



Growing by doing good

ANNUAL REPORT 2024



| CONTENTS

AgeSA at a Glance

10	Sabancı Group and Ageas
12	About AgeSA
14	Capital Structure and Shareholders of AgeSA
16	Our Ultimate Purpose and Values
18	Financial and Operational Indicators
20	2024 in Brief

From Management

24	Message from the Chairman
26	Board of Directors
30	Message from the CEO
34	Senior Management
38	Organization Structure

Activities of AgeSA in 2024

40	Macroeconomic Outlook and Sector Overview for 2024
44	Product Management and Pricing
48	Bancassurance
50	Direct Sales Agencies and Corporate Projects
54	Medisa
56	Customer Focus
72	Brand Management and Corporate Communication Activities
74	Corporate Social Responsibility
76	Human Resources and Sustainability Practices
104	Business Technologies Activities
130	Indemnity Unit

Corporate Governance

132	Activities of the Board of Directors and Its Committees
138	Statements of Independence
140	Statement of Compliance with Corporate Governance Principles
141	Corporate Governance Principles Compliance Information Form and Compliance Report
142	Disclosure Policy
146	Beneficiaries Policy

Financial Information and Risk Management

148	Internal Audit Activities
149	Risks and Assessment by the Management Body
156	Remarks on Special Audits and Statutory Audits in 2024
158	Subsidiaries
158	Legal Remarks
160	Ordinary General Assembly Meeting Agenda for 2024
161	Summary Report of the Board of Directors Submitted to the General Assembly
162	Assessment of the Financial Situation, Profitability and Claims Payment Solvency
165	Dividend Distribution Policy
166	Dividend Distribution Proposal for 2024
167	Dividend Distribution Table for 2024
168	Annual Report Compliance Statement

Financial Reports

171	Unconsolidated Financial Statements and Independent Auditor's Report
277	Information on Consolidated Subsidiaries
279	Consolidated Financial Statements and Independent Auditor's Report

Growing with good deeds

We secure people, their loved ones, and their future by providing the good in the essence of our business. We continue to do better and stand by our customers so that they can say “so glad.”

We add value to our customers' lives through flexible and innovative products that cover various risks. We pioneer our industry by offering high-performing investment funds, fund advisory services suitable for everyone, and a diversified lineup of funds. We take sustainable growth steps by way of our performance in this direction and our successful results.

Annual growth in
net profit

107%



Growing for a good future

We strive to present a secure future for our customers on the way to a peaceful and happy life. Our participant base grows rapidly thanks to our private pension plans and services while our fund performance solidifies the confidence in us. Through steady growth, we reached a Private Pension System (PPS) fund size of TL 228.3 billion, including Auto-Enrollment, reinforcing our leading position among private-sector companies in this area.

61%

Annual
growth in
PPS fund size

Growing with good products

We closely monitor and understand the rapidly changing needs of the contemporary world. We offer flexible and advantageous products which are designed to meet the specific needs of our customers in line with this change. We reached TL 14.3 billion premium generation in the life and personal accident insurance segment and maintained our leading position among private companies by this measure. We will continue to create value for our customers' lives and provide them with reliable insurance solutions.



91%

Annual growth
in the life and
personal accident
insurances

Growing with a good staff

We merge our human capital with technology in pursuit of good and in accordance with our human-focused business culture. We attain agile business processes with Bankabot and step into the future with operational efficiency. We center our digital transformation investments on artificial intelligence while improving customer satisfaction through our virtual assistant. As one of the most preferred companies to work for in our industry, we continue to create value through employee satisfaction enhancing practices.



2,099
Number of
employees

Growing for health and well-being

We always prioritize the health and well-being of our customers. To this end, in accordance with the vision of addressing individuals' insurance needs with a holistic approach, we made a strategic investment in the health ecosystem by acquiring all outstanding shares of Medisa Sigorta A.Ş., which is a company that strives to be with individuals in every step of their health journeys by rendering health insurance, digital health applications, and healthy lifestyle program services.



MEDİSA

SABANCI GROUP AND AGEAS

Sabancı Holding's higher purpose is to unite Türkiye and the world with leading enterprises for a sustainable life.

60,000+

Sabancı Group
companies
employees

17

Countries in which
Sabancı Group
invests

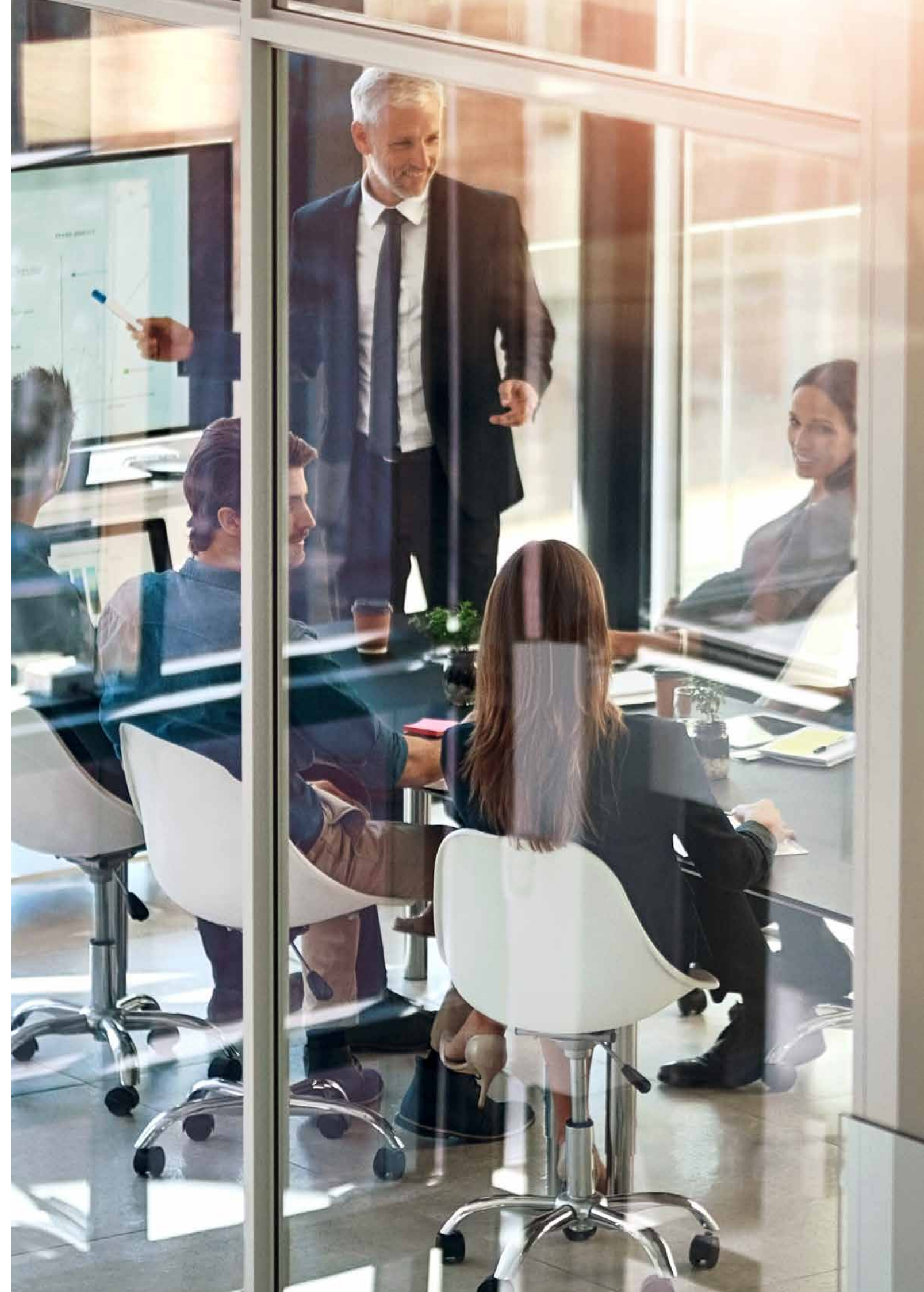
Hacı Ömer Sabancı Holding A.Ş. (Sabancı Holding), Türkiye's leading conglomerate, is a holding company engaged in a wide variety of business activities through its subsidiaries and affiliates, mainly in the banking, financial services, energy and climate technologies, industrials, building materials and digital sectors.

Sabancı Holding coordinates and supports the finance, strategy, business development, legal, human capital and sustainability functions of Group companies. The Holding aims to ensure that Group companies operate in a manner that is profitable and sustainable with favorable competitive conditions. In addition, Sabancı Holding sets and monitors investor relations and corporate governance practices that apply across Sabancı Group.

Sabancı Holding is managed by an Executive Committee, a team of senior executives including the Chief Executive Officer (CEO), Group Chief Financial Officer (CFO), Strategic Business Unit Presidents and function-based Group Presidents. The Executive Committee is mainly responsible for major capital allocation decisions and reports to the Board of Directors, which is the ultimate decision-making body of the Holding.

Sabancı Holding's higher purpose is to unite Türkiye and the World for a sustainable life with leading enterprises. With this core reason for being, Sabancı Holding works to create value for its stakeholders. Sabancı Group companies supply their products and services around the globe with various investments in 17 countries and more than 60 thousand employees worldwide. Sabancı Holding's international business partners include the world's leading companies such as Ageas, Bridgestone, Carrefour, E.ON, Heidelberg Materials and Skoda. Sustainability is a central aspect of Sabancı Holding's higher purpose. To this end, the Holding has adopted a target of Net Zero emissions and zero waste by 2050.

Sabancı Holding is registered with the Capital Markets Board, the securities regulator of Türkiye. Since 1997, Sabancı Holding has been listed on Borsa İstanbul. The Sabancı Family jointly controls Sabancı Holding as a majority shareholder, while 53.2% of the Holding's shares is publicly traded.



ABOUT
AGESA

AgeSA offers innovative products in the “private pension,” “life insurance,” and “personal accident insurance” segments to nearly 4 million customers.

2,099
Employees

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 nearly 4 million customers. In collaboration 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 (Her Yaşta) 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.

Investing in the Health Ecosystem

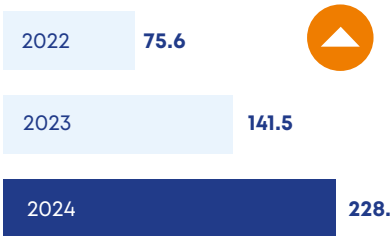
In 2024, in keeping with our vision of meeting individuals’ insurance needs with a holistic approach, we invested in the health ecosystem by acquiring all of Medisa Sigorta A.Ş.’s capital shares. In line with its strong strategic goals, Medisa aims to offer innovative and holistic solutions to individuals by integrating health insurance with digital health applications and healthy living programs. In this scope, under the roof of Medisa, it is aimed to provide individuals with a comprehensive and continuous health experience through insurance services such

as Private Health Insurance (PHI) and Complementary Health Insurance (CHI), as well as digital and telehealth services.

2024 at a Glance

With 2,099 employees as of the end of 2024, AgeSA has a market share of 18.6% with a fund size of TL 228.3 billion in the private pension market, including Auto-Enrollment, according to December 31, 2024 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 14.0% share in direct premium generation for pension and/or life insurance companies with total life and accident premium generation of TL 14.3 billion, according to data of the Insurance Association of Türkiye (TSB) and HAYMER.

PPS Fund Size (TL Billion)



*Including Auto-Enrollment.

AgeSA has a market share of 18.6% with a fund size of TL 228.3 billion in the private pension market, including Auto-Enrollment, according to December 31, 2024 dated data of the Pension Monitoring Center (PMC).

CAPITAL STRUCTURE AND SHAREHOLDERS OF AGESA

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, Türkiye'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 December 31, 2024	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
Free Float	35,999,986.56	20.00
Total	180,000,000.00	100.00

20%
Free Float

40%
Ageas Insurance
International NV



40%
H.Ö. Sabancı Holding A.Ş.



OUR ULTIMATE PURPOSE AND VALUES

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 collaboration. 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.



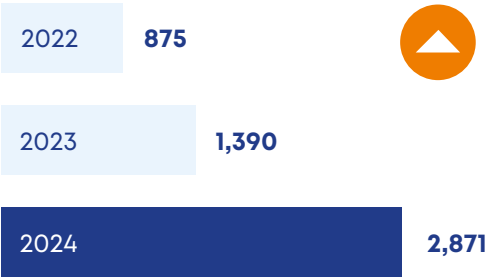
FINANCIAL AND
OPERATIONAL INDICATORS

In 2024, we increased our total premium and contribution generation by 124% to TL 49.9 billion.

Financial Indicators (TL million)	2020	2021	2022	2023	2024	2020-2024 4-yearly CAGR
Total Premium and Contribution Generation	3,280	4,420	10,800	22,294	49,932	98%
Total Technical Profit/Loss	267	269	134	-206	582	22%
Total Assets	34,169	50,236	87,633	165,281	268,786	67.5%
Paid-in (Nominal) Capital	180	180	180	180	180	
Shareholders' Equity	689	893	1,726	3,100	5,449	68%
Net Financial Income	118	355	957	2,219	3,522	134%
Profit Before Tax (Parent Company Share)	385	624	1,091	2,013	4,106	81%
Net Profit After Tax (Parent Company Share)	295	452	875	1,390	2,871	77%

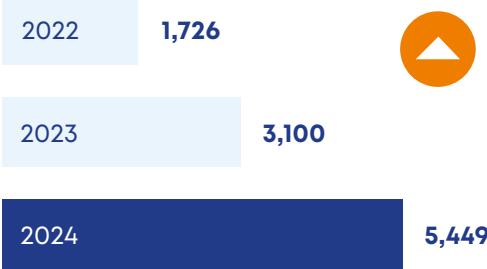
Key Ratios (%)					
Technical Profit/Premium and Contribution Generation	8.1	6.1	1.2	-0.9	1.2
Profit Before Tax / Total Assets	1.1	1.2	1.2	1.2	1.5
Profit After Tax/Shareholder's Equity	42.8	50.6	50.7	44.8	52.7
Premiums and Contribution Generation / Total Assets	9.6	8.8	12.3	13.5	18.6
Shareholder's Equity/Total Assets	2.0	1.8	2.0	1.9	2.0

Net Profit* (TL Million)

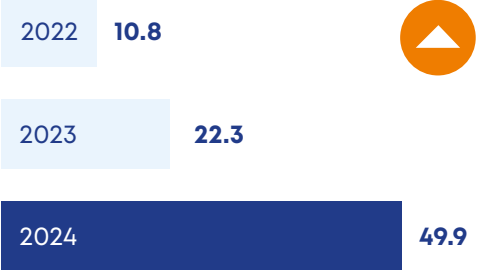


* Parent Company Share

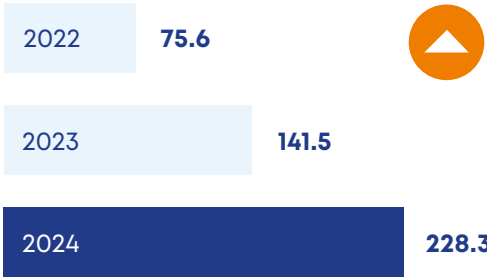
Equities (TL Million)



Total Premium and Contribution Generation (TL Billion)

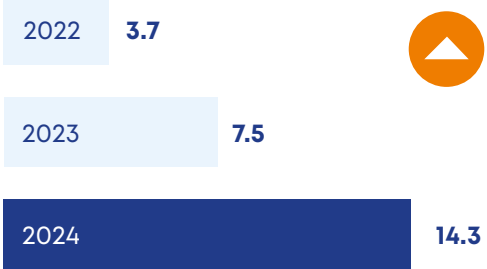


PPS Fund Size* (TL Billion)

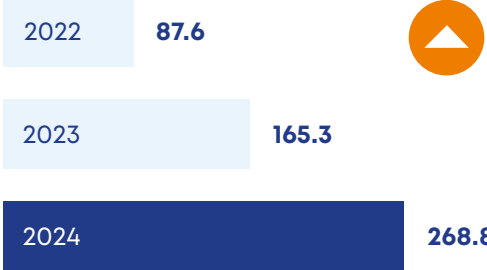


*Including Auto-Enrollment.

Premium Generation in Life and Accident Branches (TL Billion)



Total Assets (TL Billion)



2024 IN BRIEF

We increased our contribution to the environment by providing seed balls to nature for every new PPS customer under 18 years of age.

We took a concrete step in the fight against climate change in line with Sabancı Holding's Net Zero Carbon Footprint Project by making our emission reduction commitment to the Science Based Targets initiative (SBTi).

We Are Aware of Our Responsibilities in Fighting the Climate Crisis

As AgeSA, we take strong steps in environmental, social and governance areas by integrating our sustainability strategies into our business model. In 2024, we took a concrete step in the fight against climate change based on scientific facts in line with Sabancı Holding's Net Zero Carbon Footprint Project by making our emission reduction commitment to the Science Based Targets initiative (SBTi). We shared our Scope 1, 2 and 3 emission targets with SBTi in accordance with the scientific approaches required to achieve the goal of limiting the global temperature increase to 1.5°C. In order to reach our Net Zero emission target in 2050, we aim to reduce the sum of our Scope 1 and 2 emissions by 75% by 2030 compared to 2019. For our Scope 3 emissions, we aim to ensure that 47% of our investment portfolio consists of companies with SBTi targets by 2030 and all of it by the end of 2040.

We continue to create value with the products and services we develop for sustainable development goals in the insurance industry. In this scope, we provide financial and environmental benefits through our environmentally friendly investments, sustainability-oriented products and digital solutions we offer our customers. In 2024, we expanded our range of products linked to the Sustainable Development Goals (SDGs). In addition, we continued the efforts to raise awareness in our social impact area in line with our projects aiming to create social benefit and our principles of equality, diversity and inclusion.

In 2024, we carried out extensive activities in line with our sustainability goals. We took an important step with our e-cording collaboration and increased our contribution to the environment by providing seed balls to nature for every new PPS customer under 18 years of age. Later, we broadened the scope of the seed ball practice and began to take this meaningful step also for our clients who prefer the AgeSA Sustainability Fund on their birthdays. With this project, AgeSA both supports the fight against the climate crisis and makes a meaningful difference that strengthens the bond between its customers and nature.



Important Stevie Awards for AgeSA

We aim to offer the best customer experience in all our service channels and continue to make a difference in the industry with customer-focused solutions. Thanks to our digitalization investments and customer-focused approach, we continuously increase our service quality and customer satisfaction. In 2024, we won two prestigious Stevie Awards, recognizing the high standards of our customer service achieved by analyzing needs instantly, effectively and accurately on a global scale. We received the Silver Award in the "Customer Experience" category and the Bronze Award for the second time in a row in the "Best Insurance Company of the Year" category with the projects we realized in collaboration with ATOS Türkiye.

We also won two Bronze Stevie Awards in the categories of "Best User Experience" with the BankaBot project and "Sustainability Service of the Year in Europe" with the Barrier-Free Digital Experience project on AgeSA Mobil. We won two Bronze Stevie Awards, one in the "Best User Experience" category with the BankaBot project and one in "Sustainability Service of the Year in Europe" with the Barrier-Free Digital Experience project we launched on AgeSA Mobil.

Our Vision of Providing Barrier-Free Insurance Experience was Rewarded

As AgeSA, we are committed to developing solutions that improve inclusivity and making our service channels more accessible by approaching each customer's needs with sensitivity. In this context, we were honored with the EyeBrand

In 2024, we received the Silver Award in the "Customer Experience" category at the Stevie Awards with the projects we realized in collaboration with ATOS Türkiye.

2024 IN BRIEF

We received the Most Commendable award in the “Best Customer Experience” category at the Türkiye Call Center 2024 (IMI) Awards.

We continue to contribute to the well-being of the elderly with the projects we supported in the regions affected by the February 6 earthquakes.

Award at the EyeBrand Ceremony organized by BlindLook for the audio simulation technology we developed to deliver a barrier-free insurance experience for our visually impaired customers. Thanks to this technology we offer on AgeSA Mobile and our website, our visually impaired customers can perform all their insurance transactions independently. We also broke new ground in the industry with our video call service for our hearing impaired customers.

We Make a Difference in the Industry with Our Customer Satisfaction Approach

In 2024, we won the Bronze Owl award in the 'Satisfied Owl' category at the 12th Owl Awards for our project “When Fund Management is in Expert Hands, a Happy and Peaceful Retirement is Inevitable.” With this award, we were once again acknowledged for our strategic contributions to customer satisfaction in the field of fund consultancy. We also received the Most Commendable award in the “Best Customer Experience” category at the Türkiye Call Center 2024 (IMI) Awards.

We Stand by the Earthquake Region with the All Ages Fund

Through the All Ages Fund, we have supported 12 projects from 7 non-governmental organizations with TL 1.5 million in grants, reaching approximately 3 thousand individuals since 2021. In the 3rd period of the fund, we continue to contribute to the well-being of the elderly with the projects we supported in the regions affected by the February 6 earthquakes. In the projects we implemented in collaboration with Meryem Women's Cooperative, Dem Association, Turkish Alzheimer Association and YÖRET Foundation, we continue to meet the needs of the elderly and carry out supportive activities for them and their caregivers.

We Announced the Results of the “How Is Türkiye Aging?” Survey

As part of the 5th anniversary of “All Ages,” Türkiye's first and only CSR project on aging, we announced the results of the “How Is Türkiye Aging?” survey we conducted in collaboration with Core Research Institute. In this nationally representative survey, we analyzed how the middle-aged group between the ages of 35-55 view aging, their preparations for old age and how their future experiences of old age will differ from those of today's elderly.

In collaboration with Sabancı Foundation, we Donated Arsuz Sabancı Secondary School AgeSA Building to Hatay

We opened the AgeSA Building in 2024 by supporting Arsuz Sabancı Secondary School, the 5th school donated to Hatay by the Sabancı Foundation, which focused on school construction in Hatay after the earthquake.

Equipped with 4 classrooms as well as Information Technologies and Robotics Workshops, the building was made ready for education and training activities. The workshops, which aim to improve students' creative and analytical thinking skills, will combine modern educational approaches with technology to produce innovative projects.

Our Strong Support to Insurtech Startups Continues

As AgeSA, we continue to stand by technology-based innovations with the support we provide to the insurtech ecosystem as part of our innovation-oriented efforts. We took part in the Big Bang Startup Challenge organized by ITU Çekirdek Incubation Center, of which we are a Gold Stakeholder, this year as well. At the event, we provided TL 600,000 prize support to the Corpowid company.

New Era in Recruitment Processes with Artificial Intelligence and Digitalization at AgeSA

By integrating artificial intelligence technology into our recruitment processes, we made our processes faster, more efficient and effective. As part of our collaboration with the OneNewOne (ONO) platform, initial interviews with candidates are now conducted through artificial intelligence. Artificial intelligence evaluates the pool of candidates it

has compiled from various sources, conducts the initial interviews and directs the candidates it evaluates as positive directly to our calendars. This system facilitates matching the right job with the right candidate, saves time and increases our process efficiency.

In addition, during the year, we moved our recruitment processes to a modern, user-friendly and end-to-end trackable platform through the application tracking system “Purple.” This platform, integrated by the Human Resources, Business Technologies and Sustainability teams, manages every stage from the creation of the job advertisement to the completion of the offering process. It also saves time and improves the candidate experience by digitalizing the paperwork of candidates. As part of our digitalization journey, Purple increases efficiency and makes our recruitment processes more transparent and effective.

The Power of Our Employer Brand Continues to Grow

This year, AgeSA became once again the industry leader in the Most Popular Companies list, Türkiye's first employer perception survey. AgeSA has been on the list, which is determined by the votes of university students and young professionals, for 3 years in a row. The survey conducted with 91,342 university students and 39,553 young professionals measures many subjects ranging from corporate culture to communication methods.

As part of our collaboration with the OneNewOne (ONO) platform, initial interviews with candidates are now conducted through artificial intelligence.

MESSAGE FROM THE CHAIRMAN

At AgeSA, we continue to grow sustainably with nearly 4 million customers, more than 2 thousand employees, strong business partnerships, and an extensive agency network.

TL 1.2
trillion
PPS fund size
of the industry
in 2024*

62%
PPS fund size
growth in 2024
including the
state contribution*

Esteemed Stakeholders,

The year 2024 was highlighted by a busy economic and geopolitical agenda. We witnessed a period in which elections were held in more than 70 countries worldwide, tensions rose on a global scale, and political transformations and economic restructuring processes transpired.

In Türkiye, the macroeconomic agenda in 2024 was shaped on the axis of combating inflation and conventional economic policies which were implemented to establish macro-financial stability. We entered 2025 as rebalancing efforts began to yield results in the last quarter. We expect this positive outlook to continue and Türkiye to proceed strongly on the path to reaching its economic goals.

During this period, the Turkish insurance industry supported the Turkish economy's growth momentum with strong growth in life and non-life branches and demonstrated our industry's strategic importance yet again. The Private Pension System, which also became a profitable investment vehicle with the recent regulations in the pension industry and rising fund returns, reached TL 1.2 trillion fund size, including the state contribution, and 19.4 million participants as of December 31, 2024. In 2024, the number of PPS participants increased 8% while fund size, inclusive of state contribution, grew 62%. The awareness of the Private Pension System increased in society as PPS became an attractive savings instrument for potential new participants.

We expect the Private Pension System to grow with the same momentum in 2025. The BES fund size is projected to grow by more than 50% according to the Central Government Budget Law Proposal for 2025. We project that our industry will grow further in the upcoming period with new incentives and regulations such as the Supplemental Pension System which is expected to be launched to supplement the existing pension system.

At AgeSA, we continue to grow sustainably with nearly 4 million customers, more than 2 thousand employees, strong business partnerships, and an extensive agency network. We maintained our leadership both in voluntary PPS fund size and in the life insurance premium generation this year. In addition to our strong market position as demonstrated by financial indicators, we also continue to play a pioneering role in developing innovative services and practices that will add value to the industry and to customers.

Developments in the digital sphere transformed the insurance industry in a fundamental way in recent years. It provides major benefits to companies in the flexibility and efficacy of programming languages, cloud technologies and artificial intelligence, targeting potential customers and reaching them with the right value propositions, increasing customer value, and promotion. We also invest in state-of-the-art technologies and artificial intelligence solutions during this period in accordance with our digitalization roadmap. Within this scope, we benefit from the agility of cloud organization, data-oriented predictions of artificial

intelligence, and automation technologies. We strive to render a customer-focused and data-based insurance experience in every segment, from operations and sales to finance and marketing.

In line with an approach focused on environmental and social impact, we integrate sustainability into all of our operations, and we see it as an integral part of our main business strategy. AgeSA is strengthening its sustainability commitments with each passing year with the goal of becoming a Net Zero emissions company by 2050. It is critically important that the premiums collected in the insurance industry be deployed into investments in accordance with the principle of sustainability. To this end, we focus on products and services that will support low-carbon and stakeholder-oriented economic growth. As of end-2024, the number of our SDG linked products reached 18 while the share of revenues from SDG linked products in our total revenues reached 38%. We made an emissions reduction pledge to the Science Based Targets initiative (SBTi) as another science-based, concrete step in the fight against climate change. We will continue to carry out new programs and projects in 2025 for the development and prosperity of the community which we are part of and its attainment of a better life.

The dedicated efforts, contributions and support of AgeSA employees and our valued stakeholders are the impetus behind these accomplishments. Their determination and cooperation in our digitalization journey, attainment of our sustainability goals, and in solidifying our market leadership constitute the pillars of our success.

I would like to thank each and every one of our employees and stakeholders for moving forward with us on this journey. As we enter 2025, we will continue to work together to further these accomplishments.

Respectfully,

Haluk Dinçer
Chairman



BOARD OF DIRECTORS



Haluk Dinçer
Chairman

After starting his career at General Motors Technical Center in 1985, Haluk 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, as 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 TÜSİAD in 2014-15, and is still a Member of the TÜSİAD Presidents' Council. He also served as President of Turkish-American Business Council (TAİK) within the Foreign Economic Relations Board (DEİK) 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.



Ben Coumans
Vice Chairman

Starting his career at Fortis Bank in 2000, Ben Coumans worked in several positions in merger and acquisition, strategy and business development departments. Between 2008 and 2014, Coumans served as Managing Director at Leonardo & Co Investment Banking company. In 2014, he joined Ageas as the director responsible from strategy and business development. Between 2021-2024, he worked as Strategy and M&A Managing Director of Ageas Group. As of June 1, 2024, Coumans has been the Managing Director responsible from Ageas Group Europe Region. He has a bachelor's degree in Law from Namur University. Coumans also has an MBA degree from Vlerick Leuven Gent Management School and master's degree in Law from Catholic University Leuven (KUL). He also took part in "Managing Partnerships and Strategic Alliances" training program at INSEAD Business School.



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

Before joining Ageas in 2011, Emmanuel Gerard C. Van Grimbergen was senior manager in various positions at Risk, Actuary and Product Development departments in ING for 18 years. After joining Ageas Group in 2011, he worked as Assistant General Manager in charge of Risk between 2019-2024 and also was a Member of the Ageas Board of Directors. As of June 1, 2024, he has been the Ageas Reinsurance and Investment Managing Director. He is also a member of the East West Ageas Life (Philippines), Aksigorta, MediSA, Royal Park Investments, AG Real Estate, Maybank Ageas Holdings Berhad, Taiping Reinsurance Company Limited, Ageas Re Services Switzerland AG, Ageas Insurance International NV companies' Board of Directors.

Van Grimbergen holds a master's degree in mathematics and actuary sciences and is a member of the Actuaries Institute in Belgium.



Karolien Gielen
Member of the Board of Directors

Karolien Gielen started her professional career at Boston Consulting Group in 2007. Between 2007 and 2024, she served in miscellaneous positions especially focusing on insurance and financial ecosystem. She led the works of Boston Consulting Group focusing on insurance between 2022-2024 and within this scope, she worked as Practice Area Lead for Insurance (London, Amsterdam, Brussels) responsible for London, Amsterdam and Belgium regions. Between 2011-2012, she took a break from her roles under Boston Consulting Group and worked as a consultant at Belgium Cabinet on financial crisis management, government aids and retirement. As of June 1, 2024, she has been working as the Business Development Managing Director of Ageas Group. She has MSc Commercial Engineering and Master in Education (Teaching) degrees from Belgium Katholieke Universiteit Leuven.



Firat Kuruca
Member of the Board of Directors, CEO

Firat Kuruca graduated from the Department of Business Administration of the Faculty of Administrative Sciences at Boğaziçi University. Having started his professional career at Unilever-Türkiye in 1989, Mr. Kuruca has served in various positions. Mr. Kuruca respectively worked at Unilever-Türkiye (Management Accountant), Unilever Europe-Belgium (Commercial Officer), Unilever-Türkiye (Purchasing Manager), Unilever-Germany (Audit Director), and Unilever Europe- Belgium (CEE Finance Director). Leaving Unilever in 2004, he returned to Türkiye 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. Kuruca has been serving as CEO of AgeSA as of January 1, 2017. In addition to his role in AgeSA, he has also assumed the CEO role at Aksigorta as of June 1, 2024.

BOARD OF DIRECTORS



Uğur Gülen
Member of the Board of Directors

Uğur Gülen obtained undergraduate and Master's degrees from Middle East Technical University, Department of Industrial Engineering. Uğur Gülen began his professional career in 1991 and served in various positions at Interbank, DenizBank, Ak Internet and MNG Bank. During 2004-2009, he worked at Ak Emeklilik, AvivaSA Emeklilik and Hayat A.Ş. as Assistant General Manager. Between 2009-2024, he served as General Manager of Aksigorta. Uğur Gülen has been serving as the Chairman of the Board of Directors of the Insurance Association of Türkiye (TSB) as of September 2023.



Burcu Civelek Yüce
Member of the Board of Directors

Burcu Civelek Yüce is the Assistant General Manager of Akbank Consumer Banking and Digital Solutions. Before this position, Burcu Civelek Yüce served as Head of Strategy Department, Assistant General Manager of Human Resources and Strategy, and Assistant General Manager of Digital Banking and Payment Systems respectively at Akbank. Prior to joining Akbank, she was an international management consultant and worked in technology companies. Burcu Civelek Yüce has a B.Sc. degree in Industrial Engineering and an MBA degree from Boğaziçi University, graduating both first in rank. She participated in courses at Harvard Business School and Koç University. One of the mentees of Women on Board Association Türkiye, Burcu Civelek Yüce is the AkÖde's Chair of the Board of Directors and Board Member of Aksigorta, AgeSA, MediSA, Ak Portföy, Akbank Ventures BV, DX Technology Services and Investment BV, Teknosa and Endeavor Türkiye.



Sitare Sezgin
Member of the Board of Directors

Sitare Sezgin started her career under the roof of Bain & Company and Boston Consulting Group. In 2004, she joined Sabancı Group to work as Strategy and Business Development Manager at Retail Group. After that, in 2009, she was appointed to Akbank as Senior Vice President of New Product and Channel Development. Between 2011 and 2018, Sitare Sezgin managed Back Up and Bofis Turizm companies affiliated to Boyner Group. In 2018, she returned to Sabancı Group as the founder CEO and Member of the Board of Directors of AkÖde, a subsidiary of Akbank. Since September 2021, Sitare Sezgin has been serving as CEO of Teknosa. She also continues her roles as Board Member of Health and Education Foundation (SEV), Zincir Mağazalar Derneği (Chain Stores Association), YenidenBiz and Euronics. Sitare Sezgin also takes part in different associations such as Women on Board Association, W-Tech and Yanındayız, which conduct studies on gender equality in Turkish business world.



Fatma Dilek Yardım
Independent Board Member

Fatma Dilek Yardım was born in 1963 in Istanbul. After finishing Sankt Georg Austria High School, she graduated from Boğaziçi University, Department of Business Administration. She also finished Manchester Business School & University of Bangor joint MBA Program.

Fatma Dilek Yardım started her professional career at Interbank in 1988. She worked as Director at Bankers Trust A.Ş. between 1990-1999, as General Manager and Assistant General Manager at Deutsche Bank A.Ş. between 1999-2007, as General Manager and Head of Customer Services at Credit Agricole Yatırım Bankası Türk A.Ş. between 2007-2012, as General Manager and Head of Corporate Customers at Standart

Chartered Yatırım Bankası Türk A.Ş. between 2012-2016. Between 2017-2018, Yardım provided consultancy to Experian company established in England on Turkish growth strategy. Since 2019, she has been serving as Istanbul Branch Manager of Commerz Real real estate investment trust established in Germany.

Yardım served as Independent Board Member of Çimsa Çimento Sanayi ve Ticaret A.Ş., Pınar Entegre Et ve Un San. A.Ş., Altın Yunus Çeşme Resort & Thermal Hotel, and Enerjisa Enerji A.Ş. before. She is still a Board Member at Aksigorta, AgeSA and Brisa Bridgestone Sabancı companies. During her professional life, Yardım has worked at non-governmental organizations such as YASED, TUSIAD, DEİK. She has knowledge of English and German.



Hüseyin Gürer
Member of the Board of Directors

Hüseyin Gürer started his career in 1986 at Deloitte Türkiye and worked as auditor at the Deloitte London office between 1989-1990. Assuming various roles including Chairman of the Audit Department, Gürer has been elected CEO of Deloitte Türkiye in 2007. He managed Deloitte Türkiye as CEO until 2016. Gürer played a role in the efforts to implement International Financial Reporting Standards in Türkiye, working with groups led by the Ministry of Finance and various professional organizations. Gürer also served as Member of the Audit Committee at International Investors Association (YASED). During the May 2018-April 2021 period, he served as Chairman of the Audit and Risk Committee as a Member of Eczacıbaşı Group Board of Directors. He is an Independent Board Member and serves as the Chairman of the Audit Committee of AgeSA. Hüseyin Gürer has a Bachelor's degree from Ege University and a Master's degree from Ankara Middle East Technical University, Department of Business Administration.

MESSAGE FROM THE CEO

We maintained our leadership in the life insurance market among private sector companies with 14% market share while continuing our steady growth of the last five years.

TL **14.3**
billion

AgeSA's premium
production in 2024

TL **228.3**
billion

AgeSA's PPS
fund size in 2024*

* Including Auto-Enrollment

Esteemed Stakeholders,

Anti-inflationary and stability policies were front and center for the Turkish economy in 2024. The determined steps toward economic rebalancing began to show positive effects. In light of these gains, we expect 2025 to be a more steady and balanced transition year. Türkiye continues to be a promising market owing to its dynamic structure and great potential. The Turkish insurance industry also continues its strong growth as a major part of this potential.

The Private Pension System registered strong growth in 2024, reaching 9,526,000 participants and fund size of TL 1 trillion and 150 billion. This growth came about due in large part to the high return performance of PPS funds above the inflation rate and the strong incentive from the 30% state contribution. In addition, innovations such as the participation of individuals under the age of 18 in the PPS, partial withdrawal rights, and the ability to use PPS balances as collateral for taking out loans increased the number of participants and broadened the participation base of PPS to wide masses. The diversification of pension funds and the strengthening of their performance are also among the important factors supporting the system's growth.

At AgeSA, we pioneered the increase in national savings and insurance awareness and the progress of our industry while increasing our production and solidifying our market leadership owing to our multi-faceted and diversifying distribution channels model in 2024. As of December 31, 2024, our PPS fund size, inclusive of Auto-Enrollment, rose 61% to TL 228.3 billion and we sat atop the industry in terms of fund size. In addition, we grew 91% on the previous year and reached TL 14.3 billion premium generation. We maintained our leadership in the life insurance market among private sector companies with 14% market share while continuing our steady growth of the last five years.

Developing products and services which address the demands of the digital world is an integral part of our corporate culture. We increase efficiency by integrating artificial intelligence, big data analytics, automation, and mobile technologies in our marketing, sales, operations, and support processes and we render a better experience for our customers and employees. We improve and strengthen the sales and after-sales service experience of our customers through digital initiatives. We added a new feature to AgeSA Mobile this year and enabled our customers to open a private pension contract on the app. Consequently, we further expanded our multi-faceted distribution channel organization which already included our direct sales staff, our bancassurance partnership with Akbank, and our agencies.

Firat Kuruca

CEO



MESSAGE FROM THE CEO

We joined the Science Based Targets initiative (SBTi) and announced our science-based emission reduction pledge in the fight against climate change.

We decided to support the “Alz-Tag Project” which will be carried out as a partnership between the Turkish Alzheimer’s Association and Istanbul University Medical School’s Behavioral Neurology Department in 2025 within the scope of the All Ages Fund.

We continue to enrich the service experience which we render through Akbank Mobile with the projects we carry out in conjunction with Akbank. Last year, we had positioned our private pension product on this platform and expanded our product portfolio available for purchase on digital channels. We diversified after-sales transactions with the new features which were added this year. We will continue to improve our processes in a way that will simplify the lives of our customers and invest in digital channels. Offering value added services, in addition to delivering the right products to customers tailored to their needs, is also of utmost importance to ensure the sustainability of the growth of PPS and the continuity of participants in the system. To this end, it is critically important to increase the financial literacy of our customers, inform them about the system, and support them with fund advisory services. We provide in-person advisory through the industry’s most extensive direct sales channel while supporting our customers in the fund management area with personalized digital fund advisory services under the FonPro umbrella and our Special Customers Teams. We strive to be with our customers at the important moments of our customers’ lives with these services which are aimed at protecting the value of their savings.

At AgeSA, we work for the good of our stakeholders, customers, employees, business partners, and the community which we are part of. Under this approach,

sustainability is a fundamental focal point for us with its environmental, social, and economic dimensions. We shape our business processes in line with sustainability principles and we invest in environmentally friendly projects. In addition, we carry out community investments and civil society support initiatives as part of our focus on social impact. We took another important step this year as part of the “All Ages (Her Yaşta) Project” which we had launched five years ago with the goal of guiding the aging process of our rapidly aging society and turning the negative perception of old age into a positive. This year we conducted the “How is Türkiye Aging” Survey and shared the results with the public in an attempt to bring the subject back up with new research and to identify the perception and preparation of the middle age this time. In our communication initiatives for the related stakeholders, we drew attention to the importance of preparing for old age in a multi-faceted manner, financially and mentally, starting at middle age. The “All Ages Fund,” which we had launched in 2021 to support old age and aging themed civil society projects, provided donation support to 12 projects to date. We decided to support the “Alz-Tag Project” which will be carried out as a partnership between the Turkish Alzheimer’s Association and Istanbul University Medical School’s Behavioral Neurology Department in 2025 within the scope of the All Ages Fund.



We collaborate with our stakeholders in every area to realize our sustainability goals as we march forward with resolute steps toward becoming a Net Zero emissions company by 2050. In an effort to make sustainability a part of the products and services offered to customers, we planted 53 thousand seed balls on behalf of our customers who start a PPS contract for their children under the age of 18, who are celebrating their birthdays, and who prefer the AgeSA Sustainability Fund. We joined the Science Based Targets initiative (SBTi) and announced our science-based emission reduction pledge in the fight against climate change. We took another important step toward pursuing environmental and social contribution across our value chain. We conducted Environmental, Social, and Governance (ESG) risk analyses for all companies in our investment portfolio and formulated a three-stage road map. We will assess these ESG risks more effectively with this three-stage road map and support the companies in our portfolio on their sustainability journeys.

Our talented and well-rounded colleagues, and our dynamic work culture, are our most important asset in adding value to the lives of our customers and other stakeholders. We continue to carry out innovative projects to create a work environment that will make our colleagues say, “So glad to be part of AgeSA,” and enable them to utilize their potentials to their fullest extent.

The high level of our employee satisfaction rate demonstrates the success of our approach. In 2024 we maintained our industry leadership on the Most Popular Companies list, which is Türkiye’s first employer perception survey.

We will solidify our leadership in the industry in 2025 with our products and services, robust technology infrastructure, customer-oriented solutions, and talented human resources. Synergistically with Akbank and Medisa, we will always prioritize the satisfaction of our customers, employees and other stakeholders to provide the good in the essence of our business, which is our raison d’être. We will continue to launch innovative products and services, expand our multi-faceted distribution channel with new employment and partnerships, improve our customer and employee experience, and undertake digitalization and sustainability initiatives at the same pace with the goal of being the sole solution address for the insurance and pension needs of individuals.

I sincerely thank our valued colleagues and business partners as the impetus behind our accomplishments, as well as our customers and all stakeholders who place their confidence in us. Our joint efforts and solidarity will continue to take us to bigger goals.

Respectfully,

Firat Kuruca
CEO

In 2024 we maintained our industry leadership on the Most Popular Companies list, which is Türkiye’s first employer perception survey.

SENIOR MANAGEMENT



Firat Kuruca
Member of the Board of Directors,
CEO

Firat Kuruca graduated from the Department of Business Administration of the Faculty of Administrative Sciences at Boğaziçi University. Having started his professional career at Unilever-Türkiye in 1989, Mr. Kuruca has served in various positions. Mr. Kuruca respectively worked at Unilever-Türkiye (Management Accountant), Unilever Europe-Belgium (Commercial Officer), Unilever-Türkiye (Purchasing Manager), Unilever-Germany (Audit Director), and Unilever Europe- Belgium (CEE Finance Director). Leaving Unilever in 2004, he returned to Türkiye 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 as of January 1, 2017. In addition to his role in AgeSA, he has also assumed the CEO role at Aksigorta as of June 1, 2024.



Zeliha Ersen Altınok
Assistant General Manager -
Finance/CFO

Altınok graduated from Istanbul University Business Administration Faculty 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 of AvivaSA, 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

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 AgeSA 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.



Selim Avşar
Assistant General Manager -
Bancassurance

Selim Avşar graduated from Istanbul University, Faculty 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 Emeklilik ve Hayat 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. In 2024, in addition to his current duties, Selim Avşar assumed the responsibility for Bancassurance at Aksigorta and continues to serve as Assistant General Manager responsible for Bancassurance at AgeSA and Aksigorta.



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 Türkiye, 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 at 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.



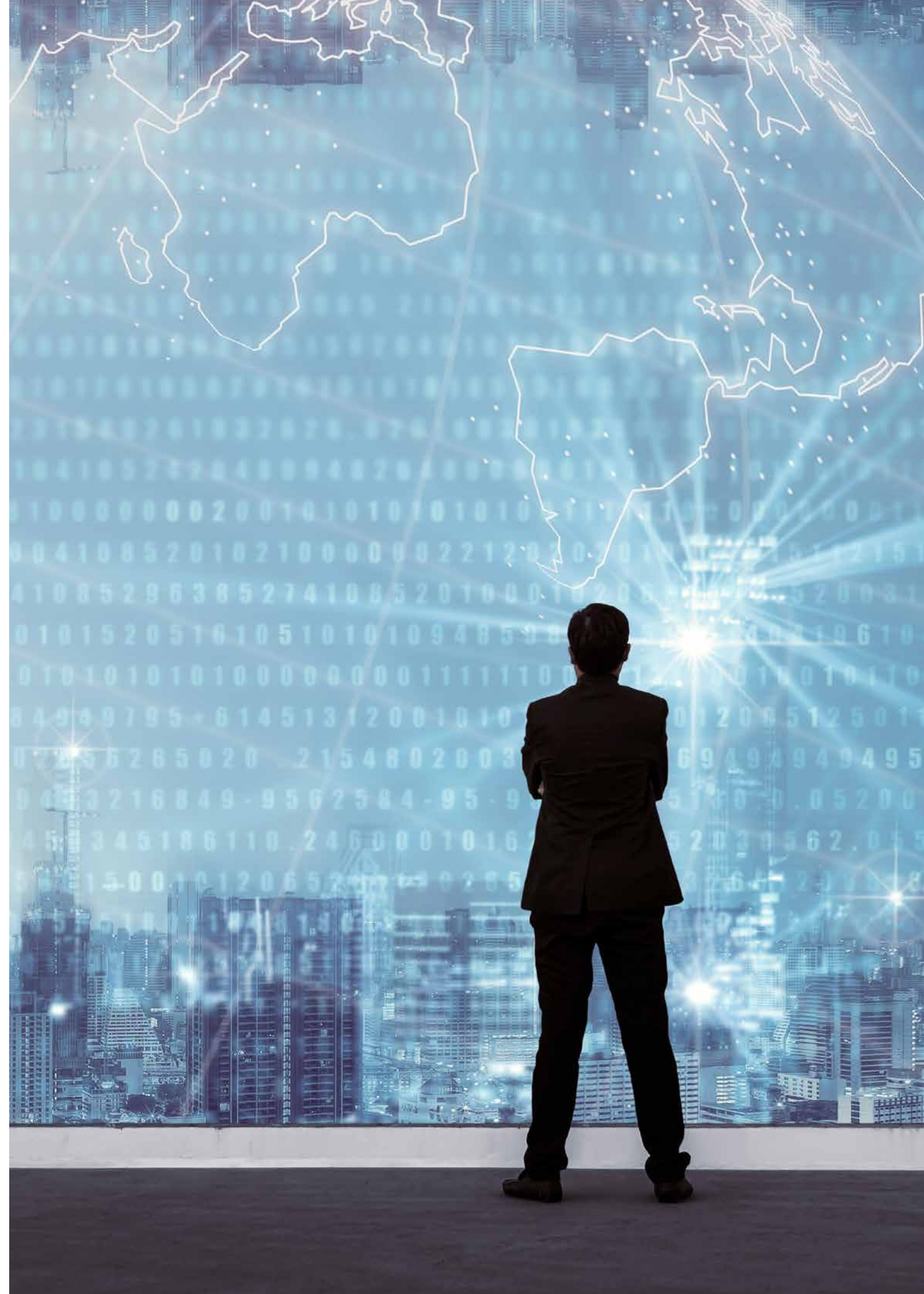
Burak Yüzgöl
Assistant General Manager -
Human Resources and Sustainability

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. In 2022, in addition to his current duties, Burak Yüzgöl assumed the responsibility of Human Resources and Sustainability at Aksigorta and continues his duty as AgeSA and Aksigorta Human Resources and Sustainability Assistant General Manager. Mr. Yüzgöl has 22 years of work experience.

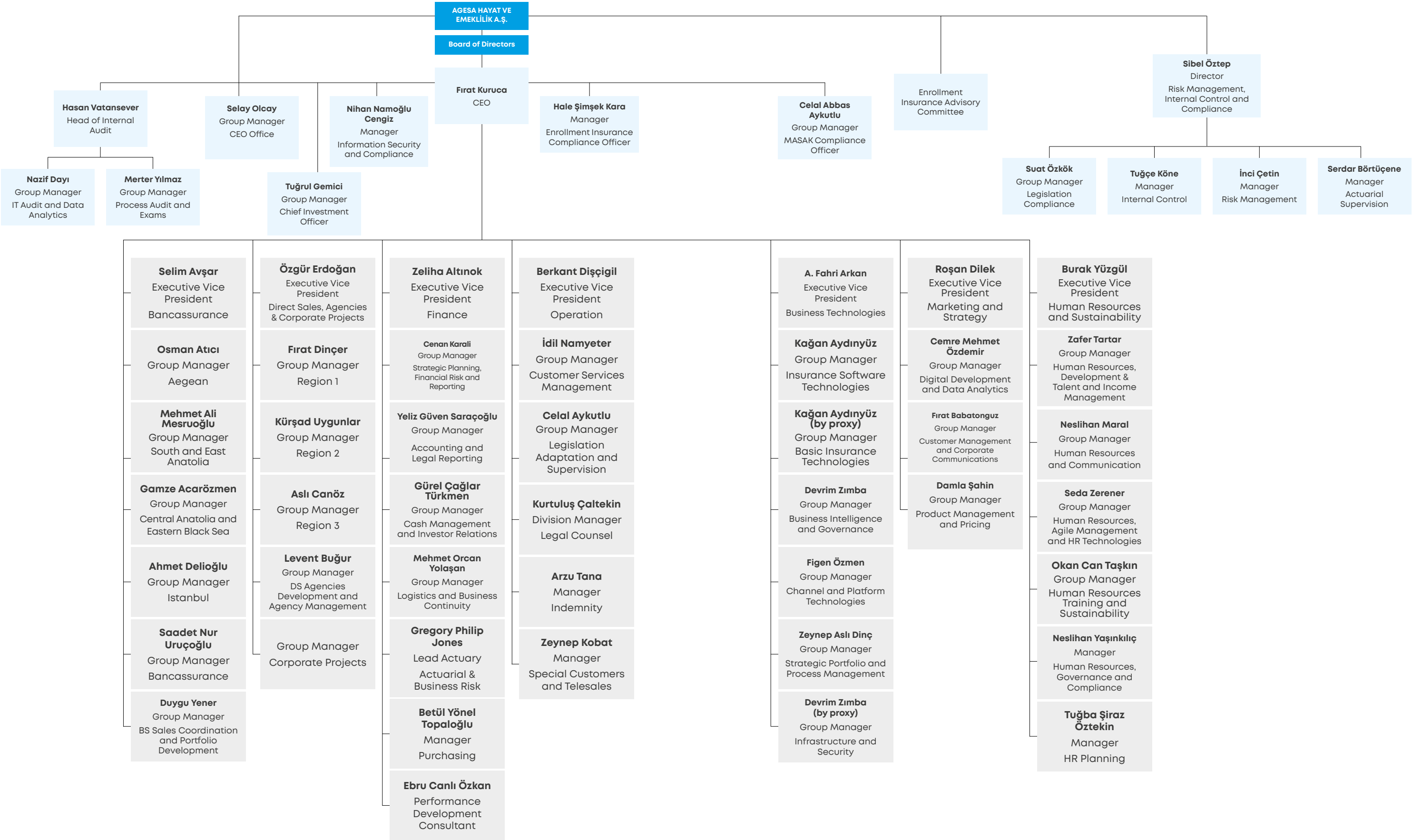


A. Sibel Öztep Oymacı
Director-Risk, Internal Control and
Compliance

Sibel Öztep Oymacı graduated from Middle East Technical University, School of Administrative Sciences, Department of Business Administration. Sibel Öztep began her professional business life 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. Appointed as Risk and Internal Control Group Manager and Executive Board Member in 2013, and as Risk, Internal Control and Compliance Director as of April 1, 2018, Sibel Öztep has been serving as AgeSA and Aksigorta Risk, Internal Control and Compliance Director since 2022.



ORGANIZATION STRUCTURE



MACROECONOMIC OUTLOOK AND SECTOR OVERVIEW FOR 2024

Steps to boost investor trust have led to an improvement in Türkiye's credit ratings.

2.1%

Turkish economy
growth rate in the
third quarter of 2024

3.2%

Growth forecast
for world economy
in 2025

Global Economic Outlook

In 2024, the global economy has been shaped by the measures taken to combat inflation, geopolitical tensions and the dynamics in financial markets. Emphasizing that global economic growth has a stable but weak outlook, the International Monetary Fund (IMF), in its report published in October, maintained the global economic growth expectation at 3.2% for 2024, while lowering it from 3.3% to 3.2% for next year.

The US economy performed strongly despite recession concerns, while headline inflation continued to decline. These developments paved the way for the US Federal Reserve (Fed) to start its interest rate cutting cycle at the end of the year. On the European side, weakening economic activity and Germany's shrinking economy led the European Central Bank (ECB) to accelerate its rate cuts.

China's economy, on the other hand, fell short of its expected growth target despite the stimulus. This increased uncertainties in both commodity markets and developing countries. On the other hand, rising geopolitical risks in the Middle East, the impacts of the Russia-Ukraine war and economic tensions between the USA and China directly affected energy prices and the global trade balance.

Throughout 2024, central banks' policy decisions were decisive for global growth and financial market volatility. While the Fed's interest rate cuts and the ECB's expansionary policies boosted signs of economic recovery, China's low growth performance and geopolitical risks continued to increase uncertainties. These conditions led to deepening regional disparities in global trade and investment flows. Especially in emerging market economies, rising capital costs and weakening demand weighed on growth dynamics.

Turkish Economic Outlook

The year 2024 saw significant steps taken for the Turkish economy's rebalancing. The economic administration aimed to ensure economic stability by taking firm steps to combat inflation and the current account deficit. Positive developments such as the increase in Central Bank reserves and the decline in Currency Hedged Deposit (KKM) accounts stabilized foreign exchange markets. In addition, steps to boost investor trust were positively evaluated by international credit rating agencies, leading to an improvement in sovereign credit ratings.



In 2024, the Turkish economy entered a gradual cooling period due to tight monetary policies. In the first three quarters, the economy grew by 5.3%, 2.4% and 2.1%, respectively, supported mainly by external demand. Tight monetary policies linked to the disinflationary process led to a significant weakening in domestic demand and a contraction in imports. Inflation declined gradually throughout the year to 44.38%. The Central Bank's decisive stance towards price stability continued until the end of the year, and the downward trend in inflation led to interest rate cuts in December in line with expectations.

And in the current account balance, strong tourism revenues and the decline in foreign trade deficit led to significant gains. In 2024, tourism revenues reached USD 61.1 billion, while the foreign trade deficit narrowed by 22.7% to USD 82.2 billion. Reserve assets rose strongly on the back of increased international inflows and strong export performance.

Despite improvements in macroeconomic indicators, Türkiye's economic performance in 2024 was overshadowed by global geopolitical risks and fluctuations in energy prices. In the upcoming period, reforms are expected to gain momentum to ensure that economic growth reaches a sustainable structure and the fight against inflation is successfully completed. In line with long-term growth targets, improving the investment climate and deepening structural transformation processes are of critical importance.

The Private Pension System and Life Insurance Outlook

The Private Pension System (PPS), which has played an important role in increasing domestic savings since its establishment in 2003, and the Auto-Enrollment System (AES), which was launched in 2018, continue to grow steadily. The total fund size, including the state contribution, exceeded TL 1 trillion for the first time during the year, reaching TL 1.2 trillion (PPS: TL 1.1 trillion-AES: TL 0.1 trillion) according

*Inflation declined
gradually
throughout 2024 to
44.38%.*

MACROECONOMIC OUTLOOK AND SECTOR OVERVIEW FOR 2024

Türkiye’s life insurance industry continued to expand its customer base and strengthen its financial performance by increasing its product diversity.

9.5 million

Number of PPS customers excluding AES

TL102,494 million

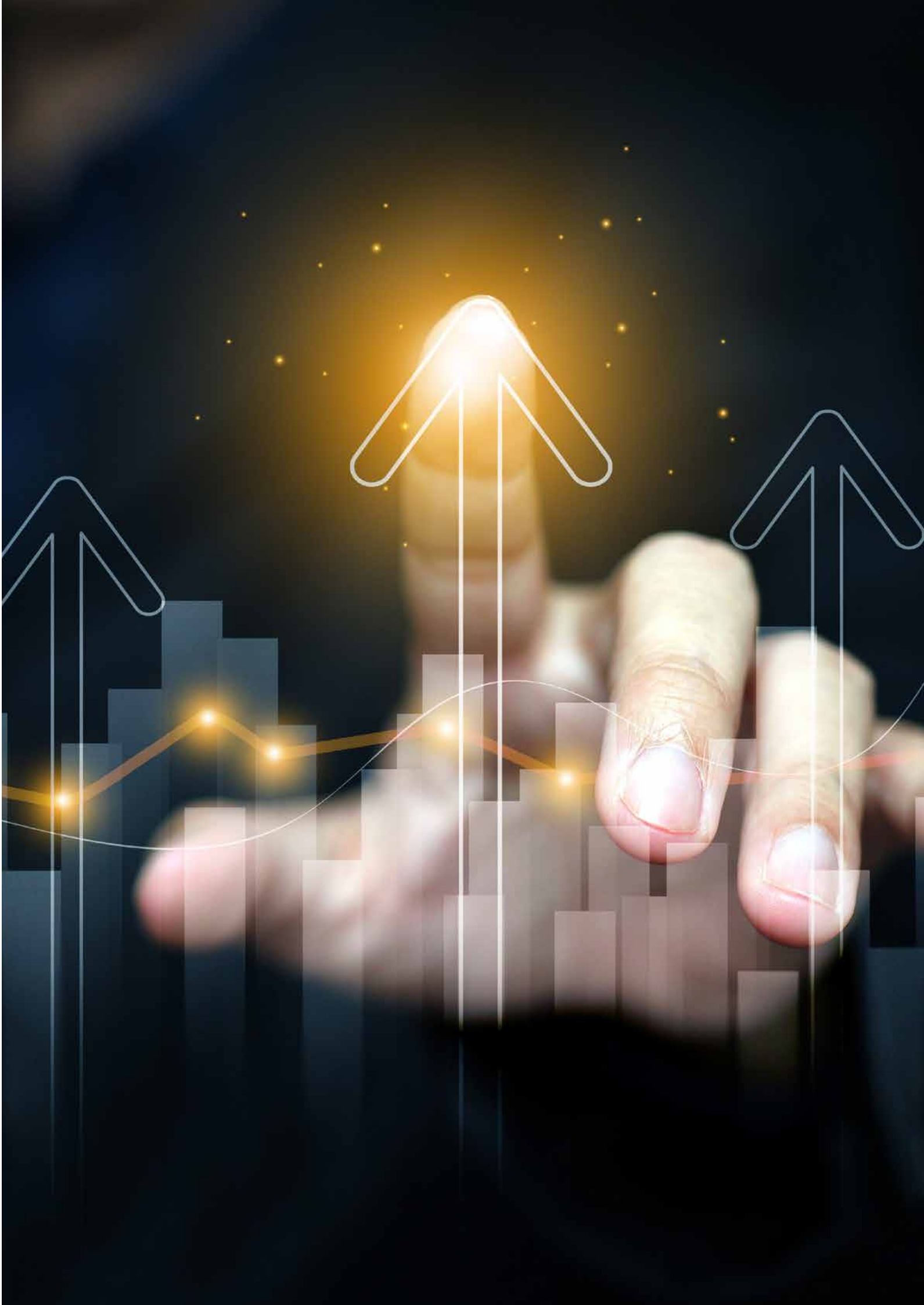
Premium generation for 2024 in life and personal accident insurance

to Pension Monitoring Center data for December 31, 2024. The total number of participants in the PPS and Auto-Enrollment System exceeded 19.3 million (9.5 million in PPS - 9.8 million in AES) by the end of the year.

Efforts to strengthen incentive mechanisms in order to expand participation in all income groups, even those outside the workforce, and to lengthen the period of stay in the system are critical for the system, as they lead to increased long-term savings. The Medium Term Program (MTP), announced in 2024 and covering the years 2025-2027, identified increasing savings awareness and improving financial literacy among its priority targets. Accordingly, one of the prominent regulations in the program was the Supplementary Pension System (SPS). The SPS, which envisages the transformation of the Auto-Enrollment System (AES) into a second-tier pension system with employer contributions, aims to increase the economic security of individuals in their retirement periods and make the system more sustainable. Scheduled to be launched in the last quarter of 2025, this system aims to provide employees with a dual-source income security by receiving a salary from the Supplemental Pension System in addition to the existing Social Security System.

In the face of an aging population and increasing pension needs, SPS aims to increase savings rates and increase the volume of individual savings through employer contributions. The system enables individuals to maintain their financial independence and sustain their quality of life in retirement while contributing to Türkiye’s long-term financial security strategies. The SPS aims to increase trust in the pension system and strengthen financial stability while offering a sustainable solution for both employees and employers.

Türkiye’s life insurance industry continued to expand its customer base and strengthen its financial performance by increasing its product diversity. In life insurance, there was a significant increase in the sector’s generation, especially as interest in savings-oriented products began to rise. According to the Insurance Association of Türkiye, life and personal accident insurance premium generation increased by 74% year-on-year to TL 102,494 million in 2024.



PRODUCT MANAGEMENT AND PRICING

We initiated the development of new products to meet our customers' comprehensive protection needs in the short and medium term.

USD 68.5 million

APE generation of the Insurance for Endowment product since August 2023

As AgeSA, we focus on understanding our customers and offering the most suitable solutions for their needs. To this end, we blend our innovative vision with value-creating services and continuously advance customer experience with practices that set trends in the industry. We enrich our product portfolio by focusing on customer expectations and aim to provide a perfect experience at every step.

We Design New Products for Our Customers to Meet Their Needs

We initiated the development of new products to meet our customers' comprehensive protection needs in the short and medium term, and have completed the product design phase. We aim to launch our modular product, which can be adapted to different customer needs through different sales channels with varying payment options and coverage diversity, in the market in the coming periods.

In Insurance for Endowment, which meets our customers' medium or long-term protection needs and whose sales started as of August 2023, we have introduced product features and product flexibilities (premium discount/increase, suspension, reinstatement and withdrawal) that our customers will be entitled to after completing their first year. The APE generation of the product has reached USD 68.5 million since its launch in August 2023.

We continue to digitalize our Savings Life Insurance product, whose sales started in 2022 and which offers our customers the opportunity to save while protecting them. We digitalized the dividend letters sent to our customers on the anniversary of their policies and prevented paper waste. In addition, we created user-friendly screen designs to improve the mobile experience of product customers. The product's APE generation reached USD 73 million since its launch in August 2022.

We have regularly followed up with our existing customers who suspended premium payments in the Bright Side of Life Insurance product, which was closed for new sales since 2022, offered them advantageous offers and flexibilities and took actions to increase portfolio activity. In the upcoming operating period, we have started preparations for a communication plan for customers whose policies come to an end and qualify for Life Coverage.

As a result of the loan competition analysis we conducted in the previous year to closely monitor loan-linked products in the market and observe market dynamics, we increased the premium in February for the Credit Protection product, which we offer together with consumer, commercial installment and vehicle loans. In July, we revised the maximum entry age and coverage amount limit per customer in order to increase



the penetration of Dangerous Diseases Coverage. We started to offer the Credit Protection product, which is currently integrated with commercial installment loans sold through branches, together with commercial installment loans sold via mobile with the transition made in November. In order to determine the actions we will take in the upcoming operating period, we repeated the credit competition analysis we conducted in previous years this year. The share of total unemployment coverage premium in total loan life premium generation reached 29%, while our total loan life insurance generation increased by 109% compared to last year. In addition, the share of total premiums for the dangerous diseases coverage in total loan life premium generation reached 5%.

We organized periodic campaigns in PPS and Life products to observe the positive contribution of new sales and increase customer communication. In March, we offered additional benefits to our female customers who started a PPS contract. In April and September, we included our participants under the age of 18 who started a PPS contract in the ecoDrone seed campaign. In October, we enabled our customers who initiated the Insurance for Endowment, Savings Life Insurance and PPS contracts with initial capital to benefit from 2 free sessions of online psychologist, sports trainer and dietician services offered by HiDoctor application.

We launched our PPS plans simplification project to ensure efficiency in our PPS product portfolio and save time in product revisions and new fund addition processes. With this project, we managed to reduce approximately 86 product codes to 25 in the first stage. We aim to further reduce this number in the coming period.

The merger process of the Gold Fund-AEL, one of our pension mutual funds included in our private pension plans, with the Participation Gold Fund-GEV was completed.

In December, within the scope of digitalization and paperless production, the Future Cumulative product sold through our Direct Sales and Agency Channel was defined in the AgeSA Mobile application for participants under and over the age of 18. With this development, AgeSA self-service was also included in AgeSA's multichannel distribution structure.

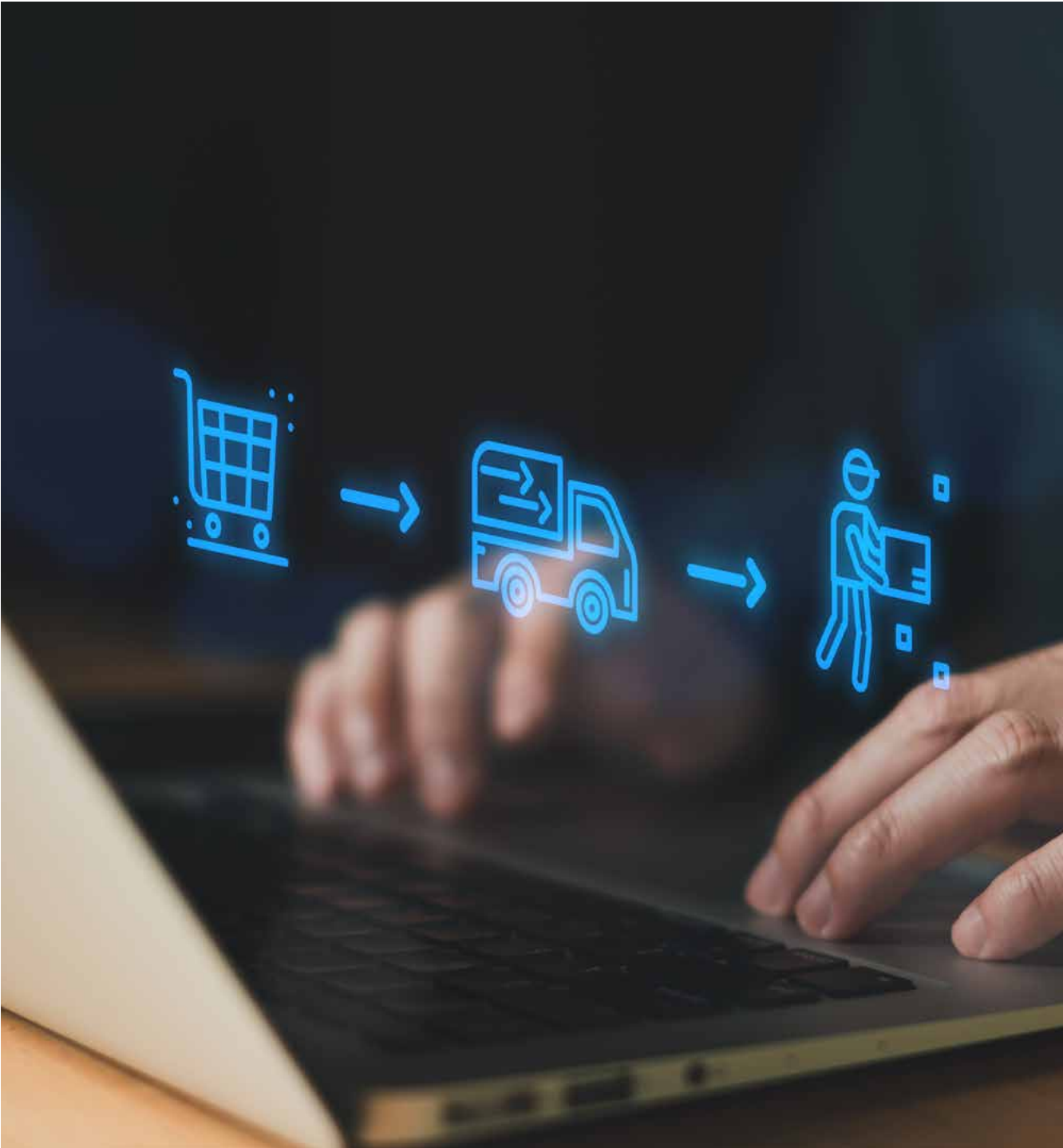
The Fast Retirement Plan, which was sold through the Akbank Customer Contact Center channel, was positioned on a new sales platform and started to be offered to participants under the age of 18.

We conducted customer and market researches in order to meet the needs of our customers on the basis of the product groups of PPS, life insurance, personal accident insurance and cumulative life, to ensure the benefit-price balance and to further improve the product portfolio from a customer perspective day by day.

The Fast Retirement Plan, which was sold through the Akbank Customer Contact Center channel, was positioned on a new sales platform and started to be offered to participants under the age of 18.

PRODUCT MANAGEMENT AND PRICING

In 2024, our activities were successfully reflected in the results and we maintained our leadership in the private sector PPS fund size.



Furthermore, we realized our standard product revisions:

- As we did each year, in addition to the contribution increase indexed to CPI in our private pension plans, we revised our standard and initial capital products found in the Bank, Direct Sales and Agency Channels, and completed our activities so that our customers can reach their target savings more easily.
- We completed the development of our private pension plans so that the management expense deduction, which is collected in advance in the first year, can be paid in monthly installments, as it is done in the 2nd and 5th years of the contract.
- We made a price change in our VIP Life and Personal Accident Insurance products, which provide protection against 12 different critical illnesses and are offered through our Banking Channel.

In 2024, our activities were successfully reflected in the results and we maintained our leadership in the private sector PPS fund size. While the life and personal accident insurance generation in the sector increased by 72% compared to the same period of the previous year, AgeSA grew by 98%. We closed the activity year as the leader in the protection and personal accident insurance market.

Our Goals for 2025
In 2025, we will focus on the projects we started to work on during the previous activity period and on our new product studies. We will continue to work on getting our new protection product, whose design is complete, ready for sale. We aim to launch the product in 2025. In the first quarter

of 2025, we will launch the system and communication plans we have developed for our customers who qualify for Life Coverage in the Bright Side of Life Insurance.

We plan to complete the improvements that increase the coverage of the Credit Protection product in the first quarter of 2025. We aim to make a difference in the loan-linked life market in 2025 with the alignment of the unemployment coverage limit to current market conditions, the availability of alternating unemployment coverage for short terms and customer-focused solutions.

We will update our products and services by closely monitoring the changing needs of our customers and market dynamics. In this context, we will continue our customer and market research in 2025 as well. In order to adapt to the changing economic conjuncture, we will diversify our investment options by creating new funds in areas such as precious metals, real estate, food, energy and technology.

In addition to our efforts to simplify our PPS plans, we will also work to simplify the existing funds in our portfolio. We will follow changes in legislation and make necessary arrangements in line with the roadmap we determined. We will continue to offer special campaigns and advantageous services to our target audience at different periods throughout the year.

Furthermore, we will continue to work on innovative products and regularly take actions to maintain the profitability of the product portfolio.

We closed the activity year as the leader in the protection and personal accident insurance market.

BANCASSURANCE

In 2024, our innovative solutions in digital channels further accelerated our growth.

TL **32.5**
billion

Total PPS contribution
generation of AgeSA's
Bank channel in 2024

2024 was a period of accelerated change and development for our Bancassurance Channel. In line with the integration efforts within Sabancı Holding Financial Services Group, Selim Avşar, Assistant General Manager of Bancassurance at AgeSA, was appointed as Assistant General Manager responsible for Bancassurance at Aksigorta as well. With this strategic decision, we aim to create significant synergy in our bancassurance activities and maximize the potential and efficiency of our Bancassurance Channel by prioritizing customer satisfaction and service quality.

In the new period, we prioritize adding sustainable value to our employees and both companies while offering 360-degree innovative solutions to all insurance needs of our customers in our Bancassurance Channel.

In 2024, We Continued to Bring Our Customers Together with Our Innovative Solutions on Digital Channels

In line with our leadership target in the private pension system (PPS), we continued to effectively use alternative distribution channels in addition to Akbank branches. We significantly increased the share of our digital channel sales by moving our PPS sales to the Akbank Mobile platform last year.

With our digitalized PPS sales process, we made a significant contribution to the growth of the customer portfolio in 2024 by integrating it into new customer acquisition processes in Akbank's digital channels.

With the New Projects We Launched on Akbank Mobile, We Also Renewed Our After-Sales Services on Digital Channels

We continued to improve our after-sales processes in digital channels in line with customer expectations through the projects we carried out together with Akbank. In this context, we introduced the "Change of Payment Tool" function, which allows our customers to quickly and easily change their PPS payment preferences, to the Akbank Mobile platform in June, and the "Lump Sum Payment" function, which allows them to grow their savings faster, in December. Thanks to the efforts we realized by creating a strong synergy with Akbank, we aimed to contribute to customer continuity by providing our customers with an end-to-end experience.

Working in Strong Collaboration with Akbank, We Aim to Achieve Our Strategic Goals and Create Value with Our Joint Projects

In order to increase Loan Life premium production and strengthen our position in the market, we expanded our value proposition by making innovations in our "Credit Protection" product, which we offer to our customers as loan-linked through Akbank channels. Last year, we implemented new projects to expand the channel network of our Credit Protection product for installment commercial loans, which we offered only through our branch channel. In this scope, we started to offer this product also for commercial loans to be extended via Akbank Mobile as of December.



In addition, we improved the coverages we offer in personal consumer loans by focusing on customer needs. In this scope, we improved the "Dangerous Diseases Coverage" we launched last year and increased the age and coverage upper limits. With the project we launched in July, we expanded our target audience and increased the value we provide by offering higher coverage options in line with the needs and expectations of our customers.

Also in the coming period, we will continue to develop new projects in line with Akbank's lending policy in order to increase our loan life generation.

We Improved User Experience with Our Infrastructure Renewal Projects

We renewed our PPS sales process in the Akbank Customer Contact channel with the infrastructure and front-end screen change project we launched in November. With the newly designed screens, we made our sales processes extremely simple, streamlined and user-friendly. We also started to offer our special PPS product for customers under the age of 18 through the Akbank Customer Contact channel.

Our infrastructure renewal and front-end screen change projects will continue in the Akbank Branch channel in 2025. In the coming year, we aim to offer brand new experiences to our users by improving the sales processes of our PPS products sold through the branch channel. We also plan to make our

Insurance for Endowment product even more efficient with a new sales process that will be integrated with the Bank. We will continue to grow and progress in line with our common goals by prioritizing our strong collaboration and synergy with Akbank in PPS and Life insurances.

The Innovative Works We Launched in 2024 Made a Positive Contribution to Our Business Results As Well

We continued to increase our market share in the industry with our innovative projects in the loan life branch. With our digital transformation efforts, our total premium generation in the stand alone life insurance and personal accident branches continued to grow in 2024 as well. In 2024, when the growth trend in the private pension industry continued, our Bank Channel outperformed the industry. In 2024, for our Bank Channel:

- Its share in AgeSA PPS new job value was 73%.
- Our Company's share in total life insurance generation reached 72%.
- The PPS annual premium equivalent generation increased 1.9-fold year-on-year and reached TL 7.3 billion.
- The fund size increased above the pension industry by 64% year-on-year and played an important role in AgeSA's fund size.
- Akbank Mobile self-service PPS generations, which started in December 2023, had a positive impact on the Bank Channel new job number.
- Total life insurance premium generation doubled year-on-year to TL 10.2 billion.
- Total PPS contribution generation was TL 32.5 billion.

In 2024, our Bank Channel doubled in size year-on-year, generating TL 10.2 billion in total life insurance premium.

DIRECT SALES, AGENCIES AND CORPORATE PROJECTS

We achieved 83% year-on-year growth in life insurance premium generation with TL 2 billion.

TL 8.7 billion

2024 PPS contribution generation

890

Savings Assurance Advisors

DIRECT SALES CHANNEL

We Increase Our Power in the Field by Growing Our Direct Sales Channel

AgeSA Direct Sales Channel, one of our most important distribution channels, which has the most established staff in the private pension and life insurance sector, grew not only in number of Savings Assurance Advisors but also in terms of regions and teams in 2024.

With the decision taken in April 2021 to efficiently expand the most experienced Direct Sales staff of the industry, we increased the number of our Savings Assurance Advisors from 394 at the beginning of the year to 890, exceeding our 2024 year-end target of 850.

Also in 2024, we continued our generation without slowing down. As AgeSA, we continued to focus on PPS in 2023 as well. Thanks to its experience and efficient growth goal, our Direct Sales Channel increased PPS contribution generation to TL 8.7 billion, achieving a growth of 99% compared to the previous year. When we look at our new job production data, we closed the year with a production of TL 2.5 billion, a growth of 102% above last year. We reached a production of TL 3.1 billion in lump sum payment and TL 46.6 billion in fund size. While our average fund size per person in

PPS increased from TL 142 thousand to TL 214 thousand, we continue to contribute to our existing customers to reach their retirement dreams by increasing their retirement savings.

With the new Cumulative Life Insurance product we launched in August 2022 and the renewed Insurance for Endowment product we launched in August 2023, we achieved a growth of 83% in total life insurance premium generation with TL 2 million compared to the previous year and a growth of 133% in new job generation with TL 892.4 million.

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 our customers from a single point and contributes significantly to the strengthening of our Company's customer focus.

Our Direct Sales Channel strengthened its foundation by significantly increasing individual productivity and employee loyalty in recent years. We aim to grow this strong structure by increasing the number of employees and the production share within the Company, and we continue to maximize our efficiency with our digital sales processes.



The Direct Sales Channel will continue to grow in the number of Regional and Savings Assurance Advisors in 2025 as well, focusing on increasing channel profitability and efficiency.

AGENCIES CHANNEL

Türkiye's Most Productive and Active Agency Network

In our Agency Channel, which operates in 32 provinces with a total of 300 agencies, we continued to implement the value-based, productive agency strategy in 2024 as well, which we focused on in 2023, by strengthening collaboration and communication with existing agencies.

Also in 2024, we continued our generation without slowing down. As AgeSA, we continued to focus on PPS in 2024 as well. Thanks to the experience of our Agency Channel, we increased PPS contribution generation to TL 5.3 billion, achieving a growth of 99% compared to the previous year. Looking at the new job PPS generation data, we closed this year by generating TL 2.3 billion with a 102% growth higher than the previous year.

We reached a production of TL 1.1 billion in lump sum payment and TL 24.0 billion in fund size. The PPS average fund size per person increased from TL 208 thousand to TL 280 thousand.

In 2024, we generated TL 2.3 billion worth of new jobs and achieved 102% growth over last year.

DIRECT SALES, AGENCIES AND CORPORATE PROJECTS

In line with the importance we attach to digitalization, we launched the “digitalization of the sales process” application as of July.

113%

Growth in life insurance in 2024

TL 1.8 billion

2024 life premium generation

In 2024, in parallel to our priority of having the most productive and active agency network in the field of life insurance, we generated TL 600 million of APE life insurance and achieved a growth of 113% compared to the previous year with our Cumulative Life Insurance product and renewed Insurance for Endowment product which we launched in August 2023. We reached TL 1.8 billion in total life premium generation.

Our Agency Channel increased its productivity rates from 51.7% to 94% in the last three years with its experienced management team and productive agency focus.

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 with our improved digital sales processes to establish the most productive and active agency network of Türkiye in 2025 in line with our Company’s strategic road map.

CORPORATE PROJECTS

2024 was a year in which we, as the Corporate Projects Channel, made a significant breakthrough in group private pension and group insurances and focused on growth.

In group private pension, we succeeded in increasing the number of contracts with a growth rate above the market average. We achieved this success both by adding new employer groups to our portfolio and by building strong relationships with our existing groups, increasing product penetration. In line with the importance we attach to digitalization, we launched the “digitalization of the sales process” application as of July. This application was made available to both our field teams and the HR representatives of our group companies, making our processes even more efficient.

In group life insurances, while focusing on large-scale companies with a strategic approach, we offered specially designed package products for medium-sized companies, ensuring that their employees are financially secured against risks.

In 2024, we did not only focus on growth figures. We aimed to maximize the satisfaction of our corporate customers by improving and diversifying the services we offer them. To this end, by prioritizing projects such as developing digital solutions, restructuring the services offered to corporate customers and special segmentation, we have moved forward in line with our vision of being the most preferred pension company in the industry.

We Started Significant Scale Works in Group Pension and Group Life Market

While corporate agreements were made with more than 2,000 different sized new organizations within the scope of both auto-enrollment and group pension plans, 39% growth was achieved in the unit market share of group pension plans compared to the previous year.

According to 31.12.2024 reports:

CORPORATE PROJECTS	Number of Firms	Number of Active Contracts	Fund Size
İGES	1,390	38,642	6,941,750,911
GBB	3,375	53,900	17,184,536,379
AE	54,551	864,431	6,574,832,676
TOTAL	59,316	956,973	30,701,119,966

While the PPS fund size of our Corporate Projects channel rose to TL 23.0 billion, representing 12% of AgeSA’s total fund size, we generated TL 799 million in PPS APE in 2024.

The share of corporate contracts in AgeSA’s private pension contracts is 10.8% with 155,345 units.

We realized a premium generation of TL 77.2 million by going quite above our targets in group life and group personal accident portfolio as well.

With its solution and customer-focused approach, our Corporate Projects Channel will keep growing steadily in 2025 as well, focusing on increasing channel profitability and efficiency.

We realized a premium generation of TL 77.2 million by going quite above our targets in group life and group personal accident portfolio.



MEDİSA

Medisa offers customers and distribution channels a fast, easy and integrated experience through insurance apps built using cloud-based and next-generation technology.

100,000+
Number of Medisa customers in 2024

Founded in 2022 in line with the strategic health investments of Sabancı Group and Ageas, Medisa offers innovative services in the fields of health insurance, telehealth, healthy living and disease management. Having completed its branding process as of 2024, Medisa offers customers and distribution channels a fast, easy and integrated experience through insurance apps built using cloud-based and next-generation technology.

Developed on the Bulutistan infrastructure in collaboration with SabancıDX, Medisa started to serve under the Aksigorta-Medisa strategic partnership as of July 1, 2024. Aksigorta's Private Health Insurance (PHI) and Complementary Health Insurance (CHI) policyholders benefit from Medisa's insurance business and digital health solutions and enjoy a comprehensive health experience. Reaching more than 100,000 customers by 2024, Medisa has become one of the top 10 players in the industry.

Acting with the vision of becoming one of the leading players in the health ecosystem, Medisa aims to be with individuals at every stage of their health journey. Accordingly, launched in 2025, the Medisa Mobile Application, offers a holistic ecosystem by digitalizing healthcare services and integrates innovative solutions.

With the Medisa Mobile Application, customers can:

- Gain instant access to policy and coverage information, track their health expenditures digitally and quickly access contracted health institutions.
- Find quick solutions to their health problems by making video calls with specialized doctors.
- Learn about possible diagnoses and receive accurate guidance by entering their symptoms.
- Manage personal health information by recording health data such as blood sugar, blood pressure, pedometer and water consumption.
- Create reminders to regulate medication use and access package insert information and drug interactions.
- Make informed health decisions by accessing clinically verified health content.

In line with the digital transformation vision, Medisa's corporate website was launched in 2024, further strengthening the company's digital presence.

Medisa, which has also taken important steps in the field of institutionalization, completed the process of defining employee identity, identifying corporate values and behavior models within the scope of the Employer Branding Study and created a strong internal communication strategy. This project was shared with all employees with a launch communication in September.



Aiming to build a sustainable future with the principles of digitalization, customer focus and operational efficiency, Medisa won the Best Private Cloud award with its "Project Pioneer" project at the Future of AI & Cloud Awards organized by CXO Media, ranking among the innovative projects shaping the future of artificial intelligence and cloud technologies, and confirmed its innovative approach.

In line with its vision to strengthen its financial structure, in December 2024, AgeSA acquired Aksigorta shares in Medisa, making Medisa a 100% subsidiary of AgeSA.

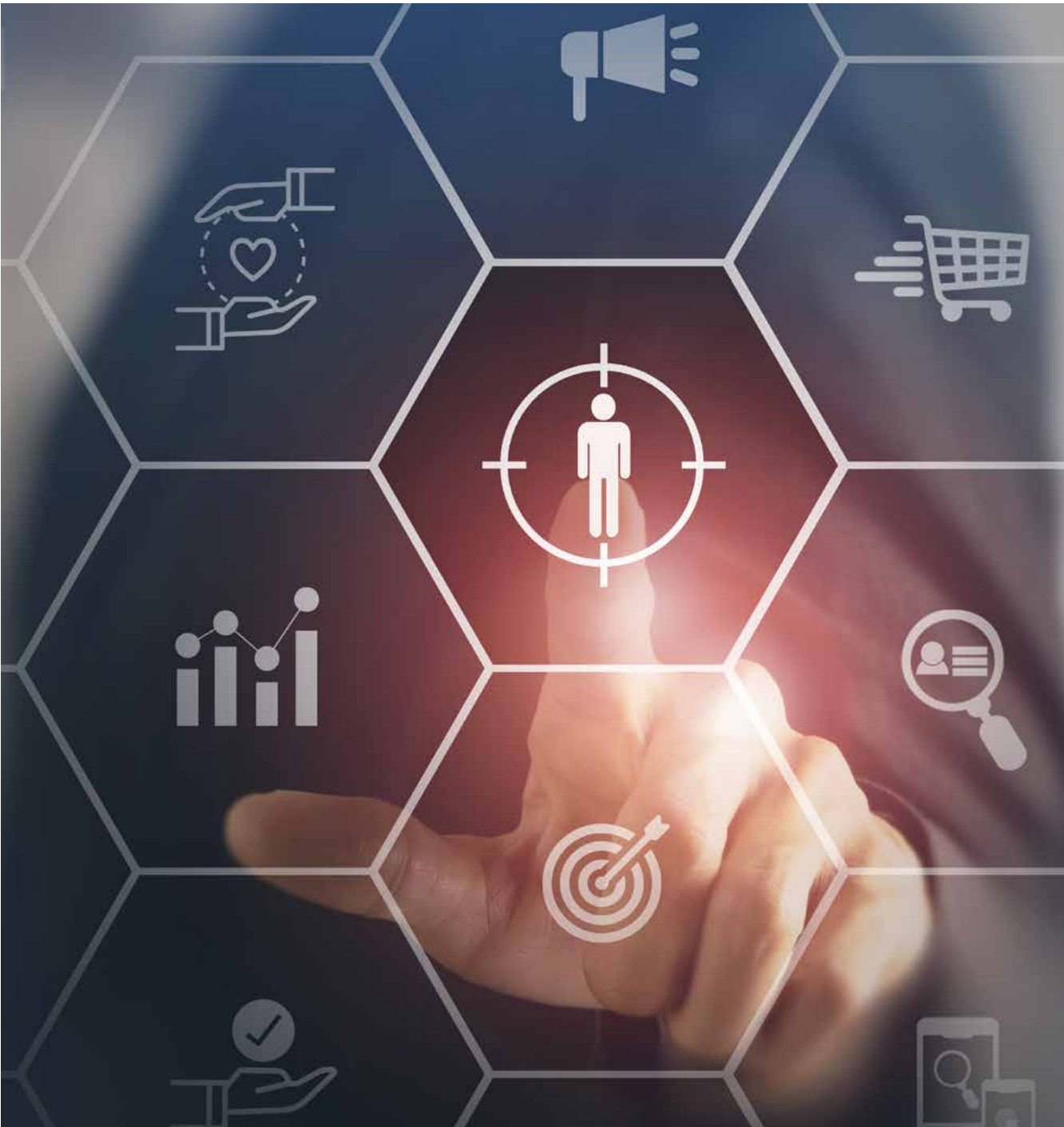
Entering 2025 with a stronger structure, Medisa further consolidates its position in the industry with its innovative solutions and customer-focused strategies.

With the transformation it created in the health ecosystem, it aims to expand its customer base and increase insurance and health awareness by growing its private health system integrated with digital technologies. Medisa will continue to support individuals in every step of their health journey with the vision of creating a healthy society.



CUSTOMER FOCUS

We approach our experience strategy under three main headings: customer, employee and company experience.



Journey to Excellence in Fund Management with the Principles of Trust, Support and Gain

Our research and studies on the fund trend and its position in the private pension system show that our customers start a fund journey with the priority of “trust,” which includes only transparent information, expect continuous “support” throughout this long-term journey and basically aim to obtain a “gain” for the money invested. We position our fund management strategies according to three basic principles: trust, support and gain.

In line with this understanding, we are continuously developing our “FonPro Digital Fund Consultancy” service to better respond to the needs of our customers with our vision of achieving excellence in the fund experience.

The World of Gladly: AgeSA Privileges that Enrich Life

Designed specifically for AgeSA customers, “The World of Gladly” aims to maximize customer satisfaction and loyalty. We offer exclusive services to our customers with privileges such as airport transfers, video doctor services, free car maintenance, international education consultancy, culture and art events and healthy living solutions. Visited by approximately 40 thousand customers throughout the year, the World of Gladly continues to improve and develop according to the expectations of our customers.

Dissemination of AgeSA Customer-Focused Culture

We approach our experience strategy under three main headings, namely customer, employee and company experience, and we strengthen this structure with data and technology support. As AgeSA, we organized many online and face-to-face events during the year as part of “Customer Meetings,” whose 10th anniversary we celebrated, in order to ensure that our customer-focused mindset is adopted by all our employees and integrated into our business processes. We successfully organized events such as Customer Panels, Fund Meetings, CX Talks Customer Experience Conversations, Employee Panels, Customer Experience Champions and Voice of the Customer with the participation of approximately 750 colleagues and more than 5 thousand customers in addition to our senior executives.

Participants from various countries met in Hong Kong at the Ageas CX Forum Organization!

During the three-day organization, we had the opportunity to come together with participants from various countries to explore and strengthen the customer experience and productivity culture. Through engaging discussions, interactive workshops and shared experiences, we uncovered valuable insights and strategies that cross boundaries and drive excellence.

Designed specifically for AgeSA customers, “The World of Gladly” aims to maximize customer satisfaction and loyalty.

CUSTOMER FOCUS

Thanks to our customer-focused projects, we continue to rank above the average score of our competitors in the net promoter score (NPS) in 2024 as well.

We introduced seed balls to nature with our innovative solution partner in order to contribute to a sustainable and greener future.

Metrics in Measurable Customer Experience

Instead of measuring satisfaction with only a single value, we, as AgeSA, have established a regular tracking of customer metrics to show and monitor that it is included into all our journeys. The metrics that all our colleagues, including senior management, monitor on a monthly basis cover all stages of the customer journey, from pre-sales awareness to interaction and loyalty, and even exit processes. We monitor our target indicators through primary and secondary metrics, identify impact areas and prioritize our actions accordingly.

Voice of the Customer

In line with our vision of being a company with a customer-focused culture, we monitor both our existing and potential customers' promoter scores and their scores in business factors and have an independent research company conduct detailed studies twice a year to understand our position among our competitors. Thanks to our customer-focused projects, we continue to rank above the average score of our competitors in the net promoter score (NPS) in 2024 as well.

We build on a culture of active feedback by constantly listening to the voices of our customers and focus on designing appropriate journeys to meet their expectations. To this end, in 2024, we launched a survey and experience measurement platform that enables us to measure our customers' experiences with a multi-channel approach, track instant feedback, report and perform text analyses supported by artificial intelligence. From the moment of sale to the exit, we sent approximately 300 thousand surveys at the main contact points of our customers and received 3 thousand feedback and learned their expectations.

Personalized Communication Strategies

Within the scope of our active and transparent communication strategy, while our customers secured themselves and their loved ones by utilizing their savings with AgeSA, we introduced seed balls to nature with our innovative solution partner in order to contribute to a sustainable and greener future. Through thematic communications via SMS and e-mail, we offered our customers the opportunity to choose the type of seed to be thrown into nature on their behalf, and at the end of this process, we succeeded in bringing 110 thousand seed balls to the soil.

With personalized communication strategies designed according to our customers' payment habits and preferences, we helped them prevent potential losses while ensuring them to maximize their benefits. Following the complex scenarios we created by considering multiple variables, we effectively provided guidance that would benefit our customers at the right time and on the right platform through real-time customer communications.

DIGITAL DEVELOPMENT AND DATA ANALYTICS

As AgeSA, we continue our "Digital Development" efforts without slowing down to respond to the rapidly changing business environment and customer needs and accelerate our investments in our analytical competencies in line with our strategy of "becoming a data-driven company." Through our work in data and analytical modelling, we strengthen our existing infrastructure and develop actions to offer the most accurate directions for our customers. With the solutions we offer in digital channels, we make our customers' lives easier and enable them to access the personalized services offered to them in the fastest way possible. The "Analytical Excellence" and "Digital Development" roadmaps, which we consistently follow by updating with new technologies and developments since 2016, impact not only our Company's financial performance but also continue to offer exponentially increasing added value for our customers.

Artificial Intelligence and Analytical Modeling

Determining the customer needs through analytical activities, offering products and services appropriate to these needs, increasing customer satisfaction, and giving directions based on scientific and sustainable methods to prepare for a safe future of our customers are among our priorities. For this purpose, we follow our artificial intelligence and analytical modeling studies in a total of 4 programs in an end-to-end structure that continues from getting to know our customers to making them the most accurate service and product recommendations:

Customer Segmentation Model: Right Identification, Right Service

The way to determine and meet the needs and expectations of our customers in the best way and to offer solutions that are suitable for the needs and preferences of different customer groups is to get to know them accurately. As AgeSA, we include our customers in our three-tier segmentation structure with this perspective and differentiate our customer actions on the basis of segments, both to provide a more personalized service to our customers and to achieve cost advantages in our customer actions. Our three-tier segmentation structure is based on the value created by customers, their future potential and their savings and protection habits. In 2024, we added segment studies that will analyze customers' digital footprints to better understand their needs and offer them a better tailored experience to this three-tier segmentation structure. We created a segment infrastructure that will form the basis of the corporate customer service model and offer our corporate customers differentiated services and actions.

We differentiate our customer actions on the basis of segments, both to provide a more personalized service to our customers and to achieve cost advantages in our customer actions.

CUSTOMER FOCUS

As AgeSA, we utilize data analytics studies to be able to manage the protection and savings needs of our existing customers.



We closely monitor the contract continuity, collection continuity, and return levels of all our PPS customers with the “Customer Continuity Assistant.”

Artificial Intelligence Supported PPS Retention Actions: Customer Continuity Assistant (Retention Engine)

PPS is a secure and profitable pension system where our customers make regular savings to make their future better already and where savings increase rapidly thanks to the state contribution. The longer our customers stay in the system, the higher their savings and the more they earn from their savings. For this reason, it is very important to ensure the continuity of our customers who entered the PPS system.

As AgeSA, we closely monitor the contract continuity, collection continuity, and return levels of all our PPS customers with the “Customer Continuity Assistant”; we create early warning and exit prevention systems with artificial intelligence-powered predictive analytical models, and support all relevant sales and service channels to provide the most accurate guidance to our customers.

Thanks to the “Micro Segmentation Structure” and “Customer Monitoring with Exit Reasons Competency” features recently added to the Customer Continuity Assistant, we are able to better understand customers in critical segments, closely monitor changing market conditions, and track customers who are likely to be affected by these conditions. In addition, using deep learning

algorithms, we regularly update our churn model within the Customer Continuity Assistant based on metrics we estimate such as customer returns, risk appetite, and monthly exit trends in the industry.

A web-based instant tracking and management dashboard is being prepared and dynamic tracking structures are being created to instantly monitor the retention actions taken based on this system and to keep the success levels of microsegment-based recommendations above a certain ratio. With the MLflow structure, the prediction model success of microsegments will be monitored regularly, and our field and Head Office teams will continue to be supported to make the most appropriate recommendations and guidance.

Product and Service Recommendations Tailored to the Needs of Our Customers (Next Best Offer)

At AgeSA, we utilize data analytics to increase the product diversity of our existing customers in accordance with their needs and to manage their protection and savings needs (for themselves and their families) in the most accurate way. For this purpose, we monitor customer product needs in different product groups with savings and protection ratios supported by scientific studies. The likelihood of the customers whose needs are identified to purchase the products to be recommended is predicted by machine learning algorithms,

and appropriate product recommendations are made to the right customer at the right time through the right channel.

We also conduct and monitor target audience studies for our new products that entered our lives in 2024 and the products in our existing portfolio that we started to offer to our customers through different sales/distribution channels, within the scope of “Next Best Offer.” The acceptance or rejection of recommendations regularly and automatically feeds our models. Feedback from customers and sales teams is evaluated, our models are enriched with new data sources, and thus, a machine learning loop that continuously improves itself and produces more accurate predictions is being created.

In 2024, we completed our work to determine the most suitable products and services for our corporate customers using machine learning algorithms, focusing on products that provide both savings and protection advantages, and we started delivering our offers to these customers through our Corporate Sales channel.

