

2020 ACTIVITIES

TECHNICAL RESULTS

TL 8.9 billion premium production

During 2020, Türkiye Sigorta expanded its premium production by 24% to TL 8,887 million, and ended the year as the industry's leader.

Premium Production

The table below shows the 2020 Gross Premium Production results in comparison with the prior period results for the Treasury branches:

TL	2019	2020	Share	Change
General Losses	2,061,036,916	3,276,311,168	37%	59%
Fire and Natural Disasters	1,324,104,044	1,727,821,680	19%	30%
Motor Vehicles Liability	1,704,938,349	1,403,676,104	16%	-18%
Motor Vehicles	766,855,578	824,106,337	9%	7%
Health	360,044,329	582,209,518	7%	62%
Accident	382,420,463	405,591,022	5%	6%
General Liability	122,428,000	207,891,369	2%	70%
Aircraft	114,380,994	141,423,625	2%	24%
Aircraft Liability	145,782,372	114,641,836	1%	-21%
Watercraft	56,638,418	84,664,890	1%	49%
Marine	36,418,086	39,415,913	0.4%	8%
Credit	12,908,875	29,631,833	0.3%	130%
Financial Losses	56,611,553	27,216,799	0.3%	-52%
Legal Protection	13,891,034	16,948,532	0.2%	22%
Surety Bond	8,384,035	5,575,575	0.1%	-33%
Support	158,666	1,928	0.00002%	-99%
Watercraft Liability	-	-	-	-
Rail Vehicles	-	-	-	-
Grand Total	7,167,001,712	8,887,128,129	100%	24%

Total premium production augmented by 24% in line with the Company's strategy. This rise and the merger brought Türkiye Sigorta the sector's leadership at year-end 2020. The rise in premiums outdid that in the overall industry in non-auto branches. General Liability, Health, General Losses and Fire branches stood out with respective growth rates of 70%, 62%, 59% and 30%. While the Company contracted by 18% in the Motor Vehicles Liability branch, it achieved 7% growth in the Motor Vehicles branch. Production by the agency channel slid down by 9% whereas bank and broker channels upped their premium productions by 22% and 59%, respectively. The bank channel increased its market share from 44% to 47%.

Gross Claims Paid

The table below shows the 2020 Gross Claims Paid in comparison with the prior period on the basis of Treasury branches:

TL	2019	2020	Share	Change
General Losses	234,448,017	291,269,387	12%	24%
Fire and Natural Disasters	325,041,064	448,397,344	18%	38%
Motor Vehicles Liability	944,911,088	847,213,364	35%	-10%
Motor Vehicles	487,489,890	431,388,291	18%	-12%
Health	172,396,583	156,296,006	6%	-9%
Accident	39,652,392	32,709,598	1%	-18%
General Liability	24,485,206	34,442,889	1%	41%
Aircraft	183,316,631	87,101,666	4%	-52%
Aircraft Liability	43,353,729	34,363,276	1%	-21%
Watercraft	19,544,246	32,042,715	1%	64%
Marine	7,140,204	5,195,806	0.2%	-27%
Credit	1,923,432	(745,900)	-0.03%	-139%
Financial Losses	17,687,219	39,493,377	2%	123%
Legal Protection	46,983	59,567	0.002%	27%
Surety Bond	688,253	123,937	0.01%	-82%
Support	-	-	-	-
Watercraft Liability	-	-	-	-
Rail Vehicles	-	-	-	-
Grand Total	2,502,124,937	2,439,351,323	100%	-3%

Technical Profit

The table below shows the 2020 Technical Profit results in comparison with the prior period on the basis of Treasury branches:

TL	2019	2020	Share	Change
General Losses	186,383,040	182,153,552	14%	-2%
Fire and Natural Disasters	251,782,919	282,176,777	21%	12%
Motor Vehicles Liability	47,295,117	117,345,530	9%	148%
Motor Vehicles	112,856,161	218,280,019	16%	93%
Health	72,450,190	213,816,595	16%	195%
Accident	217,535,474	318,070,225	24%	46%
General Liability	(1,110,513)	(9,283,200)	-1%	736%
Aircraft	(2,435,937)	(2,029,742)	-0.2%	-17%
Aircraft Liability	(2,592,159)	(2,195,031)	-0.2%	-15%
Watercraft	(492,395)	9,168,133	1%	-1962%
Marine	11,984,994	7,835,390	1%	-35%
Credit	569,573	(12,794,511)	-1%	-2346%
Financial Losses	14,499,536	5,383,312	0.4%	-63%
Legal Protection	4,677,000	10,366,383	1%	122%
Surety Bond	1,726,229	2,299,478	0.2%	33%
Support	31,797	27,693	0.002%	-13%
Watercraft Liability	-	-	-	-
Rail Vehicles	-	-	-	-
Grand Total	915,161,026	1,340,620,603	100%	46%

2020 ACTIVITIES

TECHNICAL RESULTS

Technical Income by Branches

I- TECHNICAL PART	GENERAL LOSSES	FIRE AND NATURAL DISASTERS	MOTOR VEHICLES LIABILITY	MOTOR VEHICLES	ILLNESS/ HEALTH	ACCIDENT	GENERAL LIABILITY
A- Non-Life Technical Income	412,394,290	638,523,795	1,291,796,219	928,638,335	559,577,538	448,297,524	30,916,588
Written Premiums (Net)	396,798,224	526,255,125	912,766,063	818,642,910	579,007,609	356,719,856	24,799,413
Change in Earned Premium Provisions (Net)	(57,851,455)	(9,122,226)	261,317,810	(34,796,147)	(148,632,780)	(11,802,595)	(2,504,977)
Change in Unexpired Risk Provisions	-	-	11,674,757	-	-	-	1,951,864
Investment Income Transferred to Non-Technical Division	71,548,265	113,247,630	54,887,843	121,368,306	129,351,159	103,365,799	6,061,839
Other Technical Income	-	72,500	-	2,758,553	269,301	-	546,225
Accrued Salvage and Subrogation Income (+)	1,899,256	8,070,766	51,149,746	20,664,713	(417,751)	14,464	62,224
B- Non-Life Technical Expenses (-)	(230,240,738)	(356,347,018)	(1,174,450,689)	(710,358,316)	(345,760,943)	(130,227,299)	(40,199,788)
Claims Paid (Net)	(179,243,186)	(162,070,920)	(737,201,502)	(428,344,058)	(163,037,321)	(24,745,450)	(5,305,617)
Changes in Outstanding Claims Provisions	(7,500,679)	(21,878,273)	(260,927,393)	(68,011,154)	(7,066,539)	29,428,619	(33,846,018)
Changes in Bonus and Discount Provisions	(421,297)	(1,461,710)	(153,321)	(825,869)	(48,866)	(177,981)	44,358
Changes in Other Technical Provisions	(887,716)	(14,189,277)	-	(2,237,909)	-	(90,185)	-
Operating Expenses (-)	(42,187,860)	(156,746,838)	(176,168,473)	(210,939,326)	(175,608,217)	(134,642,302)	(1,092,511)
C Non Life Technical Profit (A-B)	182,153,552	282,176,777	117,345,530	218,280,019	213,816,595	318,070,225	(9,283,200)

AIRCRAFT	AIRCRAFT LIABILITY	WATERCRAFT	MARINE	CREDIT	FINANCIAL LOSSES	LEGAL PROTECTION	SURETY BOND	SUPPORT	TOTAL
-	-	8,642,838	17,201,028	(13,078,442)	24,960,539	19,827,976	2,893,374	27,693	4,370,619,295
-	-	9,239,432	13,315,333	204,506	7,208,633	16,986,834	2,843,046	1,928	3,664,788,912
-	-	(4,749,527)	439,964	110,712	16,766,626	(2,426,149)	(803,737)	25,765	5,971,284
-	-	1,489,923	-	-	109,309	-	-	-	15,225,853
-	-	2,135,988	3,731,909	75,171	887,054	5,267,291	878,626	-	612,806,880
-	-	-	-	110	-	-	-	-	3,646,689
-	-	527,022	(286,178)	(13,468,941)	(11,083)	-	(24,561)	-	68,179,677
(2,029,742)	(2,195,031)	525,295	(9,365,638)	283,931	(19,577,227)	(9,461,593)	(593,896)	-	(3,029,998,692)
-	-	(2,370,474)	(1,314,180)	37,229	(4,356,026)	(48,165)	(17,540)	-	(1,708,017,210)
(10,794)	-	1,161,570	(6,553,595)	61,071	(4,125,068)	267,203	(59,900)	-	(379,060,950)
-	-	-	(10,089)	1,630	(1,350)	(6,496)	(756)	-	(3,061,747)
-	-	-	-	(23,796)	(29,191)	-	-	-	(17,458,074)
(2,018,948)	(2,195,031)	1,734,199	(1,487,774)	207,797	(11,065,592)	(9,674,135)	(515,700)	-	(922,400,711)
(2,029,742)	(2,195,031)	9,168,133	7,835,390	(12,794,511)	5,383,312	10,366,383	2,299,478	27,693	1,340,620,603

2020 ACTIVITIES

TECHNICAL RESULTS

At 2020 year-end, investment income went up by 14% to TL 1 billion 160 million 394 thousand. With TL 655 million 375 thousand, income from financial investments make up the highest item within investment income. The second highest investment income consists of currency gains in the amount of TL 795 thousand. Revenues were derived in the amount of TL 106 million 88 thousand from dividend from affiliates, TL 44 million 722 thousand from valuation of financial investments, TL 13 million 665 thousand from the sales of financial investments, TL 12 million 739 thousand from real estate, and TL 10 thousand from other investments.

Investment Income (TL)	2019	2020	Change
1- Income from Financial Investments	776,051,261	655,374,529	-16%
2- Revenues from the Sales of Financial Investments	55,617,659	13,665,186	-75%
3- Valuation of Financial Investments	12,700,471	44,722,169	252%
4- FX Gains	138,345,016	327,794,684	137%
5- Dividend from Affiliates	30,735,989	106,088,223	245%
6- Income from Subsidiaries and Joint Ventures	-	-	-
7- Income from Real Estate	1,205,318	12,738,577	957%
8- Income from Derivatives	6,129	-	-100%
9- Other Investments	717,603	10,334	-99%
10- Investment Income Transferred from Life Technical Division	-	-	-
Grand Total	1,015,379,446	1,160,393,702	14%

At year-end 2020, investment expenses increased by 15% and reached TL 908 million 496 thousand. Investment income transferred to the technical division represents the largest item under investment expenses with TL 612 million 807 thousand. Exchange losses amounted to TL 236 million 806 thousand. Other investment expenses were worth TL 28 million 588 thousand, depreciation expenses were TL 23 million 738 thousand, and investment management expenses were TL 6 million 558 thousand in the same timeframe.

Investment Expenses (-) (TL)	2019	2020	Change
1- Investment Management Expenses (incl. interests) (-)	(21,358,775)	(6,557,821)	-69%
2- Devaluation of Investments (-)	-	-	-
3- Loss from the Sales of Financial Investments (-)	(110,085)	-	-100%
4- Investment Expenses Transferred to the Technical Division (-)	(629,517,714)	(612,806,880)	-3%
5- Loss from Derivative Products (-)	-	-	-
6- FX Losses (-)	(107,301,128)	(236,806,070)	121%
7- Depreciation Expenses (-)	(15,763,988)	(23,737,666)	51%
8- Other Investment Expenses (-)	(16,582,933)	(28,588,048)	72%
Grand Total	(790,634,623)	(908,496,485)	15%

At year-end 2020, TL 163 million 70 thousand was entered as expense in the Revenues, Income, Expenses and Other Losses account. While Other Revenues and Income in the amount of TL 2 million 166 thousand represented the revenue part of the accounts constituting this expense, the expenses consisted of provisions in the amount of TL 118 million 931 thousand, Deferred Tax Asset Income in the amount of TL 20 million 38 thousand, Other Expenses and Losses in the amount of TL 13 million 396 thousand, Deferred Tax Liabilities in the amount of TL 9 million 366 thousand, and other expenses and losses in the amount of TL 3 million 456 thousand.

F- Revenues, Income, Expenses and Losses from Other Operations (+/-)	2019	2020	Change
1- Provisions (+/-)	(98,117,106)	(118,930,779)	21%
2- Rediscounts (+/-)	10,059,447	(3,456,170)	-134%
3- Specialty Insurance (+/-)	-	-	-
4- Inflation Adjustment (+/-)	-	-	-
5- Deferred Tax Asset Income (+/-)	(22,608,072)	(20,037,721)	-11%
6- Deferred Tax Liabilities Loss	-	(9,365,716)	-
7- Other Revenues and Income	3,282,065	2,116,263	-36%
8- Other Expenses and Losses (-)	(1,682,837)	(13,396,240)	696%
9- Prior Year's Revenues and Profits	-	-	-
10- Prior Year's Expenses and Losses (-)	-	-	-
Grand Total	(109,066,503)	(163,070,363)	50%

Income Statement Summary

While TL 4 billion 370 million 619 thousand was booked in technical income in the 1 January 2020 - 31 December 2020 operating period, TL 3 billion 29 million 999 thousand accrued in technical expenses. At the bottom line, the Company posted a technical profit of TL 1 billion 340 million 621 thousand.

Including TL 1 billion 160 million 394 thousand in investment income and TL 908 million 496 thousand in investment expenses and TL 163 million 70 thousand in expenses from other and extraordinary operations, which are added to the technical division, after deducting TL 276 million 428 thousand in provisions for taxation, a net profit of TL 1 billion 153 million 19 thousand was booked in the reporting period.

Income Statement Summary	2019	2020	Change
A- Non-Life Technical Income	3,957,943,719	4,370,619,295	10%
B- Non-Life Technical Expenses (-)	(3,042,782,693)	(3,029,998,692)	-0.4%
C- Technical Profit- Non-life (A-B)	915,161,026	1,340,620,603	46%
D- Investment Income	1,015,379,446	1,160,393,702	14%
E- Investment Expenses (-)	(790,634,623)	(908,496,485)	15%
F- Revenues and Profits and Expenses & Losses from Other and Extraordinary Operations (+/-)	(109,066,503)	(163,070,363)	50%
G- Net Period Profit/Loss	828,378,599	1,153,019,269	39%
<i>Provisions for Period Profit Taxation and Other Legal Liabilities</i>	<i>(202,460,747)</i>	<i>(276,428,188)</i>	<i>37%</i>

2020 ACTIVITIES

TECHNICAL RESULTS

General Losses

At year-end 2020, premium production in General Losses Insurance branch augmented by 59% to TL 3 billion 276 million 311 thousand. Net loss ratio went up from 47% to 55%.

