 nominal value each.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Other capital reserves

In accordance with tax legislation, 75% of profits from sales of participation shares and 50% real estates included in the assets of companies is exempt from corporate tax provided that it is classified under a special fund for full five years. The exempt gains cannot be transferred to another account other than a capital increase or cannot be withdrawn from the entity for five years. As of December 31, 2024, the tax exempt which obtained thanks to sale of participation shares and real estate in 2010, 2011, 2013, 2014, 2015, 2016 years respectively, amounting to TRY 8,081,516, TRY 80,025, TRY 647,763, TRY 920,272, TRY 2,541,500, TRY 15,094 and real estate revaluation funds of 2018, 2019, 2020, 2021 and 2022, 2023 the profit not subject to distribution for 2018, 2019, 2020, 2021 and 2022, 2023 are classified as other capital reserves.

	December 31, 2024	December 31, 2023
<b>Other capital reserves at the beginning of the period</b>	<b>186,643,635</b>	<b>85,143,987</b>
Transfer from profit	23,143,190	76,723,849
Use property revaluation fund (Note 6)	31,113,332	24,775,799
<b>Other capital reserves at the end of the period</b>	<b>240,900,157</b>	<b>186,643,635</b>

### Legal reserves

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the entity's share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the entity's share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital but may be used to absorb losses in the event that the general reserve is exhausted.

The movement of legal reserves are presented below:

	December 31, 2024	December 31, 2023
<b>Legal reserves at the beginning of the period</b>	<b>192,633,559</b>	<b>182,393,041</b>
Transfer from profit	20,291,003	10,240,518
<b>Legal reserves at the end of the period</b>	<b>212,924,562</b>	<b>192,633,559</b>

### Extraordinary reserves

The movement of extraordinary reserves are presented below:

	December 31, 2024	December 31, 2023
<b>Extraordinary reserves at the beginning of the period</b>	<b>1,932,838,657</b>	<b>1,258,324,268</b>
Transfer from profit	5,330,459,840	674,514,389
<b>Extraordinary reserves at the end of the period</b>	<b>7,263,298,497</b>	<b>1,932,838,657</b>

### Statutory reserves

The movement of statutory reserves are presented below:

	December 31, 2024	December 31, 2023
<b>Statutory reserves at the beginning of the period</b>	<b>316,566,248</b>	<b>211,278,527</b>
Transfer from profit	674,844,666	105,287,721
<b>Statutory reserves at the end of the period</b>	<b>991,410,914</b>	<b>316,566,248</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### Special reserves

The movement of special funds are presented below:

	December 31, 2024	December 31, 2023
<b>Special reserves at the beginning of the period</b>	<b>165,509,750</b>	<b>115,844,641</b>
Venture capital investment fund	251,728,836	49,665,109
Other	51,050	-
<b>Special funds at the end of the period</b>	<b>417,289,636</b>	<b>165,509,750</b>

### Valuation of financial assets

The movements of valuation differences related available for sale financial assets and associates are presented below:

	December 31, 2024	December 31, 2023
<b>Valuation difference at the beginning of the period</b>	<b>2,012,966,959</b>	<b>926,119,969</b>
Change in the fair value during the period	(1,019,110,494)	2,863,902,782
Net gains transferred to the statement of income	68,066,845	122,408,849
Recognized in consolidated income statement during the period	824,385,299	(1,762,906,893)
Deferred tax effect	146,204,675	(136,557,748)
<b>Valuation difference at the end of the period</b>	<b>2,032,513,284</b>	<b>2,012,966,959</b>

### Other profit reserves

In accordance with the July 4, 2007 dated and 2007/3 numbered Compliance Circular issued by the T.C. Ministry of Treasury and Finance, it was stated that the companies would not further provide earthquake provision for the year 2007. However, it was also stated that earthquake provisions provided in previous periods (earthquake provision in the financial statements as of December 31, 2006) should be transferred to the reserve accounts under equity in accordance with the 5<sup>th</sup> Temporary Article of the Insurance Law. The companies had to transfer total amount of provisions, including earthquake provisions reserved as of December 31, 2006 and related gains obtained from investment of these amounts to the account called as "549.01 - transferred earthquake provisions" which would be opened as of September 1, 2007 within Uniform Chart of Account and the reserves amount should not be subject to dividend distribution or should not be transferred to other accounts.

Accordingly, the Company initially transferred total provisions amounting to TRY 96,036,157 including earthquake provisions reserved as of December 31, 2006 and related gains obtained from investment of this amount to the reserve accounts under equity, TRY 51,846,111 of this amount is used for capital increase in 2010. As of December 31, 2024, accordance with TAS 19, to add the amount of actuarial loss and net profit of TRY (10,756,737) defined remeasure net profit debt, and TRY 33,404,496 for consolidation process the amount of new balance is TRY (123,629,729), (December, 31 2023: TRY 3,725,974).

### Non-distributable profit for the period

In accordance with tax legislation, 75% of profits from sales of participation shares and 50% of real estates included in the assets of companies is exempt from corporate tax provided that it is classified under a special fund for full five years. The exempt gains cannot be transferred to another account other than a capital increase or cannot be withdrawn from the entity for five years.

### 16 Other reserves and equity component of discretionary participation feature

As of December 31, 2024, and 2023, change in fair values of available-for-sale financial assets which is presented as "valuation of financial assets" and earthquake provisions provided in the previous years presented under "other profit reserves" are explained in detail in Note 15 - *Equity* above. As of December 31, 2024, and 2023, the Company does not hold any insurance or investment contracts which contain a discretionary participation feature.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 17 Insurance contract liabilities and reinsurance assets

Estimation of the ultimate payment for the outstanding claims is one of the most important accounting assumptions of the Company. Estimation of the insurance contract liabilities contains several ambiguities by nature. The Company makes calculation of the related insurance technical provisions accordance with the Insurance Legislation and reflects them into consolidated financial statements as mentioned in Note 2 - *Summary of significant accounting policy*.