Transition from Mass Actions to Personalized Actions (Next Best Action)

We continue to develop our analytical and digital competencies to design all communications and contacts with our customers in the most optimal way using analytical

methods and artificial intelligence, to identify customer needs with the fewest questions, and to accurately contact customers at the most appropriate time through the most appropriate channel.

As part of “Next Best Action,” in 2024, we focused on the maintenance and improvement of our existing models in line with our vision of providing customized services to our customers. In this context, we updated our new churn model and optimized our cross-selling models to strengthen customer loyalty. In addition, we further improved the performance of our customer needs and due diligence identification models. We also completed behavioral segmentation updates to analyze customer behavior more effectively. These continuous updating and improvement efforts aim to further strengthen our Company’s vision of customer focus, which it achieved through the Next Best Action approach, and to maximize the customer experience.

In 2024, we launched the Recommender Engine infrastructure to offer our customers a personalized digital experience. This system aims to both increase customer satisfaction and optimize upsell opportunities by providing upsell offers tailored to the needs and preferences of our customers. The developed infrastructure allows us to offer the

We completed behavioral segmentation updates to analyze customer behavior more effectively.

CUSTOMER FOCUS

The developed recommender engine infrastructure allows us to offer the right recommendations at the right time by analyzing customers' digital behavior data and contact points.

We continue to support our decision support mechanisms with data and data analytics studies in line with AgeSA's strategy of being a data-driven company.

right recommendations at the right time by analyzing customers' digital behavior data and contact points. The recommendations are delivered directly to our customers through communication channels such as SMS and in-app notifications. In 2025, we will continue to develop our project for integration with various communication channels.

Dashboards Strengthening Our Decision Support System

In addition to our action-oriented analytics programs, we continue to support our decision support mechanisms with data and data analytics studies in line with AgeSA's strategy of being a data-driven company.

In addition to many analyses conducted in this context, new decision support dashboards were created to monitor the topics related to the Company's strategic priorities in 2024, and the determined metrics were monitored and analyzed in depth, and improvement points and actions were determined.

In 2024, with the aim to strengthen our customer management structures and prioritize the right actions, as well as the lead tracking process, we added a comprehensive reporting structure to this powerful decision support system. We had already established

this system with a dashboard to identify and track the strategic goals of our field teams in customer management processes, a dashboard that allows us to monitor the performance of our "AgeSA Mobile" application, where we can track important metrics such as user interactions, critical and financial transactions and a dashboard where we can monitor critical metrics of our customers from the moment they first meet AgeSA to their exit or retirement. The lead tracking process is critical for optimizing sales opportunities and increasing transformation rates. By increasing the efficiency of our customer acquisition procedures, we therefore strategically contribute to business growth. Thanks to data-driven decision-making and tracking systems, we also ensure that we achieve our goals.

Analytical CRM and Campaign Management

Transforming the information obtained as a result of analytical modeling studies into intelligible activities for the sales and Head Office teams, regularly monitoring and reporting the results of these activities, and supporting our product and service recommendations offered to our customers with various campaigns have an important share in increasing the Company's production and customer continuity.

At this very point, by positioning our Analytical CRM and Campaign team, we set an example of focused work and take steps to ensure that more efficient actions are taken with the right effort in all our sales and service channels.

Smart Directions for Our Field and Head Office Teams (Growth Engine)

Unlike standard approaches, we continue to deliver cross and up-selling opportunities, which we identify by focusing on the needs of our customers, to our field and Head Office teams via our CRM system Ocean and to continuously improve our recommendations by tracking the sales returns of these opportunities.

In 2024, we delivered more than 200 thousand smart offers to 150 thousand customers through our sales teams using our CRM system and call center. Compared to the previous year, by further strengthening our opportunity and recommendation structure with machine learning models, we were able to further increase our offer acceptance rate.

In order to use digital channels more actively in the areas of campaign management and personalized customer offers, we have accelerated our infrastructure development efforts and continue to implement actions to support our self-service strategy. In the new period, we will realize all our up- and cross-selling recommendations under a single roof with multi-channel management under the title of "Growth Engine" and continue to offer our customers the most accurate product recommendations by utilizing self-service channels as well.

Our Customer Campaigns

During 2024, we continued our customer campaigns without slowing down in order to encourage our customers to utilize and grow their savings in the most efficient way. Both as AgeSA, covering all our customers, and together with our business partner Akbank, we accompanied our Bank Channel customers on their journey to expand their savings and create a future full of "gladly" where they can protect themselves and their loved ones against unexpected risks. Thanks to the campaigns

In 2024, we delivered more than 200 thousand smart offers to our customers using our CRM system and call center.



CUSTOMER FOCUS

Our AgeSA Mobile application left its 6th year behind with more than 500 thousand active users.

As AgeSA, we contacted nearly 30 thousand customers in total with 12 different customer campaigns in 4 different periods and distributed a total of TL 3 million worth of prizes.

we organized for our customers approaching their retirement dreams, while providing our customers to effectively benefit from the private pension system and state contribution, we aimed to encourage them to stay in the system for a long time.

In 2024, as AgeSA, we contacted nearly 30 thousand customers in total with 12 different customer campaigns in 4 different periods and distributed a total of TL 3 million worth of prizes to this end.

Digital Projects and Innovative Solutions

We Continue to Follow the Digital Development Continuity with our Digital Roadmap

We have completed the second year of our three-year digital roadmap as an output of the workshops we organized with all relevant units in order to add more value to our customers. We closely monitor the implementation processes of the programs we created as part of this activity and make their gains visible to the company.

As AgeSA, we care about the value that our digital projects add to the company employees. In order to measure the effectiveness of these efforts and be able to monitor our digital maturity as AgeSA, we conducted our digital maturity assessment measurement in 2024,

as we do every year. We have determined the actions to be taken, and we regularly follow up the work carried out with our digital roadmap.

Innovative Steps in Digital Sales Journey: “AgeSA Mobile Self-Service PPS Sales,” “Finish with Mobile,” and “Akbank Self-Service PPS Sales”

In 2023, within the scope of the “Increasing Digital Sales Competencies” program launched as the first target of our new digital roadmap, our Company gained very important sales competencies. In the new period of this journey, which we started by moving sales processes to digital and paperless environments for sales teams, we started to move towards structures where customers can acquire self-service products.

With the work carried out within this scope, applications for our most preferred products via AgeSA mobile started to be completed in a paperless and remote manner with the “Finish with Mobile” method. Our Individual PPS, Insurance for Endowment (Return on Premium Life Insurance) and Savings Life Insurance (Cumulative Life Insurance) products are now sold completely digitally. Our sales teams, who save time and are released from the burden of operational processes thanks to the “Finish with Mobile” feature, can now spend more time with their customers and contact more customers.

Furthermore, while it was only possible to collect requests for Private Pension products on the Akbank Mobile application previously, it is now possible to sell Private PPS in a self-service manner within the insurance menu. Akbank customers can easily access the Private PPS product through the screens designed in a very easy and customer-oriented way and obtain this product without any extra contact.

Our video call service, which we identified as the first and most important step to gain self-service sales competence through the AgeSA Mobile application, was launched in 2023. Within this scope, we serve our hearing-impaired customers with our employees who know sign language with video call support. Moreover, in fund consultancy services, we started to provide fund advisory services to all our customers in certain segments, again via video calls.

With the work we implemented in December 2024, we have now started to offer our existing customers a self-service PPS product purchase experience through our AgeSA Mobile application. Our existing customers can now quickly and easily purchase our PPS and under-18 PPS products in a few steps through our mobile application. We aim to expand our coverage with potential new customers in 2025 as well.

Main Self-Service Platform for PPS and Life Insurance Operations: AgeSA Mobile

Our AgeSA Mobile application, which we designed and developed with a “perfect customer experience” perspective as per the needs and expectations of our customers, left its 6th year behind with more than 500 thousand active users.

With our goal of continuously increasing the penetration of AgeSA Mobile, we continue to improve our self-service competencies day by day and keep working with all our strength to develop our application with our vision of becoming the industry’s leading mobile application that contributes to our Company’s financials by providing a better user experience.

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 510 thousand active users in 2024. The amount of additional funds we provided from the lump sum money transfer realized through the application and contribution change transactions has exceeded approximately TL 2 billion in total.

In line with its new functions and the positive impact it created, AgeSA mobile received many prestigious awards in 2024 as well. With our Audio Simulation Support for Visually Impaired Users project, which is an output of our Barrier-Free Digital Experience studies that we realized in collaboration with BlindLook, AgeSA Mobile won the Bronze Stevie in the “Sustainability Service of the Year in Europe” category at the Stevie Awards and also received the EyeBrand award. The same project received a silver award in the Positive Social Benefit category at the PSM Awards. AgeSA Mobile won the gold award in the “Social Responsibility” category at

With our Audio Simulation Support for Visually Impaired Users project, AgeSA Mobile won Bronze Stevie in the “Sustainability Service of the Year in Europe” category at the Stevie Awards.

CUSTOMER FOCUS

In 2024, we further accelerated our efforts in the field of “Sustainable Innovation.”

With the video call service we provide through our AgeSA Mobile application, we won the gold award in the “Social Responsibility” category at the 2024 Smart-i Awards.

the Smart-i Awards with its Barrier-Free Digital Experience Video Call using Sign Language and was awarded in the following categories at the Informatics Summit Technology Captains Awards:

- Technology Captains-Barrier-Free Digital Experience Project: Customer Interaction of the Year First Place
- Technology Captains-Barrier-Free Digital Experience Project: Innovation of the Year Third Place
- Technology Captains-Barrier-Free Digital Experience Project: Operational Competency of the Year Third Place
- Technology Captains-Barrier-Free Digital Experience Project: Social Responsibility of the Year Third Place

Sustainable Innovation and Entrepreneurship Ecosystem

In 2024, we further accelerated our efforts in the field of “Sustainable Innovation.” We continued to create value for the industry both with our local and global partners and while working on the implementation of innovative technologies and innovative business development methods within the Company. We continued to develop high value-added solutions for both our employees and customers by prioritizing innovation efforts in the fields of generative AI, embedded insurance, and AI-powered chatbot & webchat.

With its New Structure, Our Innovation Committee Accelerates Innovation Efforts

We interact with the startup ecosystem and carry out our open innovation activities also under the umbrella of the Innovation Committee, whose strategy we revised in 2024. Within the framework of the activities of the Innovation Committee working group, we continue our efforts to bring the most appropriate solutions for our prioritized subjects into the digital competence pool in line with our business strategy. In this scope, as a result of the work we started in the past years, we made video call technology one of our Company’s competencies and become a pioneer in the industry with the video fund consultancy we offered through our mobile application and the video call support services we offered to our hearing impaired customers. To date, we have provided video call service to approximately 5 thousand customers through our AgeSA Mobile application. With this service, we won the gold award in the “Social Responsibility” category at the 2024 Smart-i Awards. In addition, we received awards in 4 different categories with the Barrier-Free Digital Experience Project at the “Technology Captains” Awards organized by the Informatics Summit.



CUSTOMER FOCUS

As part of Sabancı Youth Mobilization, as AgeSA, we started our work rapidly with a focus on Digital Technologies.

We develop collaborations to support innovation-based transformation by feeding on developments within and outside the industry.

We Touch Our Universities with Sabancı Youth Mobilization
Within the scope of the Sabancı Youth Mobilization initiated by Sabancı Holding in order to create an environment where young people can develop new ideas, support young people to create sustainability and social impact, raise next-generation leaders, entrepreneurs and researchers and transform brain drain into brain power, we, as AgeSA, started our work rapidly with a focus on Digital Technologies. We created our three-year roadmap and took the first step for the technology and impact centers we will establish at the universities with whom we would collaborate. We aim to create an innovative and dynamic structure in the labor market with the young people we will touch through joint project studies and competency programs to be held accordingly, to create a multiplier effect in the business world by providing young people with the ability to adapt quickly to current technologies and innovations and to make a positive contribution to long-term development as a pioneer of change.

Business Development
As AgeSA, we established the Business Development Department in 2022 to follow sectoral and non-sectoral trends, global and local best practices even more closely, to find new markets and opportunity areas, to determine

product and approach strategies suitable for these markets, and to ensure that customers can access insurance products more easily by developing business partnerships. This department continued its efforts in 2024, making full use of the possibilities of data analytics and digital technologies. By focusing on new business partnerships, it completed its development in a way to direct the business development projects that we continued in different areas within our organization in line with our strategies and to manage them from a single source with the right methodological approaches.

Developing New Business Partnerships
With more than 10 interviews held during the year with both our existing and potential business partners on business partnerships, open insurance and embedded insurance, which were identified as the main focus areas of Business Development for 2024, we created business models where we position our PPS and life insurance products for various industries and prepared potential development analyses. In order to create new reference customers, we launched pilot applications with our business partners operating in 2 different industries. For our business model designed to create new reference customers, our competencies were increased to serve our customers with personalized welcome screens tailored to our business partners,

process designs that differ from the existing reference flow and different sales channels. Preparations for the product needs, digital infrastructure needs and business partnership processes identified during various contacts were started to be finalized in a way to ensure the success and acceleration of the steps to be taken in the next period.

In 2025, we will accelerate our efforts to support our Company's main goals and establish business partnerships to continue our efforts to reach our customers through new and different channels with innovative approaches and to gain more new customers by increasing awareness in PPS and Life insurance. We plan to launch our API platform, which we will start designing in 2025. Using API technology, we aim to inform more consumers, especially about our PPS product, and make them PPS product owners through digital insurance agencies and by establishing business partnerships positioned as financial service providers serving in various industries. The right investments we made and continue to make in digitalization will continue to create opportunities for new collaborations while improving our Company's competencies.

Entrepreneurship and Acceleration Program
Our main goal in 2024 was to invest in innovative and sustainable new business models with a focus on pioneering the next-generation insurance and being a company that drives change. We develop collaborations to support innovation-based transformation by feeding on developments within and outside the industry. In 2024, we continued to work on new initiatives under the Entrepreneurship Acceleration Program, leveraging also Sabancı Group's strong muscles to promote innovation and entrepreneurial culture within the Company.

We plan to launch our entrepreneurship acceleration program, whose designs we completed in 2024, with teamwork in which all AgeSA employees may participate, in order to swiftly and structurally turn new ideas into business models with the innovation committee in 2025.

CUSTOMER SERVICES MANAGEMENT
In 2024, we focused on transforming our contact center into a more agile, customer-focused and technologically equipped structure. With these efforts, we not only improved our service quality, but also advanced our cultural transformation centered on customer satisfaction.

We quickly adapted to changing market conditions and agendas during the year and managed to meet the needs of our customers in the most effective way. In particular, the completion of our Next-Generation Call Center project in 2023 made our Call Center much more effective in 2024 with artificial intelligence (AI), automation and customer experience management innovations. Thanks to this transformation, we had the opportunity to monitor customer satisfaction in real time with voice recognition technologies and personalize our communication. At the same time, we prioritized the protection of customer information by setting high standards in data security and privacy.

We succeeded in resolving the requests of our customers who reached our Contact Center in the first call with a very significant rate of 86%. In addition to this success, we raised our call center NPS score to 71.

We succeeded in resolving the requests of our customers who reached our Contact Center in the first call with a very significant rate of 86%.

CUSTOMER FOCUS

We started to offer video call service for our hearing impaired customers through our mobile application.

At the Globee Awards, we won Gold in the “Achievement in Customer Communication” category and Silver in the “Achievement in Customer Satisfaction” and “Innovation in Customer Service Management” categories.

We offered mobile solutions such as Fon Pro to provide financial support to our customers and help them manage their investments more consciously. Furthermore, we called our customers directly with our fund information hotline team to provide information and guidance on the funds they hold. These efforts helped our customers make their financial decisions more confidently.

The Customer-Focused Cultural Transformation Project we started for our customer representatives focused on approaching our customers with empathy, providing the same quality service through various channels and generating personalized solutions. With this transformation, we improved our proactive service approach, achieving a significant increase in customer satisfaction.

As a step that will make a difference in accessibility, we started to offer video call service for our hearing impaired customers through our mobile application. This innovation increased the inclusivity of our contact center, providing our customers with a more responsive experience.

All these actions of us were crowned with major awards in 2024:

- AgeSA received the Diamond Award in the “Customer Experience Management” category at the 8th A.C.E. Awards organized by Şikayetvar.

- At the 2023 Stevie Awards, AgeSA received the Bronze Medal in the Insurance Company of the Year category, Silver Medal in the Achievement in Customer Satisfaction category, and Silver Medal in the Customer Service Department of the Year category.
- At the Globee Awards, we won Gold in the “Achievement in Customer Communication” category and Silver in the “Achievement in Customer Satisfaction” and “Innovation in Customer Service Management” categories.
- Our Next-Generation Call Center project, which meets our customers’ information and transaction requests at the first contact on a single screen and makes proactive recommendations, and our projects aiming to improve customer experience, increase employee motivation, and contribute to human and nature by using Speech Analytics technology brought us the first place in the “Best Use of Technology” category. Again, our innovative applications and customer-focused culture that accurately identify the needs of our customers in all channels we serve and enable them to complete any process they start through other channels as well were awarded the first prize in the “Best Customer Experience” category.



We made a significant contribution to our goal of “Creating a Unique Customer Experience at the Call Center” with our “Bi’ilyiLig Yap!” project, where we awarded points with the Speech Analytics application to our customer representatives managing the call for every beautiful word and expression we hear from our calling customers and where the customer representatives and the team who collect the most points at the end of the competition were rewarded. With our “Bi’ilyiLig Yap!” project, we were awarded:

- Gold in the “Innovative Customer Interaction and Experience” category at the Smart-i Awards,
- Silver in the “Sound Technologies” category at the Sardis Awards.

SPECIAL CUSTOMERS AND TELESALES

Within the scope of our promotional activities, we meet the exit, transfer and retirement 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 22% of the fund sizes of the customers who came with the request to leave and ensured that TL 3.5 billion of funds remained 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 400 million. We contributed to increasing the customers’ savings by emphasizing the importance of saving and continuity of collection.

In 2021, in line with our strategic priorities, we had started customer communications with the “Special Customer Team.” In order to meet evolving and changing customer expectations, we create satisfaction by communicating with our customers in line with their agendas during the year without waiting for them to request fund consultancy services.

In 2024, we completed remote sales pilots with our existing staff, taking into account customer needs.

In 2025, our goal will be to carry out sales activities effectively at strategic points by further enhancing our existing competencies while maintaining our service quality. In addition, we will continue to work in close collaboration with relevant teams to help our customers manage their savings with the right fund mix. We thus aim both to increase customer satisfaction and to establish an effective and transparent communication with our customers that will strengthen the understanding of winning together.

We contributed to increasing the customers’ savings by emphasizing the importance of saving and continuity of collection.

BRAND MANAGEMENT AND CORPORATE COMMUNICATION ACTIVITIES

We launched the “Financial Therapy with AgeSA” series, the industry’s first financial literacy-themed YouTube project.

We continued to publish content about lifestyle, products, and events to boost AgeSA’s brand recognition on social media and reached 30% more people compared to the previous year.

BRAND COMMUNICATIONS

“To feel better about your savings...” PPS Campaign

We knew that PPS is a product that has been communicated by insurance companies in similar ways for a long time and that audiences are familiar with what they hear and see. Therefore, this year, we aimed to explain the advantages of having a PPS with AgeSA in a different way.

Instead of making promises about the future, as in the communication campaigns we have been used to see in our industry for years, we wanted to draw the attention of our target audience to today. We compared those who invest in the private pension system with AgeSA with those who do not. Our aim was to make our target audience question “What would it be like if you were already in the private pension system?” We did this in a humorous way, accompanied by Barış Manço’s “Cacık” song. We prepared two commercials as part of the campaign. Thus, we showed how comfortable AgeSA members feel about their savings.

We prepared an effective media plan to deliver the commercial and visuals of our campaign to our target audience in channels such as television, radio, digital media, outdoors, and social media, where we could reach a wide audience. We thus made 76% of our target audience watch our commercial at least once on television. Taking part in channels such as Bein Sports and S Sport with broadcast packages, we have appeared on channels that are followed intensively by our target audience. We achieved 38 million single access and 37 million views on the digital platform. While broadcasting our spots on national radio channels, we also delivered our messages to consumers with a large outdoor planning in Istanbul.

With our campaign, we won two crystal and one bronze awards at the Crystal Apple Awards, one of the most prestigious awards in the marketing world.

Digital Communication

We continued to publish content about lifestyle, products, and events to boost AgeSA’s brand recognition on social media and reached 30% more people compared to the previous year. We increased the number of our followers by 29% nearly compared to the previous year thanks to the regular content we shared on our Instagram account throughout the year, the media investments we made, and advertisements aimed at gaining followers.

We launched the “Financial Therapy with AgeSA” series, the industry’s first financial literacy-themed YouTube project. With the 35 videos we produced for the series, which we launched to increase the level of financial literacy and explain the benefits of our products and services, we gained 6,660 new YouTube subscribers and achieved 9.1 million views and 63% average content view. The increase in our Instagram followers was 4.2 times higher than the previous period. We set up the Financial Therapy Blog on agesa.com.tr with videos and texts on financial therapy. Our blog received a total of 4,535 views. In this project, which is a first in the industry, we featured AgeSA employees in our videos, again a first in the industry.

As part of the Sabancı Mobilization, we featured our aid and support projects that we carried out together with the Sabancı Foundation on AgeSA social media accounts. In this scope, we opened the Arsuz Sabancı Secondary School AgeSA building in Hatay and announced it on our accounts.



As part of our PPS campaign, we collaborated with social media phenomenon İlker Gümüşoluk and launched an Instagram project. Aiming to reach many users of various age groups and interests with the content he shared, we achieved 176 thousand views and 6 thousand interactions.

As part of our PPS campaign, we reached the follower audience of accounts by collaborating with them on Instagram. As a result of the shares, we received a total of 19 thousand views and 13 thousand access.

Digital Ads

Throughout the year, we continued our advertising activities in various channels in order to increase our brand awareness, increase our interactions and number of followers on social media, make our brand a known and preferred brand, and increase its visibility. While increasing our website traffic, brand awareness and interactions with our advertising activities in popular channels such as Google, Meta, TikTok, YouTube, we reached broader audiences in strategic ways with various collaborations.

Website

In order to increase the number of visitors to and develop our website, we continued our work throughout the year with in-site optimizations, advertising, improvements and backlink operations and provided more visibility.

We made improvements to our website in terms of page development/improvement, new page additions, new calculation tool additions and form collection areas. We continued to collect product application forms through regular advertising, development and optimization actions.

We launched the “Product Recommendation Test” on agesa.com.tr to identify the needs of users who visit our website and to determine which product they should buy for their future plans.

CORPORATE COMMUNICATION ACTIVITIES

Throughout the year, we carried out intensive press communication with our opinions and news sharing regarding our company’s activities, vision and sectoral developments and achieved a comprehensive media visibility. As a result of all our media efforts, we reached a total of 459 news coverage in 2024, 313 of which were in print and 146 were online.

Commemorating the fifth anniversary of the “All Ages” corporate social responsibility project, we informed the media at a press conference about the activities performed during the project over the previous 5 years, the targets for the coming period and the results of our new survey, “How is Türkiye Aging?” With the press meeting, we achieved a total of 123 news articles and 2.5 million reach.

We organized a joint press conference with Sabancı DX to announce the Hybrid Cloud Infrastructure Migration Project, one of the largest cloud transformation projects in Türkiye, which was realized in collaboration with Sabancı DX and Bulutistan. We came together with valuable participants from the technology press and had a pleasant conversation on the importance of the project and the targeted benefits.

Through active CEO, LinkedIn communication, we reached different target audiences such as sectoral authorities, stakeholders, media, customers, employees, potential employees, etc. with different messages.

We reached a total of 459 news coverage in 2024, 313 of which were in print and 146 were online.

CORPORATE SOCIAL RESPONSIBILITY

We provided a total of TL 799,400 in grants in the third term of the All Ages Fund.

As part of All Ages, we continued our awareness raising efforts with the aim of encouraging the society to prepare for aging, guiding them in this process, and changing negative stereotypes about aging.

All Ages

Awareness Activities

As part of Türkiye's first and only corporate social responsibility project on aging, All Ages, that we launched in 2019, we continued our awareness raising efforts with the aim of encouraging the society to prepare for aging, guiding them in this process, and changing negative stereotypes about aging. We regularly shared awareness raising content on social media accounts of All Ages and our heryasta.org blog. Through regular communication during the year, we increased the number of followers of our Instagram page by 57.8%.

We carried out banner ads activities to increase the awareness and traffic of heryasta.org. Thanks to the advertisements we placed on our social media posts, we increased the number of visitors by 152.8% year-on-year.

"How is Türkiye Aging?" Survey

We shared with the public the results of the "How is Türkiye Aging?" survey we conducted as part of the 5th anniversary of "All Ages." In this nationally representative survey we conducted in collaboration with Core Research Institute, we analyzed how the middle-aged group between the ages of 35-55 view aging, their preparations for old age, and how their future experiences of old age will differ from those of today's elderly.

We started sharing content on our social media accounts to draw attention to the survey's striking findings, which were announced at a press conference and its importance in preparing for aging. We published the detailed presentation of the survey on www.heryasta.org. We will continue to communicate through press, social media and

collaborations to ensure the survey is spread among relevant stakeholders and to keep the issue of middle-age readiness for aging remains on the agenda in 2025 as well.

All Ages Fund 2023-2024 Project Period Results

We provided TL 799,400 grant support to the Turkish Alzheimer Association, Dem Association, Limited Liability Meryem Women's Enterprise Production and Management Cooperative and YÖRET Foundation during the third period of All Ages Fund, launched in collaboration with Support to Civil Society Foundation. The projects were completed in 2024 and their results were reported.

YÖRET Foundation, which received grant support in the 2023-2024 project period, realized the "Post-Disaster Elderly Support" project and contributed to establishing a positive and correct perception of old age in society, facilitating the lives of the elderly and strengthening intergenerational relations. Within the scope of the project, YÖRET reached a total of 118 elderly individuals and 235 families in disaster areas, especially in Hatay, with a team of 10 professionals and 10 volunteers during the project period. The Foundation met their vital and psycho-social needs. During the 10-month project, extensive interviews with elderly individuals shed light on the difficulties they faced after the disaster. The Foundation incorporated the results of its in-depth study on issues such as weakening of social support networks, psychological trauma and lack of information faced by the elderly in disaster areas into the "Guide for Supporting Elderly Adults in Disasters." The guide was presented to health, social and psychological support professionals who provide services to and work with the elderly people.

Dem Association launched the "Can Anyone Hear Me?" (Sesimi Duyan Var mı?) project to reach people in need of hearing aids, especially elderly people with hearing loss in tent and container cities in Gaziantep, Adiyaman and Kahramanmaraş. To date, the association has visited a total of 23 tent/container cities and identified the needs of individuals with hearing loss, especially the elderly. The project reached 134 people in total.

Limited Liability Meryem Women's Enterprise Production and Operation Cooperative, which operates in Adana, continued its efforts to create a solution model for the issues of lack of education, inability to participate in business life and social life within the scope of the "We Are Here!" (Biz de Varız!) project. Continuing its work to support the well-being of women over 65 with a holistic approach, the association supported 170 women over 65 to increase their socioeconomic, cultural and legal capacities. It provided technology trainings and self-care services.

Turkish Alzheimer Association (TAD) carried out activities to raise awareness of and educate people about Alzheimer's disease and care and to improve the quality of life of individuals and families suffering from this disease with the "We Haven't Forgotten Earthquake Victims!" (Depremzedeleri Unutmuyoruz!) project implemented within the scope of the All Ages Fund. The Association, together with its volunteer team of doctors, dieticians and psychologists who visited the tent cities in the earthquake region, regularly monitored the health conditions of the elderly living in these cities and referred those at risk to the relevant health institutions. Within the scope of the project, the association met with 42 health experts and contacted an average of 20 elderly people on a weekly basis.

All Ages Fund 2024-2025 Project Period

We have identified the non-governmental organization that we will support in the fourth term of the All Ages Fund. In the 2024-2025 period, we will provide a grant of TL 1,250,000 to the Alz-Tag Project to be realized in partnership with Turkish Alzheimer Association and Istanbul University Faculty of Medicine, Department of

Behavioral Neurology through the All Ages Fund. In the first phase of the project, which will be carried out in Adana, Bursa, Denizli, Kayseri and Istanbul branches of Turkish Alzheimer Association, a "Risk Analysis and Training" workshop will be organized for caregivers against emergencies such as fall, injury, drowning, getting lost and other dangers of daily life faced by Alzheimer's patients. The workshop will focus on proper communication techniques, creating a safe care environment and emergency management. In addition, how to track the location of patients with technological devices such as Smart Keychain-Tag to reduce the risk of getting lost and interventions to be made in emergencies will also be explained. Through the workshops, Smart Keychain-Tags will be provided to 525 patients and their relatives as well. In the second phase of the project, mentoring services will be provided for six months to families who need support in risk analysis and security issues.

AgeSA Memorial Forest

We continued to expand the AgeSA Memorial Forest practice, which we launched to keep the memory of our deceased customers alive, and created two memorial forests. In collaboration with the Aegean Forest Foundation, we donated 10,000 saplings to the forest located in Balçık, Gebze, Kocaeli. In the AgeSA Memorial Forest, with the saplings we plant in memory of our deceased customers, we keep them alive and breathe life into the future for a greener world.

Arsuz Sabancı Secondary School AgeSA Building

In Hatay, one of the provinces with the heaviest earthquake damage and the highest student population in the region, we worked with the Sabancı Foundation to bring the Arsuz Sabancı Secondary School AgeSA Building to life as an educational facility. Equipped with 4 classrooms as well as Information Technologies and Robotics Workshops, the building was made ready for education and training activities. In the workshops, which aim to improve students' creative and analytical thinking skills, modern educational approaches will be combined with technology to produce innovative projects.

We continued to expand the AgeSA Memorial Forest practice, which we launched to keep the memory of our deceased customers alive, and created two memorial forests.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

We have a dynamic staff with an average seniority of 5.6 years and an average age of 35, with 59% from generation Y and 29% from generation Z employees.

As of 31.12.2024, AgeSA currently employs 2,099 personnel.

Human Resources and Sustainability Organizational Structuring

Since our Company's partnership structure changed in 2021 and has the same partnership structure with Aksigorta, we merged the two companies' Human Resources and Sustainability teams under one roof, reporting to the same Deputy General Manager. While setting up the new organizational structure, we took into account the different structures of both companies and the differentiation of their needs arising from the different markets they are in. In addition, we established integrated structures that will support the competency and career development of employees, who are the most important value of both companies, and that will ease the mobility of talents between departments or companies.

With the new structuring, we created Integrated Human Resources Business Partnerships. Thanks to integrated structures, we aimed to diversify talent and competence mobility and career opportunities in similar business areas, and within this scope, we established the following group directorates;

- Human Resources, Development & Talent and Income Management Group Directorate,
- Human Resources Training and Sustainability Group Directorate,
- Human Resources and Communication Group Directorate.

We created the Human Resources, Agile Management and HR Technologies Group Directorate by gathering the Labor Relations, Payroll and Personnel Operations, Performance Management, Agile Transformation, Human Resources

Budget Management, Wages and Benefits Management, and Integrated Human Resources Technologies responsibilities under one roof.

The management of Occupational Health and Safety, Workplace Health Units Management, HR Risks, and Ethics-Discipline processes of both companies continues under the responsibility of the Human Resources, Governance and Compliance Directorate.

Employee Profile

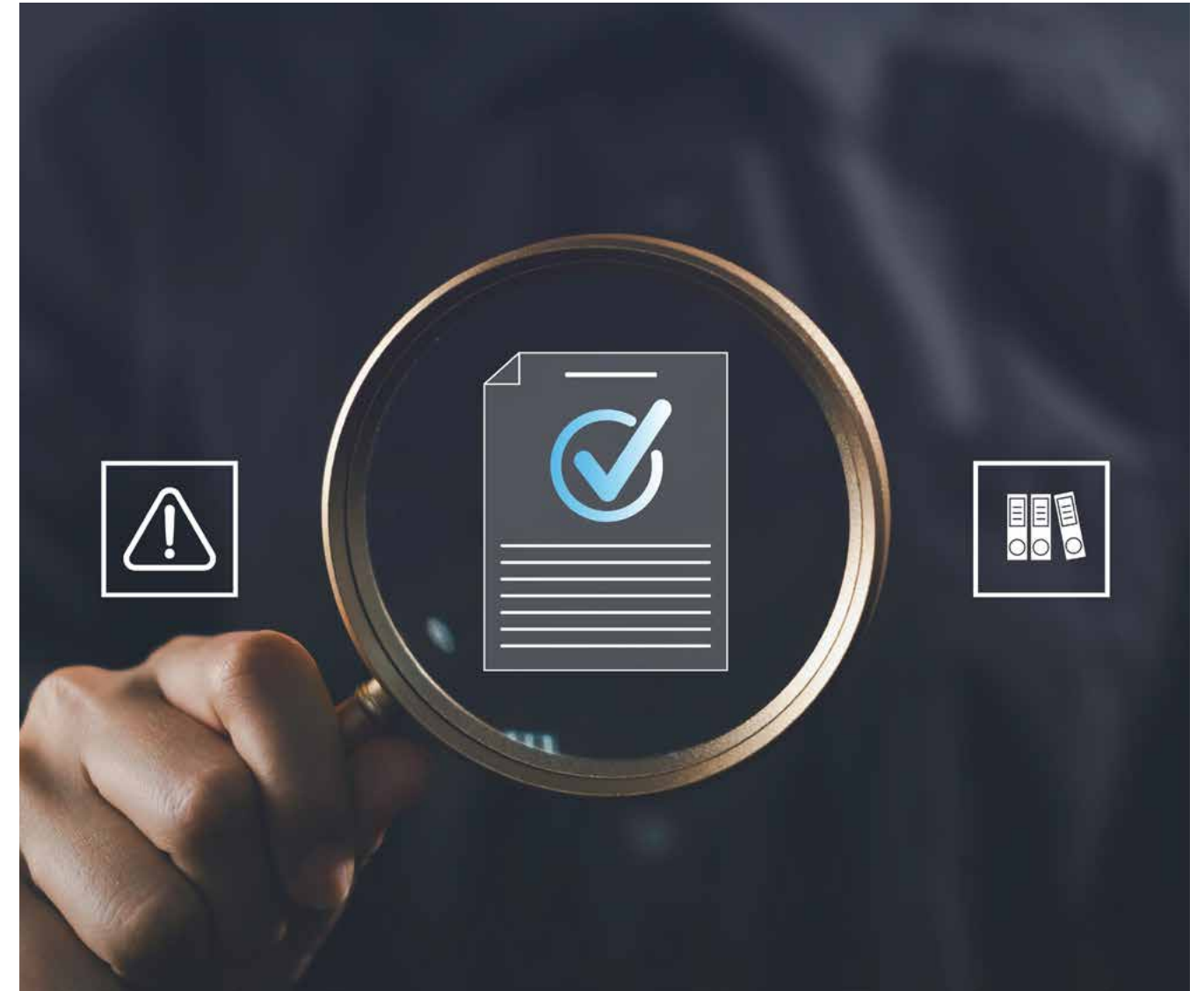
As of 31.12.2024, AgeSA employs a total of 2,099 personnel, of whom 65% are female and 35% male, and 97% are university graduates. We have a dynamic staff with an average seniority of 5.6 years and an average age of 35, with 59% from generation Y and 29% from generation Z employees.

Cultural Development Activities

As AgeSA, we continued our cultural journey with our human and culture-oriented efforts in 2024 as well.

After our engagement and culture surveys, we evaluated the point achieved in cultural development and prepared our cultural strategy for 2024.

Our "Culture Innovation Teams (CIT)" which we established with 16 volunteer employees to develop creative recommendations in areas which we believe can be further improved according to the annual engagement survey, provided studies under 3 categories (Career and Talent Management, Working Environment and Processes and Efficiency) in accordance with the 2023 loyalty and culture survey.



Following the studies, our CIT team submitted 15 different project ideas to the upper management team. All ideas approved by the executive committee were projected in the relevant business units for short and long term.

AgeSA Cultural Values

We carried out communication activities throughout 2024 in order to keep our cultural values alive at AgeSA and to ensure that our values are internalized by all our colleagues. In separate series for each of our values, we shared team actions taken for our values in the last year. In our mailing series, we featured the actions of different departments that keep our values alive. We narrated our activities that made a difference in our "Cesaretle Atılan Adımlar" video series, the works we realized for the good of our customers and each other in

our "İyilik için Harekete Geçenler" series, our brand new works that have not been implemented within the company/industry before in our "Yeni İşler Söyleşileri" live broadcasts, the business processes that were simplified with the actions taken by the teams in our "Sadeliikle Gelişenler" series, and our collaborations with different departments or third parties in our "Sınırları Aşanlar" series.

We also had fun and learned with our colleagues through 2 online quiz competitions we organized during the year.

We had a physical and online meeting with Prof. Dr. Sinan Canan, known for his studies on the brain and neuroscience. Sinan Canan made us look at our values from a completely different perspective with the content he adapted from the Human Factory Settings training.

We carried out communication activities throughout 2024 in order to keep our cultural values alive at AgeSA and to ensure that our values are internalized by all our colleagues.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

We received the Bronze award in the “Insurance Company Most Wanted to Work for” category at the Youth Awards for the second time in a row.

On a bimonthly basis, we continued to bring our CEO together with our employees online through our CEO Communication Meetings.

Our Employer Brand - In Pursuit of Good

In 2024, we continued to communicate our new employer brand, which we shared in December 2021.

We prioritized our university collaborations within the scope of our employer brand activities in 2024. We came together with university students at 15 different events throughout the year. We took part in university career days events. We visited events at 9 different universities and met with our student friends there. We hosted our university student friends at our Head Office. In addition, we took part in 5 online events organized by different career platforms and met with young talents.

We received the Bronze award for the second time in a row in the “Insurance Company Most Wanted to Work for” category at the Youth Awards, where the best employer brands are voted by university students every year.

We were selected as the “Most Popular Insurance Company” in the Most Popular Companies list organized by Realta Consulting, Türkiye’s first employer perception survey. For the third time in a row, we were included in the list with the votes of more than 130 thousand students and young professionals.

Savings Assurance Advisors

We continued our communication campaign to promote our Savings Assurance Advisor position in our Direct Sales department this year as well. We addressed our potential employees by launching our campaign titled “Bulamadık Böyle Bi’iş” to inform them about our Savings

Assurance Advisors’ roles and working lives. We organized 5 university events targeting our Savings Assurance Advisors. We held AgeSA Career Fest events where we hosted university students and insurance industry experts.

AgeSA Engagement Survey and Interim Engagement Surveys

We conducted our employee loyalty and satisfaction survey in 2024 with a participation rate of 97% and announced our loyalty score as 75% in the 2024 AgeSA Loyalty Survey.

Social Media

Throughout the year, we continued to communicate via our AgeSA Career Instagram account, where we discussed life at AgeSA and displayed the culture and colorful structure of AgeSA. We created content that involved our employees and explained our work culture.

We increased our number of followers by 29% compared to the end of 2024.

In our @agesakariyer account, we continue to share special events, news and announcements for our employees, who are our closest friends.

Internal Communication Activities

On a bimonthly basis, we continued to bring our CEO together with our employees online through our CEO Communication Meetings. With the annual Senior Management communication meetings, we brought our Assistant General Managers together with our employees and ensured them to share our Senior Management team decisions, targets,

developments in business areas, and up-to-date information about our partners or the sector.

Bi’Dünya

We published 50 news and 74 announcements in 2024 on our intranet portal Bi’Dünya.

Our employees thanked each other 14,037 times in total through the Bi’Teşekkür module, which is designed to spread the culture of appreciation and acknowledgment among AgeSA employees.

AgeSA Employees’ Social Responsibility and Volunteering Activities

We donated to the Turkish Education Foundation (TEV) 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 continued to contribute to the education of female students with the “AgeSA” scholarship fund established in the Turkish Education Foundation (TEV). On Ramadan Fest, we made a donation on behalf of our colleagues to support the 1-year education scholarship of 12 female students.

On behalf of our employees who participated in the employee loyalty survey, we made a donation to the Turkish Education Foundation to cover one year of education for a female student.

B-Happy

B-Happy, AgeSA’s most social club, brought 514 of our employees together in 20 separate events in 2024. We contributed to in-house socialization

with B-Happy by organizing various events such as AgeSA Fest concerts, workshops, tasting events, trekking and out-of-town trips within the year.

Sports Clubs

In 2024, our Basketball, Football, Running and Tennis clubs trained and prepared for tournaments together. Our Basketball team participated in Corporate 5s, our Football team in Businesscup and Antalya Football Tournament, and our Tennis club in Business Tennis Cup and International Insurers Tennis Tournament, thus having the opportunity to play matches with various companies. This year, we, as AgeSA, participated in the Sabancı Sports Games organized by Sabancı Holding after a long break with 7 teams. We also formed teams in volleyball, chess and table tennis, representing our Company.

Winners Club Trips

As part of the Winners Club, where our company’s successful sales staff are awarded, we organized a total of 3 trips abroad and 2 trips to Cyprus in 2024, carrying out the award trips for 2021 and 2023. We achieved a 86.6% satisfaction rate as a result of the survey we conducted for our trips to New York, Cuba, Marrakesh and Cyprus, with the participation of 287 employees in total.

New Year’s Party

We brought together 1,519 employees at the New Year’s party organized jointly with AgeSA, Aksigorta and Medisa. At our party, where our seniority award winners from our Head Office teams also received their awards, we felt the power of being together and had fun together while listening to Bengü’s songs.



We continued to contribute to the education of female students with the “AgeSA” scholarship fund established in the Turkish Education Foundation (TEV).

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

In June, we had the opportunity to socialize in a pleasant environment at Hello Summer Happy Hours with two different concepts.

During our Bi'Mola 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.

Golden Boomerang Awards

At the Golden Boomerang Awards 2023, which we organized for our company's sales staff who exhibited outstanding success with their performance, 51 people were awarded plaques for their achievements. Sabancı Holding Insurance Group President and AgeSA Chairman of the Board Haluk Dinçer and AgeSA Senior Management team also attended the award ceremony.

Happy Hour

In June, we had the opportunity to socialize in a pleasant environment at Hello Summer Happy Hours with two different concepts. A total of 300 employees attended the Happy Hours we organized at our Head Office.

HR Business Partnering

Bi'Mola Employee Meetings

During our Bi'Mola 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 one-to-one meetings with our management staff. Here, appropriate solutions were produced by focusing on the team of the relevant manager and leadership processes in the hybrid working order.

Employee Loyalty Focus Group Discussions

We conducted focus group work with teams having scores below the rate determined according to the results of the loyalty questionnaire and implemented the action plans we created to achieve better.

Actuarial Meetings

With the aim of strengthening communication between our actuarial teams and creating an organization that learns from each other, we have brought our teams together at the "Actuarial Meetings" event. This event, enriched with the contributions of our esteemed trainers, made significant contributions to sharing knowledge and increasing interaction within the team.

Recruitment

A total of 668 new colleagues joined the AgeSA family, with 44 in the Headquarters team, 81 in the Bancassurance team and 543 in the Direct Sales team, with our recruitment activities carried out with various methods and instruments.

Recruitment with Artificial Intelligence

We started using a new AI-powered tool to identify suitable candidates for sales roles. This tool conducts smart interviews with candidates and automatically organizes face-to-face interviews for successful candidates. We completed the recruitment of 18 people by supporting our standard recruitment process with this method. With this application, we won the Best Generative AI Projects of the Year award at the Future Of Cloud & AI event and the third prize in the cost reduction category at Technology Captains.

Our Sales Channels Actions and Growth Strategies

In line with the growth target of our Direct Sales Channel, the number of our Savings Assurance Advisors increased from 691 to 887. Within

this scope, we recruited 525 people. We established 13 new teams and opened 1 region and 2 branches.

We organized AgeSA KariyerFEST to support the recruitment of Savings Assurance Advisors, which continues to increase in line with growth. We recruited 17 Savings Assurance Advisors through KariyerFEST.

In our Direct Sales Channel working model; under the Direct Sales Agencies and Corporate Projects Assistant General Manager, we created the role of Training Sales Manager, who is responsible for the training, orientation and promotion of Savings Assurance Advisor Candidate employees whose recruitment activities continue in line with our growth strategy. We appointed 12 Training Sales Managers.

In order to increase synergy opportunities in the Bancassurance Channel, we gathered AgeSA and Aksigorta Bancassurance organizations under a single roof.

Internship Opportunities

With the internship opportunities we offered to university and high school students in several areas, we supported students to gain experience before stepping into business life.

IntelligenZ

We launched the IntelligenZ Club to socialize our university interns during and after their internship by bringing them together and support their personal development with trainings.

Jump Actuary

We launched our long-term internship program to introduce Actuary to young talents and to create a resource for the future in this regard. We therefore offered internship opportunities to 4 university students in the Actuary and Business Risk team.

Sabancı Holding Internship Programs

Within the scope of the Next-Generation Career Experience and SEED Internship programs organized

by Sabancı Holding, we offered internship opportunities to university students in various divisions of AgeSA.

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 2024, we conducted a total of 107 promotions. We filled 71% of our Head Office management positions from within the organization.

In 2024, 270 employees were promoted in Direct Sales, Agencies and Corporate Projects as Assistant General Managers and 25 employees in Bancassurance as Assistant General Managers.

We promoted 29 employees working at sales positions in these two channels to manager positions. We filled 90% of our executive positions from within the organization.

Career Adventure-Rotation Program

We continued our Career Adventure rotation program, which was 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, in 2024 as well.

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 reach potential candidates more easily, we rewarded our employees in 2024 as well.

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 2024, we filled 71% of our Head Office management positions from within the organization.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

In 2024, we organized 425 group trainings under 168 different topics using internal and external resources.



In 2024, we organized 425 group trainings under 168 different topics using internal and external resources.

The training period for the Direct Sales Channel was 4.9 days per person, the training period for the Bancassurance Channel was 2.2 days per person, and the training period for the Headquarters was 3 days per person.

As a result of the training programs provided to employees and business partners, 569 people became Private Pension Brokers. Our exam success rate was 82% across all channels and 94% in the Direct Sales Channel.

With the training support provided for Akbank employees, 394 people in 10 groups participated in sales and product training in 2024. In the licensing studies, 279 people in 14 groups received license training. 101 people from 4 groups participated in the sales and product training provided for Akbank Call Center employees.

In 2024, we organized a "Candidate Resource Management Workshop" in line with our strategic growth target in the Direct Sales, Agencies and Corporate Projects channel. At the workshop held with Regional Managers, information was provided on sectoral data, candidate profiles and candidate experience creation, and action steps were created by focusing on creating new candidate resources in line with the Direct Sales Channel growth strategy.

As part of the "Development Compass Program," a hybrid program designed for sales and branch managers, managers participated in special training journeys that would contribute to their professional progress while improving their sales coaching experience.

In addition, the role of "Training Sales Manager" was created to contribute to the retention and development of our newly recruited employees

who would serve the growth in our Direct Sales Channel. "Training of the Trainer" was organized in order to ensure that employees who were linked to our training sales managers were equipped to support their development. With an innovative and development-oriented approach in the training program, efforts were made to help the company become a learning organization.

A professional exam was conducted to measure the technical knowledge levels of our employees working in the Bancassurance and Direct Sales Agencies and Corporate Projects Sales Channels and to identify their development needs. 291 employees in the Bancassurance Channel and 739 employees in the Direct Sales Channel took the exam.

Upon assuming sales responsibility, employees working in the Call Center's Special Customers and Telesales teams were provided with "Advanced Sales Techniques" training on remote sales.

With the necessity to offer personalized learning experience options, we continued the Udemy collaboration we realized apart from our planning of classroom trainings led by a trainer, within training needs. We supported the development process of our employees with choices tailored to the development needs of our managers' teams.

We continued the webinar series we created considering the needs of the employees in 2024 as well. In our webinar series, which is established on current economic trends, we come together with live broadcasts every month so that all our employees can follow and be informed about economic developments.

We organized a live broadcast on the legislative changes in the private pension system, answering the questions of our employees and sharing the topics of interest.

With the training support provided for Akbank employees, 394 people in 10 groups participated in sales and product training in 2024.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

We ensured that all our employees received the “PPS Partial Payment Information” and “Credit Utilization with PPS Savings” trainings.

The Digital Coach application was made available to all 337 employees working in the Savings Assurance Advisor Candidate title.

In the training needs analysis meetings held for our Head Office employees, topics such as Prioritization and Time Management, Effective Presentation Techniques, Beginner/Advanced Excel, Project Management, SQL, Business Valuation, Product Owner and Information Security came to the forefront, and relevant trainings were organized accordingly. In addition, topics such as Learning Agility, Success and Results Orientation, Innovation and Creativity in the Digital Age, Analytical Thinking and Decision Making, Communication, Stress Management, Conflict Management, Leadership, Resilience and Goal Management were prioritized, and various training journeys were designed in these areas. Within the scope of all these efforts, we made 377 training assignments in total and supported the development of 228 employees.

Training Technologies

With the rapid transformation of the digital world, training and development have taken their place among the changing topics. In this scope, we constantly update our training platform for our employees to continue their professional development without interruption and to make their continuous learning habit more active. We continue to contribute to our employees' development by offering a broad training catalog including more than 8 thousand trainings, book summaries and expert videos through the AgeSA KEP platform, which is suitable for their learning styles, accessible from anywhere at any time and supports continuous learning.

We continued to add new categories to the flow of the AgeSA KEP homepage to diversify the AgeSA KEP training categories, to make it easier for our employees to access the trainings in the catalog and to improve the user experience.

Learning Journeys, which cover popular topics on the agenda of working life, continued strongly in 2024. With these trainings focusing on developing important skills such as “Learning to Learn,” “Storytelling,” “Inclusion,” “Emotional Intelligence” and “Generous Listening,” we contributed to both the personal and professional development of our employees. A total of 2,170 employees participated in 14 different learning journeys and benefited from these contents.

We prepared e-learning trainings on the topics newly added to the Private Pension Legislation and ensured that all our employees received the “PPS Partial Payment Information” and “Credit Utilization with PPS Savings” trainings.

Development of Sales Competencies with Digital Coach Application

Digital Coach, an artificial intelligence-supported training tool developed by Ageas, is used to support the development of sales competencies. The application offers written and verbal interview opportunities in the 5 critical areas of sales: Lead Generation, Opening Interview, Product Evaluation,

Objection Handling and Reference Taking. Users can conduct their interviews both in the role of consultant and customer; while they take part in the process acting as the salesperson in the consultant role, artificial intelligence acts as the salesperson in the customer role.

In the first quarter of 2024, based on the success of the pilot implementation in the Direct Sales Channel, the Digital Coach application was made available to all our 337 employees working in the Savings Assurance Advisor Candidate title, and promotional activities were carried out.

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 continued our Insurance School training programs, which we started in March 2021 with the participation of 477 colleagues, in 2022, 2023 and 2024. In 2024, a total of 366 employees took part in the Insurance School Basic Level 1 (305), Basic Level 2 (39) and Advanced Level (22) groups. After completing the final exams at the end of November, 55 of our participants successfully graduated from our Insurance School program. We will bring our graduates and trainers together at the graduation meeting we plan to organize in December.

Talent Management | Future Club

We implemented actions to support the development, recognition-appreciation and career journeys of Future Club members, our talent club. We took supportive steps in processes such as graduate degree support, coaching and mentoring support, senior management meetings and Udemy platform support.

We support the career journeys of our employees and care about offering them various opportunities. One of these was the “Global Mobility” project we started to carry out with our partner Ageas. We asked our employees about their preferences and expectations regarding working abroad. We aim to match the responses with global career opportunities. A total of 74 employees were included in our development journey as part of the “Geleceğe Bi’Adım” Talent Program.

In line with our Direct Sales Channel growth strategy, we redesigned our “Geleceğe Bi’Adım” Talent Program with the aim of meeting the emerging need for managers from within the organization. In this scope, our manager candidates were linked to 2-3 employees to gain leadership experience before their appointment. In areas requiring technical knowledge, Regional Managers joined the program and provided mentoring support in areas such as commission management, promotion processes, Winners program and sales target management. With this structure, we not only developed the leadership muscles of our management candidates, but also aimed to create a strong pool of managers from within to meet the strategic needs of the growing Direct Sales Channel.

In 2024, a total of 366 employees took part in the Insurance School Basic Level 1 (305), Basic Level 2 (39) and Advanced Level (22) groups.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

In 2024, we implemented various projects in partnership with AgeSA & Aksigorta.

Our 47 employees who graduated from our “Geleceğe Bi’Adım” Talent Program this year carried out six different social responsibility projects with the motto “In Pursuit of Good.”

Our 47 employees who graduated from our “Geleceğe Bi’Adım” Talent Program this year carried out six different social responsibility projects with the motto “In Pursuit of Good.” With these projects focusing on education and non-governmental organizations, they made positive contributions to the world, society and the environment:

- With the “Adım’da İyilik Var” project, the participants supported the Spinal Cord Paralytics Association of Türkiye by turning their steps into donations.
- In the “Umut Işığı Rozetleri” project, they donated the sales proceeds of the badges they designed to SMA patients and Darüşşafaka Society.
- As part of the “Kutuda Kimin Eli Var?” project, they prepared and distributed aid parcels to families in need.
- Two different groups donated books to village schools through book collection campaigns launched in regional offices and head office.
- With the “Liseconomic” project, participants provided basic financial literacy training to students in a designated high school.

With these projects, our graduates succeeded in making a difference both within the company and in society.

Collaboration in AgeSA & Aksigorta Development Activities

In order to increase the synergy between both companies and to benefit both organizations by creating a learning culture based on experiences and learning methods from each other, we created and implemented joint programs by reviewing our collaboration opportunities in AgeSA & Aksigorta development activities. Our projects realized in this context are;

Experience Transfer Mentoring Program

In the past 2 years, we have been expanding the sphere of influence of our program, which we carried out with the participation of mentors and mentees from AgeSA for two terms in the past, and carrying out the program with the participation of mentors and mentees from Aksigorta. With the positive impact of the growing sphere of influence, we started our fifth program this year with the participation of Aksigorta mentors and mentees. There are 26 mentees and 29 mentors in the program this year.

We organized the “Solvency II Business Games” training program designed by Ageas, one of our business partners, in collaboration with AgeSA and Aksigorta. Simulations were done in the training program with the aim of achieving zero margin of error by identifying a more dynamic risk approach in the insurance sector.

Science of Data Program (SoD): The most important competencies of today’s world is to be data-oriented and make decisions based on data. Within this scope, we have been running the SoD program for the last two years to enable our employees to become effective data literates, to contribute to their ability to produce meaningful results from data, and ultimately, to increase the number of employees trained in data science. Also this year, we are continuing the program as AgeSA and Aksigorta and have started the trainings of our new group. In 2025, we plan to open the second group of the program, which started training with 24 participants in total.



The “Senkron” program, which is designed for each new employee at AgeSA and Aksigorta in addition to orientation trainings and aims to support networking, collaboration and co-development processes, was successfully implemented in 2024 as well. Within the scope of this program, which consisted of three different modules, a total of 236 employees attended the trainings.

Catalog Trainings: To support the competence development of our employees, we included a total of 29 of our employees in 12 different training topics into Aksigorta catalog trainings.

Communication and Development Efforts Concerning the Commission System

We started the year 2024 by making changes in the earnings systems in line with the company’s goals and priorities. During the year, we updated our earnings models in line with evolving conditions.

Bancassurance

We made the “Senin için Buradayız (We Are Here for You)” support program permanent, which provided a minimum income guarantee for Insurance Managers in case of periodic performance declines.

We made improvements in scorecard and performance tracking to encourage high performance for Portfolio Development Insurance Managers.

Direct Sales Channel

We started capacity occupancy monitoring for Sales Managers in order to meet growth targets and updated the Efficient Growth Index criteria.

We designed and launched a revenue model for the Training Sales Manager title.

In order to enhance the growth focus and motivate Regional Managers, we organized a Regional Manager Growth Support Campaign.

We made improvements to encourage Savings Assurance Managers to increase their fund size by updating their income model.

Corporate Projects Field Sales Team

We made changes to the commission model in line with the channel’s strategic priorities. We implemented updates that would enable commission earnings from the sales of Group Life, Personal Accident Insurance and Auto-Enrollment Contracts.

Special Customers Teams

We designed and commissioned the revenue model for the Special Customers Team Sales Project Pilot application.

Our New Targeting Approach (OKR)

While there has been a great transformation in recent years, the dynamics of our field of activity, employee expectations, and business manners are also changing rapidly. “Performance Management” is getting harder around changing business conditions and constantly updated needs.

- Priorities change much faster than before.
- Business processes are becoming much more fluid and intertwined.
- The life spans of competencies and skills are shortened, the continuous development approach turns into a standard business manner.
- The talent shortage and efficiency focus are increasing simultaneously and in parallel.

We made the “Senin için Buradayız (We Are Here for You)” support program permanent, which provided a minimum income guarantee for Insurance Managers in case of periodic performance declines.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

In 2024, extensive integrations were carried out to support business processes within the scope of Bi'Kimlik - Identity and Access Management System.

BroBot, the chatbot application developed using completely open source codes and internal resources, gained a generative artificial intelligence infrastructure in 2024.

Under these circumstances, at AgeSA, we embarked on a "Targeting Approach" quest that is:

- Truly improving performance,
- Agile,
- Much more transparent,
- Inspirational,
- Able to operate bidirectional, both top to bottom and bottom to top,
- Capable of capturing the spirit of the times and
- That involves employees in the process at every opportunity.

As a result of our assessments, we decided to experience the Objectives and Key Results (OKR) approach, which is a simple, precise, and open approach. Within this scope, we continued to experience our next generation targeting approach, which we designed and piloted with our senior management in 2022 and in 2024 as well.

Agile Transformation Efforts

As AgeSA, within the scope of the Agile Transformation Project, which we initiated with the awareness that the most fundamental step of agility was to make employees agile and transform the culture, our teams are now using agile approaches for all planned basic functions. Our hybrid agile team model, which includes elements from agile approaches, Lean, Scrum and Kanban, has been implemented in all business unit teams.

Our second goal in this process was for cross-functional teams working towards the same goal with team members from various functions to use agile approaches. In this sense, 2024 was a year in which we made significant progress. Our MEGA team, established to strengthen

AgeSA-Medisa collaboration, and Project One, created for the joint work of AgeSA and Aksigorta Bancassurance teams, stood out as our two largest programs using agile practices. These teams will continue to work in 2025 as well.

Agile steps were also taken within the Integrated Human Resources, i.e. People Tribe, which serves a total of three companies: AgeSA, Aksigorta and Medisa. The Perfecto team, which includes members from various functions within HR and focuses on service excellence, and the Talent Busters team, which focuses on attracting/retaining talents to/in our companies, started working at the beginning of 2024 and produced many outputs in their own focus areas. With the teams it established to coordinate the HR alignment needs of the Bancassurance integration and the HR leg of the Technopark relocation process, People Tribe was very successful in the rapid adaptation to change, which is the main principle of agility.

Aiming to maintain and increase the agility of both our fixed teams and project-based teams, we will continue to provide centralized training and method support to all teams in 2025 as well.

IDM (Identity Management) - Identity and Access Management

In 2024, extensive integrations were carried out to support business processes within the scope of Bi'Kimlik - Identity and Access Management System. While the authorization management infrastructure of the system was strengthened with the addition of

new applications, role studies and current needs were meticulously addressed. The authorization review process conducted for the first time through Bi'Kimlik self-service screens increased security and control in access management. We will continue these innovative steps to improve the user experience with the same determination in 2025 as well.

BroBot-Chatbot Application

BroBot, the chatbot application developed using completely open source codes and internal resources, gained a generative artificial intelligence infrastructure in 2024. Supported by large language models, BroBot is now able to provide accurate and customized answers based on our processes and documents.

Bot has gained functional capabilities, such as inquiring employees' leave balances, and is now integrated with other systems. We also added the ability to send proactive messages celebrating employees' birthdays, employment anniversaries and first days at work. Our plans for 2025 include increasing cross-system compatibility by adding more integrations and functional features to BroBot.

Recruitment & Onboarding System Project

Improvement and development efforts continued on the candidate tracking and onboarding system used jointly by AgeSA, Aksigorta and Medisa Human Resources teams. Integration processes with systems such as HR Bilişim and FlowQ continued, while technical work was also initiated to separate Medisa from Aksigorta's environment. This project aims to ensure that recruitment processes are managed more efficiently and quickly.

RPA Applications (Robotic Process Automation)

We provide operational efficiency by increasing the use of robotic process automation (RPA) in human resources processes. In 2024, we shared information to increase

the awareness of teams on RPA. In addition, the process of sending regular reports to the team that was created to communicate with employees in case of natural disasters was transferred to the robot. In 2025, we aim to increase the use of RPA in Human Resources operations by transferring more repetitive processes to robots.

HR Dashboard

HR Dashboard, which visualizes the demographic data of employees, was developed on Power BI and went live in 2024. This dashboard, which is integrated with the Human Resources system, is automatically generated with up-to-date data every day and accessible on both web and mobile devices.

In 2025, we plan to continue our development in this area by designing new dashboards for the metrics required by different teams.

Read/Understood Application

The Read/Understood application is a platform that allows employees to confirm that they have read and understood internal policies, procedures, data sharing permissions and documents. Thanks to its user-friendly interface, employees are easily able to view the documents and complete the process with the options "I approve" or "I reject." Integrated in 2024 via Klik, this feature has enabled faster and more efficient management of processes.

Entrustment Application

The entrustment application is a platform where employees are able to view and manage their entrusted assets such as lines, cell phones, vehicles and devices registered to them. Users are able to review their entrustment information and complete their transactions with the "I approve" or "I reject" options. In addition, this structure, which facilitates entrustment processes, was also made available to the Correspondence team and digitalization was ensured in the team's business processes.

HR Dashboard, which visualizes the demographic data of employees, was developed on Power BI and went live in 2024.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

The Task Management application was launched as a platform where employees can view and approve their job descriptions.

We provided General Occupational Health and Safety Training to 551 employees who started to work in 2024 and on-the-job training to 354 employees.

Launched in 2024, the Entrustment Module increased operational efficiency as well as transparency and traceability in asset management.

Task Management Application
The Task Management application was launched as a platform where employees can view and approve their job descriptions. Our employees can complete the digital approval process by reviewing their job descriptions updated after changes in position, title or organization through the system.

This module increased the transparency and traceability of processes by presenting task approval logs in reports to responsible teams. The Task Management application, which went live in 2024, was an important step towards digitalization and improving user experience.

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:

Occupational Health and Safety Committee Meetings
We held 4 Occupational Health and Safety Committee meetings for our Head Office and 6 regional offices. We ensured that the actions pertaining to the decisions taken at the committee meetings were implemented.

Employee Representatives
To be able to hear the voice of all our employees and to increase their participation while determining our processes, we work with our 34 volunteer employee representatives from our regions. This year, 11 new employee representatives joined us.

Communication, Training, Competence and Awareness
We organized various events, activities, and briefings within the scope of our annual communication calendar to increase the personal awareness of our employees regarding occupational health and safety, as well as to create and adopt a culture for occupational health and safety.

In order to foster a positive safety culture throughout the year, we shared informative infographics and announcements with our employees on driving safety in summer and winter, ergonomics and desk exercises, as well as heat stroke and insect bites in summer and emergency preparedness.

We completely digitalized employee examinations during the recruitment process, making the process easier to follow. We also made a significant contribution to protecting the environment by eliminating the printed paperwork process.

We periodically renew our Trainings on General Occupational Health and Safety to keep our knowledge alive. Also in 2024, we completed refresher training for 231 employees.

We provided General Occupational Health and Safety Training to 551 employees who started to work in 2024 and on-the-job training to 354 employees.

35 employees completed first responder training and received their first responder certificates.

We repeated the 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, in order to refresh the knowledge of our employees.

Disaster and Emergency Management
In order to be prepared for disasters and emergencies, we organized a live broadcast on "Depreme Bireysel Hazırlıklı Olmak" (Individual Preparedness for Earthquakes) on March 1-7 Earthquake Week. In collaboration with the AKUT Search and Rescue Association, we organized an online training on precautions and preparations to be made before earthquakes at home and at work. In order to keep our knowledge fresh, we shared reminder announcements on the topics of "Have You Made Your Family Disaster & Emergency Plan?", "What Should I Do to Prepare for an Earthquake?", "What Can We Do to Protect Against Fire?" and "Is Your Disaster and Emergency Bag Ready?"

We launched the "Natural Disaster Employee Support Line" to reach employees quickly in the event of a natural disaster and manage their needs in the most efficient way.

We shared the "Disaster and Emergency Preparedness Survey" to receive the support and suggestions that employees need for emergency preparedness and planned actions within the scope of the suggestions received.

We organized sessions for 550 employees in 7 regional directorates to increase their use and familiarity with the emergency communication system.

Risk Assessment and Risk Management Process
We reviewed 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 Head Office building and all our offices.

Together with AKUT Search and Rescue Association, we organized an online training aiming at taking precautions and being prepared for earthquakes at home and at work.



HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

To inform our employees about the risk of diabetes, we had our employees take a glucose test.

We convened the Sales Quality Compliance Committee 11 times and the Disciplinary Committee 6 times to evaluate case studies.

2,252
Number of employees provided with outpatient services in 2024

We completed risk assessment activities for our 6 regional offices that changed or were newly opened.

Procedure/Policy/Emergency Plans
We reviewed the procedures, policies, and emergency plans required for activities critical to occupational health and safety in line with current developments and legal changes.

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. We completed the recruitment and periodic examinations of 343 employees in total. Besides, we provided outpatient services to 2,252 of our employees at our Head Office infirmary whenever they needed it. We administered flu shots to 129 employees from across the Company who requested them.

To inform our employees about the risk of diabetes, we had our employees take a glucose test.

Employee Support Program
Our employee support program, which we implemented to support our employees and their families to cope with the difficulties they face in their professional and private lives, continued in 2024 as well.

Within the program, we offered 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.

SALES QUALITY COMPLIANCE ACTIVITIES

We carried out our Sales Quality Compliance activities under the following headings:

- We evaluated unfair gains and misconduct possibilities of our sales and agency staff with the system we established to monitor sales quality.
- We shared the improvement suggestions for business processes that could be determined within the framework of quality studies with the relevant business units and ensured that measures were taken.
- We informed and guided the sales teams to ensure that the products to be offered to our customers were presented in accordance with customer needs and to protect the interests of our customers and the Company.

In this scope, we carried out the following activities during the year:

- We continued monitoring activities regarding sales quality. We shared quarterly sales quality evaluation reports on a sales channel basis together with reports revised according to current risks with channel managements at the end of each quarter. We came together with channel managers every six months and made period evaluations.
- We made risk analyses of the channels every six-month, shared them with the channel managements, and provided necessary guidance.

- We ensured that 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.
- We convened the Sales Quality Compliance Committee 11 times and the Disciplinary Committee 6 times to evaluate case studies.
- We completed the revision studies of the "Rules to Protect Customers and Prevent Unfair Competition" for 2025 and shared the new rule sets with the field sales teams.
- We updated the "Managing Attitude Risk and Accurate Sales Rules" information announcements and shared them with the sales teams.
- We carried out sales team information and awareness trainings periodically and according to the needs.
- We increased efficiency by automating the data analytics reports used in the review and monitoring processes.
- As part of project studies, we supported the creation of processes and workflows according to their areas of responsibility in Rota 28 projects in the Company.
- We contributed to the development activities carried out as part of the Data Leakage Prevention (DLP) Structure Installation on Archer IRM Project. During the operation of the control system established to prevent company/customer information from being leaked, we held DLP committee meetings and took an active role in case studies.
- We made 12 regional visits and 25 presentations to our field employees about Human Resources practices, Sales Quality Compliance Activities and our Code of Business Ethics.

SUSTAINABILITY ACTIVITIES

Our Sustainability Policy and Strategic Framework
The Sustainability Policy sets the main framework of our Sustainability Strategy. This policy sets out our vision, management approach and focus areas on sustainability and summarizes our strategic principles.

We integrate sustainability into all our activities with an environmental and social impact-oriented approach and consider sustainability as an integral part of our core business strategy. Accordingly, we finalized our Sustainability Strategy in 2022, which we started working on in 2021. We formed the cornerstones

of our sustainability strategy with the material sustainability issues identified as a result of the materiality analysis and the two-stage strategy workshop we conducted with senior management.

We create a positive impact both in the products we develop and in our services and operations. In the insurance industry, it is critical that the investments made through the premiums collected are evaluated in line with the sustainability principle. We focus on products and services that will create a positive impact to support low-carbon and stakeholder-oriented economic growth. We improve the environmental performance of our operations and adopt a Net Zero approach.

People are at the center of our business. We define our companies as a people-focused organization to contribute positively to the lives of individuals. We design programs and projects for our society to develop, enjoy prosperity and attain a higher standard of living. Additionally, we focus on the continuous development of our human resource, ensuring a happy working experience, which allows us to perform our work in the best possible way.

- Our Material Sustainability Issues:
- Equality, diversity and inclusion
 - Sustainable products, services and responsible investment
 - Environmental performance
 - Customer experience and satisfaction
 - Employee rights and satisfaction
 - Employee health and safety
 - Talent management
 - Human rights
 - Community investments

Sustainability Management
Restructured in 2022 to be represented by senior management, the Sustainability Committee determines our environmental, social and corporate governance strategies, assesses sustainability-related risks and opportunities and manages processes to monitor and improve our sustainability performance. The Sustainability Committee discusses sustainability issues at least four times a year. Sustainability activities are presented to the Executive Board by the Assistant General Manager for Human Resources and Sustainability and the sustainability team.

We focus on products and services that will create a positive impact to support low-carbon and stakeholder-oriented economic growth.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

We are included in the BIST Sustainability Index with our sustainability policies, practices and reporting.

By the end of 2024, the ratio of revenue from SDG-linked products and services to total revenue reached 38%.

200%
Ratio of completion of senior management targets we set for sustainability in the past four years

Unit	Scope of Responsibility
Board of Directors	<ul style="list-style-type: none">Creating a sustainability vision and strategyGuiding strategic decisions
Senior Management/Sustainability Committee	<ul style="list-style-type: none">Identifying sustainability strategies, policies and targets in the areas of environmental, social and corporate governancePlanning for these processes, monitoring, reviewing, improving and developing the applications carried outIdentifying risks and opportunities related to sustainability
Human Resources and Sustainability Assistant General Manager - Sustainability Team and Working Groups	<ul style="list-style-type: none">Carrying out sustainability and ESG-related activities in the daily business cycleEnsuring coordination with other units within the scope of related reporting

In the past four years, we completed our sustainability-related senior management targets with a ratio of 200%. As of this year, we have 3 targets included in the senior management scorecard:

- 1- Creating a roadmap for compliance with Sabancı Holding's Responsible Investment Policy
- 2-Setting targets for Scope 3 Emissions and completing commitment to the Science Based Targets initiative (SBTi)
- 3-Carrying out at least two social impact projects

Focus Sustainability Topics

We are included in the BIST Sustainability Index with our sustainability policies, practices and reporting.

Within the framework of the Net Zero Carbon Footprint Project carried out across Sabancı Holding, we have updated our target for the sum of our Scope 1 and Scope 2 emissions to reach Net Zero emissions by 2050 and set a target of 75% reduction by 2030 compared to the level in 2019. In order to align our Scope 3 emissions resulting from our investment portfolio with the Science Based Targets initiative (SBTi), all of our portfolio by 2040 and 47% of our portfolio by 2030 should consist of companies that set targets in line with SBTi. In 2024, we completed the process of committing to the SBTi platform and reported our targets for Scope 1, Scope 2 and Scope 3 emissions.

We share these targets and our current situation with the public through the Sustainability Report we publish every year.

As a leading company in the insurance industry, we focus on four main areas where we can create impact with our activities to hand over a more livable world for future generations:

- **Our operations:** We use electricity from 100% renewable energy sources in our offices. Our head office is LEED Gold Green Office certified for its energy and water efficiency, as well as material and waste management practices. We reduce carbon emissions resulting from office use through remote and hybrid working. We keep paper and plastic consumption to a minimum and monitor annual paper and plastic usage amounts. We removed single-use plastics in our offices.
- **Our products:** We focus on increasing the number of Sustainable Development Goals (SDG) linked products and the premium generation from these products. By the end of 2024, the number of our SDG-linked products reached 18, SDG-linked services reached 6, and the ratio of revenues from our SDG-linked products and services to total revenues reached 38%.

SDG-Linked Products and Services Developed in 2024:

- We started to offer existing customers an end-to-end digital and paperless sales experience by defining our PPS plan in the AgeSA Mobile application.
- We enabled that the sales of our life coverage and cumulative life products, Insurance for Endowment and Savings Life Insurance, are completed paperlessly through the AgeSA mobile application, and we transferred the previously printed posts to digital.
- In collaboration with ecording, we increased our contribution to the environment by providing seed

balls to nature for every new PPS customer under 18 years of age. We expanded the scope of the seed ball practice and started to take this meaningful step also for our customers who have a birthday and prefer AgeSA Sustainability Fund. Through thematic communications via SMS and e-mail, we offered our customers the opportunity to choose the type of seed to be thrown into nature on their behalf, and at the end of this process, we succeeded in bringing 110 thousand seed balls to the soil.

- In March, we offered personal care and healthy living services as a gift to all our female customers who started PPS. In October, we gave our customers who purchased the Insurance for Endowment, Savings Life Insurance and PPS Plan with initial capital the right to use two sessions of online psychologist, dietician and sports services.
- In order to increase coverage in Credit Protection, our loan-linked product, we increased the maximum entry age for dangerous diseases from 45 to 60. In addition, we increased the product's coverage amount limits.
- We offered advantageous offers to our customers who had the Bright Side of Life Insurance and had suspended their payments, by making reinstatement calls.

- Thanks to Financial Therapy, which we designed to improve financial literacy and help individuals achieve their financial goals, we helped individuals improve their financial health by examining their financial behaviors, attitudes and habits in the "Your Financial Literacy Journey" Youtube series.

- **Our Investments:** We support our low-carbon and stakeholder-oriented economic growth model and adopt a Net Zero approach by improving our environmental performance throughout our value chain. We regularly calculate our emissions from our investments,

In order to increase coverage in Credit Protection, we increased the maximum entry age for dangerous diseases from 45 to 60.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

By utilizing publicly available information through the use of artificial intelligence, we created our risk map and determined the compliance status of our stakeholders.

Until the end of 2025, we aim to remove all companies on the prohibited industry, company and activity list from our investment portfolio.

which account for more than 90% of our emissions, every year. For these emissions, we created our implementation plan within the scope of the Portfolio Coverage methodology, which is one of the approaches recommended for the financial services industry by the Science Based Targets initiative (SBTi) platform and communicated our targets by committing to SBTi. According to this methodology, 47% of our investment portfolio in 2030 and all of our portfolio in 2040 should consist of companies that set Science Based Targets.

We comply with the Responsible Investment Policy published by Sabancı Holding and set the necessary standards throughout our value chain in the areas of Environment, Social and Governance. We categorized the risks identified under the policy and identified their sources. By utilizing publicly available information through the use of artificial intelligence, we created our risk map and determined the compliance status of our stakeholders. As per the policy, we determined the compliance and non-compliance weights of companies that violate environmental, social and governance principles and prepared a corrective action plan.

According to the action plan we created by evaluating the results of the due diligence process:

1. Until the end of 2025, we aim to remove all companies on the prohibited industry, company and activity list from our investment portfolio.

2. Until the end of 2030, we will adopt a proactive collaboration approach with companies categorized as high risk and share development areas to improve their ESG performance.
3. We will continue to regularly monitor and evaluate the ESG performance of companies with medium and low risk levels.

With this three-stage roadmap, we will address ESG risks more effectively and support companies in our investment portfolio on their sustainability journey.

- Equality, Diversity and Inclusion, Social Impact and Awareness Studies

Equality, Diversity and Inclusion
Burak Yüzgöl became our Chief Diversity & Inclusion Officer (CDIO), a role which we created in line with the requirements for the new era, our strategic goals and the Sustainability Principles Alignment Framework, to improve inclusion and to contribute to corporate sustainability in the long term.

We view all kinds of characteristic differences and social identities such as language, race, sect, age, gender, culture, nationality, ethnicity, disability, political view, religious belief, sexual orientation, gender identity and gender expression as a value that enriches and triggers our culture of innovation and continuous development. We evaluated our current status according to Sabancı Holding Equality, Diversity and Inclusion Policy and the EU Diversity and Inclusion Self-Assessment Tool. According to the EU Diversity and Inclusion Self-Assessment Tool, which

helps conduct an assessment of the current status of companies with respect to equality, diversity and inclusion and rate their compliance status as "Diversity Champion," "Pioneer," "Explorer" or "Beginner," we are among the "Pioneer" companies. To become a "Diversity Champion," we completed our gap analysis. Based on this gap analysis, we are working on an action plan that covers various processes, including recruitment, talent management, training and development, compensation, and identification of special needs.

With the "Inclusive Leaders for Sustainable Companies" training organized in collaboration with the Sabancı University and IFC, we have increased our knowledge about relevant strategies and practices in this area.

We donated to the Turkish Education Foundation (TEV) 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 continued to contribute to the education of female students with the "AgeSA" scholarship fund established in the Turkish Education Foundation (TEV). On Ramadan Fest, we made a donation on behalf of our colleagues and for the total number of employees who participated in the AgeSA Loyalty Survey to support the 1-year education scholarship of 11 female students. To date, we contributed to 54 young girls who could not have adequate educational opportunities due to financial constraints to have equal educational opportunities.

As one of the main sponsors of ITU Çekirdek Big Bang, Türkiye's largest startup incubation program, we support the entrepreneurs we identify, especially in our fields of activity, with grant support, mentorship, and collaborations. In our selection process for grant support, the contribution of initiatives to sustainability is among our priority parameters. Within the scope of grant support, mentorship and collaborations in the field of sustainability, this year we provided TL 600,000 to Corpowid, a startup that offers a comprehensive digital accessibility solution that makes websites more accessible to users with health limitations such as epilepsy, dyslexia, visual impairments, ADHD and cognitive impairments. Our employees who participated in the mentoring program of ITU Çekirdek continue to work as start-up mentors within the framework of the program.

Social and Environmental Impact
We protect our future from this day forth for a sustainable life and a better future. With the voluntary participation of our employees, we organize events that will create social contribution and awareness.

We celebrated May 19 Commemoration of Atatürk, Youth and Sports Day by pedaling with 80 participants accompanied by marches. While celebrating May 19, we also aimed to highlight how the youth protects our future and supports sustainable transportation by riding bicycles as a clean means of transportation.

As one of the main sponsors of ITU Çekirdek Big Bang, we support the entrepreneurs we identify with grant support, mentorship and collaborations.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

As AgeSA, we achieved 4.6 million views with Financial Therapy, the industry's first financial literacy YouTube project.



In order to protect the environment with the awareness of social responsibility for a sustainable life and a better future, we cleaned Sarıyer Kısırkaya Beach by our volunteering employees within the scope of June 5 World Environment Day. During the event, which we held for the second time this year to draw attention to environmental pollution, waste management and recycling issues, we collected more than 100 kilos of waste and sent them for recycling with a team of 15 people.

In order to strengthen the fight against climate crisis and integrate sustainability into our business strategy, we planted 110 thousand seed balls in April and September on behalf of our customers under the age of 18 who bought PPS and preferred AgeSA Sustainability Fund on their birthdays.

On October 24th, International Day of Climate Action, we brought seed balls to the soil with ecoDrones on behalf of our colleagues.

We started to send sapling certificates to our existing agencies on their foundation anniversaries through TEMA Foundation.

As AgeSA, we achieved 4.6 million views with Financial Therapy, the industry's first financial literacy YouTube project we launched to increase financial literacy.

In collaboration with Boğaziçi University Visually Impaired Technology and Education Laboratory (GETEM), we vocalized books to contribute to the online library for the visually impaired. We thus contributed to better integration of the visually impaired in social life, helping them overcome obstacles and achieve self-development with 14 volunteers.

In collaboration with the Çorbada Tuzun Olsun Association, we provided meals to individuals facing housing problems due to various reasons, including especially unemployment, in order to show solidarity with the economically disadvantaged families and individuals, to get in touch with them and to ensure their social integration.

Projects

We continue to contribute to the Sustainable Development Goals and the social dimension of sustainability with the "All Ages," "TogetHER," and "Deniz Yıldızları" projects.

• **All Ages:** We work to guide the society's preparation for aging and to turn the negative perception of aging into a positive one with our All Ages corporate social responsibility project. Since 2021, we have provided grants to 7 civil society organizations and 12 projects within the scope of the All Ages Fund. In this year's period of the fund, we are providing a total grant of TL 1,250,000 to the project to be realized in partnership with Istanbul University Faculty of Medicine, Department of Behavioral Neurology and Turkish Alzheimer Association, which works to raise public awareness about Alzheimer's disease and its treatment, to provide education and training to both professional caregivers and patient relatives and to improve the quality of life of patients and their relatives.

• **TogetHER:** Within the scope of the project, which is one of the most important outputs of our sustainable human resources vision and equality core value, we continue our efforts to raise the ratio of female employees at the management level, increase female representation in departments with low female employee ratio, and create awareness on gender equality. In 2024, we held webinars

We started to send sapling certificates to our existing agencies on their foundation anniversaries through TEMA Foundation.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

We took part in the Ageas Elevate27 strategy workshop and contributed to the development of the 3-year sustainability strategy plan.

In 2024, we organized webinars on inclusion, sexual health education, human rights and HPV to create awareness on gender equality.

2%
Ratio of employees employed at the call center within the scope of the “Deniz Yıldızları” project

to raise awareness under the titles of “Diversity and Inclusion: Unconscious Biases, Gender Equality and Its Psychological Effects,” “How Should Parents Educate Children on Sexual Health?,” “Human Rights: The Importance of Psychological Health, Equality and Justice” and “Awareness About HPV and Its Importance.” Within the project, we aim to keep the ratio of female managers at least at 50%, the ratio of female managers appointed each year at least at 50%, and the ratio of female employees in STEM and income-generating roles at least at 50%.

• “Deniz Yıldızları”: We expanded the scope of our project, which we started in collaboration with ATOS in our call center to provide employment opportunities for women in difficult situations who experienced economic, psychological, or physical violence and lived in women’s shelters, and included also the disabled people into the project. We employed 2% of our employees at the call center within the scope of the project.

Legal Framework and Compliance

Türkiye Sustainability Reporting Standards (TSRS)
Türkiye Sustainability Reporting Standards (TSRS) was published in order to become a preferred country in international investment decisions and to realize its potential to become one of the world’s leading countries in economy in the near future with its competitive power to be achieved in global capital allocation, especially access to green financing. We completed

our meetings and evaluations with the project team for TSRS reporting in accordance with the legislation. We will prepare the TSRS S1 and S2 Risk and Opportunity Analysis Report and the TSRS S1 and S2 Final Strategic Compliance Report during the study, which we started with the current situation and gap analyses.

Sustainability Compliance Report
In 2024, AgeSA had a 100% compliance with these compulsory principles by considering the benefit of all stakeholders.

The Sustainability Principles Compliance Framework prepared in line with the Sustainability Report template published by AgeSA through the Public Disclosure Platform (KAP) for the explanations, to be used as of the 2022 reporting, required to be made within the scope of the Sustainability Principles Compliance Framework by the partnerships traded on the BIST Main Market, Stars Market, and Submarket in accordance with the decision of the Capital Markets Board dated 23.06.2022 and numbered 34/977 and with the Communiqué No. II-17.1, is included in the link below:

<https://www.kap.org.tr/tr/Bildirim/1394218>

Collaborations
We took part in the Ageas Elevate27 strategy workshop and contributed to the development of the 3-year sustainability strategy plan. In this workshop, we listened to Ageas’ sustainability-linked roadmap and shared our SWOT analysis together with our best practices.

We participated in Sabancı Holding Sustainability Business’24. There, we discussed important topics such as Net Zero, sustainable products and services, biodiversity, social investment, sustainable financing and shared best practices on our sustainable products and services.

We attended the Ageas Diversity and Inclusion working group and shared our work and successful practices. We contributed to learning from each other and creating a more inclusive business environment.

We shared our best practices at the “Impact of Sustainability on the Insurance Industry and Good Practices in the Insurance Industry” webinar organized by the Insurance Association of Türkiye and Business Council for Sustainable Development (BCSD Türkiye). We will continue to create awareness on sustainability issues in the industry and share good practices.

We attended Istanbul University Career Days and Boğaziçi University Business Strategy Summit events and donated a total of TL 70,000.

We conduct our sustainability efforts in accordance with the criteria of the Global Reporting Initiative (GRI), the United Nations Global Compact (UNGC), which we signed, and the Women’s Empowerment Principles (WEPs).

BIST Sustainability Index
Thanks to our efforts to achieve our sustainability goals, we continue to be listed in the BIST Sustainability Index, which evaluates the international sustainability performance of companies traded at Borsa Istanbul in the areas of environmental, social, corporate governance, human and employee

rights and transparency. We strengthen our commitment and efforts towards sustainability with each passing day.

Sustainability Working Groups
We have five working groups under our sustainability governance structure: Environment and Climate Change; Equality, Diversity and Inclusion; Sustainable Products and Services; Sustainable Finance, and Green Digital Transformation. Our working groups adopt the agile methodology and consist of sustainability volunteers and a team leader, who are replaced on a yearly basis.

In line with the suggestion of our Equality, Diversity and Inclusion Working Group, we held webinars to raise awareness under the titles of “Diversity and Inclusion: Unconscious Biases, Gender Equality and Its Psychological Effects,” “How Should Parents Educate Children on Sexual Health?,” “Human Rights: The Importance of Psychological Health, Equality and Justice” and “Awareness About HPV and Its Importance.”

In line with the recommendation of our Equality, Diversity and Inclusion Working Group, we allocated parking spaces for our disabled colleagues at the Quick Tower-3 parking floor as part of our aim to create equal opportunities for everyone in the workplace.

We began working with the aim to raise awareness about our sustainable products and services in collaboration with our Sustainable Product and Service Working Group. We prepared content to inform sales teams about the sustainability features of our products.

In collaboration with our Green Digital Transformation Working Group, we sent information emails on how the sustainability approach could be implemented in the field of information technologies.

We allocated parking spaces for our disabled colleagues at the Quick Tower-3 parking floor as part of our aim to create equal opportunities for everyone in the workplace.

HUMAN RESOURCES AND SUSTAINABILITY PRACTICES

Our environmental expenditures in 2024 amounted to TL 109,333 and social investments to TL 2,304,409.

100%

Share of renewable energy consumption in total electrical energy consumption

38%

Ratio of revenue from SDG-linked products and services to total revenue

SDGs we contribute to with our sustainability efforts:



Sustainability Performance (2024)

Environmental, Social and Governance (ESG) Indicators ¹	
¹ ESG Indicators have not yet been audited. There may be an error margin.	
Environmental Indicators	
Water Management	
Total Water Withdrawal (m³):	3,314
Total Mains Water Consumption (m³):	3,314
Total Wastewater Discharge (m³):	3,314
Waste Management	
Amount of Total Waste (tons):	16
Amount of hazardous waste (tons):	0.029
Non-hazardous Waste Amount (tons):	15.5
Total Plastic Consumption (tons):	0.4
Total Paper Consumption (tons):	15
Amount of Recyclable Waste (tons):	29
Energy Management	
Total Energy Consumption (MWh):	1,743
Natural Gas Consumption (MWh):	1,236
Electricity Consumption (MWh):	507
Company Vehicles Fuel Consumption (lt):	452,917
Renewable Energy Supply (I-REC) (MWh):	507
Share of Renewable Energy Consumption in Total Electrical Energy Consumption (%):	100

Emissions Management	
Total CO ₂ Emissions (tons CO ₂ e):	1,756
Scope 1 (Direct greenhouse gas emissions) (ton CO ₂ e):	1,255
Scope 2 (Indirect greenhouse gas emissions-Market based) (ton CO ₂ e):	0
Scope 3 (Indirect greenhouse gas emissions) ² (tons CO ₂ e):	502

²Scope 3 emissions include flights for business travel. Shuttles have been abolished.

Other Environmental Activities	
Staff Transportation Impact Reduction:	Replacing Company Vehicles with Hybrid Models
	Abolishing Shuttles and Encouraging Public Transportation
Green Office:	I-REC Renewable Energy Supply Certificate
	LEED Gold Green Office Certificate
Environmental Partnerships	TEMA, AgeSA Memorial Forest Project
	TEMA, Contribution to the World's Green Footprint

Economic Indicators	
Number of SDG-linked Products:	18
Number of SDG-linked Services:	6
Revenue from SDG-linked Products and Services (TL):	23,344,796,389
Ratio of Revenue from SDG-linked Products and Services to Total Revenue (%):	38
Environmental Expenditures (TL) ³ :	109,333
Total Donations (TL) ⁴ :	177,353,429
Community Investments ⁵ (TL):	2,304,409

³Environmental expenses include hybrid car rental and environmental cleaning tax.
⁴Total donations include donations to Hacı Ömer Sabancı Association to support social, cultural, artistic and educational activities, as well as donations to the Turkish Education Foundation (TEV).
⁵Social investments include social and environmental impact activities with the voluntary participation of employees, the Employee Support Program designed to increase the psychological and physical resilience of employees, flu shots provided to employees, efforts to increase the well-being of employees, mentoring and grant support for Istanbul Technical University (ITU) Insurtech startups and support for NGOs' projects related to aging and old age through the All Ages Fund.

Social Indicators	
Total Number of Employees:	2,099
Total Working Hours:	3,313,245
Number of Female Employees:	1,369
Number of Hired Employees:	666
Number of Hired Female Employees:	254
Number of Female Managers:	128
Ratio of Newly Appointed Female Employees in Management Positions (%):	63
Disabled Employees:	53
Total Training Cost (TL):	28,359,359
Training Period Per Employee (Person*Hours):	64,164
Number of Employees Trained:	2,111
Employee Satisfaction (%):	75
Employee Turnover Rate (%):	20
Volunteer Employee Turnover Rate (%):	15
Average Employee Tenure (Years):	5.7
Expenses Allocated for Employee Development (Total amount of all salaries, bonuses, overtime, and fringe benefits-TL):	2,163,789,434
Expenses Allocated for Senior Management Development (Total amount of all salaries, bonuses, overtime, and fringe benefits-TL):	93,262,463
Number of Accidents:	11
Number of Fatalities:	0
Number of Accidents with Lost Time:	3
Time Lost Due to Accident (days):	49
Lost Days Rate:	0.20
Total injury rate (Total accidents (number of injuries)/Total working hours*1,000,000):	0.91
Occupational Diseases:	0
Customer Satisfaction (NPS):	65

BUSINESS TECHNOLOGIES ACTIVITIES

Our Channel and Platform Technologies team is the main stakeholder of digital transformation and modernization projects in the field of information technologies and modernization of its infrastructures.

We completed the necessary system integrations to enable Payment Change transactions for PPS products.

CHANNEL AND PLATFORM TECHNOLOGIES GROUP DIRECTORATE

Our Channel and Platform Technologies team is the main stakeholder of AgeSA's digital transformation and modernization projects in the field of information technologies and modernization of its infrastructures in order for AgeSA to be a sector leader and technology pioneer.

The team's main focus areas include becoming a pioneer in designing solutions tailored to business needs. In addition, the team's main responsibilities include working in collaboration with business units to increase internal customer satisfaction, leading the IT productization structure, assuming product ownership and developing process-based specialty areas.

The units within the group directorate are responsible for software development and product management processes for business applications and solutions for customers, employees, sales teams and bank teams.

For this purpose, the Group continues its activities in an organizational structure of 4 units.

Bancassurance Technologies

The main responsibilities of this unit are to develop solutions that meet the technological needs of all sales and service processes of PPS and Life products within the scope of bancassurance, to ensure end-to-end integrations with banks, and to play an active role in the governance of the bank portfolio. Other areas of responsibility are to ensure coordination and communication with the teams in all infrastructure work carried out with banks and in joint work with other technology departments.

Our projects realized in 2024:

- **Loan-Linked Life Insurances-Bank Mobile Application Commercial Installment Loan (TCC) Application Process Credit Protection Integration:** In the Bank Mobile channel, we realized end-to-end system integrations that enable our commercial customers to obtain Loan Life Insurance products during the loan application process. Thus, we both positioned Loan Life Insurance through a new channel and enabled our commercial customers, in addition to our retail customers, to benefit from Loan Life Insurance product guarantees.



- **PPS-Bank Mobile Application PPS Payment Change Function Integration:** In the Bank Mobile channel, we completed the necessary system integrations to enable Payment Change transactions for PPS products with the aim of enriching the insurance menu and digitalization. Thus, for PPS contracts purchased through the bank channel, our customers are now able to make Payment Change transactions through the mobile channel as self-service.
- **PPS-Bank Mobile Application PPS Lump Sum Payment Function Integration:** In the Bank Mobile channel, we completed the necessary system integrations to enable Lump Sum Payment transactions for PPS products with the aim of enriching the insurance menu and digitalization. Thus, for PPS contracts purchased through the bank channel, our customers are now able to make Lump Sum Payment transactions through the mobile channel as self-service.
- **PPS-Bank Call Center (MIM) Channel PPS Sales Process Transformation:** In order to facilitate PPS product sales in the Bank Call Center channel, we completed system developments for sales processes with new screens and up-to-date technological architecture infrastructure, which were

designed by considering channel dynamics. With this project, the channel was able to sell PPS products to our customers under the age of 18, and an important milestone was achieved in terms of closing legacy systems.

Our ongoing projects:

- **Life Insurances-Bank Branch Channel Insurance for Endowment (HIS) Product Integration:** End-to-end system integrations will be realized in order to sell the Insurance for Endowment (HIS) product through the Bank Branch channel.

Sales & CRM Technologies

The main areas of responsibility of Sales & CRM Technologies are to develop solutions that meet the technological needs of all application, sales and service processes for PPS and Life products and to provide the necessary support to manage customer relations, sales, and marketing processes and efficiency. In addition to these, other duties include ensuring coordination and communication with the teams in all infrastructure works and in joint work with other technology departments.

We are implementing new projects to improve customer relations and sales and marketing processes.

BUSINESS TECHNOLOGIES ACTIVITIES

We launched the Field Activity Management Application where our sales teams will manage their business processes.

We launched the AI Recruiter project to automate recruitment and candidate evaluation processes and match the right candidate with the right position.

Our projects realized in 2024:

- **Private Cream Decommission:** We had moved the PPS and Life insurance sales processes from the modules in our Private Cream application, which had been serving our sales channels for a long time, to our Bi'Tikla platform, which received many awards. In this journey, in order to completely retire the Private Cream product, we moved many other screens such as Customer Search, Policy Viewing, Yield Simulations to Bi'Tikla removing the Cream application from the entire field and improving our field user experience.
- **Business Continuity Sales Model:** At this time when all sales processes were digitalized, a new process was implemented against possible interruptions or difficulties that sales consultants might encounter during sales to customers due to technology, devices or the internet. We were thus able to carry out the entire sales process without interruption.
- **Field Activity Management Application:** As AgeSA, we have launched a new mobile application where our growing direct sales teams can more easily track their daily activities and monitor field efficiency.

- **PPS to Bi'Tikla:** Our project, which moved all PPS product sales processes from the legacy Cream application to the Bi'Tikla platform, was awarded the first prize in the Future of Operations category at the IDC Future Enterprise EMEA Awards.
- **Bi'Tikla Customer and Policy Responsible Tracking Application:** Thanks to this application, through which we manage the assignment and ownership of all our customers and the products they own to field consultants in channels, we provided a smarter and more inclusive customer-representative matching. We thus offered an uninterrupted and continuous experience at the customer contact point.
- **Experience Design Project:** We completed the experience design work of the Sales Suit project, which will enable users to perform various functions such as activity management, lead tracking, dashboard and reporting over a single platform, to manage time and resources more efficiently by easily following processes and to manage customer relations more effectively while increasing sales potential.

- Our ongoing projects:
- Sales Suit-Bi'Tikla Mobile
 - MiniServis-UI/UX Transformation
 - New CRM Transformation
 - Sales API Strategy
 - Elementary and Health Insurance Sales Integration
 - Sales API Strategy
 - AI Sales Agent-Artificial Intelligence Supported Sales Assistant

Corporate Business Technologies

Our Corporate Business Technologies team coordinates the error and maintenance support processes of the applications integrated with third-party companies that the Finance and Human Resources teams use outside the As400 core system, while carrying out collaboration with companies in line with new needs. In addition, it coordinates the projects carried out by the infrastructure and information security teams by making the necessary plans with the companies.

Our projects realized in 2024:

- **AI Recruiter:** In 2024, within the scope of AgeSA's strategy to grow its Direct Sales team, we launched the AI Recruiter project to reach more candidates faster by making Smart Candidate Selection with Artificial Intelligence. Thanks to Artificial Intelligence integrated into recruitment processes, we maximized time, benefit and cost by matching the right candidates with the right positions from the candidate pool fed from various sources. Thanks to this structure, efficiency was increased and scalable process analysis became possible while automating processes. The AI Recruiter Project won 3rd prize in the Cost Improvement Project of the Year category at the Technology Captains Awards and received an award in the Best Generative AI category at the Future of AI & Cloud Awards 2024.