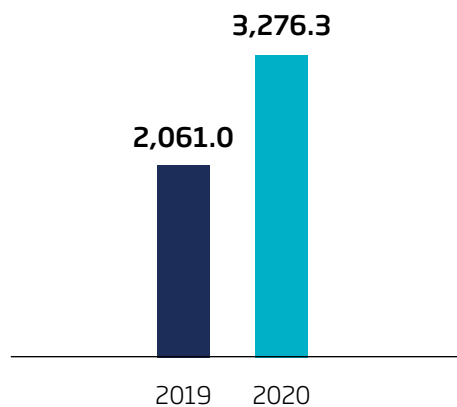
General Losses Insurance

GENERAL LOSSES	2019	2020	Change
Premium Production - TL	2,061,036,916	3,276,311,168	59%
Retention Ratio %	15	12	-3%
Earned Premiums (net) - TL	275,292,558	338,946,769	23%
Losses Incurred (net) - TL	(130,144,261)	(186,743,865)	43%
Technical Profit - TL	186,383,040	182,153,552	-2%
Loss Ratio (net) %	47	55	8%
Technical Profit/Premium %	9	6	-3%

At year-end 2020, premium production in General Losses Insurance branch augmented by 59% to TL 3 billion 276 million 311 thousand. Retention ratio was 12%. Net loss ratio in the General Losses Insurance branch was registered as 55% at 2020 year-end. While net earned premiums amounted to TL 338 million 947 thousand, net losses incurred were recorded as TL 186 million 744 thousand. The Company posted a technical profit of TL 182 million 154 thousand, which is down by 2%.

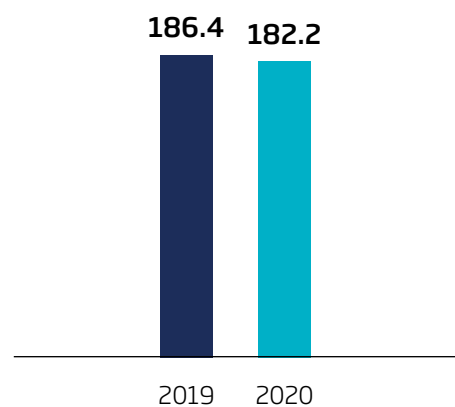
Premium Production (TL million)

2019-2020 **59%** increase



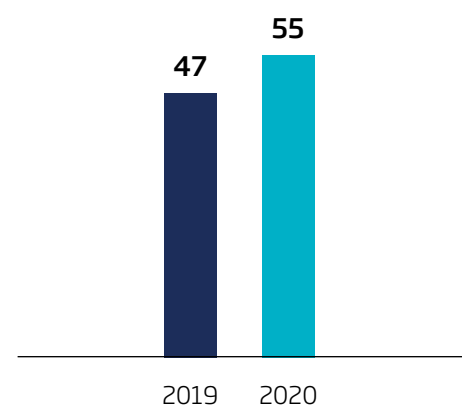
Technical Profit (TL million)

2019-2020 **-2%** decrease



Loss Ratio (Net) (%)

2019-2020 **8%** increase



Fire and Natural Disasters Insurance

FIRE AND NATURAL DISASTERS	2019	2020	Change
Premium Production - TL	1,324,104,044	1,727,821,680	30%
Retention Ratio %	37	30	-7%
Earned Premiums (net) - TL	428,722,216	517,132,899	21%
Losses Incurred (net) - TL	(133,162,146)	(183,949,193)	38%
Technical Profit - TL	251,782,919	282,176,777	12%
Loss Ratio (net) %	31	36	5%
Technical Profit/Premium %	19	16	-3%

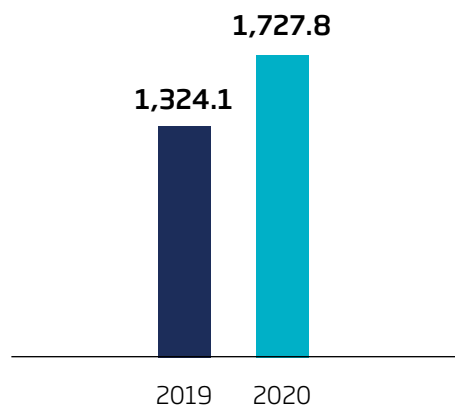
At year-end 2020, premium production in Fire and Natural Disasters Insurance branch expanded by 30% to TL 1 billion 727 million 822 thousand. Retention ratio was 30%. Net Loss/Premium ratio in the Fire and Natural Disasters Insurance branch was registered as 36% at 2020 year-end. While earned premiums (net) amounted to TL 517 million 133 thousand, net losses incurred were recorded as TL 183 million 949 thousand. The Company posted a technical profit of TL 282 million 177 thousand in the Fire and Natural Disasters branch.

Fire and Natural Disasters

At year-end 2020, premium production in Fire and Natural Disasters Insurance branch expanded by 30% to TL 1 billion 727 million 822 thousand. Technical profit went up by 12%.

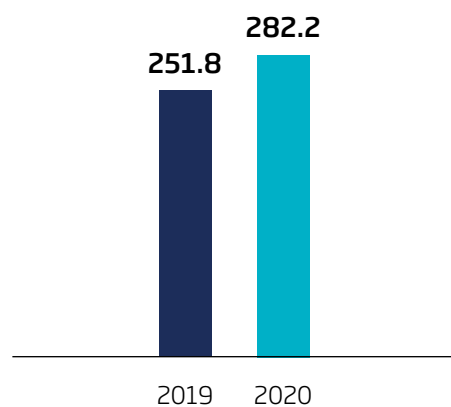
Premium Production (TL million)

2019-2020 **30%** increase



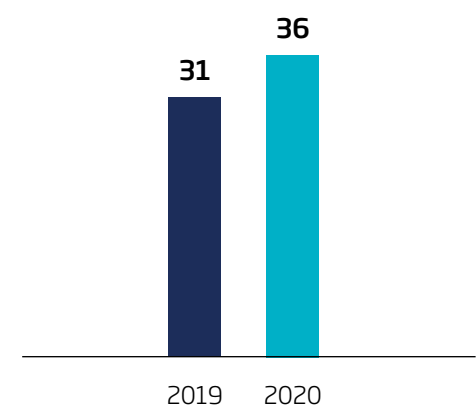
Technical Profit (TL million)

2019-2020 **12%** increase



Loss Ratio (Net) (%)

2019-2020 **5%** increase



2020 ACTIVITIES

TECHNICAL RESULTS

Motor Vehicles Liability

At year-end 2020, premium production in Motor Vehicles Liability Insurance branch declined by 18% to TL 1 billion 403 million 676 thousand. Retention rate was down by 12%. Net loss ratio slid down to 84% from 103%.

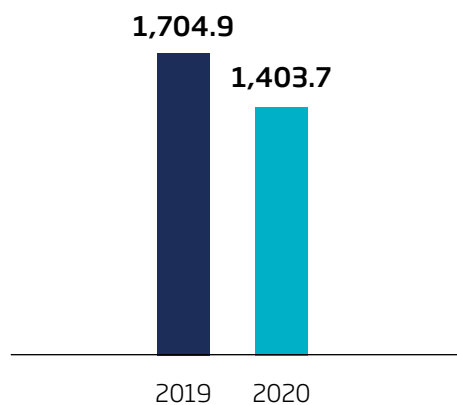
Motor Vehicles Liability Insurance

MOTOR VEHICLES LIABILITY	2019	2020	Change
Premium Production - TL	1,704,938,349	1,403,676,104	-18%
Retention Ratio %	77	65	-12%
Earned Premiums (net) - TL	1,238,136,144	1,185,758,630	-4%
Losses Incurred (net) - TL	(1,271,181,183)	(998,128,895)	-21%
Technical Profit - TL	47,295,117	117,345,530	148%
Loss Ratio (net) %	103	84	-19%
Technical Profit/Premium %	3	8	5%

At year-end 2020, premium production in Motor Vehicles Liability Insurance branch declined by 18% to TL 1 billion 403 million 676 thousand. Retention rate was 65%. Net loss ratio in the Motor Vehicles Liability Insurance branch was registered as 84% at 2020 year-end. While earned premiums (net) amounted to TL 1 billion 185 million 759 thousand, net losses incurred were recorded as TL 998 million 129 thousand. The Company posted a technical profit of TL 117 million 346 thousand in the Motor Vehicles Liability branch, up by 148% year-over-year.

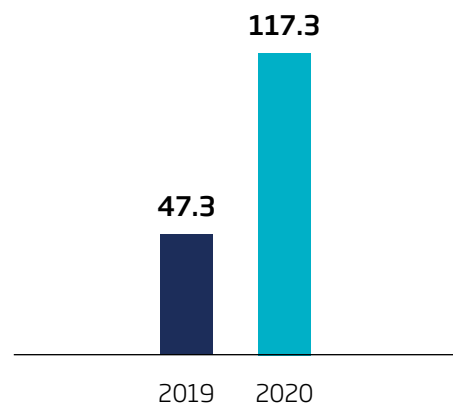
Premium Production (TL million)

2019-2020 **-18%** decrease



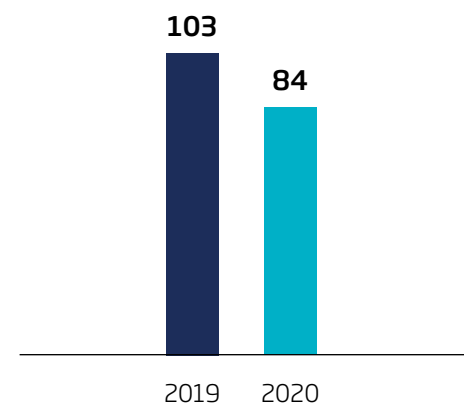
Technical Profit (TL million)

2019-2020 **148%** increase



Loss Ratio (Net) (%)

2019-2020 **-19%** decrease



Motor Vehicles Insurance

MOTOR VEHICLES	2019	2020	Change
Premium Production - TL	766,855,578	824,106,337	7%
Retention Ratio %	99	99	-
Earned Premiums (net) - TL	695,393,868	783,846,763	13%
Losses Incurred (net) - TL	(483,358,250)	(496,355,212)	3%
Technical Profit - TL	112,856,161	218,280,019	93%
Loss Ratio (net) %	70	63	-7%
Technical Profit/Premium %	15	26	11%

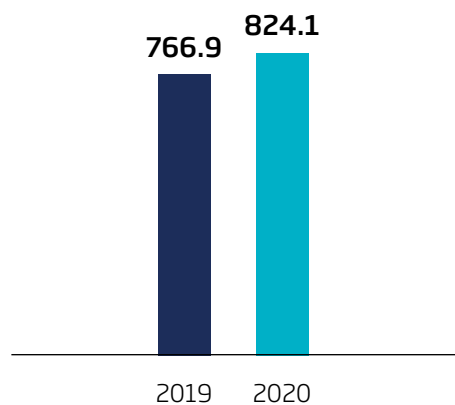
At year-end 2020, premium production in Motor Vehicles Insurance branch was up by 7% to TL 824 million 106 thousand. Retention rate was 99%. Net loss ratio in the Motor Vehicles Insurance branch was registered as 63% at 2020 year-end. While earned premiums (net) amounted to TL 783 million 847 thousand, net losses incurred were recorded as TL 496 million 355 thousand. The Company posted a technical profit of TL 218 million 280 thousand in the Motor Vehicles branch.

Motor Vehicles

At year-end 2020, premium production in Motor Vehicles Insurance branch was up by 7% to TL 824 million 106 thousand. Technical profit increased by 93%.

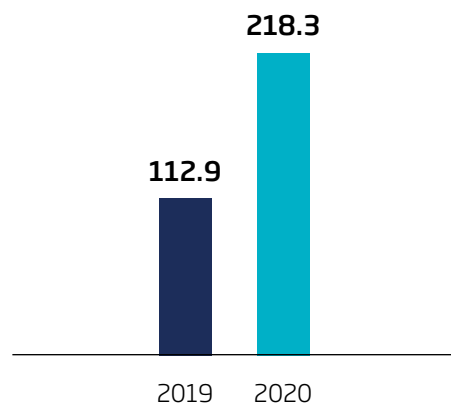
Premium Production (TL million)

2019-2020 7% increase



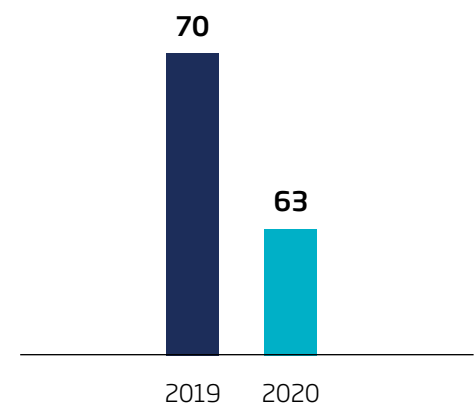
Technical Profit (TL million)

2019-2020 93% increase



Loss Ratio (Net) (%)

2019-2020 -7% decrease



2020 ACTIVITIES

TECHNICAL RESULTS

Health

At year-end 2020, premium production in Health Insurance branch climbed up 62% to TL 582 million 210 thousand. Net loss ratio was down from 63% to 40%.