As of December 31, 2024 and 2023, technical reserves of the Company are as follows:

	December 31, 2024	December 31, 2023
Reserve for unearned premiums, gross	36,603,651,090	24,160,350,877
Reserve for unearned premiums, ceded	(6,574,405,493)	(5,372,679,050)
Reserve for unearned premiums, SSI share	(546,873,219)	(343,265,170)
<b>Reserves for unearned premiums, net</b>	<b>29,482,372,378</b>	<b>18,444,406,657</b>
Provision for outstanding claims, gross	30,298,920,879	27,800,010,100
Provision for outstanding claims, ceded	(11,245,664,835)	(12,508,249,849)
<b>Provision for outstanding claims, net</b>	<b>19,053,256,044</b>	<b>15,291,760,251</b>
Gross of reserve for unexpired risk	1,935,025,732	2,244,301,474
Reinsurer's share of the reserve for unexpired risk	(198,267,693)	(599,131,968)
<b>Provision unexpired risk reserve, net</b>	<b>1,736,758,039</b>	<b>1,645,169,506</b>
Equalization provision, net	1,062,027,735	593,112,491
General provision, net <sup>(*)</sup>	7,702,760	7,702,760
<b>Other technical provisions, net</b>	<b>1,069,730,495</b>	<b>600,815,251</b>
<b>Total technical provisions, net</b>	<b>51,342,116,956</b>	<b>35,982,151,665</b>
Short-term	50,269,775,250	35,377,705,520
Medium and long-term	1,072,341,706	604,446,145
<b>Total technical provisions, net</b>	<b>51,342,116,956</b>	<b>35,982,151,665</b>

<sup>(\*)</sup> It contains a provision which has been reflected in the prior consolidated financial statements amounting TRY 7,702,760 due to the possible impact of adverse developments that may occur by company's management.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024 and 2023, the movements of the insurance liabilities and related reinsurance assets are presented below:

Reserve for unearned premiums	December 31, 2024			
	Gross	Ceded	SSI share	Net
Reserve for unearned premiums at the beginning of the period	24,160,350,877	(5,372,679,050)	(343,265,170)	18,444,406,657
Premiums written during the period	69,589,122,185	(16,419,753,108)	(901,370,600)	52,267,998,477
Premiums earned during the period	(57,145,821,972)	15,218,026,665	697,762,551	(41,230,032,756)
<b>Reserve for unearned premiums at the end of the period</b>	<b>36,603,651,090</b>	<b>(6,574,405,493)</b>	<b>(546,873,219)</b>	<b>29,482,372,378</b>

Reserve for unearned premiums	December 31, 2023			
	Gross	Ceded	SSI share	Net
Reserve for unearned premiums at the beginning of the period	13,172,473,698	(2,782,909,399)	(265,022,486)	10,124,541,813
Premiums written during the period	44,228,418,367	(11,235,091,484)	(579,640,598)	32,413,686,285
Premiums earned during the period	(33,240,541,188)	8,645,321,833	501,397,914	(24,093,821,441)
<b>Reserve for unearned premiums at the end of the period</b>	<b>24,160,350,877</b>	<b>(5,372,679,050)</b>	<b>(343,265,170)</b>	<b>18,444,406,657</b>

Provision for outstanding claims	December 31, 2024		
	Gross	Ceded	Net
Provision for outstanding claims at the beginning of the period	27,800,010,100	(12,508,249,849)	15,291,760,251
Claims reported during the period and changes in the estimations of provisions for outstanding claims provided at the beginning of the period	37,127,690,427	(7,358,678,076)	29,769,012,351
Claims paid during the period	(34,628,779,648)	8,621,263,090	(26,007,516,558)
<b>Provision for outstanding claims at the end of the period</b>	<b>30,298,920,879</b>	<b>(11,245,664,835)</b>	<b>19,053,256,044</b>

Provision for outstanding claims	December 31, 2023		
	Gross	Ceded	Net
Provision for outstanding claims at the beginning of the period	13,942,704,065	(4,948,152,615)	8,994,551,450
Claims reported during the period and changes in the estimations of provisions for outstanding claims provided at the beginning of the period	41,943,136,670	(20,787,177,937)	21,155,958,733
Claims paid during the period	(28,085,830,635)	13,227,080,703	(14,858,749,932)
<b>Provision for outstanding claims at the end of the period</b>	<b>27,800,010,100</b>	<b>(12,508,249,849)</b>	<b>15,291,760,251</b>

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Reserve for unexpired risk	December 31, 2024		
	Gross	Ceded	Net
Reserve for unexpired risk at the beginning of the period	2,244,301,474	(599,131,968)	1,645,169,506
Change in the reserve during the current period	(309,275,742)	400,864,275	91,588,533
<b>Reserve for unexpired risk at the end of the period</b>	<b>1,935,025,732</b>	<b>(198,267,693)</b>	<b>1,736,758,039</b>

Reserve for unexpired risk	December 31, 2023		
	Gross	Ceded	Net
Reserve for unexpired risk at the beginning of the period	926,032,086	(128,111,819)	797,920,267
Change in the reserve during the current period	1,318,269,388	(471,020,149)	847,249,239
<b>Reserve for unexpired risk at the end of the period</b>	<b>2,244,301,474</b>	<b>(599,131,968)</b>	<b>1,645,169,506</b>

Equalization provision	December 31, 2024	December 31, 2023
Equalization provision at the beginning of the period	593,112,491	512,935,407
Provision deducted during the period	(127,636,838)	(258,889,026)
Provision added during the period	596,552,082	339,066,110
<b>Equalization provision at the end of the period</b>	<b>1,062,027,735</b>	<b>593,112,491</b>

### Claim development tables

The basic assumption used in the estimation of provisions for outstanding claims is the Company's past experience on claim developments. Judgment is used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. The sensitivity of certain assumptions like legislative change, uncertainty in the estimation process, etc., is not possible to quantify. Furthermore, because of delays that arise between occurrence of a claim and its subsequent notification and eventual settlement, the outstanding claim provisions are not known with certainty at the reporting date. Consequently, the ultimate liabilities will vary as a result of subsequent developments. Differences resulting from reassessment of the ultimate liabilities are recognized in subsequent financial statements.