- **Digital Coach:** The expansion of the Digital Coach project, carried out in collaboration with Ageas, was completed. This application enables Direct Field Sales personnel to conduct both voice and written interviews using artificial intelligence to support the processes of Lead Acquisition, Opening Interview, Product Introduction, Objection Handling and Reference Taking. Thanks to artificial intelligence, interviews with various profiles enable users to rehearse a large number of interviews in a short time. This way they can quickly gain experience in communicating more effectively with various profiles, direct the interview flow correctly and respond more effectively to customers..
- With the **SmartTask Project**, we automatically convert e-mails received from official institutions and AgeSA customers into task records according to predefined rules using RPA (Robotic Process Automation) and direct them to our relevant employees. Thanks to this project, we were able to resolve support request from institutions and customers quickly and effectively. We also digitalized our operational processes by preventing unnecessary paper consumption and physical paperwork. We completely digitalized the notification processes we carried out with official institutions and our customers and ended sending out physical documents. All correspondence is now being carried out through the application, thus reducing paper use to zero and significantly reducing our carbon footprint. With this digitalization step, we demonstrate an environmentally sensitive approach in line with our sustainability goals and contribute to green transformation. We digitalized 636 notifications and 2,780 printed messages annually through KEP (Registered Electronic Mail) and calculated our estimated carbon footprint as follows:

We completely digitalized the notification processes we carried out with official institutions and our customers.

BUSINESS TECHNOLOGIES ACTIVITIES

Thanks to digitalization in business processes, we avoided 751.52 kg of CO₂ emission per year.

We enabled our payroll/non-payroll employees to access all applications with a single user and a single password.

- Carbon footprint arising from paper use: 68.32 kg CO₂
- Carbon footprint arising from transportation and delivery: 683.2 kg CO₂
- Total carbon footprint: 751.52 kg CO₂

These results show that thanks to digitalization, we have avoided 751.52 kg of CO₂ emission per year. This contributes to a significant carbon reduction by eliminating paper consumption and physical delivery processes.

- With the **Bi'Kimlik IDM** product, we enabled our payroll/non-payroll employees to access all applications with a single user and a single password. We thus gained security, compliance with legislation, role-based authorization management, operational efficiency, and instant reporting capability. We maintain a centralized management structure by performing IDM integration for each new application added to the inventory.
- **Kroton**: In accordance with MASAK legislation, we started to use the Kroton application instead of the Oracle Watch List application, which was used to perform customer risk scoring through risk identification, rating, classification and evaluation

methods based on customer risks, service risks and country risks, and to monitor transactions and activate the warning mechanism when necessary. Thanks to this transition, while providing free data flow from local and global sources, we achieved significant time savings by completing lengthy queries in a much shorter time.

- **Finance Solutions**: One of our primary goals is to automate the processes carried out manually by finance teams. In this direction, modernization and improvement works were being carried out in Oracle EBS applications, while the Cash Flow Management (NAY) product was implemented and improvement processes are ongoing. We are also looking for a product to manage AgeSA expense budgets and budget realizations through the application. In the short term, by opening this product to the end user, we aim to manage the expense budget in a fully integrated and controlled manner with Oracle EBS, the AgeSA ERP.

Customer Technologies

As Customer Technologies, our main goal is to provide all our customers with an uninterrupted service with a high level of user experience.



Our projects realized in 2024:

- **Private Internet Branch**: Our application, which was renewed with user-friendly screens and the latest technological infrastructure and started to serve under the name AgeSA Online, significantly reduced the development effort by using Artificial Intelligence-supported low-code methods in front-end development. Thanks to its mobile-friendly design, we were able to offer our customers a consistent and synchronized experience across all self-service applications. Considering all of our customers as unique and special, we added a new effort to make life easier for our visually and hearing impaired customers by adding an audio reading function to the AgeSA Online application in 2024. Thanks to these sensitive approaches and advanced technologies we have been carrying out since 2022, we received many national and international awards in the categories of social responsibility and digitalization.
- **Biometric Login**: We reduced internet branch and mobile application passwords from 7 to 6 digits to facilitate login processes. In addition, we added options to login to the mobile application using biometric data such as Face ID (face recognition) and Touch ID (fingerprint recognition). With these innovations, our customers can access applications more easily and practically.
- **AgeSA Mobile**: Instead of sending regulatory documents to customers by mail or e-mail with attachments, we added them to the mobile application and started to provide information via SMS. Thus, we saved on postage costs and digital document storage space. We also increased the rate of digital channel utilization by directing to the mobile application. Thanks to these gains of the project in sustainability, we won awards on many platforms.
- **Deliver X**: Apart from those made systematically through applications, the purpose-specific posts made by Marketing and other business units were previously made through the front-end applications of the provider companies. As of 2024, these posts were redesigned to be made through the Customer Messaging Platform (CMP), the centralized posting application. In this way, dependency on external companies was eliminated, and all purpose-specific posts can now be recorded in databases with their details. In addition, the survey processes manually conducted by Marketing teams to obtain opinions and evaluations on customer processes were automated, and instant feedback from customers started to be received. By sending posts through CMP, customer contact data was enriched and processes were made more efficient.

Instead of sending regulatory documents to customers by mail or e-mail with attachments, we added them to the mobile application and started to provide information via SMS.

BUSINESS TECHNOLOGIES ACTIVITIES

With IVR (Interactive Voice Response) enrichments and Call Back setups, we increased operational efficiency and customer satisfaction.

We became the first company in the industry to sell private pension contracts through a linked application process instead of a paper application process.

- **“Cebimde BES”:** We launched the “Cebimde BES” project to offer PPS (Private Pension System) products to existing customers quickly and easily via the mobile application. Thanks to this project, whose pilot process was completed in December and is scheduled to be rolled out to customers, AgeSA customers may purchase PPS in just 5 steps via the application. While the project provided additional generation benefits for the company, it also paved the way for future Embedded Insurance applications. In addition, the Reference Code design laid the foundations for organizing sales campaigns for new customers in 2025.
- With the **Next-Generation Call Center** application, we aimed to implement an approach that supports our new service model to improve customer experience and meet demands at the first contact. In this scope, we carried out activities that will both increase customer satisfaction and facilitate the operational processes of call center representatives. With IVR (Interactive Voice Response) enrichments and Call Back setups, we increased operational efficiency and customer satisfaction while at the same time providing cost advantages.

- **Backlog:** In the Backlog application used by operations and field teams, we developed the RETKIT (Retirement Kit) application, which aims to reduce the workload of call center and operations teams by automating exit requests submitted for Individual and Auto-Enrollment PPS (Private Pension System) contracts.

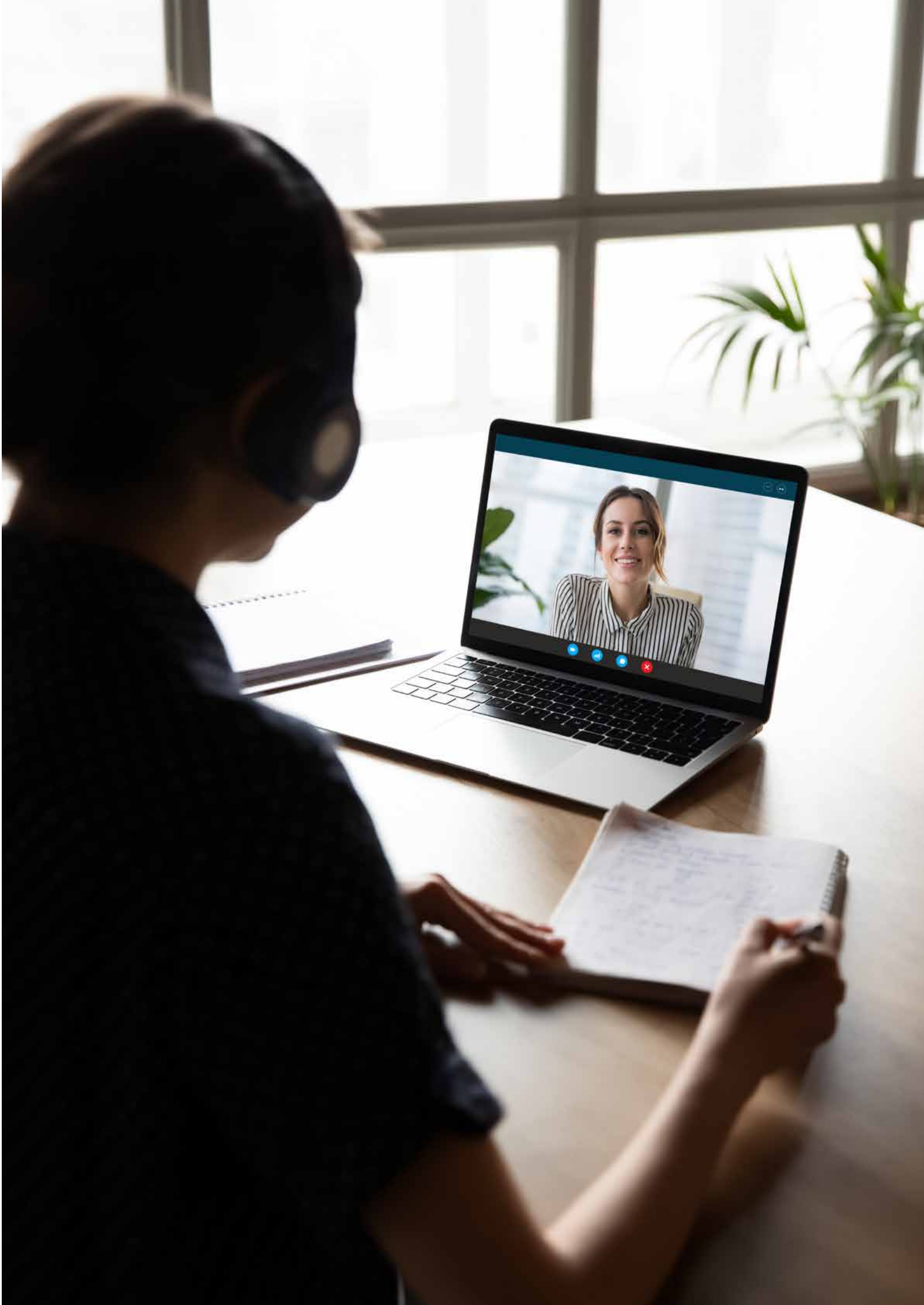
BASIC INSURANCE TECHNOLOGIES GROUP DIRECTORATE

Our Group Directorate, under the Business Technologies Assistant General Manager, which manages and directs technological developments at AgeSA, consists of:

- Private Pension Technologies,
- Life Technologies,
- Robotics Technologies functions that blend basic insurance with innovative and fast solutions.

Private Pension Technologies

The business areas we work on as Private Pension Technologies include adapting to the dynamically changing PPS legislation, reporting enhanced monitoring activity data (GEV), preparing Insurance and Private Pension Regulation and Supervision Authority (SEDDK) audit data, developing new PPS products, and digital transformation projects that will provide benefits and efficiency to both our customers and business departments.



BUSINESS TECHNOLOGIES ACTIVITIES

We ensured that commission payments for PPS contracts sold by Akbank are calculated on a daily accrual basis.

We reorganized the audit datamart we prepared in previous periods in accordance with the new rules of the SEDDK.

Our projects that we realized in 2024 and achieved critical gains:

- **Bi'Tikla Corporate Transformation Project:** We redesigned the platform, where our group customers perform application, collection and change transactions in private pension, with a new architectural structure. We thus aimed to increase the efficiency of both our customers and our operations teams while enabling our group customers to complete their operational transactions on a single platform in a shorter time. In addition, we became the first company in the industry to sell private pension contracts through a linked application process instead of a paper application process.
- **PPS Partial Withdrawal:** Within the scope of compliance with private pension legislation, we completed the necessary improvements for partial withdrawal, which allows participants to borrow up to a certain amount of their fund savings without terminating their contracts.
- **Transfer of PPS Receivables to Banks (Assignment):** Within the scope of compliance with the Private Pension legislation, improvements went live regarding the transfer of participants' savings in private pensions to banks as assignment of receivables.

- **Payment Lists Cash Flow Management Integration:** Payments made to participants, other companies, the tax office and the Treasury in private pensions were integrated into the cash flow management system by automating operational processes. With this work, we aimed to increase operational efficiency by automating processes.
- **Akbank Daily Accrual Commission:** In line with Akbank's regulatory request, we ensured that commission payments for PPS contracts sold by Akbank are calculated on a daily accrual basis.
- We adapted the daily enhanced monitoring activity data sent to the Pension Monitoring Center (PMC) to new developments and changes published by the PMC. We also continue the project of Online submission of enhanced monitoring activity data, which was initiated upon the request of the PMC for instant industry data.
- In order to increase efficiency in the audits regularly conducted by the SEDDK and to eliminate dependence on Business Technologies for data procurement, we reorganized the audit datamart we prepared in previous periods in accordance with the new rules of the SEDDK.



- Within the scope of product revisions, we revised the products according to the new contribution amounts. Furthermore, we continue to make improvements that will ensure customer satisfaction and contribute positively to our participants' fund returns.

Life Technologies

Life Product and Operational Processes

Our main aim is to ensure system continuity through changes in life insurance legislation, compliance with new circulars, legal reporting, keeping the infrastructure up-to-date, and to develop new life insurance products.

The main topics and achievements addressed in 2024 are as follows:

- We automated the processes carried out manually with macros in the **Exit and Claims payment processes**, enabling automatic instructions to be prepared for the cash flow management system. Thanks to this development, the operational burden is reduced, and payments are made safely, quickly and accurately.
- Requests and improvements regarding the additional features of the Insurance for **Endowment (HIS)** product, which we developed and launched last year, were completed and made available to our customers. With the developments, basically, we aim to meet the medium or long-term protection needs of our customers and expand our product portfolio with a customer-focused and flexible life insurance product.
- Within the scope of **Life Insurance legal reporting**, we completed the renewal of our infrastructure that enables the submission of B-Trans data and put it into use. With this innovation, we ensured that reporting was uploaded to the system in a faster, user-friendly and error-free manner.
- Thanks to the **Clawback development** request we realized jointly with Akbank, the process of recovering commission refunds arising from policy cancellations was automated, and Akbank and AgeSA accounting systems were reconciled.
- The project design of the **New Reinsurance Module** has been initiated, with the aim of ensuring reinsurance diversity and increasing competitiveness through more profitable reinsurance agreements, as well as making transactions faster, more flexible and easier.
- Within the scope of product revisions, our efforts to renew our old products with new pricing and coverages were completed, and product sales started.

Within the scope of Life Insurance legal reporting, we completed the renewal of our infrastructure that enables the submission of B-Trans data.

BUSINESS TECHNOLOGIES ACTIVITIES

Our virtual assistants provide accessible support to our 700 employees on more than 10 thousand topics, with an accuracy rate of 94.5%.

We have automated 73 processes belonging to different departments such as Operations, Human Resources, Sales, Finance and Business Technologies to date with our software robot named TechBot.

Robotics Technologies

Our unit, which is positioned to accelerate and facilitate company processes and functions with robotic and artificial intelligence solutions, implements robotic process automation (RPA) and conversational artificial intelligence (Conversational AI) technologies that have come to the fore in recent years at AgeSA.

In the field of RPA, we have automated 73 processes belonging to various departments such as Operations, Human Resources, Sales, Finance and Business Technologies to date with our software robot named TechBot. In this way, 9 million transactions per year are carried out 24/7 without interruption, and significant gains are being achieved in terms of employee and customer satisfaction, cost savings and reduction in the number of erroneous transactions.

As of 2024, artificial intelligence, which affects our daily lives as well as technology, has taken Robotic Process Automation (RPA) to the next level. As AgeSA, we implement our RPA solutions by strengthening them with artificial intelligence. By using artificial intelligence in processes that are or will be automated, we have brought decision-making competence to our systems without the need for human intervention.

Conversational Artificial Intelligence is a platform that provides support to our employees through virtual assistants for different purposes and that we use effectively.

This platform, which contributes to our company's agile transformation process, provides support to all our employees on issues related to Human Resources and Finance, to our sales personnel for their needs in the sales process and to our customer representatives in the Call Center as virtual supervisor. Our virtual assistants provide support to our 700 employees on more than 10 thousand topics, with an accuracy rate of 94.5%, by accessing from all work equipment such as phones, computers and tablets.

These virtual assistants, who have been helping our employees for about three years, started to incorporate the advantages brought by generative artificial intelligence into their processes as of 2024. They provide more accurate and clearer answers by referencing relevant company documents, thus providing the most appropriate information and guidance.

In the field of Robotic Technologies, we made significant progress in both artificial intelligence and robotic process automation in 2024. We believe that the experience and know-how we have gained, combined with the dynamism of current technologies, will yield even more successful results next year. We will continue to rapidly increase the number of projects in which we maximize the benefit of technology by using optimum solutions effectively in line with our company strategy.

**INSURANCE SOFTWARE
TECHNOLOGIES GROUP
DIRECTORATE**

Our Group Directorate, under the Business Technologies Assistant General Manager, which manages and directs technological developments at AgeSA, consists of:

- Insurance Transformation Technologies,
- Innovative Insurance Technologies,
- Software Technologies,
- Corporate Architecture functions.

In 2024, we realized our transformation projects that included the transformation of our digital, cloud infrastructure and core business processes. In our corporate architecture, we continued to install the main systems that will constitute our general architectural structure in all developed application structures. In line with this goal and target, we implemented projects in the Life and Private Pension branches that will have an impact on the company's profitability along with regulatory compliance. Below you can find our major programs and projects, as well as our scope and targets related to the Corporate Architecture function.

CloudX Modernization Program

CloudX is a comprehensive transformation program that aims to modernize basic insurance applications and architecture. With the program, by redesigning Private Pension and Life insurance processes, we aim to simplify processes, increase automation, to easily manage applications by modularizing them, and to conduct technological transformation by using the latest technologies.

In the transformation of the PPS and Life insurance processes, we aimed to move the processes in the AS400 basic insurance system to the CloudX system, which uses Java technologies with a microservice-

based open architecture, with a partial transition model suitable for the modular structure.

As of 2024, we completed the PPS State Contribution and PPS Commission modules among the 13 basic insurance modules identified under the program. We integrated these modules into the CloudX system with new automated processes, parametric screens and rule-based definitions and made them available for use.

In the ongoing transformation efforts, we are advancing the program step by step by working on the Fund Takasbank Management Module, the PPS Additional Benefit Module and the Product Management Module that will standardize the definitions of Life and Personal Accident products.

CloudX PPS Processes State Contribution Module:

The distribution, collection, accounting, payment approvals, cash flow management integration and operational processes of the State Contribution module were successfully commissioned. At the end of the first quarter of 2024, the pilot application was launched, and at the end of the second quarter, all transactions were started to be carried out through the new system. The new application gathered transactions that were performed on multiple screens in previous systems and required manual intervention under a single screen. Operational efficiency was increased with integrations that disable all manual processes. Thanks to the microservice-based architecture and modular application structure, the management of the system was simplified, and new development needs were responded to more quickly. While the automation provided eliminated the risk of error in financial transactions, the processes of paying the state contribution amounts to the relevant parties were fully automated thanks to the cash flow management system integration.

CloudX is a comprehensive transformation program that aims to modernize basic insurance applications and architecture.

BUSINESS TECHNOLOGIES ACTIVITIES

With the CloudX Modernization Program, we aim to realize technological transformation in Private Pension and Life Insurance processes.



The definition, calculation and accounting of non-bank PPS commissions started to be used through the new system as of March 2024.

CloudX PPS Processes Fund Takasbank Module:

Under the module, we handle the processes of notifying Takasbank systems of fund purchase/sale, cash notification, contract movements and account opening movements that occur in the system. Module applications are designed in a microservice-based and modular structure in line with our target architecture. The processes of creating and transmitting the data sets to be sent to Takasbank are being separated from the fund operation processes and structured as an independent module. In the second quarter of 2024, the work started with scoping continues, and the project is expected to be completed by commissioning all applications in the first quarter of 2025.

CloudX PPS Processes Commission Module:

The PPS Commissions Module went live in 2023, including commission definition, calculation and accounting. Following the monitoring process, the definition, calculation and accounting of non-bank PPS commissions started to be used through the new system as of March 2024. The calculation of Akbank PPS commissions and daily, weekly and monthly reconciliations were commissioned in this new system at the end of 2024. PPS commissions in the CloudX infrastructure were made to function in a modular cloud architecture with definition, calculation and accounting processes.

By moving the commission module to our CloudX open and cloud-based infrastructure, significant benefits were provided to our processes. As a result of the dissemination efforts during 2024, all our user business units started to experience these innovations in their daily business processes.

- Akbank, agency, broker, foundation, and auto-enrollment commissions were carried to the new system with a process in which business units were able to make definitions independent from Business Technologies, and the approval units of the relevant commission definitions were differentiated as per the separation of duties principle. Performing this process on CloudX screens saved one week of effort every month.
- In commission calculation, the time was reduced from 1 day to a maximum of 3 hours with the parallel calculation method of multiple sales channels.
- Accounting transactions were enabled to be done systematically according to all commission calculation types used in commission calculation.

CloudX PPS Processes Additional Benefit Module:

As part of CloudX PPS Processes Additional Benefit, PPS Additional Benefit definitions are being created in a parametric and approved structure for voluntary PPS and Auto-Enrollment PPS. Based

on these definitions, financial additional benefits (fund total expense deduction, additional benefit calculated over savings) are being calculated and accounted for. In addition, payment processes for service-based additional benefits such as sweepstakes, ads and campaigns are also handled within this scope. Business units are being authorized to define and approve additional benefit definitions in the entire process as per the separation of duties principle. Module applications are developed in a microservice-based and modular structure in line with our target architecture. The work, which started in the second quarter of 2024, is expected to be completed by going live on the end-to-end CloudX system in the first quarter of 2025.

Parametric Product Module:

The Minimum Viable Product Project (MVP) was launched in 2024 to transform Life and Personal Accident and Private Pension products into a more parametric structure. Thanks to this project, it was demonstrated that products in Life and Personal Accident branches could be defined on a ready-made structure and managed parametrically. Within the scope of 2025 product roadmap, these products will be integrated on a service basis with our CloudX infrastructure and our sales and service applications on Bi'Tikla platform used in the front-end layers of our Company.

With the parametric design of our Life and Personal Accident products, the addition or removal of coverage, product price revisions or changes to any parameter made at the end of each year will be performed in a simpler and more modular manner. The products will be versioned to reflect the changes without duplication, and our products will be made ready for use in the field with their new structure.

Software Technologies

We continue to bring our Company's technological infrastructure up to date and develop faster, higher quality, and more efficient applications with the latest technologies. We thus increase the quality of service we provide to our customers. By keeping our existing architecture up-to-date, we bring the performance, stability, efficiency, security, and new features that come with new application versions to our application infrastructure. In addition, we develop many projects to incorporate new infrastructures that will be used in the industry today and in the future into our architecture where possible. In 2024, our ongoing and completed critical acquisitions are as follows:

- Our existing application architecture was moved to the current Openshift ACM infrastructure. Our technological infrastructures were updated and improved so that applications can run on the new infrastructure. In this way, a solid ground was

By keeping our existing architecture up-to-date, we bring the performance, stability, efficiency, security, and new features that come with new application versions to our application infrastructure.

BUSINESS TECHNOLOGIES ACTIVITIES

We continue to improve AgeSA’s technological infrastructure with up-to-date technologies.

We prepared a business technologies strategy document to support AgeSA’s digital transformation vision and to determine its technology-oriented growth strategies.

- prepared for our applications and new technologies to be added in the future. We created an application environment where we are able to maintain a high level of service quality for our customers even during peak periods. With this work, we aim to improve the continuity of both our existing infrastructure and our system infrastructure even in extraordinary situations.
- The version updates of the Spring boot infrastructure, which forms the backbone of our existing applications, and the architectural changes that come with the new version were completed. Redis distributed cache architecture was also added to our architecture with this infrastructure. With the work done, it is aimed to provide a more up-to-date, performant, secure, and effective application infrastructure. We aim to make this study go live in the first quarter of 2025.
 - We replaced our infrastructure, which enabled verification and secure access to our applications in our portfolio by individuals and organizations, with the Redhat SSO infrastructure, and moved it to Openshift. With this architecture, we have moved to an up-to-date infrastructure that can respond to requests even under heavy load and support newer security technologies.

- We are working to strengthen our database connection infrastructure with Hikari technology at appropriate points in order to enable our applications to perform data resource management much better. With this technology, we aim to improve the memory utilization of applications, reduce potential errors, increase performance and increase the continuity of applications, and we aim to go live in the first quarter of 2025.
- We updated the Kafka queueing mechanism versions, which we use to run loaded batch jobs and that need to run asynchronously, and overhauled the server architecture. In this way, it was aimed to make the batch jobs more performant and effective.
- Graylog and Elastic Search logging infrastructures, which we use to effectively detect and solve the problems that may occur in our applications, were updated and switched to the new server architecture. We thus aim to increase the quality of service we provide to our customers by solving potential problems much faster. We plan to launch the work in the first quarter of 2025.

Corporate Architecture

The following activities were carried out in 2024 in order to carry out the activities of creating and managing the Business Technologies architecture in line with the target

strategies of our Company and to create value by contributing to the creation of sustainable, scalable, flexible, and rational solutions using innovative technologies and solutions:

- **Business Technologies Strategy Document Prepared:** A business technologies strategy document was prepared to support our company’s digital transformation vision and to determine technology-oriented growth strategies. This document provides a framework covering the adoption of innovative solutions, sustainable technology management and efficiency-enhancing measures.
- **Business Technologies Roadmap Prepared:** A comprehensive business technologies roadmap was prepared to determine our company’s future technology investments, projects and infrastructure transformation targets. This roadmap serves as a guide detailing strategic priorities, time planning and resource allocations.
- **Artificial Intelligence Strategy Document Prepared:** We prepared an artificial intelligence strategy document to guide the company-wide implementation of artificial intelligence technologies, assess opportunities and minimize risks. In this document, we detailed the targets, application areas and ethical approaches of our AI-focused projects.
- **Management Activities for Technical Debt Records:** In order to systematically monitor and reduce our company’s technical debts, we created technical debt records and implemented management processes to prioritize and resolve these debts.
- **Inventory Management Activities:** In order to monitor and manage our company’s IT assets more effectively, we improved inventory management processes and

introduced the necessary tools and methodologies to ensure that these processes work more efficiently.

In order to increase the system continuity and performance of our AS400 architecture, we established a High Availability (HA) infrastructure that runs simultaneously with the live environment. We also completed user studies and system updates to improve the performance and management of application integrations.

AGILE GOVERNANCE AND BUSINESS INTELLIGENCE GROUP DIRECTORATE

Our Group Directorate, under the Business Technologies Assistant General Manager, which manages and directs technological developments at AgeSA, consists of:

- Agile Governance
- Business Intelligence Technologies units.

Agile Governance

Agile Governance consists of 5 different functions: Agile Workshop, IT Communication, R&D Center & Innovation, Budget & Supply Management & Purchasing, and IT Quality Assurance & Resource & SDLC.

As the Budget & Supply Management, all our processes were reviewed, and in order to make the applications we use more efficient, our processes were redrawn and improved.

Supplier Management processes were re-evaluated, and supplier performance evaluation processes were standardized. Supplier evaluation meetings were held twice a year with the Business Technologies Management team. Collaboration was strengthened by holding regular meetings with suppliers, and an active role was taken in IT outsourcing placement processes. In addition, preparation of service procurement contracts with the Purchasing Department and monitoring of their renewals were ensured.

Supplier performance evaluation processes were standardized.

BUSINESS TECHNOLOGIES ACTIVITIES

We prepared an annual training plan for IT teams.

Agile Workshop continues to conduct agility studies to spread Agile dynamics and culture.

Within the scope of Financial Management, the 2024 budget was tracked on a unit basis, monitored monthly and regularly reported to the IT management team. The budget was reviewed every 6 months and various cost optimization activities were carried out. IT's digital assets inventory was reviewed and improved. IT invoices and progress payment processes were improved, check points were identified and the efficiency of the processes was increased.

Business Technologies Resource & SDLC & Training

In the holistic resource management, optimization monitoring and generation capacity calculation and reporting processes of Business Technologies, system improvements were made in our Jira and Talep Dünyası applications with an SDLC (Software Development Life Cycle) perspective, in line with our needs and changing processes. With a continuous improvement approach, efforts continue for reflecting IT resource information from the Klik application to dashboards.

Within the 3P (Project, Product, Portfolio) transformation program, the foundations of which were laid in 2022, 3P breakdowns of the works on the roadmap were created in addition to the transformation of the teams. A holistic approach was adopted with agility in capacity, team and resource planning. These changes were reflected to the systems, creating a structure where processes from demand to accounting could be tracked end-

to-end. Projects and critical tasks continue to be shared with the IT Board at monthly meetings. With these meetings conducted by the Agile Governance team, a regular Agile Governance Monthly Briefing reporting structure was created.

An annual training plan for IT teams was prepared in coordination with Human Resources. In line with the evaluations of the Technical Committee, internal and external trainings were centrally identified and planned.

As **Agile Workshop**, we conduct agility studies to spread Agile dynamics and culture across business units and Business Technologies.

During 2024, 32 teams working with Scrum and Kanban methods under Business Technologies are provided with coaching support in line with unit needs. The renewed indicator cards continue to be published periodically so that teams can regularly monitor their progress.

Within the scope of the "PO Development Program" prepared with role-specific training contents under the "Agile Academy," 12 product owners were given a 4-stage training for the product owner role. In addition, basic Agile, Scrum/Kanban, Jira and metrics trainings were held according to the needs of the teams. A total of 70 people from AgeSA business units attended 6 different training programs prepared within the Agile Academy.



The agile transformation efforts initiated at AgeSA business units in 2022 were carried out with a customer-focused, innovative, and continuous improvement approach so as to cover 45 directorates under 7 assistant general managers. The transformation process of 60 agile teams in total was completed as of the first quarter of 2024.

Our aims with **Innovation Studies** are:

- To follow new technologies and trends,
- To evaluate new opportunities together with start-ups,
- To support start-ups with mentorships,
- To create innovation within AgeSA Business Technologies,
- To make AgeSA business technologies an innovation center.

In order to realize our goals, we proceeded with the IT Board and the committee we formed together with relevant stakeholders on the subject. In this process, over 1,000 companies were examined, 350 companies were evaluated by the committee, and interviews were held with 78 companies. Research was conducted on artificial intelligence, Machine Learning, Low Code, Know Your Customer, security technologies, and companies. We continue to come together with startup organizations to be a part of the startup ecosystem. As AgeSA, we invested TL 600,000 in Corpowid, a company that stood out with its initiative on the stage of ITU Big Bang Startup Challenge held on December 18-19.

As the **Business Technologies Communication Management**, we take an active role in internal platforms and media communication activities to increase our achievements and the awareness of our important projects. We continue to protect the brand value of our Company and our leading position in the industry by taking part in the media with our new developments and efforts that shape the industry.

Our achievements brought us **15 awards**, including **2 EMEA** and **13 Türkiye** awards, which we received from various organizations during the year for the studies we carried out centrally.

- Our Assistant General Manager for Business Technologies A. Fahri Arkan received the "CIO of the Year" award at the CXO Media CIO Awards 2024 for our "CloudX PPS Commission Transformation" Project.
- At the Technology Captains 2024 organized by BTHaber Newspaper, our Business Technologies Assistant General Manager A. Fahri Arkan received the "Technology Captain of the Year" award. At the award ceremony where A. Fahri Arkan was named the Technology Captain of the Year for two consecutive years due to his achievements, our DeliverX Project won the 1st prize in the Cost Improvement category and the 2nd prize in the Digital Transformation category, our AI Recruiter Project won the 3rd prize in the Cost Improvement category and our Barrier-Free Digital Experience Project won the 1st prize in the Customer Interaction category and the 3rd

Our achievements brought us 15 awards, including 2 EMEA and 13 Türkiye awards, which we received from various organizations during the year for the studies we carried out centrally.

BUSINESS TECHNOLOGIES ACTIVITIES

We continued the “Agile Project Management” courses we started in cooperation with Bahçeşehir University in 2024 as well.

In our 6-monthly digital magazine “İş'te Tek,” we provided information on developments in the IT world.

- prize in the Innovation, Operational Competence and Social Responsibility categories.
- At the IDC Future Enterprise EMEA Awards, where technology companies across Europe, the Middle East, Türkiye and Africa (EMEA) lead the awards in innovation, digital transformation and operational excellence, we won Overall Winner awards in the Future Enterprise of the Year category for CloudX Digital Transformation Program and in the Future of Operations category for BES2BiTıkla: Fully Integrated Digital Pension Sales Platform.
 - The CloudX Digital Transformation Program also received the 2nd place award in the Future Enterprise of the Year category at the IDC Türkiye Future Enterprise 2024.
 - At the Future of Cloud & AI Awards 2024, our DeliverX project was awarded in the Best Digital Transformation category and our AI Recruiter project in the Best Digital Transformation category.

In 2024, under the leadership of A. Fahri Arkan, we came together with leading press members in the field of IT and announced our projects, works and achievements to the public with 4 press releases and 6 press interviews under the coordination of our Corporate Communications and Brand Management team. In addition, important steps were taken to strengthen the internal communication of the teams and increase employee loyalty through seminars, social events and competitions.

Our digital magazine “İş'te Tek,” prepared with the contributions of the Business Technologies teams focusing on trending technologies, was published every 6 months and addressed important topics on the IT agenda. With the communication team consisting of volunteers from IT teams, communication activities for 2024 were actively carried out. A wider audience was reached through social media posts and technical articles published on Medium.

Within the framework of university collaborations, seminars were organized under the leadership of A. Fahri Arkan at Okan, Yıldız Technical, Maltepe, Özyeğin, Işık, Koç and İstinye Universities. At these events, information was shared with students, while contributing to raising awareness and interest in technology.

- Within the scope of our Agile Transformation communication activities:
- In 2024, 7 Agile Talks webinars, 1 Agile Day and 1 Techno Day were organized, where experts from the industry were invited, and different applications were shared.
 - In 2023, the “Agile Project Management” courses we started in cooperation with Bahçeşehir University continued in 2024. A total of 50 Engineering Faculty students graduated with the courses given in two semesters. In 2024, graduation certificates were given to students at the graduation ceremony held at Bahçeşehir University, while a total of 10 students who received training were offered internship opportunities.

- Agile transformation seminars were also organized at Galatasaray, Özyeğin, Okan and Maltepe Universities, raising awareness among students.

Business Intelligence

The Business Intelligence unit develops and delivers the reporting, dashboard, and data integration demands in AgeSA's roadmap together with the software infrastructure. While ensuring that data governance, data visualization, and data analytics issues are presented with up-to-date technologies and solutions both in mobile and web-based products, it carries out the work of flowing semi-structured and unstructured data into big data environments and making them usable. The most important activities of the unit in 2024:

- Decommissioning of Datastage ETL Tool Pre-Prod environment (DataStage Pre-Prod Decommission)
- Cognos corporate reporting tool version upgrade study (Cognos upgrade study)
- Datastage ETL Tool versioning (Datastage versioning)
- Cognos corporate reporting tool versioning (Cognos versioning)
- Complex Event Based Process Triggering (CEP) architecture improvements (CEP architecture improvements)
- 360 Degree Single View of the Customer (SVoC) Architecture improvements (Re-engineering)

The critical project outcomes of the unit this year are:

- With our Non-Customer Analytics (Completion of Target Optimization for Direct Sales Channel) project, inflation data, regional income distribution, exchange rate information, demographic TUIK data such as population to affect the targets of field employees were included in the machine learning and artificial intelligence models

developed, and monthly targets were created in an optimized manner.

- With our Self-Service BI Project, it will be ensured that headquarters employees may access the right data quickly and without intermediaries through the Cognos tool, analyze the data without technical knowledge, obtain data lists, group and visualize data and download it via various methods (excel, pdf, csv, etc.), run the report automatically, and share it with other users.
- With the Dashboard Transformation project, AgeSA integrated, migrated and designed the dashboards and their mobile versions served from Cognos (Intelligence Cube) web and mobile environments within Business Intelligence processes to Microsoft PowerBI with artificial intelligence support and advanced visual capabilities.
- With the CEP Collection project, six CEP scenarios were implemented for PPS by using the collection and accrual data of business units.
- With the report efficiency program, an infrastructure work is carried out to model the data in various systems by bringing them together with the right methods. With the work carried out within this project, business units will be able to perform data analysis, data discovery and reporting through a common data model with drag and drop method without IT dependency.
- Within the SPS-Re-engineering project, in addition to performance improvements in bonus calculations, a new tool was integrated for reference data management. Transformation of foreign currency transactions to physical data model was completed.
- Implementation of DSF & Agency HR dashboards was prepared for both web and mobile via Power BI product.

With our Business Intelligence unit, we enable semi-structured and unstructured data to be streamed into big data environments and make it available.

BUSINESS TECHNOLOGIES ACTIVITIES

We take measures against potential external threats with our Information Security and Compliance Team.

We strengthened the company's security structure against external threats through Blackbox, Whitebox and DDoS studies.

- Planned activities for 2025 and beyond are as follows:
- Creating managed self-service dashboard infrastructure
 - Initiating data governance program
 - Exadata/ETL Tool infrastructure transformation studies
 - Mobile application customer behavior analytics studies
 - Non-Customer Analytics-registry and region-based potential estimation studies
 - Finance and Bancassurance dashboard studies

INFRASTRUCTURE AND SECURITY GROUP DIRECTORATE

Information Security and Compliance

Taking into account AgeSA's strategic and digital roadmap, the Information Security and Compliance Team takes measures against potential external threats in a way that prioritizes customer and employee security and is involved in most projects to ensure compliance with legislation and standards.

In 2024, EDR (Endpoint Detection and Response) technology was deployed as a complementary and optimizing step to SOC processes in order to ensure operational continuity and prevent loss of reputation. Thanks to this technology, unusual activities and threats were detected and responded to faster and at their source. As part of security

operations, security tightening was implemented on servers and systems and integrated into the lifecycle.

The artificial intelligence-supported phishing simulations project aimed to increase employee awareness. With these regular simulations, employees were prepared for current threats. In addition, attack simulations were implemented to increase the security and resilience of the systems. With these studies, security levels were increased by regularly testing all paths of systems, servers, network devices and security devices that could be followed by an attacker.

Security risks were minimized through penetration tests performed on applications. The company's security structure was strengthened against external threats through Blackbox, Whitebox and DDoS studies. System access for authorized and standard accounts was improved through hygiene efforts and secured using PAM (Privileged Access Management). Through regular network scans and hygiene studies, situations that put information security at risk were analyzed, and necessary measures were taken. In addition, the integration of automation and orchestration tools enabled faster response to threats. The internal security structure was further strengthened by continuing regular scanning and user notification processes for password security.



We increase our cyber resilience by conducting security assessments and technical tests of the applications and processes we develop within our Company.

Within the scope of compliance activities, Business Technologies control tests were completed and progress was made in works for compliance with the CobIT (Control Objectives for IT and Related Systems) framework. The assessment of IT risks was successfully finalized, and work on Key Risk Indicators continues.

Assessments for increased operational efficiency and risk predictability were supported by periodic control activities and IT awareness raising work. The focus was on evaluating new control methods against future IT risks and preparing for crisis situations with business continuity activities.

Cloud Infrastructure Technologies

The purpose of the cloud infrastructure technologies team is to meet all the infrastructure, hardware, network, internet, data center, and end-user needs required for the technology services AgeSA offers to its internal and external customers.

Our main goals are to realize infrastructure transformations in line with AgeSA's digital transformation roadmap and to

implement appropriate investment plans by determining capacity needs due to the increasing number of customers.

In 2024, in line with our cloud transformation strategy, we completed our data center migration project to provide infrastructure services suitable for the new architecture of the transformed applications. We took an important step in terms of business continuity by moving from our existing data center to the Equinix data center, which provides services at international standards, and removed the risks of data center-related interruptions. Thanks to the cloud infrastructure, we prevented unnecessary capacity utilization and gained cost advantages by effectively managing capacity increases and decreases. For example, we provided temporary capacity increase during peak periods such as sales campaigns, and by reducing capacity after the campaign, we continued our operations at lower costs. Thus, we transitioned to the "Pay As You Go" model in the industry and made the AgeSA infrastructure cloud-compatible. At the same time, we created an infrastructure that could benefit from the advantages of cloud technologies in compliance with regulations.

In 2024, in line with our cloud transformation strategy, we completed our data center migration project to provide infrastructure services suitable for the new architecture of the transformed applications.

BUSINESS TECHNOLOGIES ACTIVITIES

We took an important step in adapting to new technologies by moving to the Plus version of the RedHat Openshift platform.

By automating manual workloads on Openshift, we aim to ensure that the system operates in a fully autonomous structure.

We took an important step in adapting to new technologies by moving to the Plus version of the RedHat Openshift platform, where we transformed our old applications and positioned our new applications. One of the advantages of the new version is that in the event of a disaster, if our data center in Istanbul becomes inaccessible, we can continue to provide service by quickly activating our backup system at the TÜRSAT Disaster Recovery Center in Ankara.

On the end-user side, we developed remote control and management technologies to quickly meet user needs in a remote working order, and we implemented uninterrupted working processes.

In 2025, our main focus will be on continuity. We plan to establish detailed monitoring structures in critical areas such as the Call Center, AgeSA Mobile, Akbank Services and Sales applications and systematically monitor areas for improvement.

We also aim to move to an autonomous system architecture with the support of artificial intelligence and automation. By automating manual workloads on Openshift using Ansible technology, we aim to ensure that the system operates in a fully autonomous structure. This transformation will both reduce manual workload and minimize human errors.

STRATEGIC PORTFOLIO AND PROCESS MANAGEMENT GROUP DIRECTORATE

Strategical Portfolio Management
Strategic Portfolio Management took into account our Company strategy, business strategies, process analyses and related priorities while creating the roadmap for 2024 and finalized it from the perspective of our annual budget and Business Technologies resource costs. The roadmap was shared with relevant departments and management teams and announced. Throughout the year, in order to adapt to sectoral and global dynamics, we managed the variability of this roadmap as the guardian of the same vision and goal. At the end of the year, the planned and actual business results were shared with senior management and relevant units.

Quarterly roadmap prioritization studies were regularly conducted 4 times throughout the year. During these studies, quarterly business planning was created by matching the Business Technologies resources with business needs identified at the beginning of the year and the new demands communicated from the business units within that quarter. In each quarter, senior management was informed about the work completed, planned projects, issues to be postponed and the competencies acquired by the company within the scope of the previous quarter's closing and the opening of the next quarter. In addition, relevant persons and managers in business units were also informed about these priorities and plans.

In 2024, all projects and requests, especially the company's KPI projects focused on new products and sales digitalization, were monitored, and the management team was informed on issues requiring coordination, decisions and quick action. Risk preventive actions were taken by working closely with business units and IT teams.

Throughout the year, prioritization assessments were made for compliance with newly emerging regulations and for issues where the company needed to take strategic action. In situations requiring immediate decisions, assessments were completed in collaboration with the relevant legislation department and senior management.

Active participation to strategic studies initiated with the guidance of senior management was ensured. By having worked closely with the relevant teams in the creation and follow-up of the company's 4-year strategic program, contribution was made both to the determination of work for 2025 targets and the initiation of long-term plans.

Thanks to the improvements made at the end of 2023, it was ensured that business needs from business units were systematically monitored and reported, and that processes were operated as of 2024. With these improvements, corporate memory was strengthened, efficiency was increased and transparency was ensured in processes. These improvements are planned to continue also in 2025 with minor additions.

As part of Strategic Portfolio Management, efforts to centrally assess all the business needs of the company, inform senior management, align business units with company strategies and ensure efficient use of resources by identifying priority and valuable business segments will continue in 2025 as well.

Process Management

In 2024, our Process Management Department carried out important work to keep business processes up-to-date and to ensure SEDDK compliance standards. In addition, by contributing to digital transformation projects, efficiency-oriented process analysis studies were successfully completed in line with strategic targets.

Our methodological and procedural working order was established in our three main business areas, namely Process Management Organization (SYO), Project & Business Model & Process Analysis and Process Alignment & Optimization.

During 2024, as the Process Management Department, we aimed to keep our Company's 1st, 2nd, 3rd, 4th and 5th level business processes up-to-date. With the mapping of AgeSA's new business processes, the total number of processes exceeded 500 and became reportable to SEDDK. As of January 2024, SEDDK's official report requests regarding process timeliness were met in coordination with the Internal Control Department.

Additionally:

- A total of 55 Process Representatives were included in the Process Management Organization to be responsible for business processes.
- The Internal Control Manager role was established as a procedure to carry out Process-Control-Risk matching activities effectively in the Process Management Organization.
- As part of the internal systems SEDDK compliance studies, "Process-Control-Risk-System Matching" studies were initiated with our Internal Control Department in 2024 in order to ensure standardization in Process-Control-Risk reporting.

It was ensured that business needs from business units were systematically monitored and reported, and that processes were operated as of 2024.

BUSINESS TECHNOLOGIES ACTIVITIES

Efforts to ensure standardization in the management of business processes continue.

Process optimization projects were carried out to contribute to the efficiency focus area within the scope of AgeSA Route 2028.

- In 2024 revision studies, the internal systems project was carried out in line with SEDDK compliance, and the studies were completed to be compatible with the GRC system Archer.
- The entire process taxonomy of our company was reviewed, and critical IT business processes were mapped according to Process Management Organization Standards.

Within the scope of the Process Management Organization (SYO), periodic activities and trainings held on May 30-31, 2024 aimed to improve the process perspective, raise awareness on RPA applications, explore RPA potential and develop Robot PBL. These activities supported the process revision periods to be more effective and efficient.

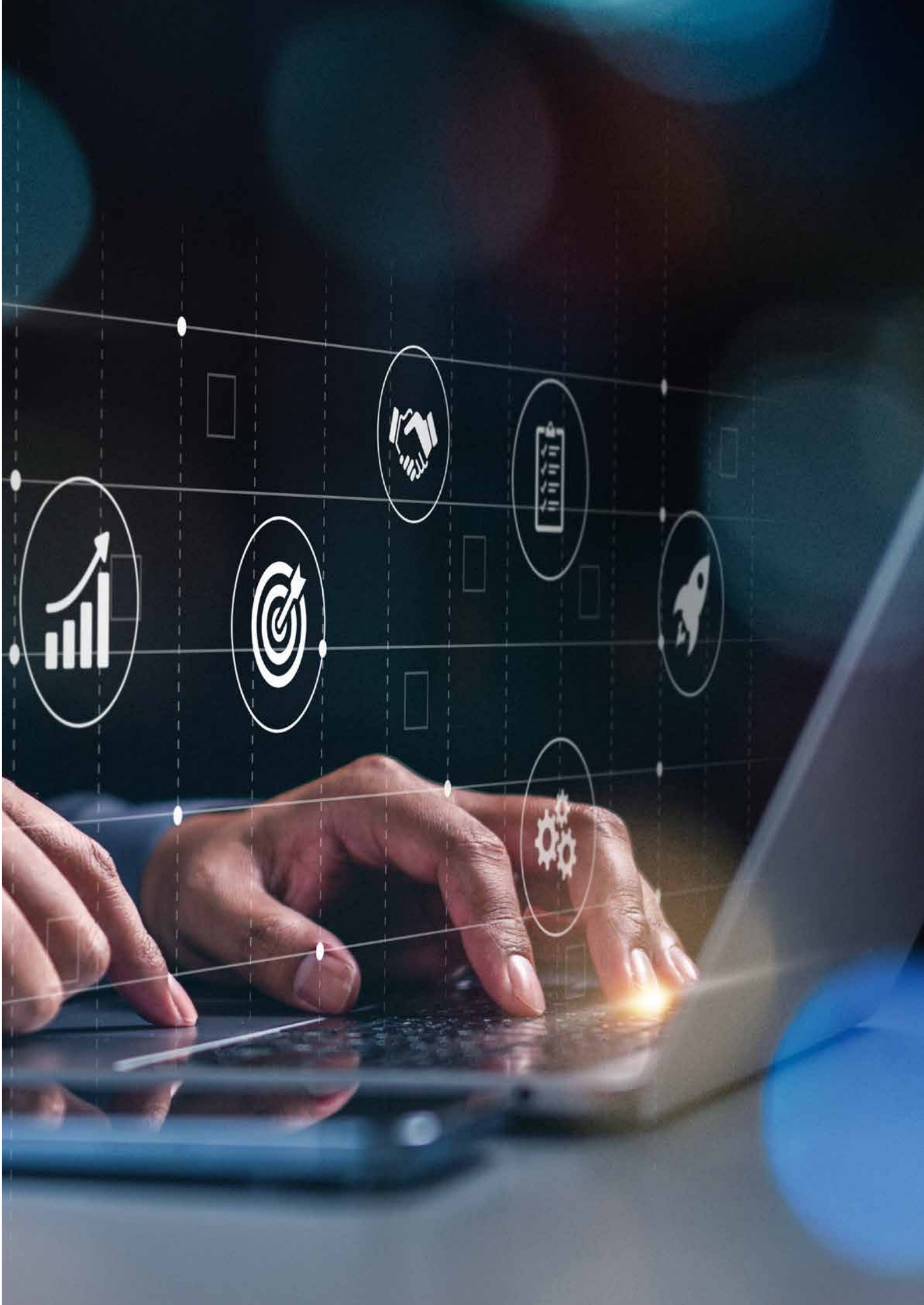
We undertook operational sponsorship and product ownership duties in the Business Continuity project, which is one of our company's radar projects and an important transformation on the road to digitalization. In 2023, a standard format was established for robotic process development requests. In line with this standard, 17 robot requirement documents were prepared in 2024, uploaded to the Jira system and delivered to the Robotic Technologies team. In addition, robot opportunities identified in the course of pain point updates and optimization projects during process revision periods were also transferred to the Robot Development team.

We participated in 52 of the company's strategic projects as a process manager stakeholder. In these projects, mapping of the as-is & to-be business processes, impact analyses, stakeholder orientations and RACI definitions were made.

Our department updated its business plans and vision in 2023, taking into account the internal demands and effects of global trends on process management. In line with this vision, a process optimization methodology suitable for the company was created. Using this methodology, process optimization projects were carried out to contribute to the efficiency focus area within the scope of AgeSA Route 2028.

In order to ensure standardization in process management studies, in addition to the existing business processes, efforts were initiated to adapt the mapped processes of the Customer Support Center to the AgeSA Process Mapping Rotation.

In 2025, process analysis studies will be carried out by the Process Management Department in transformation projects, and Process Management Organization studies will be continued. Process mapping studies will be completed in areas such as Complementary Pension Insurance and Health Business Processes. New efficiency and optimization projects will be initiated and led across the Company. In addition, in line with SEDDK compliance requirements, work will be carried out to display check points on all company processes.



INDEMNITY UNIT

In 2024, we made a total indemnity payment of TL 449 million.



We carry out our indemnity processes with a reliable insurance approach that keeps our ultimate purpose alive, demonstrates the goodness at the core of our business, generates solutions with proactive approaches, and volunteers to sincerely support our customers in times of need.

Making indemnity payments of a total of TL 449 million in 2024, we touched the lives of our policyholders or their relatives in their difficult days. Indemnity claims were paid within an average of 3 days after the completion of the documents by our indemnity customers.

At our Company, we continuously work to increase indemnity payment rates and to maximize customer satisfaction in these processes. Within this context, we continued to take various actions regarding our indemnity policies by presenting detailed studies on indemnity experience and data. We continued to hear the voices of our customers for whom we finalized their indemnity claims, and conducting satisfaction surveys every month, we received their feedback and analyzed and improved their results. For the indemnity claims we concluded in 2024, our indemnity payment rate was 85%. Excluding unemployment indemnities, this rate is 91%.

In 2024, we realized a business model change in unemployment indemnity operations. We took over the unemployment indemnity operations from our reinsurer and

started to run them in-house by establishing a new team. With this model change, we restructured our unemployment indemnity policies in a customer-focused manner. At the same time, we met unemployment indemnity claims, which increased by 43% in number compared to the previous year.

In general, there was an 18% increase in the number of claims filed in all the coverages we provide compared to the previous year. In this period, with all our efficiency efforts, especially by making frequent use of Techbot (robot automation), we achieved improvements that minimized risks in our processes, improved our working conditions, accelerated our transaction and service times and saved labor.

Within the scope of our company's Corporate Agile Transformation Program, we adapted the Agile Working Methodology to our business processes.

We continued to touch hearts with our AgeSA Memorial Forest, which we created with saplings donated on behalf of each of our deceased customers, and with the donation certificates we sent to the families of our customers. On the other hand, we continued to make our customers feel "good" with the "get well soon flowers" we sent to our customers in case of sickness-related claims and the "congratulation cards" we sent to our policyholders with unemployment claims when they got a new job.

For the indemnity claims we concluded in 2024, our indemnity payment rate was 85%.

ACTIVITIES OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

Board of Directors

Structure and Composition of the Board of Directors

Our Company is managed by a Board of Directors consisting of 10 (ten) members, as decided at the Ordinary General Assembly meeting for 2021, dated 29.03.2022.

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. Chairperson and Vice Chairperson 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/she has substituted. In case of losing independence or resignation of an independent member or becoming incapable of carrying out his/her duty, procedures determined in the Capital Markets 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 resolutions of the 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 of shall be held at the head office of the Company or any place in Türkiye or abroad that may be agreed by the Board of Directors.

According to the Articles of Association, those entitled to attend the Company's Board of Directors meeting may do so electronically according to Article 1527 of the Turkish Commercial Code.

The table below shows AgeSA Hayat ve Emeklilik A.Ş. Board of Directors as of December 31, 2024.

Name	Position	Date of Election
Haluk Dinçer	Chairperson	2011
Ben Karel E. Coumans	Vice Chairperson	2024
Mustafa Firat Kuruca	General Director (CEO) and Board Member	2016
Hatice Burcu Civelek Yüce	Member of the Board of Directors	2022
Emmanuel Van Grimbergen	Member of the Board of Directors	2021
Sitare Sezgin	Member of the Board of Directors	2024
Karolien Gielen	Member of the Board of Directors	2024
Uğur Gülen	Member of the Board of Directors	2024
Fatma Dilek Yardım	Board Member (Independent)	2024
Hüseyin Gürer	Board Member (Independent)	2021

Fatma Dilek Yardım and Hüseyin Gürer, who meet independence criteria within the context of the capital market legislation and presented an independence statement, perform their duty as independent board of directors members at our Company.

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.

In 2024, 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 of shall be held at the head office of the Company or any place in Türkiye or abroad that may be agreed by the Board of Directors.

Board of Directors meetings shall be held in English. Official minutes and resolutions of the Board of Directors meetings shall be drafted and maintained in two languages, Turkish and English. 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 take resolutions without gathering. Board of Directors meetings are held every 3 (three) months under normal circumstances. The Board of Directors of the Company may convene electronically 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 the general director, vice general directors, 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 signing authority due to the nature of their duties, must have the qualifications required by the Individual Pension 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 Insurance and Private Pension Regulation and Supervision Authority.

ACTIVITIES OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

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 the General Director and the Company Secretary and is finalized in accordance with the suggestions of the Chairperson 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 signature circular practice.

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 Markets Board or may receive or give all kinds of real and personal guarantee. Also, without limitation to the foregoing, it is entitled to take any resolution on all works and transactions that have to be done save the ones left to the authority of the General Assembly in accordance with the Turkish Commercial Code or the articles of association.

Subject to the limits delineated in the capital market legislation, the Turkish Commercial Code, and applicable statutory frameworks, the Board of Directors is authorized to incur secured or unsecured debt, extend credit, negotiate settlements, engage in arbitration, waive claims, accept obligations, and discharge liabilities on behalf of the Company.

Members of the Board of Directors dedicate 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. The Board of Directors shall take a separate resolution for the acceptance of the annual report. Members of the Board of Directors shall not bow to pressures that may lead to 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 business plans,
 - 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 the Company's Articles of Association,
 - Fulfilling the requirements of the General Assembly resolutions,
 - Determining the policies for the Company's shareholders, stakeholders, 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 2024 committee activities in line with the opinions of the members of the Board of Directors.

Members of the Board of Directors shall elect a Chairperson, and a Vice Chairperson from among them who will act as proxy in the absence of the Chairperson. Company's General Director and his/her proxy in his/her absence are the natural members of the Board of Directors. Meeting days and agenda shall be arranged by the Chairperson or Vice Chairperson.

Board of Directors shall convene upon call of the Chairperson or Vice Chairperson as the Company works may require. If the Chairperson 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 take its resolutions 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.

At the Board of Directors meetings, each member had one vote, an unanimous vote was sought when deciding on the issues, and Corporate Governance Principles were complied with. Attendance in person of the members without an excuse at the meetings of the Board of Directors was ensured. At the meetings held in 2024, no different opinion against the resolutions taken was expressed by the Members of the Board of Directors, and no comments were written down in the minutes. Additionally, there were no additional queries and information requests about the resolutions from the Board Members so nothing was recorded into minutes. The Board Members of the Company did not have any transactions with the Company in 2024 and did not take initiatives to compete in the same fields of activity.

Our Board of Directors has held 4 meetings in 2024 and participation in these meetings was in accordance with the meeting and resolution quorum. It has signed 112 resolutions. In 2024, no member voted against the resolutions of the Board of Directors.

ACTIVITIES OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

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

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

The obligations of the “Nomination Committee” and “Remuneration Committee” set out in Article 4.5.1 of the Communiqué were assumed by the “Corporate Governance Committee.” Again, although care is taken to comply with the recommendation that “a Board Member should not serve in more than one committee” in Article 4.5.5 of the Communiqué, a Board Member may be a member of more than one committee due to the business expertise required by the committee membership. Independent Board Member Mrs. Fatma Dilek Yardım serves on three committees, Independent Board Member Mr. Hüseyin Gürer on two committees, and Board Member Mr. Emmanuel Van Grimbergen on two committees.

The table below presents the meetings held in 2024 by the committees established by the Board of Directors, along with their main topics and committee members as of December 31, 2024.

Committees	Members	Meeting Dates	Topics
Audit Committee	Hüseyin Gürer (Chairperson) Fatma Dilek Yardım	17.01.2024	Advice concerning reviewing internal audit activities and reports, determination of the accuracy of the Company's financial statements and reports, and assignment of the independent audit organization, determination of on-time and duly issuance of financial statements required to be disclosed to the public.
		19.04.2024 24.07.2024 17.10.2024	
Corporate Management Committee	Fatma Dilek Yardım (Chairperson) Tuğrul Gemici Emmanuel Van Grimbergen	16.01.2024 18.10.2024	Status of compliance with Corporate Governance Principles, activities of investor relations, agendas related to nomination and remuneration, compliance with the Ethical Guide, environmental, social, and corporate governance practices.
Committee of Early Detection of Risk	Fatma Dilek Yardım (Chairperson) Hüseyin Gürer Emmanuel Van Grimbergen Ayşe Sibel Öztep Oymacı	17.01.2024	Monitoring and early detection of risks by the Board of Directors, reviewing the Company's risk appetite and risk profile in terms of equity, liquidity, reputation, and financial crimes, evaluating the effectiveness of the risk management framework, reviewing the methods used in determining equity requirements, performing stress tests and due diligence in strategic or important transactions, and following legal obligations.
		19.04.2024 24.07.2024 17.10.2024 15.11.2024 13.12.2024	

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,
- 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 the Board of Directors, an orientation program which includes the following at a minimum shall be submitted;

- Getting to know 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 indicators of our Company.

Even though our Members of the Board of Directors are not subject to certain rules for assuming other duties outside our Company, they do not have 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.

Strategic Goals of the Company

The Board of Directors of the Company determined its vision and mission and disclosed it to the public in written form in the Annual Report and also on the Company website, and the long-term strategies of the Company are built on these foundations.

The Board of Directors, in consultation with the CEO, establishes strategic goals for three years and reviews them annually. Whether the goals were achieved or not is followed up with the executive reports received at the end of each month. Whether the Company achieved its goals or not is the basis for the performance assessment to be made at the end of the year.

Financial Rights

The form and conditions of all kinds of rights, benefits, and remunerations granted to the Members of the Company's Board of Directors are defined in the Articles of Association. The General Assembly determines the payment and honorarium to be made to the members of the board of directors. Information on the benefits provided to senior executives is disclosed to the public in our financial statement footnotes.

STATEMENTS OF INDEPENDENCE

I acknowledge and declare that I am a candidate to serve as an “independent member” on the Board of Directors of AgeSA Hayat ve Emeklilik A.Ş. (Company) 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 Türkiye 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 interest between the Company and its shareholders, and that will help me take resolutions freely by considering the rights of the stakeholders,
- 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 stakeholders that my statements above are correct.

Hüseyin Gürer

I acknowledge and declare that I am a candidate to serve as an “independent member” on the Board of Directors of AgeSA Hayat ve Emeklilik A.Ş. (Company) 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 Türkiye 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 interest between the Company and its shareholders, and that will help me take resolutions freely by considering the rights of the stakeholders,
- 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 stakeholders that my statements above are correct.

Fatma Dilek Yardım

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

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 partnerships determined in II-171 Corporate Governance Communique published in the Official Gazette dated 03.01.2014 and numbered 28871.

For the compliance with the mandatory/non-mandatory regulations 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 related 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 Markets 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 Markets Board's regulations related to corporate governance shall be obeyed in transactions which are considered important in terms of the application of Corporate Governance Principles and the Company's transactions with a related party that are of important nature as well as surety, lien and mortgage transactions for third parties.

The developments in the legislation and relevant applications will be taken into consideration and necessary steps will be taken in the coming period as well.

In 2024, 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.

Areas of improvement in compliance with the Corporate Governance Principles and their status of compliance are summarized below, together with their reasons:

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.

Expanding the scope of minority rights by regulating them in the Articles of Association: Minority rights are defined by the relevant legislation, and there is currently no specific provision in the Articles of Association for the extension of these rights.

3.2.2. Implementation of methods such as surveys/ consultations to obtain the opinions of stakeholders on important decisions that have consequences for stakeholders: Methods like surveys and consultations are not implemented to obtain stakeholder opinions on important decisions that affect them.

4.2.8. Insuring against damages caused by the board of directors' members' negligence while performing their duties, with coverage exceeding 25% of the Company's capital, and disclosing this issue on the PDP: Although our Company has liability insurance, its coverage is currently less than 25% of the shareholders' equity.

4.4.7. Ensuring that Board of Directors members dedicate adequate time to the Company's affairs is essential. If a Board member is also an executive or serves on another company's board or provides consultancy services elsewhere, this should not create a conflict of interest or interfere with their responsibilities to the Company. Additionally, there should be specific rules that govern or limit a member's ability to take on outside duties or tasks: Ultimate care is taken to ensure that the members of the Board of Directors dedicate sufficient time to the Company's affairs and refrain from engaging in

transactions outside the Company that may result in conflicts of interest. However, board members' roles outside the Company are not governed or restricted by a written instrument.

4.5.3. Committees must consist of at least two members, with the majority being non-executive board members when there are more than two members, and both members being non-executive in the case of two-member committees. Chairpersons of the committees are to be elected from among independent board members. All members of the audit committees must be independent board members. Additionally, specialists who are not board members may serve on committees other than the audit committee: A member of the executive committee who is not on the Board of Directors serves on the Corporate Governance Committee.

4.5.5. Each board member serving only on one committee: Members of our Board of Directors can belong to multiple committees to leverage their local and international experience in relevant fields and because they possess the qualifications expected of committee members.

4.6.5. Annual report disclosure of the remuneration and all other benefits provided to board members and executives with administrative responsibilities on an individual basis: Total payments made to senior executives are also made public in the footnotes of the financial statements. Since the honorarium for the Members of the Board of Directors is determined by the decision of the General Assembly, no disclosure is made on an individual basis. The salaries to executives with administrative responsibility are paid in line with the remuneration policies, taking into account the annual performance criteria. Since this information is personal information, it cannot be disclosed on an individual basis, as it conflicts with another legislation.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT

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

Corporate Governance Information Form (CGIF): <https://www.kap.org.tr/en/Bildirim/1394215>

Corporate Governance Compliance Report (CGCR): <https://www.kap.org.tr/tr/Bildirim/1394215>

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 within the scope of the provisions of the Capital Market Legislation in full, fairly, accurately, timely and in an understandable way, to the public, shareholders, investors and the capital market specialists (all together “capital market participants”).

Regarding “Public Disclosure;” the Company complies with the Capital Market Legislation; Turkish Commercial Code legislation and Borsa Istanbul A.Ş. (Istanbul Stock Exchange) (BIST) regulations; and pays utmost attention to implement 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 article 17 of the Capital Markets Board Series II – 15.1 “Communique on Material Events Disclosure”; is available for all stakeholders on the Company website (www.agesa.com.tr) registered in the Trade Registry.

2. Authority and Responsibility

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

The Vice General Director in charge of Finance and Investor Relations Department are assigned to monitor and observe all issues on public disclosure.

3. Public Disclosure Methods and Tools

Notifications are made through means such as: material disclosures, 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 Market Legislation and

Turkish Commercial Code (TCC), the basic public disclosure methods and tools used by the Company are as follows:

- Material disclosures submitted through the Public Disclosure Platform (PDP),
- Periodic financial statements and footnotes, independent audit report, statements and annual report sent to the Public Disclosure Platform (PDP),
- Statements and announcements made through the Trade Registry Gazette (circular, call for 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 Website (www.agesa.com.tr),
- Statements made via communication methods and tools such as phone, mobile phone (WAP and similar technologies), electronic mail, fax, etc.

4. Public Disclosure of Financial Statements

The Company’s financial statements and footnotes are consolidated based on Türkiye Accounting Standards/Türkiye Financial Reporting Standards (TAS/ TFRS). Annual and semiannual financial statements are disclosed after independent audit.

Before making financial statements and footnotes public, they are approved by the Board of Directors in consultation with the Audit Committee within the scope of the provisions of the Capital Market Legislation. After the attestation is signed, financial statements, footnotes, and independent audit report and attachments are disclosed to the public after the approval of the Board of Directors by submitting them to PDP in accordance with the CMB and BIST regulations and publishing on the Corporate Website. Historical financial statements and footnotes are available on the Company’s website.

5. Public Disclosure of the Annual Report

The annual report is prepared in accordance with the Capital Market Legislation and CMB (Capital Markets Board) Corporate Governance Principles. The annual report is approved by the Board of Directors and publicly disclosed together with the financial statements. The annual report is published on the Company’s Website (www.agesa.com.tr).

In addition, the summary annual report is prepared quarterly and published on the PDP and the Company’s Website with financial statements. The annual report is also printed to be given to authorities.

6. Public Disclosure of Material Events and Authorized Persons

Company disclosures regarding material events are prepared by the Vice General Director in charge of Finance, the Investor Relations Department, and the Legal Department and signed electronically, then submitted to PDP and publicly disclosed.

In order to help persons and companies to benefit from material disclosures in their decisions, 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/ she informs the Investor Relations Department immediately of the situation. In this case, the Vice General Director in charge of Finance and Investor Relations Department prepare a material disclosure in line with the provisions of the Capital Market Legislation and send it to PDP.

Disclosure of material events 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 disclosure is made. These disclosures will be available on the website for five years.

7. Persons Authorized to Make Public Disclosures

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 Vice General Director in charge of Finance, Investor Relations Department, and the Secretariat of the Board of Directors. The evaluation considers whether the request qualifies as a trade secret and if it can impact investment decisions and the value of capital market instruments, as outlined in the Capital Markets Board Series II – 15.1 “Communique on Material Events Disclosure.” Written or oral information requests are evaluated by the Vice General Director in charge of Finance and Investor Relations Department and replied by the relevant unit.

Press releases to written and visual media and data delivery channels such as Reuters, Forex, etc., can only be made by the Chairperson of the Board of Directors, General Director, Vice General Director in charge of Finance, or people authorized by the General Director.

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 the Vice General Director in charge of Finance, Investor Relations Department, and the Secretariat of the Board of Directors.

8. List of Persons with Administrative Responsibility and Access to Inside Information

People with administrative responsibilities are the people who have direct or indirect regular access to inside information and make administrative decisions affecting the future development and commercial targets of the Company. Therefore, people who do not have the authority to decide on administrative issues are not evaluated within the scope of people with administrative responsibilities and regular access to inside 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 individuals with access to inside information, which will be submitted to CMB and/or BIST in accordance with Article 7 of the Capital Markets Board Series II – 15.1 “Communique on Material Events Disclosure,” is maintained in printed format by the Vice General Director in charge of Finance and the Investor Relations Department. Everybody included in the list is informed about the protection of inside 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 Market 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, strategic 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 disclosure.

10. False News in the Market

The Company, as a principle, does not express any opinion concerning market rumors and speculations. The news and rumors about the Company, taking place in media organs and websites, are followed by the marketing department and informed to the Vice General Director in charge of Finance, the Investor Relations Department, and the Secretariat of the Board of Directors. The Vice General Director in charge of Finance and Investor Relations Department assess whether this news and information have an impact on capital instruments.

DISCLOSURE POLICY

The Vice General Director in charge of Finance and Investor Relations Department decide whether to make a material disclosure or not within the framework of the 9th Article of the Capital Markets Board Series II – 15.1 “Communique on Material Events Disclosure.”

Meanwhile, a disclosure regarding market rumors and speculations will be made in accordance with the provisions of the Capital Market Legislation if a verification request is received from the CMB and/ or BIST, or if management deems it necessary and appropriate to provide a response.

11. General Assembly Meetings

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

12. Deferment the Public Disclosure of Inside Information

Those who are included in the list of people who have access to inside information are informed about their obligations concerning keeping confidential, not using to take advantage for themselves and third parties or disclosing to third parties in an unauthorized way the publicly undisclosed inside information that may come into their possession during the performance of their duties and carrying out business and operations on behalf of the Company.

The Company may defer the public disclosure of inside information within the frame of Article 6 of Capital Markets Board Series II – 15.1 “Communique on Material Events Disclosure,” 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. Decision for deferment is made by a majority vote of the committee, which consists of the General Director, the Vice General Director-CFO, and the Financial Affairs and Investor Relations Director of Hacı Ömer Sabancı Holding A.Ş. This vote occurs at the request of the Company's General Director.

In this decision, it is approved in writing that the deferred 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 inside information cease to exist, public disclosure is made in accordance with the legislation. In the disclosure to be made, the deferment decision is stated.

13. Meetings and Discussions with Investors and Analysts

The Vice General Director in charge of Finance is responsible for carrying out the relations with both current and potential shareholders at the Company in an organized way, responding to the investors' questions in the most efficient way and carrying out works aimed at increasing the company value.

The Vice General Director in charge of Finance uses various instruments such as roadshow, teleconference, e-mail, fax, analyst presentations, and disclosure/ 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). The Company does not review, confirm, approve, look after, and issue analyst reports or 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 is used and it is limited by a specific subject.

14. Public Disclosure of Prudential 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 the board of directors or the written approval of the person authorized by the board of directors. In a year, at most four disclosures can be made. It may be

disclosed on PDP in the format of a material disclosure 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 asymmetrical information distribution and unauthorized disclosure related to activity results, the 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 on the day following the end of the six-month and annual accounting period, with interim periods of three months and ends on the business day following the public disclosure of the financial statements and footnotes. During the silent period, the Company;

- In one-on-one or group meetings with the capital market participants,
- Except for the publicly disclosed information, the financial status of the Company will not be discussed,
- Will not provide opinion concerning the Company's activities and financial situation unless deemed necessary, and without prejudice to the provisions of the Capital Market Legislation,
- Except for publicly disclosed information about financial results, questions addressed in one-on-one settings or small groups will not be answered; explanations will not be provided to these groups. In such a case, explanations will be given on the Website (www.agesa.com.tr).

Besides, during the silent period, any trading in capital market instruments by the individuals having inside or continuous information or the spouses, children of those individuals, or people having the same address with them shall be prohibited.

16. Market Abuse

The Company's Board of Directors, within the frame of applicable provisions of the Communique Series VI 104.1 of the Capital Markets Board, takes and applies necessary measures to prevent Market Abusing Actions by those who are included in the inside 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 false and misleading news about the Company.

17. The Company Website (www.agesa.com.tr)

For public disclosure, the Company's Website at the address <http://www.agesa.com.tr> is actively used as stipulated in CMB Corporate Governance Principles. The information on the Company's Website does not replace the notification and material disclosures required to be made according to the provisions of Capital Market Legislation. All public disclosures 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 general assembly meetings to be held, information document in respect of the agenda items, other information, documents, and reports related to the agenda items, and information about general assembly participation methods are provided on the Website, in an attention-grabbing way. The efforts to develop the Website are continuously maintained.

Important titles that can be monitored on the website are summarized as follows:

- Detailed information regarding corporate identity
- Vision and main strategies
- Information about Members of Board of Directors and senior management
- Company's organization and shareholding structure
- Capital Markets Board's Material Disclosures
- Articles of association of the Company
- Trade registry information
- Financial Information
- Press releases
- Explanations about the General Assembly date, agenda, and agenda items
- Minutes and attendance table of the General Assembly meeting
- Power of Attorney sample
- Corporate Governance practices and compliance report
- Dividend distribution policy, chronology and capital increases,
- Disclosure policy
- Remuneration Policy
- Frequently Asked Questions section

BENEFICIARIES POLICY

Beneficiaries

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

Informing Beneficiaries and Participation in Management

Beneficiaries are informed about the developments related to the Company via the public disclosures made on 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 beneficiaries, but all of the stakeholders 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 timely, in appropriate 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.

Employees can report transactions that violate company legislation or ethical principles to the Audit Department through the etik@sabanci.com e-mail address on the Company's intranet. These reports will be referred to the Audit Committee and the 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, they 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.

A safe working environment is provided to our employees with the work done on occupational health and safety through the employee representative practice. Feedback is received at regular intervals from the survey representative selected from among the employees in all AgeSA departments and from our employees in the representative groups. Necessary improvements are made as a result of the evaluation of the survey results and the focus group studies created for improvement.

Relations with Customers and Suppliers

As AgeSA, our first goal is to provide quality service and satisfy our customers as a strong, respected, and reliable company in our sector. With this principle, we provide our customers with the best possible service, thanks to our quality policy, which is based on the satisfaction of our customers in order to make a difference in the life insurance and private pension sectors by taking our quality standards to a higher level, and regulations regarding the complaint management process. AgeSA's quality policy is committed to providing and maintaining quality products and services with its expert and experienced staff, strong technological and financial infrastructure, understanding of continuous development and improvement, and experienced and widespread agency network.

Our Company observes the continuity of service quality and standard at all stages of life insurance and private pension services. Customer demands are met quickly and customers are informed about delays.

Care is taken to ensure the confidentiality of information of customers and suppliers within the scope of trade secrets. Within the scope of trade secrets, care is taken regarding the confidentiality of information about customers and suppliers. Necessary measures are taken by the Company in order to establish good relations between the Company and its customers and suppliers, free from unfair advantage, and to comply with the terms of the agreement between the parties.

Corporate Social Responsibility

AgeSA believes that all institutions and organizations have social circles and that they have a responsibility to act as citizens in this regard. Hence, AgeSA focuses on corporate social responsibility in all ways of doing business and creates sustainable and ethical policies in line with the Company's vision and goals.

AgeSA, which continues its activities to save people from the fear of uncertainty with its private pension and life insurance products, also shaped its corporate social responsibility strategy on issues related to the future and assurance of individuals, to be compatible with the purpose and brand value of the Company.

Thus, AgeSA, which considers creating awareness about saving as a social responsibility, focuses on studies aimed at increasing the financial literacy rate in Türkiye.

Being aware of the fact that the activities it carried out with this vision and strategy affect its employees, customers, suppliers, shareholders, and investors, AgeSA adopts as a principle to work with all its stakeholders in a harmonious, honest, and transparent cooperation, respecting human rights and the environment.

Thus, while creating economic value for its country with its main fields of activity, AgeSA also contributes to social welfare for future generations, especially its stakeholders. Besides, AgeSA supports the principle of volunteering, which aims the active participation of its employees in all corporate social responsibility projects.

Our Corporate Social Responsibility Projects

AgeSA aims to give back to the society the support it receives from the society through the projects it carries out.

It adopts the concept of saving, which has been one of the main starting points of private pension and life insurance since the day it was founded, as a brand strategy and puts it at the center of its business culture. Within this scope, AgeSA conducts extensive research and prepares and publishes reports to raise public awareness about saving. While creating awareness on saving by sharing with the public the researches and reports prepared on the pension period expectations and consumers' saving attitudes on a global scale, together with its partner Ageas, it also constantly keeps the agenda warm on the country's perspective on saving by sharing these reports with universities and authorities all over Türkiye.

INTERNAL AUDIT ACTIVITIES

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 the Capital Markets Board Corporate Governance Principles.

The Audit Committee is composed of two members, namely Hüseyin Gürer and Fatma Dilek, 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. 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.

AgeSA Hayat ve Emeklilik's internal audit system is structured in accordance with the provisions of the Regulation on Internal Systems in Insurance and Private Pension Sectors, published in the Official Gazette No. 31670 on November 25, 2021. According to Article 6 of the Circular on the Implementation of Certain Articles of the Regulation on Internal Systems in Insurance and Private Pension Sectors (numbered 16/2022), the audit committee,

internal control, risk management, actuarial, and internal audit units established within any of the insurance, reinsurance, and pension companies in the insurance group can be utilized together without the need to create separate units in other companies. In this context, the AgeSA Internal Audit team was restructured on February 1, 2022, to serve both Aksigorta A.Ş. and AgeSA Hayat ve Emeklilik A.Ş. Furthermore, it was decided that the Internal Audit team would also serve Medisa beginning on October 25, 2023.

As part of the internal audit plan for 2024, a total of 15 audits consisting of 12 business process audits and 3 information technologies audits were completed, and the associated reports were submitted to the Audit Committee. The actions taken by the Company executives in connection with the internal control deficiencies observed within the framework of Audit Reports were subsequently followed up and the adequacy of the actions were questioned by monitoring their effect on the risk level and the results were reported to the Audit Committee.

The Internal Audit team consists of 1 Chairperson, 2 Group Managers, 1 Manager, 11 Auditors, and 1 Audit Data Analyst, all of whom meet the qualifications outlined in the Regulation on Internal Systems for Insurance, Reinsurance, and Pension Companies. The internal audit personnel were provided with the necessary training courses to support their professional development and improve 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.

RISKS AND ASSESSMENT BY THE MANAGEMENT BODY

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 an effective risk management system and relevant 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.

To this end, the risk management framework includes seven risk policies, including the Risk Management Framework Policy, each tailored to the specific types of risk to which AgeSA is exposed: Life Insurance, Credit, Market, Liquidity, Conduct, 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 credit, 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 used. Strategic and business risks are not considered separate categories. These risks are associated with changes in strategic planning, sector, competitive environment and technological changes. Sustainability risks are also assessed as strategic and business risks. Emerging risks in the private pension and life insurance sector are considered as a separate category, and actions to manage the risks are determined by evaluating them according to possible impacts and probability.

AgeSA is aware of the importance of effective and controlled business processes in the risk management process. A robust internal control system has been established, and procedures for implementing this function have been defined to protect the Company's assets and ensure that activities are conducted effectively and efficiently in accordance with laws, relevant legislation, internal policies, and insurance practices.

Information on Risk Management Policies by Risk Type

Risk Management Framework Policy: This policy is essential for strengthening and supporting the Company's corporate governance structure. The primary purpose of this policy is to define the fundamental principles and standards for the risk management system and processes. It seeks to implement these specified systems and processes while ensuring compliance with established risk appetite and 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. Risk Management Policies determine the basic principles and standards regarding the risk management system and processes. 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 Risk Policy: Life insurance risk encompasses the potential issues that can occur when insurance techniques are not applied correctly and effectively during the collateral processes within the life insurance sector.

To manage insurance risk, a fundamental strategy is to develop a risk profile tailored to the Company's risk appetite for the insured portfolio. This risk profile is continuously updated to align with the Company's long-term strategies, market conditions, and regulatory requirements. For this purpose, the insured portfolio is effectively followed, and whether the Company stays within the determined risk limits or not is regularly monitored.

RISKS AND ASSESSMENT BY THE MANAGEMENT BODY

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, and receivables from insured customers.

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 Senior 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 limits. 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 is considered.

The sector in which the Company operates requires continuous monitoring of risks and the operating environment and investing 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 and legislative changes besides the financial market conditions are also taken into consideration; meanwhile, this analysis is supported with a process of determining new risks.

In the Company's investment strategy, investment grade assets and the band widths (lower and upper limits) movable during the management of assets were established considering the liquidity conditions of the Company and especially the potential liquidity profile of the liabilities. The liquidity risk management contains an approved limit structure and a series of triggering arrangements which 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 insureds and the liabilities in relation to the insured behaviors. The objective of market risk management is to keep the Company's market risk within the risk appetite limits, thus maximizing AgeSA's long-term risk-adjusted rate of return.

As part of investment management activities, the Investment Policy, Liquidity and Credit Risk Management Framework and relevant control processes were established. The Assets-Liabilities Committee (ALCO) is responsible for creating, monitoring and reporting the policies, risk appetite and limits related to the market risk. Market risk components the Company faces, like the interest risk and currency risk, are periodically measured and reported via stress and scenario tests.

Conduct Risk Policy: Conduct risk refers to the potential risks that may arise if AgeSA fails to deliver the expected benefits and services to its customers. This failure can result in a loss of confidence in financial markets and the industry, stemming from unfair competition or other unethical commercial practices.

Considering AgeSA's aim to become a customer-oriented company, the Board of Directors places special emphasis on the management of conduct risk in all operations. Therefore, although conduct risk is included in the operational risk subset, the risk management framework has been determined by a separate Policy.

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 control of the processes.

To achieve this, the Company implements the Operational Risk Control Management (ORCM) Framework. Responsibility for the effectiveness and adequacy of controls, as well as the implementation of action plans, lies with the first line of defense. These processes are monitored and reported by the Internal Control, Risk Management, and Compliance units. AgeSA seeks to minimize operational risk to the lowest level that is commercially reasonable. Through operational risk management, AgeSA aims to achieve the following:

- Minimize material losses arising from operational risks to reduce fluctuations in financial performance,
- Enhance the customer experience while consistently maintaining customer trust,
- Boost employee satisfaction,
- Protect and strengthen AgeSA's reputation,
- Build strong, positive relationships with industry regulators.

In order to monitor incurred risks and to provide control, as stipulated by the legislation, 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	ROLES AND DUTIES
1 st 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 nd Line of Defense	Risk Management, Internal Control and Compliance Directorate	Supporting the Company's Management in identifying, assessing, managing, and reporting risks, ensuring compliance with Company policies, and addressing instances of non-compliance, thereby facilitating the effective operation of the AgeSA Risk Management Framework. Providing an acceptable assurance regarding the following subjects: Company assets are protected with internal control structure; 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; the integrity of all systems used in the provision of services, and timely irretrievability of the information
3 rd 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

RISKS AND ASSESSMENT BY THE MANAGEMENT BODY

Risk Management, Internal Control and Compliance Directorate

Risk Management, Internal Control and Compliance Directorate was structured in accordance with the Regulation on Internal Systems of Insurance and Private Pension Sectors issued in the Official Gazette dated November 25, 2021, and numbered 31670. Pursuant to Article 48/8 of the Regulation on the Internal Systems in Insurance and Private Pension Sectors, internal system functions can be structured jointly within the insurance group. Within this scope, the internal systems of AgeSA Hayat ve Emeklilik A.Ş., Aksigorta A.Ş., and Sabancı Ageas Sağlık Sigorta A.Ş. are jointly structured as permitted by legislation.

Risk Management, Internal Control and Compliance Directorate consists of 20 employees who meet the qualifications defined in the Regulation on Internal Systems of Insurance, Reinsurance and Pension Companies, and throughout the year, employees were ensured to participate in trainings aimed at increasing their professional development and knowledge.

It is aimed to assure the Board of Directors through risk management and internal control activities on:

- Ensuring adherence to legal obligations, the Company's risk management policies, and established risk appetite limits.
- Identifying all structural risks exposed and creating and effectively operating a control framework to manage these risks within defined tolerance limits.
- Developing and implementing actions to mitigate risks to acceptable levels and transparently reporting these risks.

Compliance activities are carried out under the supervision of the Risk Management, Internal Control and Compliance Directorate. The Risk Management, Internal Control and Compliance Directorate heads the Legal Regulations Committee, thus monitoring and guiding the legislation-related activities carried out. The Committee composed of the representatives of the relevant functions of the Company reports to the AgeSA Executive Council.

The Operational Risk and Reputation Committee (ORK), 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 risk monitoring, assessment, management activities, and internal control activities are submitted to the Board of Directors and the Early Detection of Risk Committee regularly.

Internal Control Directorate

Internal control activities are primarily the responsibility of the business units that perform them. The Internal Control Directorate is responsible for providing support in the design of the processes carried out or controls made by these units, evaluating the adequacy and effectiveness of said processes and controls, and monitoring the effectiveness of the internal control function.

The Internal Control Directorate targets to make contributions with its operations under the following categories:

- Implementation of the Internal Control Regulation and Operational Risk Management Policy determined by the Board of Directors,
- Implementation of a robust and reliable control framework by creating strong and effective internal control awareness,
- Implementation and supervision of the control framework to ensure that operational risks are managed within the determined tolerance limits.

Throughout 2024, the Internal Control Department conducted continuous review activities on company controls in line with the "Annual Internal Control Plan." The results of these reviews were published quarterly in the AgeSA Internal Control Report. Throughout the year, feedback was provided on studies aimed at improving existing business processes and/or establishing new ones. The first phase of the 2024 Financial Risk and Control Framework Strengthening Project has been completed.

The results of internal control activities carried out by business units are monitored through the Holirisk - GRC application, and all determinations, findings, and critical risk indicators are tracked depending on the relevant risk and/or legislation.

The following activities concerning the execution of the Internal Control function were reported to the Insurance and Private Pension Regulation and Supervision Authority:

a) A report on business processes that outlines the business processes defined by the organization, details the changes made throughout the year, and includes updated workflow diagrams along with any modifications to these diagrams.

b) An information systems report that describes the structure of the information systems, service procurements made in relation to these systems, measures implemented to ensure business continuity, and the studies planned and conducted on these topics, including the tests performed.

c) A report on the controls executed during the year as part of the internal control function, along with their results.

Aforementioned reports were submitted to the Authority in April 2024.

Risk Management Directorate

The Department is responsible for ensuring the adequacy and effectiveness of the risk management function across the Company. It ensures that the design and effectiveness of the control framework is aligned with the risk appetite and that risks to business plans, projects, and other critical business decisions are assessed.

Risk management policies and implementation procedures need to adapt to changing conditions. Within this scope, the Risk Management Directorate regularly evaluates the adequacy of the relevant policies by utilizing the outputs of the internal control system and the internal audit system and submits the necessary revisions to the Board of Directors for approval.

AgeSA risk appetite limits and Risk Management Framework documents are reviewed annually and approved by the Board of Directors. Critical risk indicators are determined in the financial risk policies in force, and performance is monitored according to the threshold values identified in the regular Asset Liability Committee meetings. Operational Risks are managed under the supervision of the Operational Risk Committee (ORK) and the Early Detection of Risk Committee of the Board of Directors.

As risk management has become a part of the Company's business culture, the risk dimension is considered in all important business decisions made.

Operational risk management has become a part of the decision-making mechanism in the business processes with the internalization of the Operational Risk and Control Management Framework (ORCM) methodology applied for the management of operational risks and controls by business units.

The risks undertaken by the Company are regularly monitored through the Holirisk-GRC application. At intervals determined according to the criticality level of the relevant risks, internal and waste risk assessments are carried out by the business units that constitute the 1st line of defense.

Realized risk/loss events are reported to the Risk Management Department by business units through the standard flow determined on the GRC application. In order to prevent the recurrence of reported operational risk events, root cause analyses are conducted and necessary actions are taken from a risk and control perspective.

The findings obtained as a result of the second line of defense supervision activities are regularly presented to the Operational Risk Committee and Early Risk Detection Committee (EDOR) of the Board of Directors through management reports (Internal Control Report, CRO Report, etc.).

Studies for reviewing and updating the critical risk indicators (KRI) related to operational risks were made by the Risk Management Department in 2024. The KRIs for risks classified as "High" and "Very High" internal risk levels began to be monitored using the Holirisk system.

To assess emerging risks, a workshop was held in October 2024, involving all managers, during which the emerging risk inventory was presented to Management for evaluation. The following activities related to the execution of the Risk Management function were reported to the Insurance and Private Pension Regulatory and Supervisory Authority:

- a) Information on risk management policies and changes made in these policies during the year, as well as information on risk limits and changes made in these limits during the year
- b) Capital adequacy impact analysis report, which measures the long-term impacts of the risks assumed and exposed on capital adequacy and the Company's continuity
- c) Results of monitoring and tracking activities carried out during the year as part of the execution of the risk management function

Aforementioned reports were submitted to the Authority in April 2024.

RISKS AND ASSESSMENT BY THE MANAGEMENT BODY

Legislation Compliance Group Directorate

The Legislation Compliance Group Directorate is tasked with assessing the potential impacts of legislative changes, identifying compliance risks, and monitoring and reporting of these risks. It collaborates with the Company Management to ensure that all activities realized and planned by the Company, and new transactions and products comply with applicable laws, relevant regulations, Company policies, and insurance practices.

In 2024, the Company continued to monitor legislative changes in Private Pension and Insurance, conducting compliance assessments for new processes, products, and services. As outlined in the Annual Compliance Monitoring Plan, the effectiveness of the Company's control framework for critical regulatory risks was evaluated in the first half of the year, while regulatory oversight activities were conducted in the second half. Regular compliance controls and awareness-raising initiatives based on the Sabancı Code of Ethics were implemented, alongside mandatory and refresher training sessions. Throughout the year, the Legislation Compliance Group Directorate employees received training to enhance their knowledge and support their professional development.

Compliance risks, activities related to compliance projects, and recommendations for improvement were consistently reported to the Legislation Compliance Committee, Operational Risk Committee, and Early Detection of Risk Committee.

The Company participated in the Internal Systems Working Group meetings of the Association of Insurance, Reinsurance, and Pension Companies of Türkiye, contributing to the ongoing activities.

Actuarial Supervision Unit

The Actuarial Supervision Unit is responsible for monitoring the Company's general pricing policy, portfolio profitability, the actuarial adequacy of reinsurance agreements, the adequacy of technical provisions, and the development and change of the risk level of the Company's portfolio, as well as reporting the measures deemed necessary to senior management and the Early Detection of Risk Committee.

By the end of 2024, the unit was staffed by two individuals and relied on an actuarial firm for outsourced services. The staff members are encouraged to participate in training programs to improve their professional knowledge, skills, and abilities in actuarial matters, and they receive support for taking actuarial exams.

In 2024, quarterly control activities were consistently conducted to meet IFRS 4 obligations. Reinsurance performance was closely monitored, and actuarial adequacy analyses were performed.

The Actuarial Supervision Unit submits the following periodic reports to the Insurance Regulation and Supervision Authority:

- a) Actuarial report, the scope of which is determined by the institution,
- b) Tariff profitability determination report and summary report on the proposals made during the year to ensure tariff profitability,
- c) Report on the actuarial methods applied and the models and assumptions used by the Company and the changes made in these models and assumptions during the year and their justifications,
- d) Periodic reports on the operations carried out during the year as part of the execution of the actuarial function.

Aforementioned reports were submitted to the Authority in April 2024.

Information Technologies and Information Security Risks Management

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 with reference to the internationally accepted Information Security Standards (Cobit, ISO27001).

In 2024, the results of oversight activities aimed at effectively managing the identified risks were evaluated quarterly. These evaluations were communicated to the management through the "Information Technologies Monitoring Report." Additionally, a thorough analysis was conducted to align the IT control universe with the COBIT 2019 framework, resulting in the preparation of a "KVKK Technical Measures Monitoring Report" that adheres to the technical legislation control targets of KVKK.

To enhance the Company's security framework, support was provided for initiatives related to ISO 27001 compliance.

Business Continuity

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.

The business continuity activities designed to implement these principles are summarized below, in line with AgeSA's policy items:

- Business continuity plans are developed and regularly updated to safeguard business processes and valuable assets, ensuring the ability to operate after any business continuity events.
- The activities aimed at ensuring business continuity are systematically managed as a "Business Continuity Management System," with a focus on continuous improvement.
- 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.
- 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.
- Drills are conducted with the active participation of the Company's Crisis Management Team to evaluate and improve the Company's readiness for crisis management. The drills ensure the effectiveness of business continuity plans.
- 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.
- An emergency communication system and support line applications are in place to enhance employee safety and enable situation determination during crises.
- A geographical backup requirement plan and studies are conducted to strengthen business continuity plans against earthquakes and similar natural disasters, ensuring the continuity of critical business processes.
- 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.

Outsourced Services

To conduct the Company's activities, support services are procured from third party service providers in compliance with the Support Services Regulation set forth by legislation.

REMARKS ON SPECIAL AUDITS AND STATUTORY AUDITS IN 2024

REGULATORY COMPLIANCE AND SUPERVISION EFFORTS

Regulatory Compliance

The amendments in the legislation of private pension system and life insurance, which took place intensively in 2024, and the project studies carried out to ensure full compliance with the new regulations continued to maintain their importance.

The first legislation regulating the practice of allowing participants to pledge their savings as collateral to banks by transferring claims without terminating their private pension contracts for urgent cash needs was published in March 2023. The process for participants to transfer these claims to banks through a transfer of claims agreement has begun implementation on June 3, 2024. During the year, efforts continued to ensure that the integration between banks and pension companies would enable individuals to quickly access financing on favorable terms and conditions without leaving their PPS contracts.

Another new practice in private pensions is the partial payment practice. This will allow participants to use partial payments of up to 50% of their savings, excluding the state contribution, for purposes such as education, marriage, housing purchases, and natural disasters (without a time limit), as long as they meet the duration and saving conditions specified in the contract. With the new regulation regarding assurance support, participants will be entitled to partial payments starting July 1, 2024, without losing any time or other rights they gained in the system.

As part of the 2025 Presidential Annual Program, a complementary pension system is set to be established. This system will transform the automatic enrollment process into a second-tier pension system that includes employer contributions. Initial designs for the new system began in 2024, and in 2025, the pension sector will focus on detailed work in conjunction with the legal regulations to be published.

As part of first-level internal controls, two new projects have been implemented to enhance the efficiency of controls by streamlining control points.

Timely, complete, and accurate data transfers were executed in compliance with legal reporting requirements, specifically in the areas of Oversight Base Data & Common Data Model.

We worked to improve the reconciliation processes for productions by Akbank, AgeSA, and our agencies. Additionally, we actively contributed to fulfilling strategic requests from Akbank.

AgeSA Private Pension products were successfully launched on Akbank's mobile platform, expanding the production sales network.

In line with our sustainability commitment, customer information was transitioned to mobile screens, significantly reducing paper usage and lowering our carbon footprint.

Regarding Life Insurance Regulations, we updated the information form and technical details for life insurance policies to align with industry regulations. We submitted the internal systems report, initially required for pilot testing and later mandated for sector-wide implementation, on time and without issues. Our Company fully adhered to the public reporting requirements specified in Article 55 of the Internal Systems Regulation, which was renewed for 2024. In this framework, essential processes have been established to share our activities regularly and accessibly, in line with the report formats designed to enhance transparency. Our reports contain detailed information, providing stakeholders and the public with reliable, comprehensible, and up-to-date data. Thus, we have fulfilled our corporate responsibility and contributed to industry standards.

In 2024, work continued on remote audits, and the data requested from our Company for the Activity Audit conducted by SEDDK (Insurance and Private Pension Regulation and Supervision Authority) at both the Pension Supervision Center and the Insurance Information and Supervision Center was submitted fully and on time.

The Akbank Internal Control Department and AgeSA Regulatory Compliance and Supervision teams initiated a collaboration to develop a unified internal control framework and create stronger reconciliation and control structures. We remain focused on maintaining the reconciliation structure in internal control systematically.

Regular legislative committee meetings were held with Akbank A.Ş., our largest distribution channel, to evaluate processes such as changes in legislation and system requirements.

During this period, the Company's opinion on high profile draft legislative changes which were frequently on the agenda and adaptation of the current process to this process more easily was shared with the Insurance Association of Türkiye (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. As a result of these efforts, significant developments took place especially in the private pension sector and the Company quickly adapted to these developments.

Articles of regulations and legislation regarding the latest developments are as follows:

- The "Regulation on Partial Payment in the Private Pension System" was published in the Official Gazette dated **September 26, 2023**. This regulation establishes the basic principles for the use of the right to partial payment within the private pension system, as well as the rights and obligations of the parties involved. The regulation will take effect six months after the date of publication.
- The "Circular on the Transfer of Claims Arising from Private Pension Contracts" was published in the Official Gazette on **December 6, 2023**. This circular introduces a financing method that allows participants in the Private Pension System to secure loans from banks by using their savings in the private pension system as collateral. The effective date of the circular is January 1, 2024.
- On **January 18, 2024**, the "Circular on Management Declaration to be Prepared within the Scope of the Regulation on Internal Systems in Insurance and Private Pension Sectors (2024/5)" was published. The purpose of this circular is to outline the principles and procedures for the management declaration that the organization's board of directors must submit to assure the independent auditor of its internal systems.
- On **March 15, 2024**, the "Circular Amending the Circular on the Implementation of Certain Articles of Regulation No. 2022/16 on Internal Systems in Insurance and Private Pension Sectors" was published. This circular includes revisions to the table formats.
- The "Regulation Amending the Regulation on Partial Payment in the Private Pension System" was published on **March 21, 2024**. This regulation establishes July 1, 2024, as the effective date for the relevant provisions.