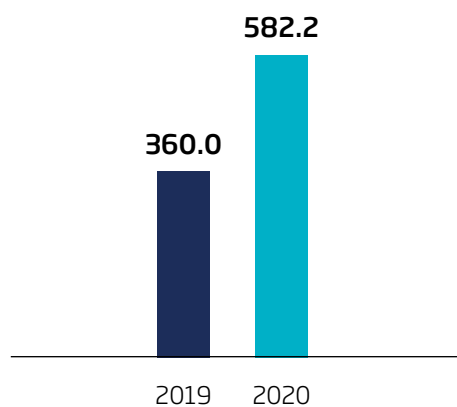
Health Insurance

HEALTH	2019	2020	Change
Premium Production - TL	360,044,329	582,209,518	62%
Retention Ratio %	98	99	1%
Earned Premiums (net) - TL	271,063,695	430,374,829	59%
Losses Incurred (net) - TL	(171,222,750)	(170,103,860)	-1%
Technical Profit - TL	72,450,190	213,816,595	195%
Loss Ratio (net) %	63	40	-23%
Technical Profit/Premium %	20	37	17%

At year-end 2020, premium production in Health Insurance branch climbed up by 62% to TL 582 million 210 thousand. Retention rate was 99%. Net loss ratio in the Health Insurance branch was registered as 40% at 2020 year-end. While earned premiums (net) amounted to TL 430 million 375 thousand, net losses incurred were recorded as TL 170 million 104 thousand. The Company posted a technical profit of TL 213 million 817 thousand in the Health branch.

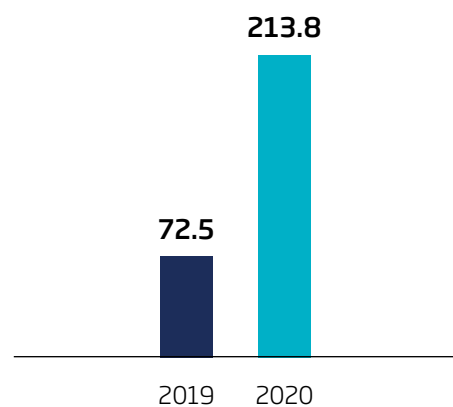
Premium Production (TL million)

2019-2020 **62%** increase



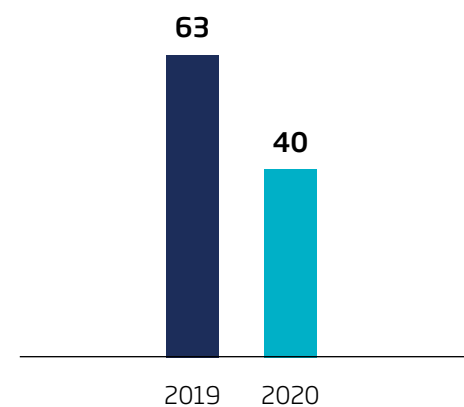
Technical Profit (TL million)

2019-2020 **195%** increase



Loss Ratio (Net) (%)

2019-2020 **-23%** decrease



Accident Insurance

ACCIDENT	2019	2020	Change
Premium Production - TL	382,420,463	405,591,022	6%
Retention Ratio %	85	88	3%
Earned Premiums (net) - TL	271,753,861	344,917,261	27%
Losses Incurred (net) - TL	(29,149,639)	4,683,169	116%
Technical Profit - TL	217,535,474	318,070,225	46%
Loss Ratio (net) %	11	-1	-12%
Technical Profit/Premium %	57	78	21%

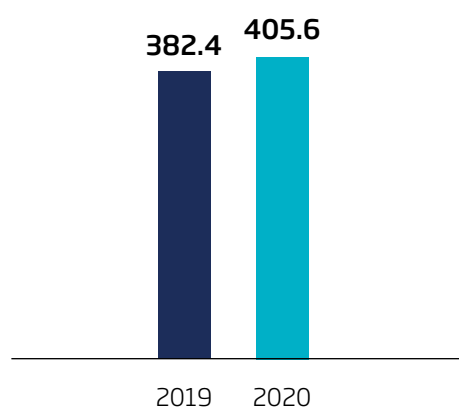
At year-end 2020, premium production in Accident Insurance branch went up by 6% to TL 405 million 591 thousand. Retention rate was 88%. Net loss ratio in the Accident Insurance branch was registered as (-1%) at 2020 year-end. While earned premiums (net) amounted to TL 344 million 917 thousand, net losses incurred were recorded as TL 4 million 683 thousand. The Company posted a technical profit of TL 318 million 70 thousand in the Accident branch, up by 46% year-over-year.

Accident

At year-end 2020, premium production in Accident Insurance branch went up by 6% to TL 405 million 591 thousand. Technical profit increased by 46%.

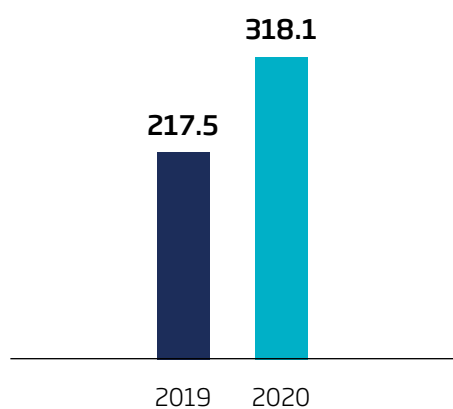
Premium Production (TL million)

2019-2020 **6%** increase



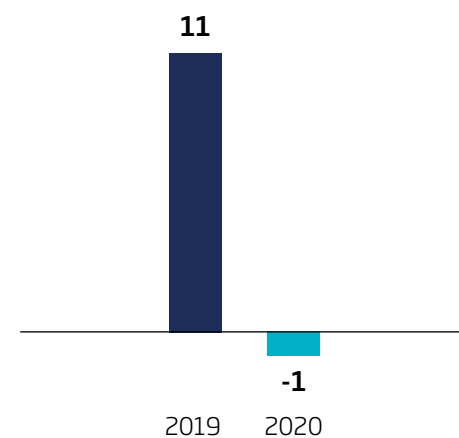
Technical Profit (TL million)

2019-2020 **46%** increase



Loss Ratio (Net) (%)

2019-2020 **-12%** decrease



2020 ACTIVITIES

TECHNICAL RESULTS

General Liability

At year-end 2020, premium production in General Liability Insurance branch boosted 70% to TL 207 million 891 thousand. Retention rate was 12%.

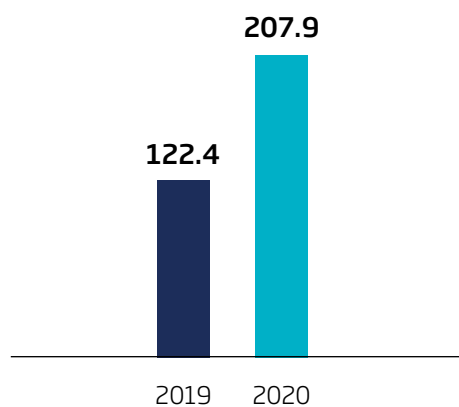
General Liability Insurance

GENERAL LIABILITY	2019	2020	Change
Premium Production - TL	122,428,000	207,891,369	70%
Retention Ratio %	19	12	-7%
Earned Premiums (net) - TL	16,693,670	24,246,300	45%
Losses Incurred (net) - TL	(26,745,912)	(39,151,635)	46%
Technical Profit - TL	(1,110,513)	(9,283,200)	736%
Loss Ratio (net) %	160	161	1%
Technical Profit/Premium %	-1	-4	-3%

At year-end 2020, premium production in General Liability Insurance branch boosted 70% to TL 207 million 891 thousand. Retention rate was 12%. While earned premiums (net) amounted to TL 24 million 246 thousand, net losses incurred were recorded as TL 39 million 152 thousand. Net loss ratio was registered as 161%. The Company posted a technical loss of TL 9 million 283 thousand in the General Liability branch.

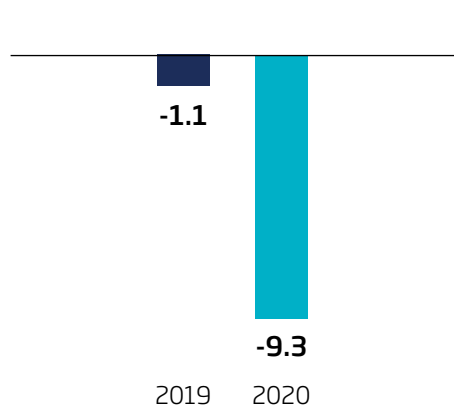
Premium Production (TL million)

2019-2020 **70%** increase



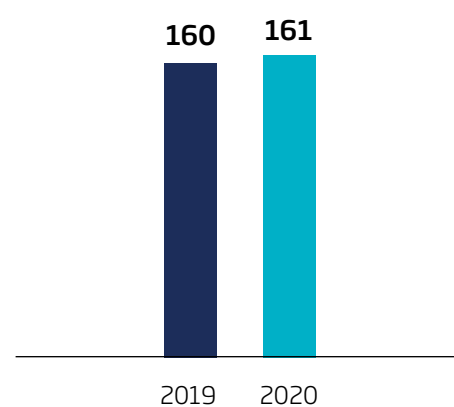
Technical Profit (TL million)

2019-2020 **736%** increase



Loss Ratio (Net) (%)

2019-2020 **1%** increase



Aircraft Insurance

AIRCRAFT	2019	2020	Change
Premium Production - TL	114,380,994	141,423,625	24%
Retention Ratio %	-	-	-
Earned Premiums (net) - TL	-	-	-
Losses Incurred (net) - TL	41,687	(10,794)	-126%
Technical Profit - TL	(2,435,937)	(2,029,742)	-17%
Loss Ratio (net) %	-	-	-
Technical Profit/Premium %	-2	-1	1%

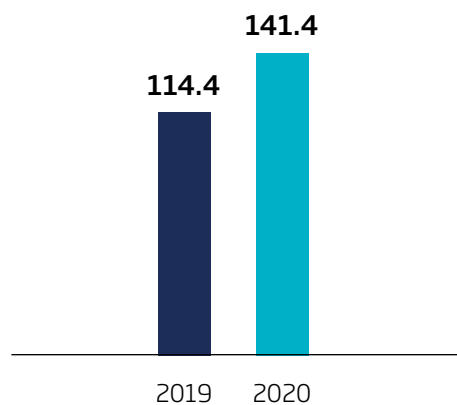
At year-end 2020, premium production in Aircraft Insurance branch increased by 24% to TL 141 million 424 thousand. Production was not retained in the Aircraft Insurance branch. The Company posted a technical loss of TL 2 million 30 thousand in this branch.

Aircraft

At year-end 2020, premium production in Aircraft Insurance branch increased by 24% to TL 141 million 424 thousand. Production was not retained in the Aircraft Insurance branch.

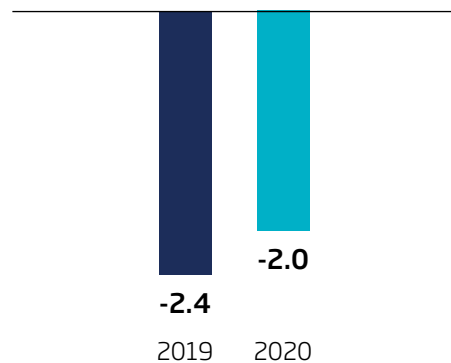
Premium Production (TL million)

2019-2020 **24%** increase



Technical Profit (TL million)

2019-2020 **-17%** decrease



2020 ACTIVITIES

TECHNICAL RESULTS

Aircraft Liability

At year-end 2020, premium production in Aircraft Liability Insurance branch decreased by 21% to TL 114 million 642 thousand.

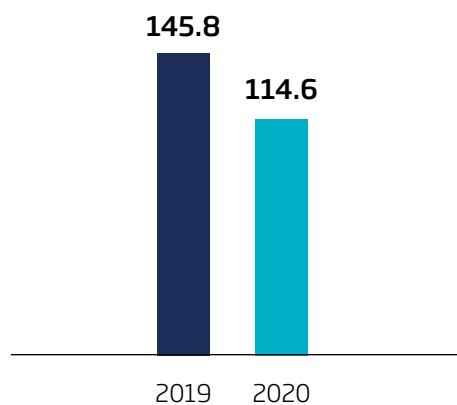
Aircraft Liability Insurance

AIRCRAFT LIABILITY	2019	2020	Change
Premium Production - TL	145,782,372	114,641,836	-21%
Retention Ratio %	-	-	-
Earned Premiums (net) - TL	-	-	-
Losses Incurred (net) - TL	-	-	-
Technical Profit - TL	(2,592,159)	(2,195,031)	-15%
Loss Ratio (net) %	-	-	-
Technical Profit/Premium %	-2	-2	-

At year-end 2020, premium production in Aircraft Liability Insurance branch decreased by 21% to TL 114 million 642 thousand. Production was not retained in the Aircraft Insurance branch. The Company posted a technical loss of TL 2 million 195 thousand in this branch.

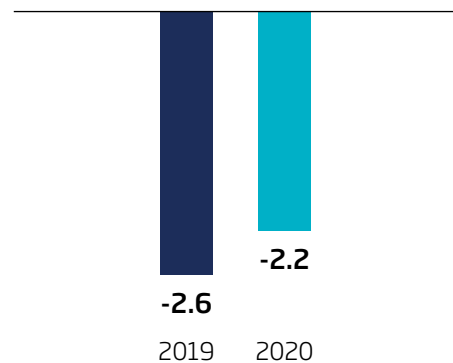
Premium Production (TL million)

2019-2020 **-21%** decrease



Technical Profit (TL million)

2019-2020 **-15%** decrease



Watercraft Insurance

WATERCRAFT	2019	2020	Change
Premium Production - TL	56,638,418	84,664,890	49%
Retention Ratio %	8	11	3%
Earned Premiums (net) - TL	3,309,891	5,979,828	81%
Losses Incurred (net) - TL	(5,434,852)	(1,208,904)	-78%
Technical Profit - TL	(492,395)	9,168,133	1962%
Loss Ratio (net) %	164	20	-144%
Technical Profit/Premium %	-1	11	12%

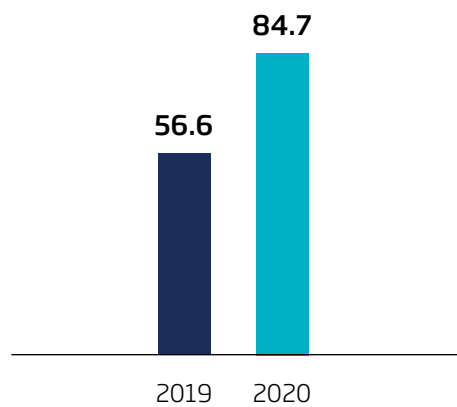
At year-end 2020, premium production in Watercraft Insurance branch augmented by 49% to TL 84 million 665 thousand. While earned premiums (net) amounted to TL 5 million 980 thousand, net losses incurred were recorded as TL 1 million 209 thousand. The Company posted a technical profit of TL 9 million 168 thousand in the Watercraft branch.

