



Annual Report 2021



**Gladly**  
AgeSA exists

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# Each step taken at AgeSA returns in the future as **"gladly"**

We build a new future on the experience obtained for years in insurance. As AgeSA, with our new brand and promise, we set off to a secure, happy and peaceful future.

We exist to offer goodness at the core of our business aiming for a society full of trust, with happy individuals. We work with the aim to reflect this ultimate purpose in all our activities, products, services, communication, and culture.



AgeSA BES sahipleri  
sadece gelecekte  
değil bugün de  
kazanıyor!

DETAYLI BİLGİ

AGE SA

AgeSA Mobil ile tüm Bireysel  
Emeklilik ve Hayat Sigortası  
işlemlerinizi tek uygulamada!

Middle East  
Stevie Awards  
Gold Winner



errekli işlevselliği sağlamak ve online deneyimimizi geliştirmek için çerezleri kull  
özellendiği gibi, çerezlerin kullanımına rıza gösterirsiniz.  
ORUM



# AgeSA at a Glance

# SABANCI HOLDING AND AGEAS COMBINED THEIR FORCES

As a result of the partnership founded in 2021 by Sabancı Holding, one of the biggest groups in Turkey, and Ageas, one of the biggest insurance companies in Europe with a history of almost 200 years, AvivaSA continues strongly under the name AgeSA Life and Pension, as of July 1, 2021.

## Sabancı Group at a Glance

Hacı Ömer Sabancı Holding A.Ş. is the holding company of firms affiliated to the Sabancı Group, one of the largest business groups in Turkey. The core business areas of Sabancı Group include banking, insurance, energy, cement, retail and industrial manufacturing, which are the fastest-growing industries in Turkey. Sabancı Group companies operate with the aim of being the leader in their respective sectors. Sabancı Holding's own shares, as well as the shares of its 12 subsidiaries, are traded on the Istanbul Stock Exchange (BIST).

Companies affiliated with the Sabancı Group, operating in 12 countries, market their products in various regions of Europe, the Middle East, Asia, North Africa, and North and South America. Thanks to its pedigree and brand image, as well as its established partnerships, knowledge and expertise in the Turkish markets, Sabancı Group has achieved growth in its core business fields to become a driving force of the Turkish economy.

Sabancı Holding's international business partners include prominent global brands such as Ageas, Bridgestone, Marubeni, Carrefour, Heidelberg Cement, and E.ON.

Sabancı Holding is responsible for setting the Group's vision and strategies and increasing shareholder value by ensuring Group-wide synergy, as well as for the coordination of the finance, strategy, business development and human resources functions.

As the leading group of the life insurance and private pension sector, AgeSA Hayat ve Emeklilik (AgeSA Life and Pension) protects policyholders against uncertainties and risks. The Company constitutes one of the building blocks of the ecosystem of Sabancı Group.

## Ageas at a Glance

As the leading group of the life insurance and private pension sector AgeSA Life and Pension protects policyholders against uncertainties and risks. The company constitutes one of the building blocks of the ecosystem of Sabancı Group.

With its almost 200 years of history, Ageas is an international insurance group. Present in 14 countries in Europe and Asia, the Company offers solutions in life and non-life insurances for millions of retail and corporate customers.

One of the biggest insurance companies in Europe, Ageas is the number one insurance company in Belgium. At the same time, it is among the market leaders in many countries of operation. With its more than 45,000 employees (including unconsolidated partnerships), Ageas is active in countries such as Belgium, the United Kingdom, France, Portugal, Turkey, China, Malaysia, India, Thailand, Vietnam, Laos, Cambodia, Singapore, and the Philippines.



**1,537**  
Employees

**With 1,537 employees, AgeSA offers innovative products in the segments of "private pension," "life insurance," and "personal accident insurance" to 2.4 million customers.**



# WITH OUR CONTINUING LEADERSHIP, WE ARE THE TOP PLAYER IN THE SECTOR

With our highly skilled workforce, robust technological infrastructure, unique multi-channel distribution structure and extensive client base, we set the rules and standards for the market.

Our Company, which was established in 2007 as AvivaSa Emeklilik ve Hayat, changed its name to "AgeSA Hayat ve Emeklilik" on July 1, 2021, following Sabancı Holding's decision to continue its path together with the Belgian insurance company Ageas, which has a history of almost two centuries, in line with the principle of equal partnership as of May 5, 2021. 20% of our Company's shares are traded on the Istanbul Stock Exchange with the ticker "AGESA."

### Customer Experience and Strategies Focused on Digitalization

Adopting an ultimate purpose of "We exist to offer goodness at the core of our business aiming for a society full of trust, with happy individuals," AgeSA offers innovative products in the "private pension," "life insurance," and "personal accident insurance" segments to its 2.4 million customers. In cooperation with Akbank and in addition to the largest direct sales teams, we provide services through our strong bancassurance network, our agencies, our tele sales channel, and our unique multi-channel distribution structure, consisting of corporate projects' team. In all channels we come into contact with our customers, we are a company acting by focusing on excellence in customer experience, with many international and national awards in that area, and we are a company creating a difference.

As AgeSA, for the savings and investment needs of the individuals, we offer large fund diversity and fund consultancy services within the private and group pension plans. With our life insurance products, we provide coverage for unexpected risks in life to individuals and their families. In all services and experiences

we offer, we focus on our customers and digitalization. Considering digitalization, technology, and innovation to be important tools for sustainable development, we are improving our work processes with features like artificial intelligence and data analytics. Accepting digitalization and innovation as one of our strategic focuses, we aim to create sustainable business models by adding value to economy and society.

### A Good Corporate Citizen Adding Value to Social Life

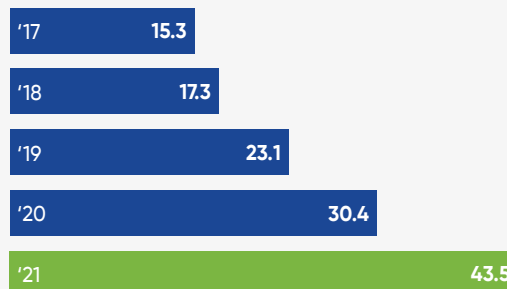
Being aware of social responsibility and sustainability principles and being at a pioneering position in the sector in terms of creating a positive environmental and social impact, we contribute to sustainable development and improving society through numerous projects. In this direction, AgeSA aims to guide the society's preparation for aging and to turn the negative perception of aging into a positive one with the 'All Ages'

corporate social responsibility project implemented in 2019. In addition and in line with its "good corporate citizen" role, AgeSA aims to increase the value we offer society and our stakeholders by carrying out charity and donation activities for social needs.

### 2021 at a Glance

Having 1,537 employees as of the end of 2021, AgeSA has a market share of 18.5% with a fund size of TL 42.1 billion in the private pension market, excluding Automatic Enrollment, according to December 31, 2021 dated data of the Pension Monitoring Center (PMC). Based on the size of assets we manage, our Company is the leading company among private sector companies in the private pension sector. We also hold an 11.0% share in direct premium generation for pension and/or life insurance companies with total life and accident premium generation of TL 2.0 billion, according to data of the Insurance Association of Turkey (TSB) and HAYMER.

### PPS Fund Size (TL Billion)\*



**43%**  
Growth

In 2021, the PPS fund size of AgeSA rose 43% compared to the previous year.

\*Including Automatic Enrollment.





# Gladly

there are people  
producing for our future.



## 2.0

TL billion

Life and personal accident  
insurance premium generation

# STRONG CAPITAL STRUCTURE WITH EQUAL SHARING

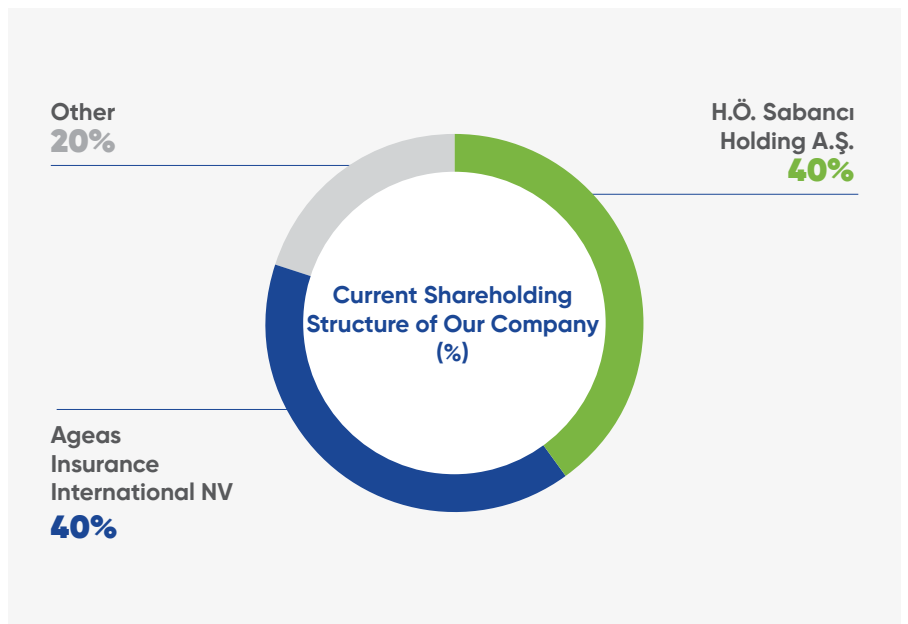
Continuing to operate under the partnership of Ageas, the biggest insurance company in Europe, and Sabancı Holding, Turkey's leading business group, AgeSA is a company making all its stakeholders proud of being part of it, with its strong financial structure.



Continuing to operate under the partnership of Ageas, the biggest insurance company in Europe, and Sabancı Holding, Turkey's leading business group, AgeSA is a company making all its stakeholders proud of being part of it, with its strong financial structure.

## Current Shareholding Structure of Our Company

As of 31 December 2021	Share Amount (TL)	Share Percentage (%)
Ageas Insurance International NV	72,000,006.72	40.00
H.Ö. Sabancı Holding A.Ş.	72,000,006.72	40.00
Other	35,999,986.56	20.00
<b>Total</b>	<b>180,000,000.00</b>	<b>100.00</b>



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## Our Ultimate Purpose and Values

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### OUR ULTIMATE PURPOSE

We exist to offer goodness at the core of our business aiming for a society full of trust, with happy individuals.

### OUR VALUES

Our guide while accomplishing our ultimate purpose are our values that make us who we are:

- **We act for goodness!** We see the goodness in our work and in ourselves as a force mobilizing us. We can create the impact we dream of only if we act for goodness.
- **We are excited to explore!** We love being the first, we love to explore novelties and untested paths. Our excitement and our curiosity make us dynamic.
- **To improve, we think in simple terms!** Improving ourselves and our business has not to be complex. To improve, we produce simple and easy solutions.
- **We act bravely to make a difference!** We aim to make a difference in every business we make, in every step we take. We are not afraid of making a mistake, we take on responsibility.
- **We work together to exceed limits!** To create a big impact, we believe in the importance of cooperation. There is a different value to be added by each member of our family. We can exceed limits, only if we work hand in hand.

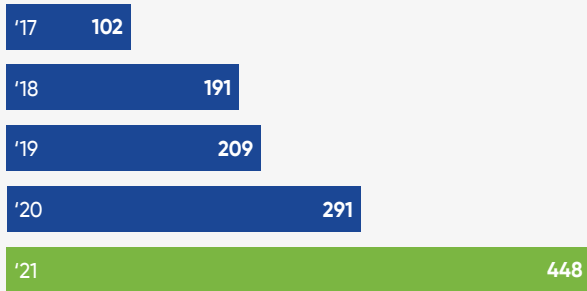
# AGESA'S PROFITABLE GROWTH CONTINUES

As AgeSA, we continued our success by increasing our net profit by %54 to TL 448 million, in 2021.



Financial Indicators (TL million)	2017	2018	2019	2020	2021	2017-2021
						4-yearly CAGR
Total Premium and Contribution Generation	2,144	1,519	2,440	3,280	4,420	20%
Total Technical Profit/Loss	69	152	132	255	251	38%
Total Assets	16,757	19,286	25,696	34,162	50,216	32%
Paid-in (Nominal) Capital	118	180	180	180	180	11%
Shareholders' Equity	264	370	514	679	882	35%
Net Financial Income	62	96	141	124	364	56%
Period Loss	-	-	-	-	-	
Profit Before Tax	130	249	273	379	615	47%
Net Profit After Tax	102	191	209	291	448	45%
<b>Key Ratios (%)</b>						
Technical Profit/Premium and Contribution Generation	3.2	10.0	5.4	7.8	5.7	
Profit Before Tax / Total Assets	0.8	1.3	1.1	1.1	1.2	
Profit After Tax/Shareholder's Equity	38.5	51.6	40.7	42.8	50.8	
Premiums and Contribution Generation / Total Assets	12.8	7.9	9.5	9.6	8.8	
Shareholder's Equity/Total Assets	1.6	1.9	2.0	2.0	1.8	

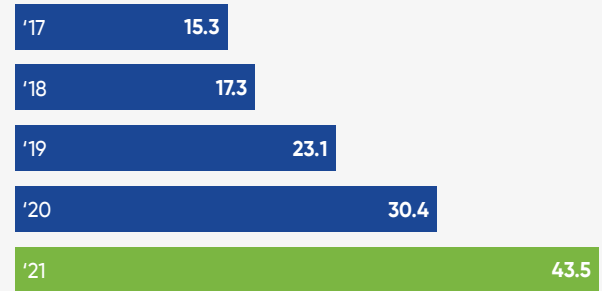
### Net Profit (TL Million)



**54% Growth**

AgeSA increased its net profit by 54% to TL 448 million, in 2021.

### PPS Fund Size (TL Billion)

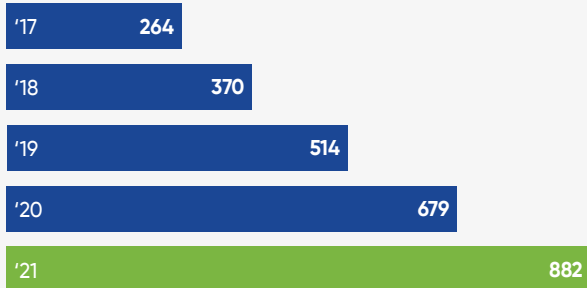


**43% Growth**

In 2021, AgeSA's PPS fund size grew by 43% to TL 43.5 billion.

\*Including Automatic Enrollment.

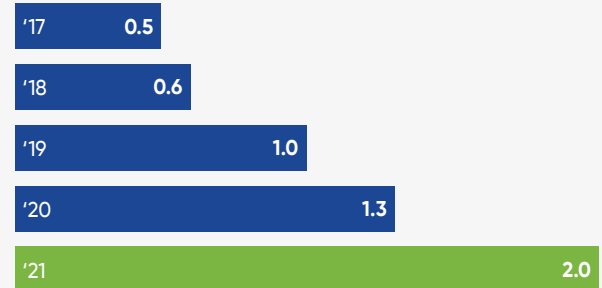
### Equities (Million TL)



**30% Growth**

In 2021, AgeSA increased its equity by 30% to TL 882 billion.

### Premium Generation in Life and Accident Branches (TL Billion)



**52% Growth**

In 2021, AgeSA increased its premium generation in life insurance and accident insurance branches by 52% to TL 2.0 billion.

# AVIVASA CONTINUES ITS JOURNEY AS AGE SA

On 05.05.2021, all shares representing 40% of AvivaSA's capital has been acquired by Ageas, one of the well-established insurance institutions in Europe. With a long standing history of 200 years, Ageas Insurance International NV is the partner of Sabancı Holding in the non-life insurance sector since 2011.

## AvivaSA is now AgeSA

An important partnership change has occurred at AvivaSA, a subsidiary of Sabancı Holding and Aviva. On February 23, 2021, for the sale of 40% shares in the Company, Aviva signed a share purchase agreement with Ageas Insurance International NV, which is one of the well-established insurance companies in Europe, with a history of 200 years, and which is the partner of Sabancı Holding in the non-life insurance segment since 2011. Following the official completion of partnership change procedures, our Company decided to continue its path with a new name, AgeSA Life and Pension. At the press meeting on July 5, 2021 regarding the merger, we shared our new brand and ultimate purpose with the public, together with our targets and expectations regarding the coming period.

## Our New Brand Motto has become "Gladly"

As AgeSA, we determined our ultimate purpose as "We exist to offer goodness at the core of our business aiming for a society full of trust, with happy individuals." We created our new brand promise by focusing on our new ultimate purpose. While our new motto is "gladly," we used our "gladly" moments, which we accept as the measurement unit of life, into our advertisement films in 2021 and send this message: "As AgeSA we exist so that you can say 'gladly' instead of 'if only'."

## We Continued to Enrich AgeSA Mobile with Innovative Functions

In 2021, we continued to improve the features of FonPro included in the AgeSA Mobile app in accordance

with customer requests and needs. Following the Portfolio Performance Analysis, where participants can follow the incomes and gains of their savings against inflation, we increased customer satisfaction by adding the Internal Rate of Return Calculation which aids them in obtaining the highest productivity from PPS.

## Offers Investment Opportunities in the Global Technology Sector to its Customers

With its Technology Sector Foreign Variable Pension Fund (VPF), AgeSA offered its customers an opportunity to participate in the technology sector, which shapes the future of the world, and in the gains of companies active in this sector and made once again a difference in the industry. AgeSA, increased the offered value recommendation to savings holders with the Foreign Variable VPF consisting mainly of foreign partnership shares, borrowing instruments, and depository receipts issued by NASDAQ-100 Technology Sector Index companies such as Apple, Alphabet (Google), AMD, Facebook, Intel, Microsoft, Baidu, NVIDIA, Qualcomm, Verisign, Zoom Video.

## Through Fund Basket Funds consisting of 3 Different Risk Profiles, We Created a New Alternative for our PPS Participants in terms of Investment Management

In order to meet the need for expert support of our participants regarding the management of their PPS savings, AgeSA implemented a new solution in February 2021. Our participants who want experts to manage their savings through Fund Basket Funds established with 3 different risk profiles can receive

portfolio management services in accordance with their age and risk profiles.

## Our Private Pension Plans Continue their Performance Well Above Inflation

The weighted return portfolio size of our Private Pension Funds has continued to create a very high real return in 2021. With 45%, it realized very much above the inflation rate announced as 36% in 2021 and an average AgeSA participant has achieved approximately a 9 point real return in 2021. The last 2 years' average plan return was at 82%, thus very much above the period consumer inflation of 56%. The last 3 years' average plan return was at 135%, thus very much above the period consumer inflation of 74%.

## Our "All Ages" Corporate Social Responsibility Project Received its First Award

Our "All Ages" corporate social responsibility project, which we implemented to guide the society's preparation for aging, raising awareness in aging and old age, and to turn the negative perception of aging into a positive one in Turkey, received its first award in 2021. Our awareness raising campaign realized within the project with the motto "No Age" and drawing attention to age discrimination has received the Bronze MIXX award in the Non-Profit/Public Services category at the 11<sup>th</sup> MIXX Awards organized by Interactive Advertising Bureau (IAB).



### **We Support Projects Concerning Aging with the "All Ages Fund"**

In 2021, AgeSA realized again a first within the scope of "All Ages" corporate social responsibility project. We established the "All Ages Fund," which aims to support civil society activities for old age and aging and which is the first fund to focus on these issues. Our All Ages Fund, led by the Support to Civil Society Foundation, received 29 applications from 14 provinces and 5 projects of 4 different civil society organizations received grants. At the beginning, we determined the amount of the grant as TL 200 thousand but due to the intense interest, we raised the amount to TL 400 thousand.

### **Our "Cloud Transformation Project" got the Grand Award of the IDC Turkey Cloud & Data Center Summit**

With the Cloud Transformation Project which offers data centers to switch to cloud and provides for a more productive infrastructure, we received an important award in 2021. Our Project received the first prize in the category of "Cloud Transformation" where transformation projects of companies for the using cloud solutions contested at the IDC Turkey Cloud & Data Center Summit 2020 organized by International Data Corporation (IDC) Turkey.

### **"Best Employer in Turkey" Award**

As a result of the research performed by Kincentric, the world's leading human resources and management consultancy company, we received the "Best Employer of Turkey" (Kincentric Türkiye Best Employers) award. As a result of the research, we had a performance above the sector in at least two of the categories of "Engagement," "Engaging Leadership," "Agility," and "Talent Focus" and with an 83% engagement rate, we were among the "Best Workplaces of Turkey."

### **We Provided Psychosocial Support to People aged 60+ During the Pandemic**

Within the scope of the "All Ages" project, we cooperated with a total of 7 municipalities in Istanbul, İzmir, Bursa, and Ankara and implemented the "Pandemic Assistance Project." Within this project, we delivered healthy food, health and hygiene packages to 2,300 persons in these provinces. The second stage of this project has been psychosocial support meetings. Our Psychosocial Support Team, consisting of young expert psychologists and gerontologists, called 600 elderly citizens, who had to remain at home and therefore were left alone, and talked about their problems.

### **We Offered our Customers Opportunities for which They Would Say "Gladly..."**

We started a new campaign full with opportunities for our customers immediately before 2022, so that PPS participants achieve gains not only in the future, but also today. Our customers, who made a collective deposit to their PPS plan through our Collective Payment Campaign with a two months' term, got a chance both to increase their savings and to win a gift from among many through a sweepstake.

### **We Experienced a Different Meeting Concept through "Vision TV"**

Our Vision Meeting 2021 for all sales and Headquarters personnel, our agencies and business partners hosted surprises and innovations this year, too. This year for the first time we realized the AgeSA Vision Meeting 2021 in a digital environment and transformed it into a live event called Vision TV with approximately 2 thousand participants.







# **From Management**

# IN 2021, WE ADD POWER TO OUR INDUSTRY WITH OUR NEW NAME

As AgeSA, we enhance our activities and accelerate our development thanks to the assurance, financial strength, industrial and operational knowledge provided by the brands of Ageas and Sabancı Holding.

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2021 came to an end as a year where both the impact of the pandemic continued and the world economy recovered. Normalization supported by vaccination succeeded in globally moving the economy away from the shock created by the pandemic. According to the 2021 November data, the World Trade Organization announced 5.3% global GDP growth estimation in 2021 and 4.1% in 2022. Positive global growth expectations and moving away from global depression signaled that we will see a positive picture in the future.

Turkey GDP growth was 7.4% in the third quarter of 2021. In the third quarter, the industrial sector grew by 10% and the services sector by 12.5%. In the whole of 2021, Turkey GNP growth is expected to be very strong.

It is possible to say that the Private Pension sector is also in a positive state. Thanks to state regulations, trust and participants in the system increased. The total private pension fund size, including state subsidies, reached TL 228 billion as of the end of December 2021. The total number of participants in the system, including Automatic Enrollment System, reached approximately 15 million. An important development has been that citizens under 18 years of age are now able to enter PPS, thanks to a regulation adopted in 2021. Lastly, an announcement has been made that state subsidies in PPS will increase to 30%. State subsidies are applied since 2013 and have played an important role in the growth of the system. Increasing state subsidies of 25% by 5 points to 30% is important for the system.

Life insurance sector, which has an important growth potential, becomes more and more important each

day. As of December 2021, premium generation in life and personal accident insurances in the sector has increased 21% compared to the same period last year. Premium generation has been TL 15.1 billion in December last year, while it reached TL 18.4 billion this year.

### **We Achieved a New and Dynamic Synergy thanks to Partnership Change**

We achieved a new and dynamic synergy thanks to our new partnership with Ageas, one of the biggest insurance companies in Europe. We cooperate with Ageas, we trust in its experience and strength, and we are excited to develop a cooperation with it. With our partnership structure which changed and was renewed in 2021, we continued to make a difference with new projects and targets. We achieved a growth above the sector average in the life insurance segment. In terms of PPS fund size, we are the leader among private sector companies. Our success in both PPS and life insurances segments shows how meticulously we do our business. In addition, maintaining sustainability areas in parallel with Sabancı Group's priorities, AgeSA considers digitalization, technology and innovation as important tools for sustainable development and puts "people" into its focus. Within this scope, the Company committed itself to contributing to the development of society and to raising awareness by supporting numerous social responsibility projects. Information regarding the projects realized in this area is included in the relevant chapters of the Annual Report.

I can also say that governmental regulations have increased our motivation. The novelties included in the New Economic Reform Package will support PPS in short- and long

term and provide for the growth of the system while it will also increase trust in PPS. Citizens under 18 years of age being able to enter PPS means that young people meet with the private pension system at an early age. This will help to spread PPS to the base and at the same time become an advantage for both us and the young people. Thus, we will assure the future of our young population. Lastly, the increase of state subsidies in PPS from 25% to 30% is both hopeful for our sector and an attractive action for PPS, especially in these days when the importance of savings and investments have been understood.

We can say that we caught a positive momentum in the life insurance segment which has been determined as a prioritized growth area. While premium generation growth rate was 23% in the sector, AgeSA grew 55%. We aim to continue our growth performance above sector average in the coming period.

### **We Will Work to Grow the Sector in 2022**

In 2022, just as this year, we will do our best for the financial future and assurance of our customers, as well as the growth of our industry. We will continue to fill life with "gladly" instead of "if only" moments. Continuing our developments in digitalization, we will continue to focus on employee and customer satisfaction, as it has always been.

I would like to express my sincere gratitude to all our friends, participants, policyholders, shareholders, and all our stakeholders who worked with devotion.

Yours sincerely,

**Haluk DİNÇER**  
Chairman



**Gladly**

we are with our  
customers with  
our new name and  
new excitement.

## Board of Directors



**Haluk Dinçer**  
Chairman

After starting his career at General Motors Technical Center in 1985, Dinçer joined Sabancı Group in August 1995, serving initially as Executive Board Member, and then in December 1995, as Executive Vice Chairman of Temsa. In October 2001, he assumed responsibilities within the Holding company, first as Food Group Vice President, and six months later, in April 2002, as the Holding Executive Board Member and Food Group President. He took over as Food and Retail Group President in September 2004, and after organizational restructuring in March 2011, as Retail and Insurance Group President. In June 2016, Dinçer was named Insurance Group President and later in April 2020, Financial Services Group President. With this role, he currently serves as Chairman of the Board of Aksigorta, AgeSA, Exsa, Tursa and Ankara Enternasyonel Otelcilik, as well as Board Member of Brisa. Haluk Dinçer served as President of TÜSIAD - Turkish Industry and Business Association in 2014-15, and as President of Turkish-American Business Council (TAIK) in 2008-14. He has been a Board Member of the Global Relations Forum (GRF) since February 2018 and a member of the Geneva Association since June 2019. Dinçer has a BSE degree in Mechanical Engineering and an MBA, both from the University of Michigan.



**Antonio Cano**  
Vice Chairman

He started his career in insurance in 1989 at AMEV in the Netherlands. In 1993, he started at Fortis Insurance International. In 1994, he was in charge of ALM at Caifor, a Spanish bancassurance joint venture of Fortis and "La Caixa" and became eventually the Assistant General Manager.

In 2001, he became chief of Risk and Planning at AG Insurance and continues to be General Manager of Banking Channel and Life Insurances Development, since 2006. Antonio was CEO of AG Insurance and Ageas Executive Board Member in September 2009.

He continued this tenure until October 1, 2015 and as of this date he is COO of Ageas. On November 1, 2020, he was appointed as Europe General Manager in order to focus on the business development process in the Europe region, which also includes the Group's reinsurance and real estate cross-cooperation. Since July 1, 2021, he is a Board Member of AgeSA.



**Firat Kuruca**  
Member of the Board of Directors, CEO

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



**Emmanuel Gerard C. Van Grimbergen**  
Member of the Board of Directors

Van Grimbergen serves as the Risk Director at Ageas SA/NV. He is a member of the Boards of Cardiff Lux Vie, East West Ageas Life (Philippines), Ageas and Intreas. Prior to joining Ageas in 2011, Mr. Grimbergen worked for 18 years in the ING Risk/Actuary departments, holding various senior management positions at ING Insurance Belgium and ING Europe, including actuary director at ING South Western Europe in the early 2000s, and insurance risk director at ING Insurance Retail Banking in 2004. In 2007, Mr. Grimbergen moved to Amsterdam to serve as Risk Director for ING Central Europe. Mr. Grimbergen holds an MBA in mathematics and actuary sciences, and is a member of the Actuaries Institute in Belgium. Since July 1, 2021, he is a Board Member of AgeSA.



**Kivanç Zaimler**  
Member of the Board of Directors

Kivanç Zaimler graduated from Istanbul Technical University Industrial Engineering Department in 1991. He started his career in 1992 and until 2008; he worked in various executive positions in the Turkish Electricity Industry, RAM Foreign Trade and Aygaz companies respectively. Kivanç Zaimler joined Sabancı Group in 2008 and served as Trade Director, Distribution Companies General Manager, Sales Companies General Manager and CEO at Enerjisa respectively. As of July 2018, he was appointed President of the Energy Group at Sabancı Holding. Taking active roles in NGOs, Zaimler serves as Turkish Vice President at World Energy Council; Chairman at TÜSİAD Energy Working Group; Board Member at YASED, Elder, Sabancı University Istanbul International Energy and Climate Center (IICEC) and Advisory Council Member at SHURA. He is also Chairman of the Board of various companies at the Sabancı Group. Since July 1, 2021 he is a Board Member of AgeSA.



**Bülent Oğuz**  
Member of the Board of Directors

Bülent Oğuz started to work in Akbank in March 2003 and worked as Manager and Department Head in SME and Retail Banking business units respectively. After being appointed as Assistant General Manager in Akbank SME Banking in 2013, Mr. Oğuz has been serving as Assistant General Manager in Akbank Retail Banking as of November 2018. Bülent Oğuz is the Vice Chairman of the Board of Directors in AkÖde, one of the affiliates of Akbank, and a Member of the Board of Ak Portfolio Management. Before joining Akbank, Mr. Oğuz worked as a manager in the field of corporate banking and credits in various private sector banks, has a bachelor's degree from the Department of Political Science and Public Administration of the Middle East Technical University and an Executive MBA from Sabancı University. Since March 23, 2020, he is a Board Member of AgeSA.

## Board of Directors



### Yeşim Uçtum

Independent Board Member

Yeşim Uçtum graduated from Boğaziçi University, School of Economics and Administrative Sciences, Department of Business Administration in 1986. Between 1986 and 1997, she worked at the Istanbul and Hartford (USA) offices of Ernst & Young, specializing in banks and financial institutions. Ms. Uçtum obtained her CPA certificate (Certified Public Accountant) in Massachusetts (USA). From 1997 to 2008, she served as Assistant General Manager in charge of Financial Planning and Control at Strateji Menkul Değerler, Yapı Kredi Yatırım, and Koçbank, respectively. In June 2005, she joined Koç Holding as Banking & Insurance Group Coordinator. As of 2011, Ms. Uçtum served as Independent Board Member at Aviva Sigorta A.Ş. (2011-2014), Burçelik Bursa Çelik ve Döküm Sanayi A.Ş. and Burçelik Vana Sanayii A.Ş. (2012-2014), Marshall Boya ve Vernik Sanayii A.Ş. (2013-2016), and lastly at HSBC Bank A.Ş. (2016-2018). Yeşim Uçtum was appointed as an Independent Board Member of AgeSA and Aksigorta A.Ş. in October 25, 2018. At the moment, she serves as Chairman of the Early Detection of Risks Committee and Corporate Governance Committee at AgeSA.



### Hüseyin Gürer

Independent Board Member

Born in 1961, Hüseyin Gürer graduated from İzmir Aegean University and has a Master's Degree from Ankara Middle East University Business Administration department. Gürer started his career in 1986 at Deloitte Turkey and worked as auditor at Deloitte London office during 1989-1990. Assuming various roles including Chairman of the Audit Department, Gürer has been elected CEO of Deloitte Turkey in 2007. He managed Deloitte Turkey as CEO for nine years until 2016 and after his retirement from the company, he started to provide consultancy services to Turkish companies.

During his career at Deloitte Turkey, Gürer worked with groups lead by the Ministry of Finance and professional organizations and was at the forefront in the implementation of International Financial Reporting Standards in Turkey. Later, in order to support the development and understanding of audit and corporate governance standards, he worked similarly with Public Institutions and relevant associations. Gürer has been Member of the Audit Committee at International Investors Association (YASED) for one period.

In May 2018, Hüseyin Gürer joined the Eczacıbaşı Group Board of Directors and continues to chair the Audit and Risk Committee. At present, since July 1, 2021, he is an Independent Board Member and Chairman of the Audit Committee of AgeSA.



# Gladly

there are strong reasons  
to trust the future.



## 448.3

TL million  
Net period profit

# IN TERMS OF PPS FUND SIZE, WE ARE THE LEADER AMONG PRIVATE SECTOR COMPANIES

As of the end of 2021, we are the private sector leader in the PPS market, with our share of 18.5% fund size exceeding TL 42 billion.

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We are leaving a year behind where the impact of the COVID-19 pandemic is still felt. Following the recession in 2020, the world economies started 2021 with a rapid recovery but this time, they faced an inflation shock. Problems in supply caused by the pandemic increased especially energy and commodity prices, following with enormous raises in costs of living. With its growth performance, Turkey has been one of the most rapidly recovering countries after the first wave of the pandemic, but it was affected inevitably by the global risk rising due to inflationist pressure.

Under such fluctuating circumstances, both the industry and AgeSA closed the year with growth. We believe that novelties such as PPS legislation regarding people for under 18 years of age in the private pension segment, moving pension funds to a common platform thanks to BEFAS, and lastly state subsidies increasing from 25% to 30% will accelerate the industry even more. The growth of PPS by increasing its reliability and becoming the focus of savings in Turkey motivates us, too.

## To Say " Gladly" instead of "If Only" Choose AgeSA

In 2021, we started to continue our journey with our new partner Ageas, one of the biggest insurance companies in Europe, and our new brand "AgeSA." Partnering with a deep-rooted and strong organization such as Ageas, in addition to novelties, has added dynamism and a different energy for us. In this period, as AgeSA, we determined our ultimate purpose as

"We exist to offer goodness at the core of our business aiming for a society full of trust, with happy individuals." We aim to reflect this ultimate purpose in all our activities, products, services, communication, and culture and to remind our society that insurance is for the wellbeing of people. We determined our new brand motto as "Gladly." At our launch communication, where we showed moments of "gladly" from inside life, we announced the new name and brand ideal of our Company, which is both experienced and new, to the public.

## We Continue to Lead in the Competition Through the Services and Novelties we Offer

In 2021, when we improved our competences and our added value capacity, as AgeSA, we supported our sustainable development through our business results. As of the end of 2021, we are the private sector leader in the PPS market, with our share of 18.5% fund size exceeding TL 42 billion. We reached 660 thousand participants.

While preserving our place among the leading organizations in the PPS market, we continue our growth performance exceeding the sector in the life and personal accident insurances segment as well. At the beginning of the fiscal year, we increased premium generation in life insurances, which we prioritized as a growth area, by a strong 55% increase to approximately TL 2 billion compared to last year. This development had an important reflection on our life insurance technical profitability. Our

total premium generation for life and personal accident insurances increased by 52% exceeding TL 2.0 billion compared to the previous year. Thus, we achieved a market share of 11.0% and a second place among private companies in the sector. Besides, in 2021, we increased our net profit by 55% and reached TL 541 million according to International Financial Reporting Standards (IFRS). In the upcoming period, we will continue to improve our sales and operational processes together with our product portfolio in accordance with our growth targets above the sector.

The increasing awareness in the society regarding PPS and the new regulations adopted result in the system becoming more profitable each day. Also, thanks to the development of fund management services and increase of digital solutions in the sector, participants are able to manage their funds more easily. This results in increase of customer satisfaction and system productivity. AgeSA continues to develop innovative applications so that PPS participants can get more returns from the system and effectively manage their funds. For example, at AgeSA Mobile, thanks to the portfolio performance analysis calculated with the Internal Rate of Return (IRR), our customers are able to follow-up the returns and earnings of their savings accounts against inflation. Our customers are able to easily choose funds and manage their savings through FonPro. Thus, they can easily access financial market analyzes, individual risk analyzes, and





**Gladly**

we get the  
opportunity to  
share our global  
experience for a  
beautiful future  
with Turkey.

# WE EXIST TO OFFER GOODNESS AT THE CORE OF OUR BUSINESS

We work so that our stakeholders say “gladly” instead of “if only” by offering goodness in the core of our work in accordance of our ultimate purpose.

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the most appropriate fund allocation suggestions. Besides, with the Fund Basket Funds, which we established for participants who have difficulties with managing their fund portfolio, we offered a new service model where they can leave all the fund management to portfolio experts.

We are going through a period where digitalization and technology are becoming critically important and only companies adapting to innovations can stay alive. Our digitalization breakthroughs span all the links of our value chain, especially in our products, services and business processes. This competitive advantage differentiated us during the pandemic and further bolstered our leading position in the sector. The mobile application, where we protect the needs and expectations of customers, focus on user experience and which we have designed with the participation of a business partner, has become one of the most innovative applications innovative the sector. We continue to diversify our value added services offered through AgeSA Mobile.

As AgeSA, one of our strongest aspects is fund diversity and sustainable fund performance in private pension. Technology Sector Foreign Variable Pension Fund (AVR) has become the pension investment fund in the sector with the most returns, thanks to its high performance in 2021. In the reporting period, we have offered our customers fund basket funds in three different risk categories, which provide participants with effective management of their asset allocations.

## **Our Priority and Focus are “Human”**

We continue to pick the fruits of the cultural transformation we are focusing on for the last 4 years. In 2021, our employee engagement rate has been 83% and their overall satisfaction 91%. Again within the year, awards we won in the categories of “The Best Workplace,” “Respect for Humans” and “Employee Experience” which make us proud, from esteemed organizations in the human resources area marked the success of our human based business model which centers around our employees.

## **We Continue to Grow the Social Benefit Created with “All Ages”**

AgeSA prioritizes social development, which is one of the basic foundations of sustainable growth and supports the participation of individuals in social and cultural life through initiatives taken on with a responsible approach. Within this scope, this year, we continued to expand our corporate social responsibility project All Ages, which is the first in Turkey and which was implemented in 2019. Within the scope of the All Ages project, which aims to guide the society’s preparation for aging and to turn the negative perception of aging into a positive one, we organized assistance and donation campaigns during the pandemic. We established the “All Ages Fund” which is the first grant program supporting civil society projects on aging and old age in Turkey. With this fund, we provided grant support to 5 projects of 4 different civil society organizations with more than TL 390 thousand from the All Ages Fund. And, we provided readers with our book called “Live to the Fullest at All Ages,” which aims to be a guide for preparation to aging and includes information from esteemed experts. With the returns of the sale of the book, we aim to contribute to civil society activities.

## **Our Aim is “Gladly” instead of “If Only”**

In 2022, just as this year, we will do our best for the financial future and assurance of our customers, as well as the growth of our industry. Our priority and focus will be again “people” as it has been previously. We say “We exist to offer goodness at the core of our business aiming for a society full of trust, with happy individuals.” In line with our ultimate purpose, we work so that all our stakeholders can say “gladly” instead of “if only.” Continuing our developments in digitalization, we will continue to focus on employee and customer satisfaction, as it has always been. With the power and energy for change provided by our new partnership structure, we will continue to add value to our customers, employees, investors, society, and all our stakeholders.

Entering 2022, I would like to thank all our stakeholders, especially our employees, who are the major architects of our success.