- On **April 4, 2024**, the "Circular on Partial Payment in the Private Pension System" was published in the Official Gazette. This regulation was issued based on the relevant law and regulation to establish the procedures and principles regarding marriage, housing purchases, and natural disasters for the implementation of the Regulation on Partial Payment in the Private Pension System ("Regulation").
- On **July 24, 2024**, the "Circular Amending the Circular on the Implementation of Certain Articles of Regulation No. 2022/16 on Internal Systems in Insurance and Private Pension Sectors" was published. This circular announced that reports would be published on the website starting in October 2024, covering the period from July to September 2024, and related studies were conducted in this context.

In 2024, efforts were diligently carried out for control and process compliance regarding insurance, private pension, auto-enrollment and state contribution procedures and transactions. Also in this period, a remote state contribution audit was carried out. Meanwhile, remote SEDDK audits of the PPS-OCS system continued quarterly on EGM platforms in 2024. The independent external audit for private pension activities within the framework of participation principles was successfully completed.

MASAK Compliance

Studies on compliance with MASAK legislation are being carried out by MASAK Compliance Management under the Legislation Adaptation and Supervision Group Directorate since October 3, 2022.

In 2024, we became part of the Financial Group, with Sabancı Holding as the parent organization and Akbank as the parent financial institution. Risk analyses are conducted within this structure, where the companies collaboratively manage MASAK risks, with Akbank leading the structure. To comply with MASAK legislation, measures have been implemented to facilitate the management of common risk perceptions among the companies in the Financial Group.

As part of the first-level internal controls, 26 control points were established to ensure full compliance with the legislation.

SUBSIDIARIES

On December 13, 2018, the Board of Directors of the parent company approved the establishment of AgeSA Sigorta Aracılığı A.Ş. (ASA) as a wholly-owned subsidiary with a paid-in capital of TL 2,000,000 to engage in the provision of insurance and private pension intermediary services. ASA's establishment was officially registered on December 20, 2018. Subsequently, at the Ordinary General Assembly meeting on August 24, 2021, Article 2 of ASA's Articles of Association, titled "Title of the Company" was amended. The new title, "AgeSA Sigorta Aracılığı A.Ş.," was registered with the Trade Registry on September 1, 2021.

On March 4, 2024, the Board of Directors of the parent company approved a capital increase for Medisa Sigorta A.Ş. (formerly Sabancı Ageas Sağlık Sigorta A.Ş., Medisa), which had a paid-in capital of TL 100,000,000. The parent company issued premium stock valued at TL 629,000,000, increasing its share in Medisa to TL 400,000,000, or 400,000,000 shares. As a result, the parent company's ownership stake rose to 80% as of June 10, 2024. On November 22, 2024, the Board of Directors of the parent company approved the acquisition of 100,000,000 shares from Aksigorta A.Ş. on December 20, 2024, which constitutes 20% of Medisa's capital, for TL 157,250,000. As a result, the parent company became the sole (100%) shareholder of Medisa on December 20, 2024.

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 2024 and still in progress	260
Number of files opened in 2024	56
Number of files finalized in 2024	153
Number of files finalized in favor of the company in 2024	73
Number of files finalized against the company in 2024	80

In 2024, the aggregate sum disbursed for 62 files amounts to TL 5,654,276.59.

Lawsuits under Private Pension Law	
Number of files opened before 2024 and still in progress	21
Number of files opened in 2024	10
Number of files finalized in 2024	10
Number of files finalized in favor of the company in 2024	5
Number of files finalized against the company in 2024	5

In 2024, the aggregate sum disbursed for 4 files amounts to TL 11,651.00.

Lawsuits under Employment Law	
Number of files opened before 2024 and still in progress	20
Number of files opened in 2024	13
Number of files finalized in 2024	12
Number of files finalized in favor of the company in 2024	2
Number of files finalized against the company in 2024	10

In 2024, the aggregate sum disbursed for 9 files amounts to TL 2,072,449.52.

There are no administrative fines that have a material impact on our Company's operations.

Changes in the legislation that were published in 2024 and that were considered to have a significant effect on the activities of the Company are as follows:

- Circular No. 2024/1, dated January 5, 2024, regarding reports to be presented under Turkish Financial Reporting Standard 17 (TFRS 17)
- Regulation Amending the Regulation on Insurance and Reinsurance Brokers, published in the Official Gazette on January 18, 2024, No. 32433
- Circular No. 2024/5, dated January 18, 2024, concerning the Management Declaration required under the Regulation on Internal Systems in Insurance and Private Pension Sectors
- Circular No. 2024/8, dated February 7, 2024, amending Circular No. 2023/1 regarding the coefficients used in capital adequacy calculations
- Decision of the Capital Markets Board, dated February 29, 2024, No. 13/337, amending the Retirement Mutual Funds Guide
- Communiqué Amending the Communiqué on Principles Regarding Mutual Funds (III-52.1), published in the Official Gazette on March 1, 2024, No. 32476
- Circular No. 2024/10, dated March 11, 2024, on the Application of Inflation Accounting in the Insurance Sector
- Circular No. 2024/11, dated March 15, 2024, amending the Circular on the Implementation of Certain Articles of Regulation No. 2022/16 on Internal Systems in Insurance and Private Pension Sectors
- Regulation Amending the Regulation on Partial Payment in the Private Pension System, published in the Official Gazette on March 21, 2024, No. 32496
- Circular on Partial Payment in the Private Pension System, dated April 4, 2024, and numbered 2024/13

- Circular No. 2024/16, dated June 7, 2024, amending Circular No. 2024/1 on the Reports to be presented under Turkish Financial Reporting Standard 17 (TFRS 17)
- Circular dated July 24, 2024, numbered 2024/18, amending the Circular on the Implementation of Certain Articles of Regulation No. 2022/16 on Internal Systems in Insurance and Private Pension Sectors
- Regulation Amending the Regulation on Measurement and Assessment of Capital Adequacy of Insurance, Reinsurance, and Pension Companies, published in the Official Gazette dated August 6, 2024, numbered 32624
- Circular No. 2024/25, dated October 17, 2024, amending the Circular on the Implementation of Certain Articles of Regulation No. 2022/16 on Internal Systems in Insurance and Private Pension Sectors
- Circular dated December 6, 2024, numbered 2024/32, on the Application of Inflation Accounting in the Insurance Sector
- Regulation Amending the Regulation on Financial Reporting of Insurance, Reinsurance, and Pension Companies, published in the Official Gazette dated December 27, 2024, numbered 32765
- Communiqué Amending the Communiqué on the Presentation of Financial Statements of Insurance, Reinsurance, and Pension Companies, published in the Official Gazette dated December 27, 2024, numbered 32766
- Communiqué Amending the Communiqué on the Uniform Chart of Accounts and Prospectus for Insurance, published in the Official Gazette on December 27, 2024, numbered 32767
- Regulation Amending the Regulation on Technical Provisions for Insurance, Reinsurance, and Pension Companies, as well as the Assets to be Invested In Against Those Technical Provisions, published in the Official Gazette on December 31, 2024, numbered 32769
- Regulation Amending the Regulation on the Measurement and Assessment of Capital Adequacy for Insurance, Reinsurance, and Pension Companies, published in the Official Gazette on December 31, 2024, numbered 32769

ORDINARY GENERAL ASSEMBLY MEETING AGENDA FOR 2024

1. Opening and formation of the Meeting Council,
2. Reading and discussion of the Board of Directors' 2024 Annual Report,
3. Reading the 2024 Auditor's Reports,
4. Reading, discussion and approval of financial statements of 2024,
5. Submitting to the General Assembly for approval the members elected to serve extended terms on the Board of Directors for the vacancies that arose during this period,
6. Release of the Board of Directors regarding their activities in 2024,
7. Determining the method of profit utilization of 2024, as well as the rates for profit and dividend distribution,
8. Determining the remuneration for Board of Directors members, including attendance fees, bonuses, and premiums,
9. Election of the auditor,
10. Discussing and approving the authorization for the Board of Directors to distribute advance dividends for the fiscal year 2025,
11. Informing the General Assembly regarding the donations and aids made by the Company in 2024,
12. Determination of an upper limit for donations to be made in 2025,
13. Providing information on the buy-back program currently in effect,
14. Reading, discussing, and submitting for approval the Board of Directors' proposal for the "Buy-Back Program" concerning the repurchase of the Company's own shares,
15. Authorizing the chairperson and members of the Board of Directors to execute the transactions outlined in Articles 395 and 396 of the Turkish Commercial Code,
16. Wishes and requests.

SUMMARY REPORT OF THE BOARD OF DIRECTORS SUBMITTED TO THE GENERAL ASSEMBLY

Esteemed Shareholders,

Our company, AgeSA Emeklilik ve Hayat A.Ş., operated as one of the leading firms in the private pension and life insurance sector in 2024, a year marked by successful financial results. The Ordinary General Assembly Meeting was held on March 19, 2024. Detailed information about the resolutions taken in this meeting is available in the Corporate Governance Principles Compliance Report section of the 2024 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.

From 2024 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 2024, the Company's share capital totaled TL 180,000,000, while shareholders' equity reached TL 5,448,908,796.
- The Company has sufficient shareholders' equity to meet possible losses that may arise from current liabilities or potential risks.
- As of the end of 2024, the Company's total assets amounted to TL 268,785,843,836.
- The Company's total current assets were TL 38,173,913,562, short-term liabilities stood at TL 10,210,444,285, and insurance technical provisions totaled TL 29,988,451,354. The fund size associated with pension activities is TL 228,012,950,880.
- The Company's net investment income reached TL 3,350,153,642, while other extraordinary operating income, profits, expenses, and losses totaled TL 172,205,166.
- As a result of these activities, our Company concluded the year 2024 with a net profit of TL 2,871,345,742 (parent company share).
- According to EGM data as of December 31, 2024, our Company led the sector among private companies with a 19.3% market share in private pension fund size. Meanwhile, the number of PPS participants totaled 975,557.
- The Company's premium production in the life and personal accident branch reached TL 14,317 million, securing its position as the leading private company in the sector with a 14.0% market share.

We would like to thank our esteemed shareholders for attending our General Assembly meeting, which was held to review and approve the 2024 operations of our Company.

Regards,

Board of Directors

ASSESSMENT OF THE FINANCIAL SITUATION, PROFITABILITY AND CLAIMS PAYMENT SOLVENCY

Financial Situation

Thanks to its multiple distribution channels, strong shareholding structure, solid shareholders' equity, and expert staff, AgeSA has uniquely positioned itself in the ever-growing market to become one of the leading companies without compromising on profitability.

As of December 31, 2024, the capital adequacy ratio, which reflects our effective capital management in line with the principles set by the Republic of Türkiye Prime Ministry Undersecretariat of Treasury, was recorded as 198%. Required minimum equity capital stood at TL 2,356.5 million and shareholders' equity at TL 4,675.3 million (including equalization reserve).

AgeSA concluded 2024 as one of the most profitable companies among our shareholders, Sabancı Group and Ageas Insurance International N.V., achieving a 68% return on capital. The company reported a gross profit of TL 4,106.1 million and an SFRS net profit (parent company share) of TL 2,871.3 million.

The year 2024 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 2024 targets.

In 2024, AgeSA continued its robust growth in the Private Pension System market. The size of the Company's PPS fund grew by 61% to TL 220,328 million, while the number of participants rose by 17% to 976,000. AgeSA is the leader of its sector among private companies with a 19.3% market share in terms of Private Pension System fund size (according to Pension Monitoring Center data from December 31, 2024).

At the end of 2024, AgeSA has produced a total of TL 14,317 million in life insurance and personal accident insurance premiums, and is the leader among private companies in the sector with a 14% market share in the direct premium production market of pension and/or life companies. (December 2023-TL 7,484 million-12.7%).

In 2024, AgeSA paid a total of TL 1.5 billion in Life and Personal Accident branches as indemnity for surrender, maturity, death, and disability.

The growth continued with the investments in distribution channels as well. The sales channels concluded 2024 with a total of 1,492 individuals. 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 2024.

Progress in Assets and Liabilities

In 2024, our company's total assets grew to TL 268,786 million, reflecting a 63% increase year-on-year.

The largest figure among all asset items is receivables from pension activities. This figure reflects the total fund value of contributions made by participants to our company under the Private Pension System, which reached TL 228,013 million—a 61% increase year-on-year.

Financial Assets and Financial Investments at Insureds' Risk make up 10.9% of the Company's total assets. Valued at TL 29.3 billion, this balance sheet item reflects the financial assets in which the Company's shareholder and insured funds are invested.

Our foreign currency-denominated assets, totaling TL 25,613 million and representing 9.5% of our total assets, are aligned with the Company's foreign currency-denominated liabilities and serve as collateral against potential exchange rate risks.

In AgeSA Emeklilik ve Hayat A.Ş.'s balance sheet, 86.6% of liabilities are attributed to Pension Operations, while 11.4% are comprised of Technical Provisions.

Our Mathematical Provisions for Life, which represent obligations to policyholders, totaled TL 25,031 million.

Claims Payment Capacity

In 2024, AgeSA paid a total of TL 1.5 billion in gross claims. Indemnity payments correspond to surrender, maturity, and death indemnity coverage associated with life insurance policies, cumulative products, and combined products that serve both functions.

Excluding surrenders and maturities, our death and disability indemnity payments in 2024 were TL 448.3 million. The Company maintains a robust claims payment balance, supported by its current liquidity and the maturity structure of its investments.

Financial Rights of Board Members and Senior Executives

(Article 9 of the Regulation)

In the section of financial rights granted to the members of the board of directors and senior executives, the following matters must be included:

- The total financial benefits provided to the Company's senior management in 2024, including attendance fees, wages, salaries, premiums, bonuses, and dividends, amounted to TL 115.2 million. In 2023, this figure was TL 61.8 million.
- In addition, TL 4.5 million was allocated to senior management in 2024 for other business-related benefits, including travel, accommodation, transportation, communication, and representation, compared to TL 4.2 million in 2023.
- The total coverage for life insurance policies for the Company's senior management remained steady at USD 2.0 million in both 2024 and 2023.

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:

Furthermore, in 2024, our Company contributed a total of TL 179.8 million to donations, aids, and 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 were no significant fines in 2024 that would impact the Company's financial structure due to practices contrary to legislative provisions. However, fines and late fees totaling TL 308 thousand were paid to legal authorities that year.

Financial Indicators (TL million)	2020	2021	2022	2023	2024	CAGR from 2020 to 2024
Total Premium and Contribution Generation	3,280	4,420	10,800	22,294	49,932	98%
Total Technical Profit/Loss	267	269	134	-206	582	22%
Total Assets	34,169	50,236	87,633	165,281	268,786	67.5%
Paid-in (Nominal) Capital	180	180	180	180	180	
Shareholders' Equity	689	893	1,726	3,100	5,449	68%
Net Financial Income	118	355	957	2,219	3,522	134%
Loss for the Period	-	-	-	-	-	
Profit Before Tax (Share of the Parent Company)	385	624	1,091	2,013	4,106	81%
Net Profit After Tax (Share of the Parent Company)	295	452	875	1,390	2,871	77%

Key Ratios (%)					
Technical Profit/Premium and Contribution Generation	8.1	6.1	1.2	-0.9	1.2
Profit Before Tax / Total Assets	1.1	1.2	1.2	1.2	1.5
Profit After Tax/Shareholder's Equity	42.8	50.6	50.7	44.8	52.7
Premiums and Contribution Generation / Total Assets	9.6	8.8	12.3	13.5	18.6
Shareholder's Equity/Total Assets	2.0	1.8	2.0	1.9	2.0

ASSESSMENT OF THE FINANCIAL SITUATION, PROFITABILITY AND CLAIMS PAYMENT SOLVENCY

	2020	Change	2021	Change	2022	Change	2023	Change	2024	Change	CAGR from 2020 to 2024
Total Premium and Contribution	3,279,809,953	34.4%	4,419,998,426	34.8%	10,800,289,522	144.4%	22,294,179,846	106.4%	49,932,132,796	124.0%	97.5%
Private Pension Contribution Production (Net)	1,947,937,659	34.1%	2,399,899,518	23.2%	7,083,380,447	195.2%	14,810,291,780	109.1%	33,025,760,072	123.0%	102.9%
Life/Non-Life Premium Production	1,331,872,294	34.8%	2,020,098,908	51.7%	3,716,909,075	84.0%	7,483,888,066	101.3%	16,906,372,724	125.9%	88.8%
Life	1,266,367,504	39.9%	1,965,766,513	55.2%	3,639,920,891	85.2%	7,353,081,090	102.0%	14,085,844,810	91.6%	82.6%
Non-Life	65,504,790	-20.5%	54,332,395	-17.1%	76,988,184	41.7%	130,806,976	69.9%	2,820,527,914	2,056.3%	156.2%
Life Mathematical Provision	2,262,853,561	55.7%	4,899,721,114	116.5%	8,374,452,372	70.9%	16,573,594,984	97.9%	25,031,086,017	51.0%	82.4%
Surrender and Maturity	-133,304,997	54.1%	-121,038,973	-9.2%	-371,744,610	207.1%	-434,805,531	17.0%	-1,045,543,061	140.5%	67.3%
Death Disability	-63,939,782	44.9%	-120,246,340	88.1%	-162,620,304	35.2%	-342,646,660	110.7%	-448,343,888	30.8%	62.7%
Surrender	-116,186,332	40.5%	-98,569,660	-15.2%	-359,913,590	265.1%	-420,140,858	16.7%	-1,028,762,324	144.9%	72.5%
Maturity	-17,118,665	346.9%	-22,469,313	31.3%	-11,831,020	-47.3%	-14,664,673	24.0%	-16,780,736	14.4%	-0.5%
Total Indemnity	-197,244,778	51.0%	-241,285,313	22.3%	-534,364,914	121.5%	-777,452,191	45.5%	-1,493,886,948	92.2%	65.9%
Pension Fund Size	30,455,130,719	31.7%	43,444,431,495	42.7%	75,573,164,444	74.0%	141,346,845,235	87.0%	228,012,950,880	61.3%	65.4%
Equity	689,047,268	32.6%	893,029,237	29.6%	1,726,351,303	93.3%	3,099,774,530	79.6%	5,448,908,796	75.8%	67.7%
Total Assets	34,169,271,155	32.9%	50,236,195,084	47.0%	87,632,574,065	74.4%	165,281,135,254	88.6%	268,785,843,836	62.6%	67.5%
Life Technical Profit/Loss	238,405,716	174.5%	374,556,762	57.1%	552,736,578	47.6%	927,985,948	67.9%	1,853,599,977	99.7%	67.0%
Non-Life Technical Profit/Loss	12,221,165	73.0%	6,405,575	-47.6%	12,482,889	94.9%	-37,938,786	-403.9%	29,497,591	-177.8%	24.6%
Private Pension Technical Profit/Loss	16,275,470	-67.4%	-111,734,539	-786.5%	-431,245,323	286.0%	-1,096,130,769	154.2%	-1,300,673,114	18.7%	
Technical Section Balance	266,902,351	85.6%	269,227,798	0.9%	133,974,144	-50.2%	-206.083.607	-253.8%	582,424,454	-382.6%	21.5%
Investment Income (Net)	115,821,579	-7.4%	354,106,215	205.7%	937,642,363	164.8%	2,102,786,704	124.3%	3,350,153,642	59.3%	131.9%
Other Income/Expenses (Net)	2,430,104	-80.3%	562,777	-76.8%	19,542,847	3,372.6%	116,592,952	496.6%	172,205,166	47.7%	190.1%
Operational Expenses	-760,278,428	21.7%	-1,147,399,400	50.9%	-2,039,407,293	77.7%	-4,371,767,229	114.4%	-8,586,471,329	96.4%	83.3%
Profit/Loss Before Tax (Share of the Parent Company)	385,154,034	37.0%	623,896,790	62.0%	1,091,159,354	74.9%	2,013,296,049	84.5%	4,106,098,372	103.9%	80.7%
Profit/Loss After Tax (Share of the Parent Company)	294,948,727	37.4%	451,813,547	53.2%	874,584,193	93.6%	1,390,038,546	58.9%	2,871,345,742	106.6%	76.6%
Capital Adequacy	721,709,717	31.8%	721,709,717	0.0%	1,752,403,308	142.8%	3,066,598,491	75.0%	4,675,320,689	52.5%	59.5%
ROE	48.80%		57.12%		66.78%		57.60%		67.18%		
	2020	Change	2021	Change	2022	Change	2023	Change	2024	Change	CAGR
Number of PPS participants	697,826	-8.4%	659,585	-5.5%	715,693	8.5%	822,397	14.9%	975,557	18.6%	8.7%
Net Financial Income	118,251,683	-13.9%	354,668,992	199.9%	957,185,210	169.9%	2,219,379,656	131.9%	3,522,358,808	58.7%	133.6%

DIVIDEND DISTRIBUTION POLICY

As per the provisions of the Turkish Commercial Code, Capital Market Legislation and other relevant legislation and the article on dividend distribution of the Articles of Association, the Dividend Distribution Policy of AgeSA Hayat ve Emeklilik A.Ş. ("Company") was 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 shareholders' 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.

According to Article 34 of the Articles of Association, the Board of Directors may distribute advance cash dividends to shareholders, provided that it is authorized by the General Assembly and complies with the capital market legislation and related regulations. Dividends will be equally distributed to all existing shares on the date determined by the General Assembly, following the approval of the General Assembly, within the legal period, regardless of their issuance and acquisition dates. The dividend distribution can be performed either in a single transaction or in installments.

The General Assembly may decide to transfer a portion or all of the net profit to the extraordinary reserves.

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 Distribution 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 are submitted to the approval of the shareholders at the first General Assembly to be held following the change and shared with the public at the Company's website.

DIVIDEND DISTRIBUTION PROPOSAL FOR 2024

MOTION

February 19, 2025

AGESA HAYAT VE EMEKLİLİK A.Ş.

2024 FISCAL YEAR

BOARD OF DIRECTORS DIVIDEND DISTRIBUTION PROPOSAL

Esteemed Shareholders,

After setting aside TL 99,100,000.00 as general legal reserves and TL 1,772,245,742.00 as extraordinary reserves from the consolidated after-tax net profit of TL 2,871,345,742.00 for the period 2024, a proposal has been made to distribute a total gross dividend of TL 1,000,000,000.00. This dividend, which is outlined in the attached “Dividend Distribution Table” has received the positive opinion of the Insurance and Private Pension Regulatory and Supervisory Authority dated February 12, 2025. The payment will be made in cash on March 26, 2025, along with the coverage of TL 40,761,641 for the previous year’s loss from extraordinary reserves. This proposal will be presented to the General Assembly at the Ordinary General Assembly Meeting of 2024, scheduled for March 19, 2025. For your reference, the “Consolidated Dividend Distribution Table for 2024” and the “Dividend Ratios Table” are attached.

DIVIDEND DISTRIBUTION TABLE FOR 2024

AGESA HAYAT VE EMEKLİLİK A.Ş.’S 2024 CONSOLIDATED DIVIDEND DISTRIBUTION TABLE

1. Paid-in/Issued Capital	180,000,000.00	
2. General Legal Reserves (as per Legal Records)	109,639,901.00	
Information on privileges in dividend distribution, if stipulated in the Articles of Association.		
		-
	According to the CMB According to Legal Records	
3. Profit for the Period	4,106,098,372.00	4,106,098,372.00
4. Taxes (-)	-1,234,752,630.00	-1,234,752,630.00
5. Net Profit for the Period (=)	2,871,345,742.00	2,871,345,742.00
6. Losses of Previous Years (-)	-	-
7. General Legal Reserve Fund (-)	-	-
8. NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	2,871,345,742.00	2,871,345,742.00
9. Donations Made During the Year (+)	179,838,429.00	-
10. Net Distributable Profit for the Period Including Donations	3,051,184,171.00	2,871,345,742.00
11. First Dividend to Shareholders	-	-
- Cash	9,000,000.00	9,000,000.00
- Bonus	-	-
- Total	9,000,000.00	9,000,000.00
12. Dividends Paid to Privileged Shareholders	-	-
13. Other Dividends Distributed	-	-
- To Members of the Board of Directors,	-	-
- To Employees	-	-
- To Individuals Other than Shareholders	-	-
15. Second Dividend to Shareholders	991,000,000.00	991,000,000.00
16. General Legal Reserve Fund	99,100,000.00	99,100,000.00
17. Statutory Reserves	-	-
18. Special Reserves	-	-
19. EXTRAORDINARY RESERVES	1,772,245,742.00	1,772,245,742.00
20. Other Distributable Resources	-	-

AGESA HAYAT VE EMEKLİLİK A.Ş.					
DIVIDEND RATIOS TABLE					
	TOTAL DIVIDENDS DISTRIBUTED		TOTAL DIVIDENDS DISTRIBUTED/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	PROPOSED DIVIDEND TO BE PAID PER SHARE WITH A NOMINAL VALUE OF TL 1	
	CASH (TL)	BONUS (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
Gross	1,000,000,000.00	-	34.83	5.5556	555.55
Net ^(*)	850,000,000.00	-	29.60	4.7222	472.22

^(*) The net calculation is made with the assumption that there will be 15% income tax withholding.

ANNUAL REPORT COMPLIANCE STATEMENT



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(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT

To the General Assembly of Agesa Hayat ve Emeklilik A.Ş.

1) Opinion

As we have audited the full set consolidated financial statements of Agesa Hayat ve Emeklilik A.Ş. ("the Company") and its subsidiaries ("the Group") for the period between 01/01/2024–31/12/2024, we have also audited the annual report for the same period.

In our opinion, the consolidated financial information provided in the Management's annual report and the Management's discussions on the Group's financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

2) Basis for Opinion

We conducted our audit in accordance with the regulations on the principles on auditing as set out in the insurance legislation and Standards on Independent Auditing (SIA) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (POA). Our responsibility is disclosed under Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report in detail. We declare that we are independent from the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) issued by POA and ethical provisions stated in the regulation of audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3) Auditor's Opinion for the Full Set Consolidated Financial Statements

We have presented unmodified opinion for the Group's full set consolidated financial statements for the period between 01/01/2024–31/12/2024 in our Auditor's Report dated 14 February 2025.

4) Other Matter

The annual report of the Group for the accounting period ended on 31 December 2023 has been audited by another independent auditor who expressed an unmodified opinion in the independent auditor's report dated 19 February 2024.

5) Management's Responsibility for the Annual Report

The Group's Management is responsible for the following in accordance with Article 514 and 516 of the Turkish Commercial Code No. 6102 ("TCC") and "Communiqué on Principles of Financial Reporting in Capital Markets" with No.14.1 of the Capital Markets Board ("the Communiqué"):

- Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly.
- Preparing the annual report with the all respects of the Group's flow of operations for that year and the Group's consolidated financial performance accurately, completely, directly and fairly. In this report, the consolidated financial position is assessed in accordance with the consolidated financial statements. The Group's development and risks that the Group may probably face are also pointed out in this report. The Board of Director's evaluation on those matters are also stated in this report.
- The annual report also includes the matters stated below:
 - The significant events occurred in the Group's activities subsequent to the financial year ends,
 - The Group's research and development activities,
 - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Ministry of Trade and related institutions while preparing the annual report.

6) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report

Our aim is to express an opinion and prepare a report about whether the Management's discussions and consolidated financial information in the annual report within the scope of the provisions of the TCC are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the regulations on the principles on auditing as set out in the insurance legislation and the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management's discussions on the Group's financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

The engagement partner on the audit resulting in this independent auditor's report is Ferda Akkılınç Ilica.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Ferda Akkılınç Ilica
Partner

İstanbul, 19 February 2025

AGESA HAYAT VE EMEKLİLİK A.Ş.

UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024
AND INDEPENDENT AUDITOR’S REPORT

(CONVENIENCE TRANSLATION OF THE REPORT AND
THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)



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(CONVENIENCE TRANSLATION OF
INDEPENDENT AUDITOR’S REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR’S REPORT

To the General Assembly of Agesa Hayat ve Emeklilik A.Ş.

A) Report on the Audit of the Unconsolidated Financial Statements

1) Opinion

We have audited the accompanying unconsolidated financial statements of Agesa Hayat ve Emeklilik A.Ş. (“the Company”) which comprise the unconsolidated statement of financial position as of 31 December 2024 and the unconsolidated statement of income, unconsolidated statement of changes in shareholders’ equity, unconsolidated statement of cash flows, and unconsolidated statement of profit distribution for the period then ended and the notes to the unconsolidated financial statements including a summary of significant accounting policies.

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

2) Basis for Opinion

We conducted our audit in accordance with the regulations on the principles on auditing as set out in the insurance legislation and Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Independent Auditors (“Code of Ethics”) published by the POA, together with the ethical requirements that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Other Matters

The unconsolidated financial statements of the Company for the year ended 31 December 2023 have been audited by another auditor whose report dated 9 February 2024 expressed an unmodified opinion.

Deloitte; one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), incorporated under UK legislation, companies in its member firm network and related legal entities. DTTL and each of its member companies are separate and independent legal entities. DTTL (also referred to as “Deloitte Global”) does not provide services to customers. For more information about our global network of member companies, visit www.deloitte.com/about.



4) Key Audit Matters

Key audit matters are those that, in our professional judgment, are of the most importance in an independent audit of the current period's unconsolidated financial statements. Key audit matters have been addressed in the context of our audit of the unconsolidated financial statements as a whole and in forming our opinion on the unconsolidated financial statements, on which we do not express a separate opinion.

Key audit matter	How the matter was addressed in the audit
<p>Estimates and assumptions used in the calculation of Mathematical Reserves arising from insurance contracts</p> <p>As of 31 December 2024, the Company has recognized a total Mathematical Reserves of TL 25,031,086,017.</p> <p>Pursuant to the Regulation on Technical provisions, the Company is required to recognize adequate mathematical reserves based on actuarial principles to fulfill its liabilities to policyholders and beneficiaries for life, health and personal accident insurance contracts with a term longer than one year.</p> <p>Mathematical reserves are calculated in accordance with the formulae and principles specified in the approved technical basis of the tariffs for life insurances with a term longer than one year.</p> <p>We focused on this area during our audit because of the quantitative significance of the mathematical reserves in the financial statements and the nature of the mathematical reserves, which involves significant estimates and management judgements.</p>	<p>Design and implementation of key controls that are relevant to the calculation of the Mathematical Reserves and that are implemented by the Company's management have been tested.</p> <p>In addition, mathematical reserves have been recalculated by the expert actuaries in our team using the selected sample through tariffs and other related calculation data.</p> <p>In addition, the adequacy and accuracy of the disclosures related to these technical provisions in Notes 2.20 and 17 to the unconsolidated financial statements with the Insurance Accounting and Financial Reporting Legislation have been examined.</p>

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

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

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

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

6) Auditor’s Responsibilities for the Audit of the Unconsolidated Financial Statements

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

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

As part of an audit in accordance with the regulations regarding the audit principles in force as per the insurance legislation and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

6) Auditor’s Responsibilities for the Audit of the Unconsolidated Financial Statements (cont’d)

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 (“TCC”), the auditor’s report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 14 February 2025.

In accordance with paragraph four of the Article 402 of the Turkish Commercial Code No. 6102 (“TCC”), nothing has come to our attention that may cause us to believe that the Company’s set of accounts and financial statements prepared for the period 1 January – 31 December 2024 does not comply with TCC and the provisions of the Company’s articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor’s report is Ferda Akkılınç İlca.

Additional Paragraph for Convenience Translation into English

In the accompanying unconsolidated financial statements, the accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) differ from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Ferda Akkılınç İlca
Partner
İstanbul, 14 February 2025



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AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

COMPANY STATEMENT REGARDING THE UNCONSOLIDATED FINANCIAL REPORT AS OF 31 DECEMBER 2024

We declare that the accompanying unconsolidated financial statements and related disclosures and notes (financial report) prepared by us as of 31 December 2024 have been prepared in accordance with the provisions of the “Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies” published by the Undersecretariat of Treasury of the Prime Ministry of the Republic of Türkiye, relevant legislation and related announcements and circulars, and in accordance with our Company's accounting records.

İstanbul, 14 February 2025

Haluk Dinçer
Chairman of the Board
of Directors

Hüseyin Gürer
Chairman of the Audit Committee
and Independent Board Member

Fatma Dilek Yardım
Member of Audit Committee and
Independent Board Member

M.Firat Kuruca
Board Member
General Manager

Zeliha Ersen Altınok
Deputy General Manager
Finance

Yeliz Güven Saraçoğlu
Group Manager
Accounting and Statutory Reporting

Yasemin Albayrak
Responsible Actuary

INDEX	PAGE
UNCONSOLIDATED DETAILED BALANCE SHEETS.....	178-182
UNCONSOLIDATED DETAILED STATEMENTS OF INCOME	183-185
UNCONSOLIDATED STATEMENTS OF CASH FLOWS	186
UNCONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY..	187
STATEMENTS OF PROFIT DISTRIBUTION	188
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS	189-276

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

ASSETS			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
I- Current Assets			
A- Cash and Cash Equivalents	2.12, 14	4,908,818,545	2,081,913,384
1- Cash		-	-
2- Cheques Received		-	-
3- Banks	2.12, 14	2,511,214,022	626,760,668
4- Cheques Given and Payment Orders (-)	2.12, 14	(2,075,657)	(1,759,443)
5- Bank Guaranteed Credit Card Receivables with Maturities Less Than 3 Months		-	-
6- Other Cash and Cash Equivalents	2.12, 14	2,399,680,180	1,456,912,159
B- Financial Assets and Investments with Risks on Policyholders	4.11.4	28,845,045,335	19,448,746,884
1- Financial Assets Available For Sale	4.11.4	2,814,406,369	1,956,502,057
2- Financial Assets Held to Maturity	4.11.4	928,889,038	1,129,087,860
3- Financial Assets Held for Trading	4.11.4	2,151,259,530	999,911,246
4- Loans		-	-
5- Provision for Loans (-)		-	-
6- Financial Assets with Risks on Policyholders	4.11.4	22,950,490,398	15,363,245,721
7- Equity Shares		-	-
8- Impairment on Financial Assets (-)		-	-
C- Receivables From Operating Activities	12.1	258,606,354	202,664,601
1- Receivables From Insurance Operations	12.1	141,140,857	86,318,879
2- Provision for Receivables From Insurance Operations (-)		-	-
3- Receivables From Reinsurance Operations		-	-
4- Provision for Receivables From Reinsurance Operations (-)		-	-
5- Cash Deposited With Insurance and Reinsurance Companies		-	-
6- Loans to Policyholders (Advance Loan)		-	-
7- Provision for Loans to Policyholders (Advance Loan) (-)		-	-
8- Receivables from Pension Operations	12.1	117,465,497	116,345,722
9- Doubtful Receivables from Operating Activities		-	-
10- Provisions for Doubtful Receivables from Operating Activities (-)		-	-
D- Receivables from Related Parties	12.1	19,618,727	4,958,101
1- Receivables from Shareholders		-	-
2- Receivables from Associates		-	-
3- Receivables from Subsidiaries	12.2	2,879,090	409,036
4- Receivables from Joint Ventures		-	-
5- Receivables from Personnel		49,570	92,127
6- Receivables from Other Related Parties	45	16,690,067	4,456,938
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
E- Other Receivables	12.1	11,378,576	2,896,526
1- Finance Leasing Receivables		-	-
2- Unearned Financial Leasing Interest Income (-)		-	-
3- Deposits and Guarantees Given		32,725	32,725
4- Other Miscellaneous Receivables		11,189,640	2,707,590
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		156,211	156,211
7- Provision for Other Doubtful Receivables (-)		-	-
F- Prepaid Expenses and Income Accruals		1,385,437,319	498,902,247
1- Deferred Commission Expenses	2.20	1,033,974,031	418,789,340
2- Accrued Interest and Rent Income		-	-
3- Income Accruals	45	85,109,544	-
4- Other Prepaid Expenses	47.1	266,353,744	80,112,907
G- Other Current Assets	47.1	2,518,028	1,308,631
1- Inventories		-	-
2- Prepaid Taxes and Funds		-	-
3- Deferred Tax Assets		-	-
4- Business Advances	47.1	1,577,949	236,941
5- Advances Given to Personnel	47.1	940,079	1,071,690
6- Counting and Receipt Deficiencies		-	-
7- Other Miscellaneous Current Assets		-	-
8- Provision for Other Miscellaneous Current Assets (-)		-	-
I- Total Current Assets		35,431,422,884	22,241,390,374

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

ASSETS			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
II- Non-Current Assets			
A- Receivables from Operating Activities	12.1	228,692,108,969	141,916,400,655
1- Receivables from Insurance Operations		-	-
2- Provisions for Receivables from Insurance Operations (-)		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations (-)		-	-
5- Cash Deposited with Insurance And Reinsurance Companies		-	-
6- Loans to Policyholders (Advance Loan)	2.20,12.1,17.2,17.15	679,158,089	569,555,420
7- Provision for Loans to Policyholders (Advance Loan) (-)		-	-
8- Receivables from Pension Operations	4.12.1,17.5,17.6,19	228,012,950,880	141,346,845,235
9- Doubtful Receivables from Operating Activities		-	-
10- Provision for Doubtful Receivables from Operating Activities (-)		-	-
B- Receivables from Related Parties		-	-
1- Receivables from Shareholders		-	-
2- Receivables from Associates		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Joint Ventures		-	-
5- Receivables from Personnel		-	-
6- Receivables from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
C- Other Receivables	12.1	164,351	30,379
1- Finance Leasing Receivables		-	-
2- Unearned Financial Leasing Interest Income (-)		-	-
3- Deposits and Guarantees Given	12.1	164,351	30,379
4- Other Miscellaneous Receivables		-	-
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
D- Financial Assets		792,197,252	5,738,919
1- Affiliated Securities		-	-
2- Affiliates		-	-
3- Affiliates Capital Commitments (-)		-	-
4- Subsidiaries	9, 45	788,250,000	2,000,000
5- Subsidiaries Capital Commitments (-)		-	-
6- Joint Ventures		-	-
7- Joint Ventures Capital Commitments (-)		-	-
8- Financial Assets and Financial Investments with Risks on Policyholders		-	-
9- Other Financial Assets	45.2	3,947,252	3,738,919
10- Financial Assets Provision for Impairment (-)		-	-
E- Property, Plant and Equipment	6.3	284,787,967	87,923,928
1- Investment Properties		-	-
2- Provision for Impairment for Investment Properties (-)		-	-
3- Real Estate for Use		-	-
4- Machinery and Equipment	6.3	84,420,287	63,503,577
5- Fixtures and Installations	6.3	42,929,981	26,531,395
6- Motor Vehicles	6.3	8,538,700	5,870,700
7- Other Property, Plant and Equipment (Including Special Costs)	6.3	45,196,828	13,145,284
8- Property, Plant and Equipment Acquired by Lease	6.3	244,041,676	51,184,568
9- Accumulated Depreciation (-)	6.3	(140,339,505)	(72,311,596)
10- Advances on Property, Plant and Equipment (Including Construction in Progress)		-	-
F- Intangible Assets	8	974,806,816	549,484,170
1- Rights		-	-
2- Goodwill		-	-
3- Pre-Operating Period Expenses		-	-
4- Research and Development Expenses		-	-
5- Other Intangible Assets	8	914,916,582	706,796,172
6- Accumulated Amortizations (-)	8	(432,965,340)	(286,735,173)
7- Advances on Intangible Assets	8	492,855,574	129,423,171
G- Prepaid Expenses and Income Accruals		1,368,491	4,032,198
1- Deferred Production Expenses		-	-
2- Income Accruals		-	-
3- Other Prepaid Expenses	47.1	1,368,491	4,032,198
H- Other Non-Current Assets	21, 35	336,941,523	168,274,465
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Inventories		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	21, 35	336,941,523	168,274,465
6- Other Miscellaneous Non-Current Assets		-	-
7- Depreciation of Other Non-Current Assets (-)		-	-
8- Provision for Other Non-Current Assets (-)		-	-
II- Total Non-Current Assets		231,082,375,369	142,731,884,714
Total Assets (I + II)		266,513,798,253	164,973,275,088

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

LIABILITIES			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
III- Current Liabilities			
A- Financial Liabilities	20	59,168,889	2,985,622
1- Payables to Credit Institutions		-	-
2- Financial Leasing Payables	4,20	122,990,097	11,052,587
3- Deferred Financial Leasing Costs (-)	20	(63,821,208)	(8,066,965)
4- Principal Installments and Interests of Long-Term Loans		-	-
5- Principal, Installments and Interests of Issued Bonds (Bonds)		-	-
6- Other Issued Financial Assets		-	-
7- Other Financial Assets Issue Difference (-)		-	-
8- Other Financial Payables (Liabilities)		-	-
B- Payables from Operating Activities	4, 19	2,889,268,832	1,836,200,370
1- Payables from Insurance Operations	4, 19	438,913,735	313,933,085
2- Payables from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables from Pension Operations	4,19	2,450,355,097	1,522,267,285
5- Payables from Other Operating Activities		-	-
6- Rediscount on Payables from Other Operating Activities (-)		-	-
C- Payables to Related Parties	4, 19	280,354,939	60,353,243
1- Payables to Shareholders	12.2,19	3,516,257	2,419,707
2- Payables to Associates		-	-
3- Payables to Subsidiaries	12.2,19	1,534,974	1,111,689
4- Payables to Joint Ventures		-	-
5- Payables to Personnel	19	5,045,202	1,792,223
6- Payables to Other Related Parties	19, 45	270,258,506	55,029,624
D- Other Payables	4,19,47.1	130,896,242	138,762,043
1- Deposits and Guarantees Received		23,327	19,464
2- Payables to SSI for Treatment Expenses		-	-
3- Other Miscellaneous Payables		130,872,915	138,742,579
4- Rediscount on Other Miscellaneous Payables (-)		-	-
E- Insurance Technical Provisions	17.15	3,258,822,490	1,278,263,655
1- Unearned premium reserves- Net	17.15	2,656,200,446	1,004,626,712
2- Ongoing Risks Reserve - Net		-	-
3- Math Equivalents- Net	17.15	347,782,440	116,790,231
4- Outstanding Claim Reserve- Net	2.20,17.15	254,839,604	156,846,712
5- Bonuses and Discounts Reserve - Net		-	-
6- Financial Investments where Policyholders Bear the Risk Reserve - Net		-	-
7- Other Technical reserves- Net		-	-
F- Provisions for Taxes Payable and Other Similar Liabilities		638,369,529	297,853,106
1- Taxes and Funds Payable		255,763,285	139,961,687
2- Social Security Deductions Payable		52,151,200	42,738,596
3- Overdue, Deferred or Installed Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Liabilities Payable		-	-
5- Provisions for Period Profit Tax and Other Legal Liability	35	1,199,785,267	560,728,698
6- Prepaid Taxes and Other Liabilities of Profit for the Period (-)	35	(869,330,223)	(445,575,875)
7- Provisions for Other Taxes and Similar Liabilities		-	-
G- Provisions for Other Risks	23.2	441,033,554	236,523,054
1- Provision for Employment Termination Benefits		-	-
2- Provision for Social Aid Fund Asset Deficits		-	-
3- Provision for Expense Accruals	23.2	441,033,554	236,523,054
H- Deferred Income and Expense Accruals	19	345,639,429	152,325,428
1- Deferred Commission Income	2.20, 19	8,297,894	3,285,928
2- Expense Accruals	19	337,341,535	149,039,500
3- Other Deferred Income		-	-
I- Other Current Liabilities	23.2	29,821,401	17,839,726
1- Deferred Tax Liabilities		-	-
2- Count and Receipt Surplus		-	-
3- Other Miscellaneous Current Liabilities	23.2	29,821,401	17,839,726
III - Total Current Liabilities		8,073,375,305	4,021,106,247

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

LIABILITIES			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
IV- Non-Current Liabilities			
A- Financial Liabilities	20	152,318,111	38,569,344
1- Borrowings to Financial Institutions		-	-
2- Finance Lease Payables	4,20	218,843,812	70,894,973
3- Deferred Financial Leasing Costs (-)	20	(66,525,701)	(32,325,629)
4- Bond Issues		-	-
5- Other Issued Financial Assets		-	-
6- Other Financial Assets Issue Difference (-)		-	-
7- Other Financial Payables (Liabilities)		-	-
B- Payables from Operating Activities	4,12.1,17.5,17.6,19	228,012,950,880	141,346,845,235
1- Payables from Insurance Operations		-	-
2- Payables from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables from Pension Operations	4,12.1,17.5,17.6,19	228,012,950,880	141,346,845,235
5- Payables from Other Operating Activities		-	-
6- Payables from Other Operating Activities Rediscount of Debt Securities (-)		-	-
C- Payables to Related Parties		-	-
1- Payables to Shareholders		-	-
2- Payables to Associates		-	-
3- Payables to Subsidiaries		-	-
4- Payables to Joint Ventures		-	-
5- Payables to Personnel		-	-
6- Payables to Other Related Parties		-	-
D- Other Payables		-	-
1- Deposits and Guarantees Received		-	-
2- Payables to SSI for Treatment Expenses		-	-
3- Other Miscellaneous Liabilities		-	-
4- Other Miscellaneous Payables Rediscount		-	-
E- Insurance Technical Provisions	17.15	24,806,962,720	16,529,566,333
1- Unearned premium reserves- Net		-	-
2- Ongoing Risks Reserve - Net		-	-
3- Math Equivalents- Net	17.15	24,683,303,577	16,456,804,753
4- Outstanding Claim Reserve - Net		-	-
5- Bonuses and Discounts Reserve - Net		-	-
6- Financial Investments where Policyholders Bear the Risk Reserve - Net		-	-
7- Other Technical reserves- Net	2.20,17.15	123,659,143	72,761,580
F- Other Liabilities and Provisions		30,785,140	20,078,368
1- Other Liabilities Payable		-	-
2- Overdue, Deferred or Installed Taxes and Other Liabilities		-	-
3- Other Provisions for Payables and Expenses		30,785,140	20,078,368
G- Provisions for Other Risks	22	97,494,552	66,056,065
1- Provision for Employment Termination Benefits	22	97,494,552	66,056,065
2- Provision for Social Aid Fund Asset Deficits		-	-
H- Deferred Income and Expense Accruals		-	-
1- Deferred Commission Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income		-	-
I- Other Non-Current Liabilities		-	-
1- Deferred Tax Liability		-	-
2- Other Miscellaneous Non-Current Liabilities		-	-
IV- Total Non-Current Liabilities		253,100,511,403	158,001,115,345

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

EQUITY			
V- Equity	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
A- Paid-In Capital	2.13,15.3	180,000,000	180,000,000
1- (Nominal) Capital	2.13,15.3	180,000,000	180,000,000
2- Unpaid Capital (-)		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences (-)		-	-
5- Capital Pending Registration		-	-
B- Capital Reserves	15.2	(99,384,843)	(43,946,321)
1- Share Issue Premiums		-	-
2- Profit of Cancelled Shares		-	-
3- Sales Profit Addition to the Capital		-	-
4- Foreign Currency Translation Differences		-	-
5- Other Capital Reserves	15.2	(99,384,843)	(43,946,321)
C- Profit Reserves		2,504,692,764	1,441,290,765
1- Legal Reserves	15.2	138,339,901	109,239,901
2- Statutory Reserves	15.2	11,494	11,494
3- Extraordinary Reserves	15.2	2,383,438,086	1,338,829,034
4- Special Funds (Reserves)		-	-
5- Valuation Of Financial Assets	15.2	75,248,129	55,579,038
6- Other Profit Reserves	15.2	(92,344,846)	(62,368,702)
D- Prior Years' Profit		-	-
1- Prior Years' Profit		-	-
E- Prior Years' Losses (-)		-	-
1- Prior Years' Losses		-	-
F- Net Profit for the Period		2,754,603,624	1,373,709,052
1- Net Profit for the Period		2,754,603,624	1,373,709,052
2- Net Loss for the Period (-)		-	-
3- Profit for the Period Not Subject to Distribution		-	-
Total Equity		5,339,911,545	2,951,053,496
Total Liabilities (III + IV + V)		266,513,798,253	164,973,275,088

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Income Statements
for the Period 1 January - 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

	Notes	Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
I- TECHNICAL PART			
A- Non-Life Technical Income		181,798,610	106,303,719
1- Earned Premiums - (Net of Reinsurers' Share)		181,798,610	106,303,719
1.1- Written Premiums - (Net of Reinsurers' Share)	5,24	230,310,198	130,515,717
1.1.1- Gross Written Premiums (+)	5,24	231,203,668	130,806,976
1.1.2 - Reinsurers' Share of Gross Written Premium (-)	5,10,24	(893,470)	(291,259)
1.1.3 - Premiums Ceded to SSI (-)		-	-
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers' Share and Reserves Carried Forward)(+/-)	5,17,15, 47.4	(48,511,588)	(24,211,998)
1.2.1- Unearned Premiums Reserve (-)	17,15	(48,501,143)	(24,043,054)
1.2.2- Reinsurers' Share of Unearned Premiums Reserve (+)	10, 17,15	(10,445)	(168,944)
1.3- Change in Unexpired Risks Reserve (Net of Reinsurers' Share and Reserves Carried Forward)(+/-)		-	-
1.3.1- Unexpired Risks Reserve (-)		-	-
1.3.2- Reinsurers' Share of Unexpired Risks Reserve (+)		-	-
2- Investment Income Transferred from Non-Technical Part		-	-
3- Other Technical Income - (Net of Reinsurer's Share) (+/-)		-	-
3.1- Gross Other Technical Income (+/-)		-	-
3.2- Reinsurer's Share in Gross Other Technical Income (+/-)		-	-
4- Claim Recovery and Salvage Income Accruals (+)		-	-
B- Non-Life Technical Expense (-)		(152,951,246)	(85,462,009)
1- Incurred Losses - (Net of Reinsurer's Share) (+/-)	5	(7,120,176)	(5,318,786)
1.1- Paid Claims - (Net of Reinsurer's Share)	17,15	(5,147,158)	(4,733,524)
1.1.1- Gross Paid Claims (-)	17,15	(5,707,544)	(8,075,512)
1.1.2- Reinsurer's Share of Gross Paid Claims (+)	10, 17,15	560,386	3,341,988
1.2- Change in Outstanding Claims (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	17,15,47.4	(1,973,018)	(585,262)
1.2.1- Outstanding Claims Reserve (-)	17,15	(1,721,243)	(3,568,303)
1.2.2- Reinsurer's Share of Outstanding Claims Reserve (+)	10, 17,15	(251,775)	2,983,041
2- Change in Provisions for Bonuses and Discounts (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)		-	-
2.1- Provisions for Bonuses and Discounts (-)		-	-
2.2- Bonuses and Discounts Provisions Reinsurer's Share (+)		-	-
3- Change in Other Technical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	5, 17,15,47.4	(2,434,934)	(1,376,995)
4- Operating Expenses (-)	31	(143,392,193)	(78,758,324)
5- Change in Mathematical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)		-	-
5.1- Mathematical Reserve (-)		-	-
5.2- Reinsurer's Share of Mathematical Reserve (+)		-	-
6- Other Technical Expenses (-)		(3,943)	(7,904)
6.1- Gross Other Technical Expenses (-)		(3,943)	(7,904)
6.2- Reinsurer Share in Gross Other Technical Expenses (-)		-	-
C- Technical Part Balance - Non-Life (A – B)		28,847,364	20,841,710
D- Life Technical Income		16,215,143,787	11,740,496,157
1- Earned Premiums (Net of Reinsurer Share)		11,947,535,454	6,406,100,840
1.1- Premiums (Net of Reinsurer Share)	5,24	13,550,431,214	7,175,009,655
1.1.1- Gross Premiums (+)	5,24	14,085,844,810	7,353,081,090
1.1.2- Ceded Premiums to Reinsurers (-)	5,10,24	(535,413,596)	(178,071,435)
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers Shares and Reserves Carried Forward)(+/-)	5,17,15, 47.4	(1,602,895,760)	(768,908,815)
1.2.1- Unearned Premiums Reserve (-)	17,15	(1,612,332,699)	(768,140,702)
1.2.2- Reinsurance Share of Unearned Premiums Reserve (+)	10, 17,15	9,436,939	(768,113)
1.3- Changes in Unexpired Risks Reserve (Net of Reinsurer Share and Reserves Carried Forward)(+/-)		-	-
1.3.1- Unexpired Risks Reserve (-)		-	-
1.3.2- Reinsurance Share of Unexpired Risks Reserve (+)		-	-
2- Life Branch Investment Income	5	4,121,338,283	5,108,380,807
3- Accrued (Unrealized) Income from Investments		-	-
4- Other Technical Income (Net of Reinsurer Share) (+/-)	5	146,270,050	226,014,510
4.1- Other Gross Technical Income (+/-)	5	146,270,050	226,014,510
4.2- Reinsurer Share in Gross Other Technical Income (+/-)		-	-
5- Accrued Subrogation Income (+)		-	-

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Income Statements
for the Period 1 January - 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

	Notes	Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
I- TECHNICAL PART			
E- Life Technical Expense		(14,455,230,762)	(10,933,641,891)
1- Incurred Losses (Net of Reinsurer's Share) (+/-)	5	(1,584,759,663)	(804,312,408)
1.1- Paid Claims (Net of Reinsurer's Share) (-)	17.15	(1,488,739,790)	(772,718,667)
1.1.1- Gross Paid Claims (-)	17.15	(1,582,267,168)	(873,114,124)
1.1.2- Reinsurer's Share of Gross Paid Claims (+)	10,17.15	93,527,378	100,395,457
1.2- Change in Outstanding Claims (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	17.15,47.4	(96,019,873)	(31,593,741)
1.2.1- Outstanding Claims Reserves (-)	17.15	(170,215,169)	(57,089,569)
1.2.2- Reinsurer's Share of Outstanding claim reserves (+)	10,17.15	74,195,296	25,495,828
2- Change in Provisions for Bonuses and Discounts (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)		-	-
2.1- Provisions for Bonuses and Discounts (-)		-	-
2.2- Bonuses and Discounts Provisions Reinsurer's Share (+)		-	-
3- Change in Life Mathematical Reserves (Net of Reinsurer's Share and Reserves Carried Forward)(+/-)	5, 47.4	(8,479,723,697)	(8,223,879,819)
3.1- Mathematical Reserve (-)	17.15	(8,475,185,141)	(8,205,469,204)
3.1.1- Actuarial Mathematics Reserve (+/-)		(8,475,185,141)	(8,206,319,574)
3.1.2- Provision for Dividend (Provision for Policies with Investment Risk Policyholders)		-	850,370
3.2- Reinsurer's Share of Life Mathematical Reserves (+)	10, 17.15	(4,538,556)	(18,410,615)
3.2.1- Reinsurer's Share of Actuarial Mathematical Reserves (+)	10, 17.15	(4,538,556)	(18,410,615)
3.2.2- Reinsurance Share of Profit Share Reserve (Provision for Policies with Investment Risk Policyholders) (+)		-	-
4- Change in Other Technical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	5,17.15,47.4	(48,462,629)	(7,814,139)
5- Operating Expenses (-)	31	(3,644,064,658)	(1,712,952,174)
6- Investment Expenses (-)	5,36	(698,220,115)	(186,877,557)
7- Unrealized Investment Expense (-)		-	-
8- Investment Income Transferred to Non-Life Technical Part (-)	5, 26	-	2,194,206
F- Technical Part Balance - Life (D – E)		1,759,913,025	806,854,266
G- Pension Funds Technical Income	25	3,792,339,837	1,890,273,740
1- Fund Management Income	25	2,623,349,106	1,434,808,882
2- Management Expense Charge	25	939,982,978	392,389,015
3- Entrance Fee Income	25	229,007,432	63,072,837
4- Management Expense Charge in case of Suspension	25	321	3,006
5- Special Service Expense Charge		-	-
6- Capital Allowance Value Increase Income		-	-
7- Other Technical Income		-	-
H- Pension Funds Technical Expense		(5,129,624,919)	(2,982,944,773)
1- Fund Management Expense (-)		(371,550,428)	(217,814,133)
2- Capital Allowance Value Decrease Expense (-)		-	-
3- Operating Expenses (-)	31	(4,474,128,674)	(2,613,679,342)
4- Other Technical Expenses (-)		(262,995,000)	(126,773,385)
5- Penalty Payments (-)		(20,950,817)	(24,677,913)
I- Technical Part Balance - Pension Funds (G – H)		(1,337,285,082)	(1,092,671,033)

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Income Statements
for the Period 1 January - 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

	Notes	Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
II- NON-TECHNICAL PART			
C- Technical Part Balance - Non-Life (A-B)		28,847,364	20,841,710
F- Technical Part Balance - Life (D-E)		1,759,913,025	806,854,266
I - Technical Part Balance - Pension Fund (G-H)		(1,337,285,082)	(1,092,671,033)
J- General Technical Part Balance (C+F+I)		451,475,307	(264,975,057)
K- Investment Income		3,677,627,457	2,420,919,959
1- Income from Financial Investments	26	2,491,550,434	1,078,545,868
2- Profit from Liquidation of Financial Investments	26	11,219,873	178,298,693
3- Valuation of Financial Investments	27	765,132,033	300,262,023
4- Foreign Exchange Gains	36	407,571,526	830,208,195
5- Income from Associates		-	-
6- Income from Subsidiaries and Joint Ventures	26	2,149,991	35,000,000
7- Income from Land and Buildings		-	-
8- Income from Derivatives	13, 26,36	3,600	799,386
9- Other Investments		-	-
10- Investment Income Transferred from Life Technical Part	5,26	-	(2,194,206)
L- Investment Expenses (-)		(351,039,415)	(299,895,696)
1- Investment Management Expenses – Interest Included (-)		(71,487,411)	(11,707,454)
2- Diminution in Value of Investments (-)		-	-
3- Losses as a Result of the Conversion of Investments into Cash (-)		(3,822,778)	(30,783,622)
4- Investment Income Transferred to Non-Life Technical Part (-)		-	-
5- Loss from Derivatives (-)	13,26,36	(10,119,130)	(12,581,150)
6- Foreign Exchange Losses (-)	36	(35,833,043)	(107,516,199)
7- Depreciation Expenses (-)	6.1	(229,692,161)	(136,860,651)
8- Other Investment Expenses (-)	8	(84,892)	(446,620)
M- Income and Expenses from Other Operations and Extraordinary Operations (+/-)		169,785,325	106,958,890
1- Provisions Account (+/-)		(11,303,872)	1,774,122
2- Rediscount Account (+/-)		-	-
3- Special Insurance Account (+/-)		-	-
4- Inflation Adjustment Account (+/-)		-	-
5- Deferred Tax Assets Account (+/-)	35,47.4	209,291,504	141,657,218
6- Deferred Tax Liabilities Expenses (-)		-	-
7- Other Income and Profit	47.1	165,874,602	108,840,546
8- Other Expense and Losses (-)	47.1	(223,905,447)	(133,392,869)
9- Prior Year's Income and Profit	47.3	37,605,516	13,605,326
10- Prior Year's Expense and Losses (-)	47.3	(7,776,978)	(25,525,453)
N- Net Profit or Loss for the Period		2,754,603,624	1,373,709,052
1- Profit and Loss for the Period		3,947,848,674	1,963,008,096
2- Period Profit Tax and Other Legal Liability Provisions (-)	35,47.4	(1,193,245,050)	(589,299,044)
3- Net Profit and Loss for the Period		2,754,603,624	1,373,709,052
4- Inflation Adjustment Account		-	-

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Detailed Statement of Cash Flows
for the Period 1 January - 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

	Notes	Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
A. Cash flows from operating activities		-	-
1. Cash inflows from insurance operations		14,237,332,224	7,467,612,206
2. Cash inflows from reinsurance operations		-	-
3. Cash inflows from pension fund operations		63,414,908,438	33,306,916,109
4. Cash outflows from insurance operations (-)		(5,410,846,428)	(2,935,815,195)
5. Cash outflows from reinsurance operations (-)		-	-
6. Cash outflows from pension fund operations (-)		(58,718,461,816)	(30,803,480,064)
7. Cash generated from operating activities (A1+A2+A3-A4-A5-A6)		13,522,932,418	7,035,233,056
8. Interest payments (-)		-	-
9. Income tax payments (-)		(941,821,626)	(451,025,771)
10. Other cash inflows		230,033,052	47,861,958
11. Other cash outflows (-)		(5,633,192,400)	(2,733,519,495)
12. Net cash from operating activities		7,177,951,444	3,898,549,748
B. Cash flows from investing activities		-	-
1. Sales of tangible assets		3,783,610	189,371
2. Tangible assets acquisition (-)	6.3.1	(650,305,880)	(380,012,141)
3. Financial assets acquisition (-)	11.4	(12,608,371,929)	(9,762,251,629)
4. Sale of financial assets		7,488,263,264	5,929,982,730
5. Interests received		2,606,636,917	1,305,593,752
6. Dividends received		-	35,000,000
7. Other cash inflows		-	-
8. Other cash outflows (-)	9	(786,250,000)	-
9. Net cash from investing activities		(3,946,244,018)	(2,871,497,917)
C. Cash flows (used in) from financing activities		-	-
1. Issue of shares		-	-
2. Cash inflows due to the borrowings		-	-
3. Financial lease debt payments (-)	20	(99,941,078)	(12,094,488)
4. Dividends paid (-)		(281,809,142)	(141,112,764)
5. Other cash inflows		-	-
6. Other cash outflows (-)		(55,438,522)	(44,783,416)
7. Net cash from financing activities		(437,188,742)	(197,990,668)
D. Effect of exchange differences on cash and cash equivalents		(2,643,175)	43,166,561
E. Net increase in cash and cash equivalents (A12+B9+C7+D)		2,791,875,509	872,227,724
F. Cash and cash equivalents at the beginning of the period	2.12	1,949,761,321	1,077,533,597
G. Cash and cash equivalents at the end of the period (E+F)	2.12	4,741,636,830	1,949,761,321

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Statements of Changes in Equity
for the Period 1 January - 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

Audited												
1 January-31 December 2024												
	Capital	Own shares of the Company (-)	Increase (decrease) in value of assets	Inflation adjustment to shareholders' equity	Foreign currency translation differences	Legal reserves	Statutory reserves	Other reserves and undistributed profits	Net profit (or loss) for the period	Retained earnings / (losses) (-)	Total	
I- Balance at the end of the prior period (01/01/2024)	180,000,000	(44,783,416)	55,579,038	-	-	109,239,901	11,494	1,277,297,427	1,373,709,052	-	2,951,053,496	
A- Capital increase (A1+A2)	-	-	-	-	-	-	-	-	-	-	-	
I- Cash	-	-	-	-	-	-	-	-	-	-	-	
2- From internal sources	-	-	-	-	-	-	-	-	-	-	-	
B- Own shares of the Company	-	(55,438,522)	-	-	-	-	-	-	-	-	-	
C- Gain and losses not included in the statement of income	-	-	-	-	-	-	-	(29,976,144)	-	-	(55,438,522)	
D- Increase/decrease in value of assets	-	-	19,669,091	-	-	-	-	-	-	-	(29,976,144)	
E- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	19,669,091	
F- Other gains and losses	-	-	-	-	-	-	-	-	-	-	-	
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-	
H- Net profit (or loss) for the period	-	-	-	-	-	-	-	-	2,754,603,624	-	2,754,603,624	
I- Dividends distributed	-	-	-	-	-	-	-	-	(300,000,000)	-	(300,000,000)	
J- Transfers	-	-	-	-	-	29,100,000	-	1,044,609,052	(1,073,709,052)	-	-	
II- Balance at the end of the period (31/12/2024) (I+A+B+C+D+E+F+G+H+I+J)	180,000,000	(100,221,938)	75,248,129	-	-	138,339,901	11,494	2,291,930,335	2,754,603,624	-	5,339,911,545	

Audited												
1 January-31 December 2023												
	Capital	Own shares of the Company (-)	Increase (decrease) in value of assets	Inflation adjustment to shareholders' equity	Foreign currency translation differences	Legal reserves	Statutory reserves	Other reserves and undistributed profits	Net profit (or loss) for the period	Retained earnings / (losses) (-)	Total	
I- Balance at the end of the prior period (01/01/2023)	180,000,000	-	(12,366,535)	-	-	95,139,901	11,494	594,011,931	834,036,068	-	1,690,832,859	
A- Capital increase (A1+A2)	-	-	-	-	-	-	-	-	-	-	-	
I- Cash	-	-	-	-	-	-	-	-	-	-	-	
2- From internal sources	-	-	-	-	-	-	-	-	-	-	-	
B- Own shares of the Company	-	(44,783,416)	-	-	-	-	-	-	-	-	(44,783,416)	
C- Gain and losses not included in the statement of income	-	-	-	-	-	-	-	-	-	-	-	
D- Increase/decrease in value of assets	-	-	67,945,573	-	-	-	-	13,349,428	-	-	13,349,428	
E- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	67,945,573	
F- Other gains and losses	-	-	-	-	-	-	-	-	-	-	-	
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-	
H- Net profit (or loss) for the period	-	-	-	-	-	-	-	-	1,373,709,052	-	1,373,709,052	
I- Dividends distributed	-	-	-	-	-	-	-	-	(150,000,000)	-	(150,000,000)	
J- Transfers	-	-	-	-	-	14,100,000	-	669,936,068	(684,036,068)	-	-	
II- Balance at the end of the period (31/12/2023) (I+A+B+C+D+E+F+G+H+I+J)	180,000,000	(44,783,416)	55,579,038	-	-	109,239,901	11,494	1,277,297,427	1,373,709,052	-	2,951,053,496	

Detailed explanations on shareholders' equity are disclosed in Note 15.

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Unconsolidated Statements of Profit Distribution
for the Period 1 January - 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

	Notes	Current period 1 January – 31 December 2024	Prior period 1 January – 31 December 2023
I. Distribution of profit for the period			
1.1. Profit (loss) for the period		4,106,098,372	2,047,861,003
1.2. Taxes and legal liabilities payable		(1,234,752,630)	(623,257,503)
1.2.1. Corporate tax (Income tax)		(1,234,752,630)	(623,257,503)
1.2.2. Income tax deduction		-	-
1.2.3. Other tax and legal liabilities (deferred tax)		-	-
A. Net profit (loss) for the period (1.1 – 1.2)		2,871,345,742	1,424,603,500
1.3. Prior periods' loss (-)		(40,761,641)	-
1.4. First legal reserves		-	-
1.5. Mandatory legal funds to save with the Company (-)		-	-
B. Distributable net profit for the period [(A - (1.3 + 1.4 + 1.5)) (*)		2,830,584,101	1,424,603,500
1.6. First dividend for the period (-)		-	9,000,000
1.6.1. To owners of ordinary shares		-	9,000,000
1.6.2. To owners of preferred shares		-	-
1.6.3. To owners of participating usufruct certificates		-	-
1.6.4. To owners of profit-sharing bonds		-	-
1.6.5. To owners of the profit or loss sharing certificates		-	-
1.7. Dividend to personnel (-)		-	-
1.8. Dividend to founders (-)		-	-
1.9. Dividend to the Board of Directors (-)		-	-
1.10. Second dividend to shareholders (-)		-	291,000,000
1.10.1. To owners of ordinary shares		-	291,000,000
1.10.2. To owners of preferred shares		-	-
1.10.3. To owners of participating usufruct certificates		-	-
1.10.4. To owners of profit-sharing bonds		-	-
1.10.5. To owners of the profit or loss sharing certificates		-	-
1.11. Second legal reserve (-)		-	29,100,000
1.12. Statutory reserves (-)		-	-
1.13. Extraordinary reserves		-	1,095,503,500
1.14. Other reserves		-	-
1.15. Special funds		-	-
II. Distribution of reserves		-	-
2.1. Distributed reserves		-	-
2.2. Second legal reserves (-)		-	-
2.3. Share to shareholders (-)		-	-
2.3.1. To owners of ordinary shares		-	-
2.3.2. To owners of preferred shares		-	-
2.3.3. To owners of participating usufruct certificates		-	-
2.3.4. To owners of profit-sharing bonds		-	-
2.3.5. To owners of the profit or loss sharing certificates		-	-
2.4. Share to personnel (-)		-	-
2.5. Share to Board of Directors (-)		-	-
III. Earnings per share		-	0.079145
3.1. To owners of shares		-	0.079145
3.2. To owners of shares (%)		-	7.91446
3.3. To owners of preferred shares		-	-
3.4. To owners of preferred shares (%)		-	-
IV. Dividend per share		-	0.016667
4.1. To owners of shares		-	0.016667
4.2. To owners of shares (%)		-	1.666667
4.3. To owners of preferred shares		-	-
4.4. To owners of preferred shares (%)		-	-

Pursuant to Article 13 of the Dividend Communiqué published in the Official Gazette dated 23 January 2014 and published in the Capital Markets Board's Weekly Bulletin numbered 2014/2, dividend distribution was made on the basis of the consolidated profit figure.

(*)As the Ordinary General Assembly Meeting of the Company has not yet been held as of the date of these financial statements, only the distributable profit amount is stated in the profit distribution table for 2024.

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

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1. GENERAL INFORMATION

1.1 Parents and the ultimate owners:

The main shareholders of AgeSA Emeklilik ve Hayat Anonim Şirketi (‘Company’), each with its 40% share in the partnership, are Ageas Insurance International NV and Hacı Ömer Sabancı Holding. Ageas and Hacı Ömer Sabancı Holding Anonim Şirketi are the ultimate controllers of the Company. The Company operates as a joint venture. As of 31 December 2024, 19.91% of the Company’s share have been listed on the Borsa İstanbul (“BIST”).

1.2 The Company’s address and legal structure, address of its registered country and registered office:

The Company is located at İçerenköy Mah. Umut Sok. Quick Tower Sitesi N 10-12/9 Ataşehir - İstanbul.

Other contact information of the Company are as follows:

Phone : (216) 633 33 33
Fax : (216) 634 35 69
Web : www.agesahayatemeklilik.com.tr
E-mail address : agesa@agesa.hs03.kep.tr

AgeSA Hayat ve Emeklilik Anonim Şirketi, was established on 31 October 2007 by the merger of Ak Emeklilik Anonim Şirketi (‘Ak Emeklilik’) with Aviva Hayat ve Emeklilik Anonim Şirketi (Aviva Emeklilik).

Aksigorta Anonim şirketi transferred shares of Avivasa Emeklilik ve Hayat AŞ, which it owns, within the context of Clause "b" of the 3rd clause of the 19th article of the Corporate Tax Law No. 5520 and “Common Communiqué on Arranging the Procedures and Principles of Partial Division of Joint Stock and Limited Companies” published in the Official Gazette dated 16 September 2003 and numbered 25230. The relevant transaction was registered and announced on 12 January 2010 and published in the Turkish Trade Registry Gazette dated 18 January 2010 and numbered 7481.

19.67% of the Company’s share started being traded on Borsa İstanbul A.Ş. on 13 November 2014. With the price stabilization transactions realized after the IPO, the Company’s main shareholders’ share in the partnership were to 41.28% each.

Hacı Ömer Sabancı Holding A.Ş. sold its AgeSA Hayat ve Emeklilik A.Ş. shares with the nominal value of TL 458,956 in BIST on 5 August 2015 and after this sale its share in AgeSA Emeklilik ve Hayat A.Ş. decreased to 40%.

Aviva International Holdings Ltd. sold its AgeSA Hayat ve Emeklilik A.Ş. shares with the nominal value of TL 458,956 in BIST on 5 August 2015 and after this sale, its share in AgeSA Emeklilik ve Hayat A.Ş. decreased to 40%.

A Share Purchase Agreement was signed between Ageas Group and Aviva Group on 23 February 2021. Accordingly, it has been agreed to take over all of Aviva's shares with a nominal value of TL 72,000,006, representing 40% of the capital of AgeSA, by Ageas. Ageas Insurance International NV (Ageas) and Aviva International Holdings Ltd. (Aviva), the closing conditions determined in the Share Purchase Agreement dated 23 February 2021 have been fulfilled, and all of Aviva's shares representing 40% of the Company's capital were taken over by Ageas as of 5 May 2021.

Article 2 of the Company's Articles of Association, titled “Company Title”, was discussed at the Extraordinary General Assembly meeting on 1 July 2021 and amended, and the new title is "Agesa Hayat ve Emeklilik A.Ş." was registered with the Trade Registry on 8 July 2021.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1 GENERAL INFORMATION (cont’d)

1.3 Main operations of the Company

AgeSA Hayat ve Emeklilik Anonim Şirketi (the Company) is engaged in private pension and insurance activities in life and personal accident operations.

Ak Emeklilik received an operating license from the Republic of Türkiye Ministry of Treasury and Finance to operate in the pension branch on 7 July 2003. Private pension funds were registered by Capital Markets Board (‘CMB’) on 26 September 2003. As of 27 October 2003, also started to offer pension products.

Aviva Hayat ve Emeklilik Anonim Şirketi received an operating license from Republic of Türkiye Ministry of Treasury and Finance to operate in the pension branch on 26 August 2003. Private pension funds were recorded by Capital Markets Board (CMB) on 27 October 2003. Company’s private pension plans have been approved on 12 December 2003 and pension products started to be offered on 15 December 2003.

As of the balance sheet date, the Company sells pension products through 39 (31 December 2023: 40) private pension investment funds. Pension Funds established by the Company are as follows:

Name of Pension Investment Fund	Establishment Date	Initial value per certificate (TL)
AgeSA Hayat ve Emeklilik A.Ş. Karma Emeklilik Yatırım Fonu	21 October 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Agresif Değişken Emeklilik Yatırım Fonu	21 October 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Dış Borçlanma Araçları Emeklilik Yatırım Fonu	21 October 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Orta Vadeli Borçlanma Araçları Emeklilik Yatırım Fonu	21 October 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. İkinci Para Piyasası Emeklilik Yatırım Fonu	21 October 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. İkinci Değişken Emeklilik Yatırım Fonu	21 October 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Kamu Dış Borçlanma Araç. (Abd Doları 5-15 Yıl Vadeli) Emek. Yat. Fonu	8 November 2005	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Bist Temettü 25 Endeksi Emeklilik Yatırım Fonu	28 December 2006	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Birinci Para Piyasası Emeklilik Yatırım Fonu	20 August 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Emeklilik Yatırım Fonu	20 August 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Dinamik Değişken Emeklilik Yatırım Fonu	20 August 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Birinci Değişken Emeklilik Yatırım Fonu	20 August 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Emeklilik Yatırım Fonu	20 August 2003	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Grup Emeklilik Yatırım Fonu	5 January 2005	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Muhafazakar Değişken Emeklilik Yatırım Fonu	5 January 2005	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Grup Emeklilik Yatırım Fonu	5 January 2005	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Karma Grup Emeklilik Yatırım Fonu	17 August 2010	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Dengeli Değişken Emeklilik Yatırım Fonu	20 December 2011	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Katkı Emeklilik Yatırım Fonu	2 May 2013	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Standart Emeklilik Yatırım Fonu	2 May 2013	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Teknoloji Sektörü Yabancı Değişken Emeklilik Yatırım Fonu	10 May 2013	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Özel Sektör Borçlanma Araçları Emeklilik Yatırım Fonu	25 October 2013	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Emeklilik Yatırım Fonu	12 January 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Katılım Emeklilik Yatırım Fonu	12 January 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Katılım Standart Emeklilik Yatırım Fonu	26 May 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Katılım Değişken Emeklilik Yatırım Fonu	25 December 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Katılım Değişken Emeklilik Yatırım Fonu	25 December 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Muhafazakar Değişken Emeklilik Yatırım Fonu	25 December 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Dengeli Değişken Emeklilik Yatırım Fonu	25 December 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Değişken Emeklilik Yatırım Fonu	25 December 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Değişken Emeklilik Yatırım Fonu	25 December 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Katılım Katkı Emeklilik Yatırım Fonu	26 May 2017	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Standart Emeklilik Yatırım Fonu	2 January 2018	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Katılım Standart Emeklilik Yatırım Fonu	2 January 2018	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Birinci Fon Sepeti Emeklilik Yatırım Fonu	2 February 2021	0.010000
AgeSA Hayat ve Emeklilik A.Ş. İkinci Fon Sepeti Emeklilik Yatırım Fonu	2 February 2021	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Üçüncü Fon Sepeti Emeklilik Yatırım Fonu	2 February 2021	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Sürdürülebilirlik Hisse Senedi Emeklilik Yatırım Fonu	1 March 2022	0.010000
AgeSA Hayat ve Emeklilik A.Ş. Altın Katılım Emeklilik Yatırım Fonu	15 September 2022	0.010000

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1 GENERAL INFORMATION (cont’d)

1.3 Main operations of the Company (cont’d)

With the Board of Directors Decision dated 26 April 2024, it was decided to merge AgeSA Hayat ve Emeklilik Altın Emeklilik Yatırım Fonu (AEL EYF) into AgeSA Hayat ve Emeklilik Altın Katılım Emeklilik Yatırım Fonu (GEV EYF). CMB application was made in 2024 and the related fund was transferred to AgeSA Hayat ve Emeklilik A.Ş. Gold Participation Pension Fund.

With the Board of Directors Decision dated 17 September 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Agriculture and Food Sector Variable Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 17 September 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Technology Companies Equity Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 17 September 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Sabancı Group Companies Index Equity Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 16 October 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Gold Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 16 October 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Real Estate Sector Fund Basket Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 16 October 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Precious Metals (Gold+Silver) Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 16 October 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Energy Sector Variable Pension Mutual Fund and the establishment works are process. In the first quarter of 2025, the public offering of the funds will begin.

1.4 Details of the operations and nature of field of activities: Disclosed in note 1.3.

1.5 Average number of the Company’s personnel based on their categories:

	1 January - 31 December 2024	1 January - 31 December 2023
Key management personnel	271	245
Other personnel	1,716	824
Total	1,987	1,069

1.6 Remuneration and fringe benefits provided to top management such as; chairman and members of the board of directors, managing director and assistant managing director in total amount: 1 January - 31 December 2024: TL 90,673,182 (1 January - 31 December 2023: TL 51,627,310).

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1 GENERAL INFORMATION (cont'd)

1.7 Distribution keys used in the distribution of investment income and operating expenses in the financial statements (personnel expenses, administration expenses, research and development expenses, marketing and selling expenses, outsourced benefits and services and other operating expenses): Procedures and principles related to keys used in the financial statements of the companies are determined in accordance with the 4 January 2008 dated and 2008/1 numbered ‘Communiqué Related to the Procedures and Principles for the Keys Used in the Financial Statements Being Prepared In Accordance With Insurance Accounting Plan’ issued by the Ministry of Treasury and Finance. In accordance with the above-mentioned Communiqué, known and exactly distinguishable operating expenses are directly recorded under life, nonlife or individual pension segments. Other non-distinguishable expenses, which are not exactly distinguished, are distributed between insurance segments and individual pension segment in accordance with the number of policies and contracts at the end of last 3 years and arithmetic average of contribution premium and earned premium within the last 3 years in accordance with the 9 August 2010 dated and 2010/9 numbered ‘Amendments Communiqué Related to the Procedures and Principles for the Keys Used in the Financial Statements Being Prepared In Accordance With Insurance Accounting Plan’ issued by the Turkish Treasury. Expenses allocated to the insurance segment are allocated to the life and non-life segments according to the average of the three ratios calculated by the ratio of the number of policies issued, gross written premiums and number of claim notifications to the total number of policies issued, gross written premiums and number of claim notifications for each segment in the last three years.

1.8 Whether financial statements include only one firm or group of firms: The financial statements include the unconsolidated financial information of the Company and, as explained in Note 2.2, the unconsolidated financial statements of the Company and its subsidiary have been prepared separately.

1.9 Name and other identification information of the reporting firm and changes in this information since the previous balance sheet date: The Company’s name and other identification information are given in 1.1, 1.2 and 1.3 notes. There is no change in the aforementioned information subsequent to the prior balance sheet date.

1.10 Subsequent events: Financial statements prepared as of 31 December 2024 of the Company was approved by the Board of Directors on 14 February 2025.

On 22 January 2025, the Company has decided to increase the capital of its 100% subsidiary Medisa Sigorta A.Ş. (“Medisa”) by TL 650,000,000 with a nominal value of TL 650,000,000 at TL 1 per share. As a result of the capital increase to be realised after the permissions to be obtained from the relevant authorities, the capital of Medisa will reach to TL 1,150,000,000,000.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

2.1.1 Basis of preparation of financial statements and specific accounting policies used:

In accordance with Article 136 (5) in Section VIII of the Capital Markets Law, insurance companies have to comply with their own specific laws and regulations in matters of establishment, supervision, accounting and independent audit standards. Therefore, The Company prepares its financial statements in Turkish Lira (TL) according to the Insurance Chart of Accounts within the scope of ‘Communiqué on Insurance Chart of Accounts and Prospectus’ (Communiqué on Chart of Accounts) of the Undersecretariat of Treasury published in the Official Gazette no 25686 dated 30 December 2004 and entered into force on 1 January 2005.

Pursuant to the announcement of the Ministry of Treasury and Finance dated 2 May 2008 and numbered 2008/20, the Company, prepares its financial statements in accordance with the principles stipulated by the Turkish Ministry of Treasury and Finance for insurance and reinsurance companies and the Insurance Law No. 5684 (“Insurance Law”) published in the Official Gazette No. 26552 dated 14 June 2007, the Individual Pension Savings and Investment System Law No. 4632 dated 28 March 2001 (“Individual Pension Law”) and the regulations issued by the Insurance and Private Pension Regulation and Supervision Agency (“IPRSA”) established by the Presidential Decree dated 18 October 2019. Prior to the establishment of IPRSA and the commencement of its regulatory activities in the insurance sector, insurance legislation was issued by the Ministry of Treasury and Finance of the Republic of Türkiye (“Ministry of Treasury and Finance”).

Public Oversight, Accounting and Auditing Standards Authority (“POA”) published the “Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves” (“Communiqué on Technical Reserves”), which was published in the Official Gazette dated 7 August 2007 and numbered 26606 and became effective as of 1 January 2008, and subsequently issued a number of circulars and sector announcements containing explanations and regulations in relation to this communiqué. The accounting policies applied in relation to these regulations, circulars and sector announcements are summarized in the following sections, each under its own heading.

The Company presents its financial statements in compliance with the ‘Communiqué on the Presentation of the Financial Statements’ published in the Official Gazette no 26851 dated 18 April 2008 by Undersecretariat of Treasury, arranged within the scope of the Insurance Law of and ‘Regulation on Financial Reporting of the Insurance and Reinsurance Companies and Individual Retirement Companies’ (Regulation on Financial Reporting) published in the Official Gazette no 26582 dated 14 July 2007 and entered into force on 1 January 2008.

2.1.2 Other accounting policies that are appropriate for the understanding of the financial statements:

In preparing the financial statements, except for the regulations referred to in 2.1.1, Türkiye Financial Reporting Standards which was enacted by POA, with additional related thereto and reviews ("TFRS") has been taken into account.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1 Basis of Preparation (cont’d)

2.1.2 Other accounting policies that are appropriate for the understanding of the financial statements (cont’d):

However, with the announcement dated 23 November 2023 published by the Public Oversight Authority, the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies Standard (TAS 29), however, the institutions or organizations authorized to regulate and supervise in their fields may determine different transition dates for the application of the provisions of TAS 29. In accordance with the circular numbered 2024/32 dated 6 December 2024, Insurance and Private Pension Regulation and Supervision Agency decided not to apply inflation accounting by insurance, reinsurance and pension companies in 2025. In this framework, no inflation adjustment has been made in accordance with TAS 29 while preparing the financial statements dated 31 December 2024.

2.1.3 Functional and presentation currency:

The Company's functional and reporting currency is Turkish Lira (TL).

2.1.4 Rounding level of the amounts presented in the financial statements:

Unless otherwise stated in the financial statements and related notes, all amounts are expressed in TL and integers.

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

The financial statements have been prepared on the historical cost basis, except for current financial assets that are shown at fair value.

2.1.6 Accounting policies, changes in accounting estimates and errors:

The Company prepares its financial statements on the basis of the accounting policies stated in Note 2.1.1.

Explanations on the effects of the new TAS/IFRS on financial statements:

a. Amendments that are mandatorily effective from 2024:

The Company has evaluated the effects of the standards and amendments mentioned below on the financial statements and has come to the opinion that the amendments do not have a significant effect on the financial statements for the accounting period of 1 January – 31 December 2024, other than the effects of IFRS 17 standard. The analysis and evaluation of the effects of the IFRS 17 standard continues.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1 Basis of Preparation (cont’d)

2.1.6 Accounting policies, changes in accounting estimates and errors (cont’d):

a. Amendments that are mandatorily effective from 2024 (cont’d):

Amendments to TAS 1	Classification of Liabilities as Current or Non-Current
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to TAS 1	Non-current Liabilities with Covenants
Amendments to TAS 7 and IFRS 7	Supplier Finance Arrangements
TSRS 1	General Requirements for Disclosure of Sustainability-related Financial Information
TSRS 2	Climate-related Disclosures

Amendments to TAS 1 Classification of Liabilities as Current or Non-Current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

Amendments to IFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

Amendments to TAS 1 Non-current Liabilities with Covenants

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendments to TAS 7 and IFRS 7 Supplier Finance Arrangements

The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and the Board Decision dated 16 December 2024 amending this announcement. Other entities may voluntarily report in accordance with TSRS.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.6 Accounting policies, changes in accounting estimates and errors (cont'd):

a. Amendments that are mandatorily effective from 2024 (cont'd):

TSRS 2 Climate-related Disclosures

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and the Board Decision dated 16 December 2024 amending this announcement. Other entities may voluntarily report in accordance with TSRS.

b. New and revised TFRSs in issue but not yet effective:

The Company has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information</i>
Amendments to TAS 21	<i>Lack of Exchangeability</i>

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2026.

Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 – Comparative Information

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 17.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Basis of Preparation (cont'd)

2.1.6 Accounting policies, changes in accounting estimates and errors (cont'd):

b. New and revised TFRSs in issue but not yet effective (cont'd):

Amendments to TAS 21 Lack of Exchangeability

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Company evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

2.2 Consolidation

In accordance with the “Communiqué on the Preparation of Consolidated Financial Statements of Insurance, Reinsurance and Pension Companies” (“Consolidation Communiqué”) published by the Undersecretariat of Treasury in the Official Gazette dated 31 December 2008 and numbered 27097, insurance, reinsurance and pension companies are required to prepare consolidated financial statements as of 31 March 2009. In this context, consolidated financial statements are prepared and published separately from the unconsolidated financial statements in accordance with the relevant regulations of the Ministry of Treasury and Finance. Ministry of Treasury and Finance's “Sector Announcement on Reflection of Insurance, Reinsurance and Pension Companies' Investments in Subsidiaries, Jointly Controlled Entities and Associates in their Separate Financial Statements” dated 12 August 2008 and numbered 2008/37, it is possible to account for investments in subsidiaries, jointly controlled entities and associates in accordance with the cost method specified in TAS 27 - Consolidated and Separate Financial Statements or TAS 39 - Recognition and Measurement of Financial Instruments.

In accordance with the aforementioned announcements, the Company has accounted for its subsidiary in the unconsolidated financial statements as at the reporting date by allocating the provision for impairment, if any.

2.3 Segment reporting

Segment reporting is based on the main operations of the Company. Since Türkiye is the main geographical area that the Company operates, segment reporting on a geographical basis has not been presented. While presenting the segmental information for the income statement operations were divided into segments in accordance with the factors affecting the decisions of the chief decision makers. Details related to the segment reporting are disclosed in the Note 5.

2.4 Foreign currency translation

The functional currency of the Company is Turkish Lira. When the Company first recognizes a foreign currency transaction, it records the foreign currency amount in its functional currency by applying the exchange rate at the date of the transaction. Exchange differences arising from the payment of monetary items or their translation at rates different from those at which they were translated during initial recognition during the period or in previous financial statements as of the balance sheet date, are recognized in the profit or loss accounts in the period in which they occur.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.4 Foreign currency translation (cont’d)

Assets denominated in foreign currencies are valued at the foreign exchange buying rate announced by the CBRT as of the end of the reporting period and monetary liabilities denominated in foreign currencies are valued at the foreign exchange selling rate announced by the CBRT as of the end of the reporting period. In the valuation of liabilities, if an exchange rate is determined on the contract, the exchange rates written in the contract are taken into consideration first. Unit based policies are valued at the CBRT foreign exchange buying rate, while profit sharing policies are valued at the CBRT effective selling rate.

The exchange rates used at the end of the period are as follows:

31 December 2024	TL / USD	TL / EUR	TL / GBP
Currency exchange rate (buying)	35.2803	36.7362	44.2073
Currency exchange rate (selling)	35.3438	36.8024	44.4378
Effective sales rate	35.3969	36.8576	44.5044
31 December 2023	TL / USD	TL / EUR	TL / GBP
Currency exchange rate (buying)	29.4382	32.5739	37.4417
Currency exchange rate (selling)	29.4913	32.6326	37.6369
Effective sales rate	29.5355	32.6815	37.6934

2.5 Tangible assets

Tangible assets regulated according to TAS 16, “Property, Plant and Equipment”. All tangible fixed assets are initially recorded at cost. Tangible fixed assets are shown with their net values after deducting accumulated depreciation from cost value and provision for impairment, if any.

Gains/(losses) arising from the disposal of the tangible assets are calculated as the difference between the net carrying value and the proceeds from the disposal of related tangible assets and reflected the statement of income of the related period.

Maintenance and repair cost incurred in the ordinary course of the business are recorded as an expense. There are no pledges, mortgages and other encumbrances on tangible fixed assets. Depreciation for the tangible assets is calculated in accordance with straight-line and pro rata depreciation method at their historical costs. Depreciation rates and estimated useful lives are as follows:

Furniture and fixture	2-15 years
Machinery and equipment	4 years
Other tangible assets	4-5 years
Motor vehicles	5 years
Leasehold improvements	5 years, lease period

As of the each reporting date, it is assessed whether there is any indication that the assets are impaired. In case there is such an indication, then the recoverable amount of the relevant asset is estimated. When the value of the assets exceeds the recoverable amount, then the impairment expense is recognized in the income statement. Recoverable amount is the higher of the net sales price of the asset and the value in use.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.5 Tangible assets (cont’d)

The Company evaluates at the beginning of a contract whether the contract is of lease nature or not. If the contract delegates the right to control the use of the asset defined for a price for a certain period of time, this contract is of lease nature or includes a lease. Based on this lease, the Company reflects a right of use and a lease liability in its financial statements at the date of the lease actually starting.

Right-of-use assets

The right-of-use is first accounted for using the cost method, and accumulated depreciation and accumulated impairment losses are deducted and measured at the cost adjusted for reassessment of the lease liability. The Company applies depreciation provisions in accordance with TAS 16, “Property, Plant and Equipment” standards while depreciating its asset.

Lease liabilities

At the commencement date of the lease, the Company measures the lease liability at the present value of the lease payments that were not incurred at that date. Lease payments, if the implied interest rate in the lease can be easily determined, by using this rate; If the implied interest rate cannot be easily determined, it is discounted using the lessee's alternative borrowing interest rate.

As of 31 December 2024, the alternative borrowing rates used by the Company for Turkish Lira leases are 45.76% per annum for lease (31 December 2023: 20.07%). As of 31 December 2024, the Company has no foreign currency lease obligations.

Lease agreements related to equipment leases (mainly printer, laptop, mobile phone, etc.), which are determined by the Company as low value, with short-term lease agreements with a duration of 12 months and less, have been evaluated within the scope of the exemption granted by the standard and payments for these contracts are recorded as expense in the period in which they are incurred.

2.6 Investment properties

The Company does not have any investment property (31 December 2023: None).

2.7 Intangible assets

Intangible assets are restated at cost in compliance with TAS 38, “Accounting for intangible assets”.

Intangible fixed assets are recognized over their cost values initially. In order for intangible assets to be capitalized, the future economic benefits of the asset must be identifiable and the cost of the asset must be reliably measurable.

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The carrying amounts of intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Intangible assets (cont'd)

Intangible assets consist of software programs and development costs that are depreciated over the estimated economic useful life of the related asset according to the straight-line depreciation method. The costs associated with developing and maintaining computer software are recorded in the income statement in the period they occurred. Expenditures that are in the possession of the Company, which can be directly attributed to detectable and proprietary software products and which will provide economic benefits over cost over a period of one year are considered as intangible assets. Costs include some of the costs of employees who develop the software. Computer software development costs, which are considered to be fixed assets that are amortized over their useful lives (maximum 5 years).

2.8 Financial assets

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise: Financial assets:

- Cash,
- A contractual right to receive cash or another financial asset from another enterprise,
- A contractual right to exchange financial instruments from another enterprise under conditions that are potentially favorable or
- An equity instrument of another enterprise.

A financial asset or liability is calculated over the transaction costs which is the fair value given first (for a financial asset) and acquired (for a financial liability), and if any, by the addition of the transaction expenses. Following the initial recognition, financial assets are valued without deduction of the transaction costs to occur in case of a sale over fair value. Fair value describes the price for the purchase-sale of a financial instrument between the applicant parties in a current transaction, except for the obligatory sale and liquidation. Quoted market price, if any, is the value which best reflects the fair value of a financial instrument. Estimated fair values of the financial instruments are determined by the Company by using the available market information and appropriate valuation methods.

The Company recognizes a financial asset or financial liability in its balance sheet when and only when it becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset or a portion of financial asset when and only when it loses control of the contractual rights that comprise the financial asset or a portion of the financial asset. The Company derecognizes a financial liability when liability is extinguished that is when the obligation specified in the contract is discharged, cancelled and expired. All the usual financial asset purchase and sales are recognized on the date of transaction, in other words, on the date on which the Company undertakes to purchase or sell the financial asset. The mentioned purchases or sales are generally the purchases and sales that require the delivery of the financial asset within the period of time determined by the practices and arrangements in the market.

Current financial assets

The Company classifies its current financial assets as available for sale financial assets, financial assets designated at fair value through profit or loss (held for trading), financial assets with risks on saving life policyholders, and receivables from main operations.

a) Available-for-sale financial assets:

Available for sale financial assets are non-derivatives that are either designated as Available for sale or are not classified as (1) loans and receivables, (2) held-to-maturity investments or (3) financial assets at fair value through profit or loss.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.8 Financial assets (cont'd)

a) Available-for-sale financial assets (cont'd):

Financial investments of the Company:

i) Public securities:

A part of the government bonds and treasury bills at the Company's risk is classified as available for sale financial assets. Available for sale financial assets are valued over their fair values. In determination of the fair values of the government bonds, treasury bills, asset-backed securities and private sector bonds, the best purchase order prices waiting among the current orders published on the balance sheet date by İstanbul Stock Exchange Market (Borsa İstanbul) as based on the letter of the Undersecretariat of Treasury no 12741 dated 3 March 2005, are used. The differences between the fair value of the mentioned securities and the value calculated by the relevant interest rates according to the amortized cost method are presented in the financial assets valuation account under equity.

The interest income received is presented under the investment income in the income statement.

ii) Foreign currency Eurobonds:

Foreign currency Eurobonds at the Company's own risk are classified as available for sale financial assets and are valued over their fair values. The Company subjects the foreign currency Eurobonds to valuation over the rates of exchange announced by Central Bank of Turkish Republic (TCMB) as of the date of the balance sheet. Eurobonds are valued by the purchase quotation of the over the counter market at 16:15 - 16:45 on the Bloomberg screen on the balance sheet dates. The differences between the fair value of the mentioned securities and the value calculated by the relevant interest rates according to the amortized cost method are presented in the financial assets valuation account under equity.

The interest income received is presented in the investment income in the income statement.

The Company has recognized foreign exchange gains and losses arising from foreign currency Eurobonds under investment income and expense accounts in the accompanying statement of income.

b) Financial investments with risks on policyholders classified as available for sale:

Financial investments with risks on policyholders consist of public securities, foreign currency Eurobonds, and time deposits.

i) Public securities:

Government bonds and treasury bills at the policyholders' own risk are classified as available for sale financial assets within the financial assets at the policyholders' own risk. Available for sale financial assets are valued over their fair values. In determination of the fair values of the government bonds, treasury bills, the best purchase order prices waiting among the current orders published on the balance sheet date by Borsa İstanbul, are used. The portion of the differences between the fair value of the mentioned securities and the value calculated by the relevant interest rates according to the amortized cost method, belonging to the insure, is recognized under Insurance Technical Provisions - Life Mathematical Reserves account, as indicated by the Undersecretariat of Treasury. The Company's portion of the differences between the fair value and the value of these securities calculated with the relevant interest rates according to the internal rate of return method is recognized in the valuation of financial assets account under shareholders' equity.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.8 Financial assets (cont’d)

b) Financial investments with risks on policyholders classified as available for sale (cont’d):

ii) Foreign currency Eurobonds:

Foreign currency Eurobonds at the policyholders’ own risk are classified as available for sale financial assets at the life policyholders' own risk and are valued over their fair values. Available-for-sale financial assets are recognized at their fair values, and financial assets to be held to maturity are accounted over their amortized cost values calculated using the effective interest method, after the first record, after deducting the provision for impairment. The Company subjects the foreign currency Eurobonds to valuation over the rates of Exchange announced by the Central Bank of Türkiye as of the date of the balance sheet.