Watercraft

At year-end 2020, premium production in Watercraft Insurance branch augmented by 49% to TL 84 million 665 thousand. Net loss ratio dropped to 20%.

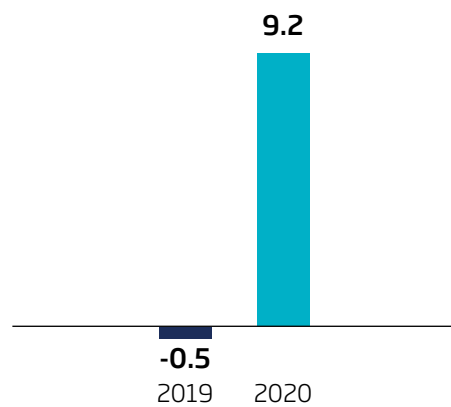
Premium Production (TL million)

2019-2020 **49%** increase



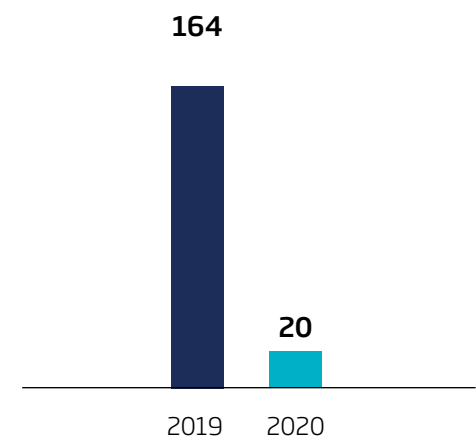
Technical Profit (TL million)

2019-2020 **1962%** increase



Loss Ratio (Net) (%)

2019-2020 **-144%** decrease



2020 ACTIVITIES

TECHNICAL RESULTS

Marine

At year-end 2020, premium production in Marine Insurance branch was up by 8% to TL 39 million 416 thousand. Net loss ratio escalated from 30% to 57%.

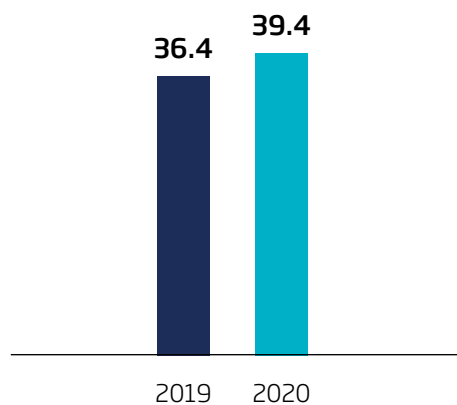
Marine Insurance

MARINE	2019	2020	Change
Premium Production - TL	36,418,086	39,415,913	8%
Retention Ratio %	35	34	-1%
Earned Premiums (net) - TL	12,704,096	13,755,297	8%
Losses Incurred (net) - TL	(3,827,184)	(7,867,775)	106%
Technical Profit - TL	11,984,994	7,835,390	-35%
Loss Ratio (net) %	30	57	27%
Technical Profit/Premium %	33	20	-13%

At year-end 2020, premium production in Marine Insurance branch was up by 8% to TL 39 million 416 thousand. Retention rate was 34%. While earned premiums (net) amounted to TL 13 million 755 thousand, net losses incurred were recorded as TL 7 million 868 thousand at 2020 year-end. The Company posted a technical profit of TL 7 million 835 thousand in the Marine branch, dwindled by 35% year-over-year.

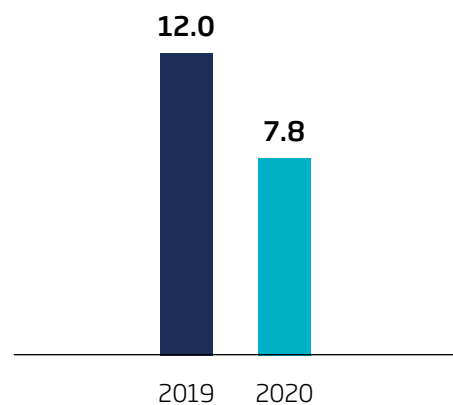
Premium Production (TL million)

2019-2020 **8%** increase



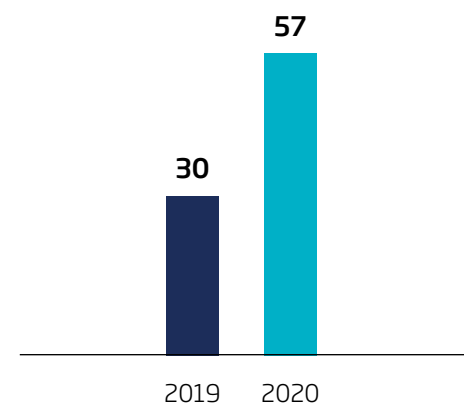
Technical Profit (TL million)

2019-2020 **-35%** decrease



Loss Ratio (Net) (%)

2019-2020 **27%** increase



Credit Insurance

CREDIT	2019	2020	Change
Premium Production - TL	12,908,875	29,631,833	130%
Retention Ratio %	1	1	-
Earned Premiums (net) - TL	1,781	315,218	17599%
Losses Incurred (net) - TL	332,267	98,300	-70%
Technical Profit - TL	569,573	(12,794,511)	-2346%
Loss Ratio (net) %	-18656	-31	18625%
Technical Profit/Premium %	4	-43	-47%

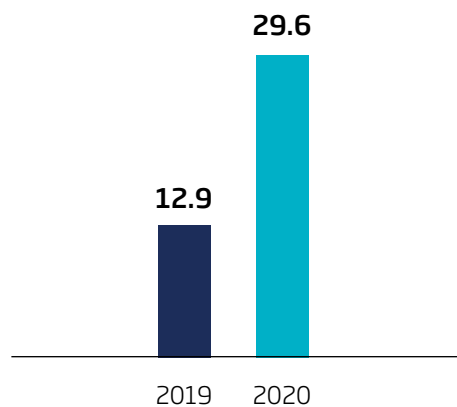
At year-end 2020, premium production in Credit Insurance branch amounted to TL 29 million 632 thousand. Retention rate in this branch was 1%. The Company posted a technical loss of TL 12 million 795 thousand in the Credit branch.

Credit

At year-end 2020, premium production in Credit Insurance branch amounted to TL 29 million 632 thousand.

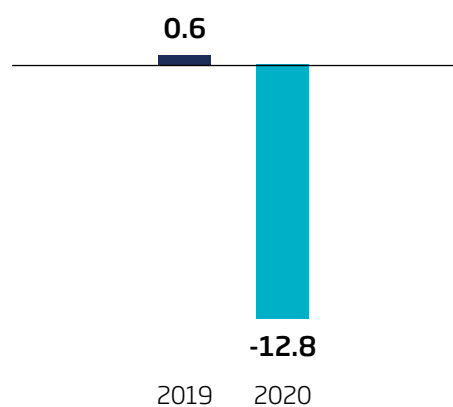
Premium Production (TL million)

2019-2020 **130%** increase



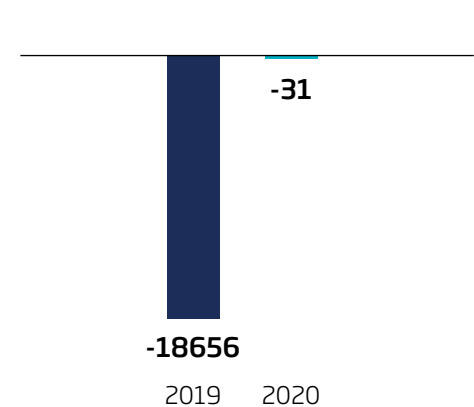
Technical Profit (TL million)

2019-2020 **-2346%** decrease



Loss Ratio (Net) (%)

2019-2020 **18625%** increase



2020 ACTIVITIES

TECHNICAL RESULTS

Financial Losses

At year-end 2020, premium production in Financial Losses Insurance branch shrank by 52% to TL 27 million 217 thousand. Retention rate was down from 81% to 26%.

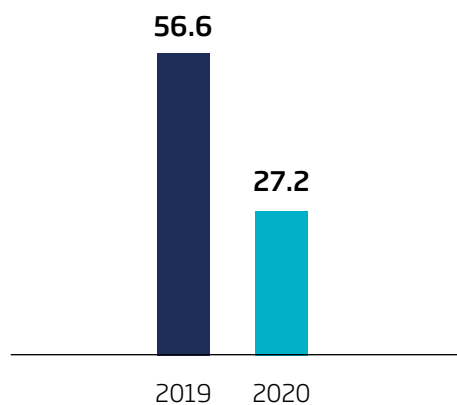
Financial Losses Insurance

FINANCIAL LOSSES	2019	2020	Change
Premium Production - TL	56,611,553	27,216,799	-52%
Retention Ratio %	81	26	-55%
Earned Premiums (net) - TL	30,790,311	24,084,568	-22%
Losses Incurred (net) - TL	(4,744,384)	(8,481,094)	79%
Technical Profit - TL	14,499,536	5,383,312	-63%
Loss Ratio (net) %	15	35	20%
Technical Profit/Premium %	26	20	-6%

At year-end 2020, premium production in Financial Losses Insurance branch shrank by 52% to TL 27 million 217 thousand. Retention rate was 26%. While earned premiums (net) amounted to TL 24 million 85 thousand, net losses incurred were recorded as TL 8 million 481 thousand. The Company posted a technical profit of TL 5 million 383 thousand in the Financial Losses branch.

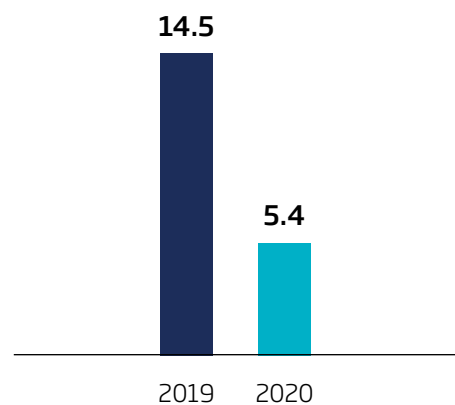
Premium Production (TL million)

2019-2020 -52% decrease



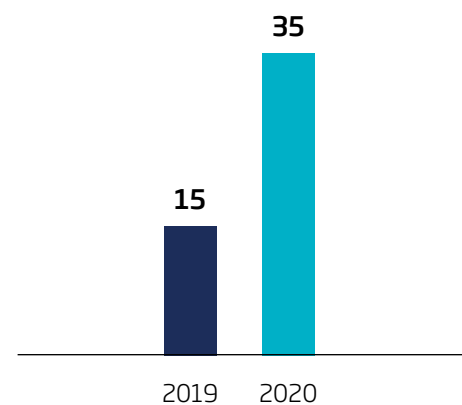
Technical Profit (TL million)

2019-2020 -63% decrease



Loss Ratio (Net) (%)

2019-2020 20% increase



Legal Protection Insurance

LEGAL PROTECTION	2019	2020	Change
Premium Production - TL	13,891,034	16,948,532	22%
Retention Ratio %	92	100	8%
Earned Premiums (net) - TL	9,562,053	14,560,685	52%
Losses Incurred (net) - TL	491,875	219,038	-55%
Technical Profit - TL	4,677,000	10,366,383	122%
Loss Ratio (net) %	-5	-2	3%
Technical Profit/Premium %	34	61	27%

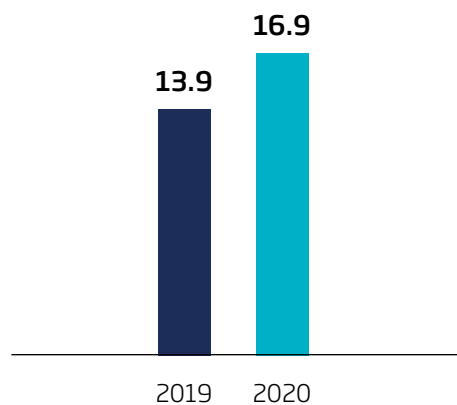
At year-end 2020, premium production in Legal Protection Insurance branch expanded by 22% to TL 16 million 949 thousand. Retention rate was 100%. While earned premiums (net) amounted to TL 14 million 561 thousand, net losses incurred were recorded as TL 219 thousand. The Company posted a technical profit of TL 10 million 366 thousand in the Legal Protection branch.

Legal Protection

At year-end 2020, premium production in Legal Protection Insurance branch expanded by 22% to TL 16 million 949 thousand. Retention rate was 100%.

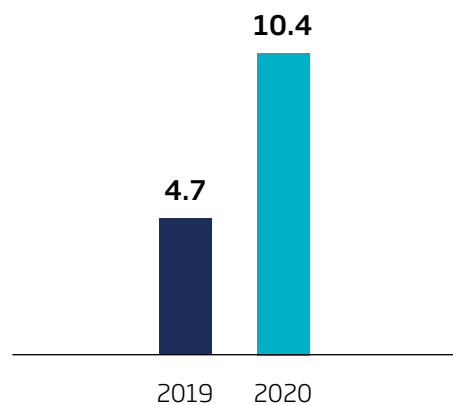
Premium Production (TL million)

2019-2020 **22%** increase



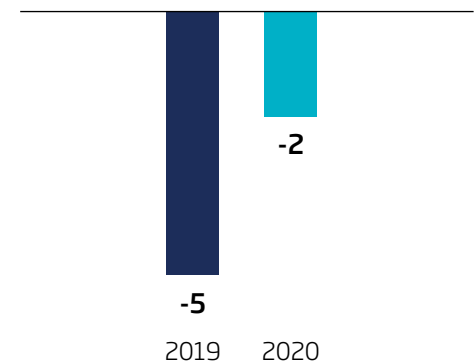
Technical Profit (TL million)

2019-2020 **122%** increase



Loss Ratio (Net) (%)

2019-2020 **3%** increase



2020 ACTIVITIES

TECHNICAL RESULTS

Surety Bond

At year-end 2020, premium production in Surety Bond Insurance branch amounted to TL 5 million 576 thousand. Retention rate went up from 16% to 51%.