Development of insurance liabilities enables to measure the performance of the Company in estimation of its ultimate claim losses. The amounts presented on the top of the below tables show the changes in estimations of the Company for the claims in subsequent years after claim years. The amounts presented on the below of the tables below give the reconciliation of total liabilities with provision for outstanding claims presented in the accompanying consolidated financial statements



## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

December 31, 2024						
Claim year	2019	2020	2021	2022	2023	Total
Claim year	3,497,611,108	5,125,555,248	10,580,040,144	33,185,638,925	34,997,157,237	87,386,002,662
1 year later	4,034,236,925	6,161,274,125	12,992,466,462	35,198,738,990	-	58,386,716,502
2 years later	4,294,257,071	6,762,222,372	13,846,616,270	-	-	24,903,095,713
3 years later	4,593,164,576	7,265,735,792	-	-	-	11,858,900,368
4 years later	5,332,400,356	-	-	-	-	5,332,400,356
Current estimate of cumulative claims	5,332,400,356	7,265,735,792	13,846,616,270	35,198,738,990	34,997,157,237	96,640,648,645
Cumulative payments to date	3,648,563,955	5,954,412,929	11,350,364,770	30,185,996,476	20,202,224,212	71,341,562,342
Provision recognized in the consolidated financial statements	1,683,836,401	1,311,322,863	2,496,251,500	5,012,742,514	14,794,933,026	25,299,086,304
Provision recognized in the consolidated financial statements before 2015						4,999,834,576
<b>Total gross outstanding claims presented in the consolidated financial statements at the end of the period</b>						<b>30,298,920,879</b>
December 31, 2023						
Claim year	2018	2019	2020	2021	2022	Total
Claim year	3,084,992,257	3,495,603,368	5,217,227,738	10,924,622,868	38,693,556,119	61,416,002,350
1 year later	3,263,577,298	4,011,075,019	6,241,608,392	13,376,826,698	-	26,893,087,407
2 years later	3,382,129,581	4,259,781,610	6,726,519,251	-	-	14,368,430,442
3 years later	3,504,278,805	4,541,680,778	-	-	-	8,045,959,583
4 years later	3,742,785,611	-	-	-	-	3,742,785,611
Current estimate of cumulative claims	3,742,785,611	4,541,680,778	6,726,519,251	13,376,826,698	38,693,556,119	67,081,368,457
Cumulative payments to date	3,017,796,412	3,422,653,430	5,548,562,331	10,306,549,987	20,697,020,766	42,992,582,926
Provision recognized in the consolidated financial statements	724,989,199	1,119,027,348	1,177,956,921	3,070,276,711	17,996,535,352	24,088,785,531
Provision recognized in the consolidated financial statements before 2015						3,711,224,569
<b>Total gross outstanding claims presented in the consolidated financial statements at the end of the period</b>						<b>27,800,010,100</b>

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**Total amount of guarantee that should be provided by the Company for life and non-life branches and guarantees placed for the life and non-life branches in respect of related assets**

	December 31, 2024		
	Amount be provided <sup>(*)</sup>	Provided	Net book value
<i>Non-life:</i>			
Financial Assets		2,479,382,243	2,479,382,243
Bank deposits (Note 14)		4,291,084,005	4,291,084,005
<b>Total</b>	<b>5,609,154,232</b>	<b>6,770,466,248</b>	<b>6,770,466,248</b>
	December 31, 2023		
	Amount be provided <sup>(*)</sup>	Provided	Net book value
<i>Non-life:</i>			
Financial Assets		2,631,289,711	2,631,289,711
Bank deposits (Note 14)		1,363,261,798	1,363,261,798
<b>Total</b>	<b>2,911,831,817</b>	<b>3,994,551,509</b>	<b>3,994,551,509</b>

<sup>(\*)</sup> According to the 7<sup>th</sup> article of the "Circular Related to the Financial Structure of Insurance, Reinsurance, and Private Pension Companies" which regulates necessary guarantee amount, minimum guarantee fund for capital adequacy calculation period will be provided as a guarantee in two months following the calculation period. According to "Regulations Regarding to Capital Adequacy Measurement and Assessment of Insurance, Reinsurance, and Private Pension Companies", companies must prepare their capital adequacy tables twice in a financial year at June and December periods and must sent capital adequacy tables to the Insurance and Private Pension Regulation and Supervisory Agency within two months.

**Company's number of life insurance policies, additions, disposals during the period and the related mathematical reserves**

None.

**Distribution of new life insurance policyholders in terms of numbers and gross and net premiums as individual or group during the period**

None.

**Distribution of mathematical reserves for life insurance policyholders who left the Company's portfolio as individual or group during the period**

None.

### Deferred commission expenses

The Company capitalizes commissions paid to the intermediaries related to policy production under short-term and long-term prepaid expenses. As of December 31, 2024, short-term prepaid expenses amounting to TRY 5,361,474,802 (December 31, 2023: TRY 3,226,734,435) consist of deferred commission expenses amounting to TRY 4,622,745,568 (December 31, 2023: TRY 3,042,926,735) and other prepaid expenses amounting to TRY 738,729,234 (December 31, 2023: TRY 183,807,700). Long-term prepaid expenses amounting TRY 99,400,742 (December 31, 2023: TRY 2,160,700) are composed of other prepaid expenses.

	December 31, 2024	December 31, 2023
Deferred commission expenses at the beginning of the period	3,042,926,735	1,680,470,721
Commissions accrued during the period (Note:32)	9,382,635,315	5,926,875,222
Commissions expensed during the period	(7,802,816,482)	(4,564,419,208)
<b>Deferred commission expenses at the end of the period <sup>(*)</sup></b>	<b>4,622,745,568</b>	<b>3,042,926,735</b>

<sup>(\*)</sup> Commission expenses that accounted in reinsurance commissions are included

### Individual pension funds

None.

