

Our story of "Being One"

As part of the reforms planned in the insurance and private pension sector in a bid to increase the savings in the Turkish economy and to drive the development of the non-banking financial sector, we have realized the merger of Ziraat Sigorta, Halk Sigorta, and Güneş Sigorta under the company name Türkiye Sigorta Anonim Şirketi* and of Ziraat Hayat ve Emeklilik, Halk Hayat ve Emeklilik and Vakıf Emeklilik ve Hayat under the company name Türkiye Hayat ve Emeklilik Anonim Şirketi**.

Upon the massive merger, we started our activities as of September 2020 to help bring the size of the non-banking financial sector to the world average through our companies that undertake an important mission with respect to taking the insurance services to broader audiences in Turkey and to ensuring continued stable growth.

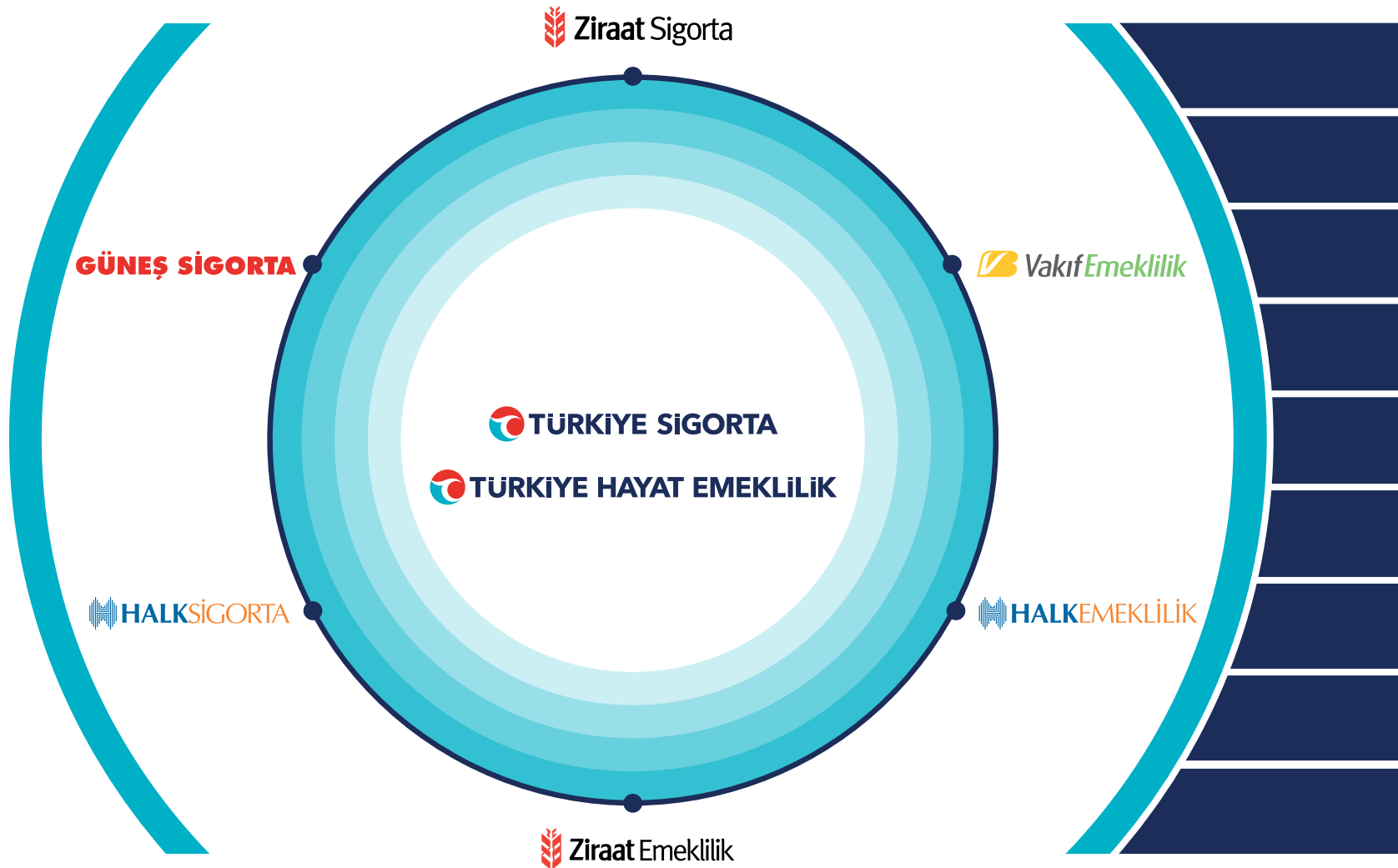
In keeping with our brand promise spelled out as “Its Strength is Implicit in its Name” and with the great responsibility imposed by the word Türkiye in our name, we will be carrying on with our activities to transform the present and the future of the insurance and pension sector, and to reinforce our presence as a regional power.