Eurobonds are valued by the purchase quotation of the over the counter market at 16:15 - 16:45 on the Bloomberg screen on the balance sheet dates. The portion of the differences between the fair value of the mentioned foreign currency Eurobonds and the value calculated by the relevant interest rates according to the amortized cost method, belonging to the insure, is recognized under Insurance Technical Provisions - Life Mathematical Reserves account, as indicated by the Undersecretariat of Treasury in the letter no 12741 dated 3 March 2005. The portion of the differences between the fair value of the mentioned foreign currency Eurobonds and the value calculated by the relevant interest rates according to the internal efficiency method, belonging to the Company is followed up in the financial assets valuation account under shareholders equity.

The Company recognized the rate of exchange income and expense due to the foreign currency Eurobonds at the policyholders’ own risk under the technical income and expense accounts in the accompanying income statement.

c) Financial assets held for trading

Financial assets held for trading are the assets that are acquired in order to provide profit from the fluctuations in the prices and similar issues in the short term in the market or, apart from the reason of acquisition, these are the assets that are a part of the portfolio that is for providing profit in the short term.

i) Public securities

A part of the government bonds and treasury bills at the Company's risk is classified as financial assets held for trading. Subsequent to initial recognition, trading securities are carried at fair value based on the weighted average settlement price of the related security among the current orders in the stock exchange.

All the realized and unrealized profit and losses related to the financial investments for trading purposes are included in the income statement in the relevant period.

ii) Other securities:

The private sector bonds and asset-backed securities at the Company's own risk are classified as financial assets held for trading. Subsequent to initial recognition, the private sector bonds are measured at the fair value by taking into account the best purchase order among the current orders in the stock market with respect to the concerned securities. All the realized and unrealized profit and losses related to the financial investments for trading purposes are included in the income statement in the relevant period.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.8 Financial assets (cont’d)

Other non-current financial assets

As of the balance sheet date, other non-current financial assets of the Company are the investments classified as available for sale financial assets, but which are invested in the financial instruments in an active market for which fair value cannot be measured reliably (Note 45.2).

These investments are reflected with the value found as a result of deducting the free shares received as a result of addition of the revaluation fund to the capital, if any, from their acquisition costs.

By the end of the period, the investment acquisition cost is compared with the net realizable value and in case the net realizable value is lower than the acquisition cost, then the value loss provision is provided.

Financial assets to be held until maturity;

Financial assets to be held until maturity, which are held with the intention of keeping to maturity and include the fixed or determinable payments with fixed or determinable payments, except for loans and receivables and reasonable value during the initial recognition. These are financial assets that are not classified as financial assets, the difference of which is reflected in the income statement and are not shown ready for sale in the records. These assets are first recorded at acquisition cost and this value is accepted as reasonable value. The fair value of the assets held to maturity is determined on the basis of the market price of similar instruments or the market prices of similar financial instruments. Financial assets held to maturity are valued at their ‘discounted value’. Contribution income from assets held to maturity is reflected in the income statement.

The Company does not allocate impairment based on short-term market fluctuations, provided that there is no collection risk in securities representing the borrowing classified under financial assets held to maturity. In the event of a collection risk, the amount of the said impairment is the difference between the book value of the financial asset and the value of the cash flows still expected to be collected from the financial asset, if any, based on the original effective rate of return.

Loans and receivables

The loans and receivables created by the receivables from the main operations are the financial assets which have fixed or determinable payments and are not traded in an active market and which the Company did not classify as available for sale or held for trading. The receivables arising from insurance activities are classified under this company. These assets are presented over their carrying values.

If there is any objective evidence that the matured receivables from insurance activities cannot be collected, then provision is allocated for the receivable. In case receivables which are not possible to be collected are detected, these are completely written-off.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.8 Financial assets (cont’d)

Loans

Following the expiry of the period of three years in life policies, the insure can demand a part of the accumulated amount as a loan. The Company provides loans for the policyholders who completed their 3rd years up to the specific ratio of the accumulated amount with profit share on that date on the surrender table of the relevant tariff.

The Company does not apply loan interest to the policies and receives the reimbursement over the unit price on the collection date. The Company applies loan interest for the accumulated life policies other than these policies. The loan interest rate applied is determined at a rate over the annual profit share rate.

The surrender payments for the policies for which a loan is used are recorded as an expense and the relevant policy is closed. The technical provisions allocated to the closed policy are recognized as revenue and closed.

Pension system accounts

Receivables from pension operations

Pension business receivables consist of ‘receivable from pension investment funds for fund management fees’, ‘entry fee receivable from participants’ and ‘receivables from clearing house on behalf of the participants’. ‘Receivables from Pension Operations’ classified within non-current assets are composed of the receivables from the custodian company and shows the receivables on fund-basis from the custodian company on behalf of the participants and it operates together with the payables to the participants account under the debts from the retirement activities where the fund-basis obligations belonging to the participants are presented under liabilities.

Individual Retirement government participation share is the amount paid to the individual retirement account of the participant by the government in compliance with the additional 1st article of the Law no 4632 .Twenty-five percent of the contribution share paid on the basis of participants on behalf of the citizens of Turkish Republic and those who are Turkish Republic citizens and lost Turkish citizenship by taking permission for ceasing to be a citizen according to the 28th article of Turkish Citizenship Law no 5901 dated 29 May 2009 and their descendants and transferred as cash to the company accounts, is paid by the government as the government share to the participant's individual retirement account in compliance with the additional 1st article of the Law no 4632, on condition not to exceed the annual total gross minimum wage determined for the relevant calendar year.

Payables from pension operations

“Payables from Pension Operations” presented under the current liabilities are composed of the participants’ temporary account, payables to the individual retirement intermediaries, payables to the custodian company, portfolio management company and pension monitoring center. The Participants Temporary Account, is the account item which enables the follow-up of the money not directed to an investment yet on behalf of the participants and the amounts to be paid to the participants or to be transferred to another company, in case the participant leaves the system or transfers his investment to another company, following the disposal of the fund shares of the participant and after deduction of the entrance fees and similar deductions, if any, arising from the mentioned disposal. This account is credited if collection is made from the participants or in case the money from the disposal of the fund shares of the participants are transferred to the Company account. The account is debited and closed after the money is directed to the fund or the person leaves, or it is transferred to another company.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.8 Financial assets (cont’d)

Pension system accounts (cont’d)

Payables from pension operations (cont’d)

“Payables from Pension Operations” classified in non-current liabilities consists of debts to participants. It shows the Company's obligations on the basis of funds on behalf of the participant (the amount that the participants have deposited for the funds and will be paid to the participant when due).

If the retirement agreement is not rejected by the Company, following the completion of the blocking period, if any, it comes into force on the date of entry of the first payment made as contribution share, into the Company accounts as cash. If the proposal is rejected by the company, then the payment instructions given are cancelled and if any, all the payments effected are returned to the payer within five business days without any deduction. The Participant has the right to withdraw within sixty days following the signing of the proposal form or approval of the proposal. The payment instructions given are cancelled following the delivery of the notification of withdrawal to the Company and all the payments effected are returned to the payer within ten business days, if any, together with the investment income, without any deduction, except the fund total expense deduction.

2.9 Impairment of Assets

Impairment of non-financial assets:

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset’s fair value fewer costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that are subject to impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets:

The impartial indicators related to the impairment of a financial asset or financial asset company include the following:

- a) Issuer or undertaker being under a considerable financial trouble,
- b) Violation of the agreement,
- c) Due to economic or legal reasons related to the financial trouble of the debtor, the creditor grants a privilege to the debtor, which would not be granted under any other condition,
- d) High probability of the debtor for bankruptcy or any other financial restructuring,
- e) Elimination of the active market related to the mentioned financial asset due to the financial difficulties.

The Company assesses its financial assets at each balance sheet date whether there is any objective evidence that a financial asset or company of financial assets is impaired.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.9 Impairment of assets (cont’d)

Financial assets (cont’d):

According to TAS 39, financial asset or portfolio of financial assets is impaired and an impairment loss incurred if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset. In addition, in cases where there is an unbiased indicator of impairment, it is envisaged that the accumulated impairment amount, which consists of the difference between cost value and fair value and created under equity, will be removed from equity and reflected as a loss in the income statement.

In case there is an impartial indication that there is a decrease of value loss in the loans and receivables, then the relevant loss is recognized in the income statement. In addition, the Company reserves a provision for doubtful receivables arising from the main activities for the doubtful receivables related to its agencies and insures, which are under administrative and legal follow-up and for uncollectible amounts or the amounts which do not have the possibility of collection anymore.

Total pledges and collaterals on assets are disclosed in Note 17.1, doubtful receivables for overdue and not overdue balances disclosed in Note 12, accruals and expenses for the period are presented in Note 47.4.

2.10 Derivative financial instruments

The Company recognizes the fair value gains on the short-term currency forward and swap transactions under the income on derivative instruments.

Derivative contracts are classified as fair value through profit and loss instruments in accordance with TAS 39, “Financial Instruments: Recognition and Measurement” (Note 13).

2.11 Offsetting of financial assets

Financial assets and liabilities are off-set and the net amount is presented in the balance sheet when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.12 Cash and cash equivalents

In terms of presentation of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks, blocked credit card amounts and term deposits with an original maturity of less than 3 months. Cash and cash equivalents are indicated at cost.

The basis of cash flow statement, cash, and cash equivalents are as follows:

	31 December 2024	31 December 2023
Bank deposits	2,511,214,022	626,760,668
Cheques given and payment orders	(2,075,657)	(1,759,443)
Other cash and cash equivalents (*)	2,399,680,180	1,456,912,159
Total cash and cash equivalents	4,908,818,545	2,081,913,384
Blocked amount	-	(80,000,000)
Interest accrual	(167,181,715)	(2,152,063)
Time deposits with a maturity more than three months	-	(50,000,000)
Total	4,741,636,830	1,949,761,321

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.12 Cash and cash equivalents (cont’d)

(*) Other cash and cash equivalents consist of receivables that have been provisioned as of the balance sheet date but have not been transferred to current accounts since the blockage period has not expired.

2.13 Share capital

As of 31 December 2024 and 31 December 2023, the share capital and ownership structure of the Company are as follows:

Name of the shareholder	31 December 2024		31 December 2023	
	Share rate (%)	Share amount (TL)	Share rate (%)	Share amount (TL)
Hacı Ömer Sabancı Holding A.Ş.	40.00	72,000,007	40.00	72,000,007
Ageas Insurance International NV	40.00	72,000,007	40.00	72,000,007
Publicly traded	19.91	35,836,182	19.91	35,836,182
Other	0.09	163,804	0.09	163,804
Paid-in capital	100.00	180,000,000	100.00	180,000,000

As of 31 December 2024, the nominal capital of the Company is TL 180,000,000 and consists of 18,000,000,000 shares with a unit nominal value of 1 kuruş (kr) (0.01 TL). (31 December 2023: The nominal capital of the Company is TL 180,000,000 and consists of 18,000,000,000 shares with a unit nominal value of 1 kuruş (kr) (0.01 TL).)

The Parent Company has accepted the registered capital system in accordance with the provisions of the Capital Markets Law No. 6362 and switched to this system with the permission of the Capital Markets Board dated 1 September 2014 and numbered 1756/8617.

The transition to the registered capital system was accepted at the extraordinary general assembly meeting of the Parent Company held on 16 October 2014, and the minutes of the said meeting were registered and published in the Trade Registry Gazette No. 8679 dated 23 October 2014.

The Company's registered capital ceiling is TL 500,000,000 as of 31 December 2024 and is divided into 50,000,000,000 registered shares, each with a nominal value of 1 kr. The registered capital ceiling change, which was approved and decided at the general assembly meeting on 16 March 2021, was registered on 24 March 2021. (31 December 2023: The registered capital ceiling of the Company is TL 500,000,000 and is divided into 50,000,000,000 registered shares, each with a nominal value of 1 kr.)

Capital increases made during the period: None (1 January - 31 December 2023: None).

The Company’s capital does not include any preferred shares (31 December 2023: None).

The Company's own shares held by the Parent Company or its subsidiaries or affiliates:

The Company has decided, with the decision of the board of directors taken on 10 April 2023, with the aim of supporting healthy price formation in the AgeSA share market, thus restoring the reasonable value of the Company shares and offering a more attractive long-term investment opportunity to the shareholders,

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.13 Share capital (cont'd)

1. Within the framework of the Capital Markets Board's decision i-SPK.22.7 (dated 14.02.2023 and s.k. 9/177), a share buyback program will be initiated for a maximum period of 3 years,
2. Buyback of up to 1,800,000,000 shares with a nominal value of TL 18,000,000, representing approximately 10% of the issued capital of the company,
3. The fund allocated for the buyback process will be determined as a maximum of TL 750,000,000,
4. The share buyback transaction should be included in the agenda of the first general assembly meeting and submitted for the information and approval of the shareholders at the general.

The Company purchased 1,633,946 shares from 10 April 2023 to 31 December 2024 at a total cost of TL 100,221,938 and recognized them in its equity (31 December 2023: Purchased 1,064,552 shares at a total cost of TL 44,783,416 and accounted for them in equity)

There are no share-based payment transactions (31 December 2023: None).

Other information regarding the Company's share capital are disclosed in Note 15.

2.14 Insurance and investment contracts - classification

An insurance contract is defined as a contract in which the Company accepts a significant insurance risk by agreeing to compensate the loss of the policyholder in the event of a predefined uncertain future event (event covered by insurance) that causes the policyholder to be negatively affected. Insurance risk covers risks other than financial risk. All premiums received within the scope of insurance contracts are recognized as income under the written premiums account.

The contracts in which the variable is not specific to any one of the parties of the contract, which takes into account a non-financial variable, which anticipates payment as based on only the changes in a certain interest rate, financial instrument price, product price, foreign exchange rate, interest or price indexes, credit score or credit index or one or more other variables, are classified as investment contracts.

Main policies produced by the Company are the life policies, the personal accident policies, and individual retirement contracts. The company issues individual retirement contracts within the individual retirement system that is structured in order to provide a reliable saving for the individuals, to direct, regulate and encourage these savings.

The contributions received related to individual retirement contracts are recognized as liabilities under payables to the participants account and the same amount is presented as receivables under the receivables from custodian company account.

Reinsurance contracts

Reinsurance provides the transfer of a part or all of the responsibility undertaken by the insurance company, to the reinsurer company. This is as a guarantee or a protection measure for the insurance companies.

It accommodates functions such as spreading the risk, increase, support of the work acceptance capacities and flexibilities of the insurance companies, control of the catastrophic claims to be caused by the surplus of the accumulations. Reinsurers transfer their knowledge and experience, which they acquired in time as a result of working with different insurance companies and markets, to the insurance companies as technical information.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.14 Insurance and investment contracts – classification (cont'd)

Reinsurance contracts (cont'd)

Since it is required that all the details of the transactions and processes should be included in the reinsurance contracts, it is required to clearly indicate the scope, identification, technical details of the work to be transferred to the reinsurer, work acceptance and compensation evaluation method, general and special conditions, the legal aspects of the contract, and the parties explicitly as the cedent and reinsurer.

2.15 Insurance contracts and investment contracts with discretionary participation feature

The feature of voluntary participation in the insurance and investment contracts is a right that is based on the contract with respect to the additional benefits listed below as well as the guaranteed benefits:

- (i) A candidate to constitute a significant part of the total benefits as based on the contract,
- (ii) In which the amount and timing is in discretion of the issuer as based on the contract and
- (iii) Based on the following as a requirement of the contract:
 - (1) The performance of a certain pool of contracts or a type of certain contract type,
 - (2) Realized and/or unrealized investment income of a certain asset pool held by the issuer or
 - (3) Profit or loss of the company, fund or any other entity issuing the contract.

As of the balance sheet date, the Company does not have insurance contracts and investment contracts with discretionary participation feature.

2.16 Investment contracts without discretionary participation feature

As at 31 December 2024 and 31 December 2023, the Company does not have any optional participation in its products classified as investment contracts.

2.17 Financial liabilities

Financial liabilities mean the liabilities which are created as a result of the transactions that shall require giving cash or disposing any other financial assets to another entity. The financial liabilities are presented in the financial statements of the company over the costs amortized according to effective interest method. This financial liability is derecognized when it is paid.

2.18 Taxes

Corporate taxes

With the law number 7394 published in the Official Gazette dated 15 April 2022, the corporate tax rate for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies was permanently increased to 25%.

Law No. 7456 “Law on the Amendment of Certain Laws and Decree Law No. 375 on the Amendment of Certain Laws and Decree Law No. 375 on the Additional Motor Vehicles Tax for the Compensation of Economic Losses Caused by the Earthquakes that Occurred on 6 February 2023” was published in the Official Gazette dated 15 July 2023 and numbered 32249.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.18 Taxes (cont’d)

Corporate taxes (cont’d)

With Article 21 of this Law, the corporate tax rate has been set as 25% and it is regulated that this rate shall be applied as 30% for the corporate earnings of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Financing Companies Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

The law on the amendment of Tax Procedure Law and Corporate Tax Law was enacted on 20 January 2022 with Law No. 7352 and it was decided that the financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods, including the provisional accounting periods, and the provisional tax periods of the 2023 accounting period, regardless of whether the conditions for inflation adjustment within the scope of Repeated Article 298 are met. In accordance with Law No. 7352, inflation adjustment will be applied to the financial statements dated 31 December 2023 and the profit/loss difference arising from the inflation adjustment will be recognized in retained earnings and will not be subject to tax.

In addition, with the Law No. 7491 published in the Official Gazette dated 28 December 2023 and numbered 32413, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies' profits or losses that will arise as a result of inflation adjustment in the 2024 and 2025 accounting periods will not be taken into account in determining the corporate tax base.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Türkiye through their operations or permanent representatives and the resident institutions is 15%. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Addition of profit to capital is not considered profit distribution and withholding tax is not applied.

Provisional taxes are calculated and paid at the corporate tax rate applicable to that year's earnings. Provisional taxes paid during the year can be offset against the corporate tax calculated on the annual corporate tax return of that year. According to the Turkish tax legislation, financial losses shown on the declaration can be deducted from the corporate income for the period, provided that they do not exceed 5 years. However financial losses cannot be offset from prior year's profits The Company has no deductible financial losses as of the balance sheet date.

In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 30th of the fourth month following the close of the financial year to tax office which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.18 Taxes (cont’d)

Deferred tax

In accordance with TAS 12, “Income taxes”, deferred tax assets and liabilities are recognized on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base, except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

The deferred tax assets and liabilities are reported as net in the financial statements if, and only if, the Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

In case where gains/losses resulting from the subsequent measurement of the assets are recognized in the statement of income, then the related current and/or deferred tax effects are also recognized in the statement of income. On the other hand, if such gains/losses are recognized as an item under equity, then the related current and/or deferred tax effects are also recognized directly in the equity.

Within the scope of TPL 555 General Communiqué published in the Official Gazette dated 30 December 2023, the deferred tax effect of temporary differences arising from transactions made in accordance with the TPL inflation accounting provisions has been calculated and reflected in the financial statements.

2.19 Employee benefits

Provision for Employment Termination Benefits

Under the Turkish Labor Law in Türkiye, the Company is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or retires or earns the right to retire. The compensation to be paid is equal to one month's salary for each year of service and this amount is limited to TL 46,655 (1 January 2024: TL 35,059) determined by the government as of 1 January 2025.

TAS 19 - Employee Benefits requires the actuarial valuation methods to calculate the employee termination benefits. As of 31 December 2024 and 31 December 2023, the actuarial estimates used are as follows (Note 22):

	31 December 2024	31 December 2023
Expected annual salary / Ceiling increase rate	22%	8.5%
Annual discount rate	3.5%	3.5%

Other Employee Benefits

The Company pays contributions to publicly administered Social Security Fund on a mandatory basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. In addition, as of the balance sheet date, the Company calculates vacation pay liability for the earned but unused vacation and recognizes it under short-term liabilities (Note 23).

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.20 Provisions

Provisions, contingent assets and liabilities

A provision is recognized in the financial statements when the Company has a legal or constructive liability as a result of a past event, and it is probable that the Company will be required to settle that liability, and a reliable estimate can be made of the amount of the liability. The amount recognized as a provision is the best estimate of the consideration required to settle the present liability as of the balance sheet date considering the risks and uncertainties related to the liability. When a reliable estimate of the amount of the obligation cannot be made or it is not probable that an outflow of resources will be required to settle the obligation, the obligation is considered as a “contingent” liability and is disclosed in the related notes to the financial statements.

A contingent asset is defined as a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not reflect contingent assets in the financial statements, but it continually assesses its contingent assets in order to ensure that the related developments are reflected accurately in the financial statements. If it is virtually certain that an inflow of economic benefits will arise, the asset and the related income are included in the financial statements of the period in which the change occurs, and the contingent asset is included in the notes to the financial statements when an inflow of economic benefits is probable (Note 23).

Technical provisions

The technical reserves within the technical insurance accounts in the financial statements and the reinsurer share of such reserves are recognized in compliance with the following principles and in compliance with the “Regulation on the Technical Reserves of the Insurance and Reinsurance and Retirement Companies and Assets in which such Reserves shall be invested” (‘Technical Reserves Regulations’) published by the Undersecretariat of Treasury in the Official Gazette no 26606 dated 7 August 2007 prepared as based on the 16th article of the Insurance Law no 5684 dated 14 June 2007 and 8th article of the Individual Retirement Savings and Investment System Law no 4632 dated 28 March 2001, with “Regulation on the Amendment of the Regulation on the Technical Reserves of the Insurance and Reinsurance and Retirement Companies and the Assets in which such Provisions shall be Invested” (Technical Reserves Amendment Regulation) published in the Official Gazette no: 27655 dated 28 July 2010 and entered into force as of 30 September 2010 and with “Sector Declaration on Regulation on the Amendment of the Regulation on the Technical Reserves of the Insurance and Reinsurance and Retirement Companies and the Assets in which such Provisions shall be Invested” no 2012/13 dated 18 July 2012 and with the other declarations and announcements made related to this issue.

Unearned premium reserves

In accordance with the “Communiqué Related to Changes in the Communiqué on Technical Reserves for Insurance, Reinsurance and Private Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves” issued on 28 July 2010 dated 27655 numbered Official Gazette and entered into force on 30 September 2010, reserve for unearned premiums represents the proportions of the gross premiums written without deductions of commission or any other allowance, in a period that relate to the period of risk subsequent to the balance sheet date for all short- term insurance policies. In the case of annual life insurance and life insurance which of the renewal date exceeds one year, reserve for unearned premiums is calculated for the portion of the remaining part which is left after deducting savings from gross premium written for the period.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.20 Provisions (cont’d)

Unearned premium reserves (cont’d)

In accordance with the Communiqué on Technical Reserves, during the calculation of the reserve for unearned premiums, the starting day and the ending day of the insurance coverage are taken into consideration as half a day and the calculation is made accordingly.

In Technical Provisions Regulation, it is stated that the part corresponding to the future period or periods, of the commissions paid to the intermediaries on condition that accrual is made as based on the production, the commissions taken due to the premiums transferred to the reinsurer, production expense shares and the amounts paid for non-proportional reinsurance contracts and the variable production expenses for the preparation and sale of the tariffs and insurance contracts and the payments for support services, shall be recognized under deferred income and deferred expenses accounts and other relevant accounts. As of 31 December 2024, gross unearned premium reserve is TL 2,669,405,167 (31 December 2023: TL 1,008,571,325) (Note 17.15).

Deferred commission expenses and income

In accordance with the Circular No 2007/25 dated 28 December 2007 issued by the Republic of Türkiye Ministry of Treasury and Finance, commissions paid to intermediaries for premiums written and commissions received from reinsurers for premiums ceded to reinsurers are accounted for by netting off the portion of commissions paid to intermediaries for premiums written and the portion of commissions received from reinsurers for premiums ceded to reinsurers corresponding to future periods or periods, respectively, under deferred production expenses and deferred production income accounts in the balance sheet and under operating expenses account in the income statement.

As of 31 December 2024, deferred commission income amounting to TL 8,297,894 (31 December 2023: TL 3,285,928) is recognized under deferred commission income and deferred production commission expense amounting to TL 1,033,974,031 (31 December 2023: TL 418,789,340) is recognized under deferred production expenses.

Unexpired risk reserves

In accordance with the Communiqué on Technical Reserves, in each accounting period, the companies while providing reserve for unearned premiums should perform adequacy test covering the preceding 12 months in regard with the probability of future claims and compensations of the outstanding policies will arise in excess of the reserve for unearned premiums already provided. While performing this test, it is required to multiply the reserve for unearned premiums (net) with the expected claim/premium ratio. Expected claim/premium ratio is calculated by dividing incurred losses (reserve for outstanding claims (net) + claims paid (net) – reserve for outstanding claims carried forward (net)) to earned premiums (written premiums (net) + reserve for unearned premiums carried forward (net) – reserve for unearned premiums (net)). In the calculation of earned premiums, unearned premiums carried forward, commissions paid to intermediaries and deferred portion of commissions received from reinsurers, which are recognized net in unearned premiums reserve of the related period, are not taken into consideration.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Provisions (cont'd)

Unexpired risk reserves (cont'd)

In compliance with the ‘Regulation on the Amendment of the Regulation on the Technical Provisions of the Insurance and Reinsurance and Retirement Companies and the Assets in which such Provisions shall be Invested’ published in the Official Gazette no 28356 dated 17 July 2012, the Undersecretariat of Treasury, if the estimated claim premium ratio exceeds 85% in future periods for the estimated claim premium ratio of insurance branches, the amount calculated multiplying ratio exceeding 95% by net unearned premiums reserve is called net provision for unexpired risk reserve, and the amount calculated multiplying ratio exceeding 85% by gross unearned premiums reserve is called gross provision for unexpired risk reserve. Insurance and Private Pension Regulation and Supervision Authority can change this test method as of the branches, can have qualification tests with different test methods and can request the allocation of provisions for the continuing risks within the frame of this test method.

As a result of the related test, as at 31 December 2024 and 31 December 2023, the Company has no unexpired risk reserve.

Outstanding claims provision

The Company allocates provision for outstanding claims for indemnity amounts accrued and determined on account but not actually paid in previous accounting periods or in the current accounting period, or estimated costs and incurred but not reported compensation amounts, if this amount could not be calculated.

According to the Communiqué of the Association of Insurance, Reinsurance and Pension Companies of Türkiye dated 10 March 2020 and numbered 2020/1, Insurance Information and Surveillance Centre performs queries on MERNIS in May and November every year with 6-month intervals. With this query, the deceased policyholders are identified during the period in which the life insurance policies with death coverage are in force, and upon the realization of the risk, a compensation file is opened and a provision for outstanding claims is allocated.

Outstanding discount is applied in accordance with the communiqué numbered 2022/9. The discount rate to be applied was estimated by analyzing the rejection development of the last 5 years' notice files on the basis of notice year.

In the periods after 2019, it was observed that there was a change in the rejection development and the thinning assumption was determined by taking into account the last 5 years and 3 years of experience.

In accordance with the Communiqué on Technical Reserves, the Company also provides provision for outstanding claims for incurred but not reported claims (IBNR). According to IPRSA's “Communiqué on Provision for Outstanding Claims” numbered 2014/16, incurred but not reported claims are calculated separately for life and personal accident branches by the Company's actuary. It is also calculated separately for death guarantees and other additional guarantees in the life branch.

In the life branch, for death and accident and death coverage, for the files that are realized in the 6-month period between the Mernis inquiries but not yet inquired, the IBNR calculation is made by taking into account the month-based sagging of the average outstanding claims amount opened through Mernis in the last year, and the provision for incurred but not yet reported outstanding claims is allocated.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Provisions (cont'd)

Outstanding claims provision (cont'd)

In the calculation of incurred but not reported claims for additional coverage in the life branch, the claims at the end of the accounting period are taken into consideration as covering the last 12 months. During the calculation of incurred but not reported claims, the weighted average of the claims incurred but not reported in the last 5 or more years before these dates, but reported after these dates, divided by the annual average coverage for the previous year is used. In the calculation of the annual average coverage on a yearly basis, ‘average coverage’ is calculated by going back 1 year (4 quarters) and dividing the sum of the end of period and beginning of period coverage amounts by two.

The cost of incurred but not reported claims for the current accounting period is calculated by multiplying the weighted average calculated as above by the annual average guarantee amount as of the current year.

As stated in Article 7 of the Technical Provision Regulation, the win/(loss) rate was calculated based on the value of the lawsuit cases and the last five years of statistics for the outstanding claim amounts that are at the lawsuit stage. As stated in the Circular No. 2011/23 on Explanations on Incurred but Not Reported Claim Provision Calculation, a 25% litigation win discount was applied to the total amount of outstanding claims for life branch files in the litigation process.

Pursuant to the Circular No. 2014/16 and the ninth paragraph of Article 7 of the Regulation, an outstanding adequacy test was performed over the loss data of the last 5 years in the life and personal accident branches, and it was observed that an adequacy difference occurred in the life branch. Following this test result, a net additional outstanding provision of TL 12,209,655 has been allocated to the life branch outstanding claims provisions for 31 December 2024.

Incurred but not reported claims in Personal Accident branch are calculated over incurred claims (sum of outstanding and paid claims). The Company does not have any large claims subject to the large claim elimination method. For the Personal Accident branch, the calculation is made according to the Claim-Premium method.

The total net amount of provision for incurred but not reported claims as of 31 December 2024 is TL 26,595,335 (31 December 2023: TL 6,921,143), net TL 24,720,377 for Life Branch (31 December 2023: TL 5,719,497) and net TL 1,874,958 for Personal Accident Branch (31 December 2023: TL 1,201,646). The total net amount of total outstanding claims reserve including incurred but not reported claims reserve as of 31 December 2024 is TL 254,839,604 (31 December 2023: TL 156,846,712), net TL 245,465,859 for Life Branch (31 December 2023: TL 149,445,986) and net TL 9,373,745 for Personal Accident Branch (31 December 2023: TL 7,400,726).

Life mathematical and profit share provisions

Pursuant to the Regulation on Technical Provisions, the Company is required to allocate sufficient mathematical reserves, based on actuarial principles, to meet its obligations to policyholders and beneficiaries for life, health and personal accident insurance contracts with a duration of more than one year.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Provisions (cont'd)

Life mathematical and profit share provisions (cont'd)

Mathematical reserves consist of actuarial mathematical reserves calculated separately for each policy in force in accordance with the technical principles in the tariff and, if committed, profit share reserves allocated to the insured from the income obtained from the investment of these reserves.

Actuarial mathematical reserves are the difference between the premiums received for the risk undertaken by the companies and the cash values of the liabilities to the policyholders and beneficiaries. Actuarial mathematical reserves are set aside according to the formulas and principles specified in the technical principles of the tariffs for life insurances with a term longer than one year and as of 31 December 2024, the Company calculates mathematical reserves based on the IPRSA approved tariffs. Actuarial mathematical reserves are calculated as the difference between the present value of the future obligations of the insurer and the present value of the future premiums to be paid by the policyholder (prospective method).

Profit share provisions consists of income of the assets in which the provisions set aside for the obligations of the Company to the policyholders and beneficiaries for the contracts under which the Company undertakes to pay dividends are invested, the amount including the guaranteed portion, limited to the technical profit share income calculated according to the profit share distribution system specified in the approved profit share technical principles, and the accumulated profit share provisions of previous years.

The Company according to the provisions of Communiqué No. 2022/8 on the Mathematical Reserves Account;

- The Company has calculated the mortality experience in its portfolio and as a result of its calculations, the Company expects a mortality profit, this mortality experience is not reflected in the calculation of mathematical reserves.
- The Company has calculated the probability of subscription as of the calculation date by using the statistics of the last 5 years for long term products and estimated the gross and risk subscription amounts by using the information in the tariffs for the policies in force and added the grossing difference to the actuarial mathematical reserves. Commission refunds subject to grossing are included in deferral accounts.

The Company's actuarial mathematical and profit share provisions calculated as at 31 December 2024 and 31 December 2023 have been approved by the Company's actuary. Total mathematical reserves as at 31 December 2024 are gross TL 24,464,029,792 (31 December 2023: TL 16,098,447,318). As of 31 December 2024, there is reinsurer share amounting to TL (4,882,702) (31 December 2023: TL 9,254,873). The aforementioned amount does not include the fair value difference of loans and financial investments with risks on policyholders. As of 31 December 2024, mathematical reserves for loans amounting to TL 679,158,089 (31 December 2023: TL 569,555,420) and mathematical reserves for fair value difference of financial investments with risks on policyholders amounting to TL (107,219,162) (31 December 2023: (85,152,881)) (Notes 17.2 and 17.15).

The mathematical and profit share provisions of the policies written in the unit price based funds of the company are evaluated daily according to TL, USD and EUR profit share technical principles approved by TR Undersecretariat of Treasury and Foreign Trade on 14 January 1993 and 12 September 1996. The income from the investments belonging to the insure is distributed as the income of the investment instrument related to the interest method accrued daily.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Provisions (cont'd)

Life mathematical and profit share provisions (cont'd)

Daily Profit Share System according to Profit Share Technical Principles and Life Insurances Regulation of Turkish Prime Ministry Undersecretariat of Treasury Insurance General Directorate approved on 1 November 1999 is applied for the life, mathematical and profit share of the accumulated policies written in the other funds of the company (profit share based). Profit share values calculated according to the profit share ratios calculated as based on the daily proceeds of TL, USD and EUR investment instruments are reflected onto the insures' accounts daily.

In the calculation of the mathematical reserves of the policies exempt from premium payment (deducted policies) within the scope of the Insurance of Good Chances (premium refundable life insurance product), deductions are applied according to the tariff technical principles of the product. As of 31 December 2024, the Company has mathematical reserves amounting to USD 22.3 million for the policies that are in deductible status and have not yet matured. The total mathematical reserves amount of the said product is recorded as USD 525.1 million in our financial statements as of 31 December 2024.

6 April 2022 dated "Communiqué on Mathematical Reserves Calculation" states that "For policies that become exempt from premium payment (deduction), the amount of the insurance amount to be taken as the basis for calculations from the date the policy is deducted is determined within the framework of the relevant legislation". Discussions were held with the legal authority (IPRSA) regarding the effects of the aforementioned legislation on the Company's financials. As a result of these negotiations, it has been decided to calculate the mathematical reserve amount to be set aside for the life insurance product with return of premium in accordance with "TFRS 17 Insurance Contracts" and the literal interpretation of TCC 1502 and to disclose the related amount in the footnotes of the financial statements of the relevant reporting period and to be recorded in the financial statements dated 1 January 2023.

However, "Regulation on Amendment to the Regulation on Amendment to the Regulation on Financial Reporting of Insurance, Reinsurance and Pension Companies" was published in the Official Gazette dated 27 December 2024 and a postponement was made in the related standard transition. With the published regulation, the effective date of the article of determining the financial statements to be disclosed to the public, the footnotes and explanations related to them, and the procedures and principles regarding the preparation of financial statements with the communiqués to be issued by the Authority has been changed to 1 January 2026.

In this framework, if calculated in accordance with TCC 1502 for the policies that are in surrender but have not yet matured, the total mathematical reserve amount of the product as of 31 December 2024 is calculated as USD 586.2 million.

Considering the requirements of TCC 1502 and "TFRS 17 Insurance Contracts" together, the draft results of the impact study as of 31 December 2024 for the return of premium life insurance product are given below. Within the scope of 'TFRS 17 Insurance Contracts' studies, our data and systematic controls and calculations are ongoing and the figures reflect the draft situation as of today.

While our "Actuarial Mathematical Reserve" figure in our financial statements dated 31 December 2024 was USD 525.1 million, our total liability figure, expressed as the sum of "Present value of future cash flows", "Contract Service Margin" and "Risk Adjustment" calculated in accordance with TFRS 17, was calculated as USD 502.4 million.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Provisions (cont'd)

Equalization reserve

In accordance with the Technical Provisions Regulation, companies are required to allocate equalization reserves at the rate of 12% of the net premiums corresponding to each year for loan and earthquake guarantees in order to balance the fluctuations in compensation rates that may occur in the following accounting periods and to cover catastrophic risks. Provisioning continues until 150% of the highest amount of net premiums written in the last five financial years is reached.

In “Sector Declaration Related to the Application of Relevant Legislation Concerning Technical Provisions” no 2009/9 published by Undersecretariat of Treasury on 27 March 2009, it is indicated that the insurance companies are required to provide equalization reserves for the tariffs in which they provide additional earthquake coverage for death and disabilities due to earthquake, and in life and accident branches, and the method of calculation of the equalization reserves is re-determined under ‘Regulation on the Amendment of the Regulation on the Technical Provisions of the Insurance and Reinsurance and Retirement Companies and the Assets in which such Provisions. shall be Invested’ no 27655 published by the Undersecretariat on 28 July 2010. In the 5th paragraph of the 9th article “Equalization Reserve” of the mentioned Regulation, it is stated that the companies shall use their own statistical data during the calculation of the equalization reserves in the life insurances in which death coverage is provided, and that the companies which do not have the data set required for the calculation shall assume 11% of the death net premium (expense share included) as the earthquake premium and shall allocated reserves at the rate of 12% of this amount.

In this context, the Company has calculated an equalization reserve of 12% of this amount by accepting 11% of the net death premium, including the share of expenses, as earthquake premium.

As of 31 December 2024, the Company has allocated gross amount of TL 128,689,032 (31 December 2023: TL 75,487,021) and net amount is TL 123,659,143 (31 December 2023: TL 72,761,580 (Note 17.15). The Company has covered the damage payment amounting to TL 14,378,853 related to the Kahramanmaraş earthquake in 2023 from the equalization reserve).

2.21 Revenue recognition

Written premiums

Written premiums represent premiums on policies written during the period net of taxes, premiums of the cancelled policies which were produced in prior periods and premium ceded to reinsurance companies. Annual, long-term and cumulative policies are accounted for on an accrual basis (annual/maturity) and unit based cumulative policies are accounted for on a collection basis.

Commissions income and expenses

The commissions received and paid are composed of the commissions paid in relation to the written premiums and the commissions received in relation to the premiums transferred to the reinsurance companies. The Company recognizes the commissions received and paid on accrual basis. The commission expenses paid to the intermediaries with respect to the production of the insurance policies and the commission income received from the reinsurers are explained under unearned premiums reserves note.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.21 Revenue recognition (cont'd)

Commissions income and expenses (cont'd)

The Company has evaluated the costs related to the Private Pension System that may be subject to deferral outside the scope of TFRS 4. Commissions paid related to the Private Pension System are not subject to deferral as of the reporting period.

Interest income

Interest income is recognized based on the effective interest method.

Dividend income

Dividends are recognized as income on the date when the right to collect the dividend arises.

Income from pension activities

Fund management fee, which is taken in return for the management and representation of funds and hardware, personnel and accounting services devoted to funds, is recorded as income in the Company’s accounts and is shared between the Company and the portfolio management company according to the ratios in the agreement or as a fixed expense. All of these fees are recognized as fund operating income in the Company's technical income and the portion belonging to the Manager is recognized as the amount paid for fund operation in the Company's technical expenses. In this context, the ratio of the total expenses to be made from the fund, including the deduction for fund operating expenses, is determined in the fund rules so as not to exceed the maximum rates specified on fund group basis. These accounts are shown under pension technical income/expense accounts in the accompanying income statements.

In compliance with the 2nd article of “Amendment Regulation of Regulation on Individual Retirement System” on 25 May 2015, in case of interruption of the payment in compliance with the 14th article of the same regulation, additional administrative expense deduction can receive from the accumulation of the participant during the interruption period.

In the payment amounts and collection process were made regulation pursuant to “Amendment Regulation of Regulation on Individual Retirement System” came into force dated 1 January 2016. Deductions were able to receive from the accumulation of the participant with this regulation during five years within the scope of limits and rules.

For contracts entered into force before 1 January 2016,

- No deduction will be made from this date, even if it is defined from contracts that have completed 5 years from the effective date.
- For contracts that have not completed 5 years from the effective date, if there is a deduction above the annual upper limit, no further deduction will be made until the anniversary, if there is a deduction above the 5-year upper limit, no other deduction will be made as of this date. There can be entrance fee and administrative expense deduction in the first five years, exit without mandatory reasons, in case of leaving provided that defined to the product within the limits as of the effective date of agreement.

For the agreements which came into force dated after 1 January 2016; there can reduce “Deferred Entrance Fee” in the first five years, exit without mandatory reasons in case of leaving provided that defined to the product from the accumulation of the participant within the limits of regulation and rules.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 Finance leases

Finance leases that transfer to the Company substantially all the risks and benefits incidental to ownership of the leased asset are recognized at the inception of the lease at the fair value of the leased asset and the present value of the lease payments, whichever is the lower. Finance lease payments are recognized as principal and finance costs over the lease term, with the remaining balance of the liability for each period being allocated between the principal and finance costs so as to produce a constant periodic interest rate.

Finance costs are recognized directly in the income statement on a periodic basis. Capitalized leased assets are depreciated over the estimated life of the asset.

2.23 Dividend distribution

The Dividend Distribution Policy of Company is determined within the frameworks of the Turkish Commercial Code, Capital Markets Legislation and other related legislations and the article concerning profit distribution of Articles of Association; in accordance with the Company's medium and long term strategies and investment and financial plans, taking into consideration the situation of the national economy and the sector and protecting balance between the expectance of the shareholders and the needs of the company.

In line with the decision taken at the General Assembly, the determination of the dividends amount to be distributed to the shareholders are adopted; distribution of 50% of the distributable profit to the shareholders as cash and/or bonus share is adopted as a principle.

Pursuant to Article 34 of the Articles of Association, if authorized by the General Assembly, the Board of Directors may distribute advance dividends in cash to shareholders within the framework of capital markets legislation and related regulations. Dividends shall be distributed equally to all existing shares, regardless of their issuance and acquisition dates, within the legal periods, on the date determined by the General Assembly following the approval of the General Assembly. Dividend distribution may be made in a single instalment or in instalments.

The General Assembly may transfer some or all of the net profit to extraordinary reserves. In the event that the Board of Directors of AgeSA Hayat ve Emeklilik A.Ş. proposes to the General Assembly not to distribute the profit, the shareholders are informed at the General Assembly Meeting about the reasons for this situation and the use of the undistributed profit. Likewise, this information is also disclosed to the public in the annual report and on the corporate website. The Dividend Distribution Policy is submitted to the approval of the shareholders at the General Assembly Meeting. This policy is reviewed annually by the Board of Directors in the event of any unfavorable developments in national and global economic conditions, and according to the status of the projects and funds on the agenda. Amendments to this policy are also submitted to the approval of shareholders at the first general assembly meeting following the amendment and disclosed to the public.

2.24 Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (reporting entity).

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity,
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity,

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.24 Related parties (cont'd)

- (b) The Company is related to a reporting Company if any of the following conditions applies:
- (i) The Company and the reporting Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others),
 - (ii) The Company is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member),
 - (iii) Both Companies are joint ventures of the same third party,
 - (iv) One of the companies is a joint venture of a third entity, and the other Company is an associate of the third entity,
 - (v) The Company has a post-employment benefit plan for the benefit of employees of either the reporting Company or a Company related to the reporting Company. If the reporting Company has itself such a plan, the sponsoring employers are also related to the reporting Company,
 - (vi) The Company is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the Company (or of a parent of the Company),
 - (viii) The entity, or any member of a company of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

The transaction with the related party is the transfer of the sources, services or liabilities between the reporting Company and the related party regardless of whether there is a consideration for such transfer or not.

For the 31 December 2024 and 31 December 2023 financial statements and the relevant explanatory footnotes, the companies included in Ageas Insurance International NV Group and Sabancı Holding, other than the shareholders and the Company Management are defined as the other related parties (Note 45).

2.25 Earnings /(loss) per share

Earnings/(loss) per share is calculated by dividing net profit/(loss) for the period by the average number of shares outstanding during the period.

2.26 Other monetary balance sheet items

Reflected in the balance sheet at their book values.

2.27 Subsequent events

Subsequent events that provide additional information about the Company's position at the balance sheet dates (adjusting events) are reflected in the financial statements. Events that are not adjusting are disclosed in the notes, when material.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Preparation of financial statements requires the Company make use of estimations and assumptions which may affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the balance sheet date and reported amounts of income and expenses during the financial period. Realized results can be different from the estimations. Estimations are regularly reviewed and the required corrections are carried out and are reflected onto the income statements in the period in which they are realized. The estimations used are mainly related to insurance outstanding claims and compensation reserves, life mathematical reserves, calculation of the fair values of the financial assets, provision for severance pay, impairment provision for the assets, other provisions for expenses and deferred tax assets and the significant assumptions and evaluations by consideration of the main sources of the interpretations that can have significant effect on the amounts reflected onto the financial statements and the estimations available on the balance sheet date or to occur in future, are as follows:

- The severance pay liability is determined using actuarial calculations which are based on making assumptions about discount rates, future salary increases and employee turnover. Due to the long-term nature of these plans, such assumptions are subject to significant uncertainty. The details for the provisions for employee benefits are given in Note 2.19 and Note 22.
- Provisions for doubtful receivables reflect the amounts which the Company management believes shall compensate the future losses related to the receivables which are available as of the balance sheet date but which has a risk of non-collection within the frame of the current economic conditions. When evaluating whether the receivables are impaired or not, the past performances of the debtors, other than the related entity, their credibility in the market and their performances from the balance sheet date until the approval date of the financial statements and renegotiated conditions are also taken into consideration.
- Deferred tax assets are recognized to the extent that it is strongly probable to benefit from the temporary differences and accumulated loss by obtaining profit which is subject to future taxation. When determining the amount of the deferred tax assets to be recognized, it is required to make significant estimations and judgments related to the future taxable profits (Note 21).
- While allocating provisions for lawsuits, the probability of losing such lawsuits and the results to be borne if lost are evaluated within the direction of the opinions of the legal advisors of the Company and the Company Management makes their best forecasts by use of the available data and allocates the required provisions accordingly (Note 42). With respect to the technical and other provisions, other estimations and assumptions of the Company are explained in detail in the relevant footnotes.
- Investment costs amounting to TL 492,855,574 (31 December 2023: TL 129,423,171), which are followed in the project ‘advances on intangible assets’ account as of 31 December 2024, expenses related to the modernization of the existing systems of basic insurance application and environmental systems it consists. All costs related to the system development will be activated, starting from the time the system improvements are completed and used within the context of the Modernization and BAU program, including expenditures already tracked as investments made (Note 8).

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company has developed and implemented a risk management structure to protect it against events that undermine sustainable performance, solvency or the achievement of strategic objectives. The risk management system is a fundamental part of the daily operations and ongoing performance of the Company. By identifying, analyzing, measuring, controlling, managing, reporting and mitigating risks that may arise in the course of its operations in a timely manner, the Company intends to, among other things, comply with applicable legislative and regulatory requirements, meet its obligations towards its customers and counterparties and maintain capital adequacy.

The Company’s approach to risk management is based on the following elements:

Ensuring compliance with legal obligations and the Company’s risk management policies,

- Identifying all structural risks the Company is exposed to and defining risk acceptance criteria and,
- Designing and applying internal control mechanisms and actions to seek to address these risks, and assuring the transparent reporting of such risks to the Board of Directors.

The Company’s Board of Directors has overall responsibility for setting and monitoring the Company’s risk appetite, risk strategy, risk management and internal control systems.

Early Risk Detection Committee

Pursuant to the Regulation on Internal Systems and a resolution of Company’s Board of Directors dated 15 July 2011 and numbered 2011/29, Company established a risk committee. Subsequently, pursuant to a resolution of Company’s Board of Directors dated 17 October 2014 and numbered 2014/62, the risk committee was restructured to replace the former risk committee in compliance with the Corporate Governance Principles (the Early Risk Detection Committee). Pursuant to the Corporate Governance Communique, an early risk detection committee is to be responsible for the preliminary detection of risks that may endanger the existence, development, and continuity of a public company. Reports containing risk monitoring, evaluation and management activities and internal control activities are submitted to the Early Detection of Risk Committee and Audit Committees of the Board of Directors at regular intervals.

All of the duties listed among the duties of the audit committee in the Regulation on Internal Systems in Insurance and Private Pension Sectors are fulfilled by this committee in relation to other internal system functions other than internal audit.

Risk Management

Risk management is the basic approach that provides protection from situations that may create negative consequences in the process of achieving the Company's objectives. It ensures the efficient use of resources by making business decisions with a risk-based approach, thus ensuring that the expectations of the entire Company, including customers and shareholders, and its business partners are met at the highest level. For this purpose, a risk management system, in which risk appetites are clearly defined and adhered to, is implemented throughout the Company.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

Risk Management (cont'd)

Risk management includes activities for defining, measuring, monitoring the risks that the Company is exposed to, ensuring that the actions are taken to keep the risks within the limits determined within the framework of risk appetite, and reporting. In this context, necessary analyses, actuarial calculations, scenarios and stress tests are carried out by the relevant functions and reported to the Board of Directors, and they become guiding and decisive in the decisions of the senior management.

All employees of the company play a role in the risk management process. To ensure that the risk management framework is incorporated into the day-to-day management and decision-making processes of the company, roles and duties have been identified that clearly outline the risk management responsibilities of employees. There is effective and demonstrable sponsorship and support of the Board of Directors and senior management in these processes. In this approach, which is referred to as the "Triple Line of Defense", the division of responsibility and authority is made as follows.

- First line of defense - Company Management:* The primary responsibility for the identification, evaluation, management and reporting of risks in an effective and risk appetite belongs to the management. The First Line of Defense is responsible for establishing and maintaining an effective internal control system by ensuring compliance with Company Policies.
- Second line of defense - Risk Management, Internal Control and Compliance Directorate:* It is responsible for providing support to the Company management in the identification, evaluation, management and reporting of risks, and oversight of compliance with Company Policies and correction of violations.
- Third line of defense - Internal Audit:* It is responsible for providing assurance to the Board of Directors with an impartial and independent eye regarding the effectiveness of the Company's risk management and internal control environment.

Risk Management Framework

The Company's risk management framework includes the strategy, policy, model, process and reporting procedures required for the identification, measurement, management, monitoring and reporting of all risks.

It is the responsibility of the Board of Directors to determine 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 Company's risk level, establishing risk limits, controlling the situation against these limits, and implementing the necessary measures.

The tools required to identify, measure, manage, monitor and report risk vary according to the type of risk. For this reason, the risk management framework includes seven risk policies, including the Risk Management Framework Policy, specific to each type of risk AgeSA is exposed to; life insurance, credit, market, liquidity, attitude and operational risk policies. The main purpose of the risk management framework is to determine the basic principles and standards regarding risk management systems and processes, to put into practice the risk management systems and processes specified in the relevant risk policies, and to comply with the determined risk limits.

Activities within the scope of Risk Management Framework Policy are carried out within the framework defined by insurance and private pension legislation and other relevant legislation to which the Company is subject.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

Risk Management Framework (cont'd)

By operating in the life insurance and private pension sectors, the company is exposed to insurance risk and thus financial risks (credit, market and liquidity risk). Operational risk occurs as a result of human, process and system-based errors during the management of other related risks. Strategic & Business Risks are also included as a separate dynamic category as risks that will affect the strategic plan and business results in the medium and long.



The Company also applies the following business policies and standards regarding risk management:

Risk policy

The risk management policies set the basic principles and standards for the risk management system and process. The policies are approved by the Board of Directors and the amendments require the Board of Directors approval. The Company's Risk Management Policies cannot be changed without the Board of Directors approval.

Business Standards

The Company recognizes the importance of consistent and controlled business processes as a form of risk management. Each risk policy is therefore supported by a number of associated business standards which sets out the requirements for operating consistent processes across our most important business activities.

Primary risks facing the Company are Insurance Risk, Market Risk and Credit Risk.

Insurance Risk

This is the risk that the insurance premiums allocated by the Company may not meet the claim liabilities and profit share payments and any payment in relation to claims may exceed the expectations of the Company. Life insurance risk, mortality risk, disability, riders related to accident, critical illness risks are included.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont’d)

Insurance Risk (cont’d)

Life Insurance

Life insurances are offered as individual and group contracts in annual and long-term periods. Mortality risk (the risk that more than expected insure die) disability, riders related to accident, critical illness risks play an important role in the life insurance businesses of the Company. Within the scope of the Company's life insurance, a part of the risk related to all the above-mentioned risks and related additional guarantees are transferred to reinsurance companies.

The life insurance businesses are also exposed to lapse risk and persistency risk. Persistency risk is defined as the risk of a sustained increase in lapse rates, unexpected volatility in lapse rates and mass lapses. Whether policyholders terminate or renew (explicitly or through automatic renewal) their insurance policies depend on consumer expectations and developments in the financial markets. Managing the attractiveness of life insurance products for customers and intermediaries as well as close monitoring of developments in the portfolio are key to mitigating this risk.

Regarding life insurance including savings premium, in case of investment return being below the guaranteed technical rate, an investment risk arise which belongs to the company.

Personal Accident (Non-Life)

The risk related to personal accident insurance include accidental death, disability due to the accident, lapse and customer retention risks are also within personal accident branch risks.

Involuntary loss of employment benefit is provided as an additional benefit in both life and personal accident, this benefits is totally ceded to reinsurer.

Pensions

In the private pension branch, there are also exit risks arising from the termination of the contract (exit risk), transfer to a competitor pension company and termination of the contract at the end of the term (e.g. when the right to pension is acquired.

The investment risk under pension contracts is borne by the customer. The customer evaluates its pension fund investments according to its own preferences.

Assessment and Claims Settlement

In order to assess insurance risk, and accordingly manage the claim and premium balance, determine liabilities accurately and ensure sufficient provisioning to meet liabilities, the Company performs the following analyses:

- Estimate claims to be paid based on realizations in the past,
- Persistency reports on lapses and transfer outs and
- MCEV analysis of change.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont’d)

Insurance Risk (cont’d)

Claims handling is organized in a specialized department within the operations division of the Company, handling both individual and corporate policies, and the assessment and settlement of incurred claims take place on a monthly basis. Further, the Company has underwriting at the claim stage specifically for critical illness claims.

Management of Insurance Risk

Management of Insurance risk aims to manage the risks arising from insurance contract and policies and minimization of such risks.

Insurance risk is defined as a risk transferred by insure to the insurer, apart from financial risk. Transferred risk is about an uncertain future incident. Uncertainty arises from a lack of information about whether the incident is going to happen or not or about its size or timing.

The ratio of premiums collected by the insurer to indemnities paid out to insure denotes a company’s capacity to cover insurance risk.

As of 1 January – 31 December 2024 and 1 January - December 2023, the Company's claim/premium ratios in the related branches are as follows. It is seen that the premiums received have the capacity to cover the incurred claims.

	1 January – 31 December 2024	1 January - 31 December 2023
Expected net claims ratio		
Life	10%	19%
Personal accident	4%	6%

As of 31 December 2024, the percentage (%) of insurance risk ceded to reinsurers based on risk coverage is given below:

Death by natural cause	Accidental death	Accidental disability	Sickness Disability	Dangerous Diseases	Public Transport	Unemployment	Accident- Caused Treatment Costs	Disability Caused by Accident or Illness
31.36	40.74	28.35	42.19	52.98	0.23	99.99	-	12.17
Personal Accident								
Accidental Death			Accidental Disability		Accident-Caused Treatment Costs		Unemployment	
0.61			0.61		-		-	

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

Management of Insurance Risk (cont'd)

As of 31 December 2023, the percentage (%) of insurance risk ceded to reinsurers based on risk coverage is given below:

Death by natural cause	Accidental death	Accidental disability	Sickness Disability	Dangerous Diseases	Public Transport	Unemployment	Accident-Caused Treatment Costs	Disability Caused by Accident or Illness
5.64	1.39	20.52	26.01	52.51	9.83	100.00	27.79	0.57
Personal Accident								
Accidental Death	Accidental Disability			Accident-Caused Treatment Costs		Unemployment		
1.73	1.73			4.22		100.00		

Sensitivity to insurance risk

The Company’s policy production strategy is based on optimal distribution of risk to reinsurance companies according to policy type, as well as to kind and size of risk taken. As at 31 December 2024 and 31 December 2023 company has both proportional and non-proportional reinsurance treaties.

Outstanding claims are reviewed and updated periodically by claims department of the Company.

The Company executes insurance contracts in life insurance and personal accident branches. Accordingly, in such insurance contracts, insurance risk concentration according to nature of the subject-matter of insurance are summed up below in gross and net figures (net of reinsurance):

31 December 2024	Total gross risk liability	Share of reinsurer in total risk liability	Net risk liability
Life	594,722,384,892	(130,884,054,743)	463,838,330,149
Non-life	73,981,577,466	(444,000,000)	73,537,577,466
Total	668,703,962,358	(131,328,054,743)	537,375,907,615
31 December 2023	Total gross risk liability	Share of reinsurer in total risk liability	Net risk liability
Life	345,810,633,442	(19,504,827,067)	326,305,806,375
Non-life	45,102,294,496	(802,300,447)	44,299,994,049
Total	390,912,927,938	(20,307,127,514)	370,605,800,424

The gross outstanding claims of the Company as at 31 December 2024 and 31 December 2023 are given in the table below (Note 17.15).

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

Outstanding Claims	31 December 2024	31 December 2023
Life	365,093,533	194,878,363
Personal accident	12,124,913	10,403,670
Total	377,218,446	205,282,033

Financial Risk

Financial risk arises from the financial instruments used by the Company, such as cash, time bank deposits, government bonds, treasury bills, private sector bonds and Eurobonds. The financial risks arising from such instruments and insurance contract liabilities are as follows:

a) Market Risk

Market risk refers to the risk of incurring financial losses as a result of fluctuations in the fair value of a financial instrument or expected future cash flows from a financial instrument and the risk that fair value of cash flows resulting from liabilities (including insurance liabilities) will change due to fluctuations in the level or the volatility of market variables. Market risk consists of equity risk, inflation risk, property risk, commodity risk and, more importantly for the company, interest rate risk and currency risk.

i) Currency Risk

Currency risk primarily arises from assets and liabilities carried by the company in foreign currencies and from variations in exchange rates applied while converting them into TL from relevant foreign currencies.

As of 31 December 2024, with all other variables held constant, the effect of a 20% increase / (decrease) in the value of Eurobonds against TL on equity is TL 18,951,484 / (18,951,484).

As of 31 December 2024:

Liabilities and assets in foreign currency	Income/expense effect		
Exchange rate variation (*)	USD	EUR	GBP
20%	304.854.057	(2.016.822)	(164.423)
(20%)	(304.854.057)	2.016.822	164.423

(*) Relevant amounts denote TL converted value of currencies.

As of 31 December 2023, with all other variables held constant, the effect of 20% increase/(decrease) in the value of Eurobonds against TL on equity is TL 16,152,043 / (16,152,043)

As of 31 December 2023:

Liabilities and assets in foreign currency	Income/expense effect		
Exchange rate variation (*)	USD	EUR	GBP
20%	458.346.658	230.538	16.655
(20%)	(458.346.658)	(230.538)	(16.655)

(*) Relevant amounts denote TL converted value of currencies.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

Financial Risk (cont'd)

a) Market Risk (cont'd)

ii) Interest Rate Risk

Interest risk denotes variations in fair values of financial assets or in future (prospective) cash flows which arise from fluctuations in market interests. The Company closely monitors interest rate risk by monitoring market conditions and appropriate valuation methods.

The table below shows the effects of 100 base points and 500 base points increase/decrease in market interest rates on securities, provided that all other variables remain constant.

The underlying logic in this projection is that a discount interest rate applicable for each year with effect of the stresses set in different rates by respective years is found using the upward-downward variation which might occur in average market interest rates and that market value of securities are then discounted at such rate in connection with their respective maturity period.

The Company regularly conducts stress tests and scenarios for interest rate risk and creates an action plan by considering these studies while determining the distribution of strategic assets.

As of 31 December 2024:

Market interest increase/(decrease)	Effect on profit and profit reserves		
	TL	USD (*)	EUR (*)
5% Trading and Available For Sale Financial Assets	(70.846.134)	(188.281.732)	-
(5%) Trading and Available For Sale Financial Assets	70.846.134	188.281.732	-
1% Trading and Available For Sale Financial Assets	(14.169.227)	(376.563.464)	-
(1%) Trading and Available For Sale Financial Assets	14.169.227	376.563.464	-

(*) Interest rate risk has been calculated according to the change of + -0.5 point since 5 points change in US Dollar and Euro interest rates is not meaningful due to the movements of interest rates.

As of 31 December 2023:

Market interest increase/(decrease)	Effect on profit and profit reserves		
	TL	USD (*)	EUR (*)
5% Trading and Available For Sale Financial Assets	(51.813.470)	(94.916.642)	(23.774)
(5%) Trading and Available For Sale Financial Assets	51.813.470	94.916.642	23.774
1% Trading and Available For Sale Financial Assets	(10.362.694)	(189.833.283)	(47.548)
(1%) Trading and Available For Sale Financial Assets	10.362.694	189.833.283	47.548

(*) Interest rate risk has been calculated according to the change of + -0.5 point since 5 points change in US Dollar and Euro interest rates is not meaningful due to the movements of interest rates.

b) Credit risk

Credit risk refers to the risk of adverse financial impact resulting from fluctuations in the credit quality of third parties, including financial losses as a result of defaulting counterparties, rating transition and credit spread movements.

The Company does not view credit risk as one of its main risks as its financial assets consist mainly of government debt securities which are not deemed to have high credit risk and bank deposits kept in financial institutions in Türkiye which are not deemed to have high credit risk.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

c) Liquidity risk

The Company faces the risk that its short-term assets are insufficient to meet its short-term obligations (such as claims arising from insurance contracts) as they fall due. To mitigate this risk, the Company uses liquidity coverage ratio (LCR) to monitor its liquidity risk profile on a 12-month basis. In order to monitor the liquidity risk it may be exposed to in a 12-month period, the Company calculates the liquidity coverage ratio (LCR) and monitors its development and applies various stress scenarios.

The table below indicates the distribution of the Company’s contractual financial and insurance liabilities, by their respective expected time-to-maturity, as of balance sheet date:

As of 31 December 2024, the maturity distribution of the Company's undiscounted trade payables and financial liabilities according to their maturity dates are as follows and there is no liquidity risk for the balance sheet date and subsequent periods.

	0 - 3 months	3 - 6 months	6 months - 1 year	1- 3 years	More than 3 years	Total
Financial payables	30,747,524	30,747,524	61,495,049	171,628,547	47,215,265	341,833,909
Payables from insurance operations	438,913,735	-	-	-	-	438,913,735
Payables from pension operations (*)	2,450,355,097	-	-	-	-	2,450,355,097
Due to related parties	280,354,939	-	-	-	-	280,354,939
Other payables	130,896,242	-	-	-	-	130,896,242
Total	3,331,267,537	30,747,524	61,495,049	171,628,547	47,215,265	3,642,353,922

(*) TL 228,012,950,880 pension investment funds portfolio amount is not included in the total.

As of 31 December 2023, the maturity distribution of the Company's undiscounted trade payables and financial liabilities according to their maturity dates are as follows:

	0 - 3 months	3 - 6 months	6 months - 1 year	1- 3 years	More than 3 years	Total
Financial payables	3,175,368	2,625,740	5,251,479	31,508,878	39,386,095	81,947,560
Payables from insurance operations	313,933,085	-	-	-	-	313,933,085
Payables from pension operations (*)	1,522,267,285	-	-	-	-	1,522,267,285
Due to related parties	60,353,243	-	-	-	-	60,353,243
Other payables	138,762,043	-	-	-	-	138,762,043
Total	2,038,491,024	2,625,740	5,251,479	31,508,878	39,386,095	2,117,263,216

(*) TL 141,346,845,235 pension investment funds portfolio amount is not included in the total.

Fair value of the financial instruments

Fair value of financial instruments is the trading transaction done between market participants according to market conditions or the liabilities decided by the parties.

The estimated fair values of financial instruments have been determined using available market information, and where it exists, appropriate valuation methodologies. Additionally, ability to estimate the market values through assessing the market information requires interpretation and judgment. As a result, the estimations presented herein cannot be an indicator of the amounts obtained by the Company in a current market transaction.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

c) Liquidity risk (cont'd)

Fair value levels

Fair value is the market price would be received to trade financial instruments between market participants, except compulsory sales and liquidation. Where it exists, quoted prices in active markets are the most actual value. Fair value measurement classification as follows:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
- Level 3: Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs)

	31 December 2024			
	Level 1	Level 2	Level 3	Total
Financial Assets:				
Available for sale financial assets (Note 11)	2.814.406.369	-	-	2.814.406.369
Financial assets held for trading (Note 11)	2.151.259.530	-	-	2.151.259.530
Financial investments with risks on policyholders classified as available for sale (Note 11)	5.795.970.396	-	-	5.795.970.396
Total financial assets	10.761.636.295	-	-	10.761.636.295
	31 December 2023			
	Level 1	Level 2	Level 3	Total
Financial Assets:				
Available for sale financial assets (Note 11)	1.956.502.057	-	-	1.956.502.057
Financial assets held for trading (Note 11)	999.911.246	-	-	999.911.246
Financial investments with risks on policyholders classified as available for sale (Note 11)	2.494.304.527	-	-	2.494.304.527
Total financial assets	5.450.717.830	-	-	5.450.717.830

d) Operational risks

During the risk management phase, operational risks are defined as risks that may arise from human, process and technology errors and that may cause financial or reputational losses to the Company. The operational risks that AgeSA is exposed to are as follows:

- Regulatory reporting defects regarding pension and life,
- Defects due to incapability of the IT infrastructure and
- Deficiencies in internal control systems.

The Company regards tight control over its IT systems as a strategic necessity. The Company aims to strengthen its central IT organization and the strategic information management function to increase the effectiveness of the general IT controls and to reduce costs through, for example, the improvement of existing IT systems. The IT systems require many ongoing adjustments because of legislative changes and chain integration.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

d) Operational risks (cont'd)

Operational risks are detailed in the company’s risk tracking system, called HoliRisk(RSA Archer GRC), which is updated to reflect changes in the operating environment and its business processes.

Capital Management

Capital adequacy is computed within the framework of “Regulation on Measurement and Evaluation of Capital Adequacy of Insurance, Reinsurance and Pension Companies” of Undersecretariat of Treasury promulgated on Official Gazette 23 August 2015, No. 29454 at semi-annual periods. Primary purpose set for the Company’s capital management is to build up a strong capital structure for handling and keeping up operations of the Company, as well as to maximize the contribution made to its shareholders.

The Company has a strong capital structure with a long-term sustainable profitability target. In this period, which frequently faces market fluctuations, the Company's capital adequacy ratio is also monitored and regularly subjected to stress tests.

As at 31 December 2024 and 31 December 2023, the Company has an adequate amount of shareholders’ equity against losses which might arise on account of its current liabilities as well as of potential risks. As of 31 December 2024 and 31 December 2023, the required shareholders’ equity (as computed under the above- mentioned Regulation) and of current capital adequacy analysis is as follows:

	31 December 2024(*)	31 December 2023
Total shareholders’ equity	4,675,320,689	3,066,598,491
Required minimum capital reserves	(2,356,528,662)	(1,470,559,905)
Capital surplus	2,318,792,027	1,596,038,586

(*) The Company makes capital adequacy calculations at year-end and second quarter periods. In the interim periods other than these, no calculation is made and the most recent capital adequacy amounts are given.

5. SEGMENT REPORTING

Segment reporting is presented based on the Company’s operations. Since Türkiye is the main geographical area that company operates, segment reporting is not related to the geographical areas. Balance sheet items are not subject to segment reporting and while allocating the income statement to the segments, management reporting used in the performance evaluation of the company were taken into consideration. Technical profit is the profit that the company derives from providing insurance coverage, exclusive of the income it derives from investments. Management considers that this information provides the most appropriate way of reviewing the performance of the business. The Company’s business segments are composed of four segments namely life protection, life savings, personal accident, and pension.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

5. SEGMENT REPORTING (cont'd)

Life Protection

The Company’s life insurance business is principally related to life protection insurance, including credit-linked life and non-credit-linked life policies, such as term life, return of premium, critical illness, disability, accidental benefits and unemployment.

The Company offers both long-term and short-term credit-linked life insurance. Credit-linked life insurance has the largest share of the Company’s life insurance business. Long-term credit-linked life insurance includes insurance policies relating to mortgages or consumer loans for terms greater than one year. Short-term credit- linked life insurance includes yearly renewable insurance policies relating to consumer loans with accidental disability and optional unemployment covers check credit life and SME credit life.

Non-credit-linked (term) life insurance policies provide life protection insurance for a certain period of time. These insurances provide protection against the risks. These insurance products provide guarantees against the risks of death and protection as the result of accident, unemployment and critical illness specified the conditions in the contract. In the event of death, the beneficiary receives the amount insured. Individual protection insurance may be recognized as only with regular premium instalments in amounts pre-determined for the entire contract period. The Company offers customizable life insurance riders including involuntary unemployment, critical illness, accidental death, and disability due to accident or sickness in its non-credit-linked product portfolio.

Life Savings

Live savings products are generally written for a contract period, during which the insure makes regular premium payments into a unit, in return for a unit-price guaranteed.

Personal Accident

AgeSA personal accident insurance includes accidental death, accidental disability, accidental treatment expenses and unemployment coverage. With personal accident insurance, the life of the insured is covered during the policy period. In the event of an accident, the beneficiary receives the sum assured. Personal accident insurance policies can be issued with a one-off premium payment or with regular premium payments in predetermined amounts throughout the contract period.

Pension

The Company offers a number of individual and corporate pension plans within the framework of the private Pension system.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

5. SEGMENT REPORTING (cont'd)

1 January -31 December 2024	Pension	Life Protection	Life Savings	Personal Accident	Unallocated	Total
Gross written premiums	-	12,175,544,665	1,910,300,145	231,203,668	-	14,317,048,478
Premium ceded to reinsurers	-	(489,562,624)	(45,850,972)	(893,470)	-	(536,307,066)
Written premium (net of reinsurance share)	-	11,685,982,041	1,864,449,173	230,310,198	-	13,780,741,412
<i>Change in mathematical reserves (net of reinsurance share and ceded portion)</i>	-	<i>(3,736,641,918)</i>	<i>(4,743,081,779)</i>	-	-	<i>(8,479,723,697)</i>
<i>Life branch investment income</i>	-	-	4,121,338,283	-	-	4,121,338,283
<i>Other technical income (net of reinsurance share)</i>	-	-	146,270,050	-	-	146,270,050
<i>Investment expenses</i>	-	-	(698,220,115)	-	-	(698,220,115)
<i>Investment income transferred to non-technical divisions</i>	-	-	-	-	-	-
Net Change in Mathematical Reserves	-	(3,736,641,918)	(1,173,693,561)	-	-	(4,910,335,479)
Net change in unearned premium reserves (net of reinsurance share and ceded portion) (+/-)	-	(1,602,765,725)	(130,035)	(48,511,588)	-	(1,651,407,348)
Equalization reserve	-	(48,462,629)	-	(2,434,934)	-	(50,897,563)
Net premiums earned	-	6,298,111,769	690,625,577	179,363,676	-	7,168,101,022
Claim paid and change in outstanding claims (net of reinsurance share)	-	(1,165,876,800)	(418,882,863)	(7,120,176)	-	(1,591,879,839)
Commission income, net	-	153,444,437	530,452	5,230	-	153,980,119
Commission expense, net	-	(2,330,388,454)	(185,304,165)	(101,830,597)	-	(2,617,523,216)
Other income/expense, net	-	9,554,116	125,957,280	(4,996,590)	-	130,514,806
Life & Personal Accident Technical Profit	-	2,964,845,068	212,926,281	65,421,543	-	3,243,192,892
Pension Income	3,557,984,130	-	-	-	-	3,557,984,130
Fund management charge	2,388,993,399	-	-	-	-	2,388,993,399
Management fee	(5,144)	-	-	-	-	(5,144)
Account management fee	939,988,122	-	-	-	-	939,988,122
Entry fee	(10)	-	-	-	-	(10)
Deferred fee	229,007,442	-	-	-	-	229,007,442
Fee deduction in case of contribution suspension	321	-	-	-	-	321
Pension Expenses	(1,969,518,582)	-	-	-	-	(1,969,518,582)
Fund management charge	(137,194,721)	-	-	-	-	(137,194,721)
Commission expense	(1,548,378,044)	-	-	-	-	(1,548,378,044)
Other income/ expense, net	(283,945,817)	-	-	-	-	(283,945,817)
Pension Technical Profit	1,588,465,549	-	-	-	-	1,588,465,548
Total Technical Profit	1,588,465,549	2,964,845,068	212,926,281	65,421,543	-	4,831,658,440
General and administrative expenses	-	-	-	-	(4,186,200,079)	(4,186,200,079)
Net Technical Profit After Overhead Expenses	-	-	-	-	-	645,458,361
<i>Foreign exchange gain/(loss), net</i>	-	-	-	-	378,098,877	378,098,877
<i>Investment income/(expense), net</i>	-	-	-	-	2,714,999,932	2,714,999,932
Net financial income	-	-	-	-	-	3,093,098,809
Profit Before Taxes	-	-	-	-	-	3,738,557,170
Tax and Deferred Tax	-	-	-	-	(983,953,546)	(983,953,546)
Net Profit for the Period	-	-	-	-	-	2,754,603,624

5. SEGMENT REPORTING (cont'd)

1 January-31 December 2023	Pension	Life Protection	Life Savings	Personal Accident	Unallocated	Total
Gross written premiums	-	6,340,073,110	1,013,007,980	130,806,976	-	7,483,888,066
Premium ceded to reinsurers	-	(163,916,614)	(14,154,821)	(291,259)	-	(178,362,694)
Written premium (net of reinsurance share)	-	6,176,156,496	998,853,159	130,515,717	-	7,305,525,372
<i>Change in mathematical reserves (net of reinsurance share and ceded portion)</i>	-	<i>(2,349,237,582)</i>	<i>(5,874,642,237)</i>	-	-	<i>(8,223,879,819)</i>
<i>Life branch investment income</i>	-	-	5,108,380,807	-	-	5,108,380,807
<i>Other technical income (net of reinsurance share)</i>	-	-	226,014,510	-	-	226,014,510
<i>Investment expenses</i>	-	-	(186,877,557)	-	-	(186,877,557)
<i>Investment income transferred to non-technical divisions</i>	-	-	2,194,206	-	-	2,194,206
Net Change in Mathematical Reserves	-	(2,349,237,582)	(724,930,271)	-	-	(3,074,167,853)
Net change in unearned premium reserves (net of reinsurance share and ceded portion) (+/-)	-	(768,919,583)	10,768	(24,211,998)	-	(793,120,813)
Equalization reserve	-	(7,814,139)	-	(1,376,995)	-	(9,191,134)
Net premiums earned	-	3,050,185,192	273,933,656	104,926,724	-	3,429,045,572
Claim paid and change in outstanding claims (net of reinsurance share)	-	(653,236,089)	(151,076,319)	(5,318,786)	-	(809,631,194)
Commission income, net	-	85,353,558	6,775,857	175,095	-	92,304,510
Commission expense, net	-	(968,567,892)	(390,254,278)	(57,288,528)	-	(1,416,110,698)
Other income/expense, net	-	(8,844,768)	32,463,498	(3,495,734)	-	20,122,996
Life & Personal Accident Technical Profit	-	1,504,890,001	(228,157,586)	38,998,771	-	1,315,731,186
Pension Income	1,782,835,754	-	-	-	-	1,782,835,754
Fund management charge	1,327,370,896	-	-	-	-	1,327,370,896
Management fee	(68,742)	-	-	-	-	(68,742)
Account management fee	392,457,757	-	-	-	-	392,457,757
Entry fee	380	-	-	-	-	380
Deferred fee	63,072,457	-	-	-	-	63,072,457
Fee deduction in case of contribution suspension	3,006	-	-	-	-	3,006
Pension Expenses	(1,360,057,618)	-	-	-	-	(1,360,057,618)
Fund management charge	(110,376,147)	-	-	-	-	(110,376,147)
Commission expense	(1,109,997,736)	-	-	-	-	(1,109,997,736)
Other income/expense, net	(139,683,735)	-	-	-	-	(139,683,735)
Pension Technical Profit	422,778,136	-	-	-	-	422,778,136
Total Technical Profit	422,778,136	1,504,890,001	(228,157,586)	38,998,771	-	1,738,509,322
General and administrative expenses	-	-	(2,037,147,198)	-	-	(2,037,147,198)
Net Technical Profit After Overhead Expenses	-	-	-	-	-	(298,637,876)
<i>Foreign exchange gain/(loss), net</i>	-	-	-	-	740,746,791	740,746,791
<i>Investment income/(expense), net</i>	-	-	-	-	1,379,241,963	1,379,241,963
Net financial income	-	-	-	-	-	-
Profit Before Taxes	-	-	-	-	-	2,119,988,754
Tax and Deferred Tax	-	-	-	-	(447,641,826)	(447,641,826)
Net Profit for the Period	-	-	-	-	-	1,373,709,052

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

6. PROPERTY, PLANT AND EQUIPMENT

6.1 Depreciation and amortization for the period:

1 January – 31 December 2024: TL 229,692,161 (1 January - 31 December 2023: TL 136,860,651).

6.1.1 Depreciation expenses:

1 January – 31 December 2024: TL 83,461,994 (1 January - 31 December 2023: TL 27,131,712).

6.1.2 Amortization and depreciation:

1 January – 31 December 2024: TL 146,230,167 (1 January - 31 December 2023: TL 109,728,939).

6.2 Changes in the method of calculation of depreciation and amortization expense for the period, related the increase (+) or decrease (-): Disclosed in Note 2.5. There are no changes.

6.3 Fixed asset movements in the current period:

6.3.1 The cost of property, plant and equipment and intangible assets purchased, manufactured or constructed:

1 January – 31 December 2024: TL 650,305,880 (1 January – 31 December 2023: TL 380,012,141).

6.3.2 Cost of property, plant and equipment and intangible assets sold or scrapped:

1 January – 31 December 2024: TL 6,718,227 (1 January – 31 December 2023: TL 13,699,123).

6.3.3 Revaluation increases during the period: None.

6.3.3.1 Cost of fixed asset (+): None.

6.3.3.2 Accumulated depreciation (-): None.

6.3.4 Construction in progress nature, amount, start and end date, completion rate:

As explained in Note 3, the Company has started a Modernization project to improve its existing systems as of 2017, within this scope, projects that are determined to provide economic benefits to the Company in the future are capitalized. As of 31 December 2024, the Company has reviewed its capitalized but not yet completed projects and expensed the amount of assets, which it concluded that it would not provide economic benefits to the Company in the future (Note 8).

As of 31 December 2024, although the Company's efforts to modernize the existing systems continue, some of the costs included in the construction in progress account as of 31 December 2024 have been transferred to other intangible assets in the current period as they are ready for use and amortization has started.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

6. PROPERTY, PLANT AND EQUIPMENT (cont'd)

6.3 Fixed asset movements in the current period (cont'd):

6.3.4 Construction in progress nature, amount, start and end date, completion rate (cont'd):

Movement of property, plant and equipment for the period 1 January – 31 December 2024:

Cost	1 January 2024	Additions	Disposals	31 December 2024
Machinery and equipment	63,503,577	22,260,551	(1,343,841)	84,420,287
Furniture and fixtures	26,531,395	18,949,193	(2,550,607)	42,929,981
Other tangible assets	13,145,284	34,790,431	(2,738,887)	45,196,828
Motor vehicles	5,870,700	2,668,000	-	8,538,700
Right-of-use assets	51,184,568	208,033,146	(15,176,038)	244,041,676
Total	160,235,524	286,701,321	(21,809,373)	425,127,472

Accumulated depreciation (-)	1 January 2024	Charge for the period	Disposals	31 December 2024
Machinery and equipment	(32,260,716)	(14,249,567)	1,337,106	(45,173,177)
Furniture and fixtures	(17,074,103)	(6,589,497)	1,577,788	(22,085,812)
Other tangible assets	(4,194,866)	(5,397,979)	589,686	(9,003,159)
Motor vehicles	(3,353,845)	(1,260,547)	-	(4,614,392)
Right-of-use assets	(15,428,066)	(55,964,404)	11,929,505	(59,462,965)
Total	(72,311,596)	(83,461,994)	15,434,085	(140,339,505)

Net book value	87,923,928			284,787,967
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Movement of property, plant and equipment for the period 1 January – 31 December 2023:

Cost	1 January 2023	Additions	Disposals	Transfer	31 December 2023
Machinery and equipment	55,977,779	12,890,638	(5,249,706)	(115,134)	63,503,577
Furniture and fixtures	24,081,638	3,724,586	(1,389,963)	115,134	26,531,395
Other tangible assets	13,271,639	180,502	(306,857)	-	13,145,284
Motor vehicles	5,870,700	-	-	-	5,870,700
Right-of-use assets	35,899,752	15,284,816	-	-	51,184,568
Total	135,101,508	32,080,542	(6,946,526)	-	160,235,524

Accumulated depreciation (-)	1 January 2023	Charge for the period	Disposals	Transfer	31 December 2023
Machinery and equipment	(23,353,206)	(12,503,000)	3,483,403	112,087	(32,260,716)
Furniture and fixtures	(12,833,103)	(5,351,226)	1,222,313	(112,087)	(17,074,103)
Other tangible assets	(3,028,134)	(1,473,589)	306,857	-	(4,194,866)
Motor vehicles	(2,179,706)	(1,174,139)	-	-	(3,353,845)
Right-of-use assets	(8,798,308)	(6,629,758)	-	-	(15,428,066)
Total	(50,192,457)	(27,131,712)	5,012,573	-	(72,311,596)

Net book value	84,909,051				87,923,928
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AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

7. INVESTMENT PROPERTIES

The Company does not hold any investment property.

8. INTANGIBLE ASSETS

Movements of intangible assets and related accumulated amortization for the period ended 31 December 2024 are as follows:

Cost	1 January 2024	Additions	Transfers	Disposals	31 December 2024
Software	706,796,172	40,360,227	167,760,183	-	914,916,582
Construction in progress	129,423,171	531,277,478	(167,760,183)	(84,892)	492,855,574
Total	836,219,343	571,637,705	-	(84,892)	1,407,772,156

Accumulated amortization (-)	1 January 2024	Charge for the Period	Transfers	Disposals	31 December 2024
Software	(286,735,173)	(146,230,167)	-	-	(432,965,340)
Total	(286,735,173)	(146,230,167)	-	-	(432,965,340)

Net book value	549,484,170				974,806,816
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Movements of intangible assets and related accumulated amortization for the period ended 31 December 2023 are as follows:

Cost	1 January 2023	Additions	Transfers	Disposals	31 December 2023
Software	415,626,255	141,803,745	155,672,149	(6,305,977)	706,796,172
Construction in progress	64,129,270	221,412,670	(155,672,149)	(446,620)	129,423,171
Total	479,755,525	363,216,415	-	(6,752,597)	836,219,343

Accumulated amortization (-)	1 January 2023	Charge for the Period	Transfers	Disposals	31 December 2023
Software	(179,068,417)	(109,728,939)	-	2,062,183	(286,735,173)
Total	(179,068,417)	(109,728,939)	-	2,062,183	(286,735,173)

Net book value	300,687,108				549,484,170
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AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

9. SUBSIDIARIES AND ASSOCIATES

As of 31 December 2024 and 31 December 2023, information regarding the Company's subsidiary is as follows:

	31 December 2024		31 December 2023	
	Shareholding share (%)	Amount (TL)	Shareholding share (%)	Amount (TL)
Subsidiaries				
Agesa Sigorta Aracılığı A.Ş.	100	2,000,000	100	2,000,000
Medisa Sigorta A.Ş. (*)	100	500,000,000	-	-
Total		502,000,000		2,000,000

(*) Pursuant to the decision of the Board of Directors of the Company dated 4 March 2024, it has been decided to participate in the capital increase to be made by Medisa Sigorta A.Ş. by issuing shares at a premium with TL 629,000,000, and the shareholding as a result of the capital increase will be 400,000,000 units equivalent to TL 400,000,000. After the transaction, the Company's shareholding share in Medisa Sigorta A.Ş. became 80%. Increased capital was paid in cash by issuing shares at a premium. Since 1 nominal share amounting to TL 1.5725 was issued with a share premium of TL 1.5725, a share premium amounting to TL 229,000,000 was recognized as a result of this transaction.

On 30 May 2024, the transaction related to the acquisition of 80% shares of Medisa has been accounted for using the pooling of interest method in accordance with the POA's Principle Decision No. 2018-1 on “Accounting for Business Combinations Under Common Control” and the financial statements of the current and comparative period have been adjusted and presented with adjustments as if the merger has occurred as of 1 January 2023, the beginning of the comparative period. The difference between the consideration transferred and the carrying amount of Medisa's net assets at the acquisition date is recognized in equity in the accompanying financial statements as the effect of mergers involving entities or businesses under common control. On 20 December 2024, the Company's shareholding share in Medisa became 100% with the purchase of the remaining 20% shares.

10. REINSURANCE ASSETS

As of 31 December 2024 and 31 December 2023, the amounts in the balance sheet and income statement related to reinsurance transactions arising from insurance contracts are as follows:

Reinsurance Assets

	31 December 2024	31 December 2023
Reinsurance share of outstanding claim reserve (Note 17.15)	122,378,842	48,435,321
Reinsurance share of unearned premiums reserve (Note 17.15)	13,204,721	3,944,613
Reinsurance companies' current account (net) (*)	(54,041,352)	(27,400,043)
Reinsurers' share of equalization reserve (Note 17.15)	5,029,889	2,725,441
Reinsurers’ share of mathematical reserves (Note 2.20,17.2,17.15))	4,882,702	9,254,873
Total reinsurance assets net	91,454,802	36,960,205

(*) As of 31 December 2024, receivables from reinsurance companies amount to TL 1,933,017 (31 December 2023 : None); payables amount to TL 55,974,369 (31 December 2023 : TL 27,400,043).

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

10. REINSURANCE ASSETS (cont’d)

Gains and losses recognized in the income statement in accordance with the Company’s reinsurance contracts are shown in the table below:

	1 January- 31 December 2024	1 January- 31 December 2023
Ceded premiums to reinsurers (Note 24)	(536,307,066)	(178,362,694)
Commissions received from reinsurers (Note 32)	153,980,119	92,304,510
Reinsurance share of claims paid (Note 17)	94,087,764	103,737,445
Reinsurance share of outstanding claim reserve (Note 17)	73,943,521	28,478,868
Reinsurance share of unearned premium reserve (Note 17)	9,426,494	(937,057)
Reinsurers' share of equalization reserve (Note 17)	2,304,448	1,086,079
Reinsurers’ share of Mathematical Reserves (Note 17)	(4,538,556)	(18,410,615)
Total reinsurance income/(expense)	(207,103,276)	27,896,536

11. FINANCIAL ASSETS

11.1 In line with operations, sub-classifications of presented items

31 December 2024	Portfolio with risks on policyholders			Company portfolio		
	Blocked	Non- blocked	Total	Blocked	Non- blocked	Total
Financial assets available-for-sale						
Government bonds and Treasury bills	21,343,200	-	21,343,200	7,097,265	166,713,370	173,810,635
Private sector bonds	-	-	-	140,042,988	1,503,854,627	1,643,897,615
Eurobond	5,774,627,196	-	5,774,627,196	555,322,851	441,375,268	996,698,119
Financial assets available-for-sale						
Government bonds and Treasury bills	-	-	-	111,958,623	86,238,982	198,197,605
Private sector bonds	-	-	-	-	4,055,214	4,055,214
Investment fund	-	-	-	30,287,861	1,918,718,850	1,949,006,711
Held-to-maturity financial assets						
Eurobond	17,154,520,002	-	17,154,520,002	928,889,038	-	928,889,038
Total	22,950,490,398	-	22,950,490,398	1,773,598,626	4,120,956,311	5,894,554,937

31 December 2023	Portfolio with risks on policyholders			Company portfolio		
	Blocked	Non- blocked	Total	Blocked	Non- blocked	Total
Financial assets available-for-sale						
Government bonds and Treasury bills	21,710,995	-	21,710,995	7,411,441	-	7,411,441
Private sector bonds	-	-	-	285,942,351	666,645,177	952,587,528
Eurobond	2,472,593,532	-	2,472,593,532	880,605,245	115,897,843	996,503,088
Financial assets available-for-sale						
Government bonds and Treasury bills	-	-	-	93,421,635	76,861,805	170,283,440
Private sector bonds	-	-	-	4,024,960	-	4,024,960
Investment fund	-	-	-	23,797,247	801,805,599	825,602,846
Held-to-maturity financial assets						
Eurobond	12,868,941,194	-	12,868,941,194	1,129,087,860	-	1,129,087,860
Total	15,363,245,721	-	15,363,245,721	2,424,290,739	1,661,210,424	4,085,501,163

11.2 Marketable securities except equity shares issued during the year: None.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

11. FINANCIAL ASSETS (cont’d)

11.3 Debt securities redeemed during the year: None.

11.4 The information showing the values of the securities and financial fixed assets recognized at cost in the balance sheet according to their stock market prices, and the values of the securities and financial fixed assets recognized at stock market prices according to their cost prices:

Marketable securities:

	31 December 2024			31 December 2023		
	Cost	Book value	Fair value	Cost	Book value	Fair value
Financial assets available-for-sale - Company portfolio						
Government bonds and treasury bills (TL)	173,661,979	173,810,635	173,810,635	8,832,000	7,411,441	7,411,441
Private sector bonds	1,478,304,340	1,643,897,615	1,643,897,615	815,872,651	952,587,528	952,587,528
Eurobond (USD)	908,699,979	996,698,119	996,698,119	922,216,063	993,024,325	993,024,325
Eurobond (EUR)	-	-	-	3,155,890	3,478,763	3,478,763
	2,560,666,298	2,814,406,369	2,814,406,369	1,750,076,604	1,956,502,057	1,956,502,057
Financial assets held for trading – Company portfolio						
Government bonds and treasury bills (TL)	170,269,635	198,197,605	198,197,605	170,283,440	170,283,440	170,283,440
Private sector bonds	3,800,000	4,055,214	4,055,214	3,800,000	4,024,960	4,024,960
Investment Fund	1,616,422,313	1,949,006,711	1,949,006,711	769,140,168	825,602,846	825,602,846
	1,790,491,948	2,151,259,530	2,151,259,530	943,223,608	999,911,246	999,911,246
Held-to-maturity financial investments - Company portfolio						
Eurobond (USD)	886,308,895	928,889,038	1,011,032,172	1,077,342,931	1,129,087,860	1,274,675,685
	886,308,895	928,889,038	1,011,032,172	1,077,342,931	1,129,087,860	1,274,675,685
Financial investments with risks on policyholders available-for-sale						
Government bonds and treasury bills (TL)	30,678,500	21,343,200	21,343,200	30,678,500	21,710,995	21,710,995
Eurobond (USD) (*)	5,805,085,122	5,774,627,196	5,774,627,196	2,585,774,696	2,472,593,532	2,472,593,532
	5,835,763,622	5,795,970,396	5,795,970,396	2,616,453,196	2,494,304,527	2,494,304,527
Financial investments held to maturity with risk on policyholders						
Eurobond (USD) (*)	16,541,118,724	17,154,520,002	17,338,866,884	12,471,257,646	12,868,941,194	13,220,339,456
	16,541,118,724	17,154,520,002	17,338,866,884	12,471,257,646	12,868,941,194	13,220,339,456
Total	27,614,349,487	28,845,045,335	29,111,535,351	18,858,353,985	19,448,746,884	19,945,732,971

(*) Financial assets related to the Refundable Life Insurance and product are included in the financial investments belonging to the owners of the risk life policy.

The Company’s non-current financial assets are carried at cost (Note 45.2).

The movement of financial assets and financial investments with risks on policyholders for the periods ended 31 December 2024 and 31 December 2023 are as follows:

	2024	2023
1 January	19,448,746,884	9,728,721,308
Purchases during the period	12,608,371,929	9,762,251,629
Sales during the period (*)	(5,476,067,800)	(5,233,288,732)
Valuation (decrease) / increase	631,012,389	265,749,608
Disposals through amortization during the period (*)	(1,336,779,006)	(539,905,492)
Unrealized foreign exchange gains / (losses)	2,961,631,462	5,397,329,132
Amount recognized under equity	28,043,595	95,942,447
Amount recognized under mathematical reserves	(19,914,118)	(28,053,016)
31 December	28,845,045,335	19,448,746,884

(*) Sales of securities purchased in foreign currency are shown with the exchange rate on the first day of purchase. In the cash flow statement, the sales are shown with the exchange rate of the day the redemption is realized.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

11. FINANCIAL ASSETS (cont’d)

11.4 The information showing the values of the securities and financial fixed assets recognized at cost in the balance sheet according to their stock market prices, and the values of the securities and financial fixed assets recognized at stock market prices according to their cost prices (cont’d):

Maturity analysis of financial assets

	31 December 2024						Total
	Demand Deposit	0 - 3 months	3 - 6 ay	6 months - 1 year	1 year – 3 years	More than 3 years	
Government bond and treasury bills	-	-	-	-	25,220,166	368,131,274	393,351,440
Eurobond	-	-	-	-	345,560,006	23,640,149,532	23,985,709,538
Private sector Eurobonds	-	-	-	-	68,012,517	801,012,300	869,024,817
Private sector bonds	-	755,675,891	196,055,694	560,779,991	120,180,842	15,260,411	1,647,952,829
Investment fund	1,949,006,711	-	-	-	-	-	1,949,006,711
Total	1,949,006,711	755,675,891	196,055,694	560,779,991	558,973,531	24,824,553,517	28,845,045,335

	31 December 2023						Total
	Demand Deposit	0 - 3 months	3 - 6 months	6 months - 1 year	1 year- 3 years	More than 3 years	
Government bond and treasury bills	-	-	-	-	25,258,158	174,147,718	199,405,876
Eurobond	-	-	-	29,646,361	283,898,501	16,196,429,559	16,509,974,421
Private sector Eurobonds	-	-	175,260,815	334,333,891	-	447,556,547	957,151,253
Private sector bonds	-	386,919,008	74,370,352	280,818,413	199,358,155	15,146,560	956,612,488
Investment fund	825,602,846	-	-	-	-	-	825,602,846
Total	825,602,846	386,919,008	249,631,167	644,798,665	508,514,814	16,833,280,384	19,448,746,884

Foreign currency analysis of financial assets:

	31 December 2024			
	Currency type	Currency amount	Exchange Rate	Amount TL
Available-for-sale financial assets	TL	-	-	1,817,708,250
	USD	28,250,840	35,2803	996,698,119
Total				2,814,406,369
Financial assets held for trading	TL	-	-	2,127,069,356
	USD	685,657	35,2803	24,190,174
Total				2,151,259,530
Held-to-maturity Financial Assets	USD	26,328,830	35,2803	928,889,038
Total				928,889,038
Financial investments with risk on policyholders	TL	-	-	21,343,200
	USD	649,913,612	35,2803	22,929,147,198
Total				22,950,490,398
General Total				28,845,045,335

	31 December 2023			
	Currency type	Currency amount	Exchange Rate	Amount TL
Available-for-sale financial assets	TL	-	-	959,998,969
	USD	33,732,508	29,4382	993,024,325
	EUR	106,796	32,5739	3,478,763
Total				1,956,502,057
Financial assets held for trading	TL	-	-	999,911,246
Total				999,911,246
Held-to-maturity Financial Assets	USD	38,354,514	29,4382	1,129,087,860
Total				1,129,087,860
Financial investments with risk on policyholders	TL	-	-	21,710,995
	USD	521,143,777	29,4382	15,341,534,726
Total				15,363,245,721
General Total				19,448,746,884

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

11. FINANCIAL ASSETS (cont'd)

11.5 The amount of securities included in the securities and related securities group and issued by shareholders, associates and subsidiaries of the entity and the partnerships that issued them:

None.

11.6 Value increases / (decreases) in financial assets in the last three years):

	31 December 2024	31 December 2023	31 December 2022
Financial assets available-for-sale	253,740,071	206,425,453	47,595,553
Financial assets held for trading	360,767,582	56,687,638	173,880,833
Financial investments with risks on policyholders	(39,793,226)	(122,148,669)	(211,092,397)
Held-to-maturity financial investments	655,981,421	449,428,477	157,806,409
	1,230,695,848	590,392,899	168,190,398

Value increases reflect the difference between the book value and cost of the financial assets as at the period end.

12. PAYABLES AND RECEIVABLES

12.1 Classifications of receivables as trade receivables from customers, receivables from related parties, advance payments (short-term and long-term payments) and others:

	31 December 2024	31 December 2023
Loans to policyholders (loans)	679,158,089	569,555,420
Receivables from pension operations (*)	117,465,497	116,345,722
Receivables from insurance operations (**)	141,140,857	86,318,879
Due from related parties	19,618,727	4,958,101
Other receivables	11,542,927	2,926,905
Total	968,926,097	780,105,027

(*) TL 228,012,950,880 pension investment funds amount is not included in the total (31 December 2023: TL 141,346,845,235).