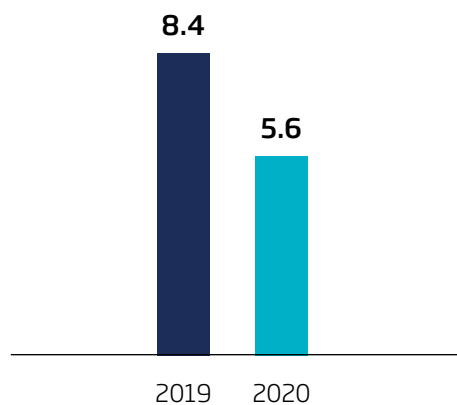
Surety Bond Insurance

SURETY BOND	2019	2020	Change
Premium Production - TL	8,384,035	5,575,575	-33%
Retention Ratio %	16	51	35%
Earned Premiums (net) - TL	974,135	2,039,309	109%
Losses Incurred (net) - TL	320,770	(77,440)	-124%
Technical Profit - TL	1,726,229	2,299,478	33%
Loss Ratio (net) %	-33	4	37%
Technical Profit/Premium %	21	41	20%

At year-end 2020, premium production in Surety Bond Insurance branch amounted to TL 5 million 576 thousand. Retention rate was 51%. While earned premiums (net) amounted to TL 2 million 39 thousand, net losses incurred were recorded as TL 77 thousand. The Company posted a technical profit of TL 2 million 299 thousand in the Surety Bond Insurance branch.

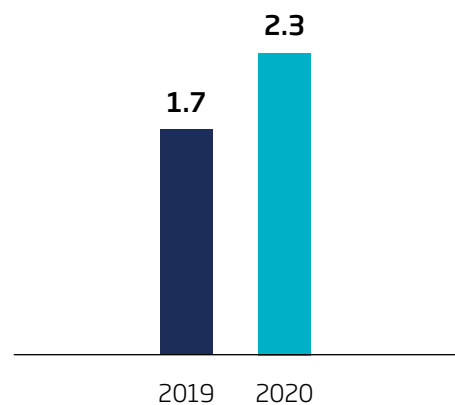
Premium Production (TL million)

2019-2020 -33% decrease



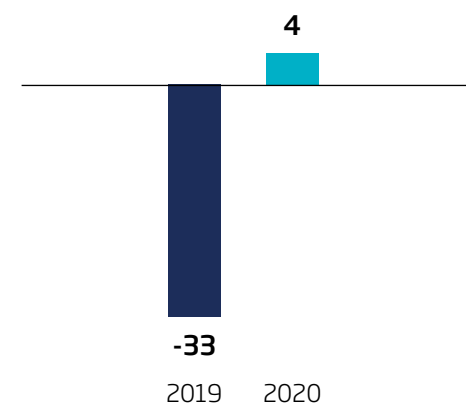
Technical Profit (TL million)

2019-2020 33% increase



Loss Ratio (Net) (%)

2019-2020 37% increase



Support Insurance

SUPPORT	2019	2020	Change
Premium Production - TL	158,666	1,928	-99%
Retention Ratio %	100	100	-
Earned Premiums (net) - TL	154,165	27,693	-82%
Losses Incurred (net) - TL	-	-	-
Technical Profit - TL	31,797	27,693	-13%
Loss Ratio (net) %	-	-	-
Technical Profit/Premium %	20	1436	1416%

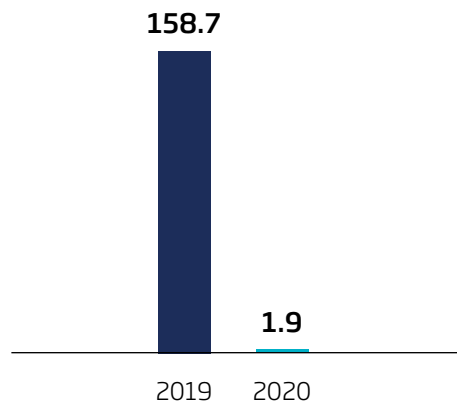
At year-end 2020, premium production in Support Insurance branch amounted to TL 2 thousand. While earned premiums (net) amounted to TL 28 thousand, the Company posted a technical profit of TL 28 thousand in the Support branch.

Support

At year-end 2020, premium production in Support Insurance branch amounted to TL 2 thousand.

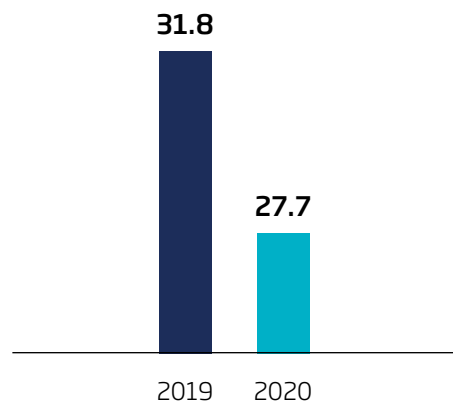
Premium Production (bin TL)

2019-2020 **-99%** decrease



Technical Profit (bin TL)

2019-2020 **-13%** decrease



2020 ACTIVITIES

sales league

Sales League initiative was introduced for sales channel employees with the aim of establishing a well-balanced, sustainable and renewable portfolio, unveiling the potential, and strengthening customer relationship network.

Momentum was given to activities for increasing the performance of sales channels.

Türkiye Sigorta boasts a countrywide expertise and experience also in sales and marketing. Along this line, campaigns and implementations addressing distribution channels and sales teams, along with targeted products were effectively managed during the reporting period in keeping with the strategy of achieving growth in profitable branches and products.

In 2020, Commercial Fire Implementations were set out for the agency channel, and commission fees to agencies succeeding in campaigns were increased. In the last quarter, a new campaign model was launched with the Housing, Fire, Complementary Health, Motor Own Damage and Personal Accident products.

On the bancassurance side that emerges as the powerful distribution network, employees displaying a successful performance in the campaigns organized at VakıfBank were awarded gift vouchers. In the last quarter, campaigns were organized with Ziraat Bank, Halkbank, VakıfBank, Ziraat Participation Bank, Vakıf Participation Bank and Albaraka Participation Bank.

Sales League initiative was introduced for sales channel employees with the aim of establishing a well-balanced, sustainable and renewable portfolio, unveiling the potential, and strengthening customer relationship network. Sales League activities carried out in parallel with the campaigns organized contribute to the success of the campaigns.

Customer analytics strengthen the foundation of our service model.

In line with the disciplines stemming from data analytics, Türkiye Sigorta has defined a short-medium term roadmap that it steers basically with data-driven projects having a statistical basis.

The main purpose of customer data analytics is to obtain strategic outputs that will increase the Company's profitability and enhance customer satisfaction, and will ensure sustainable growth and competitive advantage. In this context, the Company's fundamental strategy is built on getting to know the customers well in order to deliver the right product to the right consumer, through the right channel, at the right price. Value and behavior segmentations that will be based on accurately reading customers' habits, attitudes and behaviors, as well as their demographic characteristics will allow gaining an insight into customers based on a 360-degree perspective. Value segmentation will enable resource efficiency by way of focusing on currently and potentially high-value customers, as well as offering customized differentiation of services.

A proposal system will be introduced that will link product and customer profile components for cross-selling/upselling so as to enhance company loyalty. This will allow increasing average policies per customer, while facilitating achievement of targets where strategic growth is anticipated.

We are committed to upgrading customer satisfaction.

Türkiye Sigorta keeps improving all its processes through comprehensive actions to better manage its distribution channels and to offer the best service possible to its policyholders based on a perspective focused on customer satisfaction.

Accordingly, customer feedback will be measured on all distribution channels in order to offer the products and solutions that cater to customer expectations and to ensure continuous upgrading of service quality. Net Promoter Score (NPS) that will be applied to all sales and after-sales processes and customer satisfaction questionnaires are intended to obtain real-time feedback. Comprehensive "Voice of the Customer" programs are being designed to strategically manage customer experience. In addition, critical touch points will be identified and focus will be placed on resolving the most common topics in line with the policyholders' expectations. Investments in digital transformation are targeted

at building on digital capabilities so as to reduce customer effort in sales processes and improve user experience.

Customer communication and associated activities have gained higher importance and further increased in view of Türkiye Sigorta's solid distribution channels and customer-focused vision. Importance is attached to using a plain and easy-to-understand language to support effective customer communication and to provide information transparently about products, services and policies in all processes.

To this end, the Company is planning to launch a "Simplification Project", which will aim to simplify products to make them easy to understand, and to introduce seamless and swift processes for customers in keeping with the focus on delivering simple and understandable service. Redesigned processes and screens are targeted at providing a high-level experience to customers and sales channels, alike.

Services targeted at expectations and habits are being developed to strengthen service efficiency and deliver personalized experience. Based on experience-oriented marketing perspective, it is targeted to boost customer satisfaction and loyalty by offering segment-specific service differentiation.

On all its physical and digital channels, Türkiye Sigorta invests in areas that can be personalized, in other words, in areas it can concentrate on omni-channel customized marketing. Strategic projects continue to be developed to provide customized content through data collection, analysis, and use of automation. In this framework, in order to increase customer loyalty through differentiated customer experience and unique offers, customer attitudes and habits are classified, followed by CRM investments aimed at providing products and solutions targeted at their expectations and habits.

Given the importance of customer communication in customer retention efforts, the following are planned as part of communication and information activities for perfect after-sales customer experience and service delivery:

- Upon completion of the policy process, sending the policy information via SMS/e-mail; submitting the policy as video content; welcome calls by the call center,
- Creating customer information contents which will be e-mailed to customers, where complaints will be defined as the priority heading to be analyzed with the purpose of enhancing customer satisfaction and decreasing complaints by minimizing lacking information,
- Control and satisfaction calls halfway through the policy periods to strengthen customer communication,
- Sending rewards on occasions such as New Year's Eve, birthday etc. as part of occasion management.

Digital solutions take the first spot in driving sales performance.

To make headway in reaching the policyholders through digital channels and to extend support to the operational efficiency of sales outlets, Türkiye Sigorta increased the number of its online sales outlets and its production on this channel following the merger thanks to its robust infrastructure.

As part of the initiatives carried out on the basis of sales channels, the products continue to be increased, the sales of which can be finalized end-to-end on the website channel. Currently, TCIP and Tourist Protection and Support Insurance associated with COVID-19 are being sold on the website, and it is planned to put motor TPL and motor own damage polices on online sales as well.

In an effort to keep pace with the fast-changing agenda and to keep the customers informed at all times, making them feel the close communication, the website features pop-up contents.

online sales

TCIP and Tourist Protection and Support Insurance associated with COVID-19 are being sold on the website, and it is planned to put motor TPL and motor own damage polices on online sales as well.



2020 ACTIVITIES

Call Center

Türkiye Sigorta carries out policy renewals and new product sales via VakıfBank Call Center.

Sales via the call center also increased in the wake of the pandemic.

As policyholders turned towards digital platforms and other alternative channels at an increasing pace instead of going to agency offices or bank branches during the pandemic, sales via the call center also picked up in this period.

Türkiye Sigorta carries out policy renewals and new product sales via VakıfBank Call Center. In this context;

- My Passwords are Secure and Card Protection Insurance product was put on sale;
- Calls were placed for Complementary Health, Housing and TCIP Insurance renewals, and calls for Housing and TCIP policies are in progress.

As alternative channels will continue to be used actively in 2021, synergetic collaboration will be increased with Ziraat Bank, Halkbank and VakıfBank that serve as the bancassurance channel. Integration and new development activities are being carried out for products that will be offered on the banks' digital platforms and call centers. In this context, in addition to sales of existing products, action plans were devised for developing and putting on sale the following:

- My Belongings are Secure Insurance product through VakıfBank,
- My Passwords are Secure Insurance product through Halkbank,
- New product for farmers through Ziraat Bank.

Advantages offered by digitalization are being capitalized on in sales and after-sales services.

As experienced lately, financial transactions are quickly migrating to the online and digital media. The outbreak instigated the forced rapid transformation, and the usage of mobile applications increased by 40% during the pandemic. Insurance companies in the world and Turkey that accurately analyze the trends began shifting their insurance products and the activity of their distribution channels in this direction.

Delivering all insurance products via mobile and web channels and facilitating customers' purchasing of these products by establishing the ideal end-to-end digitalized insurance customer experience will take the first ranks among the projects that Türkiye Sigorta will be working on in the coming period. In this context, the Company is intending to take advantage of digitalization not just in digital sales of insurance products but also in after-sales service processes. The Company is planning to work on customer support systems offering use with QR code and instant assistants for users inquiring about the value of their policies in health insurance; providing protection without a damage occurring to the house through the IoT software system in housing insurance; and remote completion of the claims form without mutual contact with the inclusion of just a photograph, and offering a number of conveniences and discount for customers evidencing their financial hardship regarding premium payments in motor own damage.

The Information Technologies infrastructure has been successfully established in the merger project.

Within the scope of the merger project commenced with the involvement and support of all stakeholders in December 2019, committees and sub-working groups were set up to coordinate the merger-related processes. Initially, studies were initiated to select the Basic Insurance Package of the merging companies upon seeking the opinions of those committees and working groups as well.

In April, TCO (Total Cost of Benefit) and GAP analyses were performed upon reviewing the suggested solutions and software architectures of potential service providers for the Basic Insurance Package that would be used in the new structure.

The Basic Insurance Package was identified in June by taking into consideration the functional capabilities of the systems, followed by the planning of the Merger Project Program together with the project teams.



Under the Merger Program, all software development activities were completed by 30 August 2020 and the project went live on all channels on 1 September 2020.

Upon completion of planned tasks, the solid agency and bancassurance network was established, which served to develop an integrated insurance perspective.

The operational contributions of the project can be summarized as follows:

- Deriving scale economy benefits through joint use of teams and resources,
- Creating the industry's richest product portfolio through combination of the total product ranges of three insurance companies under one company,
- Capability to sell the products via a single system supporting omni-channel structure, and reaching a broad customer base through all channels,
- Synthesis of various experiences,
- Increasing operational efficiency,
- Enabling management of the total risk of real and legal persons.