Yours sincerely,

**Firat KURUCA**  
CEO



**Gladly**

there are people adding  
great value to the future.



Number of PPS customers

**659,585**

## Senior Management



### **Fırat Kuruca**

Member of the Board of Directors, CEO

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



### **Zeliha Ersen Altınok**

Assistant General Manager - Finance/CFO

Altınok graduated from Istanbul University School of Business Administration and started her career at Grant Thornton as auditor. Following her work as financial controller at Raymond James, she completed the MBA program at Strayer University. After serving at important positions at Koç Allianz and Ak Emeklilik, Altınok was appointed to the Reporting and Budget department, following the merging of Ak Emeklilik and Aviva in 2007. In 2013, she was appointed as Group Manager, Finance and Accounting. As of March 2021, Altınok is working as Assistant General Manager of Finance at AgeSA.



### **Özgür Erdoğan**

Assistant General Manager - Direct Sales, Agencies and Corporate Projects

Sales, Agencies and Corporate Projects Having graduated from the Middle East Technical University Economy Department, Özgür Erdoğan completed his master's degree at the EMBA program of the same university. Starting his career in the banking sector as executive candidate, Erdoğan joined AvivaSA in 2015 as Unit Chief, following his roles in the sales channels of Metlife Sigorta. After various managerial responsibilities in sales channels, he has become Assistant General Manager of Direct Sales, Agencies and Corporate Projects. Erdoğan is married and has two children.



### **Selim Avşar**

Assistant General Manager -  
Bancassurance

Selim Avşar graduated from Istanbul University, School of Economics, Department of Econometrics and received his master's degree from the same department. He started his career as Financial Advisor at Commercial Union in 1996 and served in various positions in sales management within the same company. In 2003, Avşar was appointed as Assistant General Manager in charge of Sales at AgeSA Hayat ve Emeklilik A.Ş. In 2007, he was appointed as Assistant General Manager in charge of Direct Sales and Agencies. Selim Avşar has served as Assistant General Manager in charge of Bancassurance since October 1, 2017. Avşar has 24 years of professional experience.



### **Berkant Dişçigil**

Assistant General Manager -  
Operations

Berkant Dişçigil graduated from Ankara High School of Science, and then Istanbul Technical University, Department of Management Engineering. He began his career of 24 years as a Research Specialist at Strateji-Mori. After serving in various positions in the Operations, Training, Actuary and Technical Departments, Mr. Dişçigil started work as Manager of Technical Operations for AK Emeklilik. He continued in Technical Operations at AgeSA and eventually became Manager of the Company's Customer Continuity Department. In 2010, he was appointed as Assistant General Manager of Operations. Mr. Dişçigil is currently responsible for after sales services, legislative and regulatory compliance, risk acceptance, indemnity, and tele sales functions at AvivaSA. After serving as Head of the Life Insurance Inspection and Research Committee of the Insurance Association of Turkey, Mr. Dişçigil began serving as Chairman of Life Insurance Strategy Committee in 2019.



### **Roşan Dilek**

Assistant General Manager -  
Marketing and Strategy

Graduating from Mimar Sinan University Urban and Regional Planning Department, Roşan Dilek started her career in the media sector. After working for various newspapers, she completed her master's degree at the Istanbul Technical University and the Louis Pasteur University. Then, she completed her master's degree at the Management Researches program at Oxford University. Starting her career at Türkiye Ekonomi Bankası, Roşan Dilek joined AgeSA as Strategy and Change Management Consultant in 2012. In 2017, she worked as Business and Product Management Group Chief; and since July 1, 2021, she is the Assistant General Manager for Marketing and Strategy.

## Senior Management



### **A. Fahri Arkan**

Assistant General Manager -  
Business Technologies

Fahri Arkan received his undergraduate degree from Yıldız Technical University, Department of Computer Science and Engineering and completed his MBA at Gebze Institute of Technology. Subsequently, he operated his own technology and consultancy firm for four years. Between 2000 and 2016, Mr. Arkan held managerial positions in various departments of Turkcell Group companies. He also served as Assistant General Manager of Information Technologies at Turkcell Global Bilgi from 2010 to 2016. He has served as Assistant General Manager in charge of Business Technologies at AgeSA since June 1, 2016.



### **Burak Yüzgöl**

Assistant General Manager -  
Human Resources

Burak Yüzgöl earned his undergraduate degree in Business Administration from Marmara University, School of Economics and Administrative Sciences. He began his professional career at Eczacıbaşı Baxter in 2002, assuming responsibilities in the areas of recruitment, performance management, administration, compensation and vested benefits. After joining the AgeSA family in 2007, he took on positions at different levels in the Company's Human Resources Department. He was eventually appointed as Assistant General Manager in charge of Human Resources and AgeSA Executive Board member on April 1, 2015. Mr. Yüzgöl has 18 years of work experience.



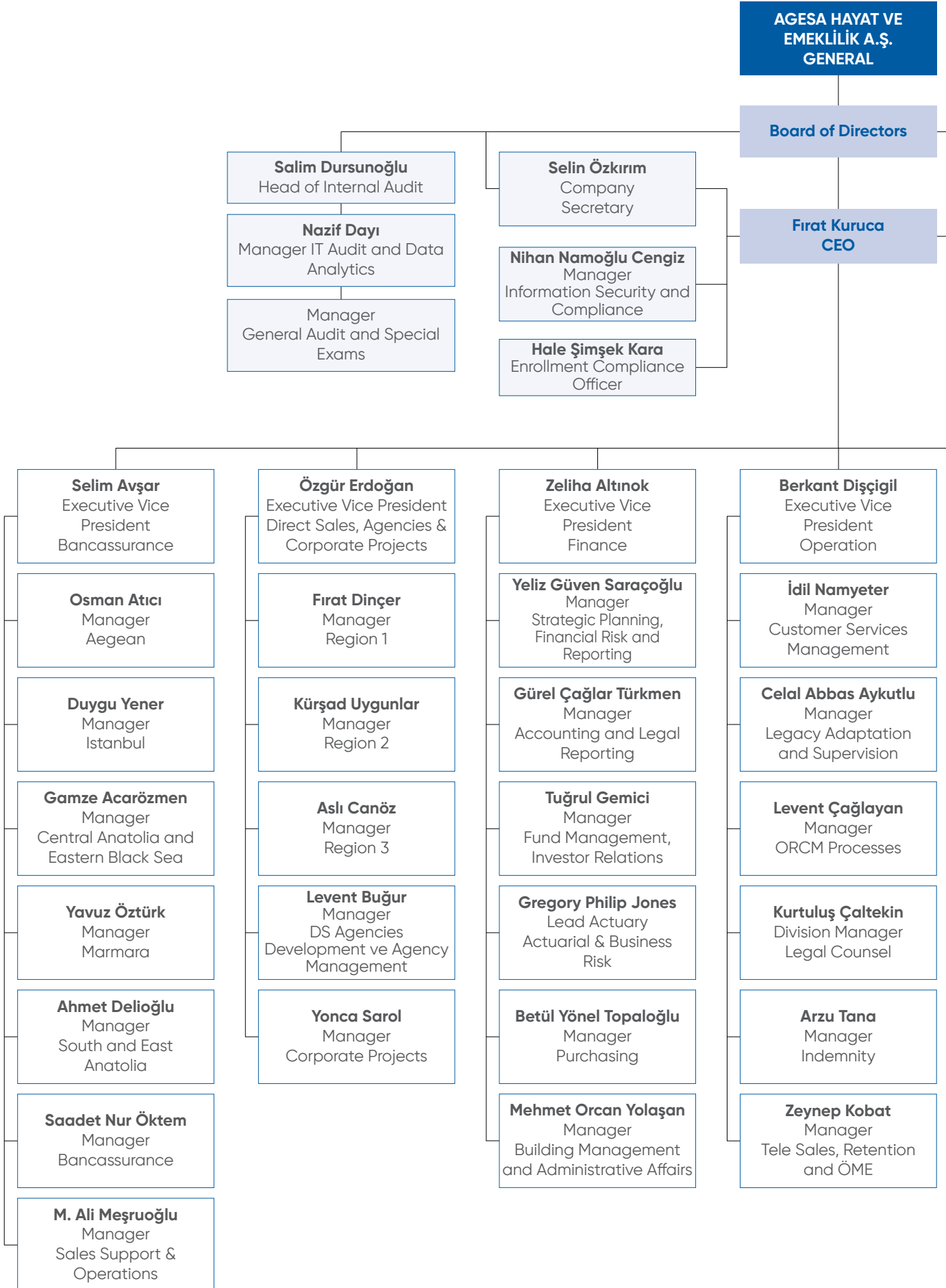
### **A. Sibel Öztep Oymacı**

Director - Risk and Internal Control

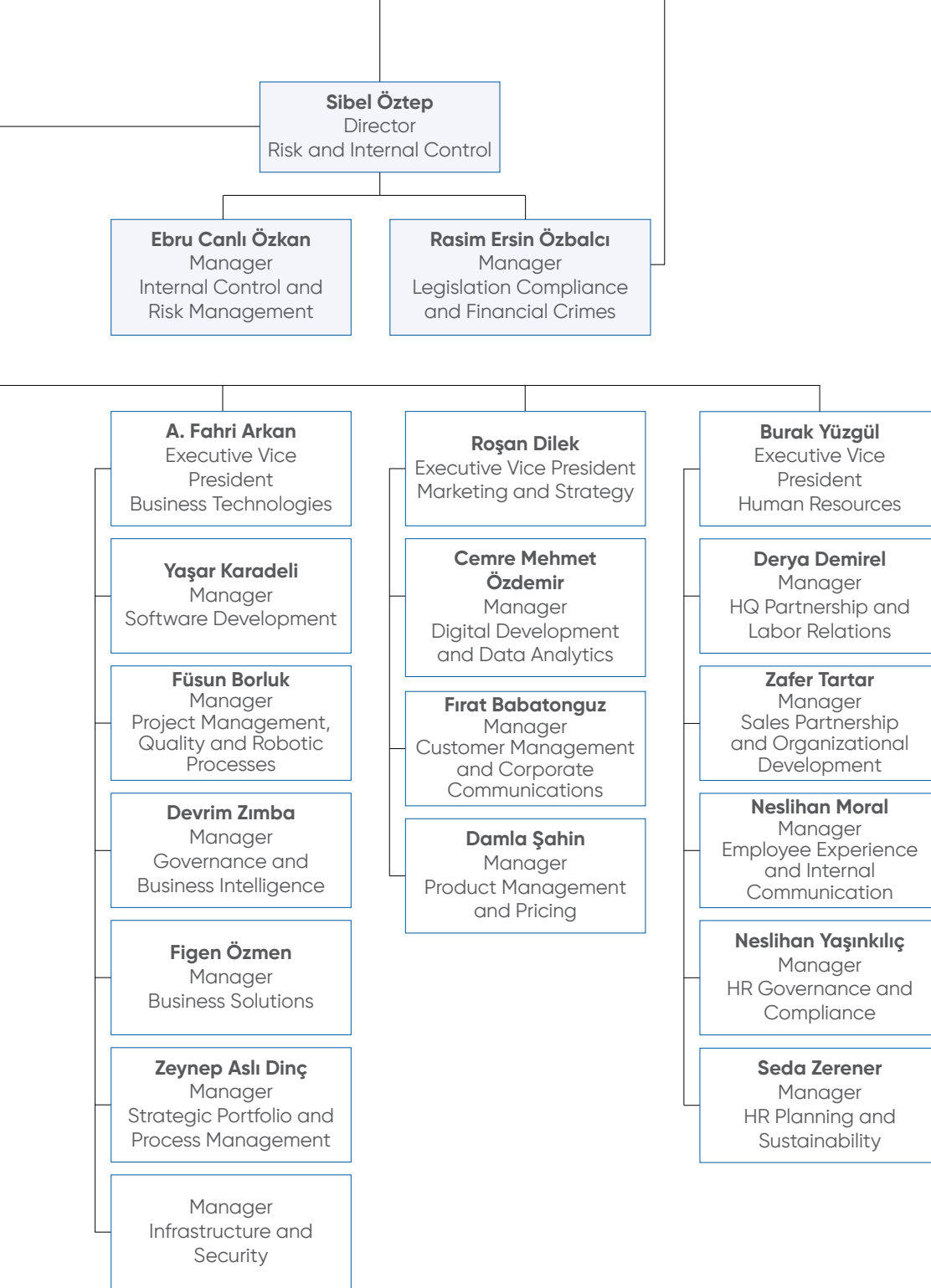
Sibel Öztep Oymacı graduated from Middle East Technical University, School of Administrative Sciences, Department of Business Administration. Ms. Öztep began her professional career as Budget Reporting Specialist at NCR Bilişim Sistemleri A.Ş. In 1996, she was appointed Accounting Manager at the same company. In 2000, she joined Sabancı Group to serve as Financial Affairs Manager at Ak Ödeme Sistemleri A.Ş. In 2002, Ms. Öztep was appointed Financial Manager at AK Emeklilik A.Ş., also a Sabancı Group company, and thereby started working in the insurance industry. On October 31, 2007, she became Manager of Finance and Accounting at AgeSA. Ms. Öztep was appointed as Risk and Internal Control Group Manager and Executive Committee Member in 2013. She has been serving as Risk and Internal Control Director since April 1, 2018.



## Organization Structure











# **Activities of AgeSA in 2021**

# TURKEY CONTINUES TO GROW WITH EXPORTS

Turkey grew in the first three quarters by 7.4%, 22.0%, and 7.4%, respectively, while the economic growth for 9 months reached 11.7%.

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### Global Economic Outlook

Global economy entered a rapid recovery following the economic recession in 2020, when the pandemic was felt the most and after the social isolation measures were removed. In 2021, it is expected that world economies reach high growth rates due to base effect. However, the new coronavirus variants emerging in the last part of the year started to put pressure on growth. Indeed, both the World Bank and the IMF revised their 2021 global growth estimations to 5.9%; now they foresee a growth of 4.9% for 2022.

Together with the expansionist policies of the central banks, financial aid packages activated for the fight against the pandemic had an important share in the rapid revival of economic activities. According to the October report of the World Trade Organization (WTO), global goods and services trade, which is expected to grow 10.8% in 2021, supported economic recovery.

On the other hand, together with a strong consumer demand, the renormalization of economies through liquidity expansion steps taken for the recovery of markets caused an inflationary pressure. Due to production slowing down because of the pandemic shocks in supply, problems in the supply chain were accompanied by increase in energy and commodity prices. Globally, inflation reached the peak of recent years and first

assessments that it is temporary were replaced with more pessimist views in the last period of the year. Thus, fight against inflation has become the basic item in the agenda of economies.

High inflation causes central banks around the world to prepare for measures to tighten monetary policies. Decreasing assets purchases, it is almost definite that the US Central Bank (FED) will start to increase rates this year. Together with the risks caused by the pandemic, which were carried over to 2022, and the course of the inflation, the steps to be taken by the central banks of the developed countries will be the basic developments the markets will closely follow in the coming period.

### Turkish Economic Outlook

After the first pandemic wave, the recovering Turkish economy showed a strong performance in terms of budget, balance of payments, and especially economic growth, in 2021. Turkey grew in the first three quarters by 7.4%, 22.0%, and 7.4%, respectively, while the economic growth for 9 months reached 11.7%. Leading indicators indicate that the annual growth may be double digits thanks to the expansion to be recorded in the last quarter due to the base effect. While the continuously growing exports performance throughout the year was the largest factor, increasing tourism returns thanks to the acceleration of sectoral activity in summer together with the recovery at internal demand supported growth.

With the increasing foreign demand and focus on exports, the current account turned positive. As of the end of 2021, 12-month current deficit realized at approximately 2% of the GNP, i.e. USD 15 billion, which is manageable for the Turkish economy.

In accordance with the new economy route based on production, investment, employment, and exports, starting as of September, the Turkish Central Bank loosened the strict monetary policy applied in the first two quarters. In this period, the policy rate was cut back to 14% via four decreases. Though loose monetary policy supports economic growth, it increased the high fluctuation in exchange rates and the value losses in TL assets. Simultaneously, the high increase in global commodity prices, especially energy, caused disruptions in the inflation outlook. In December 2021, the Consumer Price Index (CPI) increased by 13.58% and 36.08% on an annual basis.

In 2022, with the impact of expansionist fiscal policies and strong exports performance, it is expected that positive growth will be maintained and that the improvement in current account balance will continue. On the other hand, the monetary tightening moves of central banks of developed countries, global inflationist pressure, and the new coronavirus variants' courses become prominent as risks which could endanger the economic outlook.



### **The Private Pension System and Life Insurance Outlook**

The year 2021 has been an extremely dynamic year in terms of private pension system (PPS), which has become one of the first addresses for savings in Turkey since its founded 18 years earlier. In 2013, state subsidies of 25% started and after applications such as the Automatic Enrollment System (AES) launched in 2017, regulations enabling the participation of participants under 18 years of age opened the PPS up to large masses, and the system's improvement towards its potential accelerated in 2021. This regulation is very important in terms of preventing welfare loss in retirement by raising awareness for savings at early age and increasing national savings.

With the Private Pension Fund Trading Platform (BEFAS) launched on July 1, 2021, fund founding pension companies were able to sell and repurchase pension investments funds to other pension companies' participants.

Thus, system participants started to benefit from fund options of all pension companies. Infrastructure developments realized in collaboration with sector actors were the fundamental factor in providing the completion of the transition process to this joint platform in a relative short period of 2 years.

In the coming period, it is foreseen that regulations in PPS such as increasing the state subsidies to 30%, the right of 45+ aged citizens to be included in the Automatic Enrollment System (AES), and the ability to withdraw some of the savings as an advance will increase the appeal of the system.

According to the December 31, 2021 data of the Pension Monitoring Center, the total number of participants in the PPS and Automatic Enrollment System was approximately 15 million while the total fund size including state subsidies increased by 44% and reached TL 244 billion compared to the previous year.

The pandemic changed the view on daily life and expectations while it continues to positively impact the approach of people to life insurance products. The data announced by the Insurance Association of Turkey (TSB) at year-end show the development of life insurance in Turkey. In 2021, total premium generation for life and personal accident insurances increased by 21% exceeding TL 18.5 billion compared to the previous year.

**The year 2021 has been an extremely dynamic year in terms of private pension system (PPS) which has become one of the first addresses for savings in Turkey.**

# PRODUCTS, SERVICES AND APPLICATIONS DEVELOPED WITH AN INNOVATIVE PERSPECTIVE

As AgeSA, we strive to understand our customers, develop the best solutions for their needs and provide them with an excellent experience.

As AgeSA, we strive to understand our customers, develop the best solutions for their needs and provide them with an excellent experience. For this purpose, we syncretize our innovative perspective with products and services that create value, and we constantly try to improve customer experience with applications that create trends in the sector.

### We Continue to Listen to our Customers

In 2021, we continued to take actions to prevent our customers' and employees' health from being adversely affected due to the Covid-19 pandemic. In the pandemic period when social mobility was limited, we continued remote sales processes in the digital environment in order to continue our sales activities.

In the second comprehensive customer survey in 2021, with the first in 2020, towards understanding the changing attitudes and conduct of consumers regarding savings and protection needs with the Covid-19 pandemic; By researching:

- We have observed that consumers continue to save due to future concerns and possible disease concerns, with the pandemic,
- We saw that the awareness of critical illness coverage has increased explicitly, especially among PPS owners, compared to the previous period.
- As in the previous year, while the biggest concern before the pandemic was the financial difficulty of the family, we saw that getting a dangerous disease took precedence over all concerns and ranked first after the pandemic,

- Compared to the previous year, we determined that concerns regarding problems in the country's economy increased and that therefore the rate of people saving has explicitly increased.
- We detected that the feeling of regret became prominent in consumers who did not have or canceled PPS, with the onset of the pandemic.

We are planning to base our future product strategies on these outputs.

### We Develop Products, Services and Applications with an Innovative Perspective and Continuously Increase Customer Satisfaction

We continued to develop our products, services and applications without compromising our customer focus by internalizing the requirements of the "new normal" in 2021, when life continued to change due to the impact of the pandemic.

We provided our customers of İyİ İhtimallerin Sigortası (Bright Side of Life Insurance), which suspended premium payments for less than 1 year, an option to add their outstanding payments to the end of their policies so that they could reactivate their policies. With this practice, we reactivated the policies of nearly 1,000 customers without them needing to make a lump sum payment for their outstanding premiums.

In 2020, our product Kredim GÜvende Loan Life Insurance which has been revised in light of customer surveys and in 2021;

- Was positioned at the Akbank Call Center channel and the loan integration in said channel was completed.
- The cycling unemployment insurance offered as an additional insurance in the product has been positioned at Akbank Mobile & Personal Internet Branch channels.

We continued to work on new products to meet the medium-term savings and protection needs of our customers.

We started to review premium return and other protective insurance products based on changing customer needs, volatility in exchange rates and market dynamics.

Furthermore, we continued our standard product revisions and improvement efforts in all product groups and simplified our product portfolio.

During the 2021 fiscal period, we prepared all our private pension products to be sold to individuals below 18 years old and optimized our most sold PPS product so that the minimum contribution could be preferred by anyone.

We added Lifecycle Funds to our fund portfolio for our customers who want to delegate fund management to the experts and systematically manage them in line with changing market

conditions. Dynamic, Balanced and Cautious Fund Baskets offered in accordance with the risk perceptions and age of our customers brought an innovative approach to the sector and were considerably favored by them.

In the 2021 fiscal period, within the scope of customer-focus, we continued our improvement efforts specific to the Retirement Income Plan product, in which our participants who are entitled to retirement receive their savings based on time or amount as a salary and increased the fund diversity of our Retirement Income Plan.

As we did each year, in addition to the contribution increase indexed to CPI in our private pension plans, we revised our initial capital products and completed our activities so that our customers can reach their target savings more easily.

With the Private Pension Fund Trading Platform (BEFAS) which entered our lives in 2021, we defined the BEFAS funds to our Pension Investment Plan product positioned at the Akbank branch channel. Within the scope of the related legislation, the customers obtained the flexibility to choose the funds of AgeSA and other companies depending on the fund performance, fund diversity, and their risk perception.

We conducted customer and market researches in order to meet the needs of our customers on the basis of the product groups of PPS, loan life, free life, and personal accident insurance and dangerous diseases, to ensure balance for the product prices and to further improve the product portfolio from a customer perspective day by day.

In 2021, our activities were successfully reflected in the results and we maintained our leadership in the private sector in the size of the PPS funds. While the protection and personal accident insurance generation in the sector increased by 20% compared to the same period of the previous year, AgeSA grew by 52%. We closed the activity year at the 3<sup>rd</sup> rank in the protection and personal accident insurance market.

### Our Goals for 2022

In 2022, we will focus on our new product studies aimed at meeting the medium-term savings and protection needs of our customers, which we started to develop in the operating period we left behind and we will offer our new products to our customers in the new year.

Launching our new PPS product enriched with new additional benefits in accordance with their own and their family's needs and expectations for participants below 18 years of age, we aim that people below 18 years of age are included in to the private pension system at an early age.

In 2022, in accordance with the developing global and changing economic conjuncture, we will continue to increase our fund diversity so that we can meet the economic expectations of our customers.

As of January, we plan to define BEFAS funds into all our private pension plans. Within the year, our protection products will be reviewed and revised in accordance with the legislation.

In order to follow changing customer needs and market dynamics and to update product portfolio within this scope, we will continue our customer and market surveys in 2022, too.



# THE SYNERGY CREATED WITH AKBANK CONTINUES

Our cooperation with Akbank for meeting all needs of our customers for private pension and life insurances segments continued in 2021, too.

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## **We Protect our Strong Position in Bancassurance with the Growth Supported by Digital and Data Analytics Projects**

Our cooperation with Akbank, which operates throughout Turkey with 19 regional offices and 710 branches, for meeting all needs of our customers for private pension and life insurances segments continues. Taking important steps on its path to becoming the pioneer in digital banking in Turkey, Akbank serves in addition to its widespread branch network through mobile, internet, and customer communications center channels and produces innovative projects for excellent customer experience in services offered. Within the scope of the common vision and values we share with Akbank, we take important steps in building the bancassurance channel of the future. With the digital and analytic projects we launched together with the bank, we meet the needs of our customers through innovative service models independent of time and place.

## **While the Pandemic Continued its Impact, Decrease of Restrictions and New Regulations Reflected Positively on the Sector**

The year 2021 has been a year when the impacts of the COVID-19 pandemic continued to affect the whole world, and when especially in the second half vaccination and measures taken increased participation to social life. Mobility increasing with decrease in restrictions also increased the demand of customers for our products. Also, the change in our partnership structure and the new excitement and dynamism brought about by our new brand contributed to the development of the bancassurance channel.

While in 2021 the growth of the sector was promoted with new regulations, these new developments played an important role in the growth of the bancassurance channel. With the new regulation for the private pension system, children smaller than 18 years of age were awarded the right to make agreements on their own behalf and this created a very important opportunity for the development of the market.

## **Our Priority in 2021 was to Bring Together our Customers and our Digital and Innovative Services**

With our customer-focused orientation in products and services, our priority with Akbank has been to bring our customers and innovative services together in accordance with our vision to facilitate their lives through digital solution in 2021. Within this scope, with our new projects implemented, our customers are able to approve their applications through Akbank or AgeSA Mobile apps. Thus, our customers were able to complete their applications in the comfort of their homes without the necessity to come to the branch to own our products. Also, additional unemployment insurance of Kredim Gvende Life Insurance, which is the most important product in the life insurances segment, was offered to our customers through the Akbank Mobile app.

Besides our innovative services at the mobile and internet channels, we took steps for excellent customer experience in our services offered by the Akbank Communication Center. Together with the loans offered on this channel, we started to offer our Kredim Gvende Life Insurance product. Thus, now our customers can protect their loved ones when using loans via the phone.

Our activities for sales on the digital platforms at the application processes for our private pension products continues. These new projects, which we plan to implement in short time, will facilitate the lives of our customers and sales teams even more.

## **The Impact of the Innovative Projects Implemented was Reflected on our Business Results**

The innovative projects we implemented provided a positive contribution to both customer experience and our business results. Our market share, which was at 5.3% in the previous year in the credit life segment, increased to 8.2% in 2021. Also, we demonstrated a development parallel to the market in free life and personal accident branches. In the private pension segment, which is expected to grow thanks to the new regulations, we took steps to maintain our leading position.

The devotion and high motivation of our experienced sales teams contributed very much to our successful results in all branches. In 2021, we continued to take actions for maintaining the engagement of our teams and providing for continuous success. While the health of our employees was meticulously followed, we took many measures with the recommendations of our doctor. Also, in order to support the works of our successful sales consultants, we organized online and face-to-face events and continued our communication through special social media accounts with bank channel employees.





Sales and management teams of Akbank and AgeSA working in solidarity has played an important part in the channel maintaining its strong position. In order to improve this cooperation and solidarity, the management and sales teams met frequently. The feedbacks of our sales teams regarding the needs and expectations of our customers guided us in positioning our products and services. Besides, as of the second half of the year, in line with the vaccination becoming more widespread, the sales teams of AgeSA increased branch visits and stood with the customer relations managers of branches.

In the upcoming period, we will focus on developing customer and employee experience with the mission to have our customers, business partners and employees say "gladly." Thus, we aim to maintain the strong market position of the channel in the upcoming period.

- The bank channel's new business value for AgeSA reached 41%.
- The bank channel's life insurances and personal accident premium generation increased by 58% to TL 1.4 billion while the share of AgeSA in the total production reached 70%, in 2020.
- The bank channel's generation of annual PPS premiums grew by 53% and reached TL 436 million compared to the previous year. The bank channel's fund size grew by 41% compared to last year.

**The bank channel's life insurances and personal accident premium generation increased by 58% to TL 1.4 billion while the share of AgeSA in the total production reached 70%, in 2020.**

# DIRECT SALES AGENCIES AND CORPORATE PROJECTS

As AgeSA, we stood by our customers offering uninterrupted services under the pandemic together with our Direct Sales Channel, Agencies Channel, and Corporate Sales Team.

### DIRECT SALES CHANNEL

#### **With our Effective Business Model, We Stood by our Customers during the Pandemic**

Our Direct Sales channel, which has the most established staff in the private pension and life insurance sector, is one of our most important distribution channels. During the pandemic which continued in 2021, we built an effective business model both for new customer acquisition and existing customer retention. During this period, we took high-level measures by prioritizing the health of our customers, employees and society, and we tried to minimize health risks.

In 2021, considering pandemic conditions, our Direct Sales channel played an effective role in new customer acquisition thanks to face-to-face meetings and remote sales possibilities. At the same time, by strengthening its relations with existing customers, it improved the customer continuity rates. It continued its production without slowing down through its cross-sales, lump sum PPS payment, continuity and collection activities. The exit rate was kept at 0.66%. Despite the pandemic impact, the channel generated TL 1,118 million PPS contribution in 2021 and grew 15% compared to the previous year, generated TL 178 million new business APEs and grew 53% compared to the previous year, achieved TL 250 million production in lump sum payments, and the fund size reached TL 10.6 billion. The PPS average fund size per person increased from TL 64 thousand to TL 82 thousand, and we have progressed one step further in enabling our current customers to achieve their retirement dreams by increasing their retirement savings.

In 2021, the life insurance premium generation, which was most affected by the pandemic, achieved a growth of 47% compared to the previous year with a generation of TL 291 million, and new business production grew by 36% to TL 61 million compared to the previous year.

Becoming aware of the increasing importance of new generation technologies and digitalization during the pandemic, we renewed the tablets and phones of our employees in order to strengthen their technological equipment.

Our Direct Sales channel, which derives its strength from working as a young and dynamic team that creates its own reference, continues to offer all insurance needs of its customers from a single point under the roof of AgeSA Sigorta Aracılığı A.Ş., and contributes significantly to the strengthening of our Company's customer focus. We continue to develop the competence of our Direct Sales team, which has a strong relationship management focus, uninterruptedly to produce the most suitable solution for customer needs by taking advantage of our rich product and service portfolio. The sales of the health insurance, which we added to our product portfolio in 2019, continue to increase.

Our Direct Sales channel strengthened its foundation by significantly increasing individual productivity and employee engagement in recent years. We aim to grow this strong structure by increasing the number of employees and the production share within the Company.

The Direct Sales channel will continue to grow steadily in 2022, focusing on increasing channel profitability and efficiency.

### AGENCIES CHANNEL

#### **We Did Not Stop During the Pandemic**

Our agencies channel did not slowdown in production despite the pandemic and continued its stable growth compared to the previous year. Maintaining the level of 0.68% in exit rate, continuity of collection rate increased to 88.5%. Thus, we achieved the highest levels of the last period in terms of continuity ratios.

In 2021, we continued to operate actively in 45 provinces with a total of 329 agencies. In 2021, in parallel to our priority of having the most productive and active agency network in the field of life insurance, we produced TL 62 million of APE life insurance and achieved a growth of 14% compared to the previous year. In the private pension field, where we focus on promotion strategies, we produced TL 202 million of APE and increased the fund size in our Agency Channel to TL 4.8 billion by increasing it 59% compared to the previous year. Increasing the PPS average fund size per person increased from TL 91 thousand to TL 109 thousand, we continued to increase our customers' retirement savings.

Our Agencies channel, which has steadily increased its production volume through its value-oriented service approach, will continue to take decisive steps and increase its productivity in order to establish the most productive and active agency network of Turkey in 2022 in line with our company's strategic road map.

## CORPORATE PROJECTS

When field activities declined due to the pandemic, our Corporate Projects team focused more on our existing corporate customers. However, within the scope of group pension plans, we increased consultancy services to direct our companies and employees to accurate asset allocations. On the other hand, we continued activities for customer retention.

### Our Corporate Field Sales Teams Continued to Increase the Penetration of our Corporate Customers

In 2021, our Corporate Field Sales teams focused on the persuasion interviews about withdrawals-exits from the PPS system in order to benefit their customers from the advantages of the state subsidies made negotiations about lump sum payments and additional contributions. Also, we focused on field activities for increasing the PPS penetration rate at our corporate companies.

Our field sales teams continued to increase the product ownership of our customers and to offer 360 degrees of protection to them by offering products specific to this period with our collaborative working model carried out in coordination with our Direct Sales teams. The outcomes of the synergy created between our Corporate Field Sales and Direct Sales teams had a positive impact on our cross-sales activities, and the productivity of our sales teams increased significantly. Our successful performance was confirmed with a 76% growth in premium production compared to last year.

### We Started Important Works in Group Pension and Group Life Market

While corporate agreements were made with more than 300 different sized new organizations within the scope of both automatic enrollment and group pension plans, the funds of our group pension plans grew 83% compared to the previous year.

- Total PPS contribution through the corporate projects channel rose to TL 4.9 billion, representing approximately 12% of AgeSA's total fund size while PPS APE production reached TL 1099 million.

- A total of 16% of new participant acquisition in AgeSA's private pension contracts,
- and with a production exceeding TL 38 million, 3% of our Company's total surplus contribution production was realized through the Corporate Projects channel.
- With a collection rate of 150% in group pension contracts, we performed an improvement of 12% in the collection amounts compared to the previous year.

Compared to 2020, we realized a premium production of TL 15.7 million with an increase of 27%, a number very much above the target for group life and group personal accident portfolio.

Our Corporate Customers Management team providing service to the human resources managers of corporate companies;

- displayed a high performance with a satisfaction rate of 95% according to the Corporate Employer Survey performed at our Company at the beginning of 2021, thanks to its solution and customer focused approach and rapid and accessible staff;

- worked to provide one-to-one services to more than 2,000 corporate customers and affiliate business partners with its service model comprising 1.4 million active customers.

In 2021, in order to provide quicker services, which change and are tailored according to the customers' needs, to more than 40 thousand corporate customers within both group pensions and automatic enrollment, a corporate customer segmentation project was developed and related activities for its infrastructure was started.

We started to work with 2 new integration solution partners at the payroll integration application, where 4 already are active and which enabled the application and collection processes related to Automatic Enrollment customers to run smoothly and swiftly. Thanks to these solution partners, our satisfaction rate was 85% regarding the rapid and user-friendly Bi'Tikla Automatic Enrollment app.

The Corporate Projects channel will continue to grow steadily in 2022, focusing on increasing channel profitability and efficiency.



**AgeSA displayed a high performance with a satisfaction rate of 95% according to the Corporate Employer Survey performed in 2021.**

# WE PRIORITIZE TRUST-ORIENTED CUSTOMER COMMUNICATION

AgeSA created a new roadmap aiming the adoption of customer-oriented mindset by all our employees and positioning this customer-oriented mindset into all our business processes.



## Our Holistic Customer Management Model

As AgeSA, we make a difference with our customer-oriented perspective in the private pension and life insurance sector, with the product and services we offer and the personalized experiences we provide to our customers through all the channels we contact.

With our holistic customer experience model that we launched in 2018 and continue to develop continuously, we adopt the vision of being a segment-based company that knows its customers closely, offers a personalized experience, communicates through the most effective channel at the right time and establishes emotional bonds with them. With this point of view, we have established our new service model that will listen to customer feedback in real time and enable them to receive

perfect end-to-end service from our service channels, aiming to leave a mark by the experience we provide with our customers.

In 2021, we continued to improve customer experience in all our channels and bring all products and services to a customer-focused standpoint. We make a difference in the sector with our focus around this model which is integrated on customer journey-based and experience-layered service.

## Trust-Oriented Customer Communication

In 2021, when the impacts of the pandemic continued in the world and in our country, we continued our effective customer communication efforts in order to relieve the concerns of our customers and increase their trust in the private pension system and life insurances.

We have maintained our market share by making our customers and their loved ones feel that we always stand by them, and increasing customer loyalty and satisfaction.

We carried out communication activities with the participation of our field teams in order to reduce the concerns of our customers against market fluctuations and to prevent their loss of funds; thus, we increased both employee and customer satisfaction.

## We Continue to Decrease the Distance to our Customers Through the AgeSA Mobile

In order to focus on the needs and expectations of our customers and the user experience, our AgeSA Mobile app, which has been designed and developed with approximately 250 customers and business partners, has attracted the great interest of our customers for three years.

In 2021, AgeSA Mobile reached 1.2 million downloads. Thanks to the customer satisfaction created, it continues to be the most favored insurance application in application stores. The application's success was confirmed by awards received from international platforms. In 2019, AgeSA Mobile was deemed worthy for the Bronze Stevie in the "Best Mobile Application" category in the Stevie International Awards, one of the most prestigious awards organizations in the international business world, and for the Golden Stevie in 2020 as being the first digital self-service platform with the principle of customer-oriented experience design in the "Innovation in Business Applications" category. Standing out with its user-oriented design story, the application has won the "Most Customer Oriented Life Insurance Company" award from the International Finance Awards. In addition, AgeSA Mobile, which received the second prize in the Centauri Winner Muse Creative Awards in the Mobile Application Category at the Vega Digital Awards and in the IDC Awards Omni - Experience Innovator category, continues to enrich its services with its experience and new functions.

AgeSA Mobile, which we positioned as the main customer platform in order to provide faster and safer service and which we developed continuously to facilitate the lives of our customers, reached 253 thousand active users per month in 2021 when it celebrated its third anniversary. The income we have obtained from the lump sum money transfers through the application has increased to TL 200 million, and the additional benefit we have gained from the contribution changes has increased to approximately TL 233 million.

We implemented many innovations in AgeSA Mobile in 2021 in line with the expectations and needs of our customers. Our Customers now;

- can view the contribution amounts calculated specific to their age, time to pension and existing contribution amount, they can calculate their pension savings based on this amount, and they can easily update their contribution amounts.

- can rapidly submit their payment instructions by choosing the future instalment number they wish to pay.
- can easily continue with one click with their suspended PPS contract payment from where they left.
- can rapidly make transactions in areas related to deeplink directions of push notifications received for fund distribution changes according to internal return rates, notifying updated and recommended fund distributions, and communication permit reminders.
- can share scores and comments regarding application experiences at the end of the mobile transactions with emoji pop ups.

### **AgeSA Customers Easily Manage Their Savings with FonPro**

AgeSA supports our private pension customers, who have difficulties in guiding their investments, increasing the return of their savings or deciding which fund to buy and sell, to easily choose their funds and manage their savings with our digital fund consultant "FonPro."

With FonPro, which has many functions and innovations that make a difference in the sector, our customers can easily follow financial market analyzes, individual risk analyzes and the most appropriate fund allocation suggestions on AgeSA Mobile. As of the end of 2021, the number of customers who experienced the AgeSA Mobile FonPro function reached 93 thousand.

We will continue to enrich FonPro services with applications, for which we started activities in 2021 and planned to be implemented in the first months of 2022, which will be first in the sector to comprise all investor profiles.

Based on the investor behavior of participants and as a company aiming to design excellent customer and user experience in terms of fund consultancy, we developed services where they can manage their savings within a few minutes in accordance with their expectations through FonPro Digital Fund Consultancy designed together with our customers.

### **Lifecycle Funds**

In 2021, we created a new product "Lifecycle Funds" where our customers can obtain long-term stable gains by leaving their savings to our expert teams. For our participants who cannot decide on which fund to choose especially in the latest market fluctuations, we offer "fund basket" options where momentary investment strategies can be changed and customers can choose in accordance with age and risk perceptions, directed by professional investment procedures and extensive financial models by the expert Strategy and Asset Distribution team of Ak Portföy, the portfolio management company of AgeSA.