(**) As of 31 December 2024, receivables from reinsurance companies amounting to TL 1,933,017 (31 December 2023: None). As of 31 December 2024, receivables from intermediaries amounting to TL 17,465,139 (31 December 2023: TL 5,256,575) and provision for litigation amounting to TL 1,099,085 (31 December 2023: TL 1,328,886).

The aging of receivables from insurance operations that are not overdue is as follows:

	31 December 2024	31 December 2023
Receivables from policyholders		
0 - 3 months	21,767,325	15,903,849
3 - 6 months	14,134,061	10,302,769
6 - 9 months	8,644,543	6,188,951
9 - 12 months	2,358,632	1,880,249
Total	46,904,561	34,275,818

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

12. PAYABLES AND RECEIVABLES (cont'd)

12.1 Classification of the receivables as receivables from customers, receivables from related parties, advance payments (short-term and long-term prepayments) and others: (cont'd)

The aging of due from insurance operations is as follows:

	31 December 2024	31 December 2023
Overdue between 0 - 3 months	69,530,671	40,102,959
Overdue between 3 - 6 months	2,332,944	964,014
Overdue between 6 - 9 months	906,682	1,736,852
Overdue between 9 - 12 months	829,524	555,457
Overdue more than 1 year	1,238,319	3,427,204
Total	74,838,140	46,786,486

Indebtedness distribution of existing loans:

	31 December 2024	31 December 2023
Other (demand)	679,158,089	569,555,420
Total	679,158,089	569,555,420

There is no provision for receivables from insurance operations.

12.2 Due from/due to shareholders, associates and subsidiaries:

	31 December 2024				31 December 2023			
	Receivables		Payables		Receivables		Payables	
	Trade	Non Trade	Trade	Non Trade	Trade	Non Trade	Trade	Non Trade
Shareholders	-	-	2,674,907	841,350	-	-	1,822,526	597,181
Hacı Ömer Sabancı Holding A.Ş.	-	-	2,674,907	-	-	-	1,822,526	-
Other	-	-	-	841,350	-	-	-	597,181
Subsidiaries	2,879,090	-	1,534,974	-	409,036	-	1,111,689	-
AgeSA Sigorta Aracılığı A.Ş.	668,848	-	1,534,974	-	409,036	-	1,111,689	-
MediSA Sigorta A.Ş.	2,210,242	-	-	-	-	-	-	-
Total	2,879,090	-	4,209,881	841,350	409,036	-	2,934,215	597,181

12.3 Total pledge and collateral obtained for receivables:

Total amounts of pledge and other collateral received for receivables:

	31 December 2024				31 December 2023			
	USD	EUR	TL	Total (TL)	USD	EUR	TL	Total (TL)
Guarantees and sureties received:								
Letters of guarantee	1,411,212	-	162,259,146	163,670,358	1,766,292	-	65,208,738	66,975,030
Pledge notes	-	-	309,450	309,450	-	-	309,450	309,450
Other guarantees and sureties	2,313,220	-	12,850	2,326,070	3,129,578	89,999	589,419	3,808,996
Total	3,724,432	-	162,581,446	166,305,877	4,895,870	89,999	66,107,607	71,093,476

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

12. PAYABLES AND RECEIVABLES (cont'd)

12.4 Receivables and payables denominated in foreign currencies having no foreign exchange rate guarantees, assets in foreign currencies and conversion rates:

Asset	31 December 2024			31 December 2023		
	Foreign Currency Amount	Exchange Rate	TL Amount	Foreign Currency Amount	Exchange Rate	TL Amount
Cash and cash equivalents						
USD	709,525	35,2803	25,032,244	1,372,121	29,4382	40,392,776
EUR	53,662	36,7362	1,971,351	24,727	32,5739	805,455
GBP	-	44,2073	-	2,224	37,4417	83,288
Total			27,003,595			41,281,519
Financial investments with risks on policyholders						
USD	705,178,939	35,2803	24,878,924,529	593,230,799	29,4382	17,463,646,911
EUR	-	36,7362	-	106,797	32,5739	3,478,763
Total			24,878,924,529			17,467,125,674
Receivables from operating activities						
USD	20,039,001	35,2803	706,981,957	19,245,834	29,4382	566,562,705
EUR	(109)	36,7362	(3,994)	278	32,5739	9,063
Total			706,977,963			566,571,768
Receivables from related parties						
USD	-	35,2803	-	20	29,4382	590
EUR	-	36,7362	-	100	32,5739	3,254
Total			-			3,844
Other current assets						
USD	1,273	35,2803	44,906	198	29,4382	5,830
EUR	-	36,7362	-	-	32,5739	-
Total			44,906			5,830
Other receivables						
USD	200	35,2803	7,056	200	29,4382	5,888
Total			7,056			5,888
Liability	31 December 2024			31 December 2023		
Payables from operating activities	Foreign Currency Amount	Exchange Rate	TL Amount	Foreign Currency Amount	Exchange Rate	TL Amount
USD	114,928	35,3438	4,061,993	37,248	29,4913	1,098,484
EUR	-	36,8024	-	1,306	32,6326	42,612
Total			4,061,993			1,141,096
Payables to related parties						
USD	2,174,645	35,3438	76,860,219	1,000,954	29,4913	29,519,421
EUR	289,711	36,8024	10,662,042	547	32,6326	17,835
GBP	-	44,4378	-	-	37,6369	15
Total			87,522,261			29,537,271
Other payables						
EUR	24,731	36,8024	910,160	79,603	32,6326	2,597,656
GBP	18,500	44,4378	822,099	-	37,6369	-
USD	397,772	35,3438	14,058,779	280,143	29,4913	8,261,788
Total			15,791,038			10,859,444
Provision for outstanding claims reserve						
USD- (effective selling rate)	-	35,3969	-	72,966	29,5355	2,155,085
USD	2,940,861	35,2803	103,754,447	2,027,941	29,4382	59,698,930
Total			103,754,447			61,854,015
Deferred income and expense accruals						
USD	2,005,477	35,3438	70,881,188	8,371	29,4913	246,877
Total			70,881,188			246,877
Life mathematical reserves						
USD- (effective selling rate)	192,407	35,3969	6,810,626	17,609	29,5355	520,079
USD	674,889,192	35,2803	23,810,293,153	532,552,287	29,4382	15,677,380,733
EUR - (effective selling rate)	13,003	36,8576	479,274	14,863	32,6815	485,743
Total			23,817,583,053			15,678,386,555

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

13. DERIVATIVE FINANCIAL INSTRUMENTS

The Company classifies derivative transactions as transactions for trading purposes in accordance with the provisions of TAS 39 - Financial Instruments: Accounting and Measurement standard. The Company recognizes the income and income provisions related to short-term swap and forward contracts realized during the period in the net income/expense accounts from derivative products.

	31 December 2024	31 December 2023
Income from Derivative Products	3,600	799,386
Losses Arising from Derivative Products	(10,119,130)	(12,581,150)
Total	(10,115,530)	(11,781,764)

14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the periods ending 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Bank deposits and issued checks	2,511,214,022	626,760,668
Issued checks and money orders	(2,075,657)	(1,759,443)
Other cash and cash equivalents	2,399,680,180	1,456,912,159
Total	4,908,818,545	2,081,913,384

	31 December 2024	31 December 2023
FC cash and cash equivalents	27,003,595	41,281,519
- demand deposits	23,341,739	3,842,660
- term deposits	3,510,300	37,075,412
- credit card receivables	151,556	363,447
TL cash and cash equivalents	4,881,814,950	2,040,631,865
- demand deposits	386,881,003	228,288,603
- term deposits	2,097,480,980	357,553,993
- issued checks and money orders	(2,075,657)	(1,759,443)
- credit card receivables	2,399,528,624	1,456,548,712
Total	4,908,818,545	2,081,913,384

Weighted average interest rates of time deposits:

	31 December 2024 Annual interest rate (%)	31 December 2023 Annual interest rate (%)
USD	0.01	0.5
TL	48.67	39.96

As at 31 December 2024, the maturities of TL deposits are between 2 January 2025 – 27 March 2025 and the maturities of foreign currency deposits are 2 January 2025.

As of 31 December 2023, the maturity of TL deposits is between 2 January 2024 – 1 April 2024, and the maturity of foreign currency deposits is 2 January 2024.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

14. CASH AND CASH EQUIVALENTS (cont'd)

Foreign currency time and demand deposits:						31 December 2023			
31 December 2024						31 December 2023			
FC		TL equivalent		FC		FC		TL equivalent	
Term	Demand	Term	Demand	Term	Demand	Term	Demand	Term	Demand
USD	99,497	605,731	3,510,300	21,370,388	1,259,432	100,343	37,075,412	2,953,917	
EUR	-	53,662	-	1,971,351	-	24,727	-	805,455	
GBP	-	-	-	-	-	2,224	-	83,288	
Total		3,510,300	23,341,739			37,075,412	3,842,660		

15. SHARE CAPITAL

15.1 Distributions to the shareholders, the amounts of the transactions concluded by the entity with the partners, under the own wills of the partners:

Detailed information about the Company's partners and capital structure as 31 December 2024 and 31 December 2023 is provided in footnote 2.13.

In accordance with the dividend distribution proposal taken at the Ordinary General Assembly Meeting held on 19 March 2024, based on the positive opinion dated 19 February 2024 received from the Insurance and Private Pension Regulation and Supervision Agency in accordance with the circular numbered 2023/2, the Company has decided to distribute a total gross dividend of TL 300,000,000 out of the consolidated net profit after tax of TL 1,424,603,500 for the year 2023, after setting aside TL 29,100,000 general legal reserves and TL 1,095,503,500 extraordinary reserves, and to make the payments in cash as of 15 April 2024, and the related dividend payments were made on 15 April and 17 April.

15.2 Capital and profit reserves:

Profit reserves:

As at 31 December 2024, the Company's profit reserves consist of; TL 138,739,901 (31 December 2023: TL 109,239,901) from legal reserves, TL 11,494 (31 December 2023: TL 11,494) from statutory reserves, TL 2,383,438,086 (31 December 2023: TL 1,338,829,034) from extraordinary reserves, TL 75,248,129 (31 December 2023: TL 55,579,038) from valuation of financial assets and TL (92,344,846) (31 December 2023: TL (62,368,702) from other profit reserves.

According to the provisions of the Turkish Commercial Code, legal reserves consist of first and second order legal reserves. The first order legal reserves are allocated at the rate of 5% of the legal period profit until they reach 20% of the historical or registered Company capital. Second order legal reserves are allocated at the rate of 10% of all dividend distributions exceeding 5% of the Company's capital. According to the Turkish Commercial Code, the first and second legal reserves cannot be distributed unless they exceed 50% of the total capital, but they can be used to cover losses in case the discretionary reserves are exhausted.

Capital reserves:

As at 31 December 2024, TL (99,384,843) (31 December 2023: TL (43,946,321)) of the Company's capital reserves TL 512,783 (31 December 2023: TL 512,783) consists of the difference between Aviva Emeklilik's nominal capital before the merger amounting to TL 82,320,000 and Ak Emeklilik's capital increase amounting to TL 15,779,197, TL 324,312 (31 December 2023: TL 324,312) of the balance remaining after the addition of TL 66,028,020 to the capital consists of bonus share capital increase and TL (100,221,938) (31 December 2023: TL 44,783,416) consists of the Company's own shares purchased.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

15. SHARE CAPITAL (cont'd)

Capital reserves (cont'd):

The Company, with the decision of the board of directors taken on 10 April 2023, with the aim of supporting healthy price formation in the AgeSA share market, thus restoring the reasonable value of the Company shares and offering a more attractive long-term investment opportunity to the shareholders,

- Initiation of a share buyback program for a maximum of 3 years within the framework of the Capital Markets Board's decision i-CMB.22.7 (dated 14.02.2023 and numbered 9/177),
- Buyback of up to 1,800,000,000 shares with a nominal value of TL 18,000,000, representing approximately 10% of the Company's issued capital,
- The fund allocated for the repurchase transaction to be set at a maximum of TL 750,000,000,
- The share buy-back transaction will be included in the agenda of the first general assembly meeting to be held and submitted to the information and approval of the shareholders at the general assembly has been decided.

From 10 April 2023 to 31 December 2024, the Company purchased 1,633,946 shares with a total cost of TL 100,221,938 and accounted for in equity.

Valuation of financial assets:

Unrealized profits and losses arising from changes in the fair values of available-for-sale financial assets are netted off with the deferred tax amount and accounted under "Valuation of Financial Assets" within equity.

The movements in the valuation of financial assets during the period are as follows:

	2024	2023
1 January	55,579,038	(12,366,535)
Fair value increase/(decrease), net	19,669,091	67,945,573
31 December	75,248,129	55,579,038

15.3 Capital movements

The Company's paid-in capital amount as of the periods ending on 31 December 2024 and 31 December 2023 is TL 180,000,000 and consists of 18,000,000,000 shares with a unit nominal value of 1 Kurus.

16. OTHER RESERVES AND EQUITY COMPONENT OF DISCRETIONARY PARTICIPATION FEATURE

Information about other reserves classified under the equity is explained in Note 15.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS

17.1 Guarantees to be provided and guarantees provided for life and non-life branches,
Guarantees to be provided and guarantees provided for life and non-life branches:

Branch	31 December 2024			31 December 2023		
	To be installed (*)	Current blockage (nominal)	Current blockage (official newspaper price)	To be installed (*)	Current blockage (nominal)	Current blockage (official newspaper price)
Life (*)	24,928,066,656	24,950,791,299	24,881,392,378	16,296,921,910	18,285,913,140	18,220,717,293
Non-life	18,294,877	15,000,000	24,568,500	11,617,996	15,000,000	20,562,150
Total	24,946,361,533	24,965,791,299	24,905,960,878	16,308,539,906	18,300,913,140	18,241,279,443

(*) In accordance with Article 4 of the "Regulation on the Financial Structures of Insurance, Reinsurance and Pension Companies", issued pursuant to the Insurance Law and published in the Official Gazette dated 7 August 2007 and numbered 26606, insurance companies and pension companies operating in the life and personal accident branch are obliged to establish the Minimum Guarantee Fund amount, which corresponds to one third of the required equity capital amount found during the capital adequacy calculation, as collateral during the capital adequacy calculation period.

Blocked deposits and marketable securities are kept in accordance with the Article 6 of Regulation on the Financial Structures of Insurance, Reinsurance and Private Pension Companies regulating the valuation of collaterals. Collaterals are completed within the period of the related regulation.

Total pledges and collateral amounts on asset values:

	31 December 2024	31 December 2023
Nominal values		
TL	217,048,932	430,209,760
FC	24,748,742,367	17,870,703,380
Total	24,965,791,299	18,300,913,140

The above-mentioned assets are blocked in favour of IPRSA.

17.2 Number of life policies, the number and mathematical reserve amount of the life policies that enter and exit during the year and current status:

In the change section, increases and decreases in the current portfolio, policies exempt from premium payment and policies taken into force are included.

	31 December 2024		31 December 2023	
	Number	Mathematical equivalent TL	Number	Mathematical equivalent TL
Beginning of period	3,768,364	16,098,447,318		
Addition	4,080,273	1,743,620,572	2,487,209	8,085,738,936
Disposals	(4,664,783)	(1,275,448,810)	4,121,995	1,175,302,208
Change	-	7,897,410,712	(2,840,840)	(694,986,774)
End of period	3,183,854	24,464,029,792	3,768,364	16,098,447,318

- (1) Mathematical reserves are calculated in accordance with its own technical principles for each product.
- (2) As of 31 December 2024, there is no provision for cancelled policies (31 December 2023: None).
- a) Mathematical reserves belonging to the policies those were in effect in the beginning of the period but were cancelled during the period were presented within disposals, but policies which were signed and cancelled during the period are not presented within additions and disposals.
- b) As of 31 December 2024, mathematical reserve amounting to TL 679,158,089 (31 December 2023: TL 569,555,420) allocated for loan amounts and TL (107,219,162) (31 December 2023: (85,152,881)) financial investments whose risk belongs to the insured. Fair value loss is not shown in the relevant mathematical reserves' entries.
- c) As of 31 December 2024, the reinsurer share of life mathematical reserve amounting to TL (4,882,702) has not been deducted from the mathematical reserve amount (31 December 2023: TL (9,254,873)).

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.3 Amount of insurance coverage provided for life and non-life insurance by branches: TL
668,703,962,358 (31 December 2023: TL 390,912,927,938).

17.4 Unit prices of pension funds established by the Company:

As of 31 December 2024, there are 39 pension investment funds established by the Company (31 December 2023: 40).

Pension Funds	Unit price 31 December 2024 (TL)	Unit price 31 December 2023 (TL)
-		
AgeSA Hayat ve Emeklilik A.Ş. Dış Borçlanma Araçları Emeklilik Yatırım Fonu	0.581819	0.454647
AgeSA Hayat ve Emeklilik A.Ş. Karma Emeklilik Yatırım Fonu	0.459159	0.320598
AgeSA Hayat ve Emeklilik A.Ş. Agresif Değişken Emeklilik Yatırım Fonu	0.917882	0.581744
AgeSA Hayat ve Emeklilik A.Ş. Kamu Dış Borçlanma Araçları (USD 5-15 Yıl Vadeli) Emeklilik Yatırım Fonu	0.582306	0.445389
AgeSA Hayat ve Emeklilik A.Ş. Orta Vadeli Borçlanma Araçları Emeklilik Yatırım Fonu	0.153416	0.119782
AgeSA Hayat ve Emeklilik A.Ş. İkinci Para Piyasası Emeklilik Yatırım Fonu	0.201276	0.124261
AgeSA Hayat ve Emeklilik A.Ş. İkinci Değişken Emeklilik Yatırım Fonu	0.229836	0.180019
AgeSA Hayat ve Emeklilik A.Ş. Bist Temettü 25 Endeksi Emeklilik Yatırım Fonu	0.383612	0.253466
AgeSA Hayat ve Emeklilik A.Ş. Birinci Para Piyasası Emeklilik Yatırım Fonu	0.210561	0.130791
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Emeklilik Yatırım Fonu	0.226735	0.160125
AgeSA Hayat ve Emeklilik A.Ş. Dinamik Değişken Emeklilik Yatırım Fonu	0.625503	0.415210
AgeSA Hayat ve Emeklilik A.Ş. Birinci Değişken Emeklilik Yatırım Fonu	0.356831	0.274680
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Emeklilik Yatırım Fonu	0.936422	0.625209
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Grup Emeklilik Yatırım Fonu	0.232190	0.158512
AgeSA Hayat ve Emeklilik A.Ş. Muhafazakar Değişken Emeklilik Yatırım Fonu	0.263556	0.168914
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Grup Emeklilik Yatırım Fonu	1.319212	0.790198
AgeSA Hayat ve Emeklilik A.Ş. Karma Grup Emeklilik Yatırım Fonu	0.182756	0.126391
AgeSA Hayat ve Emeklilik A.Ş. Dengeli Değişken Emeklilik Yatırım Fonu	0.171776	0.110169
AgeSA Hayat ve Emeklilik A.Ş. Standart Emeklilik Yatırım Fonu	0.079808	0.053182
AgeSA Hayat ve Emeklilik A.Ş. Katkı Emeklilik Yatırım Fonu	0.064067	0.045531
AgeSA Hayat ve Emeklilik A.Ş. Altın Emeklilik Yatırım Fonu	0.000000	0.231998
AgeSA Hayat ve Emeklilik A.Ş. Teknoloji Sektörü Yabancı Değişken Emeklilik Yatırım Fonu	0.258116	0.197947
AgeSA Hayat ve Emeklilik A.Ş. Özel Sektör Borçlanma Araçları Emeklilik Yatırım Fonu	0.074971	0.047856
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Emeklilik Yatırım Fonu	0.056264	0.035100
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Katılım Emeklilik Yatırım Fonu	0.051332	0.032698
AgeSA Hayat ve Emeklilik A.Ş. Katılım Standart Emeklilik Yatırım Fonu	0.096319	0.069528
AgeSA Hayat ve Emeklilik A.Ş. Katılım Katkı Emeklilik Yatırım Fonu	0.071360	0.051171
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Katılım Değişken Emeklilik Yatırım Fonu	0.130418	0.086585
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Katılım Değişken Emeklilik Yatırım Fonu	0.181441	0.121840
AgeSA Hayat ve Emeklilik A.Ş. Oks Muhafazakar Değişken Emeklilik Yatırım Fonu	0.058335	0.036828
AgeSA Hayat ve Emeklilik A.Ş. Oks Dengeli Değişken Emeklilik Yatırım Fonu	0.104513	0.066515
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Değişken Emeklilik Yatırım Fonu	0.117469	0.075449
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Değişken Emeklilik Yatırım Fonu	0.170570	0.107482
AgeSA Hayat ve Emeklilik A.Ş. Oks Standart Emeklilik Yatırım Fonu	0.066476	0.046478
AgeSA Hayat ve Emeklilik A.Ş. Oks Katılım Standart Emeklilik Yatırım Fonu	0.062476	0.047118
AgeSA Hayat ve Emeklilik A.Ş. Birinci Fon Sepeti Emeklilik Yatırım Fonu	0.038386	0.025258
AgeSA Hayat ve Emeklilik A.Ş. İkinci Fon Sepeti Emeklilik Yatırım Fonu	0.043660	0.029095
AgeSA Hayat ve Emeklilik A.Ş. Üçüncü Fon Sepeti Emeklilik Yatırım Fonu	0.052808	0.034041
AgeSA Hayat ve Emeklilik A.Ş. Sürdürülebilirlik Hisse Senedi Emeklilik Yatırım Fonu	0.051302	0.035565
AgeSA Hayat ve Emeklilik A.Ş. Altın Katılım Emeklilik Yatırım Fonu	0.034098	0.021241

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.5 Units and amounts of share certificates in portfolio and in circulation

Participation certificates in circulation	31 December 2024		31 December 2023	
	Unit	Amount (TL)	Unit	Amount (TL)
AgeSA Hayat ve Emeklilik A.Ş. Karma Emeklilik Yatırım Fonu	506,073,575	232,368,237	697,140,622	223,501,889
AgeSA Hayat ve Emeklilik A.Ş. Agresif Değişken Emeklilik Yatırım Fonu	1,364,235,711	1,252,207,403	1,233,814,666	717,764,279
AgeSA Hayat ve Emeklilik A.Ş. Dış Borçlanma Araçları Emeklilik Yatırım Fonu	18,355,272,249	10,679,446,145	25,954,799,228	11,800,271,604
AgeSA Hayat ve Emeklilik A.Ş. Orta Vadeli Borçlanma Araçları Emeklilik Yatırım Fonu	890,266,804	136,581,172	1,018,690,818	122,020,824
AgeSA Hayat ve Emeklilik A.Ş. İkinci Para Piyasası Emeklilik Yatırım Fonu	4,126,270,517	830,519,225	962,717,920	119,628,291
AgeSA Hayat ve Emeklilik A.Ş. İkinci Değişken Emeklilik Yatırım Fonu	2,074,300,123	476,748,843	2,586,580,226	465,633,586
AgeSA Hayat ve Emeklilik A.Ş. Kamu Dış Borçlanma Araçları (USD 5-15 Yıl Vadeli) Emeklilik Yatırım Fonu	25,475,744,617	14,834,678,945	30,823,769,657	13,728,567,944
AgeSA Hayat ve Emeklilik A.Ş. Bist Temettü 25 Endeksi Emeklilik Yatırım Fonu	1,991,114,011	763,815,228	1,964,448,150	497,920,815
AgeSA Hayat ve Emeklilik A.Ş. Birinci Para Piyasası Emeklilik Yatırım Fonu	73,303,609,148	15,434,881,246	30,979,183,759	4,051,798,423
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Emeklilik Yatırım Fonu	22,805,300,559	5,170,759,822	25,338,337,461	4,057,301,286
AgeSA Hayat ve Emeklilik A.Ş. Dinamik Değişken Emeklilik Yatırım Fonu	18,888,171,867	11,814,608,167	21,674,200,307	8,999,344,710
AgeSA Hayat ve Emeklilik A.Ş. Birinci Değişken Emeklilik Yatırım Fonu	10,617,947,077	3,788,812,673	13,501,181,712	3,708,504,593
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Emeklilik Yatırım Fonu	21,976,117,482	20,578,919,885	20,164,586,404	12,607,080,901
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Emeklilik Yatırım Fonu	2,425,271,506	563,123,791	2,800,965,210	443,986,597
AgeSA Hayat ve Emeklilik A.Ş. Muhafazakar Değişken Emeklilik Yatırım Fonu	1,403,832,920	369,988,589	1,237,837,787	209,088,132
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Grup Emeklilik Yatırım Fonu	1,896,234,862	2,501,535,785	1,392,462,381	1,100,320,989
AgeSA Hayat ve Emeklilik A.Ş. Karma Grup Emeklilik Yatırım Fonu	605,257,328	110,614,408	885,431,870	111,910,620
AgeSA Hayat ve Emeklilik A.Ş. Dengeli Değişken Emeklilik Yatırım Fonu	1,010,951,824	173,657,261	775,365,502	85,421,242
AgeSA Hayat ve Emeklilik A.Ş. Katkı Emeklilik Yatırım Fonu	403,398,374,254	25,844,523,643	312,106,412,317	14,210,517,059
AgeSA Hayat ve Emeklilik A.Ş. Standart Emeklilik Yatırım Fonu	11,119,193,632	887,400,605	11,561,896,368	614,884,773
AgeSA Hayat ve Emeklilik A.Ş. Altın Emeklilik Yatırım Fonu	-	-	196,005,806,396	45,472,955,072
AgeSA Hayat ve Emeklilik A.Ş. Teknoloji Sektörü Yabancı Değişken Emeklilik Yatırım Fonu	36,105,111,490	9,319,306,957	23,634,037,730	4,678,286,867
AgeSA Hayat ve Emeklilik A.Ş. Özel Sektör Borçlanma Araçları Emeklilik Yatırım Fonu	27,728,571,482	2,078,838,733	14,852,749,799	710,793,194
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Emeklilik Yatırım Fonu	11,031,305,553	620,665,376	10,591,332,333	371,755,765
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Katılım Emeklilik Yatırım Fonu	7,573,090,954	388,741,905	6,786,906,510	221,918,269
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Katılım Değişken Emeklilik Yatırım Fonu	1,460,915,073	190,529,622	1,130,339,411	97,870,438
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Katılım Değişken Emeklilik Yatırım Fonu	1,906,664,188	345,947,057	1,750,238,983	213,249,118
AgeSA Hayat ve Emeklilik A.Ş. Oks Muhafazakar Değişken Emeklilik Yatırım Fonu	1,870,786,515	109,132,331	1,025,211,825	37,756,501
AgeSA Hayat ve Emeklilik A.Ş. Oks Dengeli Değişken Emeklilik Yatırım Fonu	2,454,572,000	256,534,683	2,045,656,772	136,066,860
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Değişken Emeklilik Yatırım Fonu	2,835,922,929	333,133,031	2,584,495,576	194,997,607
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Değişken Emeklilik Yatırım Fonu	5,306,621,323	905,150,399	4,509,859,915	484,728,763
AgeSA Hayat ve Emeklilik A.Ş. Oks Standart Emeklilik Yatırım Fonu	44,251,881,446	2,941,688,072	40,117,345,464	1,864,573,982
AgeSA Hayat ve Emeklilik A.Ş. Oks Katılım Standart Emeklilik Yatırım Fonu	21,814,498,150	1,362,882,587	19,512,549,539	919,392,309
AgeSA Hayat ve Emeklilik A.Ş. Katılım Katkı Emeklilik Yatırım Fonu	2,832,350,926	202,116,562	2,415,415,422	123,599,223
AgeSA Hayat ve Emeklilik A.Ş. Katılım Standart Emeklilik Yatırım Fonu	104,375,069	10,053,302	39,175,684	2,723,807
AgeSA Hayat ve Emeklilik A.Ş. Birinci Fon Sepeti Emeklilik Yatırım Fonu	82,719,655,664	3,175,276,703	64,632,769,926	1,632,494,503
AgeSA Hayat ve Emeklilik A.Ş. İkinci Fon Sepeti Emeklilik Yatırım Fonu	102,230,846,009	4,463,398,737	81,442,817,741	2,369,578,782
AgeSA Hayat ve Emeklilik A.Ş. Üçüncü Fon Sepeti Emeklilik Yatırım Fonu	97,032,537,869	5,124,094,260	66,146,171,182	2,251,681,813
AgeSA Hayat ve Emeklilik A.Ş. Sürdürülebilirlik Hisse Senedi Emeklilik Yatırım Fonu	50,318,156,312	2,581,422,056	33,895,639,599	1,205,498,422
AgeSA Hayat ve Emeklilik A.Ş. Altın Katılım Emeklilik Yatırım Fonu	2,173,278,532,719	74,104,451,409	3,480,535,397	73,930,052
	3,297,089,935,737	224,958,554,855	1,084,258,877,569	140,939,319,904
Başka Şirket Katılımcısı AgeSA Fonları (*)	17,453,222,842	(1,056,989,110)	6,131,104,619	(518,594,039)
AgeSA Katılımcıları Başka Şirket Fonları (*)	21,428,360,003	4,111,385,135	7,854,174,625	926,119,370
	3,335,971,518,582	228,012,950,880	1,098,244,156,813	141,346,845,235

(*) Within the scope of the Presidency Annual Program for 2019 published in the Official Gazette No. 30578 dated 27 October 2018, within the scope of the Measure decision no. 217 and through the Private Pension Fund Trading Platform (BEFAS) operated by İstanbul Takas ve Saklama Bankası A.Ş., as of 1 July 2021, participants were allowed to trade the funds of other pension companies offered through this platform. Within the scope of the relevant application, AgeSA funds of other Company participants are not included in the assets, while AgeSA participants are included in the assets of other Company funds.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.6 Numbers and portfolio amounts of the individual and group pension participants entered, left, cancelled during the period and the current participants:

	31 December 2024		31 December 2023	
	Number of contracts	Portfolio amount TL	Number of contracts	Portfolio amount TL
Individual				
Addition	405,691	25,407,860,756	486,489	13,919,141,728
Disposal	280,455	36,676,981,466	149,502	15,386,271,188
Current	1,322,291	194,661,628,156	1,101,174	120,261,228,353
Group				
Addition	410,319	661,656,571	470,662	716,273,389
Disposal	377,791	5,024,714,238	378,486	2,864,508,182
Current	1,182,385	33,351,322,724	1,078,062	21,085,616,882
Total portfolio amount	2,504,676	228,012,950,880	2,179,236	141,346,845,235

Law No. 6740 amending the Individual Pension Savings and Investment System Law No. 4632 was published in the Official Gazette dated 25 August 2016, numbered 29812 and entered into force on 1 January 2017. With this arrangement, employees are automatically included in a retirement plan.

The above numbers and portfolio values also include contracts under automatic participation.

17.7 Valuation methods of profit share calculation for life insurance:

The life mathematical reserves for the accumulated policies written from the Company's accumulated funds are valued daily in compliance with TL and USD profit share technical principles approved by Turkish Undersecretariat of Treasury Foreign Trade on 14 January 1993 and 12 September 1996. The revenue of the mentioned investments are distributed as the revenue of the relevant investment instrument with the daily accrued interest method.

Daily Profit Share System is applied to the life mathematical reserves for the accumulated life policies written from the Company's other funds in compliance with Profit Share Technical Principles and Life Insurance Regulation approved on 1 November 1999 by Turkish Prime Ministry, Undersecretariat of Treasury General Directorate of Insurance. Profit share values calculated according to the profit share rates calculated according to the daily yields of TL, USD and EUR investment instruments are reflected onto the accounts of the insures daily.

17.8 Number of units and individual and Company allocation of gross and net contribution amounts of the private pension participants entered during the period:

	1 January - 31 December 2024			1 January - 31 December 2023		
	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL
Individual	405,691	20,489,001,953	20,488,768,288	486,489	16,372,775,518	16,372,775,326
Corporate	410,319	343,986,245	343,981,242	470,662	256,874,831	256,874,556
Total	816,010	20,832,988,198	20,832,749,530	957,151	16,629,650,349	16,629,649,882

Contribution amounts collected for contracts that entered into force during the period and ended within the period are stated in the gross contribution amount. For whatever reason, transfer amounts from other pension companies and transfers from foundations and funds are included in the table above. Government contribution is not included in these amounts.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.9 Number of units and individual and Company allocation of gross and net contribution amounts of the private pension participants transferred from another company during the period:

	1 January - 31 December 2024			1 January - 31 December 2023		
	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL
Individual	14,225	56,363,616	56,363,535	16,609	45,158,260	45,158,260
Corporate	2,614	5,394,647	5,394,325	7,357	18,110,487	18,110,487
Total	16,839	61,758,263	61,757,860	23,966	63,268,747	63,268,747

In the relevant section, the contribution transferred by the participant from another Company and the contributions collected during this period for the relevant contract are included in the report, but the transfers made from foundations and funds are not shown in the table.

If the contribution from another Company due to the merger has been combined in a contract established in this period, the transfer amount and the new contribution are included in the table above. Government contribution is not included in these amounts.

17.10 Number of units and individual and Company allocation of gross and net contribution amounts of the private pension participants transferred from the life insurance portfolio to the private pension portfolio during the period:

Legal period for the transfer from life portfolio to pension portfolio has ended as of 7 October 2006, there were no transfers in the current and previous periods.

17.11 17.11 Individual and corporate distribution of the number and gross and net contribution shares of private pension participants who left the Company's portfolio during the period and transferred to another company or did not transfer to another company:

Allocated	1 January - 31 December 2024			1 January - 31 December 2023		
	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL
Individual	280,455	19,182,345,718	19,173,495,630	149,505	7,855,687,333	7,845,845,081
Corporate	377,879	1,908,502,371	1,908,417,238	378,660	1,288,251,653	1,288,166,571
Total	658,334	21,090,848,089	21,081,912,868	528,165	9,143,938,986	9,134,011,652

Unit: Shows the number of participants left the Company.

Participation Share (Gross): Represents a number of contributions as a result of exits.

Participation Share (Net): Represent the sum gross contributions as a result of exits after deductions.

The government participation is not included the amounts mentioned above.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.12 Number of units, gross and net premiums and individual and Company allocation for life policyholders that joined the portfolio during the period:

	1 January-31 December 2024		1 January-31 December 2023	
	Number (*)	Net premium amount TL (**)	Number (*)	Net premium amount TL (**)
Individual	4,031,561	9,821,178,741	4,061,938	4,547,426,343
Company	47,256	68,703,686	59,149	40,991,813
Total	4,078,817	9,889,882,427	4,121,087	4,588,418,156

(*) Only new post life insurance details are shown in the table above; re-enacted and renewal life insurance policies are not taken into consideration.

(**) For TL and USD unit-based policies, policy transaction for entering and existing in the same period are not included.

17.13 Number of units, gross/net premiums and individual and Company allocation of mathematical reserves for life policyholders that left the portfolio during the period:

	1 January-31 December 2024		1 January-31 December 2023	
	Number	Mathematical reserves TL	Number	Mathematical reserves TL
Individual	4,619,115	1,275,448,810	2,781,204	694,986,774
Company	45,668	-	59,636	-
Total	4,664,783	1,275,448,810	2,840,840	694,986,774

There is no mathematical reserve calculated for annual life policies for exists.

For TL and USD unit based on policies, policy transaction for entering and exiting in the same period are not included.

17.14 Profit share allocation rate to the life policyholders:

	Dividend Distribution Rate (%) December 2024	Dividend Distribution Rate (%) December 2023
TL (unit based)	11.44%	11.00%
USD (unit based product one)	5.92%	6.03%
TL (other)	-	12.09%
USD (other)	-	5.18%
EUR (other)	-	4.92%
USD (unit based product two)	6.10%	6.91%

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.15 Amounts arising from insurance contracts:

	31 December 2024	31 December 2023
Gross insurance liabilities		
Unearned premium reserve	2,669,405,167	1,008,571,325
Outstanding claims reserve	377,218,446	205,282,033
Equalization reserve	128,689,032	75,487,021
Mathematical reserves (*)	24,464,029,792	16,098,447,318
Total	27,639,342,437	17,387,787,697
Reinsurance assets		
Unearned premium reserve	13,204,721	3,944,613
Outstanding claims reserve	122,378,842	48,435,321
Equalization reserve	5,029,889	2,725,441
Mathematical reserves (*)	4,882,702	9,254,873
Total	145,496,154	64,360,248
Net insurance liabilities		
Unearned premium reserve	2,656,200,446	1,004,626,712
Outstanding claims reserve	254,839,604	156,846,712
Equalization reserve	123,659,143	72,761,580
Mathematical reserves	24,459,147,090	16,089,192,445
Total	27,493,846,283	17,323,427,449

(*) The movement of mathematical reserves is explained in Note 17.2. These provisions are calculated on a net basis as explained in Note 2.20.

(*) As of 31 December 2024, mathematical reserves amounting to TL 679,158,089 (31 December 2023: TL 569,555,420) and fair value loss of financial investments with risks on policyholders amounting to TL (107,219,162) (31 December 2023: TL (85,152,881)) are not included in the related amount.

Movement of provision for outstanding claims in the accounting period:

	31 December 2024			31 December 2023		
Life	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	194,878,363	(45,432,377)	149,445,986	137,788,795	(19,936,550)	117,852,245
Compensation paid	(1,582,267,168)	93,527,378	(1,488,739,790)	(873,114,124)	100,395,457	(772,718,667)
Increase/(Decrease)						
- Current period outstanding	1,640,117,533	(157,953,070)	1,482,164,463	852,757,880	(119,144,163)	733,613,717
- Prior period outstanding	112,364,805	(9,769,605)	102,595,200	77,445,812	(6,747,121)	70,698,691
31 December	365,093,533	(119,627,674)	245,465,859	194,878,363	(45,432,377)	149,445,986
Reported damages	323,504,756	(102,759,274)	220,745,482	184,014,581	(40,288,092)	143,726,489
Incurred but not reported	41,588,777	(16,868,400)	24,720,377	10,863,782	(5,144,285)	5,719,497
Total	365,093,533	(119,627,674)	245,465,859	194,878,363	(45,432,377)	149,445,986
	31 December 2024			31 December 2023		
Personal accident	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	10,403,670	(3,002,944)	7,400,726	6,835,367	(19,903)	6,815,464
Compensation paid	(5,707,544)	560,386	(5,147,158)	(8,075,512)	3,341,988	(4,733,524)
Increase/(Decrease)						
- Current period outstanding	861,105	2,264,394	3,125,499	6,937,189	(6,306,697)	630,492
- Prior period outstanding	6,567,682	(2,573,004)	3,994,678	4,706,626	(18,332)	4,688,294
31 December	12,124,913	(2,751,168)	9,373,745	10,403,670	(3,002,944)	7,400,726
Reported damages	10,249,955	(2,751,168)	7,498,787	9,202,024	(3,002,944)	6,199,080
Incurred but not reported	1,874,958	-	1,874,958	1,201,646	-	1,201,646
Total	12,124,913	(2,751,168)	9,373,745	10,403,670	(3,002,944)	7,400,726
Grand Total	377,218,446	(122,378,842)	254,839,604	205,282,033	(48,435,321)	156,846,712

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.15 Amounts arising from insurance contracts (cont’d):

Movement of equalisation reserve in the accounting period:

	31 December 2024			31 December 2023(*)		
Equalisation reserve	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	75,487,021	(2,725,441)	72,761,580	65,209,807	(1,639,362)	63,570,445
Net change	53,202,011	(2,304,448)	50,897,63	10,277,214	(1,086,079)	9,191,135
31 December	128,689,032	(5,029,889)	123,659,143	75,487,021	(2,725,441)	72,761,580

(*) The Company covered the damage payment of TL 14,378,853 related to the Kahramanmaraş earthquake that occurred in 2023 from the equalization reserve.

Movement of unearned premium reserves in the accounting period:

	31 December 2024			31 December 2023		
Unearned premium reserves	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	1,008,571,325	(3,778,227)	1,004,793,098	216,387,569	(4,881,670)	211,505,899
- Current period unearned premium provision	2,669,253,600	(13,204,721)	2,656,048,879	1,008,434,527	(3,670,087)	1,004,764,440
- Prior period unearned premium provision	(1,008,419,758)	3,778,227	(1,004,641,531)	(216,250,771)	4,607,144	(211,643,627)
Net change	1,660,833,842	(9,426,494)	1,651,407,348	792,183,756	937,057	793,120,813
31 December	2,669,405,167	(13,204,721)	2,656,200,446	1,008,571,325	(3,944,613)	1,004,626,712

As of 31 December 2024 and 31 December 2023, net technical provisions expressed in foreign currency are as follows:

	31 December 2024			31 December 2023		
	Currency type	Exchange rate	TL amount	Currency type	Exchange rate	TL amount
Mathematical reserves						
TL			1,176,404,891			858,183,992
USD (effective selling rate)	192,407	35,3969	6,810,626	17,609	29,5355	520,079
USD	659,729,433	35,2803	23,275,452,299	517,355,091	29,4382	15,230,002,631
EUR	13,003	36,8576	479,274	14,863	32,6815	485,743
			24,459,147,090			16,089,192,445
Unearned premium reserves						
TL			2,656,200,446			1,004,626,712
			2,656,200,446			1,004,626,712
Outstanding claims reserve						
TL			151,085,157			94,992,692
USD (effective selling rate)	-	35,3969	-	72,966	29,5355	2,155,087
USD	2,940,861	35,2803	103,754,447	2,027,941	29,4382	59,698,933
			254,839,604			156,846,712
Equalisation reserves						
TL			123,659,143			72,761,580
			123,659,143			72,761,580

The Company's damage development table as of 31 December 2024 is as follows:

Damage year	2017 and before	2018	2019	2020	2021	2022	2023	2024	Total
Ultimate claim cost estimate									
In the year of damage	15,380,093	1,727,625	3,360,051	4,363,823	5,421,204	16,414,832	49,662,629	209,245,742	305,575,999
After 1 year	867,187	971,411	1,345,423	2,479,513	12,693,761	7,817,280	8,811,076	-	34,985,651
After 2 years	2,130,358	912,263	270,892	2,214,133	2,819,387	376,633	-	-	8,723,666
After 3 years	400,361	-	2,711,339	-	349,826	-	-	-	3,461,526
After 4 years	115,585	276,394	-	6,377,689	-	-	-	-	6,769,668
After 5 years	90,448	-	-	-	-	-	-	-	90,448
After 6 years	-	772,818	-	-	-	-	-	-	772,818
After 7 years	262,976	-	-	-	-	-	-	-	262,976
Total outstanding claim based on the claim development table	19,247,008	4,660,511	7,687,705	15,435,158	21,284,178	24,608,745	58,473,705	209,245,742	360,642,752
Cliams incurred but not reported									43,463,735
Outstanding Claims Review and Litigation Winning Discount									(26,888,041)
As at 31 December 2024, total gross outstanding claims reserve									377,218,446

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont'd)

17.15 Amounts arising from insurance contracts (cont'd):

The Company's damage development table as of 31 December 2023 is as follows:

Damage year	2016 and before	2017	2018	2019	2020	2021	2022	2023	Total
Ultimate claim cost estimate									
In the year of damage	17,324,696	4,378,013	5,047,997	3,210,510	8,090,235	15,651,092	21,417,872	115,097,532	190,217,947
After 1 year	252,137	246,791	1,450,974	790,259	762,112	5,001,800	6,240,829	-	14,744,902
After 2 years	438,810	66,605	85,773	190,183	1,036,878	82,012	-	-	1,900,261
After 3 years	898,654	-	12,500	2,295,687	-	-	-	-	3,206,841
After 4 years	-	7,500	1,077,051	15,094	-	-	-	-	1,099,645
After 5 years	-	-	10,134	-	-	-	-	-	10,134
After 6 years	-	-	-	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-	-	-	-
Total outstanding claims based on the claim development table	18,914,297	4,698,909	7,684,429	6,501,733	9,889,225	20,734,904	27,658,701	115,097,532	211,179,730
Claims incurred but not reported									12,065,428
Outstanding Claims Review and Litigation Winning Discount									(17,963,125)
As at 31 December 2023, total gross outstanding claims reserve									205,282,033

18. INVESTMENT CONTRACT LIABILITIES

None.

19. TRADE AND OTHER PAYABLES, DEFERRED INCOME

The Company's trade and other payables as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Payables from operating activities	2,889,268,832	1,836,200,370
Payables from pension operations (*)	2,450,355,097	1,522,267,285
Payables from insurance operations	438,913,735	313,933,085
Payables to related parties	280,354,939	60,353,243
Payables to other related parties	270,258,506	55,029,624
Payables to shareholders	3,516,257	2,419,707
Payables to subsidiaries	1,534,974	1,111,689
Payables to personnel	5,045,202	1,792,223
Other payables (Note 47.1)	130,896,242	138,762,043
Deferred income and expense accruals	345,639,429	152,325,428
Deferred commission income	8,297,894	3,285,928
No-claim premium refund	2,050,641	1,884,118
Provision for other general administrative expenses	335,290,894	147,155,382
Total	3,646,159,442	2,187,641,084

(*) TL 228,012,950.880 pension investment funds portfolio amount is not included in the total (31 December 2023: TL 141,346,845,235).

Trade and other payables denominated in foreign currency as of 31 December 2024 and 31 December 2023 are disclosed in footnote 12.4.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

20. LIABILITIES

The Company's total lease liabilities recognized in accordance with TFRS 16 - Leases are as follows:

	31 December 2024	31 December 2023
Short-term lease liabilities	122,990,097	11,052,587
Long-term lease liabilities	218,843,812	70,894,973
Discount amount with alternative borrowing rate	(130,346,909)	(40,392,594)
Total lease liabilities	211,487,000	41,554,966
	2024	2023
1 January Opening	41,554,966	31,743,361
Rent increase / (decrease)	208,033,146	15,284,817
Lease contract termination cancellation - payments	(4,302,034)	-
Rent payments	(99,941,078)	(12,094,488)
Cancellation of interest on the lease agreement for which termination notification has been made	796,135	-
Interest payments	65,345,865	6,621,276
Total lease liability as of balance sheet date – 31 December	211,487,000	41,554,966

21. DEFERRED TAX

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for CMB Financial Reporting Standards and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for the financial statements prepared in accordance with the Reporting Standards and tax legislation and they are presented below.

With the law numbered 7394 published in the Official Gazette dated 15 April 2022, banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies The corporate tax rate has been permanently increased to 25%.

Law No. 7456 ‘Law on the Amendment of Certain Laws and the Decree Law No. 375 on the Amendment of Certain Laws and the Decree Law No. 375 on Additional Motor Vehicles Tax for the Compensation of the Economic Losses Caused by the Earthquakes Occurred on 6 February 2023’ was published in the Official Gazette dated 15 July 2023 and numbered 32249.

With Article 21 of this Law, the corporate tax rate has been set as 25%, and it is regulated that this rate shall be applied as 30% for the corporate income of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings and Financing Companies Law No. 6361, electronic payment and money institutions, authorised foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

21. DEFERRED TAX (cont’d)

Movements of deferred tax assets during the year are as follows:

	Deferred tax assets (liabilities)	Deferred tax assets (liabilities)	Deferred tax (expense) income	Deferred tax (expense) income
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Deferred tax assets				
Expense accruals	229,753,705	115,048,368	114,705,337	74,718,952
Equalization reserve	37,097,743	21,828,474	15,269,269	5,935,863
Provisions for lawsuits	9,235,542	6,023,510	3,212,032	2,561,387
Employee termination benefits	29,248,365	19,816,819	(3,415,373)	118,853
Staff allowance	8,946,420	5,351,918	3,594,502	3,028,467
Advance incentive commission	-	-	-	(144,010)
Deposits internal yield-linear interest difference	2,162,597	147,158	2,015,439	129,427
Eurobond internal yield-linear interest difference	28,987,866	15,435,294	13,552,572	12,380,268
Differences arising from lease liabilities	8,156,575	1,745,815	6,410,760	580,105
TPL Inflation Valuation	16,853,547	(6,981,749)	23,835,296	35,297,101
Net difference between registered values of tangible assets and tax bases	1,516,172	7,209,913	(5,693,741)	(35,802,985)
2023 Prepaid expense inflation adjustment value increase tax effect	(4,853,891)	-	(4,853,891)	-
Price differences of financial assets held for trading	(1,359,741)	6,800,522	(8,160,263)	18,793,338
Profit Commission	-	-	-	-
Valuation difference on foreign currency assets and liabilities	(642,784)	22,569	(665,353)	5,490
Deferred tax asset (liability) of available-for-sale financial assets accounted under equity)	(28,312,025)	(24,325,578)	-	-
Stock Exchange-IRR Corporate tax rate change difference	151,432	151,432	-	-
Total deferred tax assets	336,941,523	168,274,465	159,806,586	117,602,256
			2024	2023

1 January	168,274,465	105,355,820
Cancellation of deferred tax assets recognized in equity due to impairment of available-for-sale financial assets	24,325,578	(24,636,850)
Deferred tax expense (*)	159,806,586	117,602,256
Deferred tax asset recognized in equity due to decrease in value of available-for-sale financial assets	(28,312,025)	(24,325,578)
Deferred tax asset/(liability) recognized in equity due to severance pay liability actuarial loss)	12,846,919	(5,721,183)
31 December	336,941,523	168,274,465

(*) In the current period, the adjustment made regarding the previous period tax amounting to TL 49,484,918 was presented in the deferred tax income in the income statement (2023: TL 24,054,962). As of 31 December 2024 and 31 December 2023, the Company does not have any financial losses that can be carried forward in the following years.

22. RETIREMENT BENEFITS OBLIGATIONS

Under the Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The amount payable consists of one month's salary limited to a maximum of TL 46,655 for each year of service as of 1 January 2025 (1 January 2024: TL 35,059).

According to TAS 19, actuarial calculations are required to calculate the liabilities of the Company, the provision has been calculated and accounted for in the accompanying financial statements by using ‘‘Projection Method’’ and based on the Company’s past experience in the employee’s rate of eligibility for retirement pay. Provision for employee termination benefits is calculated estimating the present value of the future probable obligation of the Company arising from the retirement of employees. Accordingly, the actuarial assumptions used to calculate the liability as of 31 December 2024 and 31 December 2023 are as follows:

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

22. RETIREMENT BENEFITS OBLIGATIONS (cont’d)

	31 December 2024	31 December 2023
The estimated rate of salary increase - annually	22%	8.5%
Annual discount rate	3.5%	3.5%

Movement of provision for employee termination benefits during the period is presented below:

	2024	2023
1 January	66,056,065	101,676,597
Paid during the period	(35,359,360)	(39,962,790)
Service cost	17,354,910	12,506,221
Interest cost	6,619,874	10,906,647
Actuarial gain/loss	42,823,063	(19,070,610)
31 December	97,494,552	66,056,065

23. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

23.1 Provisions related to social security related employee benefits, and others: None.

23.2 Provisions for other risks:

Provision for expense accruals of the Company are as follows:

	31 December 2024	31 December 2023
Provision for personnel bonuses	305,332,753	180,900,830
Provision for commissions	90,497,061	27,016,640
Provision for commissions to sales personnel	45,203,740	28,605,584
Total	441,033,554	236,523,054

As of the balance sheet date, the Company has unused vacation provisions amounting to TL 29,821,401 in other current liabilities (31 December 2023: TL 17,839,726). The details of other non-current liabilities and provisions for expenses are disclosed in Note 47.

23.3 Total commitment amount which is not included in liabilities:

	31 December 2024				31 December 2023			
	USD	EUR	TL	Total	USD	EUR	TL	Total
Guarantees and collaterals given: Letter of guarantee	-	-	28,115,335	28,115,335	-	-	22,189,559	22,189,559
Total	-	-	28,115,335	28,115,335	-	-	22,189,559	22,189,559
Insurance guarantees								
Life	329,488,210,449	23,726,417	265,210,448,026	594,722,384,892	195,455,101,707	27,963,435	150,327,568,300	345,810,633,442
Personnel accident	-	-	73,981,577,466	73,981,577,466	-	-	45,102,294,496	45,102,294,496
Total	329,488,210,449	23,726,417	339,192,025,492	668,703,962,358	195,455,101,707	27,963,435	195,429,862,796	390,912,927,938

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

24. NET INSURANCE PREMIUM INCOME

Net premiums written of the Company for the periods 1 January – 31 December 2024 and 1 January – 31 December 2023 are as follows:

	1 January-31 December 2024			1 January -31 December 2023		
	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
Non-life	231,203,668	(893,470)	230,310,198	130,806,976	(291,259)	130,515,717
Life	14,085,844,810	(535,413,596)	13,550,431,214	7,353,081,090	(178,071,435)	7,175,009,655
Total premium income	14,317,048,478	(536,307,066)	13,780,741,412	7,483,888,066	(178,362,694)	7,305,525,372

25. INCOME FROM PENSION BUSINESS

	1 January- 31 December 2024	1 January- 31 December 2023
Fund management income	2,623,349,106	1,434,808,882
Management fee	939,982,978	392,389,015
Entry fees income	229,007,432	63,072,837
Fee deduction in case of contribution suspension	321	3,006
Total	3,792,339,837	1,890,273,740

26. INVESTMENT INCOME

The Company's investment income for the accounting periods of 1 January - 31 December 2024 and 1 January – 31 December 2023 are as follows.

	1 January- 31 December 2024	1 January- 31 December 2023
Dividend income	2,149,991	35,000,000
Income on Financial Investments	2,491,550,434	1,078,545,868
Financial assets held to maturity net realized income/(expense)	1,157,927,118	609,553,218
Financial assets held for trading net realized income/(expense)	310,862,849	185,820,277
Available for sale financial assets net realized income (expense)	775,577,641	256,539,061
Available-for-sale financial assets-deposit interest income	245,993,522	26,354,770
Other	1,189,304	278,542
Profit from Cash Conversion of Financial Investments	11,219,873	178,298,693
Financial assets held for trading	-	65,003,138
Available-for-sale financial assets	11,219,873	113,295,555
Investment Income transferred from Life Technical Division	-	(2,194,206)
Available-for-sale financial assets	-	(2,194,206)
Income from Derivative Products	3,600	799,386
Total	2,504,923,898	1,290,449,741

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

27. NET ACCRUAL INCOME / (EXPENSES) OF FINANCIAL ASSETS)

	1 January- 31 December 2024	1 January- 31 December 2023
Financial assets held for trading	304,079,656	(117,364,982)
Financial assets available-for-sale	255,559,296	130,926,312
Held-to-maturity assets	205,493,081	286,700,693
Total	765,132,033	300,262,023

28. ASSETS HELD AT FAIR VALUE THROUGH PROFIT AND LOSS

Disclosed in Note 26.

29. INSURANCE RIGHTS AND CLAIMS

Disclosed in Note 17.

30. INVESTMENT AGREEMENT RIGHTS

None.

31. OTHER EXPENSES

	1 January- 31 December 2024	1 January- 31 December 2023
Operating expenses classified under technical part		
Pension	4,474,128,674	2,613,679,342
Life	3,644,064,658	1,712,952,174
Non-life	143,392,193	78,758,324
Total	8,261,585,525	4,405,389,840

32. OPERATING EXPENSES

	1 January- 31 December 2024	1 January- 31 December 2023
Production commission	4,330,670,841	2,544,516,437
Personnel expenses	2,720,845,043	1,145,847,425
Outsourced benefits and services	650,517,734	418,357,785
Management expenses	522,705,171	271,641,705
Marketing and sales expenses	159,528,268	97,776,819
Reinsurance commissions	(153,980,119)	(92,304,510)
Other operating expenses	31,298,587	19,554,179
Total	8,261,585,525	4,405,389,840

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

33. EMPLOYEE BENEFIT EXPENSES

	1 January- 31 December 2024	1 January- 31 December 2023
Wages	1,419,170,794	675,251,409
Commissions and promotions expenses	444,321,707	141,657,871
Social security premiums	290,282,303	125,387,273
Other wage expenses	352,075,657	86,330,766
Other personnel expenses	165,125,427	66,142,336
Termination benefits expenses	35,359,360	39,999,639
Unused vacation pay expenses	9,148,208	9,989,803
Notice pay expenses	5,361,587	1,088,328
Total	2,720,845,043	1,145,847,425

34. FINANCE COSTS

34.1 Finance expenses of the period: None (31 December 2023: None).

34.2 Finance expense related to the shareholders, affiliates and subsidiaries (Amounts exceeding 20% of the total amount will be presented separately): None.

34.3 Sales and purchases to/with shareholders, subsidiaries and affiliates (Amounts exceeding 20% of the total amount will be presented separately):

	1 January- 31 December 2024	1 January- 31 December 2023
Services purchased		
Hacı Ömer Sabancı Holding A.Ş.	4,943,815	3,085,364
Agesa Sigorta Aracılığı A.Ş.	307,268,670	586,869,797
Total	312,212,485	589,955,161
Services provided		
Hacı Ömer Sabancı Holding A.Ş.	2,980,026	2,030,254
Agesa Sigorta Aracılığı A.Ş.	12,372,249	19,759,315
Medisa Sigorta A.Ş.	2,108,773	-
Total	17,461,048	21,789,569

34.4 Interest, rent and other similar income/expense received/paid from/to shareholders, subsidiaries and affiliates (Amounts exceed 20% of the total amount will be presented separately):

	1 January- 31 December 2024	1 January- 31 December 2023
Agesa Sigorta Aracılığı A.Ş.	307,268,670	586,869,797
Total	307,268,670	586,869,797

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

35. INCOME TAXES

The Company is subject to the tax legislation and applications in force in Türkiye.

With the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022, the corporate tax rate for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies has been determined as 25%.

Law No. 7456 ‘*Law on the Amendment of Certain Laws and the Decree Law No. 375 on the Amendment of Certain Laws and the Decree Law No. 375 on Additional Motor Vehicles Tax for the Compensation of the Economic Losses Caused by the Earthquakes Occurred on 6 February 2023*’ was published in the Official Gazette dated 15 July 2023 and numbered 32249.

With Article 21 of this Law, the corporate tax rate has been set as 25%, and it is regulated that this rate shall be applied as 30% for the corporate income of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings and Financing Companies Law No. 6361, electronic payment and money institutions, authorised foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

In accordance with the Provisional Article 33 added to the Tax Procedure Law with the Article 1 of the Law No: 7352 on the Amendment of the Tax Procedure Law and Corporate Tax Law published in the Official Gazette No: 31734 dated 29 January 2022, the financial statements as at 31 December 2023 prepared in accordance with the tax legislation should be subject to inflation adjustment.

In line with the Law No. 7352, inflation adjustment will be applied to the financial statements dated 31 December 2023, and the profit/loss difference arising from the inflation adjustment will be shown in the previous years' profit/loss account and will not be taxed.

In addition, with the Law numbered 7491 published in the Official Gazette dated 28 December 2023 and numbered 32413, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies' profits or losses that will arise as a result of inflation adjustment in the 2024 and 2025 accounting periods will not be taken into account in determining the corporate tax base.

Finally, the provisions regarding the inflation adjustment to be made by insurance and reinsurance companies and pension companies are regulated under the heading 13.2. Considerations Regarding Inflation Adjustment in Institutions Using Accounting Techniques Different from Those Determined in the Accounting System Implementation General Communiqué of Tax Procedure Law Circular No. 165 numbered TPL-165/2024-3/ numbered Inflation Adjustment Application-15 published by the Revenue Administration of the Ministry of Treasury and Finance on 20 February 2024.

Corporate tax losses can be carried forward for a maximum period of 5 years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

Dividend payments made with parties except for the joint-stock companies’ resident in Türkiye that are not subject to and are exempted from corporate and income tax and also made with real persons whether resident in Türkiye or not, and legal entities not resident in Türkiye are subject to income tax at the rate of 15%.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

35. INCOME TAXES (cont'd)

Dividend distribution by resident corporations to resident corporations is not subject to a withholding tax. Furthermore, in the event the profit is not distributed or included in capital, no withholding tax shall be applicable.

Dividend earnings of corporations from participation in the capital of another corporation (except for the participation certificates of mutual funds and the dividends obtained from the shares of investment trusts) subject to full liability are exempt from corporation tax. In addition, 50% of the profit arising from the sale of the participation shares in the assets of the corporations for at least two full years and the founding certificates of the real estates (immovables) owned for the same period of time, the usufruct shares and the preference rights are exempt from corporate tax. In order to benefit from the exception, the said gain must be kept in a fund account in the liability and should not be withdrawn from the enterprise for 5 years. The sales price must be collected by the end of the second calendar year following the year in which the sale was made

Tax income and expenses included in the income statements for the 1 January – 31 December 2024 and 1 January – 31 December 2023 are summarized below:

	1 January- 31 December 2024	1 January- 31 December 2023
Current period corporate tax	(1,199,785,267)	(560,728,698)
IRR-stock market difference tax effect of TL Bonds	6,540,217	(28,570,346)
Deferred tax income/(expense)*	209,291,504	141,657,218
Deferred tax assets	(983,953,546)	(447,641,826)

(*) Deferred tax income amounting to TL 209,291,504 consists of TL 159,806,586 from the current period deferred tax income and TL 49,484,918 from the adjustment made in the current period regarding the previous period tax (31 December 2023: Deferred tax income amounting to TL 141,657,218 consists of TL 117,602,256 from the current period deferred tax expense and TL 24,054,962 from the adjustment made regarding the previous period tax in the current period.).

Reconciliation of current tax expense is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Profit/loss before tax	3,738,557,170	1,821,350,878
Tax rate	30%	30%
Calculated corporate tax provision	(1,121,567,151)	(546,405,263)
Non-recognised and other expenses, net	(71,788,678)	(45,458,148)
Tax Exemption Income (*)	141,618,508	91,079,235
Corporate Tax Rate Change	-	17,845,249
TPL Inflation Adjustment Deferred Tax Effect	67,783,775	35,297,101
Total tax expenses in the income statement (-)	(983,953,546)	(447,641,826)

(*) The Company's tax exemption income consists of investment fund income and dividend income acquired before 15 July 2023.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

35. INCOME TAXES (cont'd)

The Company has prepaid tax amounting to TL 869,330,223 (31 December 2023: TL 445,575,875).

	31 December 2024	31 December 2023
Current tax provision	1,199,785,267	560,728,698
Prepaid taxes	(861,101,838)	(445,221,407)
The amount of withholding tax to be deducted	(8,228,384)	(354,468)
Total current tax liabilities	330,455,044	115,152,823

36. NET FOREIGN EXCHANGE INCOME

	1 January- 31 December 2024	1 January- 31 December 2023
Financial investment foreign exchange profit with risks on policyholders	3,966,406,916	5,060,178,615
Financial investment foreign exchange loss with risks on policyholders	(698,220,115)	(186,877,557)
Foreign exchange profit on financial assets available for sale	407,571,526	830,208,195
Foreign exchange loss on financial assets available for sale	(35,833,043)	(107,516,199)
Foreign exchange income from other transactions (*)	20,868,520	30,842,037
Foreign exchange expenses from other transactions (*)	(14,508,127)	(12,787,243)
Foreign exchange gains on derivative instruments	3,600	799,386
Foreign exchange losses on derivative instruments	(10,119,130)	(12,581,150)
Total	3,636,170,147	5,602,266,084

(*) It refers to the foreign exchange gain/loss amount included in Income and Profits and Expenses and Losses from Other Activities and Extraordinary Activities.

37. EARNINGS PER SHARE

The calculation of earnings per share for the Company's shareholder is as follows.

	1 January- 31 December 2024	1 January- 31 December 2023
Net profit for the period	2,754,603,624	1,373,709,052
Number of equity shares outstanding	18,000,000,000	18,000,000,000
Earnings per share (TL)	0.1530	0.0763

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

38. DIVIDENDS PER SHARE

The Company’s dividend distribution to its shareholders in year 2024 with respect to the profit of the year 2023 is as follows:

Based on the positive opinion dated 19 February 2024 received from the Insurance and Private Pension Regulation and Supervision Agency in accordance with the circular numbered 2023/2, in line with the profit distribution proposal received at the ordinary General Assembly Meeting held on 19 March 2024; after allocating TL 29,100,000 of general legal reserves and TL 1,095,503,500 of extraordinary reserves from the consolidated net profit for the period of TL 1,424,603,500 after taxes resulting from the activities of 2023, the Company has decided to distribute a total gross dividend of TL 300,000,000 and to make payments in cash as of 15 April 2024, and the relevant dividend payments were made on 15 April and 17 April.

39. CASH GENERATED FROM OPERATIONS

The cash flows from operating activities is presented in the accompanying statement of cash flows.

40. CONVERTIBLE BOND

None.

41. REDEEMABLE PREFERENCE SHARES

None.

42. RISKS

The amount of provision required for the lawsuits pending against the Company was accounted for in other long term debts and expenses in the accompanying financial statements. As at 31 December 2024, total amount included in outstanding claims reserves is TL 72,392,526 (31 December 2023: TL 54,796,712).

43. COMMITMENTS

The Company has letters of guarantee amounting to TL 28,115,335 (31 December 2023: TL 22,189,559) to its suppliers and Executive Directorates.

44. BUSINESS MERGERS

None.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS

Benefits provided to executive management:

For the periods ended as of 31 December 2024 and 31 December 2023, salaries and other benefits provided to key management such as; Chairman and members of the Board of Directors, managing director and assistant managing directors during the period are presented below.

	1 January- 31 December 2024	1 January- 31 December 2023
Benefits provided to executive management	90,673,182	51,627,310

As of 31 December 2024 and 31 December 2023, balances with related parties are as follows:

Related Entity Balances

	31 December 2024	31 December 2023
Akbank T.A.Ş. - credit card receivables	2,389,391,236	1,444,964,894
Other cash and cash equivalents	2,389,391,236	1,444,964,894
Akbank - T.A.Ş. - bank deposit	150,257,680	243,004,201
Banks	150,257,680	243,004,201

As of 31 December 2024, securities issued by the Company’s related parties and classified as trading financial assets in the Company’s own securities portfolio are followed:

	31 December 2024			
	Nominal value	Cost value	Fair value	Book value
Enerjisa Elektrik Dağıtım A.Ş.	90,000,000	90,000,000	96,695,422	96,695,422
Çimsa Çimento Sanayi Ve Ticaret A.Ş.	10,000,000	10,000,000	10,242,012	10,242,012
Carrefoursa Sabancı Ticaret Merkezi A.Ş.	64,630,000	64,630,000	75,333,023	75,333,023
Ak Yatırım Menkul Değerler	50,000,000	50,000,000	53,609,579	53,609,579
Teknosa İç ve Dış Ticaret A.Ş.	11,000,000	11,000,000	12,556,760	12,556,760
Total	225,630,000	225,630,000	248,436,796	248,436,796

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont’d)

As of 31 December 2023, securities issued by the Company’s related parties and classified as trading financial assets in the Company’s own securities portfolio are followed:

31 December 2023				
	Nominal value	Cost value	Fair value	Book value
<i>Private sector bonds</i>				
Enerjisa Elektrik Dağıtım A.Ş.	69,980,000	69,980,000	82,366,609	82,366,609
Çimsa Çimento Sanayi Ve Ticaret A.Ş.	10,000,000	10,000,000	10,201,400	10,201,400
Financial Assets	79,980,000	79,980,000	92,568,009	92,568,009
		31 December 2024	31 December 2023	
Other receivables from related parties				
Akbank T.A.Ş.		279,756	9,006	
AkSigorta A.Ş.		13,444,436	4,447,932	
Sabancı Dijital Teknolojileri Hizmetleri A.Ş.		2,965,875	-	
		16,690,067	4,456,938	
		31 December 2024	31 December 2023	
Receivables and payables from insurance operations				
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.		316,489	3,173	
Sabancı Üniversitesi		162,437	166,298	
Enerjisa Enerji Üretim A.Ş.		146,731	36,974	
Teknosa İç ve Dış Ticaret A.Ş.		53,896	(3,044)	
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş.		23,494	2,384	
Temsa İş Makineleri İma.Paz. Satış A.Ş.		14,456	1,047	
Ak Finansal Kiralama A.Ş.		308	-	
Brisa Bridgestone Sabancı Lastik ve Ticaret A.Ş.		(46,765)	1,856,971	
Agesa Sigorta Aracılığı A.Ş.		(188)	786,247	
Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş.		(12,747)	757,202	
Other		(688,762)	294,485	
		(30,651)	3,901,737	
		31 December 2024	31 December 2023	
Subsidiaries				
Agesa Sigorta Aracılığı A.Ş.		2,000,000	2,000,000	
Medisa Sigorta A.Ş.		786,250,000	-	
		788,250,000	2,000,000	

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont’d)

	31 December 2024	31 December 2023
Other trade payables to related parties		
Sabancı Dijital Teknolojileri Hizmetleri A.Ş.	113,084,553	50,698,031
Vista Turizm ve Seyahat A.Ş.	13,020,642	782,623
Ak Portföy Yönetimi A.Ş.	5,269,144	-
Teknosa İç ve Dış Tic. A.Ş.	3,969,714	365,705
Aksigorta A.Ş.	134,066,843	2,922,201
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	689,277	102,431
Akbank T.A.Ş.	158,333	158,333
Enerjisa Anadolu Yakası Elektrik Perakende Satış A.Ş.	-	300
	270,258,506	55,029,624
	31 December 2024	31 December 2023
Payables from operations		
Akbank T.A.Ş.	426,317,240	245,193,333
Agesa Sigorta Aracılığı A.Ş.	-	134,430,156
Ak Portföy Yönetimi A.Ş.	19,287,718	12,589,797
Emeklilik Gözetim Merkezi A.Ş.	5,230,872	4,399,384
	450,835,830	396,612,670
	31 December 2024	31 December 2023
Deferred income and expense accruals		
Hacı Ömer Sabancı Vakfı	10,169,102	-
	10,169,102	-
	31 December 2024	31 December 2023
Deferred expenses and income accruals		
Ak Portföy Yönetimi A.Ş.	85,109,544	-
	85,109,544	-
	1 January- 31 December 2024	1 January- 31 December 2023
Services purchased		
Akbank T.A.Ş.	3,829,643,758	1,802,777,419
- Commission paid	3,827,743,758	1,800,877,419
- Administrative expenses paid	1,900,000	1,900,000
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	407,811,126	249,843,406
Ak Portföy Yönetimi A.Ş.	207,429,884	106,719,660
Vista Turizm ve Seyahat A.Ş.	76,931,218	26,286,311
Emeklilik Gözetim Merkezi A.Ş.	57,056,722	23,703,536
Aksigorta A.Ş.	14,885,728	10,597,457
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	4,005,769	3,433,748
Teknosa İç ve Dış Tic. A.Ş.	4,389,465	1,216,865
Anadolu Yakası Elektrik Dağıtım A.Ş.	121,419	18,411
Ak Finansal Kiralama A.Ş.	79,376,879	-
Other	13,282,649	9,362,889
	4,694,934,617	2,233,959,702

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont'd)	1 January- 31 December 2024	1 January- 31 December 2023
Finance income		
Akbank T.A.Ş.	349,195,894	90,022,775
Enerjisa Enerji A.Ş.	31,368,814	23,178,089
Çimsa Çimento San.ve Tic. A.Ş.	3,241,120	6,980,285
Ak Finansal Kiralama A.Ş.	3,736,988	-
	387,542,816	120,181,149
	1 January- 31 December 2024	1 January- 31 December 2023
Services Provided		
Akbank T.A.Ş.	52,845,041	34,346,185
Aksigorta A.Ş.	46,000,876	17,237,365
Başkent Elektrik Dağıtım A.Ş.	7,228,980	4,156,476
Toroslar Elektrik Dağıtım A.Ş.	6,245,880	3,474,140
Kordsa Teknik Tekstil A.Ş.	3,155,061	2,456,650
Enerjisa Enerji Üretim A.Ş.	4,053,883	2,282,673
Brisa Bridgestone Sabancı Lastik ve Ticaret A.Ş.	3,379,385	1,868,028
İstanbul Anadolu yakası Elektrik Dağıtım A.Ş.	3,162,878	1,781,672
Ak Yatırım Menkul değerler A.Ş.	1,602,331	929,691
Temsa Ulaşım Araçları Sanayi ve Ticaret A.Ş.	1,535,537	836,930
Akçansa Çimento Sanayi ve Ticaret A.Ş.	1,332,682	777,070
TeknoSA İç ve Dış Ticaret A.Ş.	1,302,777	664,936
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	9,332,419	12,479,467
Ak Portföy Yönetimi A.Ş.	999,657	425,378
CarrefourSA Carrefour Sabancı Ticaret Merkezi A.Ş.	319,571	199,272
Çimsa Çimento Sanayi ve Ticaret A.Ş.	1,700,869	1,237,927
Other	6,955,632	4,004,342
	151,153,459	89,158,202
Other Expenses		
Hacı Ömer Sabancı Vakfı	177,094,729	90,816,918
Sabancı Üniversitesi	-	7,000,000
	177,094,729	97,816,918

45.1 Partners, investments and its doubtful receivables due to the receivables from the subsidiaries: None.

45.2 Details of affiliates and subsidiaries having indirect capital and management relations with the Company; names, amounts and rates of participations in the affiliates and subsidiaries; profit/loss for the period presented in the recent financial statements of such participations; net profit/loss for the period and period covered by the financial statements; information about whether these financial statements are prepared in accordance with the CMB standards; information about whether these financial statements are audited; details of the audit opinion: (Note 9)

	31 December 2024		31 December 2023	
	Share of Partnership (%)	Capital (TL)	Share of Partnership (%)	Capital TL
Subsidiaries				
Agesa Sigorta Aracılığı A.Ş.	100	2,000,000	100	2,000,000
Medisa Sigorta A.Ş.	100	500,000,000	-	-
Total		502,000,000		2,000,000

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont'd)

45.2 Details of affiliates and subsidiaries having indirect capital and management relations with the Company; names, amounts and rates of participations in the affiliates and subsidiaries; profit/loss for the period presented in the recent financial statements of such participations; net profit/loss for the period and period covered by the financial statements; information about whether these financial statements are prepared in accordance with the CMB standards; information about whether these financial statements are audited; details of the audit opinion: Note 9 (cont'd)

	Total Assets	Total Equity	Prior Years' Profit/ (Losses)	Net Period Profit/ (Loss)	Independent Audit Period
Subsidiaries					
Agesa Sigorta Aracılığı A.Ş.	271.520.697	250.769.634	-	156.814.141	Audited 2024
Medisa Sigorta A.Ş.	2.809.846.045	646.477.617	(40.761.641)	(41.387.134)	Audited 2024
Total	3.081.366.742	897.247.251	(40.761.641)	115.427.007	

Details of other financial assets are as follows:

	31 December 2024		31 December 2023	
	Share of Partnership (%)	Amount (TL)	Share of Partnership (%)	Amount (TL)
Non-Group				
Milli Reasürans A.Ş.	0.1494	575,082	0.1494	575,082
Emeklilik Gözetim Merkezi A.Ş.	6.6700	3,371,543	6.2500	3,163,210
Enternasyonal Turizm Yatırım A.Ş.	0.0001	2	0.0001	2
Endüstri Holding A.Ş.	0.0001	625	0.0001	625
Total		3,947,252		3,738,919

45.3 Bonus shares obtained from affiliates or subsidiaries through internal resource capital increases: None (31 December 2023: None).

45.4 Rights and their values on immovable: None.

45.5 Guarantees, commitments, guarantee letters, advances and endorsements given in favour of shareholders, affiliates and subsidiaries: None.

46. EVENTS AFTER THE REPORTING PERIOD

Explanations related to subsequent events are disclosed in Note 1.10.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

47. OTHER

47.1 Items and amounts classified under the ‘other’ account in financial statements either exceeding 20% of the total amount of the Company to which they relate or 5% of the total assets in the balance sheet:

Other cash and cash equivalents consist of credit card receivables that have been blocked for a period of 1 to 41 days by the bank.

Short-term other receivables consist of withholding tax and other receivables from various organizations.

Other tangible assets consist of leasehold improvements.

Other intangible assets consist of software.

Other technical provisions and other provisions items consist of equalization reserve.

	31 December 2024	31 December 2023
Other Current Assets		
Personnel Advances	940,079	1,071,690
Business advances	1,577,949	236,941
	2,518,028	1,308,631
Other Liabilities		
Due to suppliers	129,260,015	136,509,506
Other liabilities	1,636,227	2,252,537
	130,896,242	138,762,043

Other cash and cash equivalents consist of credit card receivables that have been blocked for a period of 1 to 41 days by the bank.

Short-term other receivables consist of withholding tax and other receivables from various organizations.

Other tangible assets consist of leasehold improvements.

Other intangible assets consist of software.

Other technical provisions and other provisions items consist of equalization reserve.

Other Prepaid Expenses

	31 December 2024	31 December 2023
Maintenance and Repair Expenses	101,050,133	50,098,223
Information Systems Expenses	18,774,859	26,544,467
Lease Expenses	8,966,132	88,675
Subscriptions	3,234,584	2,582,637
Other Prepaid Expenses	1,372,550	2,098,273
Insurance Expenses	134,323,977	2,732,831
	267,722,235	84,145,105

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

47. OTHER (cont'd)

47.1 Items and amounts classified under the ‘other’ account in financial statements either exceeding 20% of the total amount of the Company to which they relate or 5% of the total assets in the balance sheet: (cont'd)

	1 January- 31 December 2024	1 January- 31 December 2023
Other expenses and losses		
Non-deductible expenses	186,857,663	113,783,935
Foreign exchange losses	14,508,127	12,787,243
Expense Provision	10,169,102	-
Other expenses	11,452,637	6,353,991
Special communication tax expenses	917,918	467,700
	223,905,447	133,392,869
Other income and profit		
Sales efficiency model income	96,986,259	49,718,198
Foreign exchange income	20,868,520	30,842,037
Subsidiary subleasing and cost reflection	9,924,619	17,866,967
Fixed asset sales income	2,710,853	92,013
Other income	35,384,351	10,321,331
	165,874,602	108,840,546

47.2 Separate sums of receivables from personnel and payables to personnel, which are included in the "Other Receivables" and "Other Short or Long Term Payables" account item and exceed one percent of the total assets of the balance sheet: None.

47.3 Descriptive disclosure in relation to amounts and resources of prior period income, expenses, and losses:

	1 January- 31 December 2024	1 January- 31 December 2023
Income and profit of the prior years		
Invoice and reinsurance adjustment	36,732,704	13,120,126
Other	872,812	485,200
Total	37,605,516	13,605,326
Expenses and losses of the prior years		
Premium and reinsurance adjustment	33,125	20,066,255
Invoices from the previous period	922,953	4,669,174
Other	6,820,900	790,024
Total	7,776,978	25,525,453

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Unconsolidated Financial Statements
for the Period 1 January - 31 December 2024

(All amounts expressed in Turkish Lira (TL))

47. OTHER (cont’d)

47.4 Other notes should be included

	1 January- 31 December 2024	1 January- 31 December 2023
Provision of deferred tax	209,291,504	141,657,218
Life mathematical reserves, net	(8,479,723,697)	(8,223,879,819)
Provision of tax	(1,193,245,050)	(589,299,044)
Provision of general administrative expenses, net	(204,900,190)	(119,814,437)
Provision of personnel bonuses, net	(124,431,923)	(95,556,958)
Provision of unearned premiums, net	(1,651,407,348)	(793,120,813)
Outstanding claims reserve, net	(97,992,891)	(32,179,003)
Equalization reserve, net	(50,897,563)	(9,191,134)
Provision of commission, net	(63,480,421)	(6,161,640)
Provision of lawsuits	(10,706,772)	(6,229,876)
Provision of severance pay, net	11,384,576	16,549,922
Provision of unused vacation, net	(11,981,676)	(8,545,924)
Total	(11,668,091,451)	(9,725,771,508)

Fees for services received from Independent Auditor/Independent audit firm:

	31 December 2024			31 December 2023		
	IAF	Other IAF	Total	IAF	Other IAF	Total
Independent audit fee for the reporting period	2,623,500	-	2,623,500	5,828,100	-	5,828,100
Fees for tax consultancy services	-	-	-	-	-	85,000
Fees for other assurance services	565,000	-	565,000	400,000	-	400,000
Fees for other services other than independent audit	-	-	-	-	-	-
	3,188,500	-	3,188,500	6,228,100	-	6,228,100

INFORMATION ON CONSOLIDATED
SUBSIDIARIES

In the preparation of the consolidated financial statements, compliance is ensured with the “Communiqué on the Preparation of Consolidated Financial Statements of Insurance, Reinsurance, and Pension Companies” (“Consolidation Communiqué”) published in the Official Gazette dated December 31, 2008 and numbered 27097, and the principles, procedures, and methods specified in the “Turkish Financial Reporting Standard on Consolidated Financial Statements” (“TFRS 10”).

The consolidated financial statements include the accounts of the parent company, AgeSA Hayat ve Emeklilik Anonim Şirketi, and its subsidiaries, AgeSA Sigorta Aracılığı A.Ş. and MediSA Sigorta A.Ş. The financial statements of the companies included in the scope of consolidation have been prepared in accordance with the accounting policies and presentation formats applied by the Group, and in compliance with the Insurance Law No. 5684 and the principles set forth by the Undersecretariat of Treasury for insurance and reinsurance companies.

Under the full consolidation method, 100% of the subsidiaries’ assets, liabilities, income, expenses, and off-balance sheet items have been combined with those of the parent company. The carrying value of the Group’s investment in the subsidiary has been offset against the portion of the subsidiary’s equity attributable to the Group. Intragroup balances and unrealized profits and losses arising from transactions among the consolidated entities have been eliminated on consolidation.

Name of the subsidiary company	Effective Shareholding Rate	Direct Shareholding Rate	Total Assets ⁽¹⁾	Total Equity ⁽¹⁾	Net Period Profit ^(**)
AgeSA Sigorta Aracılığı A.Ş.	100%	100%	271,520,697	250,769,634	156,814,141
MediSA Sigorta A.Ş. ^(***)	100%	100%	2,809,846,045	646,477,617	(41,387,134)

⁽¹⁾ As of 31 December 2024

^(**) For the accounting period January 1–December 31, 2024

^(***) Although our Company holds a 100% ownership stake in Medisa, the transaction has been treated as a business combination under common control. In accordance with the Communiqué of the Public Oversight Accounting and Auditing Standards Authority (POA) No. 2018-1 on “Accounting for Business Combinations Under Common Control,” the pooling of interest method has been applied. The financial statements have been restated as if the merger had taken place as of January 1, 2023 (the beginning of the comparative period) and presented accordingly. The difference between the consideration transferred and the book value of Medisa’s net assets as of the merger date is presented under equity in the accompanying consolidated financial statements as the effect of mergers involving undertakings or businesses under common control.

AGESA HAYAT VE EMEKLİLİK A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024
AND INDEPENDENT AUDITOR'S REPORT

(CONVENIENCE TRANSLATION OF THE REPORT AND
THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)



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**(CONVENIENCE TRANSLATION OF
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)**

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Agesa Hayat ve Emeklilik A.Ş.

A) Report on the Audit of the Consolidated Financial Statements

1) Opinion

We have audited the accompanying consolidated financial statements of Agesa Hayat ve Emeklilik A.Ş. and its subsidiaries (together “the Group”) which comprise the consolidated statement of financial position as of 31 December 2024 and the consolidated statement of income, consolidated statement of changes in shareholders’ equity, consolidated statement of cash flows, and consolidated statement of profit distribution for the period then ended and the notes to the consolidated financial statements including a summary of significant accounting policies.

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

2) Basis for Opinion

We conducted our audit in accordance with the regulations on the principles on auditing as set out in the insurance legislation and Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (“Code of Ethics”) published by the POA, together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Other Matters

The consolidated financial statements of the Group for the year ended 31 December 2023 have been audited by another auditor whose report dated 9 February 2024 expressed an unmodified opinion.

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4) Key Audit Matters

Key audit matters are those that, in our professional judgment, are of the most importance in an independent audit of the current period's consolidated financial statements. Key audit matters have been addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion on the consolidated financial statements, on which we do not express a separate opinion.

Key audit matter	How the matter was addressed in the audit
<p>Estimates and assumptions used in the calculation of Mathematical reserves arising from insurance contracts</p> <p>As of 31 December 2024, the Group has recognized a total Mathematical Reserves of TL 25,031,086,017.</p> <p>Pursuant to the Regulation on Technical provisions, the Group is required to recognize adequate mathematical reserves based on actuarial principles to fulfill its liabilities to policyholders and beneficiaries for life, health and personal accident insurance contracts with a term longer than one year.</p> <p>Mathematical reserves are calculated in accordance with the formulae and principles specified in the approved technical basis of the tariffs for life insurances with a term longer than one year.</p> <p>We focused on this area during our audit because of the quantitative significance of the mathematical reserves in the financial statements and the nature of the mathematical reserves, which involves significant estimates and management judgements.</p>	<p>Design and implementation of key controls that are relevant to the calculation of the Mathematical Reserves and that are implemented by the Group's management have been tested.</p> <p>In addition, mathematical reserves have been recalculated by the expert actuaries in our team using the selected sample through tariffs and other related calculation data.</p> <p>In addition, the adequacy and accuracy of the disclosures related to these technical provisions in Notes 2.20 and 17 to the consolidated financial statements with the Insurance Accounting and Financial Reporting Legislation have been examined.</p>

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5) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

6) Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the regulations regarding the independent audit principles in force as per the insurance legislation and SIA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the regulations regarding the audit principles in force as per the insurance legislation and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.



6) Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements (cont’d)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 (“TCC”), the auditor’s report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Group on 14 February 2025.

In accordance with paragraph four of the Article 402 of the Turkish Commercial Code No. 6102 (“TCC”), nothing has come to our attention that may cause us to believe that the Group’s set of accounts and consolidated financial statements prepared for the period 1 January – 31 December 2024 does not comply with TCC and the provisions of the Group’s articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor’s report is Ferda Akkılınç İlca.

Additional Paragraph for Convenience Translation into English

In the accompanying consolidated financial statements, the accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) differ from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Ferda Akkılınç İlca
Partner
İstanbul, 14 February 2025



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AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

COMPANY STATEMENT REGARDING THE CONSOLIDATED
FINANCIAL REPORT AS OF 31 DECEMBER 2024

We declare that the accompanying consolidated financial statements and related disclosures and notes (financial report) prepared by us as of 31 December 2024 have been prepared in accordance with the provisions of the “Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies” published by the Undersecretariat of Treasury of the Prime Ministry of the Republic of Türkiye, relevant legislation and related announcements and circulars, and in accordance with our Company's accounting records.