Different IT projects were conducted during the reporting period.

Shifting Agency Resources to the Pusula System:

Agency sales channels shifted to the post-merger targeted system, i.e. PUSULA, which allows agencies to produce, collect and report their policies through a single insurance system.

Shifting Participation Bank Resources to the Pusula System:

The work initiated for shifting the participation bank resources to the post-merger targeted system, i.e. PUSULA, was finalized, and the shift is scheduled to take place in March 2021.

Pusula Health Branch Improvements: Since the health branch will keep using the PUSULA system, improvements were made to enable operational management of large conglomerates

and to offer better service to the insured, particularly in line with the growth targets in this branch.

Health Branch Automated Rule Management Project:

In health provision procedures, an infrastructure was set up that allows managing universal rules tailored according to policies and groups, automated application of these rules by the system for each provision request received, and thus automating provisions processes, resulting in increased efficiency.

IFRS17 Project: Work is ongoing to harmonize the standards used in the recognition of insurance contracts and in the reporting of reinsurance contract data to the IFRS17 norms.

A series of projects focused mostly on the amalgamation and integration of operational activities were also brought to completion during the reporting period.

- Data transfer was completed in product, collection, reinsurance and claims operations for Ziraat Sigorta and Halk Sigorta.
- Basic system integrations were completed for SBM (Insurance Information and Monitoring Center), DASK (Turkish Catastrophe Insurance Pool), TARSIM (Agricultural Insurance Pool), TOBB (The Union of Chambers and Commodity Exchanges of Turkey) and ORYM (Extraordinary Risks Management Center).
- Customer merging and black listing were completed on the Customer Management channel.
- Digital channels were merged.
- Inventory studies and analyses were conducted and all notifications were updated for notifications to legal authorities, agency notifications, insurance notifications and bank channel notifications.
- Products, endorsements and authorization rules were amalgamated within the scope of production configuration.

ideal customer experience

For an ideal digitalized insurance customer experience, Türkiye Sigorta is intending to take advantage of digitalization not just in digital sales of insurance products but also in after-sales service processes.

2020 ACTIVITIES

mobile app

Türkiye Sigorta Mobile App was developed from scratch in order to become the pioneer and the leader in digital insurance, and to make a breakthrough in mobile applications.

- System definition and integration tasks were completed for agency and bank sales channels.
- Collection payment methods, payment plans and collection processes were analyzed, new matrices were created and systemic parameters were defined.
- Operational configurations and claims integrations linked to claims processes were completed.
- Bookkeeping account designation and parametric definitions were made, and accounting integrations were completed.
- An inventory of all written and printed documents was prepared for printing and reporting purposes, and work was carried out in relation to corporate identity.

Speed is added to digital transformation of operational processes.




























Türkiye Sigorta is devising a company with high digital capabilities in all internal and external functions, and acting with the perspective of implementing digitalization principles and simplification of processes in all channels.

As a result of related analyses, nearly 70 corporate identity revisions were identified in the main and subdomain. Since the existence of separate websites of each individual company and the absence of a mobile app under the name Türkiye Sigorta would cause confusion and dissatisfaction with customers, work was initiated to reduce the number of websites from three to one in the non-life segment, and to develop a mobile app for Türkiye Sigorta. In this process, Türkiye Sigorta mobile app development was also finalized and introduced on application stores. Successfully revised identity on all domains, reformatted website and mobile app by the end of the three-month transition period defying limited time and resources strengthened the single company perception in the customers' eyes and minimized possible dissatisfaction.

Work is being commenced on other projects that were planned for 2020, but put on hold due to the merger. Among the many projects in this scope are enabling online monitoring of claims processes with all their details and self-unblocking by the customer, one of the topics that most occupies the call center.

Work is ongoing for upgrading mobile applications.

Türkiye Sigorta Mobile App was developed from scratch in order to become the pioneer and the leader in digital insurance, and to make a breakthrough in mobile applications. This app was constructed to offer innovative solutions that encompass both non-life and pension services and in a way to give the sense that we stand by our users at times of emergencies. Although no download campaigns were organized for Türkiye Sigorta mobile app, the number of downloads reached 15 thousand, which indicates at a significant level in the insurance industry. A function was added to the app for routing customers to the related mobile applications of the three companies to perform their transactions associated with Türkiye Hayat Emeklilik. While leads are generated in a number of products through ambulance, locksmith, tow truck and plumber calling under the emergency assistance service and quick TCIP policy purchasing is offered within the non-life insurance services, user's location is used to show the nearest in-network institutions (agencies, hospitals, outpatient clinics, laboratories, pharmacies, etc.) on the map within the app, thus providing easy directions to get there.

Website	Non-life	  	
	Pension	  	
Online Branch	Non-life	  	
	Pension	  	  
Mobile	Non-life	 	
	Pension	  	  
		17	10

merging websites and apps

Türkiye Sigorta finalized the merging of the pre-merger websites and online branch applications pertaining to the three companies into one, and the merging of two mobile apps into one.

Sağlıkta (In Good Health) Mobile App was launched to deliver the maximum efficiency in relation to policy and health to health policyholders via the mobile app. Including the developments, the functions to be offered to health policyholders include policy viewing, policy printing, remaining limit query, claiming health expenses, viewing health expenses, viewing payment plan and querying in-network institutions.

Digital Applications Merging Project is targeted at achieving maximum contact with the customer by reducing the platforms that touch the customers to three, which were decreased from 17 domains to 10 following the merger. The first steps began to be taken in this project that was set off with the vision of a single website, online branch and mobile app. Türkiye Sigorta finalized the merging of the pre-merger websites and online branch applications pertaining to the three companies into one, and the merging of two mobile apps into one.

Sales Service Model Project was launched to boost sales competency across agency, bancassurance and all other sales channels and to enable proactive sales management. Introduced with the motto of providing the fastest, easiest and most effective service on all sales channels, the project is being built upon ROTA sales application, which is also used for pension and life branches. This project, which is an expansion of the successful application in the life and pension segments, also serves to the goal of activating areas of synergy that is also mentioned in our Company's merger vision. Commenced in 2020, the project is slated for completion in all aspects by year-end 2021.

Under the Intranet Project, the activities were initiated from day one to satisfy the need for a single Intranet that quickly resulted from the merger. It is planned to bring all employees together on this shared platform by early 2021.

2020 ACTIVITIES



COVID-19 treatment expenses of the people travelling to Turkey are covered under the Tourist Protection and Support Insurance.

Our product mix was combined in a single platform.

Türkiye Sigorta's key target for product management following the merger on 31 August 2020 has been to combine the insurance products sold by the three companies on different technologies and systems in a single platform, and to integrate this platform and the products in all sales channels. This integration was successfully realized as part of the merger project, bringing all products under a single roof, where they can be reached, sold and followed-up.

Products and applications are being developed, which fulfill customers' evolving demands and facilitate experience.

During 2020, Türkiye Sigorta undertook product development for remote sales channels. In this context, My Belongings are Secure, My Passwords are Secure and Card Protection Insurance products were developed, and positioned on the call centers of public banks that serve as the bancassurance channel, where they began to be sold.

The online sales module enabling fast and easy sales of Compulsory Earthquake Insurance (TCIP) and policy renewals was launched on the website.

Offering health advisory 24/7 through video call without going to a hospital or other healthcare institution, "My Online Doctor" app gives all employees, private health and group life policyholders reach to online medical advisory, psychological advisory and dietitian services.

BiP service was introduced for Private Health Insurance customers to convey their health claims for their healthcare expenses incurred at out-of-network institutions, which allows finalization of their claims faster without leaving their homes and without having to send them by cargo amid the fight against the COVID-19 pandemic. My Online Doctor menu was added to the channel in the second phase of the application, thereby offering 24/7 live health advisory service through video chat.

To further expand the widespread use of Complementary Health Insurance, the product was reinforced with the addition of surgical operation compensation coverage, check-up coverage and optional labor and pregnancy follow-up coverage to the existing ones.

Health Communication Center was set up to provide customer-focused service. Policyholders and sales channels can reach the Health Communication Center at the number 0850 202 2020 and sim@turkiyesigorta.com.tr email address between 9:00 to 18:00 hours on weekdays.

Based on a collaboration to better promote and drive the expansion of the State-Subsidized Trade Receivable Insurance that gained increased importance during the pandemic and offers expanded scope and facilities, a form was embedded on the main page of Dünya Newspaper website, which collects the data of those wishing to get a quotation who are then contacted by the sales channel. This practice was also backed by a webinar streamed live on Dünya Newspaper's YouTube channel.

Producing solutions quickly for policyholders' needs during the pandemic, Türkiye Sigorta launched the Tourist Protection and Support Insurance and the COVID-19 Accommodation Support Insurance, which are designed to assure foreign tourists against the COVID-19 risk so that they can enjoy a secure vacation and to support the tourism industry. Under the Tourist Protection and Support Insurance, if people travelling to Turkey receive treatment in any pandemic hospital, whether private or state hospital, for a condition definitively diagnosed as COVID-19 illness, their treatment expenses are covered for the duration of their hospitalization. "Buy" link added to the website for online sales refers the tourists to product content texts in five different languages. The COVID-19 Accommodation Support Insurance, on the other hand, covers hotel expenses throughout a traveler's stay if quarantined for having contracted COVID-19.



Our satellites in the sky have been insured under the "In-Orbit Operations Insurance Policy".

On another note, the insurance product developed against cyber risks considered among the most critical risks facing the digitalizing world will be launched soon.

Türkiye Sigorta began undersigning the industry's firsts in product development.

Türkiye Sigorta realized an epic collaboration with Türksat, Turkey's one and only satellite operator, and insured 'Türksat 3A', 'Türksat 4A' and 'Türksat 4B', Turkey's eyes in the sky and national communication satellites with a total worth of above USD 280 million, providing coverage in the amount of TL 2,225,000,000 against possible risks for a period of one year.

The "In-Orbit Operations Insurance Policy" issued incorporates fire and ancillary coverage, and also offers assurance against risks that may occur when our satellites are operating in orbit such as meteor hit, deorbit and collision.

The coverage provided to the three national satellites by a domestic and national insurer constitutes a first also for the industry in terms of the magnitude of the sum insured and the issuance of a policy in a virgin area. The collaboration moved the borders of Türkiye Sigorta's services to the space.

Our organization and processes are being activated in claims handling.

Having joined among the industry's major players with efficient claims handling giving the foreground to customer satisfaction, Türkiye Sigorta is aiming to offer its customers more affordable services in claims processes, enabled by the leverage stemming from the scale economy resulting from the merger.

The assistance network (in-network repair shops, glass services, suppliers) in the motor own damage, housing and workplace insurance of Türkiye Sigorta was expanded to offer faster and higher quality service to policyholders. The broad assistance network with a countrywide

reach enabled by over 3,500 in-network auto repair shops, suppliers, mini repair services, in-network glass services, home repair companies continues to be expanded in line with the number of customers and regional needs.

Through end-to-end continuous monitoring and improvements, Türkiye Sigorta sets up quality and performance units with the aim of enhancing the efficacy and productivity of claims handling.

While two distinct sections were set up, namely In-Network Organizations and Logistics for expanding the network and increasing the effectiveness of the service rendered to customers under the Auto Division, the Field Control Section started activities to control the quality of the repairs made and service furnished at service shops, suppliers and all in-network companies. Quality, Process Control and Performance Reporting sections operate as individual units for overseeing the processes carried out by the claims team and their efficacy, and for regularly monitoring the processes that touch the customers, as well as field operations.

Studies and planning are in progress for improving existing processes.

Türkiye Sigorta is looking to achieve a further reinforced claims management with a focus on digitalization and technology. Along this line, aiming to consolidate its pioneering identity in the industry with its optimized and digitalized claims processes, the Company includes projects that will leverage customers' digital experience within its future plans, such as automated/robotic claims processes and following up claims processes via mobile.

efficient claims handling

Having joined among the industry's major players with efficient claims handling giving the foreground to customer satisfaction, Türkiye Sigorta is aiming to offer its customers more affordable services in claims processes, enabled by the leverage stemming from the scale economy resulting from the merger.

2020 ACTIVITIES

participation insurance

Aiming to lead and innovate the countrywide expansion of participation insurance, Türkiye Sigorta keeps working to increase distribution channels and product service diversity.

Türkiye Sigorta targets to capitalize on the potential offered by participation insurance.

Carefully implementing the principles of participation insurance pursuant to the Regulation on the Operating Procedures and Principles of Participation Insurance that was published in the Official Gazette issue 20186 dated 20 September 2017, and entered force in December 2017, Türkiye Sigorta will carry on with its participation insurance operations exercising the same level of care under the "Regulation on Insurance and Private Pension Activities within the Frame of Participation Principles" dated 19 December 2020 and numbered 31339, which is the new Regulation governing participation insurance that will substantially become effective in June 2021. In all its operational and financial transactions associated with all available products, the Company operates with the window method in accordance with participation finance and participation insurance principles.

In Turkey, the public authority continues to increase its support and efforts for increasing the share of participation within the finance sector. Aiming to lead and innovate the countrywide expansion of participation insurance, Türkiye Sigorta keeps working to increase distribution channels and product service diversity.

The preparation time allowed for incorporation to companies carrying out their participation operations on the basis of window model under the Regulation released in 2020 will expire at year-end 2021. Until then, companies will need to separate their participation insurance operations from conventional insurance operations.

Türkiye Sigorta offers service in participation insurance on the basis of the Hybrid Model.

Türkiye Sigorta services its customers based on the Wakalah/Mudarabah Mix (Hybrid) Model within the frame of the approval of the Advisory Committee, by receiving 15% proxy fee from contribution premiums and 20% income share from risk fund investment income.

The Company offers interest-free insurance products to its customers aligned with participation insurance principles, mainly motor own damage, housing, workplace, fire, personal accident and health insurance.

In 2021, the Company is targeting to achieve further expansion on the basis of distribution channel by involving the websites and mobile branches of its business partner investment banks and the agency distribution channel, and to increase the production volume of participation insurance.