### **Proposed Fund Distributions**

In the market fluctuations observed in 2021, with FonPro, we automatically offered the most appropriate fund allocation suggestions to our private pension customers with the current money markets, financial analyzes, previous periods data and expert opinion we obtained from Ak Portföy in line with their risk perceptions.

We guided our customers to diversify their investments without focusing on a single asset class. With our fund distribution suggestions differing in line with their risk approaches, we ensured that they were least affected by the fluctuations in the markets.

Providing the opportunity to change funds in just a few seconds, FonPro included in AgeSA Mobile leads the industry as a digital fund advisor offering up-to-date financial analyzes.

# WE CONTINUE OUR CUSTOMER SATISFACTION ORIENTED ACTIVITIES

We accelerated our customer communication efforts in order to increase the trust in the private pension system and life insurances and continued our activities to offer them better service in accordance with their needs and expectations.

## AgeSA Mobile Displays the Added Value to Our Customers When Compared with Inflation

In 2020, we broke new ground in the sector again, and in 2021, 151 thousand customers viewed the portfolio performance analysis within FonPro, which clearly displays the added value provide to participants by offering them the opportunity to compare their returns with inflation.

In order to increase the belief in the private pension system through communication activities and highlighting the gain above inflation our AgeSA customers with high internal return rate obtained, we made suggestions to increase these earnings.



## We Are Always There for Our Customers with "Bi'dolu"

In 2021, continuously updating the content of our "Bi'dolu" online loyalty program, which was launched in order to maximize customer satisfaction and provide its continuity, we also continued our communication activities without slowing down, in accordance with customer expectations and needs. By producing contents with an AgeSA lifestyle, we enriched the customer experience with fun recipes, different travel routes, decoration ideas and digital application recommendations, as well as products and experience.

With this platform, we offer our participants the freedom to choose among more than 25 thousand product and experience options. Our customers can access Bi'dolu through AgeSA Mobile app or by visiting the bidolu.avantaj.sanalmagaza.com address. Until today, approximately 300 thousand AgeSA participants visited Bi'dolu.

## Deploying AgeSA Customer-Focused Culture

In the Company, AgeSA created a new roadmap aiming the adoption of customer-oriented mindset by all our employees and positioning this customer-oriented mindset into all our business processes.

## Voice of the Customer

AgeSA listens to the voice of our customers through many channels in line with its principles of customer orientation and providing a personalized product and service experience.

Within the scope of "Voice of the Customer" activities, we regularly conduct customer satisfaction calls to get customer feedback and measure their experience from the service they received by making one-to-one interviews. With these efforts, we aim to improve the experience we offer and enable our customers to establish longer-term partnerships with the AgeSA brand.

In 2021, AgeSA listened to the voice of existing and potential customers through a relational NPS survey, which measures the experience of customers in different elements of satisfaction, a recommendation score (NPS) measured in different periods with 7 different

contact points and 6 different customer journeys and satisfaction surveys. AgeSA regularly shares the results of these surveys within the Company with the aim to reinforce customer-focus.

In order to measure the satisfaction and recommendation trends of AgeSA and competitors, AgeSA collected the views and comments of its PPS and life insurance customers. With its layered survey model established in 2020, AgeSA measures the impact of various business factors on the general recommendation and satisfaction scores and performs an impact-performance analysis. With the effect of customer-focused projects and proactive customer contacts, we determined that our customers' tendency to recommend us increased compared to previous years.

We research our customers' net promoter scores, satisfaction levels, and factors affecting their satisfaction through researches based on the customer journey. With these researches, we contacted more than 60 thousand customers at customer journeys and contact points.

We regularly monitor and implement the developments and actions we have created by taking advantage of the customer insight and feedback we have gained from the surveys.

## Mapping of Customer Journeys

AgeSA works on perfecting the customer experience by using human-focused modern methodologies in order to offer its customers perfect and customer-focused service experience.



**Gladly**

there are solutions  
facilitating life.



AgeSA Mobile user  
downloads

**1.2**  
million

# WE GENERATE "SOLUTION-ORIENTED INNOVATIVE IDEAS"

In 2021, we developed projects aiming to create innovative solutions tailored to customers' needs through a solution-oriented, idea-based and design thinking approach.

In 2021, with different perspectives, we designed our journey maps based on a vision aiming to understand our customers, challenge assumptions, reidentify problems, and create innovative solutions tailored to customers' needs through a solution-oriented, idea-based and design thinking approach.

While developing journey maps together with customers and business units, we base ourselves on customer researches. To this end, in order to achieve the level of customer experience and service level we aimed for 2022, we plan to draw ideal customer journeys and implement improvement activities.

## Customer Focused Projects

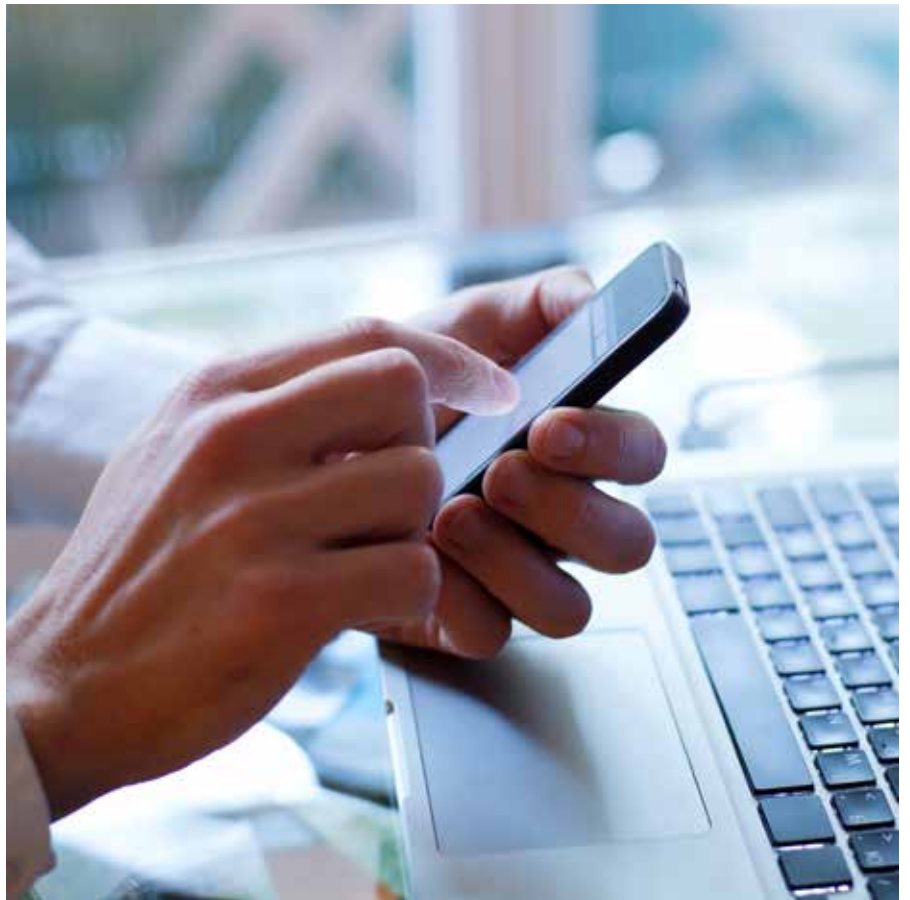
### Welcome Calls

The welcome meetings with PPS customers, which started in 2019, were enriched according to different product and customer profiles and continued in 2021, as well.

We aim to provide our customers with detailed information about their products and services through welcome calls, to understand their future expectations and to establish a strong bond with them from the first day.

### Special Customer Line

AgeSA re-created its service strategies in line with the customers' segments and lifecycles in order to make long-term and sustainable communication with its customers.



The "Special Customer Team," the telephone service function established within the Headquarters in 2019, continued to serve our upper segment customers in 2021. We increased the sustainability of the bond we established through this service by making 43 thousand customer calls in 2021.

### Digital Reference Management Process

AgeSA re-established the reference management process coming from digital channels with a customer-focused digital transformation

perspective. With our new reference management process, we have completely automated the product request processes of our existing and potential customers submitted from digital channels. We ensure that the most accurate product is offered for the requests in the fastest way.

With the renewed reference management process, we enabled the tracking of product requests from the website and AgeSA mobile application. Thus, we develop both customer experience and process effectivity.



## **DIGITAL DEVELOPMENT AND DATA ANALYTICS**

In accordance with our strategy of "Becoming a data-oriented company," we rapidly continue to develop our analytical competences. Through our investments in data and analytical modelling, we strengthen our existing infrastructure and develop actions to offer the most accurate directions for our customers. Our "Analytical Excellence" roadmap we consistently follow since 2016 does not only impact our Company's financial performance but also creates a high added value for our customers. Determining the customer needs through analytical activities, offering products and services appropriate to these needs, increasing customer satisfaction, and giving directions based on scientific methods to prepare for a safe future of our customers are among our priorities.

### **From Mass Actions to Personalized Actions: Next Best Action**

With our technological investments, we aim to offer our customers personalized services through different channels simultaneously. Together with our AI-based recommendation assistant "Next Best Action," whose foundation was laid in 2021, we started to identify customer needs in accordance with period conditions and to bring the most appropriate recommendations to our customers. First of all, we determined the needs which could arise during the customer journey through the help of insights based on machine learning, data mining, and analytical CRM activities. We submitted recommendations appropriate for our customers' existing and foreseen future individual needs to sales consultants, who directly come into contact with them, through the "Dynamic CRM System" and started to follow the results.

In the coming period, the machine learning algorithms will work in accordance with customers' preferences and feedback, our recommendation assistant will develop itself learning from these feedbacks, and will continue to offer its recommendations at optimum frequency and success.

### **One Step Ahead of Single View of Customer: SVOC**

Completing the pairing of customer data in different systems with singularized customer information, this information was served to other systems and the "Single View of Customer (SVOC)" database has been put into service. Together with the SVOC structure, an important step has been taken in terms of data consistency, quality and safety. At the same time, the development costs in different projects has been decreased through singularized services provided via a central structure and development of output to produce value to our customers has been accelerated.

In 2021, we continuously enriched single customer view through analytical modelling activities. In accordance with the permits provided by customers and in order to provide them with appropriate opportunities, our trend modelling activities have been diversified and models for customer communication story have been created. Customer needs are analyzed in detail with more than 100 actively run trend and microsegment models. Recommendations determined after the analyses are submitted to AgeSA users and customers through different interfaces via the SVOC system. Thus, AgeSA carries customer experience mathematics one step further.

### **New Segment Model and Customer Retention Assistant**

We renewed our existing segmentation model based on the findings from researches and studies, that were conducted to identify customer needs accurately, to include existing economic developments. The basis of the new segmentation model, which brings out the behaviors and needs of customers while determining their potential, consists of the approach that each person has different needs.

As AgeSA, we continue to develop the "Customer Retention Assistant" built on our new segmentation model in parallel to the developments in the financial markets and our digital competencies. With the new feature of "microsegment-based customer exit monitoring model" which we added to the retention assistant, we closely monitor market conditions and customers who possibly may be affected by these conditions. Examining customer returns, risk appetite and exit trends, we support field and Headquarter teams so that they can make recommendations and directions appropriate for these customers.

### **Close Monitoring in Customers' Fund Returns: Internal Rate of Return (IRR)**

AgeSA customers can analyze portfolio return performance through the Internal Return Rate (IRR) calculation and compare their returns and earnings of their savings against inflation via the "AgeSA Mobile" app.

The Internal Rate of Return is a performance indicator that compares customers' returns according to inflation rate, based on the contributions made for each contract in order to display more clearly the high added value it provides to the PPS participants. With this performance criterion, we aim to reinforce the beliefs of the customers in the system by enabling them to compare their earnings according to market conditions.

Internal Rates of Return can be individually queried but they are monitored regularly by the "Retention Assistant" for all AgeSA customers. Our customers, whose returns have been determined to decrease or who have fund distribution not corresponding to their risk perception, are identified and directed to the FonPro app so that they can position themselves according to market conditions. Thanks to this and similar real-time monitoring mechanisms, 96% of our PPS customers received returns at and above inflation.

# AGESA WAS DEEMED WORTHY OF AN AWARD FOR CUSTOMER-FOCUS

We received first place in the "Best Customer Experience" category at "Turkey Call Center Awards 2021" and Gold medal of "Excellent Customer Satisfaction" at "Sikayetvar ACE" awards.

### Real-Time Event Monitoring Technology (CEP) Evolves with Analytical Models

CEP (Complex Event Processing) is a technology enabling the capture and processing of structural and non-structural data at the moment of creation occurring momentarily on different systems, the continuous monitoring of customer movements through automated rules and the triggering of different scenarios and, thus, managing actions such as real-time customer notifications. As AgeSA, we are using the CEP technology for 2.5 years and we make notifications for our customers at various risk and opportunity conditions. At the same time, using the outputs of analytical modelling activities, we continuously improve instant warning mechanisms.

In addition to SMS and e-mail notifications to our customers through the CEP system, we also provide simultaneous proactive directions to our Call Center and field teams. Together with our new developments in 2021, all triggered actions were monitored via CRM and the projection of the instant mobile notifications made to our customers were made traceable and, thus, an integrated communication ability was provided.

### Our Aim with Customer Campaigns is to Add Value for Today

In 2021, with a proactive approach, we organized many customer campaigns which continued throughout the year. These campaigns enabled us to keep the interest of our customers alive, to promote our new technologies, and to increase our financial performance.

In order for our customers to productively utilize and grow their PPS savings, we organized Collective Payment Campaigns at different times with the aim to encourage collective payments. Also, together with various sweepstakes and Chip-Money campaigns, the right for private pension system enrollment provided for persons under 18 years of age has been encouraged. We provided our customers with the opportunity to participate in these campaigns and gain from today onwards, by investing in the futures of their children. "Within the PPS Sweepstakes Campaign for Children under 18 Years of Age and the Chip-Money Campaign organized together with our business partner Akbank, we accompanied our customers, who made investments for their children, on their journey to create a "thankful" future for them.

Thanks to the campaigns we organized for our customers who want to prepare a reliable future for their most precious assets and who are nearing their pension dreams, a total of additional savings of TL 290 million and PPS APE production of TL 26 million was achieved. While providing our customers to effectively benefit from the private pension system and state subsidies, we distributed approximately TL 1 million awards to encourage them to stay long-term in the system.

### We Implemented University-Industry Collaboration for the 4<sup>th</sup> Time

In 2021, as part of "AgeSA-University Collaboration," participants of the Sabancı University Data Analytics Graduate Program, which was held for the fourth time this year, graduated by completing their projects.

In 2021, with the projects titled "Customer AgeSA Lifetime Model" and "Non-Collection Modelling," which we determined by taking into account the priorities of our Company, we provided mentoring and modeling support to the two groups within the year and we aimed to develop the skills of approaching business problems with an analytical perspective.

As a result of the advanced analytical modeling studies in which we collaborated with Sabancı University, the participants gained the opportunity to put theoretical knowledge into practice and two new analytical models that support retention and collection processes for our existing business processes have been gained.



**1.2**  
million people

**As of the end of 2021, the number of customers AgeSA Mobile reached**

## CUSTOMER SERVICES MANAGEMENT

The COVID-19 pandemic which started in 2020 made its mark in 2021, too. In accordance with our ultimate purpose, we continued activities to facilitate the life of our customers, which we started to implement in 2020.

In this process, our priority was to understand the needs and expectations of our customers in terms of our products and services, to provide accurate, fast and most importantly uninterrupted service, to approach them with compassion and to make them feel that we stand by them. While maintaining our 99% accessibility level during the pandemic period, we fulfill almost all requests of our customers with no paperwork and through voice approval. We increased our consultancy services in order for our customers to manage their funds more effectively by standing by them during economic fluctuations, and we further developed our digital applications by using innovative technologies. We accelerated the exit procedures of those in urgent need of money.

Our main focus was on being able to meet the information and transaction requests of our customers at first contact point, at both the Call Center and Customer Services Management teams. Through strategies determined and actions implemented to these ends, we increased our "Call Center Subject Based First Contact Solution Rate" to 84%. Besides, the New Generation Call Center project implemented in 2020 with new technologies and infrastructure continued in 2021 in order to further improve our systems and processes with a customer-oriented approach.

Analyzing the experience of our customers during the sales and after sales service processes, our efforts continue to determine actions through the support and direction of our related stakeholders for the solution of problem points. Within these efforts, we effectively use the Speech Analytics application and we can analyze our interactions with our customers in detail. In 2021, in order to touch the

lives of our customers and to contribute to the "World's Green Footprint," we identify customers who are newly married, had a child or started a new work/changed work, call them to celebrate, and we donate saplings to TEMA.

As a result of these efforts made with devotion, we received the following awards, in 2021:

- First place in the "Best Customer Experience" category at "Turkey Call Center Awards 2021,"
- Gold medal of "Excellent Customer Satisfaction" at "Sikayetvar ACE" awards.

In 2022, we will continue our activities to design lean processes for our customers, to rapidly and accurately meet their demands, and to offer them goodness.

## TELE SALES, RETENTION AND ÖME UNIT

Within the scope of our promotional activities, we meet the exit and transfer requests of our customers and remind them of the advantages of private pension contracts and life insurance policies. We continue to emphasize the importance of state subsidies,

especially in private pension contracts. In the light of the information provided, we convinced approximately 15% of the customers who came with the request to leave, and we supported TL 400 million funds to remain within our company.

Within the scope of Telesales activities, we manage customer meetings to support contribution increase, non-collection and state subsidy progress payments. As a result of these meetings, we generated approximately TL 100 million revenue. We contributed to increasing the customers' savings by emphasizing the importance of saving and continuity of collection.

Again, during the activity period, we projected the issue of establishing a "Special Customer Team" in line with our strategic priorities. We plan to start these communications in 2021, which we expect to increase our service quality and competence.

Again, during the activity period, we started a project to establish the "Special Customer Team" in line with our strategic priorities. We will start these communications in 2021, where we aim to increase customer satisfaction to the highest level.



# DIGITAL GARAGE MAKES A DIFFERENCE IN THE SECTOR

Being a first in the sector and inspiring the industry with its innovation efforts, the "Digital Garage," founded in 2016, continued to make a difference with its activities, in 2021.



### Digital Solutions & Innovation

We established "Digital Garage" in 2016 to increase our Company's influence within the entrepreneurship and innovation ecosystem and carry out the Company's internal and open innovation efforts effectively. Being a first in the sector and inspiring the industry with its innovation efforts, the "Digital Garage" continued to make a difference with its activities despite the constraints caused by the pandemic in 2021.

### Digital Garage Supports the Entrepreneurship Ecosystem

AgeSA, which previously opened calls for cooperation through the Digital Garage initiative, continued to be among the main stakeholders of the ITU program in 2021, and also supported start-ups to develop plug-and-play solutions to the problems of the sector.

We participated among the main sponsors of ITU Çekirdek Big Bang, Turkey's largest start-up Challenge Program. Our employees who participated in the mentoring program of ITU Çekirdek continue to work as start-up mentors within the framework of the program.

As AgeSA, we continued to interact with the start-up ecosystem for plug and play solutions under the Innovation Board, which we implemented in 2021. Within the framework of the activities of the Innovation Board working group and in order to obtain the most appropriate plug-and-play solutions for our prioritized subjects into our pool, we realized demo and PoC works with 3 companies which were selected from among 8 start-ups we met with. Through the Digital

Garage platform, there have been start-up communications in line with cooperation and investor identities determined by AgeSA in accordance with this framework.

As a company that follows the problems of the sector by contributing to the common idea platform, we continue to be a strategic member of the Blockchain Turkey Platform, established under the leadership of the Turkish Informatics Foundation (TBV).

### GarajTalks Seminars

We gathered the series of seminars on innovation, technology and digital transformation, which we initiated in 2016, under the brand "GarajTalks." In this context, we enable selected influencers to share their experience and knowledge with our employees through GarajTalks seminars. In order to provide vision to both the sector and the Company digitalization program, we bring together successful start-up application examples on current issues such as big data, blockchain, artificial intelligence and virtual reality with our employees.

### Digital Garage on Social Media

In 2021, we continued to produce content to provide information and create awareness about innovation, digital transformation and recent technological advancements on our Digital Garage blog site and other social media accounts.



# WE STARTED BY SAYING "GLADLY AGESA"

Renewing our brand positioning, we transferred our new brand purpose into the identity and communications of AgeSA. With our motto "Gladly AgeSA" and through our products and services we highlighted that we work for our customers to say "gladly" instead of "if only."

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### New Brand Name and its Positioning

Following the change in the partnership structure of our Company, we worked on alternative names for the new title and brand name and tested these alternatives among existing and potential customers through focus group and qualitative research methods. As a result of the obtained outputs and management evaluation, we decided to continue our path with the "AgeSA" brand.

The study of "new ultimate purpose" starting the previous year was completed at the end of 2020 and in-Company launching performed. For our company, we determined a new ultimate purpose in accordance with current sectorial, social and organization dynamics: "We exist to offer goodness at the core of our business aiming for a society full of trust, with happy individuals." In order to live up to this ultimate purpose, which had been determined as a result of various researches and strategy works with the inclusion of employees, for all processes, products and services, and our culture throughout the company, we realized workshops with all units and generated ideas, in 2021.

In line with our new brand name and ultimate purpose, renewing our brand positioning, we transferred our new brand aim into the identity and communications of AgeSA. With our motto "Gladly AgeSA" and through our products and services we highlighted that we work for our customers to say "gladly" instead of "if only."

### AgeSA Launch Campaign

We renewed our brand name and identity as result of the change in our partnership structure. The transitional period of our new brand name and identity into all areas, applications, and communication materials of our Company is completed. In order to announce our new brand to all internal and external stakeholders, especially our customers, employees, and business partners, we performed mass and targeted communication activities during the July-December period.

With our launch campaign, which started on July 2, we published our commercial, with which we announced our new name and ultimate purpose, on media such as televisions, radios, open-air, newspapers, and magazines. We reached 1001 GRP in total in 25+ ABC1 from our TV broadcasts. Thanks to the high access of our commercial, 11.8 million people watched it at least once, and 9.6 million at least three times. Also, through broadcasting in music and platform channels, we got additional access. At the same time, in 41 news, economy, sports, Turkish and foreign music radios with maximum frequency, we benefited from the radio's additional access power through an effective planning. In order to announce our new brand and increase its recognition, our AgeSA film was broadcasted with access-focused media investment in social media and other digital media (search engines, navigation applications, online TV broadcasts, programmatic banners, online radio and native broadcasts). As a result of the digital advertisements, 30 million single access, 448 million displays, and 53.9 views were achieved. In 2021, the number of visitors of our corporate website increased by 72% compared to the previous year.

In September, we published an advertisement campaign where we reminded our new brand again and explained our private pension product. During the campaign, we reached 644 GRP in total in 25+ ABC1 from our TV broadcasts. 12.5 million people watched the commercial at least once, and 9.7 million at least three times. We used the open air units in Istanbul, Ankara and Izmir at high frequency. Again, with a plan for 40 frequency radios, we explained the PPS product to our target audience. Within the scope of the campaign, our broadcasts continued to collect leads for new customer acquisition on social media and other digital media until the end of the year. As a result of the broadcasts, we obtained 30 million accesses, 34 million views, and 286 million displays.

We continued to publish content about lifestyle, products, and events to boost AgeSA's brand recognition on social media and reached more people compared to the previous year. We shared content that will transform and strengthen the aging and old age perception of the target audience in order to direct them to All Ages account, which is our corporate social responsibility project. With the content shared on our Instagram account throughout the year and our media investment, we increased the number of our followers by 17.88% compared to 2020 and accessed 51% more users compared to the previous year.

# WE GROW ON SOCIAL MEDIA WITH CONTENTS AND ADVERTISEMENTS

With our Instagram account we increased the number of our followers by 17.9% compared to 2020 and accessed 51% more users compared to the previous year.

### Product Communication for PPS for Below 18 Years

With the new update in the Private Pension System, which enables persons under 18 years to enroll, we made content and ad activities on our digital channels (social media and Google), aiming parents and directing them to the related form page on our corporate website. Also, we informed our customers through mailing and SMS messages. In December, publishing in 40 radios at maximum frequency and joining content of radio programs outside ad portions, we increased PPS awareness.

### AgeSA Bi'dolu Communication Initiatives

In order to announce and increase the use of our loyalty program Bi'dolu to our customers, we have broadcast social media advertisements throughout the year and sent e-mails containing lifestyle content as well as campaign products/experience to our customers who have given permission to communicate.

### AgeSA Mobile Application Communication Initiatives

We conducted regular communication activities throughout the year in order to encourage existing customers to download the AgeSA Mobile application, to increase the frequency of its use, and to strengthen our brand image by announcing its prominent features to potential customers.

We made a display banner in order to announce and increase the use of FonPro, our Digital Fund Consultancy service on AgeSA Mobile. With the video promoting the new features added to AgeSA Mobile, we obtained customer data on social media. In addition, all functions and facilities of our application have been explained through content posted on social media, all year long. The application numbers obtained from targeted ad displays for AgeSA Mobile increased by 4% compared to the previous year.

### Fund Communication Activities

Thanks to the new regulation for the Private Pension system, participants having contracts with our pension companies started to invest in AgeSA funds through BEFAS. We accessed target audience with informative

video contents on social media for the Technology and Gold Fund, which is one of our funds with the highest earnings.

### Lead Activities

Through the implemented infrastructure developments on our corporate website, we made improvements in the areas of directions and form collection. Thanks to these infrastructure developments, we established a system integrated to CRM and enabled easier storing and differentiation of the leads. For collecting more forms, new form pages were prepared and traffic was directed to these pages through digital ads. Thanks to regular development and optimization efforts for increasing user acquisition and page experience, the new product request forms collected through the website increased, in 2021.

### Public Relations Activities

Our media visibility has increased 30% compared to last year, thanks to our extensive spokesperson communication and news activities in printed and digital media throughout the year, as part of press communication and reputation management.

Throughout the year, we transferred the activities of AgeSA and corporate developments through TV, online, and printed press to audiences. We maintained leadership communication through media and reputation management efforts such as press conferences, press releases, interviews, and TV program visits. We achieved a wide range of media visibility with the CEO, CMO, and CPO communication we carried out.



**30%**

**Thanks to our comprehensive communication activities, our media visibility increased by 30% compared to the previous year.**

We achieved large reflection in the national, local, and sectorial press through the communication of successful applications and awards received in areas such as AgeSA's sectorial and financial performance, corporate social responsibility, corporate brand, cultural development, employee experience, talent management, business technologies, and innovations. Communicating effectively and with transparency during the partnership change and brand name change, we effectively managed this deep change process with external stakeholders. The new activities implemented within the scope of our corporate social responsibility project "All Ages" were made visible in the media with marketing, communication, and life themes as well as the economy press. As a result of our media efforts, by the end of 2021, we had more than 50 million accesses with 909 printed and 16,002 online reflections.

In the upcoming period we plan:

- to continue with CEO communication and increase spokesperson communication,
- to strengthen the new brand recognition,
- to announce developments in products, processes, cultures, and services through one-to-one communication with press members and to increase our reputation efforts.

We will continuously share new projects, collaborations and developments that we will implement within the scope of "All Ages" project with the press.

### Event Management and Sponsorship Initiatives

#### Our Sales Vision Meeting

In 2021, due to pandemic conditions, we held the Vision Meeting online, which is the most loved internal communication activity by our employees and is highly anticipated every year, where our Direct Sales, Bancassurance, Corporate Projects and Agencies channels' employees come together. With the "Vision TV" concept, we turned the computers of our employees into TV screens and submitted our messages



for 2021 through television programs. In order to make the live streaming enjoyable for all our employees, we sent them gift packages before the event and designed competitions where they could display their talents. During the streaming presented by Geveze, we kept the interest alive through social media contests, sketches, and surprise gifts. We completed the event with the concert of İskender Paydaş Orchestra where we announced our employees who were awarded for their outstanding achievements in sales channels in 2020. Our live event was viewed by 1,759 people.

#### AgeSA Internal Launch

Before sharing our new brand name with the public, we organized a live event to announce it to our colleagues. In the event presented by Yekta Kopan, our CEO Firat Kuruca, Marketing and Transformation Assistant General Manager Yeşim Taşlıoğlu and Human Resources Assistant General Manager Burak Yüzcül shared the messages regarding the new partnership structure and our new brand. The event was viewed by 1,408 people.

#### Sponsorship Activities

Throughout 2021, we took part in activities as a sponsor to increase our brand awareness by evaluating various sponsorship channels in line with the strategies and targets of the AgeSA brand. We participated to the Brand Week Istanbul 2021, one of the biggest brand and marketing events in Turkey, as panel sponsor. In her speech, our Marketing and Strategy Assistant General Manager Roşan Dilek shared her insights on the future perception of the Turkish society and the insurance sector, together with our ultimate purpose story.

We were the main sponsor of the special congress organized by PERYÖN on its 50. anniversary. With the speech of our Human Resources Assistant General Manager Burak Yüzcül, we got the opportunity to share our opinions with the public on the importance of listening to employees and the activities we realize at AgeSA on this matter.

Sponsoring Cem Yılmaz Elite Diamond Platinum Plus shows at Zorlu PSM during November and December, we published our commercial in the areas in the salon and the foyer. Thus, we diversified the media for our campaign film to reach our target audience.

# WE CONTINUED WITH FIRSTS THROUGH OUR "ALL AGES" PROJECT

While awareness activities within the scope of the All Ages project, which is the only CSR project owning aging in Turkey, are continuing, we launched the All Ages Fund and guide prepare for old age.

### ALL AGES PROJECT

Throughout 2021, we continued awareness communication for the issue covered in the project which aims to increase awareness by attracting attention to topics related to old age and aging at our [www.heryasta.org](http://www.heryasta.org) website and social media accounts. We continuously increased communication and interaction with the target audience by producing regular contents in issues such as preparation for old age and age discrimination. Throughout 2021, we reached 30.7 million at Instagram and 8 million at Facebook.

In 2021, in addition to our awareness activities, we continued our pandemic support projects. In Istanbul, Ankara, Izmir and Bursa, we cooperated with a total of 7 municipalities and met with a total of 600 citizens aged 60 and above and aimed to decrease anxiety and loneliness feelings, which increased during the pandemic, with our Psychosocial Support Team.

### All Ages Fund

With the All Ages Fund, which we established in order to support civil society activities such as health, training, employment, living areas related to aging and old age in Turkey, we aim to contribute to developing and implementing work methods regarding aging and old age. We planned to distribute grants to civil society organizations which were selected in coordination with the Support to Civil Society Foundation and within the scope of the All Ages Fund which was implemented with the financial support and cooperation of AgeSA. As a result of the great interest in this fund, we provided grant support to a total of 5 projects from 4 different civil society organizations of a total of TL 390,670 from the All Ages Fund. Civil society organizations which received grants

are: Birey ve Toplum Ruh Sağlığında İZ Derneği (Association of Trace in Individuals' and Society's Mental Health) (Bir İZ), Hayat Boyu Hayat Dolu Derneği (Association of Life is Full throughout Life), Yaşlanma Çalışmaları Derneği (Association for Aging Studies) (SENEX), and Türkiye Alzheimer Derneği (Turkish Association for Alzheimer's Disease).

### Preparation for Aging Guide

In order to raise awareness for preparation for aging and to create a guide for physiological, psychological and economic preparation for aging, we prepared a book entitled "Live to the Fullest at All Ages." The book includes contents to guide for preparation for aging from middle age onward and to live fully in old age. During the preparation for the book, research was made on how people from Turkey and various other countries are aging. During the preparation, questions regarding secrets to a long and healthy life were asked, reasons for unequal aging were researched, and interviews with inspiring people living each moment to the fullest were made. The book includes researches on aging, our view on aging, the definition of "age," inspiring examples from our country and the world, expert views to be useful in preparing for old age. The Live to the Fullest at All

Ages book which includes views and recommendations of writer Sunay Akın, economist Prof. Dr. Emre Alkın, clinical psychologist Beyhan Budak, and expert dietitian Dilara Koçak started to be sold in bookstores throughout Turkey and online sales points. We held a launch meeting with the participation of a total of 60 persons, which included members of the press and social media opinion leaders. During the launch, we obtained +3 million accesses on social media, 30 reflections at printed and online press, 228.000 printed press accesses, and 60.000 TL ad equivalents. The returns from the sale of the book published by Kırmızı Kedi Publications will be donated to civil society activities.

### AID AND DONATION ACTIVITIES

In order to support the renovation of the regions following the wildfires in the summer of 2021 throughout the country, we made donations to the "A Breath for the Future Forestation Project" of the Forest General Directorate.

Within the scope of "Sabancı Holding Republic Mobilization" realized under the leadership of Sabancı Holding during October-November period, AgeSA employees participated in activities of environmental cleanup, support to stray animals and destitute and ill children.





# WE DETERMINED OUR VALUES TO SUSTAIN THE ULTIMATE PURPOSE OF AGE SA

We completed our new values preparation which will implement and sustain AgeSA's new ultimate purpose, which will reflect its culture and be the focus of future cultural activities.

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### Cultural Development Activities

As a company that always keeps the importance we attach to cultural development at the highest level, we continued our investments in people and culture in 2021 without slowing down.

After our engagement and culture surveys, we evaluated the point achieved in cultural development and prepared our cultural strategy for 2021.

Our leadership camp planned with our cultural development program was realized in September. The management team, which did not meet for a long time due to the pandemic, came together for the first time under the new brand umbrella. On the first day of the 2.5-day program designed with our consultant companies, our management team carried out a half-day activity for coming together again. On the second day, our esteemed speakers and consultants went over our new ultimate purpose and cultural values and practiced detailed study and group activities on behavioral examples regarding our values. On the last day of the camp, they discussed future trends and AgeSA's future strategy.

In order to convey AgeSA's cultural development priorities and cultural actions to all our employees, the "Cultural Ambassadors," consisting entirely of our volunteer employees, visited all departments and regional offices on online platforms. All feedback collected was used in the planning of cultural development actions.

Our "Culture Innovation Teams (CIT)," which we established with volunteer employees to develop creative recommendations in areas which

we believe can be further improved according to the annual engagement survey, provided studies under 5 categories (Employee Experience, Leadership, Future, Customers and Processes) in accordance with the 2020 engagement and culture survey.

Following the studies, our CIT team submitted 26 different project ideas to the upper management members. All ideas approved by the executive committee were projected in the relevant business units for short and long term.

### AgeSA Cultural Values

We completed our new values preparation which will implement and sustain AgeSA's new ultimate purpose, which will reflect its culture and be the focus of future cultural activities.

While determining our values, we considered that the ultimate purpose of the Company is directly connected to and in harmony with Ageas and Sabancı Holding and specific to AgeSA, and that it also reflects the Company culture.

We organized comprehensive and detailed workshops with the participation of Company employees of different seniorities, from different departments and roles, where they could share their views. After analyzing and evaluating the outputs of these workshops under the guidance of our consultants, we established our new values' set which will guide us and is directed to action and excites us very much. Together with the launch of our new brand, we shared them with all our employees.

Our New AgeSA Cultural Values:

- We act for goodness.
- We act bravely to make a difference.
- We think simple to improve.
- We are excited to explore.
- We work together to exceed limits.

After determining our values' set, we planned works to establish behavior examples which directly reflect these values. As part of our activities, we organized 13 different workshops with the participation of employees from different departments, seniorities, and different generations. We obtained their views on behavior examples for each cultural value. At the end of a comprehensive study and under the guidance of our consultants, we produced 25 sub-behavior examples for each value and announced them to all our employees.

We prepared a dense event and communication calendar so that our cultural values and their sub-behavior examples are understood by our employees and adopted within the Company.

### Our New Employer Brand - In Pursuit of Goodness

In 2021, together with our new ultimate purpose and new values, we also renewed our employer brand.

With many groups, consisting of employees of different roles and responsibilities, we organized workshops on values and employer brand. At these workshops, we asked our employees about our existing employer perception and what type of employer identity we should create in accordance with our new ultimate purpose.

# OUR 2021 ENGAGEMENT SCORE IS 83%

We announced our engagement score as 83% in the 2021 AgeSA Engagement Survey. With this score, we obtained a score above all benchmarks evaluated in the same survey system.

Our aim with our new employer brand is to add the strength of a meaningful aim to the present success of AgeSA and the ownership feeling of its employees, to motivate the employees for new goals, and to inform candidates wishing to work with us about for what they will work and what awaits them when they join our family.

What is exciting us is not to sell more insurances, but to have people say gladly and to contribute to our society's happiness and security.

### **The Story of our Employer at Work Brand:**

At AgeSA we start each new day to be a part of a GOOD story.

We act with the power of the GOODNESS in us.

Here, everybody is in pursuit of Taking responsibility by acting, Passing through untested roads to offer goodness, Succeeding together, and celebrating together.

Here, everybody is always in pursuit of goodness!



After sharing our new employer brand with all our employees on 14 December, we prepared a comprehensive communication plan for conveying and keeping it alive on more platforms. We will retouch many areas, starting from our HR practices up to our social media strategy, from recruitment processes up to social activities, with our new employer brand strategy.

### **Employee Experience**

In 2021, with our employee experience approach, which focuses on providing existing and potential colleagues with an enjoyable working environment designed with methods facilitating life, making them feel our culture, being aware of our brand's power and getting to closely know each of our colleagues, we improved 20 different processes by obtaining the views of our employees.

In parallel with our processes which changed with the pandemic, we have also updated our contact points with our employees. We organized many workshops to understand how our employees feel in the new normal and at which areas they mostly experience difficulties. In these workshops organized with colleagues of different roles and responsibilities, we discussed the problems experienced and evaluated their effects and frequency of occurrence. We implemented our actions in 20 subjects for improvement recommendations we received from them together with our own recommendations. We measure the employee experiences throughout the year via many platforms and continuously maintain our cycle for improvement.

### **AgeSA Engagement Survey and Interim Engagement Surveys**

We completely renewed our employee engagement and satisfaction surveys in 2021. We switched to a brand new model, where we are able to compare our survey results with the results of both Sabancı Holding companies and many companies operating in Turkey.

We announced our engagement score as 83% in the 2021 AgeSA Engagement Survey, which was performed for the first time this year with a 98% participation rate. With this score, we obtained a score above all benchmarks evaluated in the same survey system.

In the AgeSA Engagement Survey, besides employee engagement, we measured also 3 basic indexes (Agility, Engaging Leadership, Talent Focus) defining the potential of companies for developing long-term business results and showing the aspects with which the best workplaces differentiate from other organizations. With our scores, we managed to rank at the top of each subject among Turkey's best employers (TEI), which was announced recently.

- In agility, with our score of 75%, we were 3 points above TEI,
- In Engaging Leadership, with our score of 83%, we were 14 points above TEI,
- In Talent Focus, with our score of 72%, we were 14 points above TEI.

We started our interim engagement surveys in order to rapidly adapt to life's changing conditions, to more frequently listen to our employees, and to regularly monitor the experience they have at AgeSA. Our first interim engagement survey was performed in December. We obtained an engagement rate of 84% in the interim engagement survey, where we asked 6 engagement questions which were already included in the main engagement survey, and also questions for values and 3 basic indexes.

## Work-Life Balance in Remote Working

### **Goodness is with You**

In addition to ensuring the physical health and safety of our employees, we brought together our holistic health programs implemented in order to be with them mentally and spiritually under the **"Goodness is with You"** brand. Goodness is with You: a holistic health program, that, both with its activities and awareness efforts, focuses on mental, physical and environmental goodness, where every detail is designed according to planned and concrete steps, and which will make our employees say **"I'm Good at AgeSA"** each new day.