Today, as Türkiye Sigorta and Türkiye Hayat Emeklilik we rise upon our roots encompassing six companies.

* Güneş Sigorta was established on 17 September 1957 at the initiative of Türkiye Vakıflar Bankası (VakıfBank) and Toprak Mahsulleri Ofisi (Turkish Grain Board). Halk Sigorta was established on 28 December 1958 as the one and only cooperative company of our country. Ziraat Sigorta was established on 11 May 2009.

** Vakıf Emeklilik ve Hayat AŞ (Vakıf Emeklilik) was established under the company name Güneş Hayat Sigorta AŞ on 1 May 1991. Halk Emeklilik was established on 12 February 1998 under the company name Birlik Hayat Sigorta. Ziraat Hayat ve Emeklilik was established on 11 May 2009.

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Steps along the merger process

- The process started officially on 13 December 2019, Friday, with the press release of Türkiye Varlık Fonu (TVF - Türkiye Wealth Fund) and the disclosures made by Güneş Sigorta and Halk Sigorta and their controlling shareholders to KAP (Public Disclosure Platform).
- 10% share held by Güneş Sigorta's shareholder Groupama Holding Filiales et Participations in the capital of Güneş Sigorta were sold to TVF Finansal Yatırımlar AŞ, a subsidiary of Türkiye Wealth Fund, for TL 88,000,000 on 14 February 2020.
- Share certificates with nominal values of TL 27,054,000 and TL 54,000,000 held by Türkiye Vakıflar Bankası TAO Memur ve Hizmetlileri Emekli ve Sağlık Yardım Sandığı Vakfı (VakıfBank Pension and Assistance Fund) and VakıfBank Personeli Özel Sosyal Güvenlik Hizmetleri Vakfı (VakıfBank Personnel

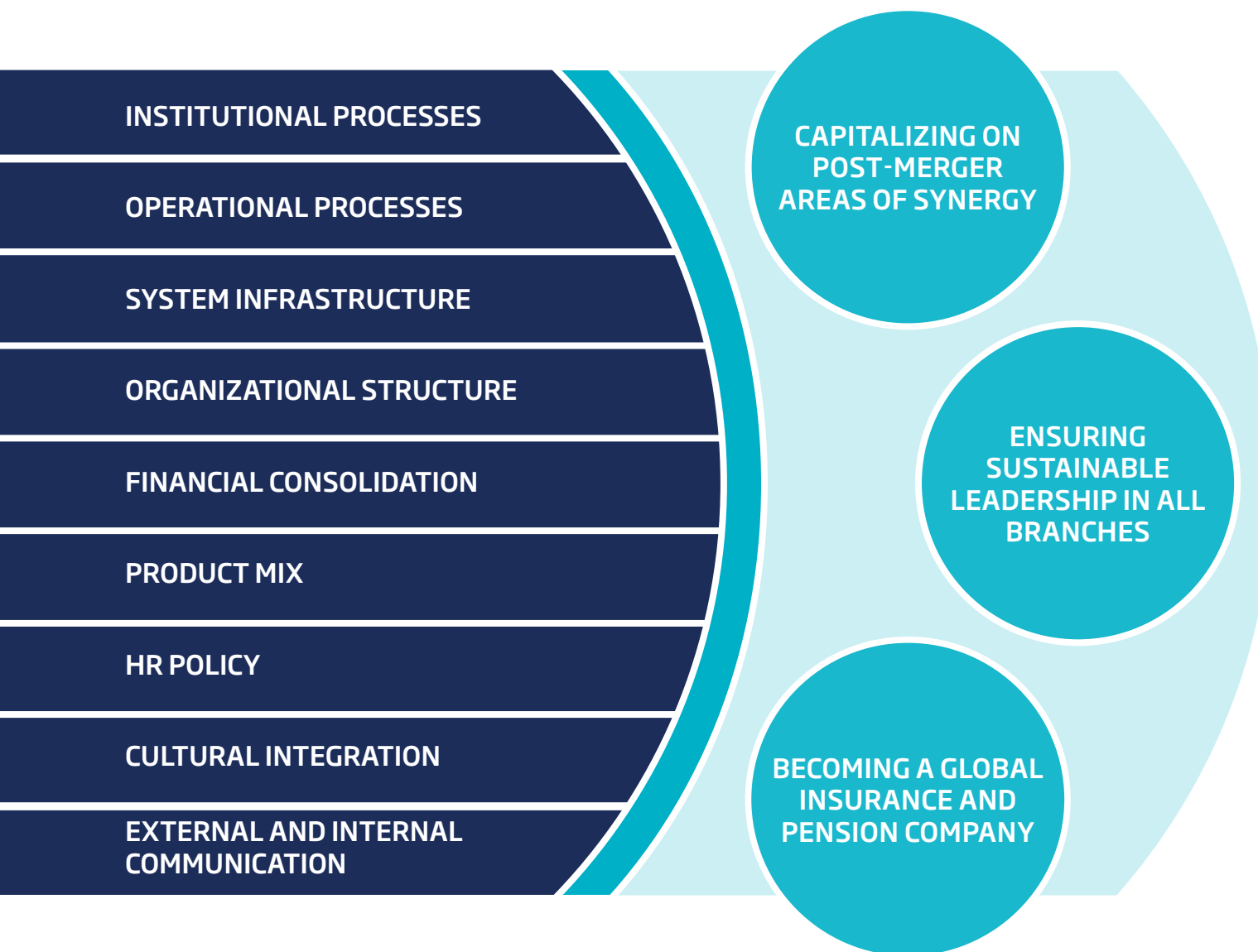
Private Social Security Services Fund), respectively, which were two of Güneş Sigorta's shareholders, were converted into the tradeable status on the stock exchange as of 20 December 2019, upon which related shares were sold out, whereby they ceased to be shareholders.