İstanbul, 14 February 2025

Haluk Dinçer
Chairman of the Board
of Directors

Hüseyin Gürer
Chairman of the Audit Committee
and Independent Board Member

Fatma Dilek Yardım
Member of Audit Committee and
Independent Board Member

M.Fırat Kuruca
Board Member
General Manager

Zeliha Ersen Altınok
Deputy General Manager
Finance

Yeliz Güven Saraçoğlu
Group Manager
Accounting and Statutory Reporting

Yasemin Albayrak
Responsible Actuary

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

INDEX	PAGE
CONSOLIDATED DETAILED BALANCE SHEETS.....	286-290
CONSOLIDATED DETAILED STATEMENTS OF INCOME	291-293
CONSOLIDATED STATEMENTS OF CASH FLOWS	294
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY ..	295
CONSOLIDATED STATEMENTS OF PROFIT DISTRIBUTION	296
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	297-384

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

ASSETS			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
I- Current Assets			
A- Cash and Cash Equivalents	2.12, 14	5,947,325,318	2,195,408,741
1- Cash		-	-
2- Cheques Received		-	-
3- Banks	2.12, 14	3,549,720,795	740,256,025
4- Cheques Given and Payment Orders (-)	2.12, 14	(2,075,657)	(1,759,443)
5- Bank Guaranteed Credit Card Receivables with Maturities Less Than 3 Months		-	-
6- Other Cash and Cash Equivalents	2.12, 14	2,399,680,180	1,456,912,159
B- Financial Assets and Investments with Risks on Policyholders	4,11.4	29,293,542,799	19,466,177,385
1- Financial Assets Available For Sale	4, 11.4	2,814,406,369	1,956,502,057
2- Financial Assets Held to Maturity	4, 11.4	928,889,038	1,129,087,860
3- Financial Assets Held for Trading	4, 11.4	2,599,756,994	1,017,341,747
4- Loans		-	-
5- Provision for Loans (-)		-	-
6- Financial Assets with Risks on Policyholders	4, 11.4	22,950,490,398	15,363,245,721
7- Equity Shares		-	-
8- Impairment on Financial Assets (-)		-	-
C- Receivables From Operating Activities	12.1	1,131,480,200	218,467,052
1- Receivables From Insurance Operations	12.1	146,935,344	102,121,330
2- Provision for Receivables From Insurance Operations (-)		-	-
3- Receivables From Reinsurance Operations	12.1, 45	867,079,359	-
4- Provision for Receivables From Reinsurance Operations (-)		-	-
5- Cash Deposited With Insurance and Reinsurance Companies		-	-
6- Loans to Policyholders (Advance Loan)		-	-
7- Provision for Loans to Policyholders (Advance Loan) (-)		-	-
8- Receivables from Pension Operations	12.1	117,465,497	116,345,722
9- Doubtful Receivables from Operating Activities		-	-
10- Provisions for Doubtful Receivables from Operating Activities (-)		-	-
D- Receivables from Related Parties	12.1	16,739,637	4,606,494
1- Receivables from Shareholders		-	-
2- Receivables from Associates		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Joint Ventures		-	-
5- Receivables from Personnel		49,570	149,556
6- Receivables from Other Related Parties	45	16,690,067	4,456,938
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
E- Other Receivables	12.1	11,394,144	2,905,950
1- Finance Leasing Receivables		-	-
2- Unearned Financial Leasing Interest Income (-)		-	-
3- Deposits and Guarantees Given		32,725	32,725
4- Other Miscellaneous Receivables		11,205,208	2,717,014
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		156,211	156,211
7- Provision for Other Doubtful Receivables (-)		-	-
F- Prepaid Expenses and Income Accruals		1,770,897,866	504,186,325
1- Deferred Commission Expenses	2.20	1,410,692,270	418,789,340
2- Accrued Interest and Rent Income		-	-
3- Income Accruals	45	85,109,544	2,150,000
4- Other Prepaid Expenses	47.1	275,096,052	83,246,985
G- Other Current Assets	47.1	2,533,598	3,574,734
1- Inventories		-	-
2- Prepaid Taxes and Funds		-	-
3- Deferred Tax Assets		-	-
4- Business Advances	47.1	1,593,519	894,281
5- Advances Given to Personnel	47.1	940,079	2,680,453
6- Counting and Receipt Deficiencies		-	-
7- Other Miscellaneous Current Assets		-	-
8- Provision for Other Miscellaneous Current Assets (-)		-	-
I- Total Current Assets		38,173,913,562	22,395,326,681

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

ASSETS			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
II- Non-Current Assets			
A- Receivables from Operating Activities	12.1	228,692,108,969	141,916,400,655
1- Receivables from Insurance Operations		-	-
2- Provisions for Receivables from Insurance Operations (-)		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations (-)		-	-
5- Cash Deposited with Insurance And Reinsurance Companies		-	-
6- Loans to Policyholders (Advance Loan)	2.20,12.1, 17.2, 17.15	679,158,089	569,555,420
7- Provision for Loans to Policyholders (Advance Loan) (-)		-	-
8- Receivables from Pension Operations	4, 12.1, 17.5, 17.6,19	228,012,950,880	141,346,845,235
9- Doubtful Receivables from Operating Activities		-	-
10- Provision for Doubtful Receivables from Operating Activities (-)		-	-
B- Receivables from Related Parties		-	-
1- Receivables from Shareholders		-	-
2- Receivables from Associates		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Joint Ventures		-	-
5- Receivables from Personnel		-	-
6- Receivables from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
C- Other Receivables	12.1	164,351	136,478
1- Finance Leasing Receivables		-	-
2- Unearned Financial Leasing Interest Income (-)		-	-
3- Deposits and Guarantees Given	12.1	164,351	136,478
4- Other Miscellaneous Receivables		-	-
5- Rediscount on Other Miscellaneous Receivables (-)		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables (-)		-	-
D- Financial Assets	45.2	3,947,252	3,738,919
1- Affiliated Securities		-	-
2- Affiliates		-	-
3- Affiliates Capital Commitments (-)		-	-
4- Subsidiaries		-	-
5- Subsidiaries Capital Commitments (-)		-	-
6- Joint Ventures		-	-
7- Joint Ventures Capital Commitments (-)		-	-
8- Financial Assets and Financial Investments with Risk on Policyholders		-	-
9- Other Financial Assets	45.2	3,947,252	3,738,919
10- Financial Assets Provision for Impairment (-)		-	-
E- Property, Plant and Equipment	6.3	305,019,048	133,495,380
1- Investment Properties		-	-
2- Provision for Impairment for Investment Properties (-)		-	-
3- Real Estate for Use		-	-
4- Machinery and Equipment	6.3	85,328,209	64,843,832
5- Fixtures and Installations	6.3	51,317,660	37,690,783
6- Motor Vehicles	6.3	15,547,112	12,879,112
7- Other Property, Plant and Equipment (Including Special Costs)	6.3	47,097,219	35,904,357
8- Property, Plant and Equipment Acquired by Lease	6.3	255,791,383	78,363,027
9- Accumulated Depreciation (-)	6.3	(150,062,535)	(96,185,731)
10- Advances on Property, Plant and Equipment (Including Construction in Progress)		-	-
F- Intangible Assets	8	1,232,487,076	624,626,783
1- Rights		-	-
2- Goodwill		-	-
3- Pre-Operating Period Expenses		-	-
4- Research and Development Expenses		-	-
5- Other Intangible Assets	8	1,146,817,891	707,259,719
6- Accumulated Amortizations (-)	8	(453,544,335)	(286,987,367)
7- Advances on Intangible Assets	8	539,213,520	204,354,431
G- Prepaid Expenses and Income Accruals		1,415,402	4,130,284
1- Deferred Production Expenses		-	-
2- Income Accruals		-	-
3- Other Prepaid Expenses		1,415,402	4,130,284
H-Other Non-Current Assets	21, 35	376,788,176	203,280,074
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Inventories		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	21, 35	376,788,176	203,280,074
6- Other Miscellaneous Non-Current Assets		-	-
7- Depreciation of Other Non-Current Assets (-)		-	-
8- Provision for Other Non-Current Assets (-)		-	-
II- Total Non-Current Assets		230,611,930,274	142,885,808,573
Total Assets (I + II)		268,785,843,836	165,281,135,254

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

LIABILITIES			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
III- Current Liabilities			
A- Financial Liabilities	20	64,342,901	9,923,552
1- Payables to Credit Institutions		-	-
2- Financial Leasing Payables	4, 20	132,382,885	22,516,093
3- Deferred Financial Leasing Costs (-)	20	(68,039,984)	(12,592,541)
4- Principal Installments and Interests of Long-Term Loans		-	-
5- Principal, Installments and Interests of Issued Bonds (Bonds)		-	-
6- Other Issued Financial Assets		-	-
7- Other Financial Assets Issue Difference (-)		-	-
8- Other Financial Payables (Liabilities)		-	-
B- Payables from Operating Activities	4, 19	2,889,268,835	1,701,535,074
1- Payables from Insurance Operations	4, 19	438,913,739	244,780,048
2- Payables from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables from Pension Operations	4, 19	2,450,355,096	1,456,755,026
5- Payables from Other Operating Activities		-	-
6- Rediscount on Payables from Other Operating Activities (-)		-	-
C- Payables to Related Parties	4, 19	287,082,003	186,205,040
1- Payables to Shareholders	19	3,516,257	2,419,707
2- Payables to Associates		-	-
3- Payables to Subsidiaries		-	-
4- Payables to Joint Ventures		-	-
5- Payables to Personnel	19	5,309,118	2,760,156
6- Payables to Other Related Parties	19, 45	278,256,628	181,025,177
D- Other Payables	4, 19, 47.1	305,018,198	166,705,606
1- Deposits and Guarantees Received		23,327	19,464
2- Payables to SSI for Treatment Expenses		-	-
3- Other Miscellaneous Payables		304,994,871	166,686,142
4- Rediscount on Other Miscellaneous Payables (-)		-	-
E- Insurance Technical reserves	17.15	5,181,488,634	1,278,263,655
1- Unearned premium reserves- Net	17.15	4,372,854,690	1,004,626,712
2- Ongoing Risks Reserve - Net		-	-
3- Math Equivalents- Net	17.15	347,782,440	116,790,231
4- Outstanding Claim Reserve- Net	2.20, 17.15	460,851,504	156,846,712
5- Bonuses and Discounts Reserve - Net		-	-
6- Financial Investments where Policyholders Bear the Risk Reserve - Net		-	-
7- Other Technical reserves- Net		-	-
F- Provisions for Taxes Payable and Other Similar Liabilities		634,514,517	351,808,990
1- Taxes and Funds Payable		263,588,106	150,179,267
2- Social Security Deductions Payable		55,146,554	65,341,470
3- Overdue, Deferred or Installed Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Liabilities Payable		-	-
5- Provisions for Period Profit Tax and Other Legal Liability	35	1,241,292,847	594,687,157
6- Prepaid Taxes and Other Liabilities of Profit for the Period (-)	35	(925,512,990)	(458,398,904)
7- Provisions for Other Taxes and Similar Liabilities		-	-
G- Provisions for Other Risks	23.2	463,118,380	275,447,332
1- Provision for Employment Termination Benefits		-	-
2- Provision for Social Aid Fund Asset Deficits		-	-
3- Provision for Expense Accruals	23.2	463,118,380	275,447,332
H- Deferred Income and Expense Accruals	19	353,417,590	160,013,355
1- Deferred Commission Income	2.20, 19	8,297,894	3,285,928
2- Expense Accruals	19	345,119,696	156,727,427
3- Other Deferred Income		-	-
I- Other Current Liabilities	23.2	32,193,227	20,228,538
1- Deferred Tax Liabilities		-	-
2- Count and Receipt Surplus		-	-
3- Other Miscellaneous Current Liabilities	23.2	32,193,227	20,228,538
III - Total Current Liabilities		10,210,444,285	4,150,131,142

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

LIABILITIES			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
IV- Non-Current Liabilities			
A- Financial Liabilities	20	160,286,059	50,825,186
1- Borrowings to Financial Institutions		-	-
2- Finance Lease Payables	4, 20	233,005,777	86,943,615
3- Deferred Financial Leasing Costs (-)	20	(72,719,718)	(36,118,429)
4- Bond Issues		-	-
5- Other Issued Financial Assets		-	-
6- Other Financial Assets Issue Difference (-)		-	-
7- Other Financial Payables (Liabilities)		-	-
B- Payables from Operating Activities	4, 12.1, 17.5, 17.6, 19	228,012,950,880	141,346,845,235
1- Payables from Insurance Operations		-	-
2- Payables from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables from Pension Operations	4, 12.1, 17.5, 17.6, 19	228,012,950,880	141,346,845,235
5- Payables from Other Operating Activities		-	-
6- Payables from Other Operating Activities Rediscount of Debt Securities (-)		-	-
C- Payables to Related Parties		-	-
1- Payables to Shareholders		-	-
2- Payables to Associates		-	-
3- Payables to Subsidiaries		-	-
4- Payables to Joint Ventures		-	-
5- Payables to Personnel		-	-
6- Payables to Other Related Parties		-	-
D- Other Payables		-	-
1- Deposits and Guarantees Received		-	-
2- Payables to SSI for Treatment Expenses		-	-
3- Other Miscellaneous Liabilities		-	-
4- Other Miscellaneous Payables Rediscount		-	-
E- Insurance Technical reserves	17.15	24,806,962,720	16,529,566,333
1- Unearned premium reserves- Net		-	-
2- Ongoing Risks Reserve - Net		-	-
3- Math Equivalents- Net	17.15	24,683,303,577	16,456,804,753
4- Outstanding Claim Reserve - Net		-	-
5- Bonuses and Discounts Reserve - Net		-	-
6- Financial Investments where Policyholders Bear the Risk Reserve - Net		-	-
7- Other Technical reserves- Net	2.20, 17.15	123,659,143	72,761,580
F- Other Liabilities and Provisions		31,853,116	21,001,293
1- Other Liabilities Payable		-	-
2- Overdue, Deferred or Installed Taxes and Other Liabilities		-	-
3- Other Provisions for Payables and Expenses		31,853,116	21,001,293
G- Provisions for Other Risks	22	114,437,980	82,991,535
1- Provision for Employment Termination Benefits	22	114,437,980	82,991,535
2- Provision for Social Aid Fund Asset Deficits		-	-
H- Deferred Income and Expense Accruals		-	-
1- Deferred Commission Income		-	-
2- Expense Accruals		-	-
3- Other Deferred Income		-	-
I- Other Non-Current Liabilities		-	-
1- Deferred Tax Liability		-	-
2- Other Miscellaneous Non-Current Liabilities		-	-
IV- Total Non-Current Liabilities		253,126,490,755	158,031,229,582

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Balance Sheet
as of 31 December 2024 and 31 December 2023

(All amounts expressed in Turkish Lira (TL))

EQUITY			
	Notes	Current Period Audited 31 December 2024	Prior Period Audited 31 December 2023
V- Equity			
A- Paid-In Capital	2.13,15.3	180,000,000	280,000,000
1- (Nominal) Capital	2.13,15.3	180,000,000	280,000,000
2- Unpaid Capital (-)		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences (-)		-	-
5- Capital Pending Registration		-	-
B- Capital Reserves	15.2	(99,384,843)	(43,946,321)
1- Share Issue Premiums		-	-
2- Profit of Cancelled Shares		-	-
3- Sales Profit Addition to the Capital		-	-
4- Foreign Currency Translation Differences		-	-
5- Other Capital Reserves	15.2	(99,384,843)	(43,946,321)
C- Profit Reserves		2,537,709,538	1,479,878,992
1- Legal Reserves	15.2	138,739,901	109,639,901
2- Statutory Reserves	15.2	11,494	11,494
3- Extraordinary Reserves	15.2	2,487,569,191	1,392,065,691
4- Special Funds (Reserves)		-	-
5- Valuation Of Financial Assets	15.2	75,248,129	55,579,038
6- Other Profit Reserves	15.2	(163,859,177)	(77,417,132)
D- Prior Years' Profit		-	-
1- Prior Years' Profit		-	-
E- Prior Years' Losses (-)		(40,761,641)	(6,196,687)
1- Prior Years' Losses		(40,761,641)	(6,196,687)
F- Net Profit for the Period		2,871,345,742	1,390,038,546
1- Net Profit for the Period		2,871,345,742	1,390,038,546
2- Net Loss for the Period (-)		-	-
3- Profit for the Period Not Subject to Distribution		-	-
G-Minority Shares		-	-
Total Equity		5,448,908,796	3,099,774,530
Total Liabilities (III + IV + V)		268,785,843,836	165,281,135,254

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Income Statements
for the Period 1 January – 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

	Notes	Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
I- TECHNICAL PART			
A- Non-Life Technical Income		1,339,618,634	131,572,558
1- Earned Premiums - (Net of Reinsurers' Share)		1,054,015,194	106,303,719
1.1- Written Premiums - (Net of Reinsurers' Share)	5,24	2,819,181,026	130,515,717
1.1.1- Gross Written Premiums (+)	5,24	2,820,527,914	130,806,976
1.1.2 - Reinsurers' Share of Gross Written Premium (-)	5,10,24	(1,346,888)	(291,259)
1.1.3 - Premiums Ceded to SSI (-)		-	-
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers' Share and Reserves Carried Forward)(+/-)	5,17,15, 47.4	(1,765,165,832)	(24,211,998)
1.2.1- Unearned Premiums Reserve (-)	17,15	(1,765,155,387)	(24,043,054)
1.2.2- Reinsurers' Share of Unearned Premiums Reserve (+)	10, 17, 15	(10,445)	(168,944)
1.3- Change in Unexpired Risks Reserve (Net of Reinsurers' Share and Reserves Carried Forward)(+/-)		-	-
1.3.1- Unexpired Risks Reserve (-)		-	-
1.3.2- Reinsurers' Share of Unexpired Risks Reserve (+)		-	-
2- Investment Income Transferred from Non-Technical Part		272,401,924	-
3- Other Technical Income - (Net of Reinsurer's Share) (+/-)		13,201,516	25,268,839
3.1- Gross Other Technical Income (+/-)		13,201,516	25,268,839
3.2- Reinsurer's Share in Gross Other Technical Income (+/-)		-	-
4- Claim Recovery and Salvage Income Accruals (+)		-	-
B- Non-Life Technical Expense (-)		(1,310,121,043)	(169,511,344)
1- Incurred Losses - (Net of Reinsurer's Share) (+/-)	5	(709,105,249)	(5,318,786)
1.1- Paid Claims - (Net of Reinsurer's Share)	17,15	(501,120,331)	(4,733,524)
1.1.1- Gross Paid Claims (-)	17,15	(501,680,717)	(8,075,512)
1.1.2- Reinsurer's Share of Gross Paid Claims (+)	10, 17, 15	560,386	3,341,988
1.2- Change in Outstanding Claims (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	17,15,47.4	(207,984,918)	(585,262)
1.2.1- Outstanding Claims Reserve (-)	17,15	(207,733,143)	(3,568,303)
1.2.2- Reinsurer's Share of Outstanding Claims Reserve (+)	10,17,15	(251,775)	2,983,041
2- Change in Provisions for Bonuses and Discounts (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)		-	-
2.1- Provisions for Bonuses and Discounts (-)		-	-
2.2- Bonuses and Discounts Provisions Reinsurer's Share (+)		-	-
3- Change in Other Technical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	5, 17,15,47.4	(2,434,934)	(1,376,995)
4- Operating Expenses (-)	31	(598,576,917)	(162,807,659)
5- Change in Mathematical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)		-	-
5.1- Mathematical Reserve (-)		-	-
5.2- Reinsurer's Share of Mathematical Reserve (+)		-	-
6- Other Technical Expenses (-)		(3,943)	(7,904)
6.1- Gross Other Technical Expenses (-)		(3,943)	(7,904)
6.2- Reinsurer Share in Gross Other Technical Expenses (-)		-	-
C- Technical Part Balance - Non-Life (A – B)		29,497,591	(37,938,786)
D- Life Technical Income		16,215,143,787	11,740,496,157
1- Earned Premiums (Net of Reinsurer Share)		11,947,535,454	6,406,100,840
1.1- Premiums (Net of Reinsurer Share)	5,24	13,550,431,214	7,175,009,655
1.1.1- Gross Premiums (+)	5,24	14,085,844,810	7,353,081,090
1.1.2- Ceded Premiums to Reinsurers (-)	5,10,24	(535,413,596)	(178,071,435)
1.2- Change in Unearned Premiums Reserve (Net of Reinsurers Shares and Reserves Carried Forward)(+/-)	5,17,15,47.4	(1,602,895,760)	(768,908,815)
1.2.1- Unearned Premiums Reserve (-)	17,15	(1,612,332,699)	(768,140,702)
1.2.2- Reinsurance Share of Unearned Premiums Reserve (+)	10, 17, 15	9,436,939	(768,113)
1.3- Changes in Unexpired Risks Reserve (Net of Reinsurer Share and Reserves Carried Forward)(+/-)		-	-
1.3.1- Unexpired Risks Reserve (-)		-	-
1.3.2- Reinsurance Share of Unexpired Risks Reserve (+)		-	-
2- Life Branch Investment Income	5	4,121,338,283	5,108,380,807
3- Accrued (Unrealized) Income from Investments		-	-
4- Other Technical Income (Net of Reinsurer Share) (+/-)	5	146,270,050	226,014,510
4.1- Other Gross Technical Income (+/-)	5	146,270,050	226,014,510
4.2- Reinsurer Share in Gross Other Technical Income (+/-)		-	-
5- Accrued Subrogation Income (+)		-	-

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Income Statements
for the Period 1 January – 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

		Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
I- TECHNICAL PART	Notes		
E- Life Technical Expense		(14,361,543,810)	(10,812,510,209)
1- Incurred Losses (Net of Reinsurer's Share) (+/-)	5	(1,584,759,663)	(804,312,408)
1.1- Paid Claims (Net of Reinsurer's Share) (-)	17.15	(1,488,739,790)	(772,718,667)
1.1.1- Gross Paid Claims (-)	17.15	(1,582,267,168)	(873,114,124)
1.1.2- Reinsurer's Share of Gross Paid Claims (+)	10, 17.15	93,527,378	100,395,457
1.2- Change in Outstanding Claims (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	17.15,47.4	(96,019,873)	(31,593,741)
1.2.1- Outstanding Claims Reserves (-)	17.15	(170,215,169)	(57,089,569)
1.2.2- Reinsurer's Share of Outstanding claim reserves (+)	10,17.15	74,195,296	25,495,828
2- Change in Provisions for Bonuses and Discounts (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)		-	-
2.1- Provisions for Bonuses and Discounts (-)		-	-
2.2- Bonuses and Discounts Provisions Reinsurer's Share (+)		-	-
3- Change in Life Mathematical Reserves (Net of Reinsurer's Share and Reserves Carried Forward)(+/-)	5, 47.4	(8,479,723,697)	(8,223,879,819)
3.1- Mathematical Reserve (-)	17.15	(8,475,185,141)	(8,205,469,204)
3.1.1- Actuarial Mathematics Reserve (+/-)		(8,475,185,141)	(8,206,319,574)
3.1.2- Provision for Dividend (Provision for Policies with Investment Risk Policyholders)		-	850,370
3.2- Reinsurer's Share of Life Mathematical Reserves (+)	10, 17.15	(4,538,556)	(18,410,615)
3.2.1- Reinsurer's Share of Actuarial Mathematical Reserves (+)	10, 17.15	(4,538,556)	(18,410,615)
3.2.2- Reinsurance Share of Profit Share Reserve (Provision for Policies with Investment Risk Policyholders) (+)		-	-
4- Change in Other Technical Reserves (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	5,17.15,47.4	(48,462,629)	(7,814,139)
5- Operating Expenses (-)	31	(3,550,377,706)	(1,591,820,492)
6- Investment Expenses (-)	5,36	(698,220,115)	(186,877,557)
7- Unrealized Investment Expense (-)		-	-
8- Investment Income Transferred to Non-Life Technical Part (-)	5,26	-	2,194,206
F- Technical Part Balance - Life (D – E)		1,853,599,977	927,985,948
G- Pension Funds Technical Income	25	3,792,339,837	1,890,273,740
1- Fund Management Income	25	2,623,349,106	1,434,808,882
2- Management Expense Charge	25	939,982,978	392,389,015
3- Entrance Fee Income	25	229,007,432	63,072,837
4- Management Expense Charge in case of Suspension	25	321	3,006
5- Special Service Expense Charge		-	-
6- Capital Allowance Value Increase Income		-	-
7- Other Technical Income		-	-
H- Pension Funds Technical Expense		(5,093,012,951)	(2,986,404,509)
1- Fund Management Expense (-)		(371,550,428)	(217,814,133)
2- Capital Allowance Value Decrease Expense (-)		-	-
3- Operating Expenses (-)	31	(4,437,516,706)	(2,617,139,078)
4- Other Technical Expenses (-)		(262,995,000)	(126,773,385)
5- Penalty Payments (-)		(20,950,817)	(24,677,913)
I- Technical Part Balance - Pension Funds (G – H)		(1,300,673,114)	(1,096,130,769)

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Income Statements
for the Period 1 January – 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

		Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
II- NON-TECHNICAL PART	Notes		
C- Technical Part Balance - Non-Life (A-B)		29,497,591	(37,938,786)
F- Technical Part Balance - Life (D-E)		1,853,599,977	927,985,948
I - Technical Part Balance - Pension Fund (G-H)		(1,300,673,114)	(1,096,130,769)
J- General Technical Part Balance (C+F+I)		582,424,454	(206,083,607)
K- Investment Income		4,034,362,454	2,433,378,522
1- Income from Financial Investments	26	2,714,255,391	1,106,303,548
2- Profit from Liquidation of Financial Investments	26	47,015,659	181,891,496
3- Valuation of Financial Investments	27	862,637,300	305,593,703
4- Foreign Exchange Gains	36	408,300,513	840,984,595
5- Income from Associates		-	-
6- Income from Subsidiaries and Joint Ventures	26	2,149,991	-
7- Income from Land and Buildings		-	-
8- Income from Derivatives	13,26,36	3,600	799,386
9- Other Investments		-	-
10- Investment Income Transferred from Life Technical Part	5,26	-	(2,194,206)
L- Investment Expenses (-)		(684,208,812)	(330,591,818)
1- Investment Management Expenses – Interest Included (-)		(97,722,000)	(28,353,654)
2- Diminution in Value of Investments (-)		-	-
3- Losses as a Result of the Conversion of Investments into Cash (-)		(3,822,778)	(30,783,622)
4- Investment Income Transferred to Non-Life Technical Part (-)		(272,401,924)	-
5- Loss from Derivatives (-)	13,26,36	(10,119,130)	(12,581,150)
6- Foreign Exchange Losses (-)	36	(37,492,958)	(108,811,400)
7- Depreciation Expenses (-)	6.1	(262,565,130)	(149,615,372)
8- Other Investment Expenses (-)	8	(84,892)	(446,620)
M- Income and Expenses from Other Operations and Extraordinary Operations (+/-)		172,205,166	116,592,952
1- Provisions Account (+/-)		(14,583,788)	1,872,781
2- Rediscount Account (+/-)		-	-
3- Special Insurance Account (+/-)		-	-
4- Inflation Adjustment Account (+/-)		-	-
5- Deferred Tax Assets Account (+/-)	35,47.4	224,285,774	170,323,794
6- Deferred Tax Liabilities Expenses (-)		-	-
7- Other Income and Profit	47.1	161,430,605	93,135,025
8- Other Expense and Losses (-)	47.1	(229,077,807)	(135,925,420)
9- Prior Year's Income and Profit	47.3	38,207,669	13,882,406
10- Prior Year's Expense and Losses (-)	47.3	(8,057,287)	(26,695,634)
N- Net Profit or Loss for the Period		2,870,030,632	1,390,038,546
1- Profit and Loss for the Period		4,104,783,262	2,013,296,049
2- Period Profit Tax and Other Legal Liability Provisions (-)	35,47.4	(1,234,752,630)	(623,257,503)
3- Net Profit and Loss for the Period		2,870,030,632	1,390,038,546
Parent Company Net Profit or Loss for the Period		2,871,345,742	-
Minority Net Profit or Loss for the Period		(1,315,110)	-
4- Inflation Adjustment Account		-	-

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Detailed Statement of Cash Flows
for the Period 1 January – 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

	Notes	Current Period Audited 1 January- 31 December 2024	Prior Period Audited 1 January- 31 December 2023
A. Cash flows from operating activities		-	-
1. Cash inflows from insurance operations		14,264,177,543	7,486,622,487
2. Cash inflows from reinsurance operations		4,390,117,460	-
3. Cash inflows from pension fund operations		63,414,908,438	33,306,916,109
4. Cash outflows from insurance operations (-)		(5,196,116,137)	(2,752,315,380)
5. Cash outflows from reinsurance operations (-)		(3,913,008,835)	(81,958,371)
6. Cash outflows from pension fund operations (-)		(58,496,495,836)	(30,488,621,075)
7. Cash generated from operating activities (A1+A2+A3-A4-A5-A6)		14,463,582,633	7,470,643,770
8. Interest payments (-)		(16,225,871)	(10,682,367)
9. Income tax payments (-)		(1,009,672,841)	(453,034,783)
10. Other cash inflows		240,405,667	176,143,987
11. Other cash outflows (-)		(6,120,050,109)	(3,186,416,218)
12. Net cash from operating activities		7,558,039,479	3,996,654,389
B. Cash flows from investing activities		-	-
1. Sales of tangible assets		4,016,028	252,601
2. Tangible assets acquisition (-)	6.3.1	(860,329,412)	(471,768,136)
3. Financial assets acquisition (-)	11.4	(14,291,881,856)	(10,220,251,607)
4. Sale of financial assets		8,857,232,272	6,391,764,429
5. Interests received		2,848,410,799	1,341,494,475
6. Dividends received		-	-
7. Other cash inflows		-	-
8. Other cash outflows (-)		(157,250,000)	-
9. Net cash from investing activities		(3,599,802,169)	(2,958,508,238)
C. Cash flows (used in) from financing activities		-	-
1. Issue of shares		-	40,000,000
2. Cash inflows due to the borrowings		-	-
3. Financial lease debt payments (-)	20	(116,238,295)	(24,833,332)
4. Dividends paid (-)		(281,809,142)	(141,112,764)
5. Other cash inflows		-	-
6. Other cash outflows (-)		(55,438,522)	(44,783,416)
7. Net cash from financing activities		(453,485,959)	(170,729,512)
D. Effect of exchange differences on cash and cash equivalents		(3,579,608)	52,545,821
E. Net increase in cash and cash equivalents (A12+B9+C7+D)		3,501,171,743	919,962,460
F. Cash and cash equivalents at the beginning of the period	2.12	2,058,442,162	1,138,479,702
G. Cash and cash equivalents at the end of the period (E+F)	2.12	5,559,613,905	2,058,442,162

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Statements of Changes In Equity
for the Period 1 January – 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

Audited 1 January-31 December 2024												
	Capital	Own shares of the Company (-)	Increase (decrease) in value of assets	Inflation adjustment to shareholders' equity	Foreign currency translation differences	Legal reserves	Statutory reserves	Other reserves and undistributed profits	Net profit (or loss) for the period	Retained earnings / (losses) (-)	Shareholders' Equity Excluding Minority Shares	Minority Shares
I- Balance at the end of the prior period 01/01/2024	180,000,000	(44,783,416)	55,579,038	-	-	109,639,901	11,494	1,315,471,300	1,424,603,500	-	3,040,521,817	-
A- Capital increase (A1+A2)	100,000,000	-	-	-	-	-	-	14,354	(34,564,954)	(6,196,687)	59,252,713	-
B- New balance (I+II) 01/01/2024	280,000,000	(44,783,416)	55,579,038	-	-	109,639,901	11,494	1,315,485,654	1,390,038,546	(6,196,687)	3,099,774,530	-
C- Capital increase (A1+A2)	-	-	-	-	-	-	-	-	-	-	-	-
D- From internal sources	-	-	-	-	-	-	-	-	-	-	-	-
E- Own shares of the Company	-	(55,438,522)	-	-	-	-	-	-	-	-	(55,438,522)	-
F- Gain and losses not included in the statement of income	-	-	-	-	-	-	-	(27,876,935)	-	-	(27,876,935)	-
G- Increase/decrease in value of assets	-	-	19,669,091	-	-	-	-	-	-	-	19,669,091	-
H- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	-	-
I- Other gains and losses	(100,000,000)	-	-	-	-	-	-	(58,565,110)	-	-	(158,565,110)	-
J- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-	-
K- Net profit (or loss) for the period	-	-	-	-	-	-	-	-	2,871,345,742	-	2,871,345,742	-
L- Dividends distributed	-	-	-	-	-	-	-	-	(300,000,000)	-	(300,000,000)	-
M- Transfers	-	-	-	-	-	29,100,000	-	1,095,503,500	(1,090,038,546)	(34,564,954)	-	-
N- Balance at the end of the period (31/12/2024) (I+II+A+B+C+D+E+F+G+H+J+K)	180,000,000	(100,221,938)	75,246,129	-	-	138,739,901	11,494	2,324,597,109	2,871,345,742	(40,761,641)	5,448,908,796	-
Audited 1 January-31 December 2023												
	Capital	Own shares of the Company (-)	Increase (decrease) in value of assets	Inflation adjustment to shareholders' equity	Foreign currency translation differences	Legal reserves	Statutory reserves	Other reserves and undistributed profits	Net profit (or loss) for the period	Retained earnings / (losses) (-)	Shareholders' Equity Excluding Minority Shares	Minority Shares
I- Balance at the end of the prior period 01/01/2023	240,000,000	-	(12,366,535)	-	-	95,539,901	11,494	388,582,248	868,387,508	-	1,780,154,616	-
A- Capital increase (A1+A2)	40,000,000	-	-	-	-	-	-	-	-	-	40,000,000	-
B- From internal sources	-	-	-	-	-	-	-	-	-	-	-	-
C- Own shares of the Company	-	(44,783,416)	-	-	-	-	-	-	-	-	(44,783,416)	-
D- Gain and losses not included in the statement of income	-	-	-	-	-	-	-	-	-	-	-	-
E- Increase/decrease in value of assets	-	-	67,945,573	-	-	-	-	16,404,857	-	-	16,404,857	-
F- Foreign currency translation differences	-	-	-	-	-	-	-	-	-	-	-	-
G- Other gains and losses	-	-	-	-	-	-	-	-	-	-	-	-
H- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-	-
I- Net profit (or loss) for the period	-	-	-	-	-	-	-	-	1,390,038,546	-	1,390,038,546	-
J- Dividends distributed	-	-	-	-	-	-	-	-	(150,000,000)	-	(150,000,000)	-
K- Transfers	-	-	-	-	-	14,100,000	-	710,484,195	(718,387,508)	(6,196,687)	-	-
L- Balance at the end of the period (31/12/2023) (I+II+A+B+C+D+E+F+G+H+J+K)	280,000,000	(44,783,416)	55,579,038	-	-	109,639,901	11,494	1,315,485,654	1,390,038,546	(6,196,687)	3,099,774,530	-

Detailed explanations on shareholders' equity are disclosed in Note 15.

*The difference between the carrying amount of the net assets of Medisa Sigorta A.Ş. at the date of the merger is recognized under "Other Gains and Losses" in the consolidated financial statements. Detailed explanation regarding the transaction is disclosed in Notes 2.2 and 15.

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Consolidated Statements of Profit Distribution
for the Period 1 January - 31 December 2024 and 2023

(All amounts expressed in Turkish Lira (TL))

	Notes	Current period 1 January – 31 December 2024	Prior period 1 January – 31 December 2023
I. Distribution of profit for the period			
1.1. Profit (loss) for the period		4,106,098,372	2,047,861,003
1.2. Taxes and legal liabilities payable		(1,234,752,630)	(623,257,503)
1.2.1. Corporate tax (Income tax)		(1,234,752,630)	(623,257,503)
1.2.2. Income tax deduction		-	-
1.2.3. Other tax and legal liabilities (deferred tax)		-	-
A. Net profit (loss) for the period (1.1 – 1.2)		2,871,345,742	1,424,603,500
1.3. Prior periods' loss (-)		(40,761,641)	-
1.4. First legal reserves		-	-
1.5. Mandatory legal funds to save with the Company (-)		-	-
B. Distributable net profit for the period [(A - (1.3 + 1.4 + 1.5)] (*)		2,830,584,101	1,424,603,500
1.6. First dividend for the period (-)		-	9,000,000
1.6.1. To owners of ordinary shares		-	9,000,000
1.6.2. To owners of preferred shares		-	-
1.6.3. To owners of participating usufruct certificates		-	-
1.6.4. To owners of profit-sharing bonds		-	-
1.6.5. To owners of the profit or loss sharing certificates		-	-
1.7. Dividend to personnel (-)		-	-
1.8. Dividend to founders (-)		-	-
1.9. Dividend to the Board of Directors (-)		-	-
1.10. Second dividend to shareholders (-)		-	291,000,000
1.10.1. To owners of ordinary shares		-	291,000,000
1.10.2. To owners of preferred shares		-	-
1.10.3. To owners of participating usufruct certificates		-	-
1.10.4. To owners of profit-sharing bonds		-	-
1.10.5. To owners of the profit or loss sharing certificates		-	-
1.11. Second legal reserve (-)		-	29,100,000
1.12. Statutory reserves (-)		-	-
1.13. Extraordinary reserves		-	1,095,503,500
1.14. Other reserves		-	-
1.15. Special funds		-	-
II. Distribution of reserves		-	-
2.1. Distributed reserves		-	-
2.2. Second legal reserves (-)		-	-
2.3. Share to shareholders (-)		-	-
2.3.1. To owners of ordinary shares		-	-
2.3.2. To owners of preferred shares		-	-
2.3.3. To owners of participating usufruct certificates		-	-
2.3.4. To owners of profit-sharing bonds		-	-
2.3.5. To owners of the profit or loss sharing certificates		-	-
2.4. Share to personnel (-)		-	-
2.5. Share to Board of Directors (-)		-	-
III. Earnings per share		-	0.079145
3.1. To owners of shares		-	0.079145
3.2. To owners of shares (%)		-	7.91446
3.3. To owners of preferred shares		-	-
3.4. To owners of preferred shares (%)		-	-
IV. Dividend per share		-	0.016667
4.1. To owners of shares		-	0.016667
4.2. To owners of shares (%)		-	1.666667
4.3. To owners of preferred shares		-	-
4.4. To owners of preferred shares (%)		-	-

Pursuant to Article 13 of the Dividend Communiqué published in the Official Gazette dated 23 January 2014 and published in the Capital Markets Board's Weekly Bulletin numbered 2014/2, dividend distribution was made on the basis of the consolidated profit figure.

(*)As the Ordinary General Assembly Meeting of the Company has not yet been held as of the date of these consolidated financial statements, only the distributable profit amount is stated in the profit distribution table for 2024.

The accompanying notes form an integral part of these consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1. GENERAL INFORMATION

1.1 Parents and the ultimate owners:

The main shareholders of AgeSA Emeklilik ve Hayat Anonim Şirketi (“Company” or “Parent Company”), each with its 40% share in the partnership, are Ageas Insurance International NV and Hacı Ömer Sabancı Holding. Ageas and Hacı Ömer Sabancı Holding Anonim Şirketi are the ultimate controllers of the Company. The Company operates as a joint venture. As of 31 December 2024, 19.91% of the Company’s share have been listed on the Borsa İstanbul (“BIST”).

1.2 The Company’s address and legal structure, address of its registered country and registered office:

The Company is located at İçerenköy Mah. Umut Sok. Quick Tower Sitesi N 10-12/9 Ataşehir - İstanbul.

Other contact information of the Company are as follows:

Phone : (216) 633 33 33
Fax : (216) 634 35 69
Web : www.agesahayatemeklilik.com.tr
E-mail address : agesa@agesa.hs03.kep.tr

AgeSA Hayat ve Emeklilik Anonim Şirketi, was established on 31 October 2007 by the merger of Ak Emeklilik Anonim Şirketi (‘Ak Emeklilik’) with Aviva Hayat ve Emeklilik Anonim Şirketi (Aviva Emeklilik).

Aksigorta Anonim şirketi transferred shares of Avivasa Emeklilik ve Hayat AŞ, which it owns, within the context of Clause "b" of the 3rd clause of the 19th article of the Corporate Tax Law No. 5520 and “Common Communiqué on Arranging the Procedures and Principles of Partial Division of Joint Stock and Limited Companies” published in the Official Gazette dated 6 September 2003 and numbered 25230. The relevant transaction was registered and announced on 12 January 2010 and published in the Turkish Trade Registry Gazette dated 18 January 2010 and numbered 7481.

19.67% of the Company’s share started being traded on Borsa İstanbul A.Ş. on 13 November 2014. With the price stabilization transactions realized after the IPO, the Company’s main shareholders’ share in the partnership were to 41.28% each.

Hacı Ömer Sabancı Holding A.Ş. sold its shares in AgeSA Hayat ve Emeklilik A.Ş. with a nominal value of TL 458,956 on 5 August 2015 at Borsa İstanbul and with this sale, its share in the capital of AgeSA Hayat ve Emeklilik A.Ş. became 40% as of 5 August 2015.

Aviva International Holdings Ltd. sold its shares in AgeSA Hayat ve Emeklilik A.Ş. with a nominal value of TL 458,956 on 5 August 2015 at Borsa İstanbul and with this sale, its share in the capital of AgeSA Hayat ve Emeklilik A.Ş. became 40% as of 5 August 2015.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1. GENERAL INFORMATION (cont'd)

1.2 The Company's address and legal structure, address of its registered country and registered office: (cont'd)

A Share Purchase Agreement was signed between Ageas Group and Aviva Group on 23 February 2021. Accordingly, it has been agreed to take over all of Aviva's shares with a nominal value of TRY 72,000,006.72, representing 40% of the capital of AgeSA, by Ageas. Ageas Insurance International NV (Ageas) and Aviva International Holdings Ltd. (Aviva), the closing conditions determined in the Share Purchase Agreement dated 23 February 2021 have been fulfilled, and all of Aviva's shares representing 40% of the Company's capital were taken over by Ageas as of 5 May 2021.

Article 2 of the Company's Articles of Association, titled "Company Title", was discussed at the Extraordinary General Assembly meeting on 1 July 2021 and amended, and the new title is "AgeSA Hayat ve Emeklilik A.Ş." was registered with the Trade Registry on 8 July 2021.

With the decision of the Board of Directors dated 13 December 2018, the Parent company has a paid capital of TL 2,000,000 and as a 100% subsidiary, to engage in insurance and private pension intermediation, established the joint stock company named AgeSA Sigorta Aralığı A.Ş. and the establishment of the brokerage company was registered on 20 December 2018. Article 2 of the Subsidiary Company's Articles of Association titled "Title of the Company" was discussed and amended at the Ordinary General Assembly meeting dated 24 August 2021, and the new title "AgeSA Sigorta Sigorta A.Ş." was registered at the Trade Registry on 1 September 2021.

AgeSA Sigorta Sigorta A.Ş. is headquarter at İçerenköy Mah. Umut Sok. Quick Tower Sitesi N 10-12/9 Ataşehir - İstanbul.

Medisa Sigorta A.Ş. ("Medisa"), a wholly owned subsidiary of Aksigorta A.Ş., has decided to increase its capital by TL 629,000,000 with a nominal value of TL 400,000,000 at TL 1.5725 per share in order to make digitalization investments, increase efficiency and expand its health insurance operations at Medisa's Board of Directors meeting dated 4 March 2024. In accordance with the decision of the Board of Directors of the Parent Company dated 4 March 2024; it has been decided to participate in the capital increase to be made by Medisa Sigorta A.Ş. by issuing premium shares with TL 629,000,000, and as a result of the capital increase, the share of the partnership will be 400,000,000 units equivalent to TL 400,000,000. After the transaction, the shareholding rate of the parent company in Medisa Sigorta A.Ş. has become 80%. The transaction was considered as a merger of entities under common control and accounted for using the pooling of interest method in accordance with the POA's Principle Decision No. 2018-1 on 'Accounting for Business Combinations Under Common Control' and the consolidated financial statements of the current and comparative period have been presented as adjusted as if the merger has occurred as of 1 January 2023, the beginning of the comparative period. The difference between the consideration transferred and the carrying amount of the net assets of Medisa Sigorta A.Ş. at the date of the merger is recognized under "Other Gains and Losses" in the accompanying consolidated financial statements.

In accordance with the decision of the Company's Board of Directors dated 22 November 2024, 100,000,000 shares representing 20% of the share capital of Medisa Sigorta A.Ş. owned by Aksigorta A.Ş. ("Aksigorta") were purchased from Aksigorta for TL 157,250,000, increasing the Company's shareholding to 100%. In this context, a preliminary agreement was signed with Aksigorta on 22 November 2024 and an application was made to the Insurance and Private Pension Regulatory and Supervisory Authority ('SEDDK') for the share transfer transaction. In accordance with the approval of SEDDK, the share transfer transactions were completed as of 20 December 2024 and the Company became the owner of all shares representing the capital of Medisa.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1. GENERAL INFORMATION (cont'd)

1.2 The Company's address and legal structure, address of its registered country and registered office: (cont'd)

Medisa Sigorta A.Ş. (Formerly "Sabancı Ageas Sağlık Sigorta A.Ş.") was registered in Turkey on 3 August 2022 and is a joint stock company established in accordance with the Turkish Commercial Code ("TCC"). The Company's registered office and head office is located at the address "Fatih Sultan Mehmet Mahallesi, Poligon Caddesi, Buyaka 2 Sitesi, 1 Blok No:8A İç Kapı No:2 Ümraniye/İstanbul".

AgeSA Hayat ve Emeklilik Anonim Şirketi (Parent Company) is engaged in private pension, life insurance and personal accident operations.

Ak Emeklilik received an operating license from the Republic of Türkiye Ministry of Treasury and Finance to operate in the pension branch on 7 July 2003. Private pension funds were registered by Capital Markets Board ("CMB") on 26 September 2003. As of 27 October 2003, also started to offer pension products.

Aviva Hayat ve Emeklilik Anonim Şirketi received an operating license from Republic of Türkiye Ministry of Treasury and Finance to operate in the pension branch on 26 August 2003. Private pension funds were recorded by Capital Markets Board (CMB) on 27 October 2003. Company's private pension plans have been approved on 12 December 2003 and pension products started to be offered on 15 December 2003. The names of the Pension Investment Funds were changed in accordance with the permission numbered 15-1098, dated 20 November 2008, obtained from the CMB. The changes have been implemented as of 5 December 2008.

The main field of activity of AgeSA Sigorta Hizmetleri A.Ş. is to mediate all kinds of insurance policies and private pension contracts.

Medisa Sigorta A.Ş. (Formerly known as "Sabancı Ageas Sağlık Sigorta A.Ş.") was established to carry out its activities in accordance with the Insurance Law No. 5684. The Company's purpose and main field of activity is in the disease/health elementary branch in Turkey and received its insurance business licence permit from the Insurance and Private Pension Regulation and Supervision Agency on 11 January 2024.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1. GENERAL INFORMATION (cont’d)

1.3 Main operations of the Company

As of the balance sheet date, the Parent Company sells pension products through 39 (31 December 2023: 40) private pension investment funds. Pension Funds established by the Parent Company are as follows:

Name of Pension Investment Fund	Establishment Date	Initial value per certificate (TL)
AgeSA Hayat ve Emeklilik A.Ş. Karma Emeklilik Yatırım Fonu	21 October 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Agresif Değişken Emeklilik Yatırım Fonu	21 October 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Dış Borçlanma Araçları Emeklilik Yatırım Fonu	21 October 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Orta Vadeli Borçlanma Araçları Emeklilik Yatırım Fonu	21 October 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. İkinci Para Piyasası Emeklilik Yatırım Fonu	21 October 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. İkinci Değişken Emeklilik Yatırım Fonu	21 October 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Kamu Dış Borçlanma Araç. (Abd Doları 5-15 Yıl Vadeli) Emek.Yat Fonu	8 November 2005	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Bist Temettü 25 Endeksi Emeklilik Yatırım Fonu	28 December 2006	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Birinci Para Piyasası Emeklilik Yatırım Fonu	20 August 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Emeklilik Yatırım Fonu	20 August 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Dinamik Değişken Emeklilik Yatırım Fonu	20 August 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Birinci Değişken Emeklilik Yatırım Fonu	20 August 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Emeklilik Yatırım Fonu	20 August 2003	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Grup Emeklilik Yatırım Fonu	5 January 2005	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Muhafazakar Değişken Emeklilik Yatırım Fonu	5 January 2005	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Grup Emeklilik Yatırım Fonu	5 January 2005	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Karma Grup Emeklilik Yatırım Fonu	17 August 2010	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Dengeli Değişken Emeklilik Yatırım Fonu	20 December 2011	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Katkı Emeklilik Yatırım Fonu	2 May 2013	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Standart Emeklilik Yatırım Fonu	2 May 2013	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Teknoloji Sektörü Yabancı Değişken Emeklilik Yatırım Fonu	10 May 2013	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Özel Sektör Borçlanma Araçları Emeklilik Yatırım Fonu	25 October 2013	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Emeklilik Yatırım Fonu	12 January 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Katılım Emeklilik Yatırım Fonu	12 January 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Katılım Standart Emeklilik Yatırım Fonu	26 May 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Katılım Değişken Emeklilik Yatırım Fonu	25 December 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Katılım Değişken Emeklilik Yatırım Fonu	25 December 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Muhafazakar Değişken Emeklilik Yatırım Fonu	25 December 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Dengeli Değişken Emeklilik Yatırım Fonu	25 December 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Değişken Emeklilik Yatırım Fonu	25 December 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Değişken Emeklilik Yatırım Fonu	25 December 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Katılım Katkı Emeklilik Yatırım Fonu	26 May 2017	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Standart Emeklilik Yatırım Fonu	2 January 2018	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Oks Katılım Standart Emeklilik Yatırım Fonu	2 January 2018	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Birinci Fon Sepeti Emeklilik Yatırım Fonu	2 February 2021	0,010000
AgeSA Hayat ve Emeklilik A.Ş. İkinci Fon Sepeti Emeklilik Yatırım Fonu	2 February 2021	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Üçüncü Fon Sepeti Emeklilik Yatırım Fonu	2 February 2021	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Sürdürülebilirlik Hisse Senedi Emeklilik Yatırım Fonu	1 March 2022	0,010000
AgeSA Hayat ve Emeklilik A.Ş. Altın Katılım Emeklilik Yatırım Fonu	15 September 2022	0,010000

With the Board of Directors Decision dated 26 April 2024, it was decided to merge Agesa Hayat ve Emeklilik Altın Emeklilik Yatırım Fonu (AEL EYF) into Agesa Hayat ve Emeklilik Altın Katılım Emeklilik Yatırım Fonu (GEV EYF). CMB application was made in 2024 and the related fund was transferred to AgeSA Hayat ve Emeklilik A.Ş. Gold Participation Pension Fund.

With the Board of Directors Decision dated 17 September 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Agriculture and Food Sector Variable Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 17 September 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Technology Companies Equity Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 17 September 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Sabancı Group Companies Index Equity Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1. GENERAL INFORMATION (cont’d)

1.3 Main operations of the Company (cont’d)

With the Board of Directors Decision dated 16 October 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Gold Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 16 October 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Real Estate Sector Fund Basket Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 16 October 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Precious Metals (Gold+Silver) Pension Mutual Fund and the establishment process are ongoing. In the first quarter of 2025, the public offering of the funds will begin.

With the Board of Directors Decision dated 16 October 2024, a decision was taken to establish AgeSA Hayat ve Emeklilik A.Ş. Energy Sector Variable Pension Mutual Fund and the establishment works are process. In the first quarter of 2025, the public offering of the funds will begin.

1.4 Details of the operations and nature of field of activities: Disclosed in note 1.3.

1.5 Average number of personnel based on their categories:

	31 December 2024	31 December 2023
Key management personnel	299	285
Other personnel	1,743	1,572
Total	2,042	1,857

1.6 Remuneration and fringe benefits provided to top management such as; chairman and members of the board of directors, managing director and assistant managing director in total amount: 1 January - 31 December 2024: TL 115,166,641 (1 January - 31 December 2023: TL 61,740,183).

1.7 Distribution keys used in the distribution of investment income and operating expenses in the consolidated financial statements (personnel expenses, administration expenses, research and development expenses, marketing and selling expenses, outsourced benefits and services and other operating expenses:

Procedures and principles related to keys used in the consolidated financial statements of the companies are determined in accordance with the 4 January 2008 dated and 2008/1 numbered ‘Communiqué Related to the Procedures and Principles for the Keys Used in the Consolidated Financial Statements Being Prepared In Accordance With Insurance Accounting Plan’ issued by the Ministry of Treasury and Finance. In accordance with the above-mentioned Communiqué, known and exactly distinguishable operating expenses are directly recorded under life, nonlife or individual pension segments. Other non-distinguishable expenses, which are not exactly distinguished, are distributed between insurance segments and individual pension segment in accordance with the number of policies and contracts at the end of last 3 years and arithmetic average of contribution premium and earned premium within the last 3 years in accordance with the 9 August 2010 dated and 2010/9 numbered ‘Amendments Communiqué Related to the Procedures and Principles for the Keys Used in the Consolidated Financial Statements Being Prepared In Accordance With Insurance Accounting Plan’ issued by the Turkish Treasury.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

1. GENERAL INFORMATION (cont'd)

1.7 Distribution keys used in the distribution of investment income and operating expenses in the consolidated financial statements (personnel expenses, administration expenses, research and development expenses, marketing and selling expenses, outsourced benefits and services and other operating expenses: (cont'd)

Expenses allocated to the insurance segment are allocated to the life and non-life segments according to the average of the three ratios calculated by the ratio of the number of policies issued, gross written premiums and number of claim notifications to the total number of policies issued, gross written premiums and number of claim notifications for each segment in the last three years.

1.8 Whether consolidated financial statements include only one firm or group of firms:

The consolidated financial statements have been prepared by consolidating the financial statements of AgeSA Hayat ve Emeklilik Anonim Şirketi and its subsidiaries AgeSA Sigorta Aracılığı A.Ş. and Medisa Sigorta A.Ş. (the “Group”) using the full consolidation method. As of 31 December 2024, the unconsolidated financial statements of the Parent Company have been prepared and published separately in accordance with the applicable legislation. Special funds established by the Group are not included in the consolidation within the framework of the "Sector related to the preparation of consolidated financial statements" announcement published by SEDDK on 23 December 2022.

1.9 Name and other identification information of the reporting firm and changes in this information since the previous balance sheet date:

The Company's name and other identifying information are disclosed in Notes 1.1, 1.2 and 1.3 and there has been no change in this information since the previous balance sheet date.

1.10 Subsequent events:

Consolidated financial statements prepared as of 31 December 2024 of the Company was approved by the Board of Directors on 14 February 2024.

On 22 January 2025, the Company has decided to increase the capital of its 100% subsidiary Medisa Sigorta A.Ş. (“Medisa”) by TL 650,000,000 with a nominal value of TL 650,000,000 at TL 1 per share. As a result of the capital increase to be realized after the permissions to be obtained from the relevant authorities, the capital of Medisa will reach to TL 1,150,000,000,000.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

2.1.1 Basis of preparation of consolidated financial statements and specific accounting policies used:

In accordance with Article 136 (5) in Section VIII of the Capital Markets Law, insurance companies have to comply with their own specific laws and regulations in matters of establishment, supervision, accounting and independent audit standards. Therefore, The Group prepares its consolidated financial statements in Turkish Lira (TL) according to the Insurance Chart of Accounts within the scope of ‘Communiqué on Insurance Chart of Accounts and Prospectus’ (Communiqué on Chart of Accounts) of the Undersecretariat of Treasury published in the Official Gazette no 25686 dated 30 December 2004 and entered into force on 1 January 2005.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Preparation (cont'd)

2.1.1 Basis of preparation of consolidated financial statements and specific accounting policies used: (cont'd)

Pursuant to the announcement of the Ministry of Treasury and Finance dated 2 May 2008 and numbered 2008/20, the Group, prepares its consolidated financial statements in accordance with the principles stipulated by the Turkish Ministry of Treasury and Finance for insurance and reinsurance companies and the Insurance Law No. 5684 (“Insurance Law”) published in the Official Gazette No. 26552 dated 14 June 2007, the Individual Pension Savings and Investment System Law No. 4632 dated 28 March 2001 (“Individual Pension Law”) and the regulations issued by the Insurance and Private Pension Regulation and Supervision Agency (“IPRSA”) established by the Presidential Decree dated 18 October 2019. Prior to the establishment of IPRSA and the commencement of its regulatory activities in the insurance sector, insurance legislation was issued by the Ministry of Treasury and Finance of the Republic of Türkiye (“Ministry of Treasury and Finance”).

Public Oversight, Accounting and Auditing Standards Authority (“POA”) published the “Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves” (“Communiqué on Technical Reserves”), which was published in the Official Gazette dated 7 August 2007 and numbered 26606 and became effective as of 1 January 2008, and subsequently issued a number of circulars and sector announcements containing explanations and regulations in relation to this communiqué. The accounting policies applied in relation to these regulations, circulars and sector announcements are summarized in the following sections, each under its own heading.

The Group presents its consolidated financial statements in compliance with the ‘Communiqué on the Presentation of the Financial Statements’ published in the Official Gazette no 26851 dated 18 April 2008 by Undersecretariat of Treasury, arranged within the scope of the Insurance Law of and ‘Regulation on Financial Reporting of the Insurance and Reinsurance Companies and Individual Retirement Companies’ (Regulation on Financial Reporting) published in the Official Gazette no 26582 dated 14 July 2007 and entered into force on 1 January 2008.

2.1.2 Other accounting policies that are appropriate for the understanding of the consolidated financial statements:

In preparing the consolidated financial statements, except for the regulations referred to in 2.1.1, Türkiye Financial Reporting Standards which was enacted by POA, with additional related thereto and reviews ("TFRS") has been taken into account.

However, with the announcement dated 23 November 2023 published by the Public Oversight Authority, the consolidated financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting in Hyperinflationary Economies Standard (TAS 29), however, the institutions or organizations authorized to regulate and supervise in their fields may determine different transition dates for the application of the provisions of TAS 29. In accordance with the circular numbered 2024/32 dated 6 December 2024, Insurance and Private Pension Regulation and Supervision Agency decided not to apply inflation accounting by insurance, reinsurance and pension companies in 2025. In this framework, no inflation adjustment has been made in accordance with TAS 29 while preparing the consolidated financial statements dated 31 December 2024.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1 Basis of Preparation (cont’d)

2.1.3 Functional and presentation currency:

The Group's functional and reporting currency is Turkish Lira (TL).

2.1.4 Rounding level of the amounts presented in the consolidated financial statements:

Unless otherwise stated in the consolidated financial statements and related notes, all amounts are expressed in TL and integers.

2.1.5 Basis of measurement used in the preparation of the consolidated financial statements:

The consolidated financial statements have been prepared on the historical cost basis, except for current financial assets that are shown at fair value.

2.1.6 Accounting policies, changes in accounting estimates and errors:

The Group prepares its consolidated financial statements on the basis of the accounting policies stated in Note 2.1.1.

Explanations on the effects of the new TAS/TFRS on consolidated financial statements:

a. Amendments that are mandatorily effective from 2024:

The Group has evaluated the effects of the standards and amendments mentioned below on the consolidated financial statements and has come to the opinion that the amendments do not have a significant effect on the consolidated financial statements for the accounting period of 1 January – 31 December 2024, other than the effects of TFRS 17 standard. The Group has established the necessary accounting policies within the scope of TFRS 17. The analysis and evaluation of the effects of the TFRS 17 standard continues.

Amendments to TAS 1	Classification of Liabilities as Current or Non-Current
Amendments to TFRS 16	Lease Liability in a Sale and Leaseback
Amendments to TAS 1	Non-current Liabilities with Covenants
Amendments to TAS 7 and TFRS 7	Supplier Finance Arrangements
TSRS 1	General Requirements for Disclosure of Sustainability-related Financial Information
TSRS 2	Climate-related Disclosures

Amendments to TAS 1 Classification of Liabilities as Current or Non-Current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1 Basis of Preparation (cont’d)

2.1.6 Accounting policies, changes in accounting estimates and errors (cont’d)

a. Amendments that are mandatorily effective from 2024 (cont’d)

Amendments to TFRS 16 Lease Liability in a Sale and Leaseback

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

Amendments to TAS 1 Non-current Liabilities with Covenants

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendments to TAS 7 and TFRS 7 Supplier Finance Arrangements

The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and the Board Decision dated 16 December 2024 amending this announcement. Other entities may voluntarily report in accordance with TSRS.

TSRS 2 Climate-related Disclosures

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and the Board Decision dated 16 December 2024 amending this announcement. Other entities may voluntarily report in accordance with TSRS.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.1 Basis of Preparation (cont’d)

2.1.6 Accounting policies, changes in accounting estimates and errors (cont’d)

b. New and revised TFRSs in issue but not yet effective:

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	Insurance Contracts
Amendments to TFRS 17	Initial Application of TFRS 17 and TFRS 9 — Comparative Information
Amendments to TAS 21	Lack of Exchangeability

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts on 1 January 2026.

Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 – Comparative Information

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 17.

Amendments to TAS 21 Lack of Exchangeability

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.2 Consolidation

In the preparation of consolidated financial statements, in accordance with the "Communiqué on the Preparation of Consolidated Financial Statements of Insurance and Reinsurance Companies and Pension Companies" ("Consolidation Communiqué") published in the Official Gazette dated 31 December 2008 and numbered 27097 and the methods, procedures and principles specified in the “Turkish Accounting Standard on Consolidated Financial Statements” (“TFRS 10”) are complied with.

The consolidated financial statements include the accounts of the parent company, AgeSA Hayat ve Emeklilik Anonim Şirketi and its subsidiaries, Agesa Sigorta Aracılığı A.Ş. and Medisa Sigorta A.Ş. The consolidated financial statements of the companies included in the scope of consolidation have been prepared in accordance with the Insurance Law No. 5684 and the principles stipulated by the Undersecretariat of Treasury for insurance and reinsurance companies, taking into account the accounting policies and presentation styles applied by the Group.

According to the full consolidation method, one hundred percent of the assets, liabilities, income, expenses and off-balance sheet items of the subsidiaries are combined with the assets, liabilities, income, expenses and off-balance sheet items of the parent company. The registered value of the Group's investment in the subsidiary is netted off with the portion of the subsidiary's capital belonging to the Group. Balances and unrealized profits and losses arising from transactions between the partnerships within the scope of consolidation have been mutually offset.

The details of the Group's subsidiaries as of 31 December 2024 are as follows.

Title	Effective Partnership Rate	Direct Partnership Rate	Total Asset	Total Equity	Net Profit/Loss for the Period
Agesa Sigorta Aracılığı A.Ş.	100%	100%	271,520,697	250,769,634	156,814,141
Medisa Sigorta A.Ş.(*)	100%	100%	2,809,846,045	646,477,617	(41,387,134)

(*) On 30 May 2024, the transaction related to the acquisition of 80% shares of Medisa has been accounted for using the pooling of interest method in accordance with the POA's Principle Decision No. 2018-1 on “Accounting for Business Combinations Under Common Control” and the consolidated financial statements of the current and comparative period have been presented as adjusted as if the merger has occurred as of 1 January 2023, the beginning of the comparative period. The difference between the consideration transferred and the carrying amount of Medisa's net assets at the date of the merger is recognized in the accompanying consolidated financial statements under equity as the effect of mergers involving entities or businesses under common control. On 20 December 2024, the Company's shareholding rate in Medisa became 100% with the purchase of the remaining 20% shares.

2.3 Segment reporting

Segment reporting is based on the main operations of the Group. Since Türkiye is the main geographical area that the Group operates, segment reporting on a geographical basis has not been presented. While presenting the segmental information for the income statement operations were divided into segments in accordance with the factors affecting the decisions of the chief decision makers. Details related to the segment reporting are disclosed in the Note 5.

2.4 Foreign currency translation

The functional currency of the Group is Turkish Lira. When the Group first recognizes a foreign currency transaction, it records the foreign currency amount in its functional currency by applying the exchange rate at the date of the transaction. Exchange differences arising from the payment of monetary items or their translation at rates different from those at which they were translated during initial recognition during the period or in previous consolidated financial statements as of the balance sheet date, are recognized in the profit or loss accounts in the period in which they occur.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.4 Foreign currency translation (cont’d)

Assets denominated in foreign currencies are valued at the foreign exchange buying rate announced by the CBRT as of the end of the reporting period and monetary liabilities denominated in foreign currencies are valued at the foreign exchange selling rate announced by the CBRT as of the end of the reporting period. In the valuation of liabilities, if an exchange rate is determined on the contract, the exchange rates written in the contract are taken into consideration first. Unit based policies are valued at the CBRT foreign exchange buying rate, while profit sharing policies are valued at the CBRT effective selling rate.

The exchange rates used at the end of the period are as follows:

31 December 2024	TL / USD	TL / EUR	TL / GBP
Currency exchange rate (buying)	35.2803	36.7362	44.2073
Currency exchange rate (selling)	35.3438	36.8024	44.4378
Effective sales rate	35.3969	36.8576	44.5044
31 December 2023	TL / USD	TL / EUR	TL / GBP
Currency exchange rate (buying)	29.4382	32.5739	37.4417
Currency exchange rate (selling)	29.4913	32.6326	37.6369
Effective sales rate	29.5355	32.6815	37.6934

2.5 Tangible assets

Tangible assets regulated according to TAS 16, “Property, Plant and Equipment”.

All tangible fixed assets are initially recorded at cost. Tangible fixed assets are shown with their net values after deducting accumulated depreciation from cost value and provision for impairment, if any.

Gains and losses arising from the disposal of the tangible assets are calculated as the difference between the net carrying value and the proceeds from the disposal of related tangible assets and reflected the statement of income of the related period.

Maintenance and repair cost incurred in the ordinary course of the business are recorded as an expense. There are no pledges, mortgages and other encumbrances on tangible fixed assets. Depreciation for the tangible assets is calculated in accordance with straight-line and pro rata depreciation method at their historical costs. Depreciation rates and estimated useful lives are as follows:

Furniture and fixture	2-15 years
Machinery and equipment	4 years
Other tangible assets	4-5 years
Motor vehicles	5 years
Leasehold improvements	5 years, lease period

As of each reporting date, it is assessed whether there is any indication that the assets are impaired. In case there is such an indication, then the recoverable amount of the relevant asset is estimated. When the value of the assets exceeds the recoverable amount, then the impairment expense is recognized in the income statement. Recoverable amount is the higher of the net sales price of the asset and the value in use.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.5 Tangible assets (cont’d):

The Group evaluates at the beginning of a contract whether the contract is of lease nature or not. If the contract delegates the right to control the use of the asset defined for a price for a certain period of time, this contract is of lease nature or includes a lease. Based on this lease, the Group reflects a right of use and a lease liability in its consolidated financial statements at the date of the lease actually starting.

Right-of-use assets

The right-of-use is first accounted for using the cost method, and accumulated depreciation and accumulated impairment losses are deducted and measured at the cost adjusted for reassessment of the lease liability. The Group applies depreciation provisions in accordance with TAS 16, “Property, Plant and Equipment” standards while depreciating its asset.

Lease liabilities

At the commencement date of the lease, the Group measures the lease liability at the present value of the lease payments that were not incurred at that date. Lease payments, if the implied interest rate in the lease can be easily determined, by using this rate; If the implied interest rate cannot be easily determined, it is discounted using the lessee's alternative borrowing interest rate. As of 31 December 2024, the alternative borrowing rates used by the Group for Turkish Lira leases are 45.76% per annum for lease (31 December 2023: 32.25%). As of 31 December 2024, the Group has no foreign currency lease obligations.

Lease agreements related to equipment leases (mainly printer, laptop, mobile phone, etc.), which are determined by the Group as low value, with short-term lease agreements with a duration of 12 months and less, have been evaluated within the scope of the exemption granted by the standard and payments for these contracts are recorded as expense in the period in which they are incurred.

2.6 Investment properties

The Group does not have any investment property (31 December 2023: None).

2.7 Intangible assets

Intangible assets are restated at cost in compliance with TAS 38, “Accounting for intangible assets”.

Intangible fixed assets are recognized over their cost values initially. In order for intangible assets to be capitalized, the future economic benefits of the asset must be identifiable and the cost of the asset must be reliably measurable.

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The carrying amounts of intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Intangible assets (cont'd)

Intangible assets consist of software programs and development costs that are depreciated over the estimated economic useful life of the related asset according to the straight-line depreciation method. The costs associated with developing and maintaining computer software are recorded in the income statement in the period they occurred. Expenditures that are in the possession of the Group, which can be directly attributed to detectable and proprietary software products and which will provide economic benefits over cost over a period of one year are considered as intangible assets. Costs include some of the costs of employees who develop the software. Computer software development costs, which are considered to be fixed assets that are amortized over their useful lives (maximum 5 years).

2.8 Financial assets

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise: Financial assets:

- Cash,
- A contractual right to receive cash or another financial asset from another enterprise,
- A contractual right to exchange financial instruments from another enterprise under conditions that are potentially favorable or
- An equity instrument of another enterprise.

A financial asset or liability is calculated over the transaction costs which is the fair value given first (for a financial asset) and acquired (for a financial liability), and if any, by the addition of the transaction expenses. Following the initial recognition, financial assets are valued without deduction of the transaction costs to occur in case of a sale over fair value. Fair value describes the price for the purchase-sale of a financial instrument between the applicant parties in a current transaction, except for the obligatory sale and liquidation. Quoted market price, if any, is the value which best reflects the fair value of a financial instrument. Estimated fair values of the financial instruments are determined by the Group by using the available market information and appropriate valuation methods.

The Group recognizes a financial asset or financial liability in its balance sheet when and only when it becomes a party to the contractual provisions of the instrument. The Group derecognizes a financial asset or a portion of financial asset when and only when it loses control of the contractual rights that comprise the financial asset or a portion of the financial asset. The Group derecognizes a financial liability when liability is extinguished that is when the obligation specified in the contract is discharged, cancelled and expired. All the usual financial asset purchase and sales are recognized on the date of transaction, in other words, on the date on which the Group undertakes to purchase or sell the financial asset. The mentioned purchases or sales are generally the purchases and sales that require the delivery of the financial asset within the period of time determined by the practices and arrangements in the market.

Current financial assets

The Group classifies its current financial assets as available for sale financial assets, financial assets designated at fair value through profit or loss (held for trading), financial assets with risks on saving life policyholders, and receivables from main operations.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.8 Financial assets (cont'd)

a) Available-for-sale financial assets:

Available for sale financial assets are non-derivatives that are either designated as Available for sale or are not classified as (1) loans and receivables, (2) held-to-maturity investments or (3) financial assets at fair value through profit or loss.

Financial investments of the Group:

i) Public securities:

A part of the government bonds and treasury bills at the Group's risk is classified as available for sale financial assets. Available for sale financial assets are valued over their fair values. In determination of the fair values of the government bonds, treasury bills, asset-backed securities and private sector bonds, the best purchase order prices waiting among the current orders published on the balance sheet date by İstanbul Stock Exchange Market (Borsa İstanbul) as based on the letter of the Undersecretariat of Treasury no 12741 dated 3 March 2005, are used. The differences between the fair value of the mentioned securities and the value calculated by the relevant interest rates according to the amortized cost method are presented in the financial assets valuation account under equity.

The interest income received is presented under the investment income in the income statement.

ii) Foreign currency Eurobonds:

Foreign currency Eurobonds at the Group's own risk are classified as available for sale financial assets and are valued over their fair values. The Group subjects the foreign currency Eurobonds to valuation over the rates of exchange announced by Central Bank of Turkish Republic (TCMB) as of the date of the balance sheet. Eurobonds are valued by the purchase quotation of the over the counter market at 16:15 - 16:45 on the Bloomberg screen on the balance sheet dates. The differences between the fair value of the mentioned securities and the value calculated by the relevant interest rates according to the amortized cost method are presented in the financial assets valuation account under equity.

The interest income received is presented in the investment income in the income statement.

The Group has recognized foreign exchange gains and losses arising from foreign currency Eurobonds under investment income and expense accounts in the accompanying statement of income.

b) Financial investments with risks on policyholders classified as available for sale:

Financial investments with risks on policyholders consist of public securities, foreign currency Eurobonds, and time deposits.

i) Public securities:

Government bonds and treasury bills at the policyholders' own risk are classified as available for sale financial assets within the financial assets at the policyholders' own risk. Available for sale financial assets are valued over their fair values. In determination of the fair values of the government bonds, treasury bills, the best purchase order prices waiting among the current orders published on the balance sheet date by Borsa İstanbul, are used. The portion of the differences between the fair value of the mentioned securities and the value calculated by the relevant interest rates according to the amortized cost method, belonging to the insure, is recognized under Insurance Technical reserves - Life Mathematical reserves account, as indicated by the Undersecretariat of Treasury. The Group's portion of the differences between the fair value and the value of these securities calculated with the relevant interest rates according to the internal rate of return method is recognized in the valuation of financial assets account under shareholders' equity.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.8 Financial assets (cont’d)

(b) Financial investments with risks on policyholders classified as available for sale (cont’d):

i) Public securities:

Foreign currency Eurobonds at the policyholders’ own risk are classified as available for sale financial assets at the life policyholders' own risk and are valued over their fair values. Available-for-sale financial assets are recognized at their fair values, and financial assets to be held to maturity are accounted over their amortized cost values calculated using the effective interest method, after the first record, after deducting the provision for impairment. The Group subjects the foreign currency Eurobonds to valuation over the rates of Exchange announced by the Central Bank of Türkiye as of the date of the balance sheet.

A part of the government bonds and treasury bills at the Group’s risk is classified as Available for sale financial assets. Available for sale financial assets are valued over their fair values. In determination of the fair values of the government bonds, treasury bills, asset-backed securities and private sector bonds, the best purchase order prices waiting among the current orders published on the balance sheet date by İstanbul Stock Exchange Market (Borsa İstanbul) as based on the letter of the Undersecretariat of Treasury no 12741 dated 3 March 2005, are used. The differences between the fair value of the mentioned securities and the value calculated by the relevant interest rates according to the amortized cost method are presented in the financial assets valuation account under equity.

The Group recognizes the foreign exchange gains and losses Eurobonds under the investment income and expense accounts in the accompanying income statement.

(c) Financial assets held for trading

Financial assets held for trading are the assets that are acquired in order to provide profit from the fluctuations in the prices and similar issues in the short term in the market or, apart from the reason of acquisition, these are the assets that are a part of the portfolio that is for providing profit in the short term.

i) Public securities:

A part of the government bonds and treasury bills at the Group's risk is classified as financial assets held for trading. Subsequent to initial recognition, trading securities are carried at fair value based on the weighted average settlement price of the related security among the current orders in the stock exchange.

All the realized and unrealized profit and losses related to the financial investments for trading purposes are included in the income statement in the relevant period.

ii) Other securities:

The private sector bonds and asset-backed securities at the Group's own risk are classified as financial assets held for trading. Subsequent to initial recognition, the private sector bonds are measured at the fair value by taking into account the best purchase order among the current orders in the stock market with respect to the concerned securities. All the realized and unrealized profit and losses related to the financial investments for trading purposes are included in the income statement in the relevant period.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.8 Financial assets (cont’d)

Other non-current financial assets

As of the balance sheet date, other non-current financial assets of the Group are the investments classified as available for sale financial assets, but which are invested in the financial instruments in an active market for which fair value cannot be measured reliably (Note 45.2). These investments are reflected with the value found as a result of deducting the free shares received as a result of addition of the revaluation fund to the capital, if any, from their acquisition costs.

By the end of the period, the investment acquisition cost is compared with the net realizable value and in case the net realizable value is lower than the acquisition cost, then the value loss provision is provided.

Financial assets to be held until maturity:

Financial assets to be held until maturity, which are held with the intention of keeping to maturity and include the fixed or determinable payments with fixed or determinable payments, except for loans and receivables and reasonable value during the initial recognition. These are financial assets that are not classified as financial assets, the difference of which is reflected in the income statement and are not shown ready for sale in the records. These assets are first recorded at acquisition cost and this value is accepted as reasonable value. The fair value of the assets held to maturity is determined on the basis of the market price of similar instruments or the market prices of similar financial instruments. Financial assets held to maturity are valued at their “discounted value”. Contribution income from assets held to maturity is reflected in the income statement.

The Group does not allocate impairment based on short-term market fluctuations, provided that there is no collection risk in securities representing the borrowing classified under financial assets held to maturity. In the event of a collection risk, the amount of the said impairment is the difference between the book value of the financial asset and the value of the cash flows still expected to be collected from the financial asset, if any, based on the original effective rate of return.

Loans and receivables

The loans and receivables created by the receivables from the main operations are the financial assets which have fixed or determinable payments and are not traded in an active market and which the Group did not classify as available for sale or held for trading. The receivables arising from insurance activities are classified under this company. These assets are presented over their carrying values.

If there is any objective evidence that the matured receivables from insurance activities cannot be collected, then provision is allocated for the receivable. In case receivables which are not possible to be collected are detected, these are completely written-off.

Loans

Following the expiry of the period of three years in life policies, the insure can demand a part of the accumulated amount as a loan. The Group provides loans for the policy holders who completed their 3rd years up to the specific ratio of the accumulated amount with profit share on that date on the surrender table of the relevant tariff.

The Group does not apply loan interest to the policies and receives the reimbursement over the unit price on the collection date. The Group applies loan interest for the accumulated life policies other than these policies. The loan interest rate applied is determined at a rate over the annual profit share rate.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.8 Financial assets (cont’d)

Loans (cont’d)

The surrender payments for the policies for which a loan is used are recorded as an expense and the relevant policy is closed. The technical reserves allocated to the closed policy are recognized as revenue and closed.

Pension system accounts

Receivables from pension operations

Pension business receivables consist of ‘receivable from pension investment funds for fund management fees’, ‘entry fee receivable from participants’ and ‘receivables from clearing house on behalf of the participants’. ‘Receivables from Pension Operations’ classified within non-current assets are composed of the receivables from the custodian company and shows the receivables on fund-basis from the custodian company on behalf of the participants and it operates together with the payables to the participants account under the debts from the retirement activities where the fund-basis obligations belonging to the participants are presented under liabilities.

Individual Retirement government participation share is the amount paid to the individual retirement account of the participant by the government in compliance with the additional 1st article of the Law no 4632 .Twenty-five percent of the contribution share paid on the basis of participants on behalf of the citizens of Turkish Republic and those who are Turkish Republic citizens and lost Turkish citizenship by taking permission for ceasing to be a citizen according to the 28th article of Turkish Citizenship Law no 5901 dated 29 May 2009 and their descendants and transferred as cash to the company accounts, is paid by the government as the government share to the participant's individual retirement account in compliance with the additional 1st article of the Law no 4632, on condition not to exceed the annual total gross minimum wage determined for the relevant calendar year.

Payables from pension operations

“Payables from Pension Operations” presented under the current liabilities are composed of the participants’ temporary account, payables to the individual retirement intermediaries, payables to the custodian company, portfolio management company and pension monitoring center. The Participants Temporary Account, is the account item which enables the follow-up of the money not directed to an investment yet on behalf of the participants and the amounts to be paid to the participants or to be transferred to another company, in case the participant leaves the system or transfers his investment to another company, following the disposal of the fund shares of the participant and after deduction of the entrance fees and similar deductions, if any, arising from the mentioned disposal. This account is credited if collection is made from the participants or in case the money from the disposal of the fund shares of the participants are transferred to the Group account. The account is debited and closed after the money is directed to the fund or the person leaves, or it is transferred to another company.

“Payables from Pension Operations” classified in non-current liabilities consists of debts to participants. It shows the Company's obligations on the basis of funds on behalf of the participant (the amount that the participants have deposited for the funds and will be paid to the participant when due).

If the retirement agreement is not rejected by the Company, following the completion of the blocking period, if any, it comes into force on the date of entry of the first payment made as contribution share, into the Company accounts as cash. If the proposal is rejected by the Company, then the payment instructions given are cancelled and if any, all the payments effected are returned to the payer within five business days without any deduction.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.8 Financial assets (cont’d)

Pension system accounts (cont’d)

Payables from pension operations (cont’d)

The Participant has the right to withdraw within sixty days following the signing of the proposal form or approval of the proposal. The payment instructions given are cancelled following the delivery of the notification of withdrawal to the Group and all the payments effected are returned to the payer within ten business days, if any, together with the investment income, without any deduction, except the fund total expense deduction.

2.9 Impairment of Assets

Impairment of non-financial assets:

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset’s fair value fewer costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that are subject to impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets:

Objective indicators that a financial asset or a group of financial assets is impaired include the following:

- a) Issuer or undertaker being under a considerable financial trouble,
- b) Violation of the agreement,
- c) Due to economic or legal reasons related to the financial trouble of the debtor, the creditor grants a privilege to the debtor, which would not be granted under any other condition,
- d) High probability of the debtor for bankruptcy or any other financial restructuring,
- e) Elimination of the active market related to the mentioned financial asset due to the financial difficulties.

The Group assesses its financial assets at each balance sheet date whether there is any objective evidence that a financial asset or Group of financial assets is impaired.

According to TAS 39, financial asset or portfolio of financial assets is impaired and an impairment loss incurred if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset.

In addition, in cases where there is an unbiased indicator of impairment, it is envisaged that the accumulated impairment amount, which consists of the difference between cost value and fair value and created under equity, will be removed from equity and reflected as a loss in the income statement.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Impairment of assets (cont'd)

Financial assets: (cont'd)

In case there is an impartial indication that there is a decrease of value loss in the loans and receivables, then the relevant loss is recognized in the income statement. In addition, the Group reserves a provision for doubtful receivables arising from the main activities for the doubtful receivables related to its agencies and insures, which are under administrative and legal follow-up and for uncollectible amounts or the amounts which do not have the possibility of collection anymore.

Total pledges and collaterals on assets are disclosed in Note 17.1, doubtful receivables for overdue and not overdue balances disclosed in Note 12, accruals and expenses for the period are presented in Note 47.4.

2.10 Derivative financial instruments

The Group recognizes the fair value gains on the short-term currency forward and swap transactions under the income on derivative instruments.

Derivative contracts are classified as fair value through profit and loss instruments in accordance with TAS 39, “Financial Instruments: Recognition and Measurement” (Note 13).

2.11 Offsetting of financial assets

Financial assets and liabilities are off-set and the net amount is presented in the balance sheet when, and only when, the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.12 Cash and cash equivalents

In terms of presentation of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks, blocked credit card amounts and term deposits with an original maturity of less than 3 months. Cash and cash equivalents are indicated at cost.

The basis of cash flow statement, cash, and cash equivalents are as follows:

	31 December 2024	31 December 2023
Bank deposits	3,549,720,795	740,256,025
Cheques given and payment orders	(2,075,657)	(1,759,443)
Other cash and cash equivalents (*)	2,399,680,180	1,456,912,159
Total cash and cash equivalents	5,947,325,318	2,195,408,741
Blocked amount	(195,333,333)	(80,000,000)
Interest accrual	(192,378,080)	(6,966,579)
Time deposits with a maturity more than three months	-	(50,000,000)
Total	5,559,613,905	2,058,442,162

(*) Other cash and cash equivalents consist of receivables that have been provisioned as of the balance sheet date but have not been transferred to current accounts since the blockage period has not expired.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.13 Share capital

As of 31 December 2024 and 31 December 2023, the share capital and ownership structure of the Group are as follows:

Name of the shareholder	31 December 2024		31 December 2023	
	Share rate (%)	Share amount (TL)	Share rate (%)	Share amount (TL)
Hacı Ömer Sabancı Holding A.Ş.	40.00	72,000,006.72	40.00	72,000,006.72
Ageas Insurance International NV	40.00	72,000,006.72	40.00	72,000,006.72
Publicly traded	19.91	35,836,182.14	19.91	35,836,182.14
Other	0.09	163,804.42	0.09	163,804.42
Paid-in capital	100.00	180,000,000.00	100.00	180,000,000.00

As of 31 December 2024, the nominal capital of the Parent Group is TL 180,000,000 and consists of 18,000,000,000 shares with a unit nominal value of 1 kurus (kr) (0.01 TL). (31 December 2023: The nominal capital of the Parent Group is TL 180,000,000 and consists of 18,000,000,000 shares with a unit nominal value of 1 kurus (kr) (TL 0.01.)

The Parent Group has accepted the registered capital system in accordance with the provisions of the Capital Markets Law No. 6362 and switched to this system with the permission of the Capital Markets Board dated 1 September 2014 and numbered 1756/8617. The transition to the registered capital system was accepted at the extraordinary general assembly meeting of the Parent Group held on 16 October 2014, and the minutes of the said meeting were registered and published in the Trade Registry Gazette No. 8679 dated 23 October 2014.

The Group's registered capital ceiling is TL 500,000,000 as of 31 December 2024 and is divided into 50,000,000,000 registered shares, each with a nominal value of 1 kr. The registered capital ceiling change, which was approved and decided at the general assembly meeting on 16 March 2021, was registered on 24 March 2021. (31 December 2023: The registered capital ceiling of the Group is TL 500,000,000 and is divided into 50,000,000,000 registered shares, each with a nominal value of 1 kr.)

Capital increases made during the period: None (1 January - 31 December 2023: TL 40,000,000).

The Parent Group's capital does not include any preferred shares (31 December 2023: None).

The Parent Group's own shares held by the Parent Group or its subsidiaries or affiliates:

The Parent Group has decided, with the decision of the board of directors taken on 10 April 2023, with the aim of supporting healthy price formation in the AgeSA share market, thus restoring the reasonable value of the Company shares and offering a more attractive long-term investment opportunity to the shareholders,

- Within the framework of the Capital Markets Board's decision i-SPK.22.7 (dated 14.02.2023 and s.k. 9/177), a share buyback program will be initiated for a maximum period of 3 years,
- Buyback of up to 1,800,000,000 shares with a nominal value of TL 18,000,000, representing approximately 10% of the issued capital of the Group,
- The fund allocated for the buyback process will be determined as a maximum of TL 750,000,000,
- The share buyback transaction should be included in the agenda of the first general assembly meeting and submitted for the information and approval of the shareholders at the general assembly.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.13 Capital (cont'd)

The Parent Group purchased 1,633,946 shares from 10 April 2023 to 31 December 2024 at a total cost of TL 100,221,938 and recognized them in its equity (31 December 2023: Purchased 1,064,552 shares at a total cost of TL 44,783,416 and accounted for them in equity).

There are no share-based payment transactions (31 December 2023: None).

Other information regarding the Parent Group's share capital are disclosed in Note 15.

2.14 Insurance and investment contracts - classification

An insurance contract is defined as a contract in which the Group accepts a significant insurance risk by agreeing to compensate the loss of the policyholder in the event of a predefined uncertain future event (event covered by insurance) that causes the policyholder to be negatively affected. Insurance risk covers risks other than financial risk. All premiums received within the scope of insurance contracts are recognized as income under the written premiums account.

The contracts in which the variable is not specific to any one of the parties of the contract, which takes into account a non-financial variable, which anticipates payment as based on only the changes in a certain interest rate, financial instrument price, product price, foreign exchange rate, interest or price indexes, credit score or credit index or one or more other variables, are classified as investment contracts.

Main policies produced by the Group are the life policies, the personal accident policies, and individual retirement contracts.

The Group issues individual retirement contracts within the individual retirement system that is structured in order to provide a reliable saving for the individuals, to direct, regulate and encourage these savings.

The contributions received related to individual retirement contracts are recognized as liabilities under payables to the participants account and the same amount is presented as receivables under the receivables from custodian Group account.

Reinsurance contracts

Reinsurance provides the transfer of a part or all of the responsibility undertaken by the insurance Group, to the reinsurer Group. This is as a guarantee or a protection measure for the insurance companies.

It accommodates functions such as spreading the risk, increase, support of the work acceptance capacities and flexibilities of the insurance companies, control of the catastrophic claims to be caused by the surplus of the accumulations. Reinsurers transfer their knowledge and experience, which they acquired in time as a result of working with different insurance companies and markets, to the insurance companies as technical information.

Since it is required that all the details of the transactions and processes should be included in the reinsurance contracts, it is required to clearly indicate the scope, identification, technical details of the work to be transferred to the reinsurer, work acceptance and compensation evaluation method, general and special conditions, the legal aspects of the contract, and the parties explicitly as the cedent and reinsurer.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Insurance contracts and investment contracts with discretionary participation feature

The feature of voluntary participation in the insurance and investment contracts is a right that is based on the contract with respect to the additional benefits listed below as well as the guaranteed benefits:

- (i) A candidate to constitute a significant part of the total benefits as based on the contract,
- (ii) In which the amount and timing is in discretion of the issuer as based on the contract and
- (iii) Based on the following as a requirement of the contract:
 - (1) The performance of a certain pool of contracts or a type of certain contract type,
 - (2) Realized and/or unrealized investment income of a certain asset pool held by the issuer or
 - (3) Profit or loss of the Group, fund or any other entity issuing the contract.

As of the balance sheet date, the Group does not have insurance contracts and investment contracts with discretionary participation feature.

2.16 Investment contracts without discretionary participation feature

As of 31 December 2024 and 31 December 2023, the Group does not have any optional participation in its products classified as investment contracts.

2.17 Financial liabilities

Financial liabilities mean the liabilities which are created as a result of the transactions that shall require giving cash or disposing any other financial assets to another entity. The financial liabilities are presented in the consolidated financial statements of the Group over the costs amortized according to effective interest method. This financial liability is derecognized when it is paid.

2.18 Taxes

Corporate taxes

With the law number 7394 published in the Official Gazette dated 15 April 2022, the corporate tax rate for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies was permanently increased to 25%.

Law No. 7456 “*Law on the Amendment of Certain Laws and Decree Law No. 375 on the Amendment of Certain Laws and Decree Law No. 375 on the Additional Motor Vehicles Tax for the Compensation of Economic Losses Caused by the Earthquakes that Occurred on 6 February 2023*” was published in the Official Gazette dated 15 July 2023 and numbered 32249.

With Article 21 of this Law, the corporate tax rate has been set as 25% and it is regulated that this rate shall be applied as 30% for the corporate earnings of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Financing Companies Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.18 Taxes (cont’d)

Corporate tax (cont’d)

The law on the amendment of Tax Procedure Law and Corporate Tax Law was enacted on 20 January 2022 with Law No. 7352 and it was decided that the consolidated financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods, including the provisional accounting periods, and the provisional tax periods of the 2023 accounting period, regardless of whether the conditions for inflation adjustment within the scope of Repeated Article 298 are met. In accordance with Law No. 7352, inflation adjustment will be applied to the consolidated financial statements dated 31 December 2023 and the profit/loss difference arising from the inflation adjustment will be recognized in retained earnings and will not be subject to tax.

In addition, with the Law No. 7491 published in the Official Gazette dated 28 December 2023 and numbered 32413, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies' profits or losses that will arise as a result of inflation adjustment in the 2024 and 2025 accounting periods will not be taken into account in determining the corporate tax base.

The amendment to the Corporate Tax Law includes insurance companies, not all companies within the scope of the Insurance Law. Since the insurance brokerage Group included in the Group's consolidated financial statements is not an insurance Group and are companies defined independently of each other, the tax rate of Agesa Aracılık Sigorta A.Ş. included in the consolidated financial statements is applied as 25% as of 31 December 2024.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Türkiye through their operations or permanent representatives and the resident institutions is 15%. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Addition of profit to capital is not considered profit distribution and withholding tax is not applied.

Provisional taxes are calculated and paid at the corporate tax rate applicable to that year's earnings. Provisional taxes paid during the year can be offset against the corporate tax calculated on the annual corporate tax return of that year.

According to the Turkish tax legislation, financial losses shown on the declaration can be deducted from the corporate income for the period, provided that they do not exceed 5 years. However financial losses cannot be offset from prior year's profits. As of the balance sheet date, the Group has deductible financial losses amounting to TL 119,802,952 (31 December 2023: TL 62,579,500).

In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 30th of the fourth month following the close of the financial year to tax office which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.18 Taxes (cont’d)

Deferred tax

In accordance with TAS 12, “Income taxes”, deferred tax assets and liabilities are recognized on all taxable temporary differences arising between the carrying values of assets and liabilities in the consolidated financial statements and their corresponding balances considered in the calculation of the tax base, except for the differences not deductible for tax purposes and initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

The deferred tax assets and liabilities are reported as net in the consolidated financial statements if, and only if, an entity has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

In case where gains/losses resulting from the subsequent measurement of the assets are recognized in the statement of income, then the related current and/or deferred tax effects are also recognized in the statement of income. On the other hand, if such gains/losses are recognized as an item under equity, then the related current and/or deferred tax effects are also recognized directly in the equity.

Within the scope of TPL 555 General Communiqué published in the Official Gazette dated 30 December 2023, the deferred tax effect of temporary differences arising from transactions made in accordance with the TPL inflation accounting provisions has been calculated and reflected in the consolidated financial statements.

2.19 Employee benefits

Provision for employment termination benefits

In accordance with existing Turkish Labour Law, the Companies is required to make lump-sum termination indemnities to each employee who has completed one year of service with them and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The compensation to be paid is equal to one month's salary for each year of service and this amount is limited to TL 46,655 (1 January 2024: TL 35,059) determined by the government as of 1 January 2025.

The Group reserved for employee severance indemnities using actuarial method in compliance with the TAS 19, “Employee Benefits”. The major actuarial assumptions used in the calculation of the total liability as at 31 December 2024 and 31 December 2023 are as follows (Note 22)

	31 December 2024	31 December 2023
Expected rate of salary/Limit increase	22%	8.5%
Annual discount rate	3.5%	3.5%

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.19 Employee benefits (cont’d)

Other Employee Benefits

The Group pays a compulsory social insurance premium to Social Insurance Institution. The Group has no liability as long as the premiums are paid. These premiums are recognized as personnel expenses.

In addition, the Group calculates leave provisions for leaves that have been earned but unused as of the balance sheet date and shows them in the short-term liabilities account (Note 23).

2.20 Provisions

Provisions, contingent liabilities and contingent assets

Provision is provided for an existing obligation resulted from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management on the expenses to incur as of the balance sheet date and, if material, such expenses are discounted to their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Group to settle the liability, the related liability is considered as ‘contingent’ and disclosed in the footnotes to the consolidated financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognized in consolidated financial statements since this may result in the recognition of income that may never be realized. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, the Group discloses the contingent asset (Note 23).

Technical reserves

The technical reserves within the technical insurance accounts in the consolidated financial statements and the reinsurer share of such reserves are recognized in compliance with the following principles and in compliance with the “Regulation on the Technical Reserves of the Insurance and Reinsurance and Retirement Companies and Assets in which such Reserves shall be invested” (‘Technical Reserves Regulations’) published by the Undersecretariat of Treasury in the Official Gazette no 26606 dated 7 August 2007 prepared as based on the 16th article of the Insurance Law no 5684 dated 14 June 2007 and 8th article of the Individual Retirement Savings and Investment System Law no 4632 dated 28 March 2001, with “Regulation on the Amendment of the Regulation on the Technical Reserves of the Insurance and Reinsurance and Retirement Companies and the Assets in which such Provisions shall be Invested” (Technical Reserves Amendment Regulation) published in the Official Gazette no: 27655 dated 28 July 2010 and entered into force as of 30 September 2010 and with “Sector Declaration on Regulation on the Amendment of the Regulation on the Technical Reserves of the Insurance and Reinsurance and Retirement Companies and the Assets in which such Provisions shall be Invested” no 2012/13 dated 18 July 2012 and with the other declarations and announcements made related to this issue.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.20 Provisions (cont’d)

Unearned premium reserves

In accordance with the "Regulation on Amendments to the Regulation on Technical reserves of Insurance, Reinsurance and Pension Companies and the Assets in which These Provisions Will Be Invested", which was published in the Official Gazette No. 27655 dated 28 July 2010 and entered into force on 30 September 2010, The reserve for unearned premiums consists of the portion of the accrued premiums for insurance contracts in force, which extends to the next accounting period or periods on a gross basis, without any commission or other discount. For annual life insurances in force and life insurances where savings premiums exceeding one year are also collected, it consists of the portion allocated to savings, if any, from the gross premiums written, and the portion that extends to the following period or periods.

In accordance with the Technical reserves Regulation, when calculating the unearned premium reserve, the day the insurance coverage begins and the end day are taken into account as half a day and the calculation is made accordingly.

In Technical reserves Regulation, it is stated that the part corresponding to the future period or periods, of the commissions paid to the intermediaries on condition that accrual is made as based on the production, the commissions taken due to the premiums transferred to the reinsurer, production expense shares and the amounts paid for non-proportional reinsurance contracts and the variable production expenses for the preparation and sale of the tariffs and insurance contracts and the payments for support services, shall be recognized under deferred income and deferred expenses accounts and other relevant accounts. As of 31 December 2024, the gross unearned premium provision is TL 4,386,059,411 (31 December 2023: TL 1,008,571,325) (Note 17.15).

Deferred commission expense and income

In accordance with the Circular 2007/25 dated 28 December 2007 issued by the Undersecretariat of Treasury, it is stated that the part corresponding to the future period or periods, of the commissions paid to the intermediaries on condition based on the production, the commissions taken due to the premiums transferred to the reinsurer, shall be recognized in the balance sheet under prepaid expenses and other deferred income and expense accruals and in the income statement under netted off operating expense. As of 31 December 2024, the calculated deferred commission income amount is TL 8,297,894 (31 December 2023: TL 3,285,928) and is recorded in the deferred commission income account, and the calculated deferred production commission expense amount is TL 1,410,692,270 (31 December 2023: TL 418,789,340) and is recorded in the deferred production expenses account.

Unexpired risks reserve

In accordance with the Communiqué on Technical Reserves, in each accounting period, the companies while providing reserve for unearned premiums should perform adequacy test covering the preceding 12 months in regard with the probability of future claims and compensations of the outstanding policies will arise in excess of the reserve for unearned premiums already provided. In performing this test, it is required to multiply the reserve for unearned premiums, net with the expected claim/premium ratio. Expected claim/premium ratio is calculated by dividing incurred losses (reserve for outstanding claims, net + claims paid, net - reserve for outstanding claims carried forward, net) to earned premiums (written premiums, net + reserve for unearned premiums carried forward, net - reserve for unearned premiums, net) In the calculation of earned premiums; deferred commission expenses paid to the agencies and deferred commission income received from the reinsurance firms which were netted off from reserve for unearned premiums both at the beginning of the period and at the end of the period are not taken into consideration.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.20 Provisions (cont’d)

Unexpired risks reserve (cont’d)

In accordance with the "Regulation on Amending the Regulation on the Technical reserves of Insurance, Reinsurance and Pension Companies and the Assets in which These Provisions Will Be Invested" published in the Official Gazette dated 17 July 2012 and numbered 28356 and the Circular on the Provision for Continuing Risks numbered 2022/27, if the expected loss premium ratio for each branch is over 85%, the amount calculated as a result of multiplying the rate exceeding 85% by the net unearned premium provision is calculated as the net ongoing risks provision, and the amount is calculated by multiplying the rate exceeding 85% by the gross unearned premium provision. The amount found is reflected in the consolidated financial statements as gross ongoing risks provision. The difference between the gross amount and the net amount is taken into account as the reinsurer share. Insurance and Private Pension Regulation and Supervision Authority may change this test method according to branches, may conduct proficiency testing with different test methods and may request provision for ongoing risks within the framework of this test method.

The relevant test result did not result in any provision for ongoing risks that the Group should reserve as of 31 December 2024 and 31 December 2023.

Outstanding Claims Reserves

An outstanding claims provision is recognized for compensation amounts that have been accrued and calculated within the framework of the Technical reserves Regulation but have not been actually paid in previous accounting periods or the current accounting period, or if this amount cannot be calculated, for compensation amounts that have been incurred but have not been reported.

According to the communiqué of the Association of Insurance, Reinsurance and Pension Companies of Türkiye dated 10 March 2020 and numbered 2020/1, inquiries are made via MERNİS by the Insurance Information and Monitoring Center every 6 months every year in May and November. With this query, the insured who have died during the period when life insurance policies containing death benefit are in force are identified and upon learning of the risk, a compensation file is opened and an outstanding claim provision is allocated.

Outstanding discount is applied within the scope of circular numbered 2022/9. The discount rate to be applied was estimated by examining the rejection development of the last 5 years' notification files on a notification year basis. It was observed that there was a change in the development of rejection in the periods after 2019, and a thinning assumption was determined by taking into account the last 5 years and 3 years of experience.

In compliance with the insurance legislation and technical reserves regulation of the Undersecretariat of Treasury, the Group accounts for outstanding claim reserve for the claim and compensations incurred, but not reported yet (IBNR). According to the ‘Circular on Outstanding Claim Reserves’ no 2014/16 IBNR is calculated by the Group actuary for each branch separately. It is also calculated separately for death guarantees and other additional guarantees in the life branch.

For death and accidental death guarantees in the life branch, by calculating the IBNR of the average of the outstanding claims opened through Mernis in the last year for the files that took place in the 6-month period between Mernis inquiries but whose inquiries have not yet been made, a provision for outstanding claims that have been realized but not yet reported is set aside, taking into account the monthly deviations.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.20 Provisions (cont’d)

Outstanding Claims Reserves (cont’d)

In the life branch, in the calculation of incurred but not reported claims for additional coverage, compensations at the end of the accounting period are taken into account, covering the last 12 months. When calculating incurred but not reported claims, the weighted average calculated by dividing the claims that occurred before but reported after these dates in the last 5 or more years by the annual average guarantees for the previous year is used. In order to find the annual average collateral on a collateral basis over the years, the average collateral is calculated by going back 1 year (4 quarters) in the calculations and dividing the sum of the end of period and beginning of the period collateral amounts by two.

The compensation amount incurred but not reported for the current accounting period is calculated by multiplying the weighted average calculated as above and the annual average guarantee amount as of the current year.

As stated in Article 7 of the Technical Provision Regulation, the win/(loss) rate was calculated based on the value of the lawsuit cases and the last five years of statistics for the outstanding claim amounts that are at the lawsuit stage. As stated in the Circular No. 2011/23 on Explanations on Incurred but Not Reported Claim Provision Calculation, a 25% litigation win discount was applied to the total amount of outstanding claims for life branch files in the litigation process.

Pursuant to the Circular No. 2014/16 and the ninth paragraph of Article 7 of the Regulation, an outstanding adequacy test was performed over the loss data of the last 5 years in the life and personal accident branches, and it was observed that an adequacy difference occurred in the life branch. Following this test result, a net additional outstanding provision of TL 12,209,655 has been allocated to the life branch Outstanding Claims Reserves for 31 December 2024.

Incurred but not reported claims in Personal Accident branch are calculated over incurred claims (sum of outstanding and paid claims). The Group does not have any large claims subject to the large claim elimination method. For the Personal Accident branch, the calculation is made according to the Claim-Premium method.

As of 31 December 2024, the total net amount of the Outstanding Claims Reserves allocated for incurred but not reported damage is TL 199,389,267 (31 December 2023: TL 6,921,143) and for the Life Branch, it is net TL 24,720,377 (31 December 2023: TL 5,719,497) and for the Personal Accident Branch, it is net TL 174,668,890 (31 December 2023: TL 1,201,646). As of 31 December 2024, the total net amount of the Outstanding Claims Reserves, including the provision for incurred but not reported claims, is TL 460,851,504 (31 December 2023: TL 156,846,712) and for the Life Branch, it is net TL 245,465,859 (31 December 2023: TL 149,445,986) and for the Personal Accident Branch, it is net TL 215,385,645 (31 December 2023: TL 7,400,726).

Life Mathematical reserves and provision for profit share

In accordance with the Communiqué on Technical Reserves, companies performing in life and non-life insurance branches are obliged to allocate adequate mathematical reserves based on an actuarial basis to meet liabilities against policyholders and beneficiaries for long-term life, health and personal accident insurance contracts.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Provisions (cont'd)

Life Mathematical reserves and provision for profit share (cont'd)

If the Mathematical reserves are undertaken with the actuarial Mathematical reserve calculated separately as based on the technical principles in the tariff for each policy in force, then it is composed of the total of the profit share provisions allocated for the insures from the income obtained from the direction of such provisions to investment.

Actuarial Mathematical reserves are the difference between the cash values of the premiums received for the risk undertaken by the companies and the liabilities to the insures and beneficiaries. Actuarial Mathematical reserves are allocated as based on the formulas and principles given in the technical principles of the tariffs for the life insurances with a term longer than one year. As of 31 December 2024, the Group makes mathematical reserve calculations based on Treasury-approved tariffs. Actuarial Mathematical reserves, according to formulas and basis in approved technical basis of tariffs for over one year-length life insurance, are calculated by determining the difference between present value of liabilities that the Group meets in future and the current value of premiums paid by policyholder in future (prospective method).

Provision for profit sharing consist of profit sharing calculated in previous years and a certain percentage of current period's income, determined in the approved profit sharing tariffs, obtained from the financial assets backing liabilities of the Group against the policyholders and other beneficiaries for the contracts which the Group is liable to give profit sharing.

According to the provisions of the Circular on Mathematical reserves Account No. 2022/8, the Group:

- The Company has calculated the mortality experience in its portfolio and as a result of its calculations, the Company expects a mortality profit, this mortality experience is not reflected in the calculation of Mathematical reserves.
- The Company calculated the surrender probability for its long-term products as of the accounting date using the last 5 years' statistics and estimated the gross and risk surrender amounts using the information in the tariffs for the policies in force and added the grossing difference to the actuarial Mathematical reserve. The commission refunds subject to gross-up were included in the deferral accounts.

The actuarial mathematics and profit share provisions calculated by the Group as of 31 December 2024 and 31 December 2023 have been approved by the Company actuary. Total Mathematical reserves are gross TL 24,464,029,792 as of 31 December 2024 (31 December 2023: TL 16,098,447,318). As of 31 December 2024, there is a reinsurer share of TL (4,882,702) (31 December 2023: TL 9,254,873). The stated amount does not include loans and fair value differences of financial investments whose risks belong to the insured. As of 31 December 2024, the Mathematical reserve amount allocated for loan amounts is TL 679,158,089 (31 December 2023: TL 569,555,420) and the related Mathematical reserve amount for the fair value difference of financial investments whose risks belong to the insured is TL (107,219,162) (31 December 2023: (85,152,881)) (Note 17.2 and 17.15).

Life mathematical and profit share provisions of the policies written in the Group's unit price based funds are evaluated daily in accordance with the TL, US Dollar and Euro profit share technical principles approved by the Ministry of Treasury and Finance of the Republic of Türkiye on 14 January 1993 and 12 September 1996. The income from the investments of the insured is distributed as the income of the relevant investment instrument using the daily accrued interest method.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Provisions (cont'd)

Life Mathematical reserves and provision for profit share (cont'd)

Daily Profit Share System is applied in accordance with the Profit Share Technical Principles and Life Insurance Regulations of the General Directorate of Insurance of the Ministry of Treasury and Finance of the Republic of Türkiye, dated 1 November 1999, for the life mathematical and profit share provisions of the cumulative policies written in the Group's other funds (profit share basis). Profit share values calculated according to the profit share rates calculated according to the daily returns of TL, US Dollar and Euro investment instruments are reflected in the insured accounts on a daily basis.

In the calculation of the mathematical reserves of the policies exempt from premium payment (deducted policies) within the scope of the Insurance of Good Chances (premium refundable life insurance product), deductions are applied according to the tariff technical principles of the product. As of 31 December 2024, the Group has mathematical reserves amounting to USD 22.3 million for the policies that are in deductible status and have not yet matured. The total mathematical reserves amount of the said product is recorded as USD 525.1 million in our consolidated financial statements as of 31 December 2024.

6 April 2022 dated “Communiqué on Mathematical Reserves Calculation” states that “For policies that become exempt from premium payment (deduction), the amount of the insurance amount to be taken as the basis for calculations from the date the policy is deducted is determined within the framework of the relevant legislation”. Discussions were held with the legal authority (IPRSA) regarding the effects of the aforementioned legislation on the Group's financials. As a result of these negotiations, it has been decided to calculate the Mathematical reserve amount to be set aside for the life insurance product with return of premium in accordance with “TFRS 17 Insurance Contracts” and the literal interpretation of TCC 1502 and to disclose the related amount in the footnotes of the consolidated financial statements of the relevant reporting period and to be recorded in the consolidated financial statements dated 1 January 2023.