Each month, we prepared "Goodness Calendars" with a special theme and shared them with our employees. Each Friday, we posted our blog articles prepared for the special theme of the month at our intranet portal. In a total of 11 different live streaming programs, appropriate for our focus points, we came together with 2,374 employees and hosted experts. At award-winning online quiz shows, we aimed to raise the awareness of our employees about their holistic health by asking questions appropriate to the "Goodness is with You" theme of the month.

Saying **"Everything about goodness is in this app!"** we offered all our employees free-of-charge "Studio Live" mobile app support. In the section established especially for our employees, we posted motivational messages and blog articles. With this application, we offered our employees opportunities for learning the concepts of good life with the best experts in the field of good life, such as mindfulness, meditation, yoga, diet, sports, and coaching through live and online classes, at any time and place they want. We organized special competitions for our employees and distributed surprise gifts. The number of classes our employees participated at Studio Live reached 5,920 hours, as of the end of 2021.

### **Break Application**

During the remote working period, in order to protect the work-private life balance of our employees and to remind them to take time off, we developed a new application on Microsoft Teams. With this application we called **"Break,"** we reminded our employees that they need to take a break through notifications sent at certain intervals in case they work for long periods without a break or attend long meetings.

### **Bi'Tesadüf App**

In order to provide socialization to our employees, we designed an application with which we carried coincidental meetings within the day they had experienced before the pandemic. With this application we called **"Bi'Tesadüf,"** we randomly paired our employees via Microsoft Teams and enabled them to chat, at certain days and times in the week.

### **Code Thursday**

During the period of weekend lockdowns due to the pandemic, we launched the **"Code Thursday"** app so that our employees could take time for their private affairs. With this application, on Thursdays after 13:00, our employees were able to spend time for themselves and their loved ones by taking a break from work for an hour or until the end of the working day.

### **Dietitian Application**

By turning our face-to-face dietitian application into an online interview model, we made it possible for all our employees to receive healthy nutrition counseling during the remote working period.

### **AgeSA Communication Officers**

In order to maintain in-Company communication continuity, to get rapid feedback, to take rapid actions in subjects related to employee experience, and to provide continuity in the working environment where our employees will say gladly during their journey at AgeSA, we established a Communication Officers team consisting of 32 volunteer employees.

We delivered the monthly Internal Communication Magazine "News from Us" to the Communication Officers. We informed our employees on all subjects related to events to be realized in the Company including senior management news.

During the period of remote working, we shared instant developments and conditions for rapid action-taking with our Communication Officers and enabled them to be announced to all our employees.

### **Online Regional Visits**

As the Human Resources team, we realized the physical regional visits in 2021 at an online platform after the pandemic. At these visits, we met with 837 employees at a total of 38 regions. We shared feedback received at the end of all our regional visits with the upper management.

### **Happiness for No Reason**

In 2021, without interruption, we continued the Sebepsiz Mutluluk (Happiness for No Reason) application, which we initiated in 2020 with the aim of causing a small smile on the faces of our employees and helping them to have a good day. Throughout the year, we sent gift packages consisting of tiny surprises to a group of employees chosen randomly every month. Until today, we sent out baseless happiness boxes to a total of 342 employees.

### **Social Media**

#### **Our Closest Friends: Our Employees**

On our Instagram account, we broke new ground and started to follow our colleagues and added them to our 'Close Friends' list. Using the "Close Friends" feature of our @agesakariyer account, we only shared announcements and news with AgeSA employees and organized surveys or competitions. Thus, we increased the diversity of our internal communication channels.

# WE CONTINUE OUR JOURNEY WITH A DYNAMIC PERSONNEL

67% are female and 33% male, and 96% are university graduates. We have a dynamic staff with an average seniority of 6.3 years and an average age of 35, with 82% from generation Y employees.

### **AgeSA Like IT**

In December, we launched our social media project LikeIT. With this project, we explain the outstanding features of AgeSA Business Technologies department and aim to ensure that qualified job candidates meet with our brand in a significant way. With interesting contents on various platforms, we plan to increase the visibility of AgeSA IT and, accordingly, to add new colleagues to our family.

### **University Collaborations**

Within the scope of career events of target universities, we participated in live broadcast events on Instagram and a digital career fair and organized meetings with students.

We shared up-to-date information about AgeSA by maintaining active communication with intensive planning in all social media channels. We continued to announce open positions on AgeSA Career account and started to receive applications.

### **Internal Communication Activities**

While continuing to organize our monthly online CEO communication meetings, where we provide the decisions of our senior management, our goals and quarterly developments, current information on our partners or the sector, we organized quarterly EC Communication Meetings where Assistant General Managers and employees meet. The questions asked during the live stream were answered by the relevant teams and shared with all employees.

While continuing to remote working, within the scope of employee loyalty activities, we organized many activities such as various events, competitions, health talks, or senior management talks.

### **Bi'Happy**

Within the scope of AgeSA's most social club Bi'Happy, we organized 19 different online events with the participation of a total of 865 employees, in 2021.

Organizing many different events within the year such as cocktail workshops, cupcake workshops, whisky tasting workshops, painting workshops, cake workshops, PlayStation and chess tournaments, social media photography workshops, online theater performances, astrology discussions, we contributed to the in-Company socializing with Bi'Happy.

### **Bi'Dünya**

We published on the Bi'Dünya intranet portal a total of 87 news, 125 announcements.

Our employees thanked each other 5047 times in total through the Bi'Teşekkür module, which is designed to spread the culture of appreciation and acknowledgment among AgeSA employees. We sent mini awards to 41 employees for the thanks they received at the Bi'Teşekkür app.

In the 35 mini surveys made on the portal, we asked for ideas and opinions of our employees through various questions on the name of the kitchen at sales offices, application assessments or current subjects.

### **Online New Year's Party**

Due to the pandemic, we organized our new year event once again on an online platform. On Wednesday evening, December 29, we met at the online new year's party as the whole AgeSA family with the motto "You Know We Can." In our event with the theme of our new cultural values and new employer brand, we welcomed the New Year with joy and enthusiasm thanks the enjoyable presentation of İbrahim Selim, the EC Chef event by the funny Danilo Zanno with the participation of our senior management, and the magnificent live performance of Cenk Eren.

### **AgeSA Employees' Social Responsibility and Volunteering Activities**

We donated to the Hope Foundation for Children with Cancer (KAÇUV) and in case the first degree relatives of our employees die, we sent a condolence card, and in case of serious surgery, illness or accident, we sent a get well card.

We contributed to the education of female students with the "AgeSA" scholarship fund established in the Turkish Education Foundation (TEV). After AgeSA's Voice Survey, we donated to AgeSA TEV Scholarship Fund for the total number of employees who participated in the survey.

In the summer months, as AgeSA family, we helped the teams fighting fires in different regions of our country. With our employees' voluntary donations, we sent them fireproof overalls, fireproof gloves, fireproof shoes, fire extinguishing balls, and masks.

## Employee Profile

AgeSA currently employs a total of 1,537 personnel as of year-end 2021, of whom 67% are female and 33% male, and 96% are university graduates. We have a dynamic staff with an average seniority of 6.3 years and an average age of 35, with 82% from generation Y employees.

## HR Business Partnering

During the closed-door meetings where we came together with our employees, we talked about issues such as career planning and performance, and shared the issues that require action with the related departments and management team. In addition, we planned so-called open door meetings with our management staff. Here, appropriate solutions were produced by focusing on the team of the relevant manager and leadership processes during the remote working period.

## Recruitment

A total of 403 new colleagues joined the AgeSA family, with 103 in the Headquarters team, 45 in the Bancassurance team and 255 in the Direct Sales team, with our recruitment activities carried out with various methods and instruments.

We recruited new personnel for the Business Technologies Software Development positions, for which we started the continuous remote working model. Starting this practice as a pilot one, we extended it to the entire Company and thus started, to a certain extent, recruiting from different cities to our Headquarters teams.

## Growth and Business Model Changes

In our Bancassurance channel business model and upon the need emerging for direct contact with customers following the pandemic, we started change activities due to the synergy projects to be realized with Akbank & Aksigorta. Within this context, we appointed through a pilot study 23 Portfolio Development Insurance Managers and enabled to focus more on customer retention activities. Following the successful pilot study, we decided that the Portfolio Development Insurance Managers' team of 26 should become permanent as of 2022.

## Respect for Humans Award

At the Respect for Humans Awards organized with the sponsorship of Kariyer.net, AgeSA is happy to have received the Respect for Humans Awards 2021. At the Respect for Humans Awards, which is organized annually, companies who answer candidate applications at 100%, provide most recruitment and receive most applications, the most favored companies and job announcements chosen by the votes of candidates are rewarded.

## Jump in Actuary 101 and Internship Opportunities

Together with Jump in Actuary 101, our university internship program for university students who aim to pursue a career in actuary, through internships offered to high school students in various departments, we supported 37 students to gain experience before starting business life. We recruited 3 new graduates of our Jump IT Higher internship program which we implemented last year. Also, new graduates of the Jump in Actuary 101 will be provided with a recruitment opportunity. Moreover, within the scope of the Sabancı Holding New Generation Career Experience Internship Program, we offered internship opportunities at AgeSA to 4 university students in our Company.

## New Talent Program

This year, we will add talents, which we planned to work under 8 Assistant General Managers as MTs to our Company under the New Talents Program. In accordance with our strategic perspective, we will provide recruitment opportunities to people with international experience, who graduated from best universities and have a high potential.

## Career and Talent Management

Promotion periods for standard and level increase are included twice a year for our Headquarters staff within the scope of the career procedure. In 2021, 18 level increases and 61 standard promotions were performed. We filled 73% of our manager positions internally.

In 2021, 77 employees were promoted in Direct Sales, Agencies and Corporate Projects as Assistant General Managers

and 31 employees in Bancassurance as Assistant General Managers. We promoted 10 employees working at sales positions in these two channels to manager positions. We filled 83% of our manager positions internally.

Within our Young Entrepreneurs Program, we supported 5 of our employees for establishing their own agencies.

## Career Adventure-Rotation Program

With the Career Adventure rotation program, which is carried out to contribute to the development of our employees, to create opportunities for collaboration and discovering individual talents, to provide a diversity of experience and to support career processes, 20 colleagues were included in the rotation program in 2021. 6 of our colleagues, who continued to work with different teams during the rotation were transferred permanently to the teams of rotation.

## I Recommend a Candidate Program

With this program, where we received candidate guidance support from AgeSA employees, to increase talent acquisition in line with our company's growth targets and to more easily reach potential candidates, we had the opportunity to reward our employees. Thanks to this program, we recruited 12 new candidates recommended by our colleagues.

## 360-Degree Competency Appraisal and Development Days

With the Development Days, which started right after the 360-degree appraisal, our employees met with their managers and determined the competencies they would focus on their development. In the second interviews aiming follow-up, our managers and employees will make assessments based on identified actions.

## New Generation Performance Management: PerfX

In 2021, we switched to our new performance management system PerfX, where the performance process is under the responsibility of the employees and managers, which is based on performance monitoring, supports collaboration, and is fed with open and continuous feedback dialogs.

# WE CARE ABOUT GENDER EQUALITY

Parallel to our activities for Gender Equality, we answered the questions under the Bloomberg Gender Equality Index. Our score was above the inclusion threshold of the index.

Thanks to PerfX's structure supporting the continuous performance system, employees may update their targets and add new targets whenever needed. They can easily monitor the milestones associated with the targets and the targets realized. At the same time, they can monitor tasks and access PerfX from both the web and the mobile app from anywhere.

Within the scope of performance management, we analyzed the OKR methodology. We continue our efforts to have it implemented in 2022.

## Sustainability Activities

We started our sustainability activities under Human Resources. We have established a Sustainability Committee to determine strategies, policies, and targets for environmental, social and managerial (ESM) subjects, to access ESM risks and opportunities, and to run sustainability activities for ESM focus areas. With the Committee, we performed compliance activities in parallel with Sabancı Holding's sustainability activities and targets; we took steps to increase our sustainability performance by analyzing our status in terms of sustainability strategy, management, stakeholder engagement, performance, reporting, communication, and compliance to business strategies. We are meeting at least once a year for the actions to be taken regarding the development areas.

Within the scope of our sustainability target which is also included in our Company's KPI set:

- Our greenhouse gas emissions were measured and audited.
- 96% of our vehicle fleet, which has an important share in our emission release value, has been replaced with environmental hybrid vehicles, thus we have taken an important step for the climate crisis.
- Transferring a basic service procedure such as policy activation to the digital medium, we decreased greenhouse emission resulting from paper production, saved water and prevented deforestation.
- The Sustainability Shares' Pension Investment Fund, another action for climate crisis, has been established by our relevant teams and necessary system development works continue for its sale. Thus, participants of the pension system can invest into shares of companies pioneering sustainability.

We evaluated the sustainability performances of our products and services. We established a link between the categories of "Ending Poverty," "Health and Quality Life," and "Business and Economic Growth Worth of People," which are included in the Sustainable Development Goals, and our products and services, which we have categorized according to products and services development categories of environmental impact, social impact, sustainable solutions for our customers, and development of products and services for uninsured persons receiving inadequate services.

With our "All Ages," "Together" and "Starfish" projects, we continue to contribute to the social dimension of sustainability. Our "All Ages" project, realized in order to prepare the society for aging and turn the old age perception into a positive one, serves the "Ending Poverty," "Health and Quality Life," "Decreasing Inequalities," "Sustainable Cities and Communities," and "Partnerships for Goals" categories of the Sustainable Development Goals. Our "TogetHER" project, which aims to extinguish problems women face in work, contributes to the categories "Decreasing Inequalities," "Partnerships for Goals," and especially "Gender Equality." With our "Starfish" project, which we started to provide recruitment possibilities for women who experienced economic, psychological or physical violence and live in women's shelters, we impact the categories of "Ending Poverty," "Health and Quality Life," "Gender Equality," "Business and Economic Growth Worth of People," "Decreasing Inequalities," and "Partnerships for Goals." Detailed information on our projects serving Sustainable Development Goals can be found at the SDG Map Turkey Platform, where activities by brands realized around the Sustainable Development Goals are shared. (<https://sdgmapturkey.com/marka/agesa/>)

Parallel to our activities for Gender Equality, we answered the questions under the Bloomberg Gender Equality Index. Our score was above the inclusion threshold of the index.

Acting on our Code of Ethics, our process for evaluating our activities on improving human rights issues continues. We are acting on implementing the Human Rights Self-Assessment procedure, which we initiated to focus deeper on the impact on human rights directly connected to our business relations, activities, product and services.

As a result of the existing status analysis, we aim the "good practice" level with our three-year roadmap and net zero emission until 2050 in the sustainability area.

#### **Agile Transformation Efforts**

As the first step to agile transformation, we established a cross-functional Agile Leaders team. This team set out to determine the agile vision of AgeSA, to lay out transformation goals, and to take steps for realizing these goals.

We determined our agile transformation vision. We established our roadmap in accordance with this roadmap. Our priority is raising agility awareness across the organization and transparency of the roadmap. In order to raise awareness, we provided agility training to all our managers who are responsible of managing teams. In order to strengthen the Product Owner role, which has a very important role within the agile approach, at AgeSA, we trained our POs and established the PO Council where they can share their experiences.

The job descriptions of the agile roles were updated to comply our new approach. We developed a pilot project via the scrum methodology, refined the project management practices we aim to disseminate, and made plans for its dissemination.

By focusing on frequent delivery and creating value for customers, which are among the most important topics of agility, we created and started to implement MVP workshops aiming to correctly understand and practice the MVP concept.

Aiming for correct and effective communication and dependency management among teams, we updated our project management approach and started to disseminate it through pilot activities.

#### **Human Resources System Change Project**

Through the Human Resources system change project, we aimed to harmonize the Human Resources system with more flexible, mobile and new software technologies and to transform it into a platform able to perform easier development. At the same time, we aim that all users design their own reports and get them from the system by switching to a more flexible reporting module. This transformation will be completed in 2 separate phases and the activities for the 1. phase continue since June, 2021.

#### **Future of Work Activities**

The Next@Work project we initiated, in April 2020, to see what the pandemic period taught us, what its gains are and how we will reflect them in a way that will create a permanent competitive advantage in our lives continued with the Future of Work project started by Sabancı Holding in 2021. The aim is to further strengthen the structure of AgeSA with new applications. This structure focuses on the customer, supports an environment where people can freely express themselves, supports cooperation and a culture with transparent and fair

communication. The aim has been to becoming Turkey's most digital and flexible insurance company. The topics which we are going to focus on in human resource management on this roadmap, which will last until 2023, for reaching these goals are determined as follows:

- Flexible work: Hybrid work models for both remote and office work has become permanent.
- Digital Offices: We started activities to turn our offices which were redesigned with latest technologies into digital meeting centers.
- Wellbeing: To protect the physical, mental and environmental health of our employees, we started a holistic health program, "Goodness is with You."
- Flexible Employment Options: Disseminating different models such as fixed term, part-time and on-call work, we started activities to offer our employees flexible employment options.
- Performance Management: We launched the performance monitoring and development system which offers instant feedback and more frequent reviews.
- Dynamic Workforce Planning: We started on working to dynamically manage our workforce planning by identifying skill sets that will be compatible with new business models.
- Agile Management: In order to create an agile working culture, we focused on running 70% of projects based on agile working methods.
- Digitalization & Data Management: We completed our planning for becoming a digital company with world-class standards through its applications performing and implementing very good data management.

# AS AGE SA WE CONTRIBUTE TO THE DEVELOPMENT OF OUR EMPLOYEES

Training activities structured in line with AgeSA's strategic goals contribute to the personal development of our employees as well as their basic professional development.

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Our prioritized actions in order to achieve goals are determined as follows:

1. Implementing permanent remote work model,
2. Designing complementary flexible work models,
3. Determining fringe benefits in accordance with remote work,
4. Creating working standards and pulse measurement surveys,
5. To implement the OKR approach as a pilot in the performance management approach,
6. Evaluating office structuring and disseminating smart office technology,
7. Implementing virtual leadership development programs,
8. Configuring internal communication plans,
9. Defining skills to be needed within 3 years,
10. Disseminating agile management methodology outside of the Information Technologies teams.

In the "Best Managers of Crisis Periods" category of the Future of Business topic at the Brandon Hall Group, which is deemed one of the most prestigious consultancy companies, 2021 Human Resources Excellence Awards, we received silver award with our "Next@Work" program.

### Development and Talent Management Activities

Training activities structured in line with AgeSA's strategic goals contribute to the personal development of our employees as well as their basic professional development. We continue our training investments in line with our goals of maintaining customer satisfaction and providing a customer experience in line with our standards.

In 2021, we organized 629 group trainings under 224 different topics using internal and external resources.

The training period for the Direct Sales channel was 3.6 days per head, the training period for the Bancassurance channel was 4.1 days per head, and the training period for the Headquarters was 2.7 days per head.

As a result of the training programs provided to employees and business partners, 358 people were qualified to become Private Pension Brokers while 123 people successfully passed technical exams and received their licenses.

With the training support provided for Akbank employees, 290 people in 9 groups participated in sales and product training in 2021. In the licensing studies, 137 people in 5 groups received license training. 643 people from 16 groups participated in the sales and product training provided for Akbank Call Center employees.

Being aware of the necessity to offer personalized training experience, we added different training methods to the training options in addition to planning class training lead by trainers.

One of these options has been collaboration with Udemy which is well known and has a rich training catalog. As of March 2021, we continued the development process of our employees with trainings chosen by our managers from the catalog according to the development needs in their teams.

In order to contribute to the professional development of our employees at the Headquarters, we implemented "PPS" and "Life Vision" trainings.

In 2021, within the scope of organizational changes, we established a Special Customers Team, with the approach to perfect customer experience. For the members of this team, we designed a training program including topics such as written and oral communication tools, communication accidents and their resolution, managing crisis moments and completed coaching meetings on strong and development areas observed during the training.

We organized trainings including topics of remote sales, communication, fund and customer management supporting customer retention for the Portfolio Development Branch Managers Team configured in the Bancassurance channel.

We designed the "Hybrid Sales Development Program" to meet our change work model and accordingly changing customer expectations with a more focused approach, to teach remote sales dynamics, and to increase competencies in both remote and face-to-face sales.

We organized this program on three basic modules. In the program which hosts multiple learning methods, we included training tools (video-podcast series, reading documents) which are supported according to live streams and learning style inventory approach. In order to observe the development process, we organized interim tests and final tests. In order to retain the program and to support skills turning into behavior, we organized workshops with the related teams on the program contents through "Training the Trainer" trainings.



In parallel to the changes in legislation, and in order for our field employees to more effectively use the period where additional contributions and State Subsidy Contribution limits increased, we organized a "Fund Technical Development Program." We completed the program during September-October with the participation of 266 employees. The training included detailed technical subjects for PPS funds.

Within the framework of channel strategy change, we started an intense licensing procedure as of June in the Bancassurance channel. In 2021, we included a total of 146 employees in 3 groups into the process. In 2022, we will continue licensing activities for our Bancassurance field employees.

### **Insurance School**

The Insurance School is a development program which, brings together doyens of the insurance industry and expert academicians in its academic staff. With the insurance school, we aimed to enable our employees to get to know their sector better, to deepen their knowledge on insurance, to look at their business from the big picture, and, thus, to contribute to their developments.

We launched the insurance school in March 2021 and received applications from 477 employees. Following determining the levels according to the knowledge level of the participants, classes were opened at 3 different levels, namely Basic Level-1, Basic Level-2 and Advance Level. We prepared the Basic Level-1 training, to which 349 employees participated, as an online training package fully on our digital learning portal.

Our participants continued online class training at Basic Level-2 and Advance Level programs. We opened a total of 12 classes and included 128 employees into the training for the classes of Financial Mathematics, Investment Instruments, IFRS, and Basic Reassurance.

With the final test in July 2021, the Insurance School completed the spring period and started the autumn period as of November 2021. We again planned online class training for Basic Level-2 and Advance Level programs. A total of 97 employees will continue training for 5 different classes.

### **AgeSA Economy Club**

We founded the AgeSA Economy Club with a team selected from among our employees to increase financial literacy in our company. Club members publish an e-Economy Bulletin with their researches every month, meet with different guests at live broadcasts every month, and organize economy programs. The Economy Club, which hosted each month an expert visitor during 2021, reached 450 members.

### **Webinar Series**

We created a webinar series taking into account the pandemic conditions and employee needs. Within this scope, we launched a webinar series for Bitcoin and Blockchain applications and current economic trends. Also, we organized a webinar on the subject of "Art of Making Feel and See – Storytelling" and our employees met story teller and author Judith Liberman.

### **CMB Licensing Process**

Since 2020, we continued our preparations for CMB exams for four consecutive periods and as of July 2021, the number of employees with a CMB basic level 1 license is 27. While continuing e-learning training to support the exam success of our employees within CMB, we continued our support through topic explanation and question solving videos and previously encountered questions.

### **Professional Exam Applications**

Every year, to keep the professional knowledge of sales teams current and contribute to their development, we carry out the Professional Exam application and take topic-based development actions according to exam results. This year, as of May, success rates based on channels has been 85% for Direct Sales and 96% for Bancassurance.

### **Sabancı Advanced Data Analytics Academy**

As AgeSA, we have participated in the Advanced Data Analytics Academy established within the scope of Technology and Advanced Data Analytics, one of the three strategic priorities of Sabancı Holding. In the third year of the Academy, which was established to increase the number of data transmitters, scientists and

engineers in Sabancı group companies, we took part in the program with 4 employees.

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### **Experience Transfer Mentoring Program**

AgeSA Mentorship Program DNA (Experience Transfer Mentoring Program) continues with its second term. The mentorship program, which we started with the aim of being a learning organization, integrating the corporate culture and way of doing business, increasing cooperation, improving motivation and productivity, creating corporate memory and focusing on development, has 17 mentors and 22 mentees as of 2021.

### **Distance Leadership Development Program**

During the COVID-19 pandemic, which started in March 2020, our managers frequently talked about the need for acquiring remote management skills. We started the design of a 5-module remote leadership program and completed the first 2 modules in 2020 and the remaining 3 modules in 2021.

We planned trainings on remote decision making, delegation, forward notification-feedback, integrating digital tools into the business model during remote working and developed the program through internal feedbacks at each stage. We shared monitoring documents with our managers prior and after sessions. Before each training, we carried out retention activities in which a padlet was sent for the agenda of the relevant session and shared contents such as books, articles, podcasts, TEDx videos related to the topic of the session.

# WE RECEIVED A GOLD AWARD FOR OUR TRAINING AND DEVELOPMENT ACTIVITIES

We won the gold award with our “Develop if You Are a Leader” in the “Leadership Development” category at the Talent Acquisition Excellence Awards organized by Brandon Hall.

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Besides the remote training program designed for our managers, we designed a leadership program specific to our EC members, in 2021. In this program, which consists of two modules and handles the doing business form which changes according to the pandemic taking into account its strategic dimensions, we included remote management risks and global trends and practices in the remote management of teams.

### **LOMA-LIMRA Certification**

We offered our employees the opportunity to become a member of LOMA, one of the largest training and development organizations in the insurance industry, and LIMRA, its subsidiary providing research, consultancy and professional development for the sector. We continued our training and certification support for our management staff in “The Fellow, Life Management Institute” (FLMI), LOMA’s professional development certificate program, during the previous activity period. In 2021, 10 of our employees participated trainings through this platform.

### **New Generation Talent Management**

With the project “New Generation Talent Management” started as of 2021, we include potential talents into talent monitoring from their first day on and provide our employees at the start of their AgeSA careers an opportunity to become members of the talent club.

Discovering our employees from the first day of their recruitment, we support them through development programs personalized according to career expectations and their learning style, which independent of age, seniority, title and manager opinion focuses only on potential and skills.

During the selection process of our talent development program, we implement development centered practices designed according to different career expectations (management or deepening specialty). We continue the differentiation approach we started from the selection phase, in training programs with personalized touches.

### **Talent Management | Future Club**

In order for our employees in our talent club, Future Club, to be able to socialize and be in close communication with the upper management, we realized some special activities and discussions specific to them.

As of October 2021, we planned discussion sessions with our Assistant General Managers where they share ideas on a previously determined agenda.

Additionally, we brought Future Club members together through a digital gaming method, so that their decision taking and strategic points of view can be developed.

### **“Making a Mistake is Valuable, But...” Workshop Activities**

We created workshop contents for creating and supporting a learning culture, which enables talking about successes as well as failures, making mistakes are not feared but learned from while realizing goals, and mistakes are seen as an opportunity for learning. We invited 60 managers to the first tour of this practice, which we planned for our managers and started workshop activities.

### **Brandon Hall Award**

We ranked first and won the gold award with our “Develop if You Are a Leader” in the “Leadership Development” category at the Talent Acquisition Excellence Awards organized by Brandon Hall, one of the world’s most prestigious consulting companies with its experience in in-house training and development.

### **Communication and Development Efforts Concerning the Commission System**

We started the year, where the pandemic conditions continued, by not making radical changes in earning systems. As per the working conditions determined according the course of the pandemic, we made necessary updates on the basis of channel and period. We continued to take measures to protect the income and cash flows of our field employees.

### **Bancassurance**

As of the year start, we took income actions and organized campaigns to support both production and our field staff.

We designed income and awarding for employees to be tasked in the Portfolio Development Insurance Manager pilot project, which was designed to increase channel retention and collection continuity as of July.

### **Direct Sales Channel**

Starting the year with parametric changes in the commission model, we organized campaigns to support our productions and field staff throughout the year.

In April, we designed and applied income models for employees to be tasked in the Home Office project we initiated with the motto "AgeSA Everywhere" and managers tasked in the project from within the channel.

In the last quarter of the year, we designed a campaign for Sales Managers in order to support the growth strategy of the channel.

#### **Corporate Projects Field Sales Team**

Integrating the Health pilot project of the Corporate Projects field sales team into the existing earnings model, we supported the channel to reach high production.

#### **Retention Team and Private Customers Pilot Project**

In the earning model of the Retention Team, we started to follow output and transfer items separately and designed an earning model to increase the concentration of the team.

As of March, we designed and implemented an earning model for employees and managers, tasked in the Private Customers Team Project pilot study, which was started under the Operations Assistant General Manager and aims to strengthen the engagement of our Elite and Royal segment customers, to manage retention activities, and to increase NPS scores.

#### **IDM (Identity Management) – Identity and Access Management**

Integrating business applications used in the organization and source systems defined by users, we launched the Bi'Kimlik Identity and Access Management system, which enables central management in accordance with user authorities and access roles. Developments on the system, infrastructure arrangements, and role based authority management activities continue.

Especially regarding practices managed by Bi'Kimlik – Identity and Access Management system, data cleaning, authority interpretation and simplification activities were performed. For some of the practices

in the roadmap, a role based authority map has been prepared and Role Lifecycle processes have been started to be managed via Bi'Kimlik. System improvements were made in the processes of recruitment, position change and leaving the job for the Human Resources department, which touches the user, and through rearranging workflows efficiency was achieved and operational gains were increased.

#### **Occupational Health and Safety Activities**

Within the scope of the value we give to human and our legal responsibilities, we continue our activities to raise awareness of occupational safety, to control risks, to establish a healthy and safe working environment, and to prevent work accidents and occupational diseases.

For this purpose, we carried out the following activities in the Occupational Health and Safety area:

#### **Periodic Occupational Health and Safety Meetings**

Board meetings were held during the periods stipulated by laws and regulations on occupational health and safety. We took decisions on issues regarding occupational health and safety and enabled their implementation.

#### **Communication**

We provide trainings and organize events in order to increase the personal awareness of our employees regarding occupational health and safety, to create and adopt a culture for occupational health and safety.

In this context, we organized 16 webinars in the field of occupational health such as Ergonomics, Digital Fatigue, Battling Cancer, Heart Health, First Aid, Pandemic Fatigue, Breast Cancer Awareness, and First Aid for Children and in the field of occupational safety such as Home Safety, Earthquake Awareness and Family Disaster Planning, and Home Security.

In the Week of Occupational Health and Safety, we organized online chats with our workplace physician and occupational safety expert meeting our employees, and in order to create a positive safety culture through visuals and announcements, we organized communication activities.

#### **Training, Competence and Awareness**

We periodically renew our Trainings on General Occupational Health and Safety to keep our knowledge alive. Due to the pandemic, we continued to provide our basic Occupational Health and Safety Trainings and on-the-job trainings online with all our new employees, this year. Also, we planned a Health and Safety Training at Working from Home, which comprises the risks and precautions to be taken while working from home in the hybrid working model; all our employees could attend this training online.

#### **Risk Assessment and Risk Management Process**

We continuously revised our risk assessment activities, which were performed to identify risks regarding Occupational Health and Safety dangers which may be caused by our activities and from outside the workplace and to get these risks to acceptable levels and control them, for our Headquarters building and all our offices, in accordance with the pandemic. Our risk assessment processes for our renewed workplaces continue.

#### **Procedure/Policy/Emergency Plans**

We revised the procedures, policies and emergency plans required for all activities critical to occupational health and safety in accordance with the conditions of pandemic parallel to legal changes.

# OUR PRIMARY FOCUS IS ON THE HEALTH OF OUR EMPLOYEES AND THEIR FAMILIES

In 2021 too, we continued "Doktorumuz Seninle (Our Doctor is with You)" application (continuous availability of the Workplace Physician for all our employees and their families) we initiated with the pandemic.

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## ***Use of Personal Protective Equipment (PPE)***

We ensure the use of Personal Protective Equipment in order to prevent work accidents or occupational diseases, to protect employees from health and safety risks, and to improve working conditions. We have provided and continue to provide our employees with health kits containing masks, disinfectants, etc. to use while they are on duty especially during the pandemic period.

## ***Health Checks and Periodic Examinations***

In order to determine the health problems that our employees may encounter and to take the necessary precautions in advance, we continued to carry out online health checks and periodic examinations during the recruitment and special periods.

## ***Audit and Planning***

Annual audits were carried out by OSGB to check whether occupational health and safety steps were properly planned, implemented, improved and recorded, and actions to be taken were planned.

## ***Employee Support Program***

We further extended the scope of our Employee Support Program which we implemented to ensure that our employees and their families receive reliable support from the expert on the 24/7 phone in situations where they encounter difficulties in their business and private lives and cause loss of productivity and time in their life quality and business life. This year, we offer our employees: 24/7 On-Call Psychological Counseling and Guidance, Face-to-face Psychological Counseling, Legal and Financial Counseling, Medical Information Counseling, Waist-Neck-Back Pain and Office Ergonomics Counseling, Newborn Care Information Services, Healthy Nutrition Counseling, Social Life and General Information Services, Technological Consulting, Veterinary Consulting, and Home Gardening Consulting.

## ***Pandemic Management***

Following the occurrence of Covid-19 cases, we started to take precautions by closely following the developments in the world and in our country. During the pandemic, we continued monthly assessments of our working arrangement in parallel to legal practices and our needs.

As of September, with the increase in vaccination rates, we started gradual normalization by evaluating the general pandemic situation and business continuity in the country.

## ***Health Precautions and Follow-up***

This year too, we continued "Doktorumuz Seninle (Our Doctor is with You)" application (continuous availability of the Workplace Physician for all our employees and their families) we initiated with the pandemic. In this context, our employees were provided with a 24-hour remote medical support service, telephone follow-ups for pandemic diseases and their symptoms. With this service provided together with medical consultation, referral, and medication, if necessary, we minimized hospital visits.

We continue to give health information and shared the blog articles of our workplace physician on the intranet.

While continuing the follow-up of COVID-19 positive and contact patients, we also created a process for vaccination follow-up for our employees. We supported our employees with information on vaccination processes.

# WE PRODUCE SOLUTIONS WHICH WILL ADD VALUE TO BUSINESS PROCESSES

We continue to produce solutions which will add value to our business processes with our digital transformation process and the infrastructure modernization of information technologies.

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## BUSINESS TECHNOLOGIES

### BUSINESS SOLUTIONS DEPARTMENT

Taking part as a stakeholder in AgeSA's strategic decisions with the digital transformation and modernization of its information technology infrastructures, the Business Technologies team is a strategic business partner for other departments of the Company.

Nested under the Business Technologies Department, our Business Solutions Group is responsible for collaborating with business units to boost customer satisfaction, monitoring the request management process to ensure its transparency, and developing process-based specialty areas to increase the speed, quality and efficiency of the request- response process.

For this purpose, the Group carries out its activities in an organizational structure of 4 units consisting of 3 main functions that fulfill the functions of "Business Technologies Portfolio Management," "System Analysis" and "Corporate Architecture," which are customer-focused and bring expertise to the fore.

### IT Portfolio Management

As AgeSA, we aim to add top level values in all works handled by the Business Technologies department in accordance with strategic goals and business priorities.

Within the Request and Roadmap function, we continue our activities of transforming our existing applications into new technologies in cooperation with the related business unit by prioritizing quarterly projects and requests, planning, status monitoring and capacity management.

Also taking on the Business Relationship Management role, we aim to create a bridge between business units and the Business Technologies department, to provide transparency and increase productivity through actions increasing cooperation. The main purpose of this function is to become the communication and coordination point in areas where AgeSA business units interact with the Business Technologies Department, and make sure that the Business Technologies Department supports business goals.

Throughout 2021, we prioritized a very agile approach in order to progress by adapting to the changes brought about by both changing market and legislative priorities and developing technologies. Focusing on this, we played an active role for increasing efficiency and determining the designs of systems/processes and making changes in team structures and working styles within the scope of changing needs and digital transformation.

### Corporate Architecture

Our Corporate Architecture function started operations at the end of 2020 in order to contribute to creating more quality systemic solutions which will add value to business processes on the way to Business Technologies.

The Corporate Architecture department performs topics such as determining quality-oriented standards and disciplines related to Business Solutions functions, reviewing and improving processes, sharing them with teams, establishing and monitoring control mechanisms for their correct implementation. It supports the determination, planning and monitoring of development needs of Business Solutions teams.

Our Business Architecture function enables the emergence of the value added to the business processes in the implementation stage of new technologies by working together with the architecture team on subjects of determining, evaluating, analyzing, and taken associated decisions for new system solutions within Business Technologies.

At the same time, Business Architecture assumes the task of product management in the AS400 Transformation program within the Business Technologies transformation. Within this scope, it carries out the prioritization of modules to be transformed, preparation of savings lists, implementation of sprint planning according to the savings list, analysis and quality control of analysis outputs, and necessary communication with business units.

### Systems Analysis

The team consisting of leaders, directors, senior analysts and analysts who carry out System Analysis and Solution Leadership functions continues to work under three directorates: "Bancassurance and Sales Business Solutions," "Life and PPS Business Solutions," and "Customer and Corporate Business Solutions." In line with the solution-focused approach, which supports subject expertise in business processes and operates in accordance with lean and agile project development methods, the team consists of six team leaders within a multidisciplinary structure. Unlike other teams, the lean teams consist of analysts who focus on Business Technology transformation in the projects that they participate in.

# CHANGING NEEDS TURN INTO TECHNOLOGICAL OUTPUTS

Throughout 2021, we created a dynamic and agile roadmap in accordance with technological innovations with the priorities determined by our strategy and legislation teams.

In addition, the management of the masters of over 20 scrum and kanban teams that have completed their agile transformation is among the responsibilities of this team.

Under a matrix organizational structure, these teams perform systems analysis, software development, and test functions; they also manage the business plans of individuals who report to other group managers within the IT department, and the inventory lists.

In order to transform the changing needs into technology outputs throughout 2021, a dynamic and agile roadmap was created in accordance with technological innovations with the priorities determined by our strategy and legislation teams.

Within the scope of Business Application Transformation, which has been followed since 2019, 15 of 39 projects in total have been completed as of 2021. Our work is ongoing for 13 of them and we follow up on the remaining projects on a future date. Our biggest project, which is Basic Insurance Application Transformation program within Business Applications Transformation, was started in 2020. In 2021, within this scope, we completed the transformation of PPS Additional Benefits module.

These lines and their objectives, and the projects carried out in 2021 and the objectives for the new period are as follows:

## **Bancassurance Processes**

Within the scope of the project our aim is to meet the queries of the Company's business partners in the field of Bancassurance; deepen collaboration with these parties; and

specialize in relevant processes. In 2021, we achieved the following critical outcomes in the project:

- The sale of our life product in connection with loans was started to be sold via Akbank Call Center channel, thus contributed to our profitability.
- We continued planned studies regarding the items included in the Akbank audit roadmap and provided compliance to legislation.

## **Sales Processes**

Within the scope of the project our main aim is to develop the sales requests related to employees and organizational processes and to undertake improvements in agency and broker sales processes. In 2021, we achieved the following critical outcomes in the project:

- We established PPS sales processes for under 18 years of age participants, who are critical for our company.
- We started central user and role-based authority activities.

## **Life Products and Operational Processes**

Our main aim within the project is to ensure compliance with legislation changes and new circulars related to life insurance products, to carry out legal reporting and to develop new life insurance products. In 2021, we achieved the following critical outcomes in the project:

- System improvements for IFRS 17 compliance have been made.
- Our life insurance legal reporting system has been integrated with SBM Joint Data Model structure.
- Collection through credit cards were moved to Virtual POS and the first step for the compliance of our collection system to PCI DSS standards has been completed.