### 18 Investment contract liabilities

None.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 19 Trade and other payables and deferred income

	December 31, 2024	December 31, 2023
Payables arising from main operations	8,311,620,000	5,215,154,669
Taxes and funds payable and other similar obligations	1,783,361,466	784,810,314
Deferred commission income (Note 10)	988,240,822	776,083,577
Other payables	972,579,165	658,804,066
Financial liabilities	208,444,793	114,448,918
Trade payables to related parties	11,125,055	1,866,445
<b>Total</b>	<b>12,275,371,301</b>	<b>7,551,167,989</b>
Short-term liabilities	12,115,007,685	7,455,857,791
Medium and long-term liabilities	160,363,616	95,310,198
<b>Total</b>	<b>12,275,371,301</b>	<b>7,551,167,989</b>

As of 31 December 2024, other payables amounting to TRY 604,129,408 (31 December 2023: TRY 427,923,728) consist of payables to TARSİM and DASK and outsourced benefits and services.

The detail of payables arising from main operations of the Company as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Payables to reinsurance companies (Note 10)	4,844,785,309	3,272,049,112
Payables to agencies, brokers and intermediaries	775,879,985	507,154,918
<b>Total payables arising from insurance operations</b>	<b>5,620,665,294</b>	<b>3,779,204,030</b>
<b>Payables arising from reinsurance activities to reinsurance companies</b>	<b>144,438,265</b>	<b>187,244,739</b>
Payables arising from other operating activities	2,156,728,278	1,096,093,147
Cash deposited by insurance and reinsurance companies (Note 10)	389,788,163	152,612,753
<b>Payables arising from main operations</b>	<b>8,311,620,000</b>	<b>5,215,154,669</b>

Corporate tax liabilities and prepaid taxes are disclosed below:

	December 31, 2024	December 31, 2023
Prepaid taxes	2,340,895,465	1,436,128,691
Provision of calculated corporate tax	(3,258,795,586)	(1,664,485,864)
<b>Corporate tax assets/(liabilities), net</b>	<b>(917,900,121)</b>	<b>(228,357,173)</b>

There are no investment incentives which will be benefited in current and future periods.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 20 Financial liabilities

The Company's total lease liability and the movement table of lease liabilities accounted for under the TFRS 16-Leases standard are as follows:

	December 31, 2024	December 31, 2023
Liabilities from operating leases (Note 34)	208,444,793	114,448,918
<i>Short Term</i>	48,081,177	19,138,720
<i>Long Term</i>	160,363,616	95,310,198
<b>Total</b>	<b>208,444,793</b>	<b>114,448,918</b>
	December 31, 2024	December 31, 2023
<b>Total lease liabilities as of January 1</b>	114,448,918	81,039,521
Lease payments	(74,838,743)	(38,942,001)
Additions	128,765,262	48,318,232
Other	40,069,356	24,033,166
<b>Total</b>	<b>208,444,793</b>	<b>114,448,918</b>

### 21 Deferred tax

As of December 31, 2024 and 2023, deferred tax assets and liabilities are attributable to the following:

	December 31, 2024	December 31, 2023
	Deferred tax assets/(liabilities)	Deferred tax assets/(liabilities)
Provisions for unexpired risk	521,027,412	493,550,852
Other provision	417,079,340	128,693,026
Equalization provision	69,073,625	78,127,626
Provisions for employee termination benefits and unused vacations	67,283,702	43,998,588
Provision for subrogation receivables	64,908,638	47,043,478
TAS adjustment differences in depreciation	39,378,867	34,560,335
Discount of receivables and payables	14,147,590	5,185,561
Real estate valuation	(98,577,321)	(41,611,651)
Valuation differences in financial assets	(284,602,198)	(82,035,789)
<b>Deferred tax assets/(liabilities), net</b>	<b>809,719,655</b>	<b>707,512,026</b>

The movement of deferred tax assets table:

	December 31, 2024	December 31, 2023
<b>Opening balance on 1 January</b>	<b>707,512,026</b>	<b>147,253,439</b>
Recognised in profit or loss (Note 35)	94,959,490	738,388,265
Recognised in equity	174,904,295	(109,592,594)
Cancellation corporate tax provision <sup>(*)</sup>	(167,656,156)	(68,537,084)
<b>Deferred tax asset</b>	<b>809,719,655</b>	<b>707,512,026</b>

<sup>(\*)</sup> Cancellation of corporate tax provision is included in deferred tax income.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 22 Retirement benefit obligations

According to the technical balance sheet reports prepared within the framework of Law No. 5754 published in the Official Gazette No. 26870 dated 8 May 2008 and using the specified rate of 9.80% technical interest, it was reported that there was no technical deficit for the Fund as of 31 December 2024 and 31 December 2023.

The Company's liability as of the balance sheet date regarding the benefits to be transferred to the Social Security Institution is the estimated payment amount that will need to be made during the transfer to the Social Security Institution, and the actuarial parameters and results used in measuring this amount reflect the provisions of Law No. 5754 published in the Official Gazette No. 26870 dated 8 May 2008 regarding the retirement and health benefits to be transferred to the Social Security Institution (9,80% real discount rate, etc.).

In calculating the liability amount for transferable benefits, largely fixed and specific assumptions are used within the framework of the relevant law. However, the final amount of liability that the Company will bear upon transfer may vary depending on factors such as the number of participants and the rate of separation, primarily the discount rate, inflation and wage increases.

	December 31, 2024	December 31, 2023
Foundation Assets <sup>(*)</sup>	3,097,029,989	1,770,946,616
Employee Contributions	6,762,981,924	2,971,370,711
<b>Total assets</b>	<b>9,860,011,913</b>	<b>4,742,317,327</b>
Total Cash Values of Pensions	4,210,428,513	2,449,052,090
Total Cash Values of Management Expenses	3,381,491	1,485,685
Total Cash Values of Health Benefits	658,641,091	511,777,764
<b>Total Liabilities</b>	<b>4,872,451,095</b>	<b>2,962,315,539</b>
<b>Actual and Technical Surplus Amount <sup>(**)</sup></b>	<b>4,987,560,818</b>	<b>1,780,001,788</b>

<sup>(\*)</sup> The fair values of the assets have been taken into account.

<sup>(\*\*)</sup> Since a final report has not been prepared, the figures in the table may vary.