Our distribution channel structure in participation insurance is growing stronger.

The Company has agency contracts with Ziraat Participation Bank, Vakıf Participation Bank, Albaraka Türk Participation Bank, Türkiye Finans Participation Bank and Emlak Participation Bank from out of the six participation banks operating in the industry. Participation insurance production in 2020 was derived on the branches of participation banks acting as agencies. In addition, participation insurance products began to be sold out of VakıfBank branches, thus creating a new distribution channel, and alternative products were offered to the bank's customers.

Our brand promise spelled out as “Its Strength is Implicit in its Name” underpins our approach to corporate communications.

Launch Communication

Türkiye Sigorta is an awe-inspiring, majestic insurance company with high stakeholder sensitivity that makes a differentiation, expands the market, and is a center of attraction. At the same time, it is agile, well-managed, financially strong, leader, sympathetic, inclusive and competitive. Having set off with the brand promise spelled out as “Its strength is implicit in its name”, Türkiye Sigorta has a strong, innovative and sensitive character. With a simple tone of voice, it is excited, awe-inspiring and cordial. It has formulated its attitudes on the grounds of gallantry, dexterity, empathy and solidarity. Our communication framework is defined under three main headings:

Emotional benefits: Trust, sense of belonging, peace of mind, pride...

Functional benefits: Secured future/assurance, individual economic benefit, professional management, experience/know-how and expertise, far-reaching service, need-tailored solutions, new products in currently uninsured areas...

National benefits: Sustainable contribution to the economy, growing market, international branding potential...

Product and service similarity is one of the factors that make differentiation a challenge in the insurance industry. Therefore, competition is defined by “trust” in the corporate brand, alongside mostly “pricing” policies. In this framework, factors that will prop the trust to be held in Türkiye Sigorta and will be differentiated by promises unmatched by any other company at present make up the basis of the communication.

The main axes of our communication are based on all the other concepts entailed by these areas with a focus on:

Groundbreaking perspective enabled by know-how and expertise in the area of functional benefits (new products in uninsured areas, steps to be taken in the digital, etc.),

Stakeholding and sensitivity, sense of belonging and price in the area of emotional benefits,

Expanding insurance market and sustainable economic contribution in the area of national benefits.

Communication Attitude

- Leader
- Close
- Fast
- Sharing
- Prolific
- Domestic and national and at the same time global

Communication Language

- Authentic
- Self-confident
- Inclusive, giving the sense of belonging
- Sensitive
- Ambitious but realistic



We held the Türkiye Sigorta publicity meeting on 7 September 2020.



During the Türkiye Sigorta publicity meeting, the “Offshore Energy Well Insurance Policy” was delivered to the President Recep Tayyip Erdoğan.

2020 ACTIVITIES

Our Manifesto

Türkiye... Turkey... the roof, home, peace of mind, and hope of 83 million people. The shared name of today and the future...

The unique country that proudly carries the ancient heritage of the Anatolian land into the future; transforming its values into power, and its power into ideals;

Our country...

Türkiye Sigorta... Saying that "Its strength is implicit in its name", we are set to change the present and the future of the insurance sector with the self-confidence and pride we draw from the stronger muscle that result from the merger of the insurance subsidiaries of Ziraat Bank, Halkbank and VakıfBank taking place in our formation...

The insurance industry has an extremely strategic place and share in sustainable growth and increased national welfare. It is the future guarantee of our country, of all of us, each and every one of us. It is the right key to turn the savings into an investment in the future...

Our target is set, our ideal is common...

Joining our hands, power and hearts, to be a company that creates value, redefines the economically and socially strong insurance concept by transposing "after" with "before" and offers solutions catering to the need for trust at every moment of life. And the formula to achieve that is to be a company that has confidence in itself, that produces, constantly improves, and uses its strength to attain the better...

The essentials in this regard are an insurance industry growing along with all its stakeholders and an expanding market in order to add to this massive strength, to charge ahead even more strongly towards our targets.

This is the mission we are willing to undertake.

As Türkiye Sigorta, we believe that we will duly fulfill this national mission drawing on our strength in the market, broad customer portfolio, far-reaching distribution network, innovative perspective, technology-drive, qualified human resource and the awareness of the social responsibility we have assumed.

We trust in the stakeholders in our industry with whom we will be walking along this path hand in hand, and in the countenance of our people.

We are targeting to steer the insurance understanding in Turkey and act as a role model for the world with our knowledge, experience, vision and production, by carrying the leadership position beyond figures.

Our targets are ambitious and our responsibility is huge. We know.

And we promise. WE WILL SUCCEED WITH OUR STRENGTH...

Türkiye Sigorta "Its strength is implicit in its name"



Turquoise and red are selected as the main colors of the emblem. Turquoise is a color frequently used in our traditional handcraft, çini tile art, and also symbolizes our country. Red, our national color, is the color that best befits our name.



RATIONAL AND GEOMETRIC BASIS

Established with the vision of offering innovative solutions to fulfill the need for trust at every moment of life for everyone dreaming of a bright future, Türkiye Sigorta's emblem was erected upon the fundamental concepts of the insurance industry, such as trust, strength and innovation. The design embeds the graphical elements inspired by our deep-rooted history and cultural values in the emblem.

The letter "T" at the center of the emblem is designed based on rumi motifs that were widely used in all branches of decorative arts by the Seljuk Turks and in the following periods, allowing endless compositions by being applied in echelons with other types of motifs, and generally drawn in continuous form on a spiral path. The specific spiral structure of the motif is applied on the letter "T".

"T"

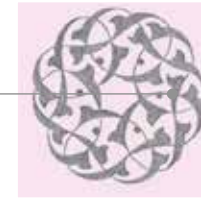


TÜRKİYE SİGORTA



The "T" in the emblem vested the initial letter of our brand name in an original graphical form and also produced a powerful crescent form. The crescent is the Turkish flag; it is Turkey.

The emphasis placed on Turkey created by color and graphical elements and building a strong relationship between the past and the present is the source of the power of our emblem.



The "new" character vested in the emblem results from the rendition of our traditional motifs that have been used for centuries with a modern perspective, which leads to a meaning peculiar to us. The emphasis placed on Turkey created by color and graphical elements and building a strong relationship between the past and the present is the source of the power of our emblem. The sense of trust is reflected by the inclusive and majestic form of the "T".

The Story of the Logo

A logo, which is the central and most important element of visual brand identity, is a signature that displays the character, stance and values of a brand. Targeted to entail graphical elements that build a strong relationship between the past and the future, our logo was designed to reflect the strength drawn from its name for Turkey's values and our hopes. Established with the vision of offering innovative solutions to fulfill the need for trust at every moment of life for everyone dreaming of a bright future, Türkiye Sigorta's emblem and logo were erected upon the fundamental concepts of the insurance industry, such as trust, strength and innovation.

We paid attention to make sure that our logo is applicable, and in its form and colors, the graphical elements inspired by our deep-rooted history and cultural values were represented in the emblem. Turquoise and red were chosen as the main colors of the emblem, since turquoise is a frequently used color in our traditional handcraft, çini tile art, and is also a color symbolizing our country, and red is the color of our flag, the color that befits our name the most. The spiral applied on the letter "T" in the emblem vested the initial letter of our brand name in an original graphical form and also produced a strong crescent form. The crescent is the Turkish flag, and hence Turkey. The emphasis placed on Turkey

created by color and graphical elements and building a strong relationship between the past and the present is the source of the power of our emblem. The carefully conducted brand promise efforts resulted in the slogan "Its Strength is Implicit in its Name", which is intended to express our commitment to change the present and the future of the insurance and private pension sector and to carry out our activities to become a regional power with the major responsibility imposed upon us by the word "Türkiye" in our company name.

2020 ACTIVITIES

our target is set, our ideal is common...

Joining our hands, power and hearts, to be a company that creates value, redefines the economically and socially strong insurance concept by transposing “after” with “before” and offers solutions catering to the need for trust at every moment of life.



The Türkiye Sigorta publicity meeting held on 7 September 2020.

The Story of the Advertising Film

We needed a film that would embrace all segments of the people and address everybody for the launch of Türkiye Sigorta that was born out of the merger of six insurance and private pension companies and has become the biggest insurance and pension company of our country. Accordingly, our launch film was produced to satisfy this need.

Our film tells a story in which a good-looking, smart man representing Türkiye Sigorta touches as an insurer various needs of different people, directly from his own perspective. The insurer of Türkiye Sigorta is by the side of his insured at any time he is needed, sometimes in a delivery room, sometimes at a countryside wedding. The plot tells the story of Turkey's biggest insurance company as it stands by its insured at all times.

The storytelling technique and themes are intended to present our Company as an organization that will genially respond to the needs anywhere in our country. Brands that are our own merged to create a bigger brand, which is actually established for the needs of the people and positioned in close proximity to everyone.

Special care was taken to emphasize this warm and frank tone in our communication language and to make sure that the brand is perceived as a brand of the people themselves.

Our priorities were to build a bridge between the people and Türkiye Sigorta, being a brand that draws its strength from its name and uses this strength for its people, and to make our brand heard and loved by everyone immediately starting with the first commercial.

Media Coverage

After the Türkiye Sigorta publicity meeting held on 7 September 2020, Türkiye Sigorta launch film was aired simultaneously on national measurable and thematic TV channels between 7 -30 September. Planned to be aired 3,155 times in total in daytime and nighttime with its 70-second and 40-second versions, the advertising film's target audience was determined as 20+ABC1. In addition, an advertising campaign was launched on national radio channels with 3,240 spots. To back radio and TV broadcasts and to announce the launch to large target audiences, outdoor advertising was carried on until end-September, and announcements were placed in national newspapers, national magazines and industry magazines at different times between September and December. Follow-up billboard advertising, on the other hand, was carried on until the end of the year.

According to available data, 4,063 positive news were covered about Türkiye Sigorta in total in September 2020. The positive news coverage in September 2020 breaks down as 293 in the press, 3,401 on online, and 369 on TV. With these figures, Türkiye Sigorta is the brand with the highest number of positive news coverage in September 2020 on the press, online and television media.

In September 2020, Türkiye Sigorta acquired a total of 43,520,842 communication value score with its positive coverage in the press and online. In September 2020, Türkiye Sigorta achieved 6,055,880 communication value score with 293 positive news articles in the press and 37,464,962 communication value score with 3,401 positive online news. These figures reveal that Türkiye Sigorta was the achiever of top communication value scores in the press, online and total in September 2020; in other words, it was the brand that carried out the best communication.

Various events during the reporting period and the awards received

• Türkiye Sigorta Big Bang Sponsorship

Big Bang Start-up Challenge, whereby İTÜ Çekirdek Incubation Center of İTÜ (Istanbul Technical University) ARI Teknokent ranking among the top five in the world among the startup incubators of universities, was organized online on 3 December 2020 with the slogan "Rise Together". While Big Bang once again hosted Turkey's and the world's rising startups, it offered a unique online experience to the viewers. Followed-up by more than 100,000 people focused on start-ups, technology and innovation, the event provided the opportunity to virtually visit the stands of 80 start-ups.

Having stepped into the industry with strong targets in innovation and digitalization, Türkiye Sigorta will continue to sign its name under sponsorships that reveal its approach in this respect.

• İTÜ Çekirdek Insurtech Program "Applications Offering Personalized Experience" Event

Participated by Güneş Sigorta and Vakıf Emeklilik executives, "Applications Offering Personalized Experience" event was streamed live on 6 August 2020 on İTÜ Çekirdek YouTube channel. İTÜ Çekirdek Incubation Center brought together the startups wishing to gain an insight into the industry and capture the opportunities in the İTÜ Çekirdek Insurtech Program, as an extension of the Insurtech Program initiated by the leading companies of the insurance industry.

• İTÜ Çekirdek Incubation Center Insurtech Program

İTÜ Çekirdek Incubation Center Insurtech Program was promoted in the launch event organized on 15 January 2020 and participated by Vakıf Emeklilik and Güneş Sigorta. In the event, it was stated that technology start-ups centered on customer experience and operational

efficiency would be successful, and touched upon improvement areas such as personalized experience, Internet of Things (IoT), Robotic Process Automation (RPA) etc.

• Participation in the 42nd İstanbul Marathon

204 employees of Türkiye Sigorta and Türkiye Hayat Emeklilik from the Head Office and Regional Offices got together at the 42nd İstanbul Marathon, with the unifying spirit of sports, and ran for charity for the benefit of Darüüşşafaka and KAÇUV in 5 km, 10 km and 15 km categories.

The joint purpose of the run is to contribute to the future of our children by uniting with a sense of social responsibility. Besides being a social responsibility, the event also served as a motivational boost amid the employees' busy work tempo, while maximizing harmony within teams, communication between employees, team spirit and energy.

• Güneş Sigorta received the "Employee Engagement Achievement Award" and Vakıf Emeklilik received the "Kincentric Best Employer Award".

According to the survey conducted by Kincentric, one of the world's leading HR and Leadership Consulting companies active in Turkey since 2006, measuring workplace excellence, Güneş Sigorta were deemed worthy of "Employee Engagement Achievement Award" and Vakıf Emeklilik of "Kincentric Best Employer" award. Having reached 15 million employees so far, Kincentric Best Employers Program is the most widely participated workplace survey conducted in Turkey.

• ARC Award to Güneş Sigorta Annual Report

2019 Annual Report of Güneş Sigorta claimed the bronze prize in the insurance sector section in the traditional annual reports category at the ARC Awards, an international reporting competition.

supporting innovation

Having stepped into the industry with strong targets in innovation and digitalization, Türkiye Sigorta will continue to sign its name under sponsorships that reveal its approach in this respect.



Participation in the 42nd İstanbul Marathon

2020 ACTIVITIES

R&D collaboration

Türkiye Sigorta believes that collaborating with insurtechs is crucial and inevitable with respect to innovation and R&D.



Big Works by Little Artists Painting Competition

• Big Works by Little Artists Painting Competition

In a bid to support the mental development of primary school students and to evoke an interest in the art of painting and fine arts, Güneş Sigorta organized the fourth edition of the painting competition named “Big Works by Little Artists” participated by the children of its employees and agencies.

In 2020, the theme of the “Big Works by Little Artists” painting competition was set as “Protecting the Nature”.