## **PPS Products and Operational Processes**

Our main aim within the project is to implement legal and regulatory changes related to PPS, to carry out legal reporting and to develop projects to ensure compliance with Auto-Enrolment and state contribution laws and regulations. In 2021, we achieved the following critical outcomes in the project:

- We performed system operations to be included into the BEFAS as a pioneer.
- PPS sales improvements were made for under 18 years old customers.
- In order to carry out Internal Control and Audit activities more effectively, system improvements were made to create PPS and Auto-Enrolment Internal Control Reports and Audit Datamart.
- HSAP process automation has been performed.
- We moved PPS Additional Benefits module to the new infrastructure.

## **Customer Processes**

Our main aim within the project is to develop application requests which we offer our customers within after-sales services and undertake improvements in processes related to customer applications. Within this scope, where project activities regarding the use of current technologies have intensified, we achieved the following critical outcomes in 2021:

- We activated new functions for solving the needs of our customers at an optimum level in our new generation call center such as PPS exits, life exits, plan changes, life payment method changes, and pension processes.

- We renewed the iOS and Android versions of and added new features to the AgeSA Mobile App, which offers AgeSA customers self-service features.
- Within the AgeSA rebranding activity, we implemented arrangements related to messages, texts, forms and prints, logos, changes to company name, address and fund.
- Regarding messages and printing, we continued our activities to move the messages sent to our customers to the new messaging infrastructure. We performed OTP transformation. We made improvements for reporting and reconciliation.
- MMS – We implemented developments at the Message Management System infrastructure and reconciliation.

### Corporate Solutions

Within the scope of the project our aim is to provide positioning the applications of 3. party companies such as human resources, finance, and logistics, used within the Company, to enable integration with existing applications, and to provide support for applications and processes we are responsible of. In 2021, we achieved the following critical outcomes in the project:

- We completed reimplementation activities to improve the structure of working and productivity of our business units via the new version regarding our financial systems.
- We implemented and launched the Cash Flow Management application.
- Our improvement activities on Human Resources applications continue.
- Within AgeSA rebranding, we completed the content and URL change activities within the applications.

### SOFTWARE DEVELOPMENT DEPARTMENT

In 2021, when the pandemic was intense, some of the biggest goals of people living in a world with intense technology use to increase the access of information through mobile, web, and call centers and to try to keep online communication at the highest level. To provide this, companies accelerated their digital transformations. Thus, they improved their competencies to provide more quality and rapid service to their

customers and achieved to keep their profitability and cost advantages at the highest level.

In 2021, AgeSA Software Development Department realized projects on the following 5 main subjects:

- Corporate Architecture
- Cloud Transformation
- AS400 Transformation
- DevOps and Software Code Quality
- Security

#### 1. Corporate Architecture (MAF 2.0)

Aiming to provide better service to our customers, AgeSA Corporate Architecture, which is continuously updated, focused on Domain Driven Design (DDD), in 2021. With Domain Driven Design, the aim was to manage applications as modules and, if needed, to increase the service capacities of relevant applications for the continuance of customer satisfaction. In order to implement this design, we carried out activities such as the preparation of Mini-Service infrastructures, which are domain-based interpretations of Micro-Service architectural principles, and the creation of sample projects. In 2022, we will continue implementing activities to switch our systems to domain driven architecture by using ready infrastructures.

In 2021, in order to increase the service quality, we completed activities for common end-of-day business infrastructure, which can be considered as the first step to singularization of our end-of-day operations. Thus, we will obtain important gains in terms of process management and cost by being able to manage all our end-of-day works at AgeSA from a single point. In 2022, we will continue our activities to move end-of-day works which run on different systems to a joint infrastructure.

#### 2. Cloud Transformation

2021 was a year we aimed to better monitor and increase service continuity of the systems for Cloud Transformation. In order to best observe our infrastructures created for our corporate architecture activities, we included worldwide acknowledged products into our cloud environment.

Since data cannot be exported outside the country due to legislation, switch to General Cloud Solutions is not possible. Within this scope, AgeSA implements On-Premise Cloud at its own Data Center and moves all applications to this platform within a plan.

Applications which provided 40% of our daily transactions and more than 50% of our earnings run on this On-Premise Cloud platform.

We won the first prize in the “Best Cloud Transformation of the Year” category of the “IDC Cloud Awards” event organized by “IDC Turkey” with this work, the first in the Turkish finance industry in terms of both high in-house usage rates of cloud transformation and the use of the pay-as-you-go model in our main line of business.

#### 3. AS400 Transformation

Started in 2020, our project of moving our basic insurance application on the AS400 platform to our Corporate Architecture MAF 2.0 environment written with modern technologies continues.

This transfer procedure was planned to be modular and, in 2021, we carried out its first module determination process and the process of going live following the completion of the development of this module. Within this period, detail analyses and development of existing applications, data model updating and transfer of data to the new model were completed.

We are continuing the development of the second module, which started in the middle of the year. In 2022, the goal is to complete the existing model and to start work regarding the new modules.

#### 4. DevOps and Software Code Quality

In 2021, in order to perfect the development lifecycle of our application, using worldwide acknowledged DevOps methodologies and open source technologies activities were made at AgeSA.

# WE STARTED BANCASSURANCE APPLICATIONS WITH AKBANK

We started to offer life insurance services for the new Kredim Gvende product to our customers over the Akbank Call Center.

Automating all code development processes, we implemented DevOps processes. Also, we built products and infrastructure so that 3. party applications used for going live can be the same in all environments.

## 5. Security Infrastructure Projects

### **Central Identity Management**

We worked on a new identity management system to manage user accounts and authorizations from a single point. With the project, we started to use a product central identity management system recognized throughout the industry to manage user accounts and authorizations. In this way, the identity controls and authorization controls of all our stakeholders inside and outside the company can be performed from a single point.

### **Credit Card Security and PCI-DSS Compatibility**

With our project starting in 2020 and continuing in 2021, architectural and technical designs and developments were made for the safe circulation and storing of credit card information in our systems according to determined rules. We aim to provide PCI-DSS compliance with our activities planned for 2022.

## **Basic Insurance and Channel Applications**

### **Sales Applications**

Within the scope of the Good Probabilities Insurance product, many new business processes were completed and implemented. Through the customer card screen, which provides single point access to almost all customer information, we were able to quickly access customer information and offer them the product most appropriate for their needs. Together with the newly developed policy search and viewing screens, summary and detail reports for policies and customers were rapidly created through the application.

In order to increase the capabilities and improve the performance of our application, which manages pre-sales processes, we implemented version updates. Together with this update, new screens, reports, and services were added to provide better responses to customer needs.

For our new savings life product, for which preparations are started and which we aim to launch the coming year, our analysis and development processes continue.

### **Bancassurance**

With the sales activities performed together with Akbank, life insurance services for the new Kredim Gvende product are started to be offered to our customers over the Akbank Call Center. Besides, we implemented improvement activities for the use of pre- and after-sales PPS insurance applications to be used through mobile and tablet devices.

## **Customer and Channel Transactions**

We started to develop our infrastructure and applications managing our business process on our Corporate Architecture MAF 2.0. Together with this new platform, we aim to increase simplification in business processes and the quality and speed of services offered to our customers.

Our renewed Call Center application was enriched with features most needed by our customers.

We renewed our messaging infrastructure, and moving our customer messages to our new infrastructure ensured that our messages are sent without error, accurately and on time. We continued activities to increase the service functions offered through the mobile application. During this time, we added new functions to our mobile applications and had our customers use them.

### **Life Insurance**

The Insurance Information Center (SBM) launched the Common Data Model (CDM) project for the reporting of the data of all insurance companies (Elementary - Life) on a single platform and announced to the sector that information had to be submitted through the new infrastructure as of September 4, 2021.



Our company has been selected as pilot Life Insurance company in this important project. Until the project was implemented, we contributed to the development of the project through our activities performed in collaboration with SBM. Within this scope, a new software architecture infrastructure has been designed and implemented by considering simplicity and functionality in terms of legal reporting. We have been the first company to complete the processes regarding mass data sending and CDM function transmission in the sector.

We had started the project for necessary arrangements for our accounting systems to comply with the IFRS standards, in 2020. We completed all improvements planned for compliance of our data production in the insurance main applications with IFRS 17 reporting standards, in 2021. Our monitoring after the going live process continues. IFRS 17 reporting application activities have been mostly completed and we plan to start live environment tests within 2022.

#### **Private Pension (PPS)**

The system enabling private pension funds to be traded between companies has been implemented. Within this scope, an automated process has been designed through webservices with Takasbank. AgeSA funds have been offered to all companies and access has been granted to our funds for participants on contract with other companies. In the same way, AgeSA participants can now access the funds of other companies, if they prefer.

Also, the notification on constraints, prices, foundations, orders, realizations through webservices are processed without the interference of any users. Thus, an important fund inflow has been provided to our Company.

### **PROJECT MANAGEMENT, QUALITY AND ROBOTIC PROCESSES GROUP DIRECTORATE**

Our Group Directorate, under the Business Technologies Assistant General Manager, which manages and directs technological developments at AgeSA is responsible for;

- Management of projects,
- The quality of the application developed,
- Automation of business processes using up-to-date technologies,
- Management of AgeSA's process with technological suppliers and
- Internal communication activities of Business Technologies.

#### **Project Management**

The main responsibility of the Project Management is to ensure timely delivery of the development efforts for all changes related to applications used at AgeSA, their functional updates and addition of new functions in time, at high-quality output, within the budget and in line with the Business Technologies road map.

The focus of Project Management includes initiating projects carried out by Business Technologies, conducting projects in cooperation with all stakeholders, monitoring the development and results of projects continuously, informing executive committee and stakeholders about the progress of projects, reporting changes regarding time and quality, observing the compliance of projects with the plan, go live and the processes that continue until the closure following the monitoring period.

In 2021, 27 projects in the technological development portfolio, 24 projects in the strategy portfolio, and 10 projects in the legislation portfolio were put on the agenda.

Within the process development, we started activities to adapt the changes coming with the Agile methodology on our existing project management methodology. Hybrid project management concept has been studied and contributions were made to process activities by participating to pilot projects run with the Agile methodology.

Our communication activities, which have an important place in our project management process and in the execution of projects, continue productively during the remote working period. Periodic Project Status Evaluation and Risk Management Meetings, Steering Committee Meetings held with project sponsors and Project Board Meetings where we share the status, risks/problems of our projects proceed in the virtual environment depending on the changes brought by the remote working process.

In 2021, aiming to measure the output quality of our project management activities, to increase productivity and ensure customer satisfaction, weighted calculations were used in grading projects and improvements were made in the scoring method in scrum projects.

In the upcoming year, we aim to provide the sustainability of project management processes according to the needs of AgeSA and new conditions. In order to adapt to the new features provided by the Agile methodology we will perform updating activities, if needed, in our project management procedure according to the output of the pilot program we are participating. In order to increase cooperation with our internal customers, we will continue project management trainings, which we started in the past years, within the Company, if needed. Updates and improvement activities deemed necessary in each stage of the project processes will continue in cooperation with relevant stakeholders.

# WE IMPROVE SUPPLY MANAGEMENT AND COMMUNICATION ACTIVITIES

In 2021, we continued Business Technologies Supply Management and Communication functions, for which we started works as a Group in 2020, through development of processes.

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### Quality and Robotics Processes

These functions are performed by two different units who focus on quality and technology within the framework of our Company.

While the number of processes we have transferred to our metal collar employees (TechBot) reached 43 by the end of the year, the number of automated test scenarios was approximately 1,900. In light of these data, we take steps to adopt both artificial intelligence and DevOps approach with the momentum we caught in process and test automation. With our human and technology investments, in short time, we aim to reach more than the gains we achieved until today. In addition, AI-supported virtual assistants, who quickly positioned themselves in the robot world, became a new area of interest of our team this year, and the version serving our employees was launched in December.

In Quality Management, we contribute to the quality process in the products/services we took to go live with 45 testing libraries, 750 test scenarios, and our standard scenarios, of which approximately 20% are automated in order to contribute to the productivity of automation, with our quality and testing service process compatible with agile software development. Our aim is that automation developments reach 25% of our standard scenarios.

We established standard processes by enriching our scenario libraries with all our stakeholders in control processes in after-live software lifecycles and

Disaster Recovery Center tests. Libraries containing scenarios for the after-live control processes, which started in the last period of 2020, were established for 24 applications at 6 projects realized in 2021. Following project and monthly switches, we plan to enrich the scenarios in these libraries and enlarge their coverage areas at related controls.

In terms of quality function, we perform activities for error root cause examinations and structural viewing in order to provide benefits in all projects and requests run by Business Technologies.

During the pandemic process, we, as the Group Directorate, carry out all our activities completely and by increasing our performance level. The fact that we have competent and powerful staff, a well-positioned organizational structure, a technology-oriented agile approach, and our team acting in a collaborative manner with all stakeholders are the basic factors for providing these.

Our test data management activities continue within the scope of 27 functions/processes used within the Company. Extending these activities throughout our Company and meanwhile meeting the needs in an automated manner as much as possible have become our new focal points in terms of both increasing quality and protecting the vulnerability of data use. Similarly, while performance tests made until today for 32 projects have become an inevitable test step in terms of ensuring quality assurance and customer satisfaction, they have also become a standard.

In order to realize and sustain the concept of quality, where each function in the software's lifecycle is a stakeholder, our main goals are to ensure the applicability of the principles determined as two leading teams and to maximize the use of the benefits created. Our activities continue to optimize solutions we use by considering the speed of change caused by our era and to make material and spiritual gains sustainable within our Company's goals.

### Supply Management and Communication

Business Technologies Supply Management and Communication functions, for which we started works in our Group in 2020, continued in 2021 through development of processes.

Our communication activities include;

- Making the announcements of the activities that the Business Technologies management team attends as speakers, both within Business Technologies and on social media platforms,
- Conducting the award application processes and announcing our award-winning projects on social media and within the Company,
- Organizing Business Technologies Communication Meetings quarterly in order to increase our communications and interactions within Business Technologies,
- Publishing our Bi'Moola magazine, which includes out-of-business conversation topics and is prepared for Business Technologies employees,
- Launching our projects taken to go live,
- Organizing communications and competitions on Business Technology approaches.

Supply Management function includes;

- Organizing meetings with supplier candidates with the participation of relevant parties in Business Technologies,
- Evaluating supplier candidates, completing service procurement contracts and following up their renewals,
- Active communication with existing suppliers,
- Collecting supplier feedback,
- Providing feedback to our suppliers in terms of Business Technologies,
- Announcing the event invitations from suppliers and supplier candidates to Business Technologies teams.

### **STRATEGIC PORTFOLIO AND PROCESS MANAGEMENT GROUP DIRECTORATE**

#### **Strategic Portfolio Management**

At the beginning of the year, a roadmap for 2021 was created based on a prioritization evaluation from the perspectives for company strategies, priorities, business strategies, budget, process analyses, and IT resources costs. 2020 closing information was given and completed projects, competencies the Company gained, management of the roadmap for the year were analyzed and submitted to management.

Each year, 4 times quarterly roadmap prioritization is made and IT needs are planned. Each quarter, information meetings are made for the upper management team on the scope of the roadmap of the previous quarter closing and next quarter opening, postponed issues, priorities, planning, and the competencies the Company gained. Relevant persons and managers of business units are informed on quarterly priorities and planning subjects.

Assessment on compliance to new legislative topics within the fiscal period and prioritization for issues where the Company needs to take actions have been performed. Within this context, the impact of the roadmap and planning activities and information to upper management have been performed. Comprehensive subjects such as new brand transformation, participation to the PPS market for persons under the age of 18, BEFAS, mortality table change, and negotiation formula update activities were planned through prioritization and impact activities throughout the year.

Monitoring all continuing projects and requests, we informed our management team on topics which need coordination, decision taking and rapid actions and, working closely with business units and IT teams, we ensured that risk-preventing actions were taken.

Within the Strategical Portfolio Management, activities regarding the central assessment of business needs of our Company, informing the upper management on these subjects, business units knowingly aligning to Company strategies, prioritization of most valuable portions, and effective use of resources will continue in 2022.

#### **Process Management**

The mission of our Process Management Department is to create and effect process-oriented approach which provides inputs to our strategical decision processes. In accordance with this mission, we left an extraordinary successful year behind.

During the pandemic, we prioritized many subjects which are presently among our digitalization goals and implemented them quickly. We very quickly completed our activities regarding remote sales, which was not applied before the pandemic and is a new model in terms of sector actors. With our implemented remote sales model, we met the needs of our customers without face-to-face contact and contributed to our Company meeting its business goals. In 2022, we will continue to make customer and user-oriented developments in these processes.

After sales customer transaction is a factor directly impacting customer loyalty and brand image. In order to meet the after sales customer transactions more rapidly and with more quality, we developed projects using technological solutions in order to review, improve, and digitalize our ways of doing business. We will start to receive concrete outputs of the projects in 2022.

For the effective use of our limited resources, the maturity of business processes constitutes an important input during the stage of planning Company resources. The Business Process Analyses study carried out in 2021 was used as an input both during the plannings within the year and in the decision phases for the 2022 plan; it strengthened the Process-Oriented approach. The results of the Business Process Analyses are used to provide that the Target Operation Model remains update and to align the Operation Model to current conditions.

In order to increase competitive force and effectively meet the rapidly changing customer needs, another parameter where compliance became important is the Agile parameter. Agile has been used as supplementary of the process-oriented approach culture and contributed to the creation of customer-oriented outputs.

# WE IMPLEMENT INDEMNITY PROCESSES CREATING A DIFFERENCE IN THE SECTOR

Making indemnity payments of a total of TL 106.7 million in 2021, we are proud to be able to touch with goodness the lives of our insured or their relatives in their difficult days.

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We carry out our indemnity processes in such a way that they are ready to support our customers as sincerely as their relatives in times of need. We aim to establish an insurance understanding that provides solutions with a proactive approach without waiting for the customer's request and make a difference in indemnity processes in the sector.

During the pandemic that left its mark for the past two years and in disasters such as wildfires and floods in our country, our main focus was to maintain this mission, to provide uninterrupted service without compromising customer satisfaction, and to make our customers feel that we stand by them.

Knowing that difficult times are times of need and feeling the responsibility to be quicker for our customers in such times, and due to the natural disasters in 2021 that deeply saddened us all, based on the names announced on media we quickly and proactively identified our policyholders and reached their families, who lost their lives in the wildfires in Antalya-Bodrum-Milas-Marmaris-Köyceğiz and in the flood disasters in Kastamonu-Bozkurt-Sinop-Bartın. We performed their indemnity processes.

Just as in 2020, also in 2021, during the period up to September 30, within the framework of pandemic regulations, we continued to provide coverage without taking any additional premiums for the insurances of our customers, who were entitled to postpone their loan payments to Akbank and covered their bank loans in the indemnity processes.

In 2021, we paid death indemnities of approximately TL 40 million arising from COVID-19.

Making indemnity payments of a total of TL 106.7 million in 2021, we are proud to be able to touch with goodness the lives of our insured or their relatives in their difficult days. Indemnity claims were paid within an average of 4.2 days after the completion of the necessary documents by our indemnity customers.

In order to increase indemnity payment rates at our Company, we carried out detailed studies on indemnities which we had to decline, changed our indemnity policies in favor of our customers, and taking various relevant actions regarding our underwriting and product policies, we improved our processes and extended our product guarantee coverage. Thus, for the indemnity claims we concluded in 2021, our indemnity payment rate was 90%.

For our motto "We exist to offer goodness at the core of our business," services provided during the indemnity processes were reflected on the happiness of our customers. We continued to hear the voices of our customers for whom we have finalized their indemnity claims, and conducting satisfaction surveys every month, we receive their feedback and measure and monitor their results. In order to increase satisfaction, we analyzed results and took actions in terms of customer documents and our policies.

Our customers were most satisfied with our rapid response and the interest shown to them, the sensitive approach, and facilitation during these processes. They spoke of our difference by comparing their experiences with other companies in the sector. Once again they showed us our "ultimate purpose," why we do the work we do. In these survey meetings, according to the points given by all our customers whose indemnity requests were concluded (with payment or rejection) our NPS score average in 2021 was 41.34.

## Board of Directors and Activities of the Committee

### BOARD OF DIRECTORS

#### Structure and Composition of the Board of Directors

As was announced to the Public Disclosure Platform (KAP) on 05.05.2021, the closure conditions determined in the Share Purchase Agreement signed on 23.02.2021 between Ageas Insurance International NV (Ageas) and Aviva International Holdings Ltd. (Aviva) were fulfilled and, thus, all shares owned by Aviva representing 40% of our Company's capital were taken over by Ageas as of 05.05.2021. Our Company continues its activities as a company subject to the joint management of the 40-40% partnership of Sabancı Holding and Ageas.

In this context, the Articles of Association amendment which included the changes regarding the new joint management of the Company has been resolved at the Extraordinary General Assembly dated 01.07.2021 and its registry completed on 08.07.2021 as announced at KAP. Our Company shall be managed by the Board of Directors which consists of 8 (eight) members.

General Director is the natural member of the Company's Board of Directors in accordance with Individual Retirement Law and shall manage the daily works of the Company. Chairman and Vice Chairman of the Board of Directors shall be assigned by the Board of Directors.

Members of the Board of Directors shall be elected for a term of office of 3 (three) years at most. A member whose term of office has expired may be reelected. In case of a vacant membership in the Board of Directors, the Board of Directors shall assign a member temporarily for this vacant member position as to be submitted for the approval of the next General Assembly to be held and to serve until that meeting. Member whose assignment is approved by the General Assembly shall complete the term of Office of the member he has substituted. In case of losing independence or resignation of an independent member or becoming incapable to carry out his/her duty, procedures determined in the Capital Market Board regulations shall be followed.

A quorum for a Board of Directors meeting shall be provided by the presence of 6 (six) members and the decisions of Board of Directors shall be taken with affirmative votes of at least 6 (six) members.

The Company's Board of Directors meeting shall be held in accordance with the Turkish Commercial Code and Company's Articles of Association. Board of Directors meetings shall be held at the head office of the Company or any place in Turkey or abroad that may be agreed by the Board of Directors. Pursuant to the Articles of Association, those entitled to attend the Board of Directors' meeting of the Company may do so by electronic means pursuant to Article 1527 of the Turkish Commercial Code.

During the annual report period, a change in the structure of the Board of Directors has been made pursuant to applicable legislation, in order to comply to the decision taken by the Board of Directors and the said new joint management structure. In respect of this decision, the statement made in KAP (Public Disclosure Platform) by our Company, is provided in the following.

- The resignations of resigning Members of Board of Directors Jose Ignacio Izquierdo Saugar, Lee Patrick Callaghan, and Adam Jacek Uszpolewicz have been accepted and Emmanuel Gerard C. Van Grimbergen, Antonio Cano, and Hans Maurice Pletinckx have been elected as members of the board of directors.
- The resignations of resigning Members of Board of Directors Patrick Dixneuf and Anthony Feliks Reczek have been accepted and Stefan Georges L. Brækeveldt and Hüseyin Gürer have been elected replacing the resigning members of the board of directors.
- Following the fiscal year and as was announced at KAP on 07.01.2021, Hatice Burcu Civelek Yüce has been elected as Member of the Board of Directors in place of Bülent Oğuz, who had resigned as Member of the Board of Directors.

The Board of Directors final structure was completed with the appointment at the Extraordinary General Assembly on 01.07.2021.

The below chart shows AgeSA Hayat ve Emeklilik A.Ş. Board of Directors as of December 31, 2021.

Name	Position	Date of Assignment
Haluk Dinçer	Chairman	2011
Antonio Cano	Vice Chairman	2021
Mustafa Fırat Kuruca	CEO and Board Member	2016
Bülent Oğuz <sup>1</sup>	Member of the Board of Directors	2021
Emmanuel Van Grimbergen	Member of the Board of Directors	2021
Kıvanç Zaimler <sup>2</sup>	Member of the Board of Directors	2021
Hüseyin Gürer	Board Member (Independent)	2021
Lütfiye Yeşim Uçtum	Board Member (Independent)	2018

<sup>1</sup> As of 07.01.2022, Hatice Burcu Civelek Yüce serves at the Board of Directors.

<sup>2</sup> As of 10.02.2022 Erkan Şahinler serves at the Board of Directors.

Lütfiye Yeşim Uçtum and Hüseyin Gürer who meet independence criteria in the frame of our Company's CMB legislation and who made an independence statement, perform their duty as Independent Board Of Directors Members.

Payments made to the Board of Directors and senior executives cannot be disclosed on an individual basis as a violation of rights may occur under the Personal Data Protection Law.

## Board of Directors and Activities of the Committee

In 2021, the Company did not lend any money or extend any credit to the Board Members; did not extend the maturity or improve the terms and conditions of existing debts or credits; did not extend any individual loan through third persons, or did not offer guarantees.

### Operating Principles of the Board of Directors

Pursuant to our Articles of Association; the Company's Board of Directors meeting shall be held in accordance with the Turkish Commercial Code and Company's Articles of Association. Board of Directors meetings shall be held at the head office of the Company or any place in Turkey or abroad that may be agreed by the Board of Directors.

Board of Directors meetings shall be held in English. Official minutes and decisions of the Board of Directors meetings shall be drafted and maintained in Turkish. Translations of minutes and decisions into English are kept in a separate minute's book of the Company. In case of submitting a draft resolution to each of the members of the Board of Directors and written consent of each of these members for this resolution, the Board of Directors may make decisions without gathering. Board of Directors meetings are held every 3 (three) months under normal conditions. The Board of Directors of the Company may convene online as per Article 1527 of the Turkish Commercial Code.

The Company is managed and represented by the Board of Directors. As per article 370/2 of the Turkish Commercial Code, the board of directors may delegate its representation power to representatives and/or tasked members who are members of the board of directors and/or managers who are no members of the board of directors. The remuneration for them is determined by the Board of Directors.

As per article 367 of the Turkish Commercial Code, all or some of the management duties may be transferred partly or wholly to "tasked members" who are member of the board of directors or to the "management." "Management" means the team consisting of general manager, assistant general managers and managers or persons with similar titles. The non-transferable tasks and powers mentioned in Article 375 and

other articles of the Turkish Commercial Code are reserved.

General Director, vice general directors and, even though they are employed under other titles, other managers at the level of vice general director or with a higher level of signature authority due to the nature of their duties, must have the qualifications required by the Individual Retirement Law, Capital Market Law and Insurance Law as well as the relevant legislation. Before the appointment procedure for these persons, information and documents stated in the legislation are sent to Insurance and Private Pension Regulation and Supervision Agency.

General Director shall be responsible to have the daily works of the Company executed within the frame of rules set forth by the Board of Directors. The Agenda of the Board of Directors is drafted by our General Director and the Company Secretary and is finalized in accordance with the suggestions of the Chairman and Members of the Board of Directors. Delegation of authority to executive bodies in order to carry out the Company activities shall be realized within the scope of signatory circular application.

Board of Directors is entitled to carry out any ordinary or extraordinary transaction and disposals in person on behalf of the Company to realize the Company's objectives and subject of operation and it may also assign commercial representative and commercial agent or remove them as necessary. Board of Directors may open branches, agencies, representations, offices and correspondents to realize the objectives and subject of activity of the Company and may acquire and construct real estate on behalf of the Company, acquire miscellaneous securities or acquire, transfer or assign the acquired real estate and securities, negotiable instruments and other rights in the subject of property or may bind these with a real right or have otherwise disposal on them in accordance with the regulations of the Capital Market Board or may receive or give all kinds of real and personal guarantee. Also, without limitation to the foregoing, it is entitled to make any decision on all works and transactions that have to be done save the ones left to the power of the Turkish Commercial Code or to the power of the General Assembly in accordance with this Articles of Association.

Within the limits included in the Capital Market legislation, Turkish Commercial Code and legislation the Board of Directors is authorized to incur secured or unsecured debts, give debts, settlement, appeal, and waiver, accept or even acquaintance.

Members of the Board of Directors spare enough time for the Company's works.

The Board of Directors has taken the necessary measures to prevent disclosure of information that is not disclosed to the public and/or information of trade secret quality. Board of Directors shall take a separate decision for acceptance of the annual report. Board of Directors members shall not bow to the pressures that may bring forward any conclusion against the shareholders.

Board of Directors shall act to carry out its responsibilities apart from the obligatory functions such as:

- Approval of Company's annual budget and work schedules,
- Drafting Company's annual activity reports and finalize the same to be submitted to the general assembly,
- Ensuring the holding of General Assembly meetings in accordance with the legislation and Company's Articles of Association,
- Fulfilling the requirements of the General Assembly resolutions,
- Determining the policies for the Company's shareholders, beneficiaries and public relations,
- Determining the Company's information policy,
- Determining the ethical codes for the Company and employees thereof,
- Determining the working principles of committees; ensuring that they work effectively and productively,
- Taking necessary precautions to ensure that the Company's organization structure meets current conditions by also taking into consideration the Company functions and committees' opinions and suggestions.

Creation of internal systems, operating and developing the same in an effective, sufficient and appropriate way, securing the information obtained from accounting and financial reporting system, and determining the owners and responsibilities in the Company are ultimately under the liability of the Board of Directors.

The Board of Directors, committee chair effectively evaluated the 2021 committee activities in line with the opinions of the members of the Board of Directors.

Members of the Board of Directors shall select a Chairman, and Vice Chairman from among them who will act in proxy in the absence of the chairman. The Company's General Director and vice chairman in his/her absence are the natural Member of the Board of Directors. Meeting days and agenda shall be arranged by the chairman or Vice Chairman. Board of Directors shall convene upon call of the chairman or Vice Chairman as the Company works may require. The day of the meeting shall be determined by the decision of the Board of Directors. If the chairman fails to call the Board of Directors to convene upon the written request of any member, members shall also be entitled to make the call ex officio.

Unless one of the members plea negotiation, Board of Management may make its decisions without gathering together by sending any written proposal made by a member on a certain issue to all members and members' giving written approval for such written proposal in accordance with the meeting quorum stated in article 9 of this Articles of Association.

A Secretariat has been formed to inform our Board of Directors Members and to establish contact with them. The duties of the Secretariat that have been formed to inform our Members of Board of Directors and to establish contact with them are defined and it ensured that the Secretariat would work more efficiently.

Our Board of Directors has held 4 meetings in the year 2021 and participation in these meetings exceeded the meeting and decision quorum. It has signed 71 resolutions. In 2021, there is not any Member who voted against the decisions of the Board of Directors.

#### **Number, Structure, and Independence of the Committees Established under the Board of Directors**

Following committees were set up by the decision of the Board of Directors dated 05.04.2016 and numbered 2016/24 in accordance with the Corporate Governance Communique of the Capital Market Board.

Meetings and main subject titles held in the year 2021 by committees formed in the Board of Directors are shared in the following table.

<b>Committee</b>	<b>Members</b>	<b>Date of Meetings</b>	<b>Meeting Topics</b>
Audit Committee	Lütfiye Yeşim Uçtum Hüseyin Gürer (Chairman)	26.01.2021	Advice concerning reviewing internal audit reports, determination of the accuracy of company's financial tables and reports and assignment of the independent audit organization, determination of on-time and duly execution of all announcements required to be open to the general public
		20.04.2021	
		26.07.2021	
		18.10.2021	
Corporate Governance Committee	Lütfiye Yeşim Uçtum (Chairman) Burak Yüzcül Emmanuel Gerard C. Van Grimbergen Zeliha Ersen Altınok	26.01.2021	Activities of investor relations department, agendas related to Nominating and remuneration, discussing human resources policies
		18.10.2021	
Early Detection of Risk Committee	Lütfiye Yeşim Uçtum (Chairman) Hüseyin Gürer Emmanuel Gerard C. Van Grimbergen	26.01.2021	Discussing company risks and changing legislation issues
		20.04.2021	
		26.07.2021	
		18.10.2021	
		26.11.2021	
		23.12.2021	

The working principles of the Board of Directors committees are available at <https://www.agesa.com.tr/kurumsal-yonetim>.

#### **Qualifications of the Members of Board of Directors**

Our Board of Directors exercises its authorities prudentially and within the frame of goodwill as equipped with all kinds of information to accomplish the task fully.

Under the legal regulations, general directors of insurance companies must have at least four years of university education, have at least ten years of experience in one of insurance, economics, business administration, accounting, law, finance, mathematics, statistics, actuarial or engineering fields, and more than half of the Members of Board of Directors must have at least four years of university education and have three years of experience in any of the foregoing areas.

Our Members of the Board of Directors

- They have knowledge and talent in banking and insurance area,
- They are skilled to read and analyze financial statements and reports,

- They have comprehensive knowledge about the legal regulations and general market conditions which our Company is subject to,
- They have the will and possibility to attend the Board of Directors meetings regularly throughout their terms of office.

To our newly assigned Members of Board of Directors, an orientation program which includes the following at a minimum shall be submitted;

- Meeting with our managers,
- Curriculum Vitae and performance assessments of our managers,
- Strategic targets, up-to-date status and problems of our Company,
- Market share, financial structure and performance indications of our Company.

Even though our Members of Board of Directors are not subject to certain rules for assuming other duties out of our Company, they have not any duty other than their natural duties in the companies they represent and also their natural duties in the enterprises belonging to the companies they represent.

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## Statements of Independence

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

- a) Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and; (i) the Company; (ii) the partnerships (subsidiaries) where the Company has the control; (iii) the partnerships where the Company has significant influence; (iv) the shareholders who control the management of the Company or who have significant influence at the Company and, (v) juridical persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,
- b) Within the last five years, I have not worked as an executive manager who would have important duties and responsibilities or have not been a member of the Board of Directors or been a shareholder (more than 5%) particularly in the companies that provide auditing, rating and consulting services for the Company (including tax audit, legal audit, internal audit), and in the companies that the Company purchase products and services from or sells products and services to within the framework of the agreements signed (during the timeframe of selling/purchasing of the products and services,
- c) I do have the professional training, knowledge, and experience that will help me properly carry out the tasks and duties I shall assume as a result of my independent membership on the Board,
- d) In accordance with the relevant legislation, I am not working/will not be working fulltime in public institutions and organizations (except working as an academician at the university) after being elected as a member,
- e) I am residing in Turkey in accordance with the Income Tax Law dated 31.12.1960 and numbered 193;
- f) I do have the strong ethical standards, professional standing and experience that will help me positively contribute to the activities of the Company and remain neutral in conflicts of interests between the company’s shareholders, and that will help me take decisions freely by taking the rights of the beneficiaries into consideration,
- g) I will spare sufficient time for the business of the Company to an extent that will help me pursue the activities of the Company and fulfill the requirements of my tasks and duties,
- h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,
- i) I have not been registered and announced on behalf of the legal person elected as a member of the Board of Directors,
- j) I have not served/will not serve as an independent member of the board of directors in more than three of the companies under the management control of the Company or the shareholders who control the management of the Company, and in more than five of the companies listed on the stock exchange.

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

Hüseyin Gürer



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

- a) Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and; (i) the Company; (ii) the partnerships (subsidiaries) where the Company has the control; (iii) the partnerships where the Company has significant influence; (iv) the shareholders who control the management of the Company or who have significant influence at the Company and, (v) juridical persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,
- b) Within the last five years, I have not worked as an executive manager who would have important duties and responsibilities or have not been a member of the Board of Directors or been a shareholder (more than 5%) particularly in the companies that provide auditing, rating and consulting services for the Company (including tax audit, legal audit, internal audit), and in the companies that the Company purchase products and services from or sells products and services to within the framework of the agreements signed (during the timeframe of selling/purchasing of the products and services,
- c) I do have the professional training, knowledge, and experience that will help me properly carry out the tasks and duties I shall assume as a result of my independent membership on the Board,
- d) In accordance with the relevant legislation, I am not working/will not be working fulltime in public institutions and organizations (except working as an academician at the university) after being elected as a member,
- e) I am residing in Turkey in accordance with the Income Tax Law dated 31.12.1960 and numbered 193;
- f) I do have the strong ethical standards, professional standing and experience that will help me positively contribute to the activities of the Company and remain neutral in conflicts of interests between the company’s shareholders, and that will help me take decisions freely by taking the rights of the beneficiaries into consideration,
- g) I will spare sufficient time for the business of the Company to an extent that will help me pursue the activities of the Company and fulfill the requirements of my tasks and duties,
- h) I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,
- i) I have not been registered and announced on behalf of the legal person elected as a member of the Board of Directors,
- j) I have not served/will not serve as an independent member of the board of directors in more than three of the companies under the management control of the Company or the shareholders who control the management of the Company, and in more than five of the companies listed on the stock exchange.

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

Lütfiye Yeşim Uçtum

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## Statement of Compliance with Corporate Governance Principles

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Our Company went public on November 13, 2014, and the company shares started being traded on the Istanbul Stock Exchange. In the capacity of a public company, operating with full compliance to Corporate Governance Principles is aimed.

Processes are being executed within the frame of procedures and principles regarding corporate governance principles and related party transactions which will be implemented by associateships determined in II-171 Corporate Governance Communique published in the Official Gazette dated 03.01.2014 and numbered 28871.

From among the obligatory/nonobligatory arrangements within the frame of the Corporate Governance Principles, due diligence has been shown. The Company has adopted the four principles of the corporate governance based on Transparency, Equality, Responsibility and Accountability as a principle.

The Company has been communicating the necessary information to all its investors and analysts in a reliable, consistent and regular way. It has been organizing investor meetings, participating in investor meetings, and trying to reach more investors through press releases and media meetings in order to ensure communication with the same continuously and transparently.

Compulsory essentials such as disclosing the curriculum vitae of Member of Board of Directors candidates, publicizing independent member candidates, determining and publicizing remuneration policy, disclosing the information related to relevant party transactions to the public, and setting up and structuring committees have been followed and implementation of principles has been realized.

Corporate governance principles, application of which are held compulsory by the Capital Market Board, as well as procedures and principles related to the contents of corporate governance compliance reports, publishing the same, and to the independent memberships of Board of Directors shall be obeyed.

Capital Market Board's regulations related to corporate governance shall be obeyed in transactions which are considered important in terms of the application of Corporate Governance and company's transactions with a related party that are of important quality as well as surety, lien and mortgage transactions for third parties.

Transactions made and decisions taken without following the compulsory principles shall be void and deemed against the articles of association. The developments in the legislation and relevant implementations will be taken into consideration and necessary steps will be taken in the coming period as well.

In 2021, in accordance with the legislation, the company provided the investors with all information that is important enough to affect the investment decisions in due time in a transparent, stable and regular manner and simultaneously, regularly updated the Investor Relations website.

Principles with which the Company has reached partial compliance are summarized below together with the reasons behind the lack of full compliance.

*4.4.7. Members of the Board of Directors shall allocate sufficient time for the businesses of the Company. Where a board member holds an executive position, acts as a board member at another company, or provides consulting services for another company, it is essential for such board member to avoid any conflicts of interest and any interruption to his/her tasks at the company. Within this scope, certain rules apply to or restrict the board member's assumption of roles and duties outside the company. Roles a board member assumes outside the company, the grounds for such role, and whether such role is assumed within or outside the group are presented to the information of the shareholders under the agenda item for elections during the general assembly meeting.*

Care is taken that the Board Members allocate sufficient time for Company affairs and avoid conflicts of interest.

However, board members' roles outside the company are not governed or restricted by a written instrument.

*4.5.5. It is important for a board member not to take part in more than one committee.*

It is noted that any member of the Board of Directors will not have a duty in more than one committee; however, due to the limited number of independent Board Members and the duties stipulated in the capital market legislation, members can be assigned to more than one committee.