In the "2. Economic Assumptions" section of Annex-5 of the Circular on Actuarial Audit of Institutions Making Commitments for Retirement (2022/18), which includes the title "Points to be Considered in the Selection of Assumptions", 9,8% real interest rate has been taken as the basis as the discount and return rate for foundations providing services within the scope of the temporary 20th article of the "Social Insurance and General Health Insurance Law No. 5510".

### 23 Other liabilities and provisions

As of December 31, 2024 and 2023; the details of the provisions for other risks are as follows:

	December 31, 2024	December 31, 2023
Provision for employee termination benefits	191,205,849	137,249,863
Provision for unused vacation pay liability	45,871,706	22,210,647
<b>Total provision for other risks</b>	<b>237,077,555</b>	<b>159,460,510</b>
	December 31, 2024	December 31, 2023
Provision for employee bonus	950,000,000	138,000,000
Provision for agency award	275,625,275	77,139,109
Provision for reinsurance activities	176,049,238	5,179,480
Provision for excess of claim contract substitution premium	117,133,687	120,930,645
Provision for guarantee account	90,477,809	58,455,043
Provision for traffic and TKU pool	59,330,849	28,162,564
Provision for bank expense	14,000,000	6,750,000
Provision for sliding scale commission (Note 10)	-	35,383,333
Other provisions	2,381,712	-
<b>Prepaid income and expense accruals</b>	<b>1,684,998,570</b>	<b>470,000,174</b>

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The movements of provision for employee termination benefits during the period are presented below:

	December 31, 2024	December 31, 2023
Provision for employee termination benefits at the beginning of the period	137,249,863	104,972,836
Interest cost (Note 47)	36,645,714	24,752,595
Service cost (Note 47)	4,330,736	3,274,244
Payments made during the period (Note 47)	(95,224,066)	(41,383,408)
Actuarial difference	108,203,602	45,633,596
<b>Provision for employee termination benefits at the end of the period</b>	<b>191,205,849</b>	<b>137,249,863</b>

### 24 Net insurance premium

Net insurance premium revenue is presented in detailed in the accompanying consolidated statement of income.

### 25 Fee revenue

None.

### 26 Investment income

Investment income is presented in "Note 4.2 - Financial Risk Management".

### 27 Net income accrual on financial assets

Net realized gains on financial assets are presented in "Note 4.2 - Financial Risk Management".

### 28 Assets held at fair value through profit or loss

Presented in "Note 4.2 - Financial Risk Management".

### 29 Insurance rights and claims

	January 1 - December 31, 2024	January 1 - December 31, 2023
Claims paid, net off reinsurers' share	26,007,516,558	14,858,749,932
Changes in provision for unearned premiums, net off reinsurers' share	11,037,965,722	8,319,864,844
Changes in provision for outstanding claims, net off reinsurers' share	3,761,495,793	6,297,208,801
Change in equalization provisions	468,915,243	80,177,084
Changes in reserve for unexpired risks, net off reinsurers' share	91,588,533	847,249,239
<b>Total</b>	<b>41,367,481,849</b>	<b>30,403,249,900</b>

### 30 Investment contract benefits

None.

### 31 Other expenses

The allocation of the expenses with respect to their nature or function is presented in Note 32 - Expenses by nature below.

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 32 Operating expenses

As of December 31, 2024 and 2023 the operating expenses are disclosed as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Commission expenses (Note 17)	(6,819,349,128)	(3,878,782,172)
Commissions to intermediaries accrued during the period (Note 17)	(8,358,751,300)	(5,141,604,918)
Change in deferred commission expenses (Note 17)	1,539,402,172	1,262,822,746
Employee benefit expenses (Note 33)	(4,074,760,768)	(1,445,544,815)
Administration expenses	(1,375,241,194)	(857,404,008)
Advertising and marketing expenses	(307,744,711)	(145,187,404)
Outsourced benefits and services	(340,689,467)	(230,746,522)
Commission income from reinsurers (Note 10)	1,925,945,774	1,141,329,185
Commission income from reinsurers accrued during the period (Note 10)	2,138,103,019	1,514,712,277
Change in deferred commission income (Note 10)	(212,157,245)	(373,383,092)
Commission expense from reinsurance activities (Note 10)	(983,467,354)	(685,637,036)
Commission expense from reinsurance activities (Note 10, 17)	(1,023,884,015)	(785,270,304)
Change in deferred commission expense (Note 10)	40,416,661	99,633,268
<b>Total</b>	<b>(11,975,306,848)</b>	<b>(6,101,972,772)</b>

### 33 Employee benefits expenses

	January 1 - December 31, 2024	January 1 - December 31, 2023
Wages and salaries	(3,107,947,066)	(1,014,907,952)
Insurance payments	(740,525,126)	(325,223,140)
Other	(226,288,576)	(105,413,723)
<b>Total</b>	<b>(4,074,760,768)</b>	<b>(1,445,544,815)</b>

### 34 Financial costs

As of December 31, 2024 TRY 39,458,297 TRY interest expense and TRY 45,528,043 amortisation expense arising from leases which are the subject to *TFRS 16 Leases*, have recognised as "*Investment Management Expenses - Inc, Interest*" and "*Depreciation and Amortisation Expenses*" respectively in the accompanying consolidated financial statements (January 1 - December 31, 2023: TRY 24,113,027 and TRY 21,128,948).

## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

As of December 31, 2024 and 2023, discounted reimbursement plan for operating leases of the Company's are as follows:

	December 31, 2024	December 31, 2023
Up to 1 year	48,081,177	19,138,720
1 to 2 years	49,379,090	21,909,694
2 to 3 years	51,192,877	19,945,926
3 to 4 years	59,791,649	23,934,707
4 to 5 years	-	29,519,871
Over 5 years	-	-
<b>Total</b>	<b>208,444,793</b>	<b>114,448,918</b>

### 35 Income tax

Income tax expense items in the accompanying consolidated financial statements are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
<b>Corporate tax expense provision:</b>		
Corporate tax provision	(3,258,795,586)	(1,664,485,864)
<b>Deferred taxes:</b>		
Origination and reversal of temporary differences	(72,696,666)	669,851,181
Previous period corporation tax closure <sup>(*)</sup>	167,656,156	68,537,084
<b>Total income tax expense recognised in profit or loss</b>	<b>(3,163,836,096)</b>	<b>(926,097,599)</b>

<sup>(\*)</sup> The Corporate Tax Provision Closure is presented in the "Provisions Account".