Expressing their notion of protecting the nature with their paintings, the children’s submissions were evaluated in two categories covering age groups 5-9 and 10-15. The results of the competition in which 42 works in total were submitted were announced during the award ceremony and exhibition inauguration held at Güneş Art Gallery on 22 July 2020. The winners of the competition received numerous prizes suitable for their age groups, ranging from bicycles to scooters, tablets to gift vouchers.

• 8 March International Women’s Day celebration

In an internal organization, Güneş Sigorta celebrated 8 March International Women’s Day together with the employees. During the event held at the Head Office and participated by the General Manager and women employees, suggestions and requests for more active and effective presence of women in business life were voiced, and opinions were exchanged about suggested solutions.

Research and Development Efforts regarding New Services and Activities

Similar to all the other sectors, operations are being digitalized rapidly also in the insurance business, which results in considerable improvement of the way of doing business, quality and speed. Use of digital applications, AI solutions and RPA solutions is increasing quickly in underwriting, policy management, claims

management and similar areas. Digitalization continues to show its impact in more traditional operational areas such as finance and HR, In addition to insurance-specific ones.

Türkiye Sigorta believes that collaborating with insurtechs is crucial and inevitable with respect to innovation and R&D. In this framework, the Company is formulating its strategies to develop cooperation with numerous technology partners with the potential to contribute to customers’ needs in the market through acquisition, partnering or supporting them through venture capital funds.

A human resource that has internalized the concept of “Being One”

The Human Resources Policy of Türkiye Sigorta is targeted at achieving the following:

- Create a flexible, productive, and agile organizational structure and improve it according to needs, in order to achieve the organization’s long-term strategy and goals
- Determine the Company’s core values and key competencies along this line, and design and improve all HR processes and systems within the frame of organizational requirements
- Attract and train top talents, while identifying talents on the basis of a robust talent management scheme for the purpose of making use of the existing human resource effectively and efficiently
- Devise succession planning for key positions and prepare the organization for the future through development programs integrated with the succession plan
- Conduct regular measurements and analyses to give the foreground to employee engagement and satisfaction, and take necessary actions accordingly
- Be the strong employer brand of choice in the industry



Türkiye Sigorta builds on its new product and service development competence with R&D activities.

Our Human Resources Policy

In all our activities, we aim to be guided by our Company's vision, mission and corporate values.

Accordingly, our fundamental goals are spelled out as follows:

- Ensure the employment of qualified employees adhering to professional and ethical rules, who are capable of effectively and efficiently fulfilling their tasks in line with the Company's strategic goals, and ensure the sustainability of their qualifications
- Create a solid employer brand
- Build on motivational tools by increasing the level of engagement and satisfaction
- Establish a peaceful and productive working environment that consolidates the sense of belonging and team spirit
- Produce a career, talent and performance system aligned with sustainability targets and supportive of organizational development
- Carry out HR planning, employee procedures, salary management and similar tasks in accordance with the Company's strategies and values

In determining and implementing the HR Policy, the Company takes as basis the fundamental principles which:

- Provide fair and competitive remuneration and employee rights,
- Enable employees to work in compliance with sustainability, productivity, profitability and customer-orientation principles,
- Target to enhance employee engagement,
- Establish the HR policy and culture aligned with the Company's corporate values, mission, vision and strategic goals,
- Enable establishment and dissemination of efficient communication and information provision systems,
- Guarantee equal opportunities by devising the employees' career plan in line with the Company's needs,
- Offers the opportunity to position the employees in roles befitting their backgrounds by putting in place efficient and effective methods.

2020 ACTIVITIES

development-oriented system

Türkiye Sigorta plans to put into life a performance system allowing creation of development plans along with continuous feedback processes.

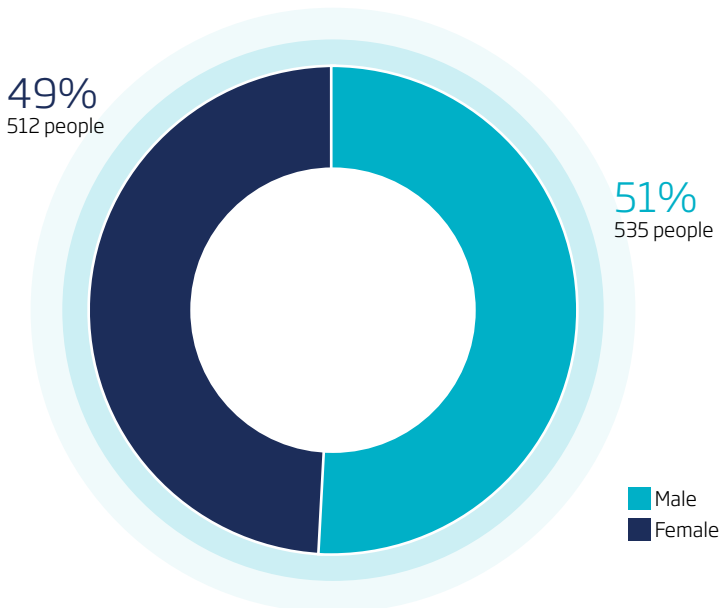
Türkiye Sigorta is creating an ecosystem that supports its organizational developments in all matters.

Türkiye Sigorta takes care to carry out activities that support its organizational development in all matters under its responsibility.

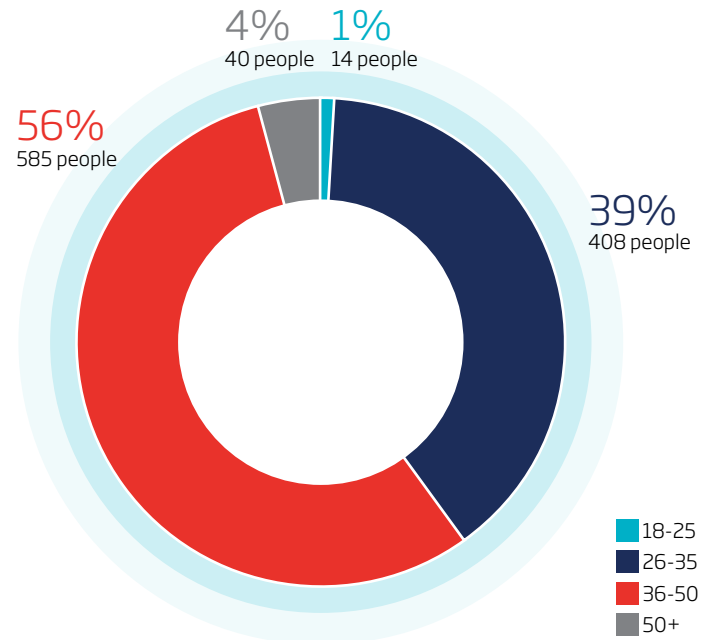
Accordingly, Türkiye Sigorta works towards determining role-based business targets nurtured by its strategic goals, and formulating

competencies in harmony with the corporate culture. The Company plans to put into life a target system that all employees agree upon and are able to trace back to the main strategic goal, and to establish a performance system allowing creation of development plans along with continuous feedback processes. The purpose is to enable employees to actively convey their development-related expectations and demands in terms of career and talent management.

Distribution of Employees by Gender (%)



Distribution of Employees by Age (%)



Türkiye Sigorta ensures continued training and development.

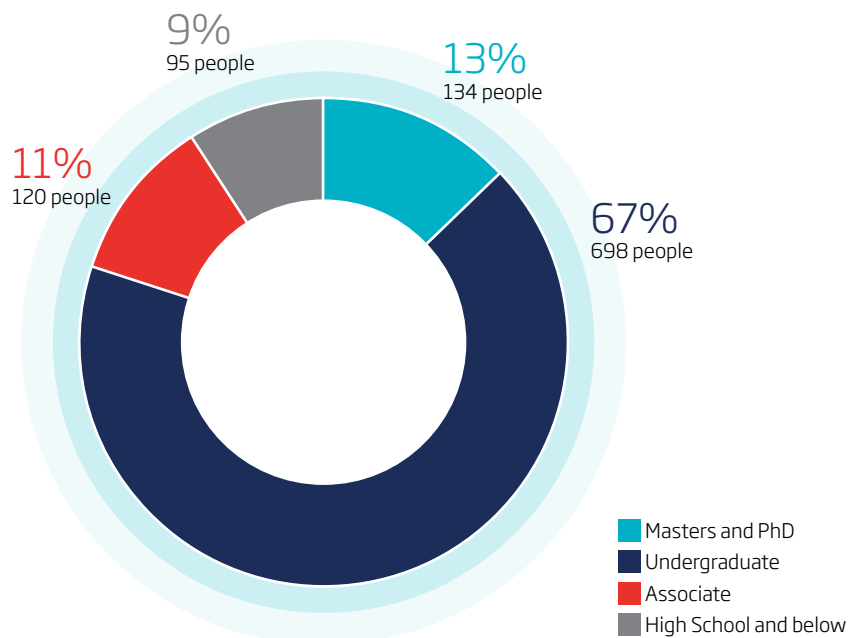
The announcement of the merger process at the onset of the year and the pandemic that erupted thereafter compelled a more strategic perspective for the training and development activities of 2020. During the pandemic-induced restrictions period, the training programs that were in place at pre-merger former companies were quickly adapted to the online format, thus enabling sustainable completion of the programs. In addition, during the stay-at-home period, employees were extended support through digital contents about health tips and protection

against the pandemic, as well as psychological resilience, motivation and anxiety. As activities gained momentum before the merger, field teams were prepped for the first day of Türkiye Sigorta before September 1 through remote training given on necessary topics. Moreover, professional needs in related positions were addressed and put into life in line with performance evaluation results, competence-based measurements, face-to-face meetings when needed, demands from managers or employees, and regulatory and administrative needs according to the roles held in parallel with the companies' strategies and executive management assessments.

robust talent management

Our target is to attract and train top talents, while identifying talents on the basis of a robust talent management scheme for the purpose of making use of the existing human resource effectively and efficiently.

Distribution of Employees by Education (%)



2020 ACTIVITIES

commitment to values

We support our employees to take active roles in business processes in order to improve on the characteristics of being inquisitive, virtuous, responsive and self-confident, which are our cultural values.

Prior to the merger;

- Orientation, technical, professional, sales and personal development programs were organized to equip the companies' employees with the knowledge and competencies required by their respective positions;
- A 101-hour Strategic Marketing Certification Program was provided to our thirty colleagues by Boğaziçi University Lifelong Learning Center based on a decision passed by the executive management;
- Hands-on training programs with a creative drama focus were organized for Customer Contact Center employees to enhance service quality;
- Training on branch life, product, call center screens, and other operational screens designed by internal trainers during the merger preparation period were given online to the entire field sales force;
- Professional and technical development training aligned with the emerging needs was planned and implemented at all companies. Distance learning methods were employed to give all the training programs online in this period;
- Training outputs were measured using gaming solutions implemented, in addition to the training programs, and necessary reports were prepared.

Following the merger:

- Under the new structure that was born as of September 1, Türkiye Sigorta Academy was established, and activities were commenced for creating programs and their contents;
- Türkiye Sigorta Academy website and Online Learning Management System (LMS portal) installation was initiated, which were rendered ready for use by year-end;
- Türkiye Sigorta Masterplan was devised, and 2020-2021 goals and strategies were set;
- The basic orientation program named "Welcome Onboard Türkiye Sigorta" was prepared and assigned to familiarize all employees with the new company;
- Internal trainer training and development processes were initiated with the target of proliferating the culture of learning from one another, and the first group of training programs was implemented;
- Employees were assigned to open training programs in urgently needed professional and technical topics, and all demands received were quickly satisfied;
- Licensing processes suspended before the merger were restarted, and training and licensing exams for the Bank employees began to be organized again. In this framework, a total of 187 candidates were included in the licensing process, and 168 of them successfully completed the same in 2020.

According to these figures, the success rate achieved is 90%.

Pre-/Post-Merger	Number of People Given Training	Training Hours	Training Hours per Person
Pre-Merger	1,871	2,560	2.1
Post-Merger	2,255	3,085	2.2

Türkiye Sigorta intends to build a structure under which it will be guided by its cultural values at every phase of its business affairs.

It is a priority target for Türkiye Sigorta to take the Company's cultural values further, and to increase adherence of all employees to these values. Since the process of embracing corporate culture is a long one, it is targeted to build a structure under which its cultural values will guide the Company at every phase of business affairs.

After the organizational merger, Türkiye Sigorta has been striving to create open communication channels, starting from the management level. Employees are supported to take active roles in business processes in order to build on the characteristics of being inquisitive, virtuous, sensitive and self-confident, which are the Company's cultural values.

Türkiye Sigorta aims to establish the culture of giving feedback in all processes, in order to strengthen communication and increase productivity. Feedback practices that do not rely only on performance evaluation but seek to support development and strong communication are planned to be introduced during 2021.

Based on the conviction that the sustainability of development and success can be achieved through working in cooperation with commitment, Türkiye Sigorta targets to establish systems where demands, suggestions and expectations can be actively communicated, and where each employee is aware of his/her own role for the achievement of the Company's strategic goals and can follow-up the same.

Türkiye Sigorta is trying to build a strong employer brand.

With the purpose of being the employer of top choice in the industry, Türkiye Sigorta is trying to build a strong employer brand by adding value to its corporate brand.

Accordingly, it is among Türkiye Sigorta's priority targets to determine the existing customer engagement and satisfaction levels, create action plans for development areas, and identify improvement areas for the continuity of the Company's strengths.

Türkiye Sigorta takes care to design recruitment processes in integration with its efforts directed towards this target, and to select candidates who are compatible with the Company's culture and will be able to contribute to further improving the culture. Organizational performance is intended to be increased with the goal of having the right person in the right position at the right time.

Quality Management

During 2020, a total of thirty-three internal quality controllers conducted internal controls within the scope of the Quality Management System. As a result of the audits conducted by an independent certification agency on 17 and 18 February 2020, Quality Management System (ISO 9001:2015) and Customer Satisfaction Management System (ISO 10002) certifications were renewed.

strong employer brand

With the purpose of being the employer of top choice in the industry, we are trying to build a strong employer brand by adding value to our corporate brand.