*4.6.1. The Board of Directors is responsible for the achievement of the Company's operational and financial performance goals as disclosed to the public. Evaluations as to whether the Company has reached publicly-known operational and financial performance goals, and if it has not, the reasons behind it, are provided in the annual report. The Board carries out the performance assessment with necessary self-criticism both at the level of the Board and executives with administrative responsibilities. Board members and executives with administrative responsibilities are either rewarded or released based on such assessment.*

The Board of Directors has made discussions regarding performance assessment and these have not been described in the annual report. Therefore, it is evaluated that this principle has been partially complied to.

Principles which the Company has not complied with are summarized below with the grounds for such non-compliance.

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

Minority rights are determined as per the provisions of the applicable legislation, and there is no specific provision on the expansion of minority rights in the Articles of Association.

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## Corporate Governance Compliance Information Form and Compliance Report

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The relevant form and report can be accessed from the Public Disclosure Platform from the links below:

KYURF: <https://www.kap.org.tr/tr/Bildirim/1004732>

UYRF: <https://www.kap.org.tr/tr/Bildirim/1004739>

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## Sustainability Compliance Report

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We target 100% compliance with the Sustainability Principles Compliance Framework established as per the amendment dated 02.10.2020 to the Capital Markets Board's Corporate Governance Communique and plan to continue efforts towards furthering its compliance with such mandatory principles.

2021 Sustainability Compliance Report, which shows the compliance status of AgeSA with the principles in the Sustainability Principles Compliance Framework published by the Capital Markets Board is available at the following link.

<https://www.kap.org.tr/tr/Bildirim/1004706>

# Disclosure Policy

## 1. Purpose

AgeSA Hayat ve Emeklilik ("Company") management is in transparent and close communication with the shareholders.

The Company's management has adopted as a principle to share equally the results by implementing strategic plans in the scope of Capital Market Legislation terms in full, fair, accurate, timely and in an understandable way, to the public, shareholders, investors and the capital markets specialists (with capital market participants).

Regarding "Public Disclosure;" the Company complies with the Capital Markets Legislation; Turkish Commercial Code legislation and Borsa Istanbul A.Ş. (Istanbul Stock Exchange) (BİST) regulations; and pays utmost attention to practice the principles stipulated in the CMB Corporate Governance Principles.

Information policy covers all company employees and supervisors; establishes the Company's written and oral communication with capital market participants.

Company's Information Policy prepared as per the Capital Markets Board 17<sup>th</sup> "Communique on Disclosure of Material Matters" (series: II 15.1); is available for all stakeholders on the Company website ([www.agesa.com.tr](http://www.agesa.com.tr)) registered in the Trade Registry.

## 2. Powers/Functions and Responsibility

Information policy was approved within the framework of the SPK Corporate Governance Principles and approved by the Board of Directors. Board of Directors is authorized and responsible for informing the public and monitoring, supervision and development of the informational policy.

Executive Vice President of Finance and Investor Relations Department are assigned to monitor and observe all issues on public information.

## 3. Public Disclosure Methods and Tools

Notifications are made through means such as; exception descriptions, financial statements and reports, annual reports, Web pages, presentations, investor meetings and teleconferences, briefing papers, press releases, Trade Registry Gazette. Reserving the provisions of the Capital Markets Legislation and Turkish Commercial Code (TCC), the basic public disclosure methods and tools used by the Company are as follows:

- Special situation statements submitted through Public Disclosure Platform (KAP),
- Periodic financial statements and footnotes, independent auditors' report, statements and annual reports sent to Public Disclosure Platform (KAP),
- Statements and announcements made through Trade Registry Gazette (circular, urges the General Assembly etc.),
- Press releases through written and visual media,
- Statements made via data distribution organizations such as Reuters, Forex etc.,
- Information calls or meetings with capital market participants face to face or through teleconferencing,
- Information through Corporate Internet site ([www.agesa.com.tr](http://www.agesa.com.tr)),
- Statements via communication methods and tools such as phone, mobile phone (WAP and similar technologies), electronic mail, fax, etc.

## 4. Publicly Announcing the Financial Statements

The company's financial statements and footnotes are consolidated on the basis of Turkey accounting standards/ Turkey financial reporting standards (IAS/IFRS). Annual and semiannual financial statements are disclosed after independent control.

Before making financial statements and footnotes public, they are approved by the Board of Directors in consultation with Audit Committee in the scope of Capital Market Legislation.

After accuracy statement signing, financial statement and footnotes and independent auditors' report and attachments are made public after the approval of Board of Directors in accordance with the SPK and BİST regulations by submitting to KAP over Corporate Web Page. Historical financial statements and footnotes are available on Company's website.

## 5. Publicly Announcing the Annual Report

The annual report is prepared in accordance with Capital Market Legislation and SPK (Capital Market Committee) Corporate Governance Principles. The annual report is approved by the Board of Directors and publicly announced together with the financial statements. The annual report is published on the Company website ([www.agesa.com.tr](http://www.agesa.com.tr)).

In addition, the summary annual report is prepared quarterly and announced on the website of the KAP and Company with financial statements. The annual report is also printed to be given to authorities.

## 6. Public Disclosure of Material Matters and Authorized Persons

Company announcements regarding material matters are prepared by the Assistant General Manager of Finance, the Investor Relations Department, and the Company Secretary and signed in an electronic environment, then submitted to KAP and publicly disclosed.

In order to help persons and companies to benefit from private status statements decide, they are prepared timely, accurately, adequately and free from misleading expressions.

If any Company employee determines that a previously undisclosed important and privileged information was inadvertently disclosed, he informs the Investor Relations Department immediately of the situation. In this case, the Executive Vice President of Finance and Investor Relations Department prepare a special situation statement in line with the provisions of the Capital Market Legislation and send to KAP.

Disclosure of material matters is published by the Company on the website (www.agesa.com.tr) in Turkish and English, on the next working day at the latest after the announcement is made. These announcements will be available on the website for five years.

### **7. Persons Authorized to Make Public Announcements**

In addition to the above-mentioned statements, written or oral information requests submitted by Capital Market Participants or by any organization/person are evaluated by the Executive Vice President of Finance, Investor Relations Department, and the Company Secretary. In the assessment based on the content of the request, it is considered if the request is a trade secret and whether they can influence investment decisions and value of capital market instruments in the scope of Capital Markets Board Series II – 15.1 numbered “Special situation communication.” Written or oral information requests are evaluated and replied by the Executive Vice President of Finance and Investor Relations Department.

Press releases to written and visual media and data delivery channels such as Reuters, Forex, etc. can only be made by the Chairman of the Board of Directors, General Manager, Deputy General Manager for Finance, people authorized by the General Manager.

Apart from this, if not specifically assigned, employees of the company cannot answer questions from the capital market participants. Received information requests are sent to by Executive Vice President of Finance, Investor Relations Department, and the Company Secretary.

### **8. Persons Who Have Administrative Responsibilities and List of Persons Who Have Access to Internal Information**

People with executive responsibilities are the people who has direct or indirect access to internal information and make administrative decisions affecting the future development and commercial targets. Therefore, people who do not have the authority to decide on administrative issues are not evaluated in the scope of people with administrative responsibilities and access to internal information.

Persons who have administrative responsibilities and regular access to internal information – besides the Members of the Board of Directors – are the members of the Executive Committee.

The list of people who have access to internal information – to be submitted to CMB and/or BIST as per the 7<sup>th</sup> Article of the Capital Markets Board “Communique on Material Matters” (II – 15.1) – are kept in printed format by the Assistant General Manager of Finance and the Investor Relations Department. Everybody included in the list is informed about the protection of internal information and compliance to confidentiality rules during their duties. Being kept in the Company, this list has also been forwarded to the Central Registry Agency. In case of changes in these individuals, the statement is updated.

### **9. Communication with Capital Markets Participants**

The Company does not make guidance concerning expectations in respect of interim and annual activity results. Instead, it prefers to transfer to capital market participants, critical issues affecting activity results, strategical approaches and important issues to better understand the industry and activity environment. Unless otherwise stated in the information policy, the communication with capital market participants can be held by those who are authorized to make a public announcement.

### **10. False News in the Market**

The Company, as a principle, does not make any opinion concerning market rumors and speculations. The news and rumors about the Company, taking place in media organs and web sites, are followed by the marketing department and informed to Financial Deputy General Manager, Investor Relations Department, and the Company Secretary. Financial Deputy General Manager and Investor Relations Department, assess whether this news and information have an effect on capital instruments.

The Assistant General Manager of Finance and the Investor Relations Department decide whether to make a material matter announcement or not within the framework of the 9<sup>th</sup> Article of the Capital Markets Board Communique on Material Matters (II – 15.1).

On the other hand, an announcement will be made about market rumors and speculations within the framework of the provisions of the Capital Markets Legislation if a verification request comes from CMB and/or BIST or if the management decides that it is necessary and more suitable to give an answer.

### **11. General Assembly Meetings**

The Company ensures the holding of General Assembly meetings in accordance with the regulations and Company’s Articles of Association. The Company, ensures all questions asked by shareholders in the General Assembly meeting and not included in the scope of a trade secret to be replied directly in the General Assembly meeting. All questions that are not answered during the General Assembly meeting and not included in the scope of a trade secret to be replied pursuant to this information policy and applicable regulations.

### 12. Postponing Public Disclosure of Internal Information

Those who take place in the list of people who have access to company internal information, are informed about their liabilities concerning keeping confidential, not using to make interest for themselves and third parties or disclosing to third parties in an unauthorized way, the publicly undisclosed internal information that they may have during the performance of their duties and carrying out business and operations on behalf of the Company.

The Company may defer the information of internal information within the frame of Article 6 of Series II-15.1 "Communique on Material Matters" of Capital Market Board, to ensure that legitimate interest are not harmed and investors are not misguided; in these circumstances, the Company informs related persons about the deferment and takes measures to maintain confidentiality. Upon the call of the Company's General Manager, the majority of the committee consisting of the General Manager, Assistant General Manager - CFO, Hacı Ömer Sabancı Holding A.Ş. Financial Affairs and Investor Relations Director, and the Company Secretary decide upon the postponement process by majority vote. In this decision, it is approved in writing that the postponed information does not affect the protection of the legitimate interests of the partnership and does not constitute a risk for misleading investors, and what type of measures will be taken to protect the confidentiality of this information.

Once the reasons for the deferment of public disclosure of internal information are disappeared, public disclosure is made in accordance with the legislation. In the disclosed to be made, the deferment decision is stated.

### 13. Meetings With Investors and Analysts

Deputy General Directorate of Finance is responsible for carrying out the relations with both current and potential shareholders in the Company in an organized way, responding the investor questions in the most efficient way and carrying out works aimed at increasing the company value.

Deputy General Directorate of Finance uses various instruments such as roadshow, teleconference, e-mail, fax, analyst presentations, and information/announcement for direct information to increase the recognition and preferability of the Company, to feature advantageous sides in comparison with equivalent organizations and to increase the preferability of the Company for the organizations that invest in developing markets. All meeting requests from shareholders are accepted and the highest possible level of meeting is provided.

The Company considers the analyst reports as the property of the firm issuing the report, and thus the Company does not publish them on its website ([www.agesa.com.tr](http://www.agesa.com.tr)). The Company does not review, confirm, approve, look after and issue analyst reports and revenue models. On the other hand, in the case of specific and limited situations and upon request, in order to prevent the misinformation of the public, the analyst reports can be reviewed unless only historical information open to the general public are used and it is limited by a specific subject.

### 14. Public Disclosure of Future Assessments

In accordance with the information policy, The Company may provide information on its prudential expectations to the public from time to time. Prudential assessments can be disclosed upon the resolution of board of directors or the written approval of the person authorized by board of directors. In a year, at most four disclosures can be made. It may be disclosed in KAP in the format of a special situation declaration or presentation. If there is a material change, the limit may be exceeded. Related persons are informed about the fact that the prudential assessments shared with the public are made according to certain assumptions and they may differ from actual results. If there are changes in the prudential assessments or it is noticed that the assessment will not materialize; public information is promptly made with the same instruments.

### 15. Silent Period

In order to prevent unauthorized information related to asymmetrical information distribution, Company refrains from discussing financial results and other related issues with capital market participants, in certain periods of the calendar year. This period is called the "silent period." For the Company, the silent period starts with the day following the end of six-month and annual accounting period, with interim periods of three months and ends with the business day following the public information of financial table and footnotes. During the silent period;

- The Company's financial situation will not be discussed with the Capital Markets participants in one-on-one or group meetings, except publicly shared information.

- Unless deemed necessary and ensuring that the provisions of Capital Market Legislation are kept confidential, opinion will not be provided concerning the Company's activities and financial situation.
- Except for publicly disclosed information about financial results, the questions addressed in a one-to-one way or by little groups will not be answered; explanations will not be made to this kind of groups. In such a case, explanations will be given on the website ([www.agesa.com.tr](http://www.agesa.com.tr)).

Besides, during the silent period, any transaction made in the capital market tools by the people having internal information or the spouses, children of those people, or people having the same address with them shall be prohibited.

#### **16. Market Abuse**

Company Board of Directors, in the frame of applicable provisions of Series VI 104.1 Statement of Capital Market Board, takes and applies necessary measures to prevent Market Abusing Actions by those who take place in the internal information list, such as the use of undisclosed and confidential and/or commercial secret information in respect of the Company in a way to gain profit for themselves or others, providing false and misleading information or disseminating the news about the Company.

#### **17. Company's website ([www.agesa.com.tr](http://www.agesa.com.tr))**

For public disclosure, the Company website at the address <http://www.agesa.com.tr> is actively used as stipulated in CMB Corporate Governance Principles. The information in the Company's website does not replace the notification and material information required to be made pursuant to the provisions of Capital Market Legislation. All public announcements made by the Company are accessible on the

website. The website is accordingly configured and departmentalized. All measures are taken concerning the security of the website. The website is organized in Turkish, in the content and form contemplated by CMB Corporate Governance Principles. SSD, Financial Reports, Annual Report and certain information are provided in English. The announcement concerning specifically held general assembly meetings, information document in respect of agenda topics, other information, document and reports related to agenda topics and information about general assembly participation methods are provided on the website, in an attention-grabbing way. The endeavors to develop the website are continuously maintained.

Important titles that can be monitored on the website are summarized in the following:

- Detailed information regarding corporate identity
- Vision and main strategies
- Information about Members of Board of Directors and senior management
- Company's organization and shareholders' structure
- Capital Market Board's Particular Situation Explanations
- Articles of Association of the Company
- Trade registry information
- Financial Information
- Press releases
- Explanations about General Assembly date, agenda, and agenda subjects
- Minutes and attendance sheet of General Assembly meeting
- Power of Attorney example
- Corporate Governance applications and compliance report
- Profit distribution policy, chronology and capital increases,
- Information Policy
- Remuneration Policy
- Frequently Asked Questions chapter

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## Beneficiaries Policy

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### Beneficiaries

Our beneficiaries are determined as our shareholders, employees, customers, suppliers, creditors, the public authorities, sectoral and non-governmental organizations and potential saving owners who might be considering investing in our Company.

### Informing Beneficiaries and Participation to Management

Beneficiaries are informed about the developments related to the Company by the public disclosures made in the public disclosure platform in accordance with the relevant legislation. In addition, information is shared with the public via press conferences and statements made through media channels. Furthermore, by the provision of detailed information in General Assembly meetings and the Company's website; as well as drafting comprehensive activity reports and organization of press conferences, it is ensured that not only the shareholders but all of the beneficiaries are informed.

"Information Policy" drafted within the scope of the Circular on Corporate Governance Principles of Insurance, Reassurance and Pension Companies issued by Undersecretariat of Treasury, which predicates transparency as per public disclosure principles of the Regulation on Principles regarding Establishment and Activities of Pension Investment Funds came into force upon approval of the Company's Board of Directors. With this policy, it is provided that beneficiaries are informed in time, at correct and equal conditions and completely.

In addition, Company's employees are informed through meetings, seminars, trainings and e-mails, on their area of expertise and general matters of relevance to them.

Through etik@sabanci.com found in the Intranet of the Company, the employees have the ability to report transactions violating the legislation or ethical principles of the Company, to the Audit Department Directorate to be referred to the Audit Committee and Directorate of Ethics.

The Company endeavors to inform its shareholders, employees, customers, suppliers and creditors in writing with respect to matters concerning them with clear and plain language. Where required, AgeSA ensures that arrangements are duly formalized in writing. In case it is noticed that the rights of the beneficiaries under the relevant legislation and agreements are violated; it is ensured that the rights are re-established in an urgent and efficient manner. In case the rights of the beneficiaries are not regulated under any legislation, the rights of the beneficiaries are protected in accordance with rules of good faith.

### Human Resources Policy

The Company performs activities with the mission to be a strategic partner that supports the change and constant development, guides the whole organization and creates a fair and transparent work place. All of our employees are individual value and talent. Human resources policy has a structure that employs each employee as an individual talent, provides horizontal or vertical career opportunities not only to superiorly successful employees but to all successful employees and supports the development of any employee having the potential to develop.

The recruitment decision is made as a result of the evaluation of applicants' qualifications related to such position, their technical and professional knowledge levels and also their compliance with the competence stipulated in the job definition. As a principle, religion, race, gender, age, marital status, nationality, sexual preferences are not factors that affect recruitment decisions.



## Internal Audit Activities

The internal audit system of AgeSA Life and Pension was structured in accordance with the Communiqué on the Internal Systems of Insurance and Private Pension Sectors issued in the Official Gazette dated November 25, 2021, and numbered 31670. Pursuant to the Board of Directors resolution dated October 31, 2007, and numbered 2007/31, and in accordance with applicable laws, rules, regulations and practices, an Audit Committee was set up to help protect the interests of the Company's stakeholders. As stipulated by the Board of Directors resolution dated October 17, 2014, and numbered 2014/62, the aforementioned Committee was restructured and replaced by the current Audit Committee to ensure compliance with Capital Markets Board Corporate Governance Principles. The Audit Committee consists of two members, namely Hüseyin Gürer and Yeşim Uçtum, both Independent Members of the Board of Directors. According to the organizational chart, the Internal Audit Department reports directly to the Board of Directors and operates independently. AgeSA's audit methodology is risk-based and in compliance with International Internal Audit Standards; furthermore, it is connected with COSO (Committee of Sponsoring Organizations of the Treadway Commission) and ERM (Enterprise Risk Management), and in compliance with their provisions. The Company aims to manage the internal control system within the maximum risk limits which determine risk factors which may prevent reaching strategic and operational goals. The Risk Management and Internal Audit Departments are responsible for ensuring operational productivity and efficiency, issuing financial and managerial results in a timely, accurate and reliable manner, overseeing

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

Within the scope of the internal audit plan for 2021, 15 audits were completed in the fields of process audits, mandatory regulatory audits, information technologies and cyber security, and the relevant reports were shared with the executive committee, the Audit Committee and the Board of Directors.

The findings of the audits and actions agreed upon together with AgeSA's executive committee were presented to the Board of Directors at the meetings, and the Board of Directors approved these findings and actions. The Internal Audit team consists of 1 Chairman, 2 Managers, 1 Audit Data Analyst and 4 Senior Auditors, who have the qualifications defined in the Regulation on Internal Systems of Insurance, Reinsurance and Pension Companies. The internal audit personnel was provided with the necessary training courses that contribute to their professional development and enhance their knowledge. The Internal Audit Department staff members have no responsibility, authority or influence on the audited operations of the Company, and their full independence is ensured.

## Information on Risk Management and Internal Control Activities

### Risk Management

Risk management is the Company's main means of avoiding undesirable outcomes in the pursuit of its targets. It ensures that the business decisions are taken in a risk-based approach and the resources are used efficiently, so that the expectations of the entire Company and its business partners, including customers and shareholders, are met at the highest level. For this purpose, a risk management system in which risk strategies and risk appetites are clearly defined and adhered to is implemented throughout the Company.

The risks faced by the Company are identified and assessed by the upper management under the AgeSA risk management framework. In this assessment, the probability of these risks and their possible effects are taken into consideration.

The Risk Management Department's functions are to identify, measure and monitor the risks to which the Company is exposed, to ensure that actions are taken to keep the risks within the limits determined as per the risk appetite and report such actions.

Within the scope of risk management, the necessary analyzes, actuarial calculations, scenarios and stress tests are performed by the relevant functions and reported to the Board of Directors, and they guide and determine the decisions of the executive committee.

All employees of the company play a role in the risk management process. In order to ensure that the risk management framework is included in the daily management and decision-making processes of the Company, the roles and duties that clearly reveal the risk management responsibilities of the employees have been identified. In these processes, the Board of Directors and executive committee have effective and demonstrable sponsorship and support.

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

LINE OF DEFENSE	RESPONSIBLE	AUTHORITIES AND DUTIES
1 <sup>st</sup> Line of Defense	Company Management	Identifying, assessing, managing and reporting risks in an effective and risk-oriented manner, and ensuring compliance with company policies. Establishing and maintaining an effective internal control system
2 <sup>nd</sup> Line of Defense	Risk Management and Internal Control Department	Supporting the Company management in identifying, assessing, managing and reporting risks, overseeing compliance with Company policies and correcting any noncompliance; in short, assisting in the functioning of AgeSA's Risk Management Model. Providing an acceptable assurance that the Company assets are protected, its activities are carried out effectively, efficiently and in compliance with laws and other relevant legislation, in-house policies and rules of the Company, insurance business customs, the accounting and financial reporting systems are functioning reliably their integrity, and timely irretrievability of the information.
3 <sup>rd</sup> Line of Defense	Internal Audit	Assuring the Board of Directors about the effectiveness of the Company's risk management and internal control mechanism from an impartial and independent viewpoint

### Risk Management Framework

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

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

The tools required for determining, measuring, managing, monitoring, and reporting of risks vary according to the type of the risk. For this reason, within the risk management framework,

there are seven policies for each type of risk AgeSA faces, including the Risk Management Framework Policy: Life insurance and private pension, credit, market, liquidity, attitude and operational risk policies.

AgeSA is also exposed to business risk in relation to its operations in the life insurance and private pension sector. Likewise, the Company also faces financial risks related to its operations, such as loan, market, and liquidity risks. Operational risks, on the other hand, are related to the management of all risks, as they occur as a result of errors in humans, processes and technology. Strategic and business risks are not considered separate categories. These risks are associated with changes in strategic planning, sector, competitive environment and technological changes. The management of risks which may arise due to sustainability risks are considered under strategic and business risks.

AgeSA is aware of the importance of effective and controlled business processes in the risk management process. Therefore, risk policies are supported with business standards in order to provide assurance for control environments in relevant business processes. The great part of the business standards are the responsibility of the first line of defense. There is one person in charge of each standard at the Company and compliance with standards is reviewed at least once a year. In order to provide that the activities of the Company are effectively and productively carried out in compliance with laws and other related legislation, the internal policies and insurance customs, implementing methods regarding internal control were also determined.

### Information on Risk Management Policies by Risk Type

#### Risk Management Framework Policy:

The said policy is fundamentally important for supporting and improving the Company's corporate management structure. The basic objectives of this policy are determining the basic principles and standards of the risk management systems and processes, implementing such systems and processes, and complying with the determined risk limits.

The Company's risk management framework policy defined the risk management roles and responsibilities of the Board of Directors and the Early Detection of Risk Committee under the Board of Directors, Investment Committee under the Board of Directors, the CEO, and the committees (Assets-Liabilities Committee and Operational Risk and Reputation Committee). The said policy also explains the role of each level in the triple line of defense model and the functioning of the delegation of authority in AgeSA. Policies are approved by the Board of Directors, and changes to be made must also be approved by the Board of Directors.

The policies are approved by the Board of Directors and the approval of the Board of Directors is required for any changes to be made.

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

#### Life Insurance and Pension Branch Risk Policy:

Life Insurance and pension branch risk refer to the risk that may arise from failure to apply the insurance technique correctly and effectively during the coverage process for the insurance branch. In the private pension branch, on the other hand, it includes the risk of loss that may arise as a result of the cash flows obtained in the long term not meeting the costs.

In the management of insurance, it is essential to create a risk profile for the Company's risk appetite in the portfolio. For this purpose, the portfolio of insured customers is effectively monitored. Whether the Company stays within the determined risk limits or not is regularly monitored.

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

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

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

The Assets-Liabilities Committee is responsible for creating, monitoring and reporting the policies, risk appetite and limits related to the credit risk.

**Liquidity Risk Policy:** The liquidity risk means the risk arising from failure to meet the Company's liabilities at maturity and cost-effectively. The purpose of this policy is to create a Company-wide framework for the management of the liquidity risk. The target of the liquidity risk management is to optimize AgeSA's long-term risk-based rate of return while keeping the liquidity risk within the risk appetite parameters. Before taking any strategic decisions like launching new products, investments in new types of assets, the impact of such issues on the Company's liquidity risk profile.

The risk appetite limits are determined with the Liquidity Coverage Ratio (LCR) defined in the Risk Management Framework Policy. Any change to be made in the LCR limits is approved by the Board of Directors upon the suggestion of the AgeSA Assets-Liabilities Committee.

Identifying risks in the sector where our Company carries out activities requires constantly monitoring the sectoral environment, and making investments according to trends and fluctuations. This means evaluating the current liquidity profile of the assets and liabilities only by taking past experience into account will be insufficient. In analyzing the liquidity risks faced, social, political, legal, legislative, geographical and environmental changes besides the financial market conditions are also taken into consideration; meanwhile, this analysis is supported with a process of determining new risks.

The company's investment strategy has been established considering the liquidity conditions of the Company and the band widths (lower and upper limits) movable during the management of assets for investment and asset management and especially taking into account the potential liquidity profile of the liabilities. The liquidity risk management contains an approved limit structure and a series of triggering arrangements which

## Information on Risk Management and Internal Control Activities

provide that management is informed about potential problems. The Assets-Liabilities Committee is responsible for creating, monitoring and reporting the policies, risk appetite and limits related to the liquidity risk.

**Market Risk Policy:** The market risk arises from the structure and attributes of both the asset investments made to obtain the returns required to fulfill the liabilities to the insurees and the liabilities in relation to the insuree behaviors. The objective of market risk management is to keep the Company's market risk within the risk appetite parameters, thus maximizing AgeSA's long-term risk-adjusted rate of return.

As part of investment management activities, the asset investment policy, liquidity and credit risk management framework and relevant control processes were established. The Assets-Liabilities Committee is responsible for creating, monitoring and reporting the policies, risk appetite and limits related to the market risk. Market risk components our Company faces, like the interest risk and currency risk, are periodically measured and reported via stress and scenario tests.

**Attitude Risk Policy:** Attitude Risk is the risk which may occur in case AgeSA cannot provide its customers with the best services; risks that may threaten the integrity of financial markets as a consequence of unfair competition or similar inappropriate commercial attitude.

Considering AgeSA's aim to become a customer-oriented company, the Board of Directors places special emphasis on the management of attitude risk in all operations. Although attitude risk is a subcategory of operational risk, the Board of Directors established the Attitude Risk Policy to consolidate all elements of the risk management framework related to attitude risk.

**Operational Risk Policy:** Operational risk is the loss that may arise due to uncontrolled business processes, human or system errors or external factors. It is essential to evaluate the probability of the operational risks and the level of impact they will create, and take the necessary measures accordingly. In the first line of defense, it is aimed to manage operational risk by effective follow-up and monitoring of the processes. For this purpose, the Operational Risk Control Management (ORCM) framework is applied within the Company. Efficiency and adequacy of controls and implementation of action plans are primarily the responsibility of the first line of defense and are monitored and reported by the Risk and Internal Control Management. AgeSA's target is to keep the operational risk at the lowest level that is commercially reasonable. Through operational risk management, AgeSA aims to achieve the following:

- Reducing financial loss caused by errors in operational risk management,
- Improving customer experience and maintaining customer confidence,
- Improving employee satisfaction,
- Protecting and improving AgeSA's reputation,
- Building positive relationships with regulatory bodies in the sector.

### Risk and Internal Control Directorate

The Risk and Internal Control Department management activities are carried out as per the "Communiqué on the Internal Systems of Insurance and Private Pension Sectors."

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

- Ensuring compliance with legal obligations and the Company's Risk Management Policies,
- Establishment and effective operation of a control framework in order to identify all structural risks exposed and to ensure that risks are managed within specified tolerance limits,
- Designing and implementing actions to take risks within tolerance limits and reporting these risks transparently.

Compliance activities are carried out under the supervision of the Risk and Internal Control Group Management. The Risk and Internal Control Directorate heads the Legal Regulations Committee, thus monitoring and guiding the Company's legislation-related activities. The Committee composed of the representatives from the relevant functions of the Company reports to the AgeSA Executive Council.

The Operational Risk and Reputation Committee, composed of the AgeSA Executive Council members, monitors the operational risk events to ensure that effective actions against the circumstances beyond risk appetite and tolerance are taken on time.

The reports which include the Company's risk monitoring and internal control activities are submitted to the Board of Directors Early Detection of Risk Committee and Audit Committee regularly.

## Internal Control and Risk Management Group Directorate

The internal control activities are among the basic responsibilities of the Company functions. The functions constituting the first line of defense are responsible for determining the internal control points to ensure that the Company assets related to their own processes are protected, its activities are carried out effectively, efficiently and in compliance with laws and the other relevant legislations, in-house policies and rules.

The Internal Control and Risk Management Group Management functioning under the Risk and Internal Control Directorate targets to make contributions under the following categories through its operations:

- Implementation of the risk management framework and risk management policies determined by the Board of Directors,
- Establishing a robust and reliable control framework by creating strong and effective internal control awareness,
- Supporting business units in the design of the controls used in processes carried out by these units, evaluating the adequacy, effectiveness and compliance of said processes and controls together with these units, and controlling whether internal control functions determined in the related regulation have been fulfilled,
- Defining the control framework for managing operational risks within specified tolerance limits,
- Evaluation of unfair gains and misconduct possibilities of sales and agency staff with the system established to monitor sales quality,

The primary scope of the activities of the Internal Control and Risk Management Department is the oversight of the functioning of the Company's risk management and control framework, ensuring its effectiveness and reporting to the executive committee.

Regular fulfillment of internal control activities and taking actions to ensure that risks are within tolerance limits are carried out by the relevant functions in the first line of defense.

Risk framework documents for both AgeSA risk appetite and financial risk management were prepared and approved by the relevant committees and the Board of Directors at the beginning of the year. Operational critical risk indicators (CRI) were identified according to the relevant financial risk policies. Performance is monitored according to the threshold values identified in the regular Asset Liability Committee (ALCO) meetings.

Operational Risks are managed under the supervision of ORC and EDOR committees. The risk appetite framework, which includes indicator and threshold values for Operational Risk Management, has been updated at the beginning of the year.

Legislative controls were carried out in line with the annual plan and, together with their results, findings and actions of second level monitoring activities were followed up and published in the Company's Internal Control Report, quarterly. Opinions have been given for the works organized to make improvements in the Company's existing business processes and/or to establish new processes. Evaluations were made on the control points in the designed work flows, and control points were included in the process flows.

The activities on extending the Operational Risk and Control Management Framework (ORCM) methodology and increasing its quality, which is applied for the management of operational risks and controls, have been continued. With the spread of the ORCM governance structure in practice, roles and responsibilities have been adopted. With the internalization of operational risk management in the first line of defense, operational risk management business processes have been included in the decision-making mechanism. To prevent the recurrence of the loss incidents, root cause analysis was performed and actions were determined with a risk and control perspective. Support was provided to the business units in the first line of defense in order to prepare the necessary actions to take operational risks that are out of tolerance within tolerance limits.

Monitoring activities regarding sales quality continued, quarterly sales quality evaluation reports on a sales channel basis were prepared and shared with the channel managements. The necessary actions were taken according to the incompatibilities and improvement suggestions determined as a result of the controls and examinations to reduce the losses that may be encountered.

As the second line of defense, the determinations made as a result of the supervision of the company's risk management and internal control activities are included in the relevant management reports (CRO report, etc.), and presented in the Operational Risk Committee and the Early Detection of Risk Committee (EDOR).

## Information on Risk Management and Internal Control Activities

In 2021, policies, processes and methodologies were reviewed and updated according to needs within the Company's risk management framework due to the change in the Company partnership structure. Selections and tender processes were carried out for the corporate risk management and reporting platform of the Company and project activities regarding the adaptation of the selected application were started in September, 2021. On the application, risks and controls will be paired with processes, assets and legislation. Thus, the Company's risk and internal control management can be managed and reported in integration with legislation compliance and internal audit activities. In the project, which is aimed to go live in the first quarter of 2022, business unit representatives work together with second and third line functions.

Controls included in the internal control of the Company were reviewed and their efficiency and adequacy were assessed. By developing skills within the team for the use of analytical modeling methods, system and legislation control modelling was made and relevant processes have been controlled.

### **Legislation Compliance and Financial Crimes Group Directorate**

Legislation Compliance and Financial Crimes Group Directorate ensures that the Company's operations are carried out by observing compliance with the regulations on insurance and pension activities as well as with national and international regulations and standards regarding financial crime risks.

The Legislation Compliance and Financial Crimes Group Directorate is in the second line of defense in the Company and is responsible for overseeing the compliance of the transactions carried out by the first line of defense. It is also represented in the Legislation Compliance Committee, which is formed with the participation of the managers of the Company's operations and internal system units, in order to monitor the compliance of the Company with the legislation in a complete, timely and sustainable manner. Reporting is made to the Operational Risk Committee and the Early Detection of Risk Committee regarding the monitoring of current legislation and compliance with legislation activities.

The Company is represented by the Financial Crimes Management through the Compliance Officer in the MASAK committee within the body of TSB regarding the changes within the scope of MASAK legislation and draft regulations. Besides, the Committee established for the legislation activities regarding the internal system at TSB is chaired at the Group Manager level.

Within the legislation regarding Enrollment Insurance put into force as of June 2021, compliance with legislation activities were monitored by the relevant department.

As of September, 2021, activities for transferring activities and processes, to the platform, related to legislation compliance within the scope of Corporate Risk Governance and Reporting Platform carried out under the Internal Control and Risk Management coordination have started.

Regarding the compliance of bancassurance activities with the legislation, the Legislation Compliance and Financial Crimes Group Management actively takes part in the Company and in the committees established between the Company and the Bank.

### **Information Technologies and Information Security Risks Management**

Information Technologies and Information Security Risks and Business Continuity management function has been positioned as a structure that directly reports to the Risk and Internal Control Director and continues its activities within this framework.

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

The main risk areas within the scope of Information Technologies are summarized below:

- IT Management and Strategy Risk
- IT Architecture Risk
- Business Continuity Risk
- Supplier Management Risk
- Service Management and Resilience Risks
- Change Management Risk
- Development and Adaptation Risk
- Malicious Service Interruptions
- Hackers and Cyber Criminals
- Malicious Internal Resources

Information Technologies and Information Security risks are handled within business risks management and managed in accordance with the control framework defined in internationally accepted Information Technology Standards.

### **Business Continuity**

Business continuity and in connection with this, Incident and Crisis Management processes are carried out in the Company in line with the following principles:

AgeSA aims to continue its activities related to the critical products and services it offers in order to provide the highest possible value to its customers and all stakeholders, to detect risks that threaten the continuity of business processes and operations early for the continuity of its products and services that provide value to its customers and stakeholders, and to develop countermeasures. Human life and health are the top priority in business continuity efforts.

Purpose of AgeSA in business continuity activities is to protect the reputable and reliable company image that the customers can receive service within the time required by the legislation and at the time needed by the customers by reviving its critical activities in the shortest time targeted following any interruption or emergency situation.

In order to realize the above-mentioned principles, business continuity efforts are carried out within AgeSA in line with the following policy items:

- The efforts made to ensure business continuity are carried out on the basis of ISO 22301, which is an international standard, and a structure that is constantly improving is targeted by systematically addressing it as a "Business Continuity Management System."
- The appropriate scope of business continuity is determined in order to ensure the fulfillment of legal obligations arising from contracts and the relevant legislation and to meet the expectations of all stakeholders.
- According to the results of business impact analysis and risk assessment activities, Business Continuity Strategies are developed and the necessary resources for the implementation of the strategies are evaluated and allocated by the management.
- Business continuity plans are created in order to protect business processes and valuable assets and to maintain the ability to do business after business continuity events, and the up-to-datedness and effectiveness of the plans are ensured through tests and exercises.

- In order to ensure that business continuity activities are in line with business goals and become an integral part of the corporate culture, training and awareness activities are carried out for all employees.
- Business continuity targets and performance criteria are determined in line with this policy and the purpose of the organization, and opportunities for improvement are evaluated by measuring their compliance at regular intervals.
- Audit and control activities, management reviews and corrective actions required for the continuous improvement of the business continuity management structure, and the necessary actions to identify risks and opportunities are provided by the management and the teams that the management assigns the responsibility for business continuity.

The main activities carried out within the framework of these principles are summarized below:

- Identifying the processes with up-to-date organizational information,
- Completing the business impact analyzes of the processes,
- Establishing the correct relationship between the processes and the company's activities,
- Determining the RTO and MBCO values of the processes,
- Identifying and recording recovery strategies and processes evaluated in high and medium criticality,
- Recording supplier and third party analyzes as part of the ISO 22301 standards,
- Creating input for the processes of reviewing and testing the Disaster Recovery Center scope managed by Information Technologies, based on the business impact analysis results,
- Transferring information to participating teams in order to keep business continuity awareness at the highest level during all these activities.

## Remarks on Special Audits and Statutory Audits in 2021

### REGULATORY COMPLIANCE AND SUPERVISION EFFORTS

#### Legislation Compliance and Control

In 2021, regulations regarding the products and services offered to customers were closely monitored, and especially during the pandemic period throughout the world, requests of the customers were carried out easily and quickly, mainly through secure electronic communication tools as permitted by the legislation. Within this scope, digitalization has been put forward in our Company's activities and project plans created. Accordingly a Message Transformation Project has been initiated.

During this period, the Company's opinion on draft legislative changes and adaptation of the current process to this process more easily was shared with the Insurance Association of Turkey (TSB) on behalf of the relevant public authorities and the sector. The Company was represented in the committees within the body of TSB and actively contributed to legislative development efforts to increase the efficiency of the system.

The projects carried out to fully comply with the legislative amendments and regulations made in the private pension system and life insurances segments was one of the main areas of focus in 2021. Improvements were made for the enrolment of participants under the age of 18 to the private pension system; the details of BEFAS (Private Pension Fund Trading Platform) were determined; and, on 01.07.2021, a pilot application was initiated for the central electronic platform where pension mutual fund shares are to be traded. Aiming January 2022, legislative projects regarding BEFAS were carried out meticulously for fund selections, which will be offered in all our plans.

In 2021, rigorous efforts were carried out for control and process compliance regarding insurance, private pension, automatic enrollment and state subsidies procedures and transactions. Also in this period, a remote state subsidy audit was carried out for the first time by the Insurance and Private Pension Regulation and Supervision Agency (SEDDK).

Within the GEV simplification and synchronization project, the 1<sup>st</sup> Phase of the Exchange-Hes project has been completed as of June 1, 2021. With this project, 79% of data savings has been achieved.

In the Life & PAI Common Data Model data maturity activities, our Company performed works with SBM as pilot company. With activities performed within this scope, data sending processes were simplified and, as of September 4, data sending has been made with a rapider, reliable and simple structure.