For the period then ended as of December 31, 2024 and 2023, a reconciliation of tax expense applicable to profit from operating activities before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate are as follows:

	December 31, 2024		December 31, 2023	
<b>Profit before tax</b>	<b>14,702,683,479</b>	<b>Tax rate (%)</b>	<b>7,306,257,346</b>	<b>Tax rate (%)</b>
Taxes on income per statutory tax rate	4,410,805,044	30.00	2,191,877,204	30.00
Tax exempt income <sup>(*)</sup>	(1,441,603,849)	(9.81)	(1,177,256,204)	(16.11)
Non-deductible expenses	194,634,901	4.41	21,495,899	0.29
Effect of change in tax rate	-	-	(110,019,300)	(1.51)
<b>Total tax income recognized in profit or loss</b>	<b>3,163,836,096</b>	<b>21.52</b>	<b>926,097,599</b>	<b>12.68</b>

<sup>(\*)</sup> Income subject to tax exemption consists of financial asset investment income that is exempt from corporate tax.

### 36 Net foreign Exchange gains

Net foreign exchange gains are presented in "Note 4.2 - Financial Risk Management" above.



## CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

### 37 Earnings per share

Earnings per share are calculated by dividing net profit of the period to the weighted average number of shares.

	January 1 - December 31, 2024	January 1 - December 31, 2023
Net profit/(loss) for the period	11,538,847,383	6,380,159,747
Weighted average number of shares	50,000,000,000	50,000,000,000
Earnings/loss per share (TRY)	0.2308	0.1276

### 38 Dividends per share

No cash dividend payment to shareholders in 2024 (December 31, 2023: None).

### 39 Cash generated from operations

The cash flows from operating activities are presented in the accompanying consolidated statement of cash flows

### 40 Convertible bonds

None.

### 41 Redeemable preference shares

None.

### 42 Risks

In the normal course of its operations, the Company is exposed to legal disputes, claims and challenges, which mainly stem from its insurance operations. The necessary income/expense accruals for the revocable cases against/on behalf of the Company are provided under provision for outstanding claims in the accompanying consolidated financial statements.

As of December 31, 2024, total amount of the claims that the Company face is TRY 8,050,124,000 in gross (December 31, 2023: TRY 5,061,397,932). The Company provided TRY 6,877,845,645 provision for outstanding claims in the consolidated financial statements by considering collateral amounts.

As of December 31, 2024, ongoing lawsuits prosecuted by the Company against the third parties amounting TRY 3,146,893,093 (December 31, 2023: TRY 2,121,300,741).

### 43 Commitments

The details of the guarantees that are given by the Company for the operations in non-life branches are presented in *Note 17*.

### 44 Business combinations

None.

### 45 Related party transactions

The ultimate controlling party of the Company is İş Bankası Group and the groups having direct control over İş Bankası Group and the affiliates and associates of İş Bankası Group are defined as related parties of the Company.

**ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ****CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024**

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

The related party balances as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31 2023
İş Bankası - cash in banks <sup>(*)</sup>	8,381,787,311	2,031,901,279
<b>Banks</b>	<b>8,381,787,311</b>	<b>2,031,901,279</b>
Investment funds founded by İş Portföy Yönetimi A.Ş. (Note 11)	12,170,503,636	6,586,598,907
Investment funds issued by Maxis Girişim Sermayesi Portföy Yönetimi A.Ş. (Note 11)	454,721,414	152,761,591
Investment funds issued by İş Faktöring A.Ş. (Note 11)	14,661,852	-
Investment funds issued by Türkiye İş Bankası A.Ş. (Note 11)	-	10,242,835
<b>Financial assets</b>	<b>12,639,886,902</b>	<b>6,749,603,333</b>
İş Bankası - receivables stem from premiums written via the Bank	1,486,926,307	1,002,618,714
İş Bankası - credit card receivables	832,757,957	453,841,023
<i>Maturities less than three months</i>	637,995,041	264,215,130
<i>Maturities more than three months</i>	194,762,916	189,625,893
Receivables stems from premiums written via Şişecam Sigorta Aracılık Hiz. A.Ş., Anadolu Hayat Emeklilik A.Ş. - premium receivables	46,445,380 4,176,669	20,709,690 391,963
<b>Receivables from main operations</b>	<b>2,370,306,313</b>	<b>1,931,402,413</b>
Milli Reasürans T.A.Ş. - payables from reinsurance operations	83,902,260	(114,713,391)
İş Bankası - commission payables	129,182,425	94,661,046
Şişecam Sigorta Aracılık Hizmetleri A.Ş. - commission payables	12,622	2,698,999
<b>Payables from main operations</b>	<b>213,097,307</b>	<b>(17,353,346)</b>

<sup>(\*)</sup> The amount of FX-protected deposits balance TRY 1,149,065,599 is excluded.

No guarantees have been taken against receivables from related parties.

There are no doubtful receivables from shareholders, subsidiaries and joint ventures.

No guarantees, commitments, guarantee letters, advances and endorsements given in favour of shareholders, associates and subsidiaries.