- In April, Türkiye Wealth Fund took over the shares held by the public insurance companies for TL 6,540,000,000.
- Necessary preparations were initiated within the frame of the provisions of applicable legislation based on the decisions passed in the Board of Directors meeting of 19 June 2020.
- On 23.06.2020, the relevant merging authorization was obtained from the Insurance and Private Pension Regulation and Supervision Agency, and subsequently, the Merger Report and Merger Agreement was signed

by our transferee and transferred companies as of 24.06.2020.

- The "Announcement" prepared by the three companies regarding the merger of our Company, Ziraat Sigorta and Halk Sigorta in our Company through takeover of Ziraat Sigorta and Halk Sigorta with all their assets and liabilities, amendments to the articles of association, and the issue document were approved by the Capital Markets Board of Turkey (CMB) decision dated 16 July 2020 no. 44/908. The approved documents were received from the CMB on 17 July 2020.
- Extraordinary General Assembly Meeting was convened on 27 August 2020.

On 31 August 2020, Ziraat Sigorta and Halk Sigorta merged under Güneş Sigorta, and the company name of Güneş Sigorta Anonim Şirketi was changed to Türkiye Sigorta Anonim Şirketi. Then the merger process



for public life and pension companies started. On 1 September 2020, Türkiye Sigorta that was born out of the merger of three public insurance companies and Türkiye Hayat Emeklilik born out of the merger of three pension companies began their activities in the non-life and life/pension sectors, respectively.

The merger resounded with respect to the M&A operations in our country as well. According to the Annual Turkish M&A Review 2020 by Deloitte Turkey, 304 mergers and acquisitions worth USD 9 billion in total occurred during 2020. 24 of these mergers took place in the financial services area, within which seven transactions were associated with the merger of public insurance and private pension companies under the TWF structure. From out of the financial services investments that totaled USD 1,164 million in 2020, the portion of USD 953 million was reported as investment for the merger project of insurance companies.

Merger goals

The New Economy Program propounded that annual direct non-life premium production per person in Turkey is not at the desired level and steps need to be taken for structuring the insurance sector. In keeping with this need for structuring, two significant steps were taken, e.g. the establishment of the Insurance and Private Pension Regulation and Supervision Agency, and Türk Reasürans AŞ. Merging six public insurance companies under a single roof was the last one of these reformist steps.

The goals of this merger can be summarized as follows:

- Achieve a more balanced financial services sector and drive the development of the non-banking financial sector,

- Vest the Turkish insurance industry in a more independent and dynamic structure,
- Increase the industry's global competitive strength,
- Increase the welfare of policyholders and participants by cost reduction, primarily in claims payments, as well as through efficiency and effectiveness in operational activities and scale economy,
- Use all distribution channels more effectively, particularly the banks,
- Offer a broader product range,
- Develop new insurance products in areas our country needs; own these products in the face of the sector,
- Assume a pioneering role for products such as complementary health insurance and financial insurance that are supported by the public authority.

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11.6 million

customers

5.4 million customers of Türkiye Sigorta and 9.4 million customers of Türkiye Hayat Emeklilik add up to 11.6 million singular customers served.

38

regions

Türkiye Sigorta offers service through 10 agency regional offices and 10 bancassurance regional offices. Türkiye Hayat Emeklilik, on the other hand, furnishes service out of 18 regional offices.

2,282

employees

Out of 2,282 employees in total, 1,047 are employed by Türkiye Sigorta and 1,235 by Türkiye Hayat Emeklilik.

5,874

points of service

Türkiye Sigorta offers service to its customers at 5,874 points of service, comprised of 1,891 in-network repair shops, 1,891 in-network healthcare institutions, and 500 surveyors.

7,664

points of delivery

Total number of singular points of delivery is 7,664, which covers Türkiye Sigorta's 2,944 agencies, 115 brokers and 4,509 bank branches, and Türkiye Hayat Emeklilik's 88 agencies, 4 brokers, and 4,252 bank branches.