Upon the developments in the insurance and pension sector during the last years, requests for rehandling the legislation infrastructure for enrolment based insurance increased and SEDDK implemented legislation arrangements for enrolment based insurance and private pensions.

AgeSA Hayat ve Emeklilik A.Ş., which is a conventional company, implements the Turkey Model. Since the company does not engage in enrollment insurance, there are no transactions for reinsurance, co-insurance, and retrocession within the framework of enrolment insurance. In order to provide that its activities are in compliance to enrolment principles, the Company receives outsourced advisory committee service from İslami Finans Danışmanlık Ticaret Limited Şirketi (İSFA). The advisory committee has completed all the licensing documents of the company's enrolment-based pension funds and related enrolment-based automatic pension plans.

- A new period has started in the enrollment insurance sector with the publishing of the **"Regulation on Insurance and Private Pension Activities within the Framework of Enrollment Principles" published in the Official Gazette dated 19.12.2020.**
- **With the "Circular on the Enrollment Insurance and Private Pension Activities (2021/3)" dated 01.04.2021** details have been clarified.
- **On 26.10.2021, "Sector Announcement on the Definition of the Turkey Model within the Framework of Enrollment Based Insurance Activities (2021/6)"** was published. Here it has been specifically stated that the minimum implementation framework of the Turkey model is an insurance practice, where religiously legitimate issues and risks are secured under the supervision of an advisory committee, and financial assets are managed within the framework of enrollment principles.

- **The "Sector Announcement on Early Termination Deductions to be Applied in Life Insurances" dated 29.03.2021** was published. Here an arrangement was made where, within the scope of said regulation article, the early termination deductions to be applied to life insurances shall be subject to deduction rates valid at the time of termination.
- **Within the scope of "Regulation on Amendment in the Regulation on Private Pension System" dated 06.05.2021,** the scope of electronic communication tools has been expanded according to current needs, the number for fund distribution changes has been increased from 6 to 12, and BEFAS entered our life, where pension investment funds can be traded on a central platform.
- **The "Law on Amending the Laws and a Decree on Insurance and Some Other Fields" dated 25.05.2021** was published. Here, as a result of an amendment in the said, law persons who do not have the juridical capacity are also allowed to enroll in the private pension system. There are updates such as granting extension for transfers of foundation funds until 31.12.2023.
- **The "Regulation on Activities to be Considered under Insurance and Remotely Signed Insurance Contracts" dated 16.06.2021** was published and procedures and principles have been regulated in relation to determining the limits of activities not under the scope of insurance, insurance contracts in favor of the consumer, insurance contracts without parties coming face to face, and insurances offered together with goods and services sales.
- **The "Circular on the Amendment of the Circular No 2016/39 on Private Pension System" dated 23.06.2021** was published and the details of BEFAS (Private Pension Fund Trading Platform) were determined; on 01.07.2021, a pilot application was initiated for the central electronic platform where pension mutual fund shares are to be traded, and in January 2022, rules were determined to ensure that all plans and relevant funds were offered from the platform.



- **The “Sector Announcement on the Enrolment of Persons who do not have the Juridical Capacity in the Private Pension System” dated 23.06.2021** was published, and it has been stated that the inclusion of persons who do not have the juridical capacity into the private pension system, using the rights regarding the system, performing responsibilities and representing said persons were to be realized within the framework of the provisions of the Turkish Civil Law No 4721.
- **The “Regulation on Amendment in the Annual Income Insurance Regulation” dated 15.07.2021** was published. Here, the coverage of electronic communication tools was extended in accordance with current needs, permanent data logger terms were added, articles for implementing tariffs and if any dividend technical rules regarding annual income insurance being dependent on the approval of the Organization until 1/1/2025 have been added.
- **The “Sector Announcement on Death Level Tables in Life Group Insurances” dated 18.08.2021** was published and the decision on not using death level tables for the period before 2000 has been published.
- **The “Circular on Activities to be Considered under Insurance and Remotely Signed Insurance Contracts” dated 31.08.2021** was published and procedures and principles have been arranged in relation to insurance contracts without parties coming face to face, and insurances offered together with goods and services sales.
- **The “Circular on Integrated Private Pension Plans (2021/17)” dated 28.09.2021** has been published and arrangements were made to determine the procedures and principles regarding the preparation and sale of pension plans which can be offered as an integrated

insurance package together with private pension products offered by pension companies together with products in the life and health insurance segments.

- **The “Regulation on the Amendment of the Regulation on Technical Provisions and Assets These Provisions are to be Invested” dated 10.11.2021** has been published and arrangements were made in said Regulation regarding provision for outstanding claims, mathematical provisions, equalization reserve, actuarial unit, assets meeting technical provisions, limitations on assets meeting technical provisions, fixed sum insurance damage files.

#### **Notifications about Statutory Audits in 2021**

In 2021, PPS State Subsidy Procedures and Transactions Audit was carried out.

#### **Personal Data Protection**

AgeSA always prioritizes the issues of protection of personal data, privacy and confidentiality of personal data, while determining the priority of internal and external customers (“customers”), constantly reviewing and improving insurance processes, and improving digital channels with innovative products and services.

While business and transactions are further digitalized each day, ensuring the personal data security of persons and data security in the Company are deemed very important within the scope of technical measures against potential cyber-attacks and, within this scope, projects are carried out and necessary measures are taken.

While providing the best experience and satisfaction to its customers, it attaches great importance to their fundamental rights and freedoms. It continues its efforts to ensure that all personal and/or private personal data related to real persons in relation with AgeSA, including people who benefit from products and services,

are processed and protected, and technical and administrative measures by benefiting from technological developments are taken in accordance with Law No. 6698 on Protection of Personal Data. In line with this purpose, while taking administrative and technical measures and implementing controls are adopted as the primary goal, the Personal Data Committee was established in 2017 within the Company, and the relevant committee convenes monthly with the representation of the executive committee.

The responsibility of the Personal Data Committee is carried out by the Legislation Adaptation and Surveillance Department, Personal Data Protection Compliance Unit.

At the beginning of the activities for the protection of personal data, the personal data received by the Company for various purposes and channels are identified and controls are established accordingly. Policies and procedures, which are one of the cornerstones of the governance system established for the protection of personal data, are continued to be established in the light of the determined policy in order to increase the dynamism of business processes and also taking into account the customer focus. The established policies and procedures are updated periodically and are easily accessible to all internal stakeholders of the Company. Data inventory updates are performed whenever processes change, and VERBİS updates are performed regularly. The Company provides training under the annual mandatory training program for personal and private personal data to its employees regardless of remote working or hybrid working model and in addition continues to provide continuous training and carry out awareness activities in class or online. In 2021, no data breach notifications were sent to the Personal Data Protection Authority. Relevant applications and information requests have been answered within the legal period.

## **Subsidiaries**

As per the Board of Directors’ Resolution dated December 13, 2018, the Parent Company established a wholly (100%) owned subsidiary, AgeSA Sigorta Aracılığı A.Ş., with paid-in capital of TL 2,000,000 to function as an insurance and private pension broker and the broker company’s establishment has been registered on December 20, 2018. Article 2 of the Subsidiary’s Articles of Association entitled “Company Title” was discussed and amended at the Ordinary General Assembly meeting on August 24, 2021 and the new title was registered as “AgeSA Sigorta Aracılığı A.Ş.” on September 1, 2021 at the Trade Registry.

## Legal Remarks

There are no lawsuits against the Company that could significantly affect its financial position and business activities.

However, summary information on the existing lawsuits against our Company and lawsuits opened by our Company is presented in the tables below:

### Lawsuits under Insurance Law

Number of files opened before 2021 and still in progress	387
Number of files opened in 2021	130
Number of files finalized in 2021	176
Number of files finalized in favor in 2021	89
Number of files finalized against in 2021	87

**The total amount paid for 117 files in 2021 is TL 4,318,681.60.**

### Lawsuits under Private Pension Law

Number of files opened before 2021 and still in progress	25
Number of files opened in 2021	3
Number of files finalized in 2021	11
Number of files finalized in favor in 2021	6
Number of files finalized against in 2021	5

**The total amount paid for 5 files in 2021 is TL 103,460.20.**

### Lawsuits under Employment Law

Number of files opened before 2021 and still in progress	37
Number of files opened in 2021	7
Number of files finalized in 2021	21
Number of files finalized in favor in 2021	3
Number of files finalized against in 2021	18

**In 2021, the Company paid a total of TL 923,258.18 in 18 legal actions.**

Administrative fines amounting to TL 19,603.25 in total were imposed by the Ministry of Treasury and Finance on 06.01.2020, 08.01.2020 and 05.02.2020. Relevant fines were paid on time.

The Ordinary General Assembly Meeting of our Company dated 16.03.2021 was held at Sabancı Center. The related meeting minutes were published on the Public Disclosure Platform on 16.03.2021. Ordinary meeting agenda and minutes are available in the "Corporate Governance Principles Compliance Report" section of this Annual Report.

Changes in the legislation that were published in 2021 and may significantly affect the activities of the Company are as follows:

- The Law on Amending the Laws and a Decree on Insurance and Some Other Fields published in the Official Gazette No. 31491, dated 25.05.2021,
- The Regulation on the Amendment of the Regulation on Private Pension System, published in the Official Gazette No. 31476, dated 06.05.2021,
- The Regulation on the Activities to be Considered under Insurance and Remotely Signed Insurance Contracts, published in the Official Gazette No. 31513, dated 16.06.2021,

- The Regulation on Amendment in the Annual Income Insurance Regulation, published in the Official Gazette No. 31542, dated 15.07.2021,
- The Regulation on Amendment in the Regulation on Technical Provisions of Insurance, Reinsurance and Pension Companies and Assets on which Such Provisions are to be Invested, published in the Official Gazette No. 31655, dated 10.11.2021,
- The Regulation on the Internal Systems of Insurance and Private Pension Sectors, published in the Official Gazette No. 31670, dated 25.11.2021,
- The Regulation on Amendment in the Regulation of Application Basics for Insurances in Connection with Individual Credits, published in the Official Gazette No. 31704, dated 29.12.2021,
- The Regulation on Amendment in the Life Group Insurances Regulation, published in the Official Gazette No. 31704, dated 29.12.2021,
- The Regulation regarding Amendment of the Regulation on the Procedures and Principles of Automatic Enrolment of Employees into the Pension Scheme by Their Employers, published in the Official Gazette No. 31704, dated 29.12.2021.
- The Circular on Amendment on the Circular on the Private Pension System, No. 2021/9 dated 26.06.2021 published by Insurance and Private Pension Regulation and Supervision Agency,
- The Communiqué (Serial No: 18) regarding Amendment on the General Communiqué on Financial Crimes Research Council (Serial No: 5) published in the Official Gazette No. 31407, dated 06.02.2021.

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## Ordinary General Assembly Meeting Agenda for 2021

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1. Opening and formation of the Meeting Council,
2. Reading and discussion of the 2021 Annual Report of the Board of Directors,
3. Reading of the summary of Auditors' Reports for 2021,
4. Reading, discussion and approval of the 2021 financial statements,
5. Approval of the members of the Board who are appointed by the Board of Directors for the vacant memberships for the remaining period,
6. Releasing the Board of Directors from liability for activities in 2021,
7. Determination of the usage of the 2021 profit and rate of dividend to be distributed,
8. Approving the changes planned to be made in Article 9 of the Articles of Association
9. In case the amendment planned in Article 9 of the Articles of Association is approved, election of 2 new Members of the Board of Directors due to the number of the members increasing from 8 to 10,
10. Determination of wages and the rights of the Board Members such as attendance fees, bonuses and premiums,
11. Selection of the auditor,
12. Informing the General Assembly regarding the donations and grants made by the Company in 2021,
13. Determination of donation limits of the company for the year 2022,
14. Granting permission to the Chairman and members of the Board of Directors for the activities under the articles 395 and 396 of the Turkish Commercial Code.
15. Wishes and requests.

## Ordinary General Assembly Meeting Minutes

### AVİVASA EMEKLİLİK VE HAYAT A.Ş

#### ORDINARY GENERAL ASSEMBLY FOR 2020 DATED 16.03.2021 MEETING MINUTES

The Ordinary General Assembly Meeting of AvivaSA Emeklilik ve Hayat A.Ş with respect to 2020 was held on 16<sup>th</sup> March 2021, Tuesday at 15:00 at the address of SABANCI CENTER, 4.LEVENT 34330 BESIKTAS ISTANBUL under the supervision of Nevin Oktay, the Ministry Representative who was assigned in accordance with the writing of Governorship of Istanbul Provincial Directorate of Commerce dated 15.03.2021 and numbered 62300496.

Invitation to the meeting was made within the time allowed as to include the agenda and day of the meeting in accordance with the Law and the Articles of Association by announcing in issue 10271 of Turkish Trade Registry Gazette dated 19<sup>th</sup> February 2021, internet address of the company www.avivasa.com.tr, Public Disclosure Platform and the Electronic General Assembly system of the Central Registry Authority.

The meeting was held and commenced upon seeing the presence of quorate from the List of Attendants in accordance with both the Law and also the Articles of Association where out of 18,000,000,000 shares, each with a nominal value of 1 Kuruş that corresponds to the Company's total capital of TL 180,000,000.00, a total of 162,534,156.436 TL, consisting of 16,253,415,644 shares which correspond to the capital of TL 162,534,159.436 were represented in proxy and total of 300 shares which corresponds to TL 1 were represented in person in the meeting led by Haluk Dinçer, the President of Board of Directors and in the presence of Adnan Akan, representative of the Auditor of the Company, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

According to the fifth and sixth subsections of the Article 1527 of Turkish Code of Commerce, it was determined that the Company has fulfilled the electronic general assembly preparations in compliance with the legal regulations. Being Selin Özkırım who has the Expertise of Central Registry Agency Electronic General Assembly System Certificate assigned to use the electronic general assembly system by Haluk Dinçer, Chairman of the Board; the meeting is simultaneously opened physically and online and the agenda is discussed.

The following resolutions were taken as a result of negotiations performed as per the agenda:

1. According to the article 27 of Articles of Association, Mr. Haluk Dinçer, and the Chairman of the Board assumed the Chairmanship of the Meeting. Chairmanship of the Meeting was formed by giving the Vote Collection Duty to Şerafettin Karakış, representative of Hacı Ömer Sabancı Holding A.Ş. and to Zeliha Ersen Altınok, representative of the Aviva International Holdings Limited and by giving the Meeting Clerkship Duty to Tuğrul Gemici by the Chairman of the Meeting.

Agenda items are discussed in the order declared since no demand has been made for changing the discussion order of the agenda items.

2. The Annual Report of the Board of Directors for 2020 was not read due to the fact that the motion given to the Chairmanship was accepted by the majority with affirmative votes of TL 162,521,321.436 against TL 12,838 negative votes, as it was submitted for the review of the partners on the Company's website and on the Public Disclosure Platform. Report of the Board of Directors was discussed.

None of the shareholders spoke.

3. The independent auditor's reports for 2020 were not read due to the fact that the motion given to the Chairmanship was accepted by the majority of the participants with affirmative votes of TL 162,521,321.436 against TL 12,838 negative votes, as it was submitted for review of the partners on the Company's website and on the Public Disclosure Platform, and the "Opinion" parts of the auditor's reports were read.

4. The financial statements for 2020 was not read but just discussed due to the fact that the motion was accepted by the majority with affirmative votes of TL 162,521,321.436 against TL 12,838 negative votes, as the financial statements were submitted for the review of the partners on the Company's website and on the Public Disclosure Platform. As a result of the voting after the completion of the negotiation, the financial statements for 2020 were decided to be accepted and approved by the majority of votes with TL 162,521,321.436 affirmative votes against 12,838 TL negative votes.

5. Regarding the members elected to serve as a member of the Board of Directors that became vacant during the activity year, it was decided by a majority of affirmative votes of TL 154,236,481.436 against TL 8,297,678 negative votes of the participants to appoint Bülent Oğuz instead of Hayri Çulhacı who has resigned from the membership of Board of Directors, to appoint Jose Ignacio Izquierdo Saugar instead of Adrian Alastair Sir Adrian Montague in accordance with Article 363 of the TCC.

6. As a result of the voting, it was decided by a majority of affirmative votes of TL 162,478,570.436 against TL 55,589 negative votes of those who participated in the acquittance of the Members of the Board for their activities in 2020.

7. It was decided by a majority of affirmative votes of TL 162,534,159.436 of the participants to distribute the total gross dividend amount of TL 160,000,000.00 in accordance with the "Profit Distribution Table" published on the Public Disclosure Platform after reserving general legal reserves amounting to TL 15,100,000 and extraordinary reserves amounting to TL 115,754,780 from the after-tax profit of TL 290,854,780 generated as a result of the activities of our Company carried out in 2020, and to make the payments in cash in two installments, TL 80,000,000.00 on March 29, 2021, and TL 80,000,000.00 on September 28, 2021.

8. As per Article 8 of the agenda the Members of the Board of Directors were elected. Within the motion submitted in this regard, it has been resolved to elect:

- Haluk Dinçer
- Jose Ignacio Izquierdo Saugar
- Lee Patrick Callaghan
- Patrick Dixneuf
- Adam Jacek Uszpolewicz
- Kıvanç Zaimler
- Gökhan Eyigün
- Bülent Oğuz
- Mustafa Firat Kuruca
- Lütfiye Yeşim Uçtum
- Anthony Feliks Reczek

as Members of the Board of Directors for a term of 3 (three) years by a majority vote, with positive votes of TL 149,681,361.436 against negative votes of TL 12,852,798.

9. Within the scope of the motion submitted to the Meeting Chairmanship, it was decided by a majority vote, with negative votes of TL 12,852,798 against affirmative votes of TL 149,681,361.436, to pay Independent Board Members a gross monthly salary of TL 16,000 during their term of service and to pay no salary to the other Board Members.

10. Within the scope of the motion submitted to the Meeting Chairmanship, due to the fact that the motion was accepted by the majority with affirmative votes of TL 149,798,661.436 against TL 12,735,498 negative votes, as amendment text of Articles 6 and 13 of the Articles of Association were submitted for the review of the partners on the Public Disclosure Platform until 03.02.2021, they were discussed without reading. The following new form of the amendment text has been accepted by the majority with affirmative votes of TL 149,798,661.436 against negative votes of TL 12,735,498, which has been approved by the letter of the Capital Markets Board No. E-29833736-110.03.03-1633, dated 10.02.2021; the letter of Insurance and Private Pension Regulation and Supervision Agency No. E-97354901-045.99-146222, dated 05.03.2021, and the Domestic Trade General Directorate of Ministry of Commerce No E-50035491-431.02-00062191946, dated 10.03.2021.

# Ordinary General Assembly Meeting Minutes

## Articles of Association Amendment Text

### OLD TEXT

#### Article 6 - Capital

The Company adopted the authorized capital system in accordance with the provisions of Capital Market Law and implemented the authorized capital system pursuant to the Capital Markets Board's permission No. 1756 dated 01/09/2014.

The authorized capital of the Company is TL 300,000,000.- (three hundred million) divided into 30,000,000,000 (thirty billion) registered shares each with a nominal value of 1 Kurus.

Capital Markets Board's approval of the authorized capital of the Company is valid between 2016 and 2020 (5 years). Even if the authorized capital has not been reached at the end of 2020, in order for the Board of Directors to take a decision to raise the Bank's capital after this date, the Board is required obtain get the authorization of the General Assembly not longer than 5 years for a new time period after obtaining the permission of the Capital Markets Board for the previously approved authorized capital or a new authorized capital level. Capital cannot be increased through a board of directors resolution in the event that it is unable to obtain this authorization.

The Company's Board of Directors is authorized to issue new shares and raise the issued capital up to the authorized capital in accordance with the provisions of the Capital Markets Law and to take a resolution for limiting the new share purchase right of shareholders and issue shares at a premium or at a discount to the nominal value. The power to restrict new share purchases cannot be used in such a way that an inequality among the shareholders is created.

The Company's issued capital is TL 180,000,000.- (one hundred eighty million TL) divided into 18,000,000,000 registered shares each with a nominal value of 1 KR (one Kuruş) and is paid fully, free from collusion.

Company shares are held by the Central Registry Agency dematerialized and are monitored in registered form.

#### Article 13 - Board of Directors Meetings

Each year, members of the Board of Directors shall select a Chairman, and Vice Chairman from among them who will act in proxy in the absence of the chairman. The Company's General Director and vice chairman in his/her absence are the natural Member of the Board of Directors. Meeting days and agenda shall be arranged by the chairman or Vice Chairman. Board of Directors shall convene upon call of the chairman or Vice Chairman as the Company works may require. The day of the meeting shall be determined by the decision of the Board of Directors. If the chairman fails to call the Board of Directors to convene upon the written request of any member, members shall also be entitled to make the call ex officio.

Unless one of the Members plea negotiation, the Board of Directors may make its decisions without gathering together by sending any written proposal made by a member on a certain issue to all members and members' giving written approval for such written proposal in accordance with the meeting quorum stated in article 9 of this Articles of Association.

### NEW TEXT

#### Article 6 - Capital

The Company adopted the authorized capital system in accordance with the provisions of Capital Market Law and implemented the authorized capital system pursuant to the Capital Markets Board's permission No. 1756 dated 01/09/2014.

The authorized capital of the Company is TL 500,000,000.00.- (five hundred million TL) divided into 50,000,000,000 (fifty billion) registered shares each with a nominal value of 1 Kurus.

Capital Markets Board's approval of the authorized capital of the Company is valid for the years 2021-2025 (5 years). Even if the authorized capital has not been reached at the end of 2025, in order for the Board of Directors to take a decision to raise the Bank's capital after 2025, the Board is required obtain get the authorization of the General Assembly not longer than 5 years for a new time period after obtaining the permission of the Capital Markets Board for the previously approved authorized capital or a new authorized capital level. Capital cannot be increased through a board of directors resolution in the event that it is unable to obtain this authorization.

The Company's Board of Directors is authorized to issue new shares and raise the issued capital up to the authorized capital in accordance with the provisions of the Capital Markets Law and to take a resolution for limiting the new share purchase right of shareholders and issue shares at a premium or at a discount to the nominal value. The power to restrict the right to purchase new shares cannot be used in such a way that an inequality among the shareholders is created.

The Company's issued capital is TL 180,000,000.00 (one hundred eighty million TL) divided into 18,000,000,000 (eighteen billion) registered shares each with a nominal value of 1 (one) Kuruş and is paid fully, free from collusion.

Company shares are held by the Central Registry Agency dematerialized and are monitored in registered form.

#### Article 13 - Board of Directors Meetings

Each year, members of the Board of Directors shall select a Chairman, and Vice Chairman from among them who will act in proxy in the absence of the chairman. The Company's General Director and vice chairman in his/her absence are the natural Member of the Board of Directors. Meeting days and agenda shall be arranged by the chairman or Vice Chairman. Board of Directors shall convene upon call of the chairman or Vice Chairman as the Company works may require. The day of the meeting shall be determined by the decision of the Board of Directors. If the chairman fails to call the Board of Directors to convene upon the written request of any member, members shall also be entitled to make the call ex officio.

Unless one of the Members plea negotiation, the Board of Directors may make its decisions without gathering together by sending any written proposal made by a member on a certain issue to all members and members' giving written approval for such written proposal in accordance with the meeting quorum stated in article 9 of this Articles of Association.

Those entitled to attend the Board of Directors' meeting of the Company may do so by electronic means pursuant to Article 1527 of the Turkish Commercial Code. The Company may establish an Electronic Meetings System by itself to enable those entitled to attend such meetings and vote by electronic means or purchase service from the systems made for this purpose pursuant to the provisions of Communiqué on Attendance at Meetings of Trading Companies by Electronic Means other than Joint Stock Companies' General Assembly Meetings. In the meetings to be held, it is ensured that the stakeholders can use their rights in relevant legislation within the framework determined in the Communiqué provisions through the system established as by this provision of the Articles of Association or through the system for which support service is to be obtained.

11. Taking the advice of the Committee in charge of Audit and the Board of Directors; audit of the financial statements of the Company in the accounting period 2021 in accordance with Turkish Commercial Code numbered 6102, Capital Market Law No. 6362 and insurance legislation and with the principles set out in accordance with the company's auditing within the scope of the provisions of this law, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was elected as Auditor for 1 (one) year with negative votes of TL 56,477 and positive votes of TL 162,477,682.436.
12. Shareholders were informed that a total of TL 12,086,550.64 have been donated to various institutions in 2020.
13. Within the scope of the motion submitted to the Chairmanship of the Meeting, it is decided unanimously with negative votes of TL 13,184,011 against affirmative votes of TL 149,350,148.436 that the Company's donation limit in 2021 shall be TL 1,000,000.00 (one million Turkish liras) and/or 5% of the commercial profit before tax for 2021.
14. It was decided with positive votes of TL 158,192,328.436 against negative votes of TL 4,341,831 that the chairman and members of the board of directors should be able to carry out the transactions written in articles 395 and 396 of the Turkish Commercial Code.
15. Wishes and requests were shared.

After all agenda topics were covered, the Meeting Chairman stated that the quorum was maintained throughout the meeting and the meeting was closed.

The meeting minutes consisting of 4 pages were drawn up and signed after the meeting.

Istanbul, 16.03.2021, time: 15:26

Ministry Representative  
**Nevin OKTAY**

Chairman  
**Haluk DİNÇER**

Vote Collector  
**Şerafettin KARAKIŞ**

Vote Collector  
**Zeliha Ersen ALTINOK**

Clerk  
**Tuğrul GEMİCİ**

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## Extraordinary General Assembly Agenda for 2021

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1. Opening and forming of the Presidential Board and to authorize the Presidential Board to sign the meeting minutes;
2. Submission of board member appointments realized due to vacancy in the board membership within the fiscal year to the approval of the general assembly;
3. Discussion of the changes planned to be made in Articles 2, 8, 9, 10, 13, 28, 29, 33, and 42 of the Articles of Association,
4. Selecting and determining the term of office of the new board of directors members instead of the existing board of directors members;
5. Determination of Company's donation limit in 2021,
6. Wishes, recommendations, and closing.



# Extraordinary General Assembly Meeting Minutes

## AVİVASA EMEKLİLİK VE HAYAT A.Ş

### EXTRAORDINARY GENERAL ASSEMBLY 2021 DATED 01.07.2021 MEETING MINUTES

The Extraordinary General Assembly Meeting of AvivaSA Emeklilik ve Hayat A.Ş with respect to 2021 was held on 1<sup>st</sup> July 2021, Thursday at 16:00 at the address of SABANCI CENTER, 4.LEVENT 34330 BEŞİKTAŞ ISTANBUL under the supervision of Nuran Devrim, the Ministry Representative who was assigned in accordance with the writing of Governorship of Istanbul Provincial Directorate of Commerce dated 29/06/2021 number 65174168.

Invitation to the meeting was made within the time allowed as to include the agenda and day of the meeting in accordance with the Law and the Articles of Association by announcing in issue 10342 of Turkish Trade Registry Gazette dated 4<sup>th</sup> June 2021, internet address of the company www.avivasa.com.tr, Public Disclosure Platform and the Electronic General Assembly system of the Central Registry Authority.

The meeting was held and commenced upon seeing the presence of quorate from the List of Attendants in accordance with both the Law and also the Articles of Association where out of 18,000,000,000 shares, each with a nominal value of 1 Kuruş that corresponds to the Company's total capital of TL 180,000,000.00, a total of TL 164,057,806.436, consisting of 16,405,780,643.6 shares which correspond to the capital of TL 164,057,806.436 were represented in proxy in the meeting led by Haluk Dinçer, the President of Board of Directors and in the presence of Emre Saltık, representative of the Auditor of the Company, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

According to the fifth and sixth subsections of the Article 1527 of Turkish Code of Commerce, it was determined that the Company has fulfilled the electronic general assembly preparations in compliance with the legal regulations. Being Selin Özkırım who has the Expertise of Central Registry Agency Online General Assembly System Certificate assigned to use the electronic general assembly system by Haluk Dinçer, Chairman of the Board; the meeting is simultaneously opened physically and online and the agenda is discussed.

The following resolutions were taken as a result of negotiations performed as per the agenda:

1. According to the article 27 of Articles of Association, Mr. Haluk Dinçer, and the Chairman of the Board assumed the Chairmanship of the Meeting. Chairmanship of the Meeting was formed by giving the Vote Collection Duty to İlker Yıldırım, representative of Hacı Ömer Sabancı Holding A.Ş. and to Mustafa Fırat Kuruca, representative of the Ageas Insurance International Holding NV and by giving the Meeting Clerkship Duty to Tuğrul Gemici by the Chairman of the Meeting.
2. Regarding the members elected to serve as a member of the Board of Directors that became vacant during the activity year, it was decided by a majority of affirmative votes of TL 155,153,246.436 against TL 8,904,560 negative votes of the participants to appoint (i) potential tax number Emmanuel Gerard C. Van Grimbergen

Agenda items are discussed in the order declared since no demand has been made for changing the discussion order of the agenda items.

instead of Jose Ignacio Izquierdo Saugar, who informed that he has retired as member of the Board of Directors, (ii) potential tax number Antonio Cano instead of Lee Patrick Callaghan, who informed that he has retired as member of the Board of Directors, (iii) potential tax number Hans Maurice instead of Adam Jacek Uszpolewicz, who informed that he has retired as member of the Board of Directors, (iv) potential tax number Stefan Georges L. Braekeveldt instead of Patrick Dixneuf, who informed that he has retired as member of the Board of Directors, and (v) Republic of Turkey ID No Hüseyin Güner instead of independent member Anthony Feliks Reczek, who informed that he has retired as member of the Board of Directors in accordance with Article 363 of the TCC.

3. As per Article 3 of the agenda, as the amendment text of Articles 2, 8, 9, 10, 13, 28, 29, and 33 of the Articles of Association and the amendment text for adding to Articles of Association and article 42 were submitted for the review of the partners on the Public Disclosure Platform on 20.05.2021, they were discussed without reading. The following new form of the amendment text has been accepted by the majority with affirmative votes of TL 151,066,495.436 against negative votes of TL 12,991,311, which has been approved by the letter of the Capital Markets Board No. E-29833736-110.03.03-6717, dated 31.05.2021; the letter of Insurance and Private Pension Regulation and Supervision Agency No. E-97354901-045.99-362136, dated 14.06.2021, and the Domestic Trade General Directorate of Ministry of Commerce No E-50035491-431.02-00064742560, dated 15.06.2021.

# Extraordinary General Assembly Meeting Minutes

## AVİVASA ARTICLES OF ASSOCIATION AMENDMENT TEXT

### OLD TEXT

#### Article 2 - Title of Company

The title of the company is AvivaSa Emeklilik ve Hayat Anonim Şirketi.

This title has been referenced as "Company" in the following articles of the Articles of Association.

#### Article 8 – Issuing Debt Instruments and Securities Containing Purchase and Exchange Rights

The Company may issue bonds, debt instruments, and securities containing purchase and exchange rights to be sold to domestic and international real and judicial persons within the provisions of the Turkish Commercial Code, Capital Markets Law, Private Pension Law, insurance legislation, and other related legislations. Issuing bonds, debt instruments, and securities containing purchase and exchange rights are under the authority of the General Assembly. For the limits of bonds, debt instruments and securities containing purchase and exchange rights to be issued, Capital Markets Law and related legislation provisions are followed.

It is necessary that the amounts of debt instruments are in cash and fully paid on delivery.

Unless the issued bonds and other debt instruments of capital market instrument type and the securities containing purchase and exchange rights are completely sold or those not sold are not cancelled, no new bonds and other debt instruments of capital market instrument type and securities containing purchase and exchange rights shall be issued.

#### Article 9 - Board of Directors

The Company shall be managed by the Board of Directors which consists of eleven (11) members.

General Director is the natural member of the Company's Board of Directors in accordance with Individual Retirement Law and shall manage the daily works of the Company. Chairman and Vice Chairman of the Board of Directors shall be assigned by the Board of Directors.

Members of the Board of Directors shall be elected for a term of office of 3 (three) years at most. A member whose term of office has expired may be reelected. In case of a vacant membership in the Board of Directors, the Board of Directors shall assign a member temporarily for this vacant member position as to be submitted for the approval of the next General Assembly to be held and to serve until that meeting. Member whose assignment is approved by the General Assembly shall complete the term of Office of the member he has substituted. In case of losing independence or resignation of an independent member or becoming incapable to carry out his/her duty, procedures determined in the Capital Market Board regulations shall be followed.

A quorum for a Board of Directors meeting shall be provided by the presence of 8 (eight) members and the decisions of Board of Directors shall be taken with affirmative votes of at least 8 (eight) members.

### NEW TEXT

#### Article 2 - Title of Company

The title of the Company is AgeSA Hayat ve Emeklilik A.Ş.

This title has been referenced as "Company" in the following articles of the Articles of Association.

#### Article 8 – Issuing Borrowing Instruments and Securities Containing Purchase and Exchange Rights

The Company may issue any debt instruments and securities containing purchase and exchange rights to be sold to domestic and international real and judicial persons within the provisions of the Turkish Commercial Code, Capital Markets Law, Private Pension Law, insurance legislation, and other related legislations. Issuing debt instruments and securities containing purchase and exchange rights is under the authority of the General Assembly. For the issue of debt instruments and securities containing purchase and exchange rights and their limits, Capital Markets Law and related legislation provisions are followed.

It is necessary that the amounts of debt instruments are in cash and fully paid on delivery.

Unless the issued bonds and other debt instruments of capital market instrument type and the securities containing purchase and exchange rights are completely sold or those not sold are cancelled, no bonds and other debt instruments of capital market instrument type and the securities containing purchase and exchange rights shall be issued.

#### Article 9 - Board of Directors

The Company is governed and represented by a Board of Directors that consists of 8 (eight) members to be elected by the General Assembly within the framework of the provisions of the Turkish Commercial Code, the Capital Markets Law, Private Pension Legislation, and these Articles of Association.

General Director is the natural member of the Company's Board of Directors in accordance with Private Pension Legislation and shall manage the daily works of the Company. Chairman and Vice Chairman of the Board of Directors shall be assigned by the Board of Directors.

Members of the Board of Directors shall be elected for a term of office of 3 (three) years at most. A member whose term of office has expired may be reelected. In case of a vacant membership in the Board of Directors, the Board of Directors shall assign a member temporarily for this vacant member position as to be submitted for the approval of the next General Assembly to be held and to serve until that meeting. Member whose assignment is approved by the General Assembly shall complete the term of Office of the member he has substituted. In case of losing independence or resignation of an independent member or becoming incapable to carry out his/her duty, procedures determined in the Capital Market Board regulations shall be followed.

A quorum for a Board of Directors meeting shall be provided by the presence of 5 (five) members and the decisions of Board of Directors shall be taken with affirmative votes of at least 5 (five) members.

The Company's Board of Directors meeting shall be held in accordance with the Turkish Commercial Code and Company's Articles of Association. Board of Directors meetings shall be held at the head office of the Company or any place in Turkey or abroad that may be agreed by the Board of Directors.

Meetings of Board of Directors shall be held in English. Official minutes and decisions of the Board of Directors shall be drafted and maintained in Turkish. Translations of minutes and decisions into English shall be kept in a separate minute's book of the Company. In case of submitting draft resolution to each of the members of Board of Directors and written consent of each of these members for this resolution, the Board of Directors may make decisions without gathering.

Board of Directors shall overtake entire responsibility of the Company and shall have full control and authority over the Company, and pursuant to this Articles of Association and/or legislation, shall be fully authorized to make all kinds of resolutions on subjects save those which are clearly specified to be under the authority of the General Assembly and determine policies on any subject related to the daily works of the Company.

Each shareholder hereby agrees to exercise the rights he/she has in the capacity of a shareholder to the extent permitted by law, in accordance with the provisions of this Articles of Association and in a way to ensure not to make any transaction on any subject ("Secluded Subject") listed below and particularly left to the Board of Directors without getting the prior permission of the Board of Directors and to ensure that none of the Company managers and employees shall do such kinds of transactions without such prior consent.

Secluded Subjects consist of the following: (No person can be authorized in regards to any of these subjects, unless the Board of Directors explicitly makes a decision).

(i) Assignment, removal and remuneration of the General Director and managers that directly report to the General Director including pension, incentive and bonus plans.

(ii) Decisions relating to an objection to an important issue or case with a regulating body, making payments or settlements or sending any letter to any regulating body (during the ordinary course of the business) or making an application thereto or making other communication with a regulatory body.

(iii) Making significant changes in the general business model of the Company (for example, disposal of a significant part of the plant).

(iv) Approval of strategic plans and annual budgets.

The call will be made at least 10 days prior to the date of the meeting by stating the agenda through electronic mail, registered mail, or fax including signature.

In emergency cases this ceremony is not followed. However, for Board of Directors meeting to be opened at least 5 (five) Members of Board of Directors must participate.

The Company's Board of Directors meeting shall be held in accordance with the Turkish Commercial Code and Company's Articles of Association. Board of Directors meetings shall be held at the head office of the Company or any place in Turkey or abroad that may be agreed by the Board of Directors.

Deliberations of the Board of Directors are regularly recorded through a clerk to be selected either from among the members or from outside of the Board. The minutes of the meeting must be signed by the members present; should there be any dissenting votes regarding the resolution, the reasons must be recorded in the minutes and signed by the dissenting member(s).

Meetings of Board of Directors shall be held in English. Official minutes and decisions of the Board of Directors shall be drafted and maintained in Turkish. Translations of minutes and decisions into English shall be kept in a separate minute's book of the Company. In case of submitting draft resolution to each of the members of Board of Directors and written consent of each of these members for this resolution, the Board of Directors may make decisions without gathering.

Board of Directors, which overtakes the entire responsibility of the Company and has full control and authority over the Company, and pursuant to this Articles of Association and/or legislation, is fully authorized to make all kinds of resolutions on subjects save those which are clearly specified to be under the authority of the General Assembly and determine policies on any subject related to the daily works of the Company.

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## Extraordinary General Assembly Meeting Minutes

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- (v) Financial guarantee or performance guaranteed products.
- (vi) Reassurance transactions.
- (vii) Making transactions in excess of USD 50,000 (or equivalent in any other currency) with other companies.
- (viii) Termination of agency agreement between Akbank T.A.S. and our Company.
- (ix) (i) Making contracts or arrangements with a term of more than 36 months or (ii) whose total value is in excess of USD 500,000 (or equivalent in any other currency).
- (x) Financial undertakings and expenditures in excess of USD 500,000 (or equivalent in any other currency) with other companies.
- (xi) Takeovers, disposals, other issues in connection with extension of the Company or proposals for liquidation of whole or a part of the Company's works.
- (xii) Changing the brands and strategies.
- (xiii) Proposals which substantially affect the capital requirements of the Company and/or proposals which include any change in the equity of the Company.
- (xiv) Making arrangements with third parties or Affiliates regarding commission.
- (xv) Proposals of the Marketing Committee.
- (xvi) Proposals related to changes in dividend payment or Company's profit distribution policy.
- (xvii) Increasing the capital within the registered capital ceiling and proposing change for increasing the registered capital ceiling or proposals for decreasing the same.
- (xviii) Changing the Company's donation policy.

### Article 10 – Manager Appointment

Pursuant to the relevant article of the Commercial Code, as it may see appropriate, the Board of Directors may assign a director or directors whose terms of Office may exceed its term of Office for the portion of the works related to execution stage of Company's works.