## ANADOLU ANONİM TÜRK SİGORTA ŞİRKETİ

# CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The Company has accrued TRY 861,451,696 premium (December 31, 2023: TRY 1,140,607,724) for related party policies in 2024. The transactions with related parties during the period ended December 31, 2024 and 2023 are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
İş Bankası - premiums written via the Bank	9,837,978,292	5,987,016,099
Premiums written via Şişecam Sigorta Aracılık Hizmetleri A.Ş.	142,718,892	96,897,095
Anadolu Hayat Emeklilik A.Ş. - premiums written	74,987,706	46,150,057
Milli Reasürans T.A.Ş.	1,318,433	3,130,067
<b>Premiums written</b>	<b>10,057,003,323</b>	<b>6,133,193,318</b>
Milli Reasürans T.A.Ş.	(171,447,034)	(1,142,440,505)
<b>Premiums written, ceded</b>	<b>(171,447,034)</b>	<b>(1,142,440,505)</b>
İş Bankası - interest income from deposits	1,284,036,050	755,240,458
İş Portföy Yönetimi - income from investment funds	1,123,092,667	369,280,455
Türkiye Sınai Kalkınma Bankası - income from bonds	-	173,900,693
Türkiye İş Bankası - income from bonds	3,682,665	720,857
İş Gayrimenkul Yatırım Ortaklığı A.Ş. income from bonds	4,413,705	-
İş Faktöring A.Ş. - income from bonds	-	39,530
<b>Investment income</b>	<b>2,415,225,087</b>	<b>1,299,181,993</b>
Türkiye İş Bankası A.Ş. - commission expense	(990,164,155)	(594,443,143)
Anadolu Hayat Emeklilik A.Ş. - commission expense	(27,237,434)	(18,830,775)
Şişecam Sigorta Aracılık Hizmetleri A.Ş. - commission expense	(581,451)	(451,052)
<b>Operating expenses, net</b>	<b>(1,017,983,040)</b>	<b>(613,724,970)</b>
Milli Reasürans T.A.Ş.- commission expense	171,447,034	249,379,975
<b>Operating expenses, net</b>	<b>171,447,034</b>	<b>309,025</b>
Anadolu Hayat ve Emeklilik A.Ş. - rent income	834,246	309,025
<b>Other income</b>	<b>834,246</b>	<b>309,025</b>
İş Merkezleri Yönetim ve İşletim A.Ş. -service cost	(53,406,496)	(25,997,630)
Anadolu Anonim Türk Sigorta Şirketi Memurları Emekli Sandığı ve Dayanışma Vakfı - TFRS 16 interest expense	(25,884,312)	(14,034,408)
İş Portföy Yönetimi - management commission	(1,430,081)	(1,103,853)
İş Portföy Yönetimi - performance commission	-	(27,584,038)
Yatırım Finansman Menkul Değerler - management commission	(624,868)	(401,764)
Yatırım Finansman Menkul Değerler - performance commission	(2,890,420)	-
<b>Other expense</b>	<b>(84,236,177)</b>	<b>(69,121,693)</b>

### 46 Events after the reporting date

None.

# CONVENIENCE TRANSLATION OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

## 47 Other

Items and amounts classified under the "other" account in financial statements either exceeding 20% of the total amount of the group to which they relate or 5% of the total assets in the balance sheet

They are presented in the related notes above.

"Payables to employees and receivables from employees presented under accounts, "other receivables" and "other short or long term payables", and which have balance more than 1% of the total assets

None.

Subrogation recorded in "Off-Balance Sheet Accounts"

None.

Real rights on properties and their values

None.

Explanatory note for the amounts and nature of previous years' income and losses

None.

Fees for services received from Independent Auditor/Independent audit firm <sup>(\*)</sup>

	December 31, 2024	December 31, 2023
Independent audit fee for reporting period	2,499,000	3,614,590
Fees for tax advisory services	1,428,000	-
<b>Total</b>	<b>3,927,000</b>	<b>3,614,590</b>

<sup>(\*)</sup> The fee is excluding VAT.

Information on other technical expenses items in income statement

The part of amounting to TRY 1,599,282,516 under other technical expenses in the income statement, TRY 692,650,068 consists of assistance expenses, TRY 594,889,717 of bank and credit card commissions and TRY 311,742,731 of other expenses.

For the periods ended December 31, 2024 and 2023, details of discount and provision expenses are as follows

Provision expenses	January 1 - December 31, 2024	January 1 - December 31, 2023
Provision expense for doubtful receivables (Note 4.2)	(622,198,386)	(286,029,821)
Other provisions (Note 23)	(31,874,250)	(1,242,912)
Provision expense for unused vacation (Note 23)	(23,661,059)	(10,307,744)
Provisions no longer required income/(expense)	1,013,564	2,722,230
Provision expense for employee termination benefits (Note 23)	54,247,616	13,356,569
<b>Provisions account</b>	<b>(622,472,515)</b>	<b>(281,501,678)</b>
Rediscount expenses	January 1 - December 31, 2024	January 1 - December 31, 2023
Rediscount expense	(1,149,041,755)	(538,930,185)
Rediscount income	779,639,477	484,764,227
<b>Total of rediscounts</b>	<b>(369,402,278)</b>	<b>(54,165,958)</b>

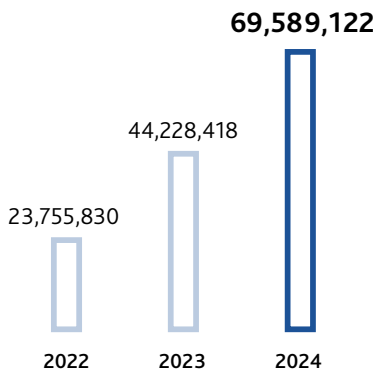
# AN ASSESSMENT OF FINANCIAL STANDING, PROFITABILITY AND SOLVENCY

## Premium production

Anadolu Sigorta registered TL 69,589,122 thousand in premium production in 2024. The greatest contributors to premium production were motor vehicles, fire and natural disasters, motor vehicles liability and health branches.

A portion in the amount of TL 16,419,753 thousand of premiums were ceded through reinsurance in 2024, thus significantly reducing retained risk in branches likely to present high claim settlements in particular, such as fire, marine, watercraft and general losses.

## PREMIUM PRODUCTION (TL THOUSAND)



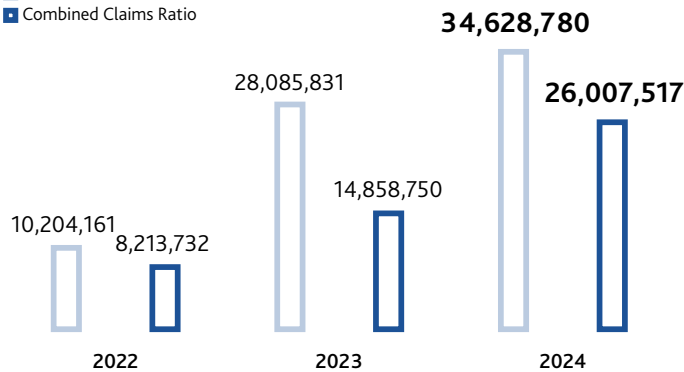
## Solvency and solvency performance

Having adopted it as a duty to make claim payments fully and timely to its policyholders, Anadolu Sigorta attained this goal once again in 2024 drawing on its solid asset structure and balanced liquidity ratio. A big part of the risk was ceded through reinsurance contracts made in branches under which high-amount coverage is provided such as fire and general losses, thus making it possible for the Company's asset structure to remain unaffected by claims paid in big amounts.