### Article 10 – Manager Appointment

The Board of Directors may appoint and dismiss a General Manager, if necessary, for a period exceeding its own term, to carry out the Company's administration and dealings within the powers and authorities to be given as per the provisions of Turkish Commercial Code, other relevant legislation, and these Articles of Association, and by Board of Directors. The appointment and dismissal shall be registered and announced.

General Manager:

- a) is the top administrative and executive officer of the Company after the Board of Directors and administers the Company according to powers and authorities granted to him.
- b) determines, amends, reinforces and, if necessary, submits to approval of the Board of Directors regulations and principles concerning the Company's activities and transactions
- c) may issue a power of attorney, as long it does not transfer the duty of the General Manager.
- d) in case he/she does not carry out his/her obligations granted to him/her or arising as per the Turkish Commercial Code and related legislation and these Articles of Association or his/her duty as necessary or never, as per the provisions of the responsibility of the member of the Board of Directors he/she will be

General Director, vice general directors and, even though they are employed under other titles, other managers at the level of vice general director or with a higher level of signature authority due to the nature of their duties, must have the qualifications required by the Individual Retirement Law, Capital Market Law and Insurance Law as well as the relevant legislation. Before the appointment procedure for these persons, information and documents stated in the legislation are sent to the Undersecretariat of Treasury.

### **Article 13 – Board of Directors Meetings**

Each year, members of the Board of Directors shall select a Chairman, and Vice Chairman from among them who will act in proxy in the absence of the chairman. The Company's General Director and vice chairman in his/her absence are the natural Member of the Board of Directors. Meeting days and agenda shall be arranged by the chairman or Vice Chairman. Board of Directors shall convene upon call of the chairman or Vice Chairman as the Company works may require. The day of the meeting shall be determined by the decision of the Board of Directors. If the chairman fails to call the Board of Directors to convene upon the written request of any member, members shall also be entitled to make the call ex officio.

Unless one of the Members plea negotiation, the Board of Directors may make its decisions without gathering together by sending any written proposal made by a member on a certain issue to all members and members' giving written approval for such written proposal in accordance with the meeting quorum stated in article 9 of this Articles of Association.

Those entitled to attend the Board of Directors' meeting of the Company may do so by electronic means pursuant to Article 1527 of the Turkish Commercial Code. The Company may establish an Electronic Meetings System by itself to enable those entitled to attend such meetings and vote by electronic means or purchase service from the systems made for this purpose pursuant to the provisions of Communiqué on Attendance at Meetings of Trading Companies by Electronic Means other than Joint Stock Companies' General Assembly Meetings. In the meetings to be held, it is ensured that the stakeholders can use their rights in relevant legislation within the framework determined in the Communiqué provisions through the system established as by this provision of the Articles of Association or through the system for which support service is to be obtained.

### **Article 28 – Form of Voting at General Assemblies**

Within the framework of the essentials in article 26 of these Articles of Association, at the General Assembly votes are cast open and by raising hands and/or by participation at electronic environment. However, in case of the request of shareholders owning one twentieth of the issued capital or in case of proxy collection through call as per the relevant Capital Market legislation, written voting is mandatory.

### **Article 29 – Provisions to be Applied at General Assembly Meetings**

Unless otherwise instructed by the imperative provisions of the Capital Market Law or the Turkish Commercial Code, the required meeting quorum will be considered established if at any general assembly meeting shareholders owning minimum seventy-five percent (75%) of the Company capital are present or are duly represented and the resolutions are to be taken with the affirmative votes of shares representing minimum seventy-five percent (75%) of the Company capital.

responsible to the Company, the shareholders and the Company creditors and his/her being under the command and supervision of the Board of Directors does not remove his/her legal obligations and this responsibility.

General Director, vice general directors and, even though they are employed under other titles, other managers at the level of vice general director or with a higher level of signature authority due to the nature of their duties, must have the qualifications required by the Individual Retirement Law, Capital Market Law and Insurance Law as well as the relevant legislation. Before the appointment procedure for these persons, information and documents stated in the legislation are sent to the Under-secretariat of Treasury.

### **Article 13 – Board of Directors Meetings**

Each year, members of the Board of Directors shall select a Chairman, and Vice Chairman from among them who will act in proxy in the absence of the chairman. The Company's General Director and vice chairman in his/her absence are the natural Member of the Board of Directors. Meeting days and agenda shall be arranged by the chairman or Vice Chairman. Board of Directors shall convene upon call of the chairman or Vice Chairman as the Company works may require at least four (4) times a year. The day of the meeting shall be determined by the decision of the Board of Directors. If the chairman fails to call the Board of Directors to convene upon the written request of any member, members shall also be entitled to make the call ex officio.

Unless one of the Members plea negotiation, the Board of Directors may make its decisions without gathering together by sending any written proposal made by a member on a certain issue to all members and members' giving written approval for such written proposal in accordance with the meeting quorum stated in article 9 of this Articles of Association.

Those entitled to attend the Board of Directors' meeting of the Company may do so by electronic means pursuant to Article 1527 of the Turkish Commercial Code. The Company may establish an Electronic Meetings System by itself to enable those entitled to attend such meetings and vote by electronic means or purchase service from the systems made for this purpose pursuant to the provisions of Communiqué on Attendance at Meetings of Trading Companies by Electronic Means other than Joint Stock Companies' General Assembly Meetings. In the meetings to be held, it is ensured that the stakeholders can use their rights in relevant legislation within the framework determined in the Communiqué provisions through the system established as by this provision of the Articles of Association or through the system for which support service is to be obtained.

### **Article 28 – Form of Voting at General Assemblies**

Within the framework of the essentials in article 26 of these Articles of Association, at the General Assembly votes are cast open and by raising hands and/or by participation at electronic environment. However, in case of the request of the present shareholders owning ten percent of the issued capital they are representing, written or secret voting is mandatory. However, in case of proxy collection through call as per the Capital Market legislation, written voting is mandatory.

### **Article 29 – Provisions to be Applied at General Assembly Meetings**

Unless otherwise instructed by the imperative provisions of the Capital Market Law or the Turkish Commercial Code, the required meeting quorum will be considered established if at any general assembly meeting shareholders representing half plus one (absolute majority) of the Company capital is present or is duly represented and the resolutions are to be taken with the affirmative votes of shares representing minimum half plus one (absolute majority) of the Company capital.

## Extraordinary General Assembly Meeting Minutes

The meeting and resolution quorate at the next general assembly meetings to convene with the same agenda shall be the quorate mentioned in the above paragraph.

### Article 33 – Company Profit and Form of Distribution

From the earnings identified at the end of the Company's fiscal period, the amount remaining after deducting the amount that has to be paid or set aside by the company, such as the Company's general expenses and miscellaneous amortization fees, and the taxes required to be paid by the company's legal entity, the remaining profit for the period, which is seen in the annual balance sheet and after deducting the previous year's losses, if any, is distributed as follows:

General Legal Reserves:

a) 5% is set aside for legal reserves.

First Dividend:

b) The first dividend is set aside from the remaining, based on the amount to arise from adding the donations, if any, made within the year, within the framework of the dividend distribution policy to be determined by the general assembly and in accordance with the related legislation provisions.

Second Dividend:

c) The General Assembly is authorized to distribute the remaining portion from the net period profit after the amounts mentioned in paragraphs (a) and (c) as second dividend or as per article 521 of the Turkish Commercial Code to set aside as second reserve, at its own discretion.

General Legal Reserves:

d) From the portion decided to be distributed to shareholders and other persons participating to the profit, ten percent of the amount found after deducting 5% of the capital as dividend is added to the legal reserves as per article 519, paragraph 2 of the Turkish Commercial Code.

As long as the reserves to be set aside as per the Turkish Commercial Code and the dividend for shareholders determined in the articles of association or dividend distribution policy are not set aside, no decision can be taken to set aside other reserves, to transfer profit to the coming year or distribute dividends to members of the board of directors, officers, servants, workers, and other persons other than shareholders, and as long as dividend is not paid to shareholders in cash, dividends cannot be distributed to these persons.

Dividend is distributed equally to all existing shares as of the date of distribution without considering their dates of issue and acquisition.

The form and time of distribution of the dividends decided to be distributed is decided by the general assembly upon the offer of the board of directors on this issue. As per these articles of association, the resolution for dividend distribution taken by the general assembly cannot be withdrawn.

The meeting and resolution quorate at the next general assembly meetings to convene with the same agenda shall be the quorate mentioned in the above paragraph.

### Article 33 – Company Profit and Form of Distribution

From the earnings identified at the end of the Company's fiscal period, the amount remaining after deducting the amount that has to be paid or set aside by the company, such as the Company's general expenses and miscellaneous amortization fees, and the taxes required to be paid by the company's legal entity, the remaining profit for the period, which is seen in the annual balance sheet and after deducting the previous year's losses, if any, is distributed as follows:

General Legal Reserves:

a) 5% is set aside for legal reserves.

First Dividend:

(b) The first dividend is set aside from the remaining, based on the amount to arise from adding the donations, if any, made within the year, within the framework of the dividend distribution policy to be determined by the general assembly and in accordance with the related legislation provisions.

Second Dividend:

(a) At least 50% (fifty percent) of the remaining portion after deducting the amounts mentioned in paragraphs (a) and (b) from the net period profit shall be distributed to the Company's shareholders in proportion to their shares. The General Assembly is authorized to distribute as second dividend or as per article 521 of the Turkish Commercial Code set aside as second reserve at its own discretion.

General Legal Reserves:

(d) From the portion decided to be distributed to shareholders and other persons participating to the profit, ten percent of the amount after deducting 5% of the capital as dividend is added to the legal reserves as per article 519, paragraph 2 of the Turkish Commercial Code.

As long as the reserves to be set aside as per the Turkish Commercial Code and the dividend for shareholders determined in the articles of association or dividend distribution policy are not set aside, no decision can be taken to set aside other reserves, to transfer profit to the coming year or distribute dividends to members of the board of directors, officers, servants, workers, and other persons other than shareholders, and as long as dividend is not paid to shareholders in cash, dividends cannot be distributed to these persons.

Dividend is distributed equally to all existing shares as of the date of distribution without considering their dates of issue and acquisition.

The form and time of distribution of the dividends decided to be distributed is decided by the general assembly upon the offer of the board of directors on this issue. As per these articles of association, the resolution for dividend distribution taken by the general assembly cannot be withdrawn.

### New Article

#### Article 42 – Contribution to Hacı Ömer Sabancı Foundation

As a part of social responsibility and social awareness, the Company donates 5% (five percent) of the net profit before tax to the Hacı Ömer Sabancı Foundation, provided it can be deducted from tax. In case the donation cannot be deducted from the tax, the 5% (five percent) is applied by decreasing in proportion to the current tax rate.

4. As per Article 4 of the agenda and Article 9 of the amended Articles of Association, the Members of the Board of Directors were elected for a Board of Directors consisting of 8 (eight) members. Within the motion submitted in this regard, it has been resolved to elect:

- Haluk Dinçer
- Antonio Cano
- Kıvanç Zaimler
- Emmanuel Gerard C. Van Grimbergen
- Bülent Oğuz
- Mustafa Fırat Kuruca
- Lütfiye Yeşim Uçtum, Independent Board Member,
- Hüseyin Gürer, Independent Board Member

as Members of the Board of Directors for a term of 3 (three) years by a majority vote, with positive votes of TL 151,066,495.436 against negative votes of TL 12,991,311.

5. Within the scope of the motion submitted to the Chairmanship of the Meeting, it is decided unanimously with positive votes of TL 151,066,495.436 against negative votes of TL 12,991,311 that the Company's upper donation limit in 2021 shall be TL 1,000,000 (one million Turkish liras), excluding the donations to be made as per the articles of association.

6. Wishes and requests were shared.

After all agenda topics were covered, the Meeting Chairman stated that the quorum was maintained throughout the meeting and the meeting was closed.

The meeting minutes consisting of 7 pages were drawn up and signed after the meeting.

Istanbul, 01.07.2021, time: 16:13

Ministry Representative  
**Nevin OKTAY**

Chairman  
**Haluk DİNÇER**

Vote Collector  
**İlker YILDIRIM**

Vote Collector  
**Mustafa Fırat KURUCA**

Clerk  
**Tuğrul GEMİCİ**

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## Summary Report of The Board of Directors Submitted to the General Assembly

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Esteemed Shareholders,

In 2021, AgeSA Hayat ve Emeklilik A.Ş. continued operations as one of the leading companies of the private pension and life insurance sector. 2021 was a year where we achieved strong financial results. The Ordinary General Assembly Meeting was held on March 16, 2021. Detailed information about the decisions taken in this meeting is available in the Corporate Governance section of the 2021 Annual Report. As a publicly traded company, necessary activities were carried out to make sure that our Company practices comply with all applicable laws and regulations. In 2021, cash dividends of TL 160 million were distributed with regard to the profit for the 2020 period.

From 2021 onwards, AgeSA will continue to distinguish itself thanks to extensive international expertise and local know-how accumulated since the Company's establishment, strong capital structure, the power it derives from well-established roots as well as an unparalleled multichannel distribution structure. A natural-born leader, AgeSA will add value to its said features with its innovative services and products; and it will continue to be an important institution for its customers, partners and employees.

- At the end of fiscal year 2021, the Company's paid-in capital stood at TL 180,000,000 while shareholders' equity amounted to TL 882,055,388.

- The Company has sufficient shareholders' equity to meet possible losses that may arise from current liabilities or potential risks.
- As of year-end 2021, our Company's asset size reached TL 50,215,969,569.
- Our Company's current assets amounted to TL 6,184,017,987 with short-term liabilities totaling TL 914,045,699 and insurance technical provisions standing at TL 5,105,785,136. Meanwhile, the private pension fund volume reached TL 43,444,431,495.
- Our Company's investment income (net) stood at TL 358,074,855 while income/profit and expense/loss in extraordinary items was TL 5,875,706.
- As a result of its operations in 2021, our Company capped the year with a total net profit of TL 448,324,248.
- According to PMC (Pension Monitoring Center) data released on December 31, 2021, our Company held an 18.5% market share in total private pension fund volume, ranking first in the sector among the private companies. Meanwhile, the number of PPS participants totaled 659,585.
- Our Company generated TL 2,020 million in life and personal accident insurance premiums, and ranked 3<sup>rd</sup> in the sector with a market share of 11.0%.

We would like to thank our esteemed shareholders for attending our General Assembly meeting, which was held to review and approve the 2021 operations of our Company.

Regards,

Board of Directors



# Assessment of the Financial Situation, Profitability and Claims Payment Solvency

## Financial Position

Thanks to its multiple distribution channels, strong shareholding structure, solid shareholders' equity, and expert staff, AvivaSA has uniquely positioned itself in the ever-growing market to become one of the leading companies without compromising profitability.

Calculated according to the principles set by the Undersecretariat of Treasury, The Company's capital adequacy ratio as of 31.12.2021 was at 145%, the clearest indication of robust capital management. Required minimum capital reserves stood at TL 641.7 million and shareholders' equity at TL 932.1 million (including equalization reserve).

AgeSA ended the year 2021 as one of the most profitable companies among our shareholders, Sabancı Group and Ageas Insurance International N.V., with a 57% return on capital. In 2021, a gross profit of TL 615.3 million and a net profit of TL 448.3 million were realized. In 2021, a dividend of TL 160.0 million was distributed to the shareholders, as the entire distributable profit of 2020.

The year 2021 saw competition intensify in the private pension and life insurance segments of the insurance industry. In the face of such intense competition, our Company followed the right strategies to grow profitably, outperforming its 2021 targets.

In 2021, AgeSA continued its robust growth in the Private Pension System market. The size of our Company's Private Pension System funds increased by 43% to reach TL 42,094 million while the number of participants dropped 5% to 660 thousand people. AgeSA is the leader of its sector among private companies with an 18.5% market share in terms of Private Pension System fund volume (according to Pension Monitoring Center data from December 31, 2021).

At the end of 2021, AgeSA produced a total of TL 2,020 million in life insurance and personal accident insurance premiums, and brought its market share among pension and/or life insurance companies in terms of direct premium production up to 11.0%. (2020 December- TL 1,332 million - 8.8%).

In 2021, AgeSA paid a total of TL 241.3 million in Life and Personal Accident branches as indemnity for negotiation, maturity, death, and disability.

The growth continued with the investments in distribution channels as well. Sales channels closed the end of 2021 as 1,038 people. AgeSA is an industry leader among the private companies in terms of its PPS fund volume. The Company plans to preserve its robust shareholders' equity level in the future. It will continue to invest in infrastructure, sales and Head Office staff to achieve sustainable growth and profitability in 2022.

## Progress in Assets and Liabilities

The Company's total asset volume for 2021 grew by 47% over the prior year to TL 50,216 million.

The largest figure among all asset items is liabilities from pension activities. This item corresponds to the total fund volume invested by PPS participants in the Company's pension funds, and has grown by 43% over the prior year to TL 43,444 million.

Another important part of the asset size of our company is Financial Assets with a share of 10.0% and the Financial Investments item, the risk of which belongs to the Insured. This balance sheet item with a size of TL 5.0 billion represents the amount of financial assets in which the Financier and Insured funds managed by our Company are invested.

Another asset category is foreign currency assets (TL 4,694 million), which accounts for 9.3% of the total. These assets are held in parallel with the Company's foreign currency liabilities and function as a hedge against foreign currency risk.

As for the liabilities side of the balance sheet of AgeSA Hayat ve Emeklilik A.Ş., 86.5% of the total corresponds to liabilities from pension activities and 9.8% to technical provisions.

On the other hand, the mathematical provision for life, which corresponds to our liabilities towards policy holders, fell to TL 4,900 million.

## Indemnity Payment Capacity

The total gross indemnity paid by AgeSA in 2021 stands at TL 241.3 million. Indemnity payments correspond to surrender, maturity, and death indemnity coverage associated with life insurance policies, cumulative products, and combined products that serve both functions.

In 2021, the Company's death and disability indemnity payments -with the exception of surrender and maturity payments- stood at TL 120.2 million. Taking into consideration the Company's current liquidity and the maturity structure of its investments, it has a strong indemnity payment capacity.

## Remuneration of Board Members and Executive Committee

- In 2021, the salaries, premiums, bonuses and other benefits offered to the Company's senior management totaled TL 15.1 million. This amount was TL 11.7 million in 2020.
- In 2021, the Company paid TL 1.5 million to senior managers to cover business expenses such as travel, accommodation, communication and representation fees. This amount was TL 1.3 million in 2020.
- The total indemnity of the life insurance policies held by the Company's executive committee amounted to USD 2.2 million in 2021 and USD 2.0 million in 2020.

## Assessment of the Financial Situation, Profitability and Claims Payment Solvency

### Operations of the Company and Important Developments Related to Operations

Information on the donations and aid made by the Company during the year and other expenses related to social responsibility projects:

In 2021, the Company spent TL 34.9 million in donations and aid as well as for social responsibility projects.

### Information on administrative or legal penalties imposed on the Company and/or its Board members due to actions contrary to law:

There are no significant fines that will affect the financial structure of our company due to the practices contrary to the provisions of the legislation in 2021. In 2021, a total fine of 125 thousand TL and delay interest was paid to legal authorities.

Financial Indicators (TL million)	2017-2021 4-yearly					
	2017	2018	2019	2020	2021	CAGR
Total Premium and Contribution Generation	2,144	1,519	2,440	3,280	4,420	20%
Total Technical Profit/Loss	69	152	132	255	251	38%
Total Assets	16,757	19,286	25,696	34,162	50,216	32%
Paid-in (Nominal) Capital	118	180	180	180	180	11%
Shareholders' Equity	264	370	514	679	882	35%
Net Financial Income	62	96	141	124	364	56%
Period Loss	-	-	-	-	-	
Profit Before Tax	130	249	273	379	615	47%
Net Profit After Tax	102	191	209	291	448	45%

### Key Ratios (%)

Technical Profit/Premium and Contribution Generation	3.2	10.0	5.4	7.8	5.7
Profit Before Tax / Total Assets	0.8	1.3	1.1	1.1	1.2
Profit After Tax/Shareholder's Equity	38.5	51.6	40.7	42.8	50.8
Premiums and Contribution Generation / Total Assets	12.8	7.9	9.5	9.6	8.8
Shareholder's Equity/Total Assets	1.6	1.9	2.0	2.0	1.8

	2017		2018		2019		2020		2021		4 Yearly
		Change		Change		Change		Change		Change	CAGR
<b>Total Premium and Contribution</b>	<b>2,143,651,252</b>	<b>20.0%</b>	<b>1,518,675,304</b>	<b>-29.2%</b>	<b>2,439,938,199</b>	<b>60.7%</b>	<b>3,279,809,953</b>	<b>34.4%</b>	<b>4,419,998,426</b>	<b>34.8%</b>	<b>19.8%</b>
<b>Private Pension Contribution Generation (Net)</b>	<b>1,672,199,325</b>	<b>13.8%</b>	<b>953,304,781</b>	<b>-43.0%</b>	<b>1,452,183,986</b>	<b>52.3%</b>	<b>1,947,937,659</b>	<b>34.1%</b>	<b>2,399,899,518</b>	<b>23.2%</b>	<b>9.5%</b>
<b>Life/ Non-Life Premium Generation</b>	<b>471,451,927</b>	<b>48.5%</b>	<b>565,370,523</b>	<b>19.9%</b>	<b>987,754,213</b>	<b>74.7%</b>	<b>1,331,872,294</b>	<b>34.8%</b>	<b>2,020,098,908</b>	<b>51.7%</b>	<b>43.9%</b>
Life	402,691,622	51.8%	489,972,130	21.7%	905,321,486	84.8%	1,266,367,504	39.9%	1,965,766,513	55.2%	48.6%
Non-Life	68,760,304	32.1%	75,398,393	9.7%	82,432,727	9.3%	65,504,790	-20.5%	54,332,395	-17.1%	-5.7%
<b>Life Mathematical Provision</b>	<b>592,387,336</b>	<b>22.3%</b>	<b>891,638,944</b>	<b>50.5%</b>	<b>1,453,363,736</b>	<b>63.0%</b>	<b>2,262,853,561</b>	<b>55.7%</b>	<b>4,899,721,114</b>	<b>116.5%</b>	<b>69.6%</b>
Negotiation and Maturity	-57,798,787	-19.8%	-68,705,574	18.9%	-86,524,517	25.9%	-133,304,997	54.1%	-121,038,973	-9.2%	20.3%
Death Disability	-41,130,189	3.9%	-45,275,960	10.1%	-44,124,017	-2.5%	-63,939,782	44.9%	-120,246,340	88.1%	30.8%
<b>Negotiation</b>	<b>-53,984,881</b>	<b>-13.0%</b>	<b>-64,929,368</b>	<b>20.3%</b>	<b>-82,693,775</b>	<b>27.4%</b>	<b>-116,186,332</b>	<b>40.5%</b>	<b>-98,569,660</b>	<b>-15.2%</b>	<b>16.2%</b>
<b>Maturity</b>	<b>-3,813,906</b>	<b>-62.2%</b>	<b>-3,776,206</b>	<b>-1.0%</b>	<b>-3,830,741</b>	<b>1.4%</b>	<b>-17,118,665</b>	<b>346.9%</b>	<b>-22,469,313</b>	<b>31.3%</b>	<b>55.8%</b>
<b>Total Indemnity</b>	<b>-98,928,975</b>	<b>-11.4%</b>	<b>-113,981,534</b>	<b>15.2%</b>	<b>-130,648,534</b>	<b>14.6%</b>	<b>-197,244,778</b>	<b>51.0%</b>	<b>-241,285,313</b>	<b>22.3%</b>	<b>25.0%</b>
<b>Pension Fund Size</b>	<b>15,319,314,977</b>	<b>30.0%</b>	<b>17,440,885,677</b>	<b>13.8%</b>	<b>23,120,140,926</b>	<b>32.6%</b>	<b>30,455,130,719</b>	<b>31.7%</b>	<b>43,444,431,495</b>	<b>42.7%</b>	<b>29.8%</b>
<b>Equity</b>	<b>264,046,194</b>	<b>42.5%</b>	<b>370,311,657</b>	<b>40.2%</b>	<b>514,257,706</b>	<b>38.9%</b>	<b>679,448,040</b>	<b>32.1%</b>	<b>882,055,384</b>	<b>29.8%</b>	<b>35.2%</b>
<b>Total Assets</b>	<b>16,757,000,867</b>	<b>29.5%</b>	<b>19,286,079,356</b>	<b>15.1%</b>	<b>25,696,171,768</b>	<b>33.2%</b>	<b>34,161,653,917</b>	<b>32.9%</b>	<b>50,215,969,567</b>	<b>47.0%</b>	<b>31.6%</b>
Life Technical Profit/Loss	57,349,920	23.1%	92,206,983	60.8%	76,897,773	-16.6%	328,890,784	327.7%	362,637,483	10.3%	58.6%
Non-Life Technical Profit/Loss	-479,234	-85.5%	906,306	-289.1%	10,483,959	1,056.8%	32,765,234	212.5%	5,930,415	-81.9%	
Private Pension Technical Profit/Loss	11,871,981	-185.4%	59,219,758	398.8%	44,484,058	-24.9%	-107,014,722	-340.6%	-117,170,228	9.5%	
<b>Technical Part Balance</b>	<b>68,742,667</b>	<b>134.1%</b>	<b>152,333,047</b>	<b>121.6%</b>	<b>131,865,790</b>	<b>-13.4%</b>	<b>254,641,296</b>	<b>93.1%</b>	<b>251,397,670</b>	<b>-1.3%</b>	<b>38.3%</b>
<b>Investment Income (Net)</b>	<b>52,387,193</b>	<b>24.6%</b>	<b>89,326,077</b>	<b>70.5%</b>	<b>125,506,309</b>	<b>40.5%</b>	<b>117,918,162</b>	<b>-6.0%</b>	<b>358,074,854</b>	<b>203.7%</b>	<b>61.7%</b>
<b>Other Income/Outcome (Net)</b>	<b>9,158,198</b>	<b>397.9%</b>	<b>7,094,934</b>	<b>-22.5%</b>	<b>15,595,378</b>	<b>119.8%</b>	<b>6,350,190</b>	<b>-59.3%</b>	<b>5,875,702</b>	<b>-7.5%</b>	<b>-10.5%</b>
<b>Net Financial Income</b>	<b>61,545,390</b>	<b>40.2%</b>	<b>96,421,011</b>	<b>56.7%</b>	<b>141,101,687</b>	<b>46.3%</b>	<b>124,268,352</b>	<b>-11.9%</b>	<b>363,950,556</b>	<b>192.9%</b>	<b>55.9%</b>
<b>Operating Expenses</b>	<b>-443,185,795</b>	<b>23.6%</b>	<b>-489,811,295</b>	<b>10.5%</b>	<b>-635,982,323</b>	<b>29.8%</b>	<b>-770,221,576</b>	<b>21.1%</b>	<b>-1,159,782,457</b>	<b>50.6%</b>	<b>27.2%</b>
<b>Profit Before Tax/Loss</b>	<b>130,288,057</b>	<b>77.9%</b>	<b>248,754,058</b>	<b>90.9%</b>	<b>272,967,477</b>	<b>9.7%</b>	<b>378,909,648</b>	<b>38.8%</b>	<b>615,348,226</b>	<b>62.4%</b>	<b>47.4%</b>
<b>Net Profit/Loss After Tax</b>	<b>101,689,753</b>	<b>60.8%</b>	<b>191,229,847</b>	<b>88.1%</b>	<b>209,137,255</b>	<b>9.4%</b>	<b>290,854,778</b>	<b>39.1%</b>	<b>448,324,243</b>	<b>54.1%</b>	<b>44.9%</b>
<b>Capital Adequacy</b>	<b>283,165,793</b>	<b>41.8%</b>	<b>395,778,369</b>	<b>39.8%</b>	<b>547,413,456</b>	<b>38.3%</b>	<b>721,709,717</b>	<b>31.8%</b>	<b>932,072,533</b>	<b>29.1%</b>	<b>34.7%</b>
<b>ROE</b>	<b>45.26%</b>		<b>60.29%</b>		<b>47.29%</b>		<b>48.73%</b>		<b>57.425%</b>		
	2017		2018		2019		2020		2021		CAGR
		Change		Change		Change		Change		Change	CAGR
<b>Number of PPS customers</b>	<b>884,344</b>	<b>0.9%</b>	<b>834,701</b>	<b>-5.6%</b>	<b>761,497</b>	<b>-8.8%</b>	<b>697,826</b>	<b>-8.4%</b>	<b>659,585</b>	<b>-5.5%</b>	<b>-7.1%</b>

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## Dividend Distribution Policy

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As per the provisions of the Turkish Commercial Code, Capital Markets Legislation and other relevant legislation and the Articles of Association, the Dividend Distribution Policy of AgeSA Hayat ve Emeklilik A.Ş. ("Company") determined in line with its medium- and long-term strategies, investment and financial plans, taking into account the state of the national economy and the sector, and the balance between shareholder expectations and the Company's needs.

The amount of distributable profit is determined by the General Assembly; however, the general principle is to pay 50% of distributable profit to shareholders in the form of cash and/or bonus shares.

The Company does not pay advance dividends.

The Company adopts the principle of paying dividends equally to each share, regardless of their date of issue and acquisition, within legal time limits. Dividends shall be paid to shareholders following the approval of the General Assembly and on the date set by the General Assembly.

The General Assembly may decide to transfer a portion or all of the net profit to the reserve account.

If the Board of Directors proposes the General Assembly not to distribute the profit, the reasoning behind this and the planned use of the undistributed profits is disclosed to the shareholders during the General Assembly Meeting. Likewise, the same information is also shared with the public in the Annual Report and at the company's website.

The dividend distribution policy is submitted to the approval of the shareholders during the General Assembly. The Dividend Policy is reviewed by the Board of Directors each year, taking into consideration whether there are negative factors in the local and global state of the economy, the projects undertaken by the Company and the current state of the funds.

Any changes made in this policy is submitted to the approval of the shareholders at the first General Assembly to be held following the decisions are made and shared with the public at the Company's website.

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## Dividend Distribution Proposal for 2021

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PROPOSAL

February 25, 2022

**AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ**  
**2021 FISCAL YEAR - BOARD OF DIRECTORS DIVIDEND DISTRIBUTION OFFER**

Esteemed Shareholders,

Within the framework of the capital market legislation, articles regarding dividend distribution of our articles of association, and our Dividend Distribution Policy; observing our Company's rapid growth strategy, long term investment and financing policy and our partners' long term interest, in line with the IFRS17 which will be implemented on January 1, 2023 and with the strategy to be prudent against uncertainties caused by the existing economic conjuncture, and in order to strengthen our equities, it has been decided that the issue of all of the net distributable profit, which remains after legal liabilities are deducted from the net period profit of TL 448,324,248 accrued as a result of 2021 activities, is left within the Company and not distributed and to be set aside as extraordinary reserves shall be submitted to the approval of the General Assembly at the Ordinary General Assembly meeting for the Company's 2021 fiscal period.

## Dividend Distribution Table for 2021

### DIVIDEND DISTRIBUTION TABLE

AgeSA Hayat ve Emeklilik Anonim Şirketi Estimated Dividend Distribution Table in 2021 (TL)		
1. Paid-in/Issued Capital		180,000,000.00
2. General Legal Reserves (according to legal records)		95,139,901.00
Information on privileges in dividend distribution, if stipulated in the Articles of Association.		
	<b>As Per Capital Markets Board</b>	<b>As Per Statutory Records</b>
3. Profit for the Period	615,348,231.00	615,348,231.00
4. Taxes (-)	(167,023,983.00)	(167,023,983.00)
5. Net Profit of the Period (=)	448,324,248.00	448,324,248.00
6. Losses of Previous Year (-)	-	-
7. General Reserve Funds (-)	-	-
8. NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	<b>448,324,248.00</b>	<b>448,324,248.00</b>
9. Donations Made during the Year (+)	34,972,751.00	
10. Net Distributable Profit for the Period incl. Donations	<b>483,296,999.00</b>	
<b>11. First Dividend Payment to Shareholders</b>		<b>-</b>
- Cash		-
- Bonus Shares		-
- Total		-
12. Dividends Paid to Privileged Shareholders		-
<b>13. Other Dividends Paid to</b>		<b>-</b>
- Board Members,		-
- Employees		-
- Individuals other than shareholders		-
14. Dividends Paid on Redeemable Shares		-
<b>15. Second Dividend to Shareholders</b>		<b>-</b>
16. General Reserve Funds		-
17. Statutory Reserves		-
18. Specific Reserves		-
19. EXTRAORDINARY RESERVES	448,324,248.00	448,324,248.00
20. Other Distributable Resources		-

### INFORMATION ABOUT DISTRIBUTED PROFIT SHARE RATIO DIVIDEND RATIOS TABLE

	TOTAL DIVIDEND AMOUNT		TOTAL DIVIDEND AMOUNT/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDEND FOR A SHARE WITH A NOMINAL VALUE OF 1 TL	
	CASH (TL)	SHARES (TL)	RATE (%)	AMOUNT (TL)	RATE (%)
Gross	-	-	-	-	-
Net	-	-	-	-	-



## YÖNETİM KURULU'NUN YILLIK FAALİYET RAPORUNA İLİŞKİN BAĞIMSIZ DENETÇİ RAPORU

AgeSA Hayat ve Emeklilik A.Ş. Genel Kurulu'na

### 1. Görüş

AgeSA Hayat ve Emeklilik A.Ş.'nin ("Şirket") 1 Ocak 2021- 31 Aralık 2021 tarihli hesap dönemine ilişkin yıllık faaliyet raporunu denetlemiş bulunuyoruz.

Görüşümüze göre, Yönetim Kurulunun yıllık faaliyet raporu içinde yer alan finansal bilgiler ile Yönetim Kurulu'nun Şirket'in durumu hakkında denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemeler, tüm önemli yönleriyle, denetlenen tam set konsolide ve konsolide olmayan finansal tablolarla ve bağımsız denetim sırasında elde ettiğimiz bilgilerle tutarlıdır ve gerçeği yansıtmaktadır.

### 2. Görüşün Dayanağı

Yaptığımız bağımsız denetim, Kamu Gözetimi, Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Denetim Standartlarının bir parçası olan Bağımsız Denetim Standartları'na ("BDS'lere") ve sigortacılık mevzuatı gereği yürürlükte bulunan bağımsız denetim ilkelerine ilişkin düzenlemelere uygun olarak yürütülmüştür. Bu standartlar kapsamındaki sorumluluklarımız, raporumuzun Bağımsız Denetçinin Yıllık Faaliyet Raporunun Bağımsız Denetimine İlişkin Sorumlulukları bölümünde ayrıntılı bir şekilde açıklanmıştır. KGK tarafından yayımlanan Bağımsız Denetçiler için Etik Kurallar (Bağımsızlık Standartları Dahil) ("Etik Kurallar") ve bağımsız denetimle ilgili mevzuatta yer alan etik hükümlere uygun olarak Şirket'ten bağımsız olduğumuzu beyan ederiz. Etik Kurallar ve mevzuat kapsamındaki etiğe ilişkin diğer sorumluluklar da tarafımızca yerine getirilmiştir. Bağımsız denetim sırasında elde ettiğimiz bağımsız denetim kanıtlarının, görüşümüzün oluşturulması için yeterli ve uygun bir dayanak oluşturduğuna inanıyoruz.

### 3. Tam Set Finansal Tablolara İlişkin Denetçi Görüşümüz

Şirket'in 1 Ocak 2021- 31 Aralık 2021 hesap dönemine ilişkin tam set konsolide ve konsolide olmayan finansal tabloları hakkında 8 Şubat 2022 tarihli denetçi raporumuzda olumlu görüş bildirmiş bulunuyoruz.

### 4. Yönetim Kurulu'nun Yıllık Faaliyet Raporuna İlişkin Sorumluluğu

Şirket yönetimi, 6102 sayılı Türk Ticaret Kanunu'nun ("TTK") 514. ve 516. Maddelerine, Sermaye Piyasası Kurulu'nun ("SPK") II-14.1 No'lu "Sermaye Piyasasında Finansal Raporlamaya İlişkin Esaslar Tebliği" ("Tebliğ") ve 7 Ağustos 2007 tarih ve 26606 sayılı Resmi Gazete'de yayımlanan "Sigorta ve Reasürans ile Emeklilik Şirketlerinin Mali Bünyelerine İlişkin Yönetmelik" ("Yönetmelik") hükümlerine göre yıllık faaliyet raporuyla ilgili olarak aşağıdakilerden sorumludur:

a) Yıllık faaliyet raporunu bilanço gününü izleyen ilk üç ay içinde hazırlar ve genel kurula sunar.

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- b) Yıllık faaliyet raporunu; Şirket'in o yıla ait faaliyetlerinin akışı ile her yönüyle konsolide ve konsolide olmayan finansal durumunu doğru, eksiksiz, dolambaçsız, gerçeğe uygun ve dürüst bir şekilde yansıtmak üzere hazırlar. Bu raporda finansal durum, finansal tablolara göre değerlendirilir. Raporda ayrıca, Şirket'in gelişmesine ve karşılaşması muhtemel risklere de açıkça işaret olunur. Bu konulara ilişkin yönetim kurulunun değerlendirmesi de raporda yer alır.
- c) Faaliyet raporu ayrıca aşağıdaki hususları da içerir:
- Faaliyet yılının sona ermesinden sonra şirkette meydana gelen ve özel önem taşıyan olaylar,
  - Şirketin araştırma ve geliştirme çalışmaları,
  - Yönetim kurulu üyeleri ile üst düzey yöneticilere ödenen ücret, prim, ikramiye gibi mali menfaatler, ödenekler, yolculuk, konaklama ve temsil giderleri, ayni ve nakdi imkânlar, sigortalar ve benzeri teminatlar.

Yönetim kurulu, faaliyet raporunu hazırlarken Gümrük ve Ticaret Bakanlığı'nın ve ilgili kurumların yaptığı ikincil mevzuat düzenlemelerini de dikkate alır.

### 5. Bağımsız Denetçinin Yıllık Faaliyet Raporunun Bağımsız Denetimine İlişkin Sorumluluğu

Amacımız, TTK, Tebliğ ve Yönetmelik hükümleri çerçevesinde yıllık faaliyet raporu içinde yer alan finansal bilgiler ile Yönetim Kurulu'nun denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemelerin, Şirket'in denetlenen konsolide ve konsolide olmayan finansal tablolarıyla ve bağımsız denetim sırasında elde ettiğimiz bilgilerle tutarlı olup olmadığı ve gerçeği yansıtmayı yansıtmadığı hakkında görüş vermek ve bu görüşümüzü içeren bir rapor düzenlemektir.

Yaptığımız bağımsız denetim, sigortacılık mevzuatı gereği yürürlükte bulunan bağımsız denetim ilkelerine ilişkin düzenlemelere ve BDS'lere uygun olarak yürütülmüştür. Bu standartlar, etik hükümlere uygunluk sağlanması ile bağımsız denetimin, faaliyet raporunda yer alan finansal bilgiler ve Yönetim Kurulu'nun denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemelerin konsolide ve konsolide olmayan finansal tablolarda ve denetim sırasında elde edilen bilgilerle tutarlı olup olmadığına ve gerçeği yansıtmayı yansıtmadığına dair makul güvence elde etmek üzere planlanarak yürütülmesini gerektirir.

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

  
Adnan Akan, SMMM  
Sorumlu Denetçi

İstanbul, 25 Şubat 2022