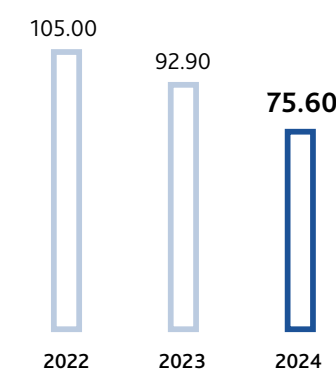
In 2024, claims paid amounted to TL 34,628,780 thousand. A significant portion of the claims paid arose, in order, from losses in motor vehicles liability, motor vehicles, health, and fire and natural disasters. As a result of the high increase in the exchange rate and in inflation due to the economic developments in 2024, the loss-premium ratio stood at 72.4%, 18.6 points lower than that of 2023.

## CLAIMS PAID (TL THOUSAND)

■ Claims Paid  
■ Combined Claims Ratio



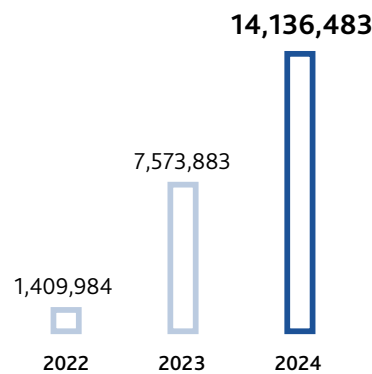
## COMBINED CLAIMS RATIO (%)



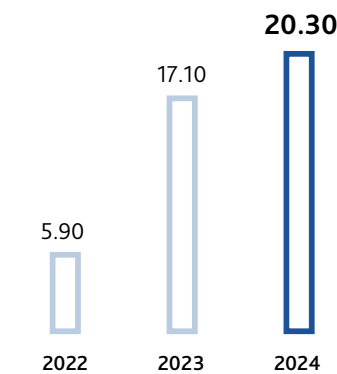
Assessment of profitability

The company booked a profit of TL 14,136,483 thousand in 2024. Return on equity and return on assets stood at 35.5% and 11.3%, respectively.

GROSS PROFIT/LOSS  
(TL THOUSAND)



GROSS PROFIT-LOSS/GROSS  
PREMIUM PRODUCTION  
(%)



# INFORMATION ON FINANCIAL STRUCTURE

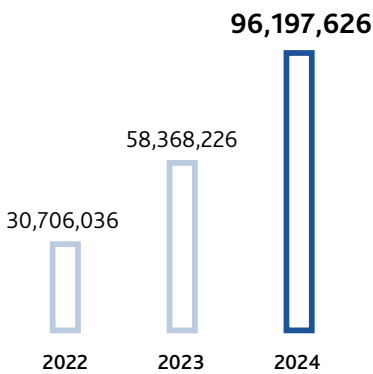
## Assets performance

As of year-end 2024, total assets reached TL 96,197,626 thousand, up 64.8% year-on. With a share of 64.3% representing the largest item in total assets, total cash and cash equivalents, and financial assets grew 74.3% year-on to TL 61,835,394 thousand, giving confidence with respect to payment of possible losses to policyholders with this large volume.

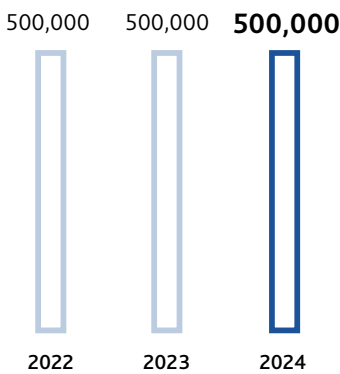
## Capital volume

The nominal capital of Anadolu Sigorta was TL 500,000 thousand as at year-end 2024.

TOTAL ASSETS  
(TL THOUSAND)



NOMINAL CAPITAL  
(TL THOUSAND)



## SUMMARY FINANCIAL INFORMATION FOR THE LAST 5 YEARS INCLUDING THE REPORTING PERIOD

(TL thousand)	2024	2023	2022	2021	2020
Gross Premiums	69,589,122	44,228,418	23,755,830	10,735,252	8,015,704
Technical Division Balance	14,992,794	7,357,036	1,429,590	862,895	734,905
Investment Income	22,103,141	18,483,752	7,256,856	6,446,711	2,487,841
Investment Expenses	-22,071,957	-18,672,003	-7,244,079	-6,545,822	-2,558,784
Other Income and Expenses	-887,495	405,097	-32,383	-64,742	-103,290
Period Gross Income (Loss)	14,136,483	7,573,883	1,409,984	699,041	560,672
Taxation	-3,258,796	-1,664,486	-276,782	-177,204	-100,035
Period Net Income (Loss)	10,877,687	5,909,397	1,133,201	521,837	460,638
Shareholders' Equity	30,655,832	14,203,844	6,048,457	3,203,552	2,810,378
Total Assets	96,197,626	58,368,226	30,706,036	16,775,578	12,075,878



## INFORMATION FOR INVESTORS

### Capital

Registered capital: TL 3,500,000,000

Paid-in capital: TL 500,000,000

### Shares

The company's capital is divided into 50,000,000,000 shares each with a value of TL 0.01 and entitling their holders to one vote. The company's free float rate is 34.7%.

### Stock Exchange

The company's shares are traded on Borsa İstanbul Stars Market under the ticker symbol ANSGR and are included in BIST Corporate Governance, BIST All, BIST Stars, BIST 500, BIST Sustainability, BIST 100-30, BIST Insurance and BIST 100 indices.

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