However, “Regulation on Amendment to the Regulation on Amendment to the Regulation on Financial Reporting of Insurance, Reinsurance and Pension Companies” was published in the Official Gazette dated 27 December 2024 and a postponement was made in the related standard transition. With the published regulation, the effective date of the article of determining the consolidated financial statements to be disclosed to the public, the footnotes and explanations related to them, and the procedures and principles regarding the preparation of consolidated financial statements with the communiqués to be issued by the Authority has been changed to 1 January 2026.

In this framework, if calculated in accordance with TCC 1502 for the policies that are in surrender but have not yet matured, the total mathematical reserves for this product as of 31 December 2024 is calculated as USD 586,2 million.

Considering the requirements of TCC 1502 and “TFRS 17 Insurance Contracts” together, the draft results of the impact study as of 31 December 2024 for the return of premium life insurance product are given below. Within the scope of ‘TFRS 17 Insurance Contracts’ studies, our data and systematic controls and calculations are ongoing and the figures reflect the draft situation as of today.

While our “Actuarial Mathematical Reserve” figure in our consolidated financial statements dated 31 December 2024 was USD 525.1 million, our total liability figure, expressed as the sum of “Present value of future cash flows”, “Contract Service Margin” and “Risk Adjustment” calculated in accordance with TFRS 17, was calculated as USD 502.4 million.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.20 Provisions (cont’d)

Equalization reserve

In accordance with the Technical reserves Regulation, companies are required to allocate equalization reserves at the rate of 12% of the net premiums corresponding to each year for loan and earthquake guarantees in order to balance the fluctuations in compensation rates that may occur in the following accounting periods and to cover catastrophic risks. Provisioning continues until 150% of the highest amount of net premiums written in the last five financial years is reached.

In “Sector Declaration Related to the Application of Relevant Legislation Concerning Technical reserves” no 2009/9 published by Undersecretariat of Treasury on 27 March 2009, it is indicated that the insurance companies are required to provide equalization reserves for the tariffs in which they provide additional earthquake coverage for death and disabilities due to earthquake, and in life and accident branches, and the method of calculation of the equalization reserves is re-determined under ‘Regulation on the Amendment of the Regulation on the Technical reserves of the Insurance and Reinsurance and Retirement Companies and the Assets in which such Provisions. shall be Invested’ no 27655 published by the Undersecretariat on 28 July 2010. In the 5th paragraph of the 9th article “Equalization Reserve” of the mentioned Regulation, it is stated that the companies shall use their own statistical data during the calculation of the equalization reserves in the life insurances in which death coverage is provided, and that the companies which do not have the data set required for the calculation shall assume 11% of the death net premium (expense share included) as the earthquake premium and shall allocated reserves at the rate of 12% of this amount.

In this context, the Group has calculated an equalization reserve of 12% of this amount by accepting 11% of the net death premium, including the share of expenses, as earthquake premium.

As of 31 December 2024, the Group has allocated gross amount of TL 128,689,032 (31 December 2023: TL 75,487,021) and net amount is TL 123,659,143 (31 December 2023: TL 72,761,580 (Note 17.15). The Group has covered the damage payment amounting to TL 14,378,853 related to the Kahramanmaraş earthquake in 2023 from the equalization reserve).

2.21 Revenue recognition

Written premiums

Written premiums represent premiums on policies written during the period net of taxes, premiums of the cancelled policies which were produced in prior periods and premium ceded to reinsurance companies. Annual, long-term and cumulative policies are accounted for on an accrual basis (annual/maturity) and unit based cumulative policies are accounted for on a collection basis.

Commissions income and expenses

The commissions received and paid are composed of the commissions paid in relation to the written premiums and the commissions received in relation to the premiums transferred to the reinsurance companies. The Group recognizes the commissions received and paid on accrual basis. The commission expenses paid to the intermediaries with respect to the production of the insurance policies and the commission income received from the reinsurers are explained under unearned premiums reserves note. The Group has evaluated the costs related to the Private Pension System that may be subject to deferral outside the scope of TFRS 4. Commissions paid related to the Private Pension System are not subject to deferral as of the reporting period.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

2.21 Revenue recognition (cont’d)

Interest income

Interest income is recognized based on the effective interest method.

Dividend income

Dividends are recognized as income on the date when the right to collect the dividend arises.

Income from pension activities

Fund management fee, which is taken in return for the management and representation of funds and hardware, personnel and accounting services devoted to funds, is recorded as income in the Group’s accounts and is shared between the Group and the portfolio management Group according to the ratios in the agreement or as a fixed expense. All of these fees are recognized as fund operating income in the Group’s technical income and the portion belonging to the Manager is recognized as the amount paid for fund operation in the Group’s technical expenses. In this context, the ratio of the total expenses to be made from the fund, including the deduction for fund operating expenses, is determined in the fund rules so as not to exceed the maximum rates specified on fund group basis. These accounts are shown under pension technical income/expense accounts in the accompanying income statements.

In compliance with the 2nd article of “Amendment Regulation of Regulation on Individual Retirement System” on 25 May 2015, in case of interruption of the payment in compliance with the 14th article of the same regulation, additional administrative expense deduction can receive from the accumulation of the participant during the interruption period.

In the payment amounts and collection process were made regulation pursuant to “Amendment Regulation of Regulation on Individual Retirement System” came into force dated 1 January 2016. Deductions were able to receive from the accumulation of the participant with this regulation during five years within the scope of limits and rules.

For contracts entered into force before 1 January 2016,

- No deduction will be made from this date, even if it is defined from contracts that have completed 5 years from the effective date.
- For contracts that have not completed 5 years from the effective date, if there is a deduction above the annual upper limit, no further deduction will be made until the anniversary, if there is a deduction above the 5-year upper limit, no other deduction will be made as of this date. There can be entrance fee and administrative expense deduction in the first five years, exit without mandatory reasons, in case of leaving provided that defined to the product within the limits as of the effective date of agreement.

For the agreements which came into force dated after 1 January 2016; there can reduce “Deferred Entrance Fee” in the first five years, exit without mandatory reasons in case of leaving provided that defined to the product from the accumulation of the participant within the limits of regulation and rules.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 Finance leases

Finance leases that transfer to the Group substantially all the risks and benefits incidental to ownership of the leased asset are recognized at the inception of the lease at the fair value of the leased asset and the present value of the lease payments, whichever is the lower. Finance lease payments are recognized as principal and finance costs over the lease term, with the remaining balance of the liability for each period being allocated between the principal and finance costs so as to produce a constant periodic interest rate.

Finance costs are recognized directly in the income statement on a periodic basis. Capitalized leased assets are depreciated over the estimated life of the asset.

2.23 Dividend distribution

The Dividend Distribution Policy of Group is determined within the frameworks of the Turkish Commercial Code, Capital Markets Legislation and other related legislations and the article concerning profit distribution of Articles of Association; in accordance with the Group's medium and long term strategies and investment and financial plans, taking into consideration the situation of the national economy and the sector and protecting balance between the expectance of the shareholders and the needs of the Group.

In line with the decision taken at the General Assembly, the determination of the dividends amount to be distributed to the shareholders are adopted; distribution of 50% of the distributable profit to the shareholders as cash and/or bonus share is adopted as a principle.

Pursuant to Article 34 of the Articles of Association, if authorized by the General Assembly, the Board of Directors may distribute advance dividends in cash to shareholders within the framework of capital markets legislation and related regulations. Dividends shall be distributed equally to all existing shares, regardless of their issuance and acquisition dates, within the legal periods, on the date determined by the General Assembly following the approval of the General Assembly. Dividend distribution may be made in a single instalment or in instalments.

The General Assembly may transfer some or all of the net profit to extraordinary reserves. In the event that the Board of Directors of AgeSA Hayat ve Emeklilik A.Ş. proposes to the General Assembly not to distribute the profit, the shareholders are informed at the General Assembly Meeting about the reasons for this situation and the use of the undistributed profit. Likewise, this information is also disclosed to the public in the annual report and on the corporate website. The Dividend Distribution Policy is submitted to the approval of the shareholders at the General Assembly Meeting. This policy is reviewed annually by the Board of Directors in the event of any unfavorable developments in national and global economic conditions, and according to the status of the projects and funds on the agenda. Amendments to this policy are also submitted to the approval of shareholders at the first general assembly meeting following the amendment and disclosed to the public.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.24 Related parties

A related party is a person or entity that is related to the entity that is preparing its consolidated financial statements (reporting entity).

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity,
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity,
- (b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others),
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member),
 - (iii) Both entities are joint ventures of the same third party,
 - (iv) One entity is a joint venture of a third entity, and the other entity is an associate of the third entity,
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity,
 - (vi) The entity is controlled or jointly controlled by a person identified in (a),
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity),
 - (viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

The transaction with the related party is the transfer of the sources, services or liabilities between the reporting Group and the related party regardless of whether there is a consideration for such transfer or not.

In the consolidated financial statements as of 31 December 2024 and 31 December 2023 and the relevant explanatory footnotes, the companies included in Ageas Insurance International NV Group and Sabancı Holding, other than the shareholders and the Group Management are defined as the other related parties (Note 45).

2.25 Earnings /(loss) per share

Earnings/(loss) per share is calculated by dividing net profit/(loss) for the period by the average number of shares outstanding during the period.

2.26 Other monetary balance sheet items

Reflected in the balance sheet at their book values.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.27 Subsequent events

Subsequent events that provide additional information about the Group's position at the balance sheet dates (adjusting events) are reflected in the consolidated financial statements. Events that are not adjusting are disclosed in the notes, when material.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Preparation of consolidated financial statements requires the Group make use of estimations and assumptions which may affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the balance sheet date and reported amounts of income and expenses during the financial period. Realized results can be different from the estimations. Estimations are regularly reviewed and the required corrections are carried out and are reflected onto the income statements in the period in which they are realized. The estimations used are mainly related to insurance outstanding claims reserve, life mathematical reserves, calculation of the fair values of the financial assets, provision for severance pay, impairment provision for the assets, other provisions for expenses and deferred tax assets and the significant assumptions and evaluations by consideration of the main sources of the interpretations that can have significant effect on the amounts reflected onto the consolidated financial statements and the estimations available on the balance sheet date or to occur in future, are as follows:

- The severance pay liability is determined using actuarial calculations which are based on making assumptions about discount rates, future salary increases and employee turnover. Due to the long-term nature of these plans, such assumptions are subject to significant uncertainty. The details for the provisions for employee benefits are given in Note 2.19 and Note 22.
- Provisions for doubtful receivables reflect the amounts which the Group management believes shall compensate the future losses related to the receivables which are available as of the balance sheet date but which has a risk of non-collection within the frame of the current economic conditions. When evaluating whether the receivables are impaired or not, the past performances of the debtors, other than the related entity, their credibility in the market and their performances from the balance sheet date until the approval date of the consolidated financial statements and renegotiated conditions are also taken into consideration.
- Deferred tax assets are recognized to the extent that it is strongly probable to benefit from the temporary differences and accumulated loss by obtaining profit which is subject to future taxation. When determining the amount of the deferred tax assets to be recognized, it is required to make significant estimations and judgments related to the future taxable profits (Note 21).
- While allocating provisions for lawsuits, the probability of losing such lawsuits and the results to be borne if lost are evaluated within the direction of the opinions of the legal advisors of the Group and the Group Management makes their best forecasts by use of the available data and allocates the required provisions accordingly (Note 42). With respect to the technical and other provisions, other estimations and assumptions of the Group are explained in detail in the relevant footnotes.
- Investment costs amounting to TL 539,213,520 (31 December 2023: TL 204,354,431), which are followed in the project 'advances on intangible assets' account as of 31 December 2024, expenses related to the modernization of the existing systems of basic insurance application and environmental systems it consists. All costs related to the system development will be activated, starting from the time the system improvements are completed and used within the context of the Modernization and BAU program, including expenditures already tracked as investments made (Note 8).

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT

The Group has developed and implemented a risk management structure to protect it against events that undermine sustainable performance, solvency or the achievement of strategic objectives. The risk management system is a fundamental part of the daily operations and ongoing performance of the Group. By identifying, analyzing, measuring, controlling, managing, reporting and mitigating risks that may arise in the course of its operations in a timely manner, the Group intends to, among other things, comply with applicable legislative and regulatory requirements, meet its obligations towards its customers and counterparties and maintain capital adequacy.

The Group's approach to risk management is based on the following elements:

Ensuring compliance with legal obligations and the Group's risk management policies,

- Identifying all structural risks the Group is exposed to and defining risk acceptance criteria and,
- Designing and applying internal control mechanisms and actions to seek to address these risks, and assuring the transparent reporting of such risks to the Board of Directors.

The Group's Board of Directors has overall responsibility for setting and monitoring the Group's risk appetite, risk strategy, risk management and internal control systems.

Early Risk Detection Committee

Pursuant to the Regulation on Internal Systems and a resolution of Group's Board of Directors dated 15 July 2011 and numbered 2011/29, Group established a risk committee. Subsequently, pursuant to a resolution of Group's Board of Directors dated 17 October 2014 and numbered 2014/62, the risk committee was restructured to replace the former risk committee in compliance with the Corporate Governance Principles (the Early Risk Detection Committee). Pursuant to the Corporate Governance Communique, an early risk detection committee is to be responsible for the preliminary detection of risks that may endanger the existence, development, and continuity of a public Group. Reports containing risk monitoring, evaluation and management activities and internal control activities are submitted to the Early Detection of Risk Committee and Audit Committees of the Board of Directors at regular intervals.

All of the duties listed among the duties of the audit committee in the Regulation on Internal Systems in Insurance and Private Pension Sectors are fulfilled by this committee in relation to other internal system functions other than internal audit.

Risk Management

Risk management is the basic approach that provides protection from situations that may create negative consequences in the process of achieving the Group's objectives. It ensures the efficient use of resources by making business decisions with a risk-based approach, thus ensuring that the expectations of the entire Group, including customers and shareholders, and its business partners are met at the highest level. For this purpose, a risk management system, in which risk appetites are clearly defined and adhered to, is implemented throughout the Group.

Risk management includes activities for defining, measuring, monitoring the risks that the Group is exposed to, ensuring that the actions are taken to keep the risks within the limits determined within the framework of risk appetite, and reporting. In this context, necessary analyses, actuarial calculations, scenarios and stress tests are carried out by the relevant functions and reported to the Board of Directors, and they become guiding and decisive in the decisions of the senior management.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

All employees of the Group play a role in the risk management process. To ensure that the risk management framework is incorporated into the day-to-day management and decision-making processes of the Group, roles and duties have been identified that clearly outline the risk management responsibilities of employees. There is effective and demonstrable sponsorship and support of the Board of Directors and senior management in these processes. In this approach, which is referred to as the "Triple Line of Defense", the division of responsibility and authority is made as follows.

- First line of defense - Group Management:* The primary responsibility for the identification, evaluation, management and reporting of risks in an effective and risk appetite belongs to the management. The First Line of Defense is responsible for establishing and maintaining an effective internal control system by ensuring compliance with Group Policies.
- Second line of defense - Risk Management, Internal Control and Compliance Directorate:* It is responsible for providing support to the Group management in the identification, evaluation, management and reporting of risks, and oversight of compliance with Group Policies and correction of violations.
- Third line of defense - Internal Audit:* It is responsible for providing assurance to the Board of Directors with an impartial and independent eye regarding the effectiveness of the Group's risk management and internal control environment.

Risk Management Framework

The Group's risk management framework includes the strategy, policy, model, process and reporting procedures required for the identification, measurement, management, monitoring and reporting of all risks.

It is the responsibility of the Board of Directors to determine the risk management principles and standards to be applied throughout the Group, 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 Group's risk level, establishing risk limits, controlling the situation against these limits, and implementing the necessary measures.

The tools required to identify, measure, manage, monitor and report risk vary according to the type of risk. For this reason, the risk management framework includes seven risk policies, including the Risk Management Framework Policy, specific to each type of risk AgeSA is exposed to; life insurance, credit, market, liquidity, attitude and operational risk policies. The main purpose of the risk management framework is to determine the basic principles and standards regarding risk management systems and processes, to put into practice the risk management systems and processes specified in the relevant risk policies, and to comply with the determined risk limits.

Activities within the scope of Risk Management Framework Policy are carried out within the framework defined by insurance and private pension legislation and other relevant legislation to which the Group is subject.

The Group's risk management framework is presented below. By operating in the life insurance and private pension sectors, the Company is exposed to insurance risk and thus financial risks (credit, market and liquidity risk). Operational risk occurs as a result of human, process and system-based errors during the management of other related risks. Strategic & Business Risks are also included as a separate dynamic category as risks that will affect the strategic plan and business results in the medium and long term.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

Risk Management Framework (cont'd)



The Group also applies the following business policies and standards regarding risk management:

Risk policy

The risk management policies set the basic principles and standards for the risk management system and process. The policies are approved by the Board of Directors and the amendments require the Board of Directors approval. The Group's Risk Management Policies cannot be changed without the Board of Directors approval.

Business Standards

The Group recognizes the importance of consistent and controlled business processes as a form of risk management. Each risk policy is therefore supported by a number of associated business standards which sets out the requirements for operating consistent processes across our most important business activities.

Primary risks facing the Group are Insurance Risk, Market Risk and Credit Risk.

Insurance Risk

This is the risk that the insurance premiums allocated by the Group may not meet the claim liabilities and profit share payments and any payment in relation to claims may exceed the expectations of the Group. Life insurance risk, mortality risk, disability, riders related to accident, critical illness risks are included.

Life Insurance

Life insurances are offered as individual and group contracts in annual and long-term periods. Mortality risk (the risk that more than expected insure die) disability, riders related to accident, critical illness risks play an important role in the life insurance businesses of the Group. Within the scope of the Group's life insurance, a part of the risk related to all the above-mentioned risks and related additional guarantees are transferred to reinsurance companies.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont’d)

The life insurance businesses are also exposed to lapse risk and persistency risk. Persistency risk is defined as the risk of a sustained increase in lapse rates, unexpected volatility in lapse rates and mass lapses. Whether policyholders terminate or renew (explicitly or through automatic renewal) their insurance policies depend on consumer expectations and developments in the financial markets. Managing the attractiveness of life insurance products for customers and intermediaries as well as close monitoring of developments in the portfolio are key to mitigating this risk.

Regarding life insurance including savings premium, in case of investment return being below the guaranteed technical rate, an investment risk arise which belongs to the Group.

Personal Accident (Non-Life)

The risk related to personal accident insurance include accidental death, disability due to the accident, lapse and customer retention risks are also within personal accident branch risks.

Involuntary loss of employment benefit is provided as an additional benefit in both life and personal accident, this benefits is totally ceded to reinsurer.

Pensions

In the private pension branch, there are also exit risks arising from the termination of the contract (exit risk), transfer to a competitor pension Group and termination of the contract at the end of the term (e.g. when the right to pension is acquired.

The investment risk under pension contracts is borne by the customer. The customer evaluates its pension fund investments according to its own preferences.

Assessment and Claims Settlement

In order to assess insurance risk, and accordingly manage the claim and premium balance, determine liabilities accurately and ensure sufficient provisioning to meet liabilities, the Group performs the following analyses:

- Estimate claims to be paid based on realizations in the past,
- Persistency reports on lapses and transfer outs and
- MCEV analysis of change.

Claims handling is organized in a specialized department within the operations division of the Group, handling both individual and corporate policies, and the assessment and settlement of incurred claims take place on a monthly basis. Further, the Group has underwriting at the claim stage specifically for critical illness claims.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont’d)

Management of Insurance Risk

Management of Insurance risk aims to manage the risks arising from insurance contract and policies and minimization of such risks.

Insurance risk is defined as a risk transferred by insure to the insurer, apart from financial risk. Transferred risk is about an uncertain future incident. Uncertainty arises from a lack of information about whether the incident is going to happen or not or about its size or timing.

The ratio of premiums collected by the insurer to indemnities paid out to insure denotes a Group’s capacity to cover insurance risk.

As of 1 January - 31 December 2024 and 1 January – 31 December 2023, the Group’s claim/premium ratios in the related branches are as follows. It is seen that the premiums received have the capacity to cover the incurred claims.

Expected net claims ratio	31 December 2024	31 December 2023
Life	10%	19%
Personal accident	4%	6%

As of 31 December 2024, the percentage (%) of insurance risk ceded to reinsurers based on risk coverage is given below:

Life							Accident-Caused Treatment Costs	Disability Caused by Accident or Illness
Death by natural cause	Accidental death	Accidental disability	Sickness Disability	Dangerous Diseases	Public Transport	Unemployment		
31.36	40.74	28.35	42.19	52.98	0.23	99.99	-	12.17
Personal Accident								
Accidental Death			Accidental Disability		Accident-Caused Treatment Costs		Unemployment	
0.61			0.61		-		-	

As of 31 December 2023, the percentage (%) of insurance risk ceded to reinsurers based on risk coverage is given below:

Life							Accident-Caused Treatment Costs	Disability Caused by Accident or Illness
Death by natural cause	Accidental death	Accidental disability	Sickness Disability	Dangerous Diseases	Public Transport	Unemployment		
5.64	1.39	20.52	26.01	52.51	9.83	100.00	27.79	0.57
Personal Accident								
Accidental Death			Accidental Disability		Accident-Caused Treatment Costs		Unemployment	
1.73			1.73		4.22		100.00	

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

Sensitivity to insurance risk

The Group's policy production strategy is based on optimal distribution of risk to reinsurance companies according to policy type, as well as to kind and size of risk taken. At 31 December 2024 and 31 December 2023, the Group has both proportional and non-proportional reinsurance treaties.

Outstanding claims are reviewed and updated periodically by claims department of the Company.

The Group executes insurance contracts in life insurance and personal accident branches. Accordingly, in such insurance contracts, insurance risk concentration according to nature of the subject-matter of insurance are summed up below in gross and net figures (net of reinsurance):

31 December 2024	Total gross risk liability	Share of reinsurer in total risk liability	Net risk liability
Life	594,722,384,892	(130,884,054,743)	463,838,330,149
Non-life	73,981,577,466	(444,000,000)	73,537,577,466
Total	668,703,962,358	(131,328,054,743)	537,375,907,615

31 December 2023	Total gross risk liability	Share of reinsurer in total risk liability	Net risk liability
Life	345,810,633,442	(19,504,827,067)	326,305,806,375
Non-life	45,102,294,496	(802,300,447)	44,299,994,049
Total	390,912,927,938	(20,307,127,514)	370,605,800,424

The gross outstanding claims of the Company as of 31 December 2024 and 31 December 2023 are given in the table below (Note 17.15).

Outstanding Claims	31 December 2024	31 December 2023
Life	365,093,533	194,878,363
Non-life	218,136,813	10,403,670
Total	583,230,346	205,282,033

Financial Risk

Financial risk arises from the financial instruments used by the Group, such as cash, time bank deposits, government bonds, treasury bills, private sector bonds and Eurobonds. The financial risks arising from such instruments and insurance contract liabilities are as follows:

a) Market Risk

Market risk refers to the risk of incurring financial losses as a result of fluctuations in the fair value of a financial instrument or expected future cash flows from a financial instrument and the risk that fair value of cash flows resulting from liabilities (including insurance liabilities) will change due to fluctuations in the level or the volatility of market variables. Market risk consists of equity risk, inflation risk, property risk, commodity risk and, more importantly for the Group, interest rate risk and currency risk.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont'd)

Financial Risk (cont'd)

a) Market risk (cont'd)

i) Currency Risk

Currency risk primarily arises from assets and liabilities carried by the Group in foreign currencies and from variations in exchange rates applied while converting them into TL from relevant foreign currencies.

As of 31 December 2024, with all other variables held constant, the effect of a 20% increase / (decrease) in the value of Eurobonds against TL on equity is TL 18,951,484 / (18,951,484).

As of 31 December 2024:

Liabilities and assets in foreign currency Exchange rate variation (*)	Income/expense effect		
	USD	EUR	GBP
20%	304,340,417	(2,393,384)	(164,423)
(20%)	(304,340,417)	2,393,384	164,423

As of 31 December 2023, with all other variables held constant, the effect of 20% increase/(decrease) in the value of Eurobonds against TL on equity is TL 16,152,043 / (16,152,043).

As of 31 December 2023:

Liabilities and assets in foreign currency Exchange rate variation (*)	Income/expense effect		
	USD	EUR	GBP
20%	458,314,526	231,109	16,655
(20%)	(458,314,526)	(231,109)	(16,655)

(*) Relevant amounts denote TL converted value of currencies.

ii) Interest Rate Risk

Interest risk denotes variations in fair values of financial assets or in future (prospective) cash flows which arise from fluctuations in market interests. The Group closely monitors interest rate risk by monitoring market conditions and appropriate valuation methods.

The table below shows the effects of 100 base points and 500 base points increase/decrease in market interest rates on securities, provided that all other variables remain constant.

The underlying logic in this projection is that a discount interest rate applicable for each year with effect of the stresses set in different rates by respective years is found using the upward-downward variation which might occur in average market interest rates and that market value of securities are then discounted at such rate in connection with their respective maturity period.

The Group regularly conducts stress tests and scenarios for interest rate risk and creates an action plan by considering these studies while determining the distribution of strategic assets.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont’d)

Financial Risk (cont’d)

As of 31 December 2024:

Market interest increase / (decrease)	Effect on profit and profit reserves		
	TL	USD (*)	EUR (*)
5% Trading and Available For Sale Financial Assets	(70,846,134)	(188,281,732)	-
(5%) Trading and Available For Sale Financial Assets	70,846,134	188,281,732	-
1% Trading and Available For Sale Financial Assets	(14,169,227)	(376,563,464)	-
(1%) Trading and Available For Sale Financial Assets	14,169,227	376,563,464	-

(*) Interest rate risk has been calculated according to the change of + -0.5 point since 5 points change in US Dollar and Euro interest rates is not meaningful due to the movements of interest rates.

As of 31 December 2023:

Market interest increase / (decrease)	Effect on profit and profit reserves		
	TL	USD (*)	EUR (*)
5% Trading and Available For Sale Financial Assets	(51,813,470)	(94,916,642)	(23,774)
(5%) Trading and Available For Sale Financial Assets	51,813,470	94,916,642	23,774
1% Trading and Available For Sale Financial Assets	(10,362,694)	(189,833,283)	(47,548)
(1%) Trading and Available For Sale Financial Assets	10,362,694	189,833,283	47,548

(*) Interest rate risk has been calculated according to the change of + -0.5 point since 5 points change in US Dollar and Euro interest rates is not meaningful due to the movements of interest rates.

b) Credit risk

Credit risk refers to the risk of adverse financial impact resulting from fluctuations in the credit quality of third parties, including financial losses as a result of defaulting counterparties, rating transition and credit spread movements.

The Group does not view credit risk as one of its main risks as its financial assets consist mainly of government debt securities which are not deemed to have high credit risk and bank deposits kept in financial institutions in Türkiye which are not deemed to have high credit risk.

c) Liquidity risk

The Group faces the risk that its short-term assets are insufficient to meet its short-term obligations (such as claims arising from insurance contracts) as they fall due. To mitigate this risk, the Group uses liquidity coverage ratio (LCR) to monitor its liquidity risk profile on a 12-month basis. In order to monitor the liquidity risk it may be exposed to in a 12-month period, the Group calculates the liquidity coverage ratio (LCR) and monitors its development and applies various stress scenarios.

The table below indicates the distribution of the Group’s contractual financial and insurance liabilities, by their respective expected time-to-maturity, as of balance sheet date:

As of 31 December 2024, the maturity distribution of the Group’s undiscounted trade payables and financial liabilities according to their maturity dates are as follows and there is no liquidity risk for the balance sheet date and subsequent periods.

	0 – 3 months	3 – 6 months	6 months – 1 year	1 - 3 years	More than 3 years	Total
Financial payables	33,134,927	33,134,927	66,113,031	180,664,812	52,340,965	365,388,662
Payables from insurance operations	438,913,739	-	-	-	-	438,913,739
Payables from pension operations (*)	2,450,355,096	-	-	-	-	2,450,355,096
Due to related parties	287,082,003	-	-	-	-	287,082,003
Other payables	305,018,198	-	-	-	-	305,018,198
Total	3,514,503,963	33,134,927	66,113,031	180,664,812	52,340,965	3,846,757,698

(*) TL 228,012,950,880 pension investment funds portfolio amount is not included in the total.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont’d)

Financial Risk (cont’d)

c) Liquidity risk (cont’d)

As of 31 December 2023, the maturity distribution of the Group’s undiscounted trade payables and financial liabilities according to their maturity dates are as follows:

	0 – 3 months	3 – 6 months	6 months - 1 year	1 - 3 years	More than 3 years	Total
Financial payables	9,172,217	4,463,748	8,880,128	47,375,887	39,567,728	109,459,708
Payables from insurance operations	244,780,048	-	-	-	-	244,780,048
Payables from pension operations (*)	1,456,755,026	-	-	-	-	1,456,755,026
Due to related parties	186,205,040	-	-	-	-	186,205,040
Other payables	166,705,606	-	-	-	-	166,705,606
Total	2,063,617,937	4,463,748	8,880,128	47,375,887	39,567,728	2,163,905,428

(*) TL 141,346,845,235 pension investment funds portfolio amount is not included in the total.

Fair value of the financial instruments

Fair value of financial instruments is the trading transaction done between market participants according to market conditions or the liabilities decided by the parties.

The estimated fair values of financial instruments have been determined using available market information, and where it exists, appropriate valuation methodologies. Additionally, ability to estimate the market values through assessing the market information requires interpretation and judgment. As a result, the estimations presented herein cannot be an indicator of the amounts obtained by the Group in a current market transaction.

Fair Value Levels

Fair value is the market price would be received to trade financial instruments between market participants, except compulsory sales and liquidation. Where it exists, quoted prices in active markets are the most actual value. Fair value measurement classification as follows:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
- Level 3: Fair value measurements using inputs for the assets or liability that are not based on observable market data (unobservable inputs).

	31 December 2024			Total
	Level 1	Level 2	Level 3	
Financial Assets:				
Available for sale financial assets (Note 11)	2,814,406,369	-	-	2,814,406,369
Financial assets held for trading (Note 11)	2,599,756,994	-	-	2,599,756,994
Financial investments with risks on policyholders classified as available for sale (Note 11)	5,795,970,396	-	-	5,795,970,396
Total financial assets	11,210,133,759	-	-	11,210,133,759

	31 December 2023			Total
	Level 1	Level 2	Level 3	
Financial Assets:				
Available for sale financial assets (Note 11)	1,956,502,057	-	-	1,956,502,057
Financial assets held for trading (Note 11)	1,017,341,747	-	-	1,017,341,747
Financial investments with risks on policyholders classified as available for sale (Note 11)	2,494,304,527	-	-	2,494,304,527
Total financial assets	5,468,148,331	-	-	5,468,148,331

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

4. INSURANCE AND FINANCIAL RISK MANAGEMENT (cont’d)

Financial Risk (cont’d)

d) Operational risks

During the risk management phase, operational risks are defined as risks that may arise from human, process and technology errors and that may cause financial or reputational losses to the Group. The operational risks that AgeSA is exposed to are as follows:

- Regulatory reporting defects regarding pension and life,
- Defects due to incapability of the IT infrastructure and
- Deficiencies in internal control systems.

The Company regards tight control over its IT systems as a strategic necessity. The Company aims to strengthen its central IT organization and the strategic information management function to increase the effectiveness of the general IT controls and to reduce costs through, for example, the improvement of existing IT systems. The IT systems require many ongoing adjustments because of legislative changes and chain integration.

Operational risks are detailed in the Company’s risk tracking system, called HoliRisk (RSA Archer GRC), which is updated to reflect changes in the operating environment and its business processes.

Capital Management

Capital adequacy is computed within the framework of “Regulation on Measurement and Evaluation of Capital Adequacy of Insurance, Reinsurance and Pension Companies” of Undersecretariat of Treasury promulgated on Official Gazette 23 August 2015, No. 29454 at semi-annual periods. Primary purpose set for the Company’s capital management is to build up a strong capital structure for handling and keeping up operations of the Group, as well as to maximize the contribution made to its shareholders.

The Group has a strong capital structure with a long-term sustainable profitability target. In this period, which frequently faces market fluctuations, the Group’s capital adequacy ratio is also monitored and regularly subjected to stress tests.

As of 31 December 2024 and 31 December 2023, the Group has an adequate amount of shareholders’ equity against losses which might arise on account of its current liabilities as well as of potential risks.

As of 31 December 2024 and 31 December 2023, the required shareholders’ equity (as computed under the above- mentioned Regulation) and of current capital adequacy analysis is as follows:

	31 December 2024	31 December 2023
Total shareholders’ equity (*)	4,675,320,689	3,066,598,491
Required minimum capital reserves	(2,356,528,662)	(1,470,559,905)
Capital surplus	2,318,792,027	1,596,038,586

(*) The related calculation is made on unconsolidated financial statements.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

5. SEGMENT REPORTING

Segment reporting is presented based on the Group’s operations. Since Türkiye is the main geographical area that Group operates, segment reporting is not related to the geographical areas. Balance sheet items are not subject to segment reporting and while allocating the income statement to the segments, management reporting used in the performance evaluation of the Group were taken into consideration. Technical profit is the profit that the Group derives from providing insurance coverage, exclusive of the income it derives from investments. Management considers that this information provides the most appropriate way of reviewing the performance of the business. The Group’s business segments are composed of four segments namely life protection, life savings, non-life, and pension.

Life Protection

The Group’s life insurance business is principally related to life protection insurance, including credit-linked life and non-credit-linked life policies, such as term life, return of premium, critical illness, disability, accidental benefits and unemployment.

The Group offers both long-term and short-term credit-linked life insurance. Credit-linked life insurance has the largest share of the Group’s life insurance business. Long-term credit-linked life insurance includes insurance policies relating to mortgages or consumer loans for terms greater than one year. Short-term credit- linked life insurance includes yearly renewable insurance policies relating to consumer loans with accidental disability and optional unemployment covers check credit life and SME credit life.

Non-credit-linked (term) life insurance policies provide life protection insurance for a certain period of time. These insurances provide protection against the risks. These insurance products provide guarantees against the risks of death and protection as the result of accident, unemployment and critical illness specified the conditions in the contract. In the event of death, the beneficiary receives the amount insured. Individual protection insurance may be recognized as only with regular premium instalments in amounts pre-determined for the entire contract period. The Group offers customizable life insurance riders including involuntary unemployment, critical illness, accidental death, and disability due to accident or sickness in its non-credit-linked product portfolio.

Life Savings

Live savings products are generally written for a contract period, during which the insure makes regular premium payments into a unit, in return for a unit-price guaranteed.

Non-Life

AgeSA personal accident insurance includes accidental death, accidental disability, accidental treatment expenses and unemployment coverage. With personal accident insurance, the life of the insured is covered during the policy period. In the event of an accident, the beneficiary receives the sum assured. Personal accident insurance policies can be issued with a one-off premium payment or with regular premium payments in predetermined amounts throughout the contract period. The Group also operates in sickness/health elementary branch.

Pension

The Group offers a number of individual and corporate pension plans within the framework of the private Pension system.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

5. SEGMENT REPORTING (cont'd)

1 January -31 December 2024	Pension	Life Protection	Life Savings	Non-Life	Unallocated	Total
Gross written premiums	-	12,175,544,665	1,910,300,145	2,820,527,914	-	16,906,372,724
Premium ceded to reinsurers	-	(489,562,624)	(45,850,972)	(1,346,888)	-	(536,760,484)
Written premium (net of reinsurance share)	-	11,685,982,041	1,864,449,173	2,819,181,026	-	16,369,612,240
<i>Change in mathematical reserves</i>	-	-	(4,743,081,779)	-	-	(8,479,723,697)
<i>Life branch investment income</i>	-	(3,736,641,918)	4,121,338,283	-	-	4,121,338,283
<i>Other technical income</i>	-	-	146,270,050	-	-	146,270,050
<i>Investment expenses</i>	-	-	(698,220,115)	-	-	(698,220,115)
<i>Investment income transferred to non-technical divisions</i>	-	-	-	-	-	-
Net Change in Mathematical Reserves	-	(3,736,641,918)	(1,173,693,561)	-	-	(4,910,335,479)
Net change in unearned premium reserves (+/-)	-	(1,602,765,724)	(130,036)	(1,765,165,832)	-	(3,368,061,592)
Equalization reserve (+/-)	-	(48,462,629)	-	(2,434,934)	-	(50,897,563)
Net premiums earned	-	6,298,111,770	690,625,576	1,051,580,260	-	8,040,317,606
Claim paid and change in outstanding claims	-	(1,165,876,800)	(418,882,863)	(709,105,249)	-	(2,293,864,912)
Commission income, net	-	153,444,437	530,452	(19,048,888)	-	134,926,001
Commission expense, net	-	(2,030,492,640)	(65,127,638)	(253,474,830)	-	(2,349,095,108)
Other income/expense, net	-	9,554,116	125,957,280	280,606,850	-	416,118,246
Life & Personal Accident Technical Profit	-	3,264,740,883	333,102,807	350,558,143	-	3,948,401,833
Pension Income	3,557,984,130	-	-	-	-	3,557,984,130
Fund management charge	2,388,993,399	-	-	-	-	2,388,993,399
Management fee	(5,145)	-	-	-	-	(5,145)
Account management fee	939,988,123	-	-	-	-	939,988,123
Entry fee	(10)	-	-	-	-	(10)
Deferred fee	229,007,442	-	-	-	-	229,007,442
Fee deduction in case of contribution suspension	321	-	-	-	-	321
Pension Expenses	(836,806,091)	-	-	-	-	(836,806,091)
Fund management charge	(137,194,721)	-	-	-	-	(137,194,721)
Commission expense	(415,665,554)	-	-	-	-	(415,665,554)
Other income/expense, net	(283,945,816)	-	-	-	-	(283,945,816)
Pension Technical Profit	2,721,178,039	-	-	-	-	2,721,178,039
Total Technical Profit	2,721,178,039	3,264,740,883	333,102,807	350,558,143	-	6,669,579,872
General and administrative expenses	-	-	-	-	(4,391,969,720)	(4,391,969,720)
Net Technical Profit After Overhead Expenses	-	-	-	-	-	2,277,610,152
<i>Foreign exchange gain/(loss), net</i>	-	-	-	-	377,903,801	377,903,801
<i>Investment income/(expenses), net</i>	-	-	-	-	1,224,983,535	1,224,983,535
Net financial income	-	-	-	-	-	1,602,887,336
Profit Before Taxes	-	-	-	-	-	3,880,497,488
Tax and Deferred Tax	-	-	-	-	(1,010,466,856)	(1,010,466,856)
Net Profit for the Period	-	-	-	-	-	2,870,030,632

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

5. SEGMENT REPORTING (cont'd)

1 January -31 December 2023	Pension	Life Protection	Life Savings	Non-Life	Unallocated	Total
Gross written premiums	-	6,340,073,110	1,013,007,980	130,806,976	-	7,483,888,066
Premium ceded to reinsurers	-	(163,916,614)	(14,154,821)	(291,259)	-	(178,362,694)
Written premium (net of reinsurance share)	-	6,176,156,496	998,853,159	130,515,717	-	7,305,525,372
<i>Change in mathematical reserves</i>	-	(2,349,237,582)	(5,874,642,237)	-	-	(8,223,879,819)
<i>Life branch investment income</i>	-	-	5,108,380,807	-	-	5,108,380,807
<i>Other technical income</i>	-	-	226,014,510	-	-	226,014,510
<i>Investment expenses</i>	-	-	(186,877,557)	-	-	(186,877,557)
<i>Investment income transferred to non-technical divisions</i>	-	-	2,194,206	-	-	2,194,206
Net Change in Mathematical Reserves	-	(2,349,237,582)	(724,930,271)	-	-	(3,074,167,853)
Net change in unearned premium reserves (+/-)	-	(768,919,583)	10,768	(24,211,998)	-	(793,120,813)
Equalization reserve (+/-)	-	(7,814,139)	-	(1,376,995)	-	(9,191,134)
Net premiums earned	-	3,050,185,192	273,933,656	104,926,724	-	3,429,045,572
Claim paid and change in outstanding claims	-	(653,236,089)	(151,076,319)	(5,318,786)	-	(809,631,194)
Commission income, net	-	85,353,558	6,775,857	175,095	-	92,304,510
Commission expense, net	-	(934,107,944)	(180,017,443)	(57,234,462)	-	(1,171,359,849)
Other income/expense, net	-	(8,844,768)	32,463,498	21,773,105	-	45,391,835
Life & Personal Accident Technical Profit	-	1,539,349,949	(17,920,751)	64,321,676	-	1,585,750,874
Pension Income	1,782,835,754	-	-	-	-	1,782,835,754
Fund management charge	1,327,370,896	-	-	-	-	1,327,370,896
Management fee	(68,742)	-	-	-	-	(68,742)
Account management fee	392,457,757	-	-	-	-	392,457,757
Entry fee	380	-	-	-	-	380
Deferred fee	63,072,457	-	-	-	-	63,072,457
Administrative Expense Deduction in Case of a Break	3,006	-	-	-	-	3,006
Pension Expenses	(1,020,413,372)	-	-	-	-	(1,020,413,372)
Fund management charge	(110,376,147)	-	-	-	-	(110,376,147)
Commission expense	(770,353,490)	-	-	-	-	(770,353,490)
Other income/expense, net	(139,683,735)	-	-	-	-	(139,683,735)
Pension Technical Profit	762,422,382	-	-	-	-	762,422,382
Total Technical Profit	762,422,382	1,539,349,949	(17,920,751)	64,321,676	-	2,348,173,256
General and administrative expenses	-	-	-	-	(2,598,951,427)	(2,598,951,427)
Net Technical Profit After Overhead Expenses	-	-	-	-	-	(250,778,171)
<i>Foreign exchange gain/(loss), net</i>	-	-	-	-	740,090,348	740,090,348
<i>Investment income/(expense), net</i>	-	-	-	-	1,353,660,078	1,353,660,078
Net financial income	-	-	-	-	-	2,093,750,426
Profit Before Taxes	-	-	-	-	-	1,842,972,255
Tax and Deferred Tax	-	-	-	-	(452,933,709)	(452,933,709)
Net Profit for the Period	-	-	-	-	-	1,390,038,546

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL).)

6. PROPERTY, PLANT AND EQUIPMENT

6.1 Depreciation and amortization for the period:

1 January – 31 December 2024: TL 262,565,130 (1 January - 31 December 2023: TL 149,615,372).

6.1.1 Depreciation expenses:

1 January – 31 December 2024: TL 96,008,162 (1 January - 31 December 2023: TL 39,675,080).

6.1.2 Amortization and depreciation:

1 January – 31 December 2024: TL 166,556,968 (1 January - 31 December 2023: TL 109,940,292).

6.2 Changes in the method of calculation of depreciation and amortization expense for the period, related the increase (+) or decrease (-): Disclosed in Note 2.5. There are no changes.

6.3 Fixed asset movements in the current period:

6.3.1 The cost of property and equipment and intangible assets purchased, manufactured or constructed:

1 January – 31 December 2024: TL 860,329,412 (1 January – 31 December 2023: TL 471,768,136).

6.3.2 Cost of property and equipment and intangible assets sold or scrapped:

1 January – 31 December 2024: TL 37,940,035 (1 January – 31 December 2023: TL 14,144,842).

6.3.3 Revaluation increases during the period: None.

6.3.3.1 Cost of fixed asset (+): None.

6.3.3.2 Accumulated depreciation (-): None.

6.3.4 Construction in progress nature, amount, start and end date, completion rate: As explained in Note 3, the Group has started a Modernization project to improve its existing systems as of 2017, within this scope, projects that are determined to provide economic benefits to the Group in the future are capitalized. As of 31 December 2024, the Company has reviewed its capitalized but not yet completed projects and expensed the amount of assets, which it concluded that it would not provide economic benefits to the Group in the future (Note 8).

As of 31 December 2024, although the Group's efforts to modernize the existing systems continue, some of the costs included in the construction in progress account as of 31 December 2024 have been transferred to other intangible assets in the current period as they are ready for use and amortization has started.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL).)

6. PROPERTY, PLANT AND EQUIPMENT (cont'd)

6.3 Fixed asset movements in the current period (cont'd):

Movement of property, plant and equipment for the period 1 January – 31 December 2024:

Cost	1 January 2024	Additions	Disposals	31 December 2024
Machinery and equipment	64,843,832	22,260,551	(1,776,174)	85,328,209
Furniture and fixtures	37,690,783	22,309,933	(8,683,056)	51,317,660
Other tangible assets	35,904,357	38,588,775	(27,395,913)	47,097,219
Motor vehicles	12,879,112	2,668,000	-	15,547,112
Right-of-use assets	78,363,027	289,804,518	(112,376,162)	255,791,383
Total	229,681,111	375,631,777	(150,231,305)	455,081,583

Accumulated depreciation (-)	1 January 2024	Charge for the period	Disposals	31 December 2024
Machinery and equipment	(33,641,103)	(14,249,567)	1,769,438	(46,121,232)
Furniture and fixtures	(19,315,957)	(8,658,185)	2,898,072	(25,076,070)
Other tangible assets	(8,739,751)	(6,850,490)	6,059,185	(9,531,056)
Motor vehicles	(4,967,270)	(2,662,230)	-	(7,629,500)
Right-of-use assets	(29,521,650)	(63,587,690)	31,404,663	(61,704,677)
Total	(96,185,731)	(96,008,162)	42,131,358	(150,062,535)
Net book value	133,495,380			305,019,048

Movement of property, plant and equipment for the period 1 January – 31 December 2023:

Cost	1 January 2023	Additions	Disposals	Transfer	31 December 2023
Machinery and equipment	57,403,411	12,890,638	(5,335,083)	(115,134)	64,843,832
Furniture and fixtures	29,035,316	10,290,638	(1,750,305)	115,134	37,690,783
Other tangible assets	20,900,000	15,311,215	(306,858)	-	35,904,357
Motor vehicles	12,751,141	127,971	-	-	12,879,112
Right-of-use assets	50,051,358	28,311,669	-	-	78,363,027
Total	170,141,226	66,932,131	(7,392,246)	-	229,681,111

Accumulated depreciation (-)	1 January 2023	Charge for the Period	Disposals	Transfer	31 December 2023
Machinery and equipment	(24,797,384)	(12,524,586)	3,568,780	112,087	(33,641,103)
Furniture and fixtures	(13,875,184)	(6,887,267)	1,558,580	(112,087)	(19,315,957)
Other tangible assets	(4,813,876)	(4,232,732)	306,858	-	(8,739,751)
Motor vehicles	(2,401,240)	(2,566,030)	-	-	(4,967,270)
Right-of-use assets	(16,057,185)	(13,464,465)	-	-	(29,521,650)
Total	(61,944,869)	(39,675,080)	5,434,218	-	(96,185,731)
Net book value	108,196,357				133,495,380

7. INVESTMENT PROPERTIES

The Group does not hold any investment property.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

8. INTANGIBLE ASSETS

Movements of intangible assets and related accumulated amortization for the period ended 31 December 2024 are as follows:

Cost	1 January 2024	Additions	Transfer	Disposals	31 December 2024
Software	707,259,719	96,971,987	342,586,185	-	1,146,817,891
Construction in progress	204,354,431	677,530,166	(342,586,185)	(84,892)	539,213,520
Total	911,614,150	774,502,153	-	(84,892)	1,686,031,411
Accumulated amortization (-)	1 January 2024	Charge for the Period	Transfer	Disposals	31 December 2024
Software	(286,987,367)	(166,556,968)	-	-	(453,544,335)
Total	(286,987,367)	(166,556,968)	-	-	(453,544,335)
Net book value	624,626,783		-	-	1,232,487,076

Movements of intangible assets and related accumulated amortization for the period ended 31 December 2023 are as follows:

Cost	1 January 2023	Additions	Transfer	Disposals	31 December 2023
Software	416,089,801	141,803,745	155,672,149	(6,305,976)	707,259,719
Construction in progress	69,129,270	291,343,930	(155,672,149)	(446,620)	204,354,431
Total	485,219,071	433,147,675	-	(6,752,596)	911,614,150
Accumulated amortization (-)	1 January 2023	Charge for the Period	Transfer	Disposals	31 December 2023
Software	(179,109,257)	(109,940,292)	-	2,062,182	(286,987,367)
Total	(179,109,257)	(109,940,292)	-	2,062,182	(286,987,367)
Net book value	306,109,814				624,626,783

9. SUBSIDIARIES AND ASSOCIATES

As of 31 December 2024 and 31 December 2023, the Group has no associates or unconsolidated subsidiaries. Information on consolidated associates and subsidiaries is disclosed in Note 2.2.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

10. REINSURANCE ASSETS

As of 31 December 2024 and 31 December 2023, the amounts in the balance sheet and income statement related to reinsurance transactions arising from insurance contracts are as follows:

	31 December 2024	31 December 2023
Reinsurance share of unearned premiums reserve (Note 17.15)	13,204,721	3,944,613
Reinsurance share of outstanding claim reserve (Note 17.15)	122,378,842	48,435,321
Reinsurers' share of equalization reserve (Note 17.15)	5,029,889	2,725,441
Reinsurance companies' current account (net)(*)	(54,041,352)	(27,400,043)
Reinsurers' share of Mathematical reserves (Note 17.15)	4,882,702	9,254,873
Total reinsurance assets - net	91,454,802	36,960,205

(*) As of 31 December 2024, receivables from reinsurance companies amount to TL 1,933,017 (31 December 2023 : None); payables amount to TL 55,974,369 (31 December 2023 : TL 27,400,043).

Gains and losses recognized in the income statement in accordance with the Group's reinsurance contracts are shown in the table below:

	1 January- 31 December 2024	1 January- 31 December 2023
Ceded premiums to reinsurers (Note 24)	(536,760,484)	(178,362,694)
Commissions received from reinsurers (Note 32)	2,252,746	92,304,510
Reinsurance share of claims paid (Note 17)	94,087,764	103,737,445
Reinsurance share of outstanding claims reserve (Note 17)	73,943,521	28,478,868
Reinsurance share of unearned premium reserve (Note 17)	9,426,494	(937,057)
Reinsurers' share of equalization reserve (Note 17)	2,304,448	1,086,079
Reinsurers' share of Mathematical reserves (Note 17)	(4,538,556)	(18,410,615)
Total reinsurance income/(expense)	(359,284,067)	27,896,536

11. FINANCIAL ASSETS

11.1 In line with operations, sub-classifications of presented items

As of 31 December 2024 and 31 December 2023, the Group's financial asset portfolio is as follows:

31 December 2024	Portfolio with risks on policyholders			Company portfolio		
	Blocked	Non-blocked	Total	Blocked	Non-blocked	Total
Financial assets available-for-sale						
Government bonds and Treasury bills	21,343,200	-	21,343,200	7,097,265	166,713,370	173,810,635
Private sector bonds	-	-	-	140,042,988	1,503,854,627	1,643,897,615
Eurobond	5,774,627,196	-	5,774,627,196	555,322,851	441,375,268	996,698,119
Financial assets available-for-sale						
Government bonds and Treasury bills	-	-	-	111,958,623	86,238,982	198,197,605
Private sector bonds	-	-	-	-	4,055,214	4,055,214
Investment fund	-	-	-	30,287,861	2,367,216,314	2,397,504,175
Held-to-maturity financial assets						
Eurobond	17,154,520,002	-	17,154,520,002	928,889,038	-	928,889,038
Total	22,950,490,398	-	22,950,490,398	1,773,598,626	4,569,453,775	6,343,052,401

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

11. FINANCIAL ASSETS (cont’d)

11.1 In line with operations, sub-classifications of presented items (cont’d)

31 December 2023	Portfolio with risks on policyholders			Company portfolio		
	Blocked	Non-blocked	Total	Blocked	Non-blocked	Total
Financial assets available-for-sale						
Government bonds and Treasury bills	21,710,995	-	21,710,995	7,411,441	-	7,411,441
Private sector bonds	-	-	-	285,942,351	666,645,177	952,587,528
Eurobond	2,472,593,532	-	2,472,593,532	880,605,245	115,897,843	996,503,088
Financial assets available-for-sale						
Government bonds and Treasury bills	-	-	-	93,421,635	76,861,805	170,283,440
Private sector bonds	-	-	-	4,024,960	-	4,024,960
Investment fund	-	-	-	23,797,247	819,236,100	843,033,347
Held-to-maturity financial assets						
Eurobond	12,868,941,194	-	12,868,941,194	1,129,087,860	-	1,129,087,860
Total	15,363,245,721	-	15,363,245,721	2,424,290,739	1,678,640,925	4,102,931,664

11.2 Marketable securities except equity shares issued during the year: None.

11.3 Debt securities redeemed during the year: None.

11.4 The information showing the values of the securities and financial fixed assets recognized at cost in the balance sheet according to their stock market prices, and the values of the securities and financial fixed assets recognized at stock market prices according to their cost prices:

Marketable securities:

	31 December 2024			31 December 2023		
	Cost	Book value	Fair value	Cost	Book value	Fair value
Financial assets available-for-sale - Company portfolio						
Government bonds and treasury bills (TL)	173,661,979	173,810,635	173,810,635	8,832,000	7,411,441	7,411,441
Private sector bonds	1,478,304,340	1,643,897,615	1,643,897,615	815,872,651	952,587,528	952,587,528
Eurobond (USD)	908,699,979	996,698,119	996,698,119	922,216,063	993,024,325	993,024,325
Eurobond (Euro)	-	-	-	3,155,890	3,478,763	3,478,763
	2,560,666,298	2,814,406,369	2,814,406,369	1,750,076,604	1,956,502,057	1,956,502,057
Financial assets held for trading – Company portfolio						
Government bonds and treasury bills (TL)	170,269,635	198,197,605	198,197,605	170,283,440	170,283,440	170,283,440
Private sector bonds	3,800,000	4,055,214	4,055,214	3,800,000	4,024,960	4,024,960
Investment funds	1,985,161,211	2,397,504,175	2,397,504,175	785,658,372	843,033,347	843,033,347
	2,159,230,846	2,599,756,994	2,599,756,994	959,741,812	1,017,341,747	1,017,341,747
Held-to-maturity financial investments - Company portfolio						
Eurobond (USD)	886,308,895	928,889,038	1,011,032,172	1,077,342,931	1,129,087,860	1,274,675,685
	886,308,895	928,889,038	1,011,032,172	1,077,342,931	1,129,087,860	1,274,675,685
Financial investments with risk on life policy holders available-for-sale						
Government bonds and treasury bills (TL)	30,678,500	21,343,200	21,343,200	30,678,500	21,710,995	21,710,995
Eurobond (USD)	5,805,085,122	5,774,627,196	5,774,627,196	2,585,774,696	2,472,593,532	2,472,593,532
	5,835,763,622	5,795,970,396	5,795,970,396	2,616,453,196	2,494,304,527	2,494,304,527
Held-to-maturity financial investments with risk on life policy holders portfolio						
Eurobond (USD)	16,541,118,724	17,154,520,002	17,338,866,884	12,471,257,646	12,868,941,194	13,220,339,456
	16,541,118,724	17,154,520,002	17,338,866,884	12,471,257,646	12,868,941,194	13,220,339,456
Total	27,983,088,385	29,293,542,799	29,560,032,815	18,874,872,189	19,466,177,385	19,963,163,472

(*) Financial assets related to Refundable Life Insurance and Savings Life Insurance products are presented in financial investments whose risk belongs to life policyholders.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

11. FINANCIAL ASSETS (cont’d)

11.4 The information showing the values of the securities and financial fixed assets recognized at cost in the balance sheet according to their stock market prices, and the values of the securities and financial fixed assets recognized at stock market prices according to their cost prices: (cont’d)

The Group’s non-current financial assets are carried at cost (Note 45.2).

The movement of financial assets and financial investments with risks on policyholders for the periods ended 31 December 2024 and 31 December 2023 are as follows:

	2024	2023
1 January	19,466,177,385	9,749,185,316
Purchases during the period	14,291,881,856	10,220,251,607
Sales during the period (*)	(6,845,036,807)	(5,695,070,431)
Valuation (decrease) / increase	747,538,432	266,497,822
Disposals through amortization during the period (*)	(1,336,779,006)	(539,905,492)
Unrealized foreign exchange gains / (losses)	2,961,631,462	5,397,329,132
Amount recognized under equity	28,043,595	95,942,447
Amount recognized under Mathematical reserves	(19,914,118)	(28,053,016)
31 December	29,293,542,799	19,466,177,385

(*) Sales of securities purchased in foreign currency are shown with the exchange rate on the first day of purchase. In the cash flow statement, the sales are shown with the exchange rate of the day the redemption is realized.

Maturity analysis of financial assets

	31 December 2024						
	Demand Deposit	0 - 3 months	3 - 6 months	6 months - 1 year	1 year-3 years	More than 3 years	Total
Government bond and treasury bills	-	-	-	-	25,220,166	368,131,274	393,351,440
Eurobonds	-	-	-	-	345,560,006	23,640,149,532	23,985,709,538
Private sector Eurobonds	-	-	-	-	68,012,517	801,012,300	869,024,817
Private sector bonds	-	755,675,891	196,055,694	560,779,991	120,180,842	15,260,411	1,647,952,829
Investment fund	2,397,504,175	-	-	-	-	-	2,397,504,175
Total	2,397,504,175	755,675,891	196,055,694	560,779,991	558,973,531	24,824,553,517	29,293,542,799
	31 December 2023						
	Demand Deposit	0 - 3 months	3 - 6 months	6 months - 1 year	1 year-3 years	More than 3 years	Total
Government bond and treasury bills	-	-	-	-	25,258,158	174,147,718	199,405,876
Eurobonds	-	-	-	29,646,361	283,898,501	16,196,429,559	16,509,974,421
Private sector Eurobonds	-	-	175,260,815	334,333,891	-	447,556,547	957,151,253
Private sector bonds	-	386,919,008	74,370,352	280,818,413	199,358,155	15,146,560	956,612,488
Investment fund	843,033,347	-	-	-	-	-	843,033,347
Total	843,033,347	386,919,008	249,631,167	644,798,665	508,514,814	16,833,280,384	19,466,177,385

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

11. FINANCIAL ASSETS (cont'd)

11.4 The information showing the values of the securities and financial fixed assets recognized at cost in the balance sheet according to their stock market prices, and the values of the securities and financial fixed assets recognized at stock market prices according to their cost prices (cont'd)

Foreign currency analysis of financial assets:

31 December 2024				
	Currency type	Currency amount	Exchange Rate	Amount TL
Available-for-sale financial assets	TL	-	-	1,817,708,250
	USD	28,250,840	35,2803	996,698,119
Total				2,814,406,369
Financial assets held for trading	TL	-	-	2,575,566,821
	USD	685,657	35,2803	24,190,174
Total				2,599,756,994
Held-to-maturity Financial Assets	USD	26,328,830	35,2803	928,889,038
Total				928,889,038
Financial investments with risks on policyholders	TL	-	-	21,343,200
	USD	649,913,612	35,2803	22,929,147,198
Total				22,950,490,398
General Total				29,293,542,799

31 December 2023				
	Currency type	Currency amount	Exchange Rate	Amount TL
Available-for-sale financial assets	TL	-	-	959,998,969
	USD	33,732,508	29,4382	993,024,325
	Avro	106,796	32,5739	3,478,763
Total				1,956,502,057
Financial assets held for trading	TL	-	-	1,017,341,747
Total				1,017,341,747
Held-to-maturity Financial Assets	USD	38,354,514	29,4382	1,129,087,860
Total				1,129,087,860
Financial investments with risks on policyholders	TL	-	-	21,710,995
	USD	521,143,777	29,4382	15,341,534,726
Total				15,363,245,721
General Total				19,466,177,385

11.5 The amount of securities included in the securities and related securities group and issued by shareholders, associates and subsidiaries of the entity and the partnerships that issued them: None.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

11. FINANCIAL ASSETS (cont'd)

11.6 Value increases / (decreases) in financial assets in the last three years:

	31 December 2024	31 December 2023	31 December 2022
Financial assets available-for-sale	253,740,071	206,425,453	47,595,553
Financial assets held for trading	440,526,149	57,599,935	174,044,916
Financial investments with risks on policy holders	(39,793,226)	(122,148,669)	(211,092,397)
Held-to-maturity financial investments	655,981,421	449,428,477	157,806,409
Total	1,310,454,415	591,305,196	168,354,481

Value increases reflect the difference between the book value and cost of the financial assets as at the period end.

12. PAYABLES AND RECEIVABLES

12.1 Classifications of receivables as trade receivables from customers, receivables from related parties, advance payments (short-term and long-term payments) and others:

	31 December 2024	31 December 2023
Loans to policyholders (loans)	679,158,089	569,555,420
Receivables from pension operations (*)	117,465,497	116,345,722
Receivables from insurance operations (**)	146,935,344	102,121,330
Receivables from reinsurance operations	867,079,359	-
Due from related parties	16,739,637	4,606,494
Other receivables	11,558,495	3,042,428
Total	1,838,936,421	795,671,394

(*) TL 228,012,950,880 of pension investment funds are not included in the total (31 December 2023: TL 141,346,845,235).

(**) As of 31 December 2024, receivables from reinsurance companies amounting to TL 5,029,057 (31 December 2023: TL 16,742,394). As of 31 December 2024, receivables from intermediaries amounting to TL 17,465,139 (31 December 2023: TL 5,256,575) and provision for litigation amounting to TL 1,099,085 (31 December 2023: TL 1,328,886).

The aging of receivables from insurance operations that are not overdue is as follows:

	31 December 2024	31 December 2023
Receivables from policyholders		
0 - 3 months	24,465,772	15,903,849
3 - 6 months	14,134,061	10,302,769
6 - 9 months	8,644,543	6,188,951
9 - 12 months	2,358,632	1,880,249
Total	49,603,008	34,275,818

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

12. LOANS AND RECEIVABLES (cont’d)

12.1 Classification of the receivables as receivables from customers, receivables from related parties, advance payments (short-term and long-term prepayments) and others: (cont’d)

The aging of due from insurance operations is as follows:

	31 December 2024	31 December 2023
Overdue between 0 - 3 months	69,530,671	39,163,017
Overdue between 3 - 6 months	2,332,944	964,014
Overdue between 6 - 9 months	906,682	1,736,852
Overdue between 9 - 12 months	829,524	555,457
Overdue more than 1 year	1,238,319	3,427,203
Total	74,838,140	45,846,543

Indebtedness distribution of existing loans:

	31 December 2024	31 December 2023
Demand	679,158,089	569,555,420
Total	679,158,089	569,555,420

There is no provision for receivables from insurance operations.

12.2 Due from/due to shareholders, associates and subsidiaries:

	31 December 2024				31 December 2023			
	Receivables		Payables		Receivables		Payables	
	Trade	Non Trade	Trade	Non Trade	Trade	Non Trade	Trade	Non Trade
Shareholders	-	-	2,674,907	841,350	-	-	1,822,526	597,181
Hacı Ömer Sabancı Holding A.Ş.	-	-	2,674,907	-	-	-	1,822,526	-
Other	-	-	-	841,350	-	-	-	597,181
Total	-	-	2,674,907	841,350	-	-	1,822,526	597,181

12.3 Total pledge and collateral obtained for receivables:

Total amounts of pledge and other collateral received for receivables:

	31 December 2024				31 December 2023			
	USD	EUR	TL	Total (TL)	USD	EUR	TL	Total (TL)
Guarantees and sureties received:								
Letters of guarantee	1,411,212	-	162,259,146	163,670,358	1,766,292	-	65,208,738	66,975,030
Pledge notes	-	-	309,450	309,450	-	-	309,450	309,450
Other guarantees and sureties	2,313,220	-	12,850	2,326,070	3,129,578	89,999	589,419	3,808,996
Total	3,724,432	-	162,581,446	166,305,877	4,895,870	89,999	66,107,607	71,093,476

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

12. LOANS AND RECEIVABLES (cont’d)

12.4 Receivables and payables denominated in foreign currencies having no foreign exchange rate guarantees, assets in foreign currencies and conversion rates:

Asset	31 December 2024			31 December 2023		
	Foreign Currency Amount	Exchange Rate	TL Amount	Foreign Currency Amount	Exchange Rate	TL Amount
Cash and cash equivalents						
USD	709,545	35,2803	25,032,956	1,398,829	29,4382	41,179,020
EUR	53,824	36,7362	1,977,273	24,815	32,5739	808,312
GBP	-	44,2073	-	2,224	37,4417	83,288
Total			27,010,229			42,070,620
Financial investments with risks on policyholders						
USD	705,178,939	35,2803	24,878,924,529	593,230,799	29,4382	17,463,646,911
EUR	-	36,7362	-	106,797	32,5739	3,478,763
Total			24,878,924,529			17,467,125,674
Receivables from operating activities						
USD	20,039,001	35,2803	706,981,967	19,213,904	29,4382	565,622,762
EUR	(109)	36,7362	(4,004)	278	32,5739	9,063
Total			706,977,963			565,631,825
Receivables from related parties						
USD	-	35,2803	-	20	29,4382	590
EUR	-	36,7362	-	100	32,5739	3,254
Total			-			3,844
Other current assets						
USD	1,273	35,2803	44,906	198	29,4382	5,830
EUR	-	36,7362	-	-	32,5739	(7)
Total			44,906			5,823
Other receivables						
USD	200	35,2803	7,056	200	29,4382	5,888
Total			7,056			5,888

Liability	31 December 2024			31 December 2023		
	Foreign Currency Amount	Exchange Rate	TL Amount	Foreign Currency Amount	Exchange Rate	TL Amount
Payables from operating activities						
USD	114,928	35,3438	4,061,993	37,248	29,4913	1,098,484
EUR	-	36,8024	-	1,306	32,6326	42,612
Total			4,061,993			1,141,096
Payables to related parties						
USD	2,174,645	35,3438	76,860,218	1,001,190	29,4913	29,526,380
EUR	289,711	36,8024	10,662,060	547	32,6326	17,835
GBP	-	44,4378	0	-	37,6369	15
Total			87,522,278			29,544,230
Other payables						
EUR	75,964	36,8024	2,795,671	79,603	32,6326	2,597,656
GBP	18,500	44,4378	822,099	-	37,6369	-
USD	471,924	35,3438	16,679,592	280,143	29,4913	8,261,788
Total			20,297,362			10,859,444
Outstanding claims reserve						
USD - (effective selling rate)	-	35,3969	-	72,966	29,5355	2,155,085
USD	2,940,861	35,2803	103,754,442	2,027,941	29,4382	59,698,930
Total			103,754,442			61,854,015
Deferred income and expense accruals						
USD	2,005,477	35,3438	70,881,178	8,371	29,4913	246,877
Total			70,881,178			246,877
Life mathematical reserves						
USD - (effective selling rate)	192,407	35,3969	6,810,626	17,609	29,5355	520,079
USD	674,889,192	35,2803	23,810,293,153	532,552,287	29,4382	15,677,380,733
EUR - (effective selling rate)	13,003	36,8576	479,274	14,863	32,6815	485,743
Total			23,817,583,053			15,678,386,555

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

13. DERIVATIVE FINANCIAL INSTRUMENTS

The Group classifies derivative transactions as transactions for trading purposes in accordance with the provisions of TAS 39 - Financial Instruments: Accounting and Measurement standard. The Group recognizes the income and income provisions related to short-term swap and forward contracts realized during the period in the net income/expense accounts from derivative products.

	31 December 2024	31 December 2023
Income from derivative products	3,600	799,386
Losses arising from derivative products	(10,119,130)	(12,581,150)
Total	(10,115,530)	(11,781,764)

14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the periods ending 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Bank deposits and issued checks	3,549,720,795	740,256,025
Issued checks and money orders	(2,075,657)	(1,759,443)
Other cash and cash equivalents	2,399,680,180	1,456,912,159
Total	5,947,325,318	2,195,408,741

	31 December 2024	31 December 2023
FC cash and cash equivalents	27,010,229	42,070,621
- demand deposits	23,348,372	4,631,761
- term deposits	3,510,301	37,075,413
- credit card receivables	151,556	363,447
TL cash and cash equivalents	5,920,315,089	2,153,338,120
- demand deposits	387,119,300	230,380,343
- term deposits	3,135,742,822	468,168,508
- issued checks and money orders	(2,075,657)	(1,759,443)
- credit card receivables	2,399,528,624	1,456,548,712
Total	5,947,325,318	2,195,408,741

Weighted average interest rates of time deposits:

	31 December 2024 Annual interest rate (%)	31 December 2023 Annual interest rate (%)
USD	0.01	0.5
TL	48.67	39.96

As of 31 December 2024, the maturities of TL deposits are between 2 January 2025 - 27 March 2025 and the maturities of foreign currency deposits are 2 January 2025.

As of 31 December 2023, the maturity of TL deposits is between 2 January 2024 – 1 April 2024, and the maturity of foreign currency deposits is 2 January 2024.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

14. CASH AND CASH EQUIVALENTS (cont'd)

Foreign currency time and demand deposits:

	31 December 2024				31 December 2023			
	FC		TL equivalent		FC		TL equivalent	
	Term	Demand	Term	Demand	Term	Demand	Term	Demand
USD	99,497	605,814	3,510,301	21,373,290	1,259,432	127,051	37,075,412	3,740,161
EUR	-	53,764	-	1,975,082	-	24,815	-	808,312
GBP	-	-	-	-	-	2,224	-	83,288
Total			3,510,301	23,348,372			37,075,412	4,631,761

15. SHARE CAPITAL

15.1 Distributions to the shareholders, the amounts of the transactions concluded by the entity with the partners, under the own wills of the partners:

Detailed information about the Group's partners and capital structure as of 31 December 2024 and 31 December 2023 is provided in footnote 2.13.

In accordance with the dividend distribution proposal taken at the Ordinary General Assembly Meeting held on 19 March 2024, based on the positive opinion dated 19 February 2024 received from the Insurance and Private Pension Regulation and Supervision Agency in accordance with the circular numbered 2023/2, the Group has decided to distribute a total gross dividend of TL 300,000,000 out of the consolidated net profit after tax of TL 1,424,603,500 for the year 2023, after setting aside TL 29,100,000 general legal reserves and TL 1,095,503,500 extraordinary reserves, and to make the payments in cash as of 15 April 2024, and the related dividend payments were made on 15 April and 17 April.

15.2 Capital and profit reserves:

Profit reserves:

As of 31 December 2024, the Group's profit reserves consist of TL 138,739,901 (31 December 2023: TL 109,239,901) from legal reserves, TL 11,494 (31 December 2023: TL 11,494) from statutory reserves, TL 2,487,569,191 (31 December 2023: TL 1,392,065,691) from extraordinary reserves, TL 75,248,129 (31 December 2023: TL 55,579,038) from valuation of financial assets and TL (163,859,177) (31 December 2023: TL (77,417,132) from other profit reserves.

According to the provisions of the Turkish Commercial Code, legal reserves consist of first and second order legal reserves. The first order legal reserves are allocated at the rate of 5% of the legal period profit until they reach 20% of the historical or registered Group capital. Second order legal reserves are allocated at the rate of 10% of all dividend distributions exceeding 5% of the Group's capital. According to the Turkish Commercial Code, the first and second legal reserves cannot be distributed unless they exceed 50% of the total capital, but they can be used to cover losses in case the discretionary reserves are exhausted.

On 30 May 2024, the transaction regarding the acquisition of 80% shares of Medisa has been accounted for using the pooling of interest method in accordance with the POA's Principle Decision No. 2018-1 on "Accounting for Business Combinations Under Common Control" and the consolidated financial statements of the current and comparative period have been presented as adjusted as if the merger has occurred as of 1 January 2023, the beginning of the comparative period. The difference between the consideration transferred and the carrying amount of Medisa's net assets at the acquisition date is recognised under equity in the accompanying consolidated financial statements as the effect of combinations involving entities or businesses under common control. On 20 December 2024, the Group's shareholding rate in Medisa became 100% with the purchase of the remaining 20% shares.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

15. SHARE CAPITAL (cont’d)

15.2 Capital and profit reserves: (cont’d)

Capital reserves:

As of 31 December 2024, TL (99,384,843) (31 December 2023: TL (43,946,321)) of the Group's capital reserves TL 512,783 (31 December 2023: TL 512,783) consists of the difference between Aviva Emeklilik's nominal capital before the merger amounting to TL 82,320,000 and Ak Emeklilik's capital increase amounting to TL 15,779,197. TL 324,312 (31 December 2023: TL 324,312) of the balance remaining after the addition of TL 66,028,020 to the capital consists of bonus share capital increase and TL (100,221,938) (31 December 2023: TL 44,783,416) consists of the Group's own shares purchased.

The Company, with the decision of the board of directors taken on 10 April 2023, with the aim of supporting healthy price formation in the AgeSA share market, thus restoring the reasonable value of the Company shares and offering a more attractive long-term investment opportunity to the shareholders,

- 1. Initiation of a share buyback program for a maximum of 3 years within the framework of the Capital Markets Board's decision i-CMB.22.7 (dated 14.02.2023 and numbered 9/177),
- 2. Buyback of up to 1,800,000,000 shares with a nominal value of TL 18,000,000, representing approximately 10% of the Group's issued capital,
- 3. The fund allocated for the repurchase transaction to be set at a maximum of TL 750,000,000,
- 4. the share buy-back transaction will be included in the agenda of the first general assembly meeting to be held and submitted to the information and approval of the shareholders at the general assembly has been decided.

From 10 April 2023 to 31 December 2024, the Group purchased 1,633,946 shares with a total cost of TL 100,221,938 and accounted for in equity.

Valuation of financial assets:

Unrealized profits and losses arising from changes in the fair values of available-for-sale financial assets are netted off with the deferred tax amount and accounted under "Valuation of Financial Assets" within equity.

The movements in the valuation of financial assets during the period are as follows:

	2024	2023
1 January	55,579,038	(12,366,535)
Fair value increase/(decrease), net	19,669,091	67,945,573
31 December	75,248,129	55,579,038

15.3 Capital movements

The Group's paid-in capital amount as of the periods ending on 31 December 2024 and 31 December 2023 is TL 180,000,000 and consists of 18,000,000,000 shares with a unit nominal value of 1 Kuruş.

16. OTHER RESERVES AND EQUITY COMPONENT OF DISCRETIONARY PARTICIPATION FEATURE

Information about other reserves classified under the equity is explained in Note 15.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS

17.1 Guarantees to be provided and guarantees provided for life and non-life branches,
Guarantees to be provided and guarantees provided for life and non-life branches:

Branch	31 December 2024			31 December 2023		
	To be installed (*)	Current blockage (nominal)	Current blockage (official newspaper price)	To be installed (*)	Current blockage (nominal)	Current blockage (official newspaper price)
Life (*)	24,928,066,656	24,950,791,299	24,881,392,378	16,296,921,910	18,285,913,140	18,220,717,293
Non-life	112,513,644	210,333,333	219,901,833	46,617,996	50,000,000	55,562,150
Total	25,040,580,300	25,161,124,632	25,101,294,211	16,343,539,906	18,335,913,140	18,276,279,443

(*) In accordance with Article 4 of the "Regulation on the Financial Structures of Insurance, Reinsurance and Pension Companies", issued pursuant to the Insurance Law and published in the Official Gazette dated 7 August 2007 and numbered 26606, insurance companies and pension companies operating in the life and personal accident branch are obliged to establish the Minimum Guarantee Fund amount, which corresponds to one third of the required equity capital amount found during the capital adequacy calculation, as collateral during the capital adequacy calculation period.

Blocked deposits and marketable securities are kept in accordance with the Article 6 of Regulation on the Financial Structures of Insurance, Reinsurance and Private Pension Companies regulating the valuation of collaterals. Collaterals are completed within the period of the related regulation.

Total pledge and collateral amounts on asset values:

	31 December 2024	31 December 2023
Nominal values		
TL	412,382,265	465,209,760
FC	24,748,742,367	17,870,703,380
Total	25,161,124,632	18,335,913,140

The above-mentioned assets are blocked in favour of IPRSA.

17.2 Number of life policies, the number and mathematical reserve amount of the life policies that enter and exit during the year and current status:

In the change section, increases and decreases in the current portfolio, policies exempt from premium payment and policies taken into force are included.

	31 December 2024		31 December 2023	
	Number	Mathematical reserve TL	Number	Mathematical reserve TL
Beginning of period	3,768,364	16,098,447,318	2,487,209	8,085,738,936
Addition	4,080,273	1,743,620,572	4,121,995	1,175,302,208
Disposals	(4,664,783)	(1,275,448,810)	(2,840,840)	(694,986,774)
Change	-	7,897,410,712	-	7,532,392,948

End of period	3,183,854	24,464,029,792	3,768,364	16,098,447,318
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- (1) Mathematical reserves are calculated in accordance with its own technical principles for each product.
- (2) As of 31 December 2024, there is no provision for canceled policies (31 December 2023: None).
 - a) Mathematical reserves belonging to the policies those were in effect in the beginning of the period but were cancelled during the period were presented within disposals, but policies which were signed and cancelled during the period are not presented within additions and disposals.
 - b) As of 31 December 2024, Mathematical reserves amounting to TL 679,158,089 (31 December 2023: TL 569,555,420) and fair value loss on financial investments whose risk belongs to life insurance policyholders amounting to TL (107,219,162) (31 December 2023: (85,152,881)) are not included in the related Mathematical reserves.
 - c) As of 31 December 2024, reinsurer share of life Mathematical reserve amounting to TL (4,882,702) is not deducted from Mathematical reserve (31 December 2023: TL (9,254,873)).

17.3 Amount of insurance coverage provided for life and non-life insurance by branches: TL 668,703,962,358 (31 December 2023: TL 390,912,927,938).

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.4 Unit prices of pension funds established by the Group:

As of 31 December 2024, there are 39 pension investment funds established by the Group (31 December 2023: 40).

Pension Funds	Unit price 31 December 2024 (TL)	Unit price 31 December 2023 (TL)
AgeSA Hayat ve Emeklilik A.Ş. Dış Borçlanma Araçları Emeklilik Yatırım Fonu	0.581819	0.454647
AgeSA Hayat ve Emeklilik A.Ş. Karma Emeklilik Yatırım Fonu	0.459159	0.320598
AgeSA Hayat ve Emeklilik A.Ş. Agresif Değişken Emeklilik Yatırım Fonu	0.917882	0.581744
AgeSA Hayat ve Emeklilik A.Ş. Kamu Dış Borçlanma Araçları (US Dollar 5-15 Years Maturity) Emeklilik Yatırım Fonu	0.582306	0.445389
AgeSA Hayat ve Emeklilik A.Ş. Orta Vadeli Borçlanma Araçları Emeklilik Yatırım Fonu	0.153416	0.119782
AgeSA Hayat ve Emeklilik A.Ş. İkinci Para Piyasası Emeklilik Yatırım Fonu	0.201276	0.124261
AgeSA Hayat ve Emeklilik A.Ş. İkinci Değişken Emeklilik Yatırım Fonu	0.229836	0.180019
AgeSA Hayat ve Emeklilik A.Ş. Bist Temettü 25 Endeksi Emeklilik Yatırım Fonu	0.383612	0.253466
AgeSA Hayat ve Emeklilik A.Ş. Birinci Para Piyasası Emeklilik Yatırım Fonu	0.210561	0.130791
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Emeklilik Yatırım Fonu	0.226735	0.160125
AgeSA Hayat ve Emeklilik A.Ş. Dinamik Değişken Emeklilik Yatırım Fonu	0.625503	0.415210
AgeSA Hayat ve Emeklilik A.Ş. Birinci Değişken Emeklilik Yatırım Fonu	0.356831	0.274680
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Emeklilik Yatırım Fonu	0.936422	0.625209
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Grup Emeklilik Yatırım Fonu	0.232190	0.158512
AgeSA Hayat ve Emeklilik A.Ş. Muhafazakar Değişken Emeklilik Yatırım Fonu	0.263556	0.168914
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Grup Emeklilik Yatırım Fonu	1.319212	0.790198
AgeSA Hayat ve Emeklilik A.Ş. Karma Grup Emeklilik Yatırım Fonu	0.182756	0.126391
AgeSA Hayat ve Emeklilik A.Ş. Dengeli Değişken Emeklilik Yatırım Fonu	0.171776	0.110169
AgeSA Hayat ve Emeklilik A.Ş. Standart Emeklilik Yatırım Fonu	0.079808	0.053182
AgeSA Hayat ve Emeklilik A.Ş. Katkı Emeklilik Yatırım Fonu	0.064067	0.045531
AgeSA Hayat ve Emeklilik A.Ş. Altın Emeklilik Yatırım Fonu	0.000000	0.231998
AgeSA Hayat ve Emeklilik A.Ş. Teknoloji Sektörü Yabancı Değişken Emeklilik Yatırım Fonu	0.258116	0.197947
AgeSA Hayat ve Emeklilik A.Ş. Özel Sektör Borçlanma Araçları Emeklilik Yatırım Fonu	0.074971	0.047856
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Emeklilik Yatırım Fonu	0.056264	0.035100
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Katılım Emeklilik Yatırım Fonu	0.051332	0.032698
AgeSA Hayat ve Emeklilik A.Ş. Katılım Standart Emeklilik Yatırım Fonu	0.096319	0.069528
AgeSA Hayat ve Emeklilik A.Ş. Katılım Katkı Emeklilik Yatırım Fonu	0.071360	0.051171
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Katılım Değişken Emeklilik Yatırım Fonu	0.130418	0.086585
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Katılım Değişken Emeklilik Yatırım Fonu	0.181441	0.121840
AgeSA Hayat ve Emeklilik A.Ş. Oks Muhafazakar Değişken Emeklilik Yatırım Fonu	0.058335	0.036828
AgeSA Hayat ve Emeklilik A.Ş. Oks Dengeli Değişken Emeklilik Yatırım Fonu	0.104513	0.066515
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Değişken Emeklilik Yatırım Fonu	0.117469	0.075449
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Değişken Emeklilik Yatırım Fonu	0.170570	0.107482
AgeSA Hayat ve Emeklilik A.Ş. Oks Standart Emeklilik Yatırım Fonu	0.066476	0.046478
AgeSA Hayat ve Emeklilik A.Ş. Oks Katılım Standart Emeklilik Yatırım Fonu	0.062476	0.047118
AgeSA Hayat ve Emeklilik A.Ş. Birinci Fon Sepeti Emeklilik Yatırım Fonu	0.038386	0.025258
AgeSA Hayat ve Emeklilik A.Ş. İkinci Fon Sepeti Emeklilik Yatırım Fonu	0.043660	0.029095
AgeSA Hayat ve Emeklilik A.Ş. Üçüncü Fon Sepeti Emeklilik Yatırım Fonu	0.052808	0.034041
AgeSA Hayat ve Emeklilik A.Ş. Sürdürülebilirlik Hisse Senedi Emeklilik Yatırım Fonu	0.051302	0.035565
AgeSA Hayat ve Emeklilik A.Ş. Altın Katılım Emeklilik Yatırım Fonu	0.034098	0.021241

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.5 Units and amounts of share certificates in portfolio and in circulation:

Participation certificates in circulation	31 December 2024		31 December 2023	
	Unit	Amount (TL)	Unit	Amount (TL)
AgeSA Hayat ve Emeklilik A.Ş. Karma Emeklilik Yatırım Fonu	506,073,575	232,368,237	697,140,622	223,501,889
AgeSA Hayat ve Emeklilik A.Ş. Agresif Değişken Emeklilik Yatırım Fonu	1,364,235,711	1,252,207,403	1,233,814,666	717,764,279
AgeSA Hayat ve Emeklilik A.Ş. Dış Borçlanma Araçları Emeklilik Yatırım Fonu	18,355,272,249	10,679,446,145	25,954,799,228	11,800,271,604
AgeSA Hayat ve Emeklilik A.Ş. Orta Vadeli Borçlanma Araçları Emeklilik Yatırım Fonu	890,266,804	136,581,172	1,018,690,818	122,020,824
AgeSA Hayat ve Emeklilik A.Ş. İkinci Para Piyasası Emeklilik Yatırım Fonu	4,126,270,517	830,519,225	962,717,920	119,628,291
AgeSA Hayat ve Emeklilik A.Ş. İkinci Değişken Emeklilik Yatırım Fonu	2,074,300,123	476,748,843	2,586,580,226	465,633,586
AgeSA Hayat ve Emeklilik A.Ş. Kamu Dış Borçlanma Araçları (US Dollar 5-15 Years Maturity) Emeklilik Yatırım Fonu	25,475,744,617	14,834,678,945	30,823,769,657	13,728,567,944
AgeSA Hayat ve Emeklilik A.Ş. Bist Temettü 25 Endeksi Emeklilik Yatırım Fonu	1,991,114,011	763,815,228	1,964,448,150	497,920,815
AgeSA Hayat ve Emeklilik A.Ş. Birinci Para Piyasası Emeklilik Yatırım Fonu	73,303,609,148	15,434,881,246	30,979,183,759	4,051,798,423
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Emeklilik Yatırım Fonu	22,805,300,559	5,170,759,822	25,338,337,461	4,057,301,286
AgeSA Hayat ve Emeklilik A.Ş. Dinamik Değişken Emeklilik Yatırım Fonu	18,888,171,867	11,814,608,167	21,674,200,307	8,999,344,710
AgeSA Hayat ve Emeklilik A.Ş. Birinci Değişken Emeklilik Yatırım Fonu	10,617,947,077	3,781,812,673	13,501,181,712	3,708,504,593
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Emeklilik Yatırım Fonu	21,976,117,482	20,578,919,885	20,164,586,404	12,607,080,901
AgeSA Hayat ve Emeklilik A.Ş. Borçlanma Araçları Grup Emeklilik Yatırım Fonu	2,425,271,506	563,123,791	2,800,965,210	443,986,597
AgeSA Hayat ve Emeklilik A.Ş. Muhafazakar Değişken Emeklilik Yatırım Fonu	1,403,832,920	369,988,589	1,237,837,787	209,088,132
AgeSA Hayat ve Emeklilik A.Ş. Hisse Senedi Grup Emeklilik Yatırım Fonu	1,896,234,862	2,501,535,785	1,392,462,381	1,100,320,989
AgeSA Hayat ve Emeklilik A.Ş. Karma Grup Emeklilik Yatırım Fonu	605,257,328	110,614,408	885,431,870	111,910,620
AgeSA Hayat ve Emeklilik A.Ş. Dengeli Değişken Emeklilik Yatırım Fonu	1,010,951,824	173,657,261	775,365,502	85,421,242
AgeSA Hayat ve Emeklilik A.Ş. Katkı Emeklilik Yatırım Fonu	403,398,374,254	25,844,523,643	312,106,412,317	14,210,517,059
AgeSA Hayat ve Emeklilik A.Ş. Standart Emeklilik Yatırım Fonu	11,119,193,632	887,400,605	11,561,896,368	614,884,773
AgeSA Hayat ve Emeklilik A.Ş. Altın Emeklilik Yatırım Fonu	-	-	196,005,806,396	45,472,955,072
AgeSA Hayat ve Emeklilik A.Ş. Teknoloji Sektörü Yabancı Değişken Emeklilik Yatırım Fonu	36,105,111,490	9,319,306,957	23,634,037,730	4,678,286,867
AgeSA Hayat ve Emeklilik A.Ş. Özel Sektör Borçlanma Araçları Emeklilik Yatırım Fonu	27,728,571,482	2,078,838,733	14,852,749,799	710,793,194
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Emeklilik Yatırım Fonu	11,031,305,553	620,665,376	10,591,332,333	371,755,765
AgeSA Hayat ve Emeklilik A.Ş. Başlangıç Katılım Emeklilik Yatırım Fonu	7,573,090,954	388,741,905	6,786,906,510	221,918,269
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Katılım Değişken Emeklilik Yatırım Fonu	1,460,915,073	190,529,622	1,130,339,411	97,870,438
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Katılım Değişken Emeklilik Yatırım Fonu	1,906,664,188	345,947,057	1,750,238,983	213,249,118
AgeSA Hayat ve Emeklilik A.Ş. Oks Muhafazakar Değişken Emeklilik Yatırım Fonu	1,870,786,515	109,132,331	1,025,211,825	37,756,501
AgeSA Hayat ve Emeklilik A.Ş. Oks Dengeli Değişken Emeklilik Yatırım Fonu	2,454,572,000	256,534,683	2,045,656,772	136,066,860
AgeSA Hayat ve Emeklilik A.Ş. Oks Dinamik Değişken Emeklilik Yatırım Fonu	2,835,922,929	333,133,031	2,584,495,576	194,997,607
AgeSA Hayat ve Emeklilik A.Ş. Oks Agresif Değişken Emeklilik Yatırım Fonu	5,306,621,323	905,150,399	4,509,859,915	484,728,763
AgeSA Hayat ve Emeklilik A.Ş. Oks Standart Emeklilik Yatırım Fonu	44,251,881,446	2,941,688,072	40,117,345,464	1,864,573,982
AgeSA Hayat ve Emeklilik A.Ş. Oks Katılım Standart Emeklilik Yatırım Fonu	21,814,498,150	1,362,882,587	19,512,549,539	919,392,309
AgeSA Hayat ve Emeklilik A.Ş. Katılım Katkı Emeklilik Yatırım Fonu	2,832,350,926	202,116,562	2,415,415,422	123,599,223
AgeSA Hayat ve Emeklilik A.Ş. Katılım Standart Emeklilik Yatırım Fonu	104,375,069	10,053,302	39,175,684	2,723,807
AgeSA Hayat ve Emeklilik A.Ş. Birinci Fon Sepeti Emeklilik Yatırım Fonu	82,719,655,664	3,175,276,703	64,632,769,926	1,632,494,503
AgeSA Hayat ve Emeklilik A.Ş. İkinci Fon Sepeti Emeklilik Yatırım Fonu	102,230,846,009	4,463,398,737	81,442,817,741	2,369,578,782
AgeSA Hayat ve Emeklilik A.Ş. Üçüncü Fon Sepeti Emeklilik Yatırım Fonu	97,032,537,869	5,124,094,260	66,146,171,182	2,251,681,813
AgeSA Hayat ve Emeklilik A.Ş. Sürdürülebilirlik Hisse Senedi Emeklilik Yatırım Fonu	50,318,156,312	2,581,422,056	33,895,639,599	1,205,498,422
AgeSA Hayat ve Emeklilik A.Ş. Altın Katılım Emeklilik Yatırım Fonu	2,173,278,532,719	74,104,451,409	3,480,535,397	73,930,052
	3,297,089,935,737	224,958,554,855	1,084,258,877,569	140,939,319,904
Other Company Participant AgeSA Funds (*)	17,453,222,842	(1,056,989,110)	6,131,104,619	(518,594,039)
Agesa Participants Other Company Funds (*)	21,428,360,003	4,111,385,135	7,854,174,625	926,119,370
	3,335,971,518,582	228,012,950,880	1,098,244,156,813	141,346,845,235

(*) Within the scope of the Presidency Annual Program for 2019 published in the Official Gazette No. 30578 dated 27 October 2018, within the scope of the Measure decision no. 217 and through the Private Pension Fund Trading Platform (BEFAS) operated by İstanbul Takas ve Saklama Bankası A.Ş., as of 1 July 2021, participants were allowed to trade the funds of other pension companies offered through this platform. Within the scope of the relevant application, AgeSA funds of other company participants are not included in the assets, while AgeSA participants are included in the assets of other company funds.

17.6 Numbers and portfolio amounts of the individual and group pension participants entered, left, cancelled during the period and the current participants:

	31 December 2024		31 December 2023	
	Number of contracts	Portfolio amount TL	Number of contracts	Portfolio amount TL
Individual				
Addition	405,691	25,407,860,756	486,489	13,919,141,728
Disposal	280,455	36,676,981,466	149,502	15,386,271,188
Current	1,322,291	194,661,628,156	1,101,174	120,261,228,353
Group				
Addition	410,319	661,656,571	470,662	716,273,389
Disposal	377,791	5,024,714,238	378,486	2,864,508,182
Current	1,182,385	33,351,322,724	1,078,062	21,085,616,882
Total portfolio amount	2,504,676	228,012,950,880	2,179,236	141,346,845,235

Law No. 6740 amending the Individual Pension Savings and Investment System Law No. 4632 was published in the Official Gazette dated 25 August 2016, numbered 29812 and entered into force on 1 January 2017. With this arrangement, employees are automatically included in a retirement plan.

The above numbers and portfolio values also include contracts under automatic participation.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.7 Valuation methods of profit share calculation for life insurance:

The life mathematical reserves for the accumulated policies written from the Group's accumulated funds are valued daily in compliance with TL and USD profit share technical principles approved by Turkish Undersecretariat of Treasury Foreign Trade on 14 January 1993 and 12 September 1996. The revenue of the mentioned investments are distributed as the revenue of the relevant investment instrument with the daily accrued interest method.

Daily Profit Share System is applied to the life mathematical reserves for the accumulated life policies written from the Group's other funds in compliance with Profit Share Technical Principles and Life Insurance Regulation approved on 1 November 1999 by Turkish Prime Ministry, Undersecretariat of Treasury General Directorate of Insurance. Profit share values calculated according to the profit share rates calculated according to the daily yields of TL, USD and EUR investment instruments are reflected onto the accounts of the insures daily.

17.8 Number of units and individual and group allocation of gross and net contribution amounts of the private pension participants entered during the period:

	1 January - 31 December 2024			1 January - 31 December 2023		
	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL
Individual	405,691	20,489,001,953	20,488,768,288	486,489	16,372,775,518	16,372,775,326
Corporate	410,319	343,986,245	343,981,242	470,662	256,874,831	256,874,556
Total	816,010	20,832,988,198	20,832,749,530	957,151	16,629,650,349	16,629,649,882

Contribution amounts collected for contracts that entered into force during the period and ended within the period are stated in the gross contribution amount. For whatever reason, transfer amounts from other pension companies and transfers from foundations and funds are included in the table above. Government contribution is not included in these amounts.

17.9 Number of units and individual and group allocation of gross and net contribution amounts of the private pension participants transferred from another Group during the period:

	1 January - 31 December 2024			1 January - 31 December 2023		
	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL
Individual	14,225	56,363,616	56,363,535	16,609	45,158,260	45,158,260
Corporate	2,614	5,394,647	5,394,325	7,357	18,110,487	18,110,487
Total	16,839	61,758,263	61,757,860	23,966	63,268,747	63,268,747

In the relevant section, the contribution transferred by the participant from another Group and the contributions collected during this period for the relevant contract are included in the report, but the transfers made from foundations and funds are not shown in the table.

If the contribution from another Group due to the merger has been combined in a contract established in this period, the transfer amount and the new contribution are included in the table above. Government contribution is not included in these amounts.

17.10 Number of units and individual and group allocation of gross and net contribution amounts of the private pension participants transferred from the life insurance portfolio to the private pension portfolio during the period:

Legal period for the transfer from life portfolio to pension portfolio has ended as of 7 October 2006, there were no transfers in the current and previous periods.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.11 Individual and corporate distribution of the number and gross and net contribution shares of private pension participants who left the Group's portfolio during the period and transferred to another Group or did not transfer to another Group

Allocated	1 January - 31 December 2024			1 January - 31 December 2023		
	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL	Number of contracts	Participation fee (gross) TL	Participation fee (net) TL
Individual	280,455	19,182,345,718	19,173,495,630	149,505	7,855,687,333	7,845,845,081
Corporate	377,879	1,908,502,371	1,908,417,238	378,660	1,288,251,653	1,288,166,571
Total	658,334	21,090,848,089	21,081,912,868	528,165	9,143,938,986	9,134,011,652

Unit: Shows the number of participants left the Group.
Participation Share (Gross): Represents a number of contributions as a result of exits.
Participation Share (Net): Represents the sum gross contributions as a result of exits after deductions.

The government participation is not included the amounts mentioned above.

17.12 Number of units, gross and net premiums and individual and group allocation for life policyholders that joined the portfolio during the period:

	1 January-31 December 2024		1 January-31 December 2023	
	Number (*)	Net premium amount TL (**)	Number (*)	Net premium amount TL (**)
Individual	4,031,561	9,821,178,741	4,061,938	4,547,426,343
Group	47,256	68,703,686	59,149	40,991,813
Total	4,078,817	9,889,882,427	4,121,087	4,588,418,156

(*) Only new post life insurance details are shown in the table above; re-enacted and renewal life insurance policies are not taken into consideration.
(**) For TL and USD unit-based policies, policy transaction for entering and existing in the same period are not included.

17.13 Number of units, gross/net premiums and individual and group allocation of mathematical reserves for life policyholders that left the portfolio during the period

	1 January-31 December 2024		1 January-31 December 2023	
	Number	Mathematical reserves TL	Number	Mathematical reserves TL
Individual	4,619,115	1,275,448,810	2,781,204	694,986,774
Group	45,668	-	59,636	-
Total	4,664,783	1,275,448,810	2,840,840	694,986,774

There is no Mathematical reserve calculated for annual life policies for exists.

For TL and USD unit based on policies, policy transaction for entering and exiting in the same period are not included.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.14 Profit share allocation rate to the life policyholders:

	Dividend Distribution Rate (%) December 2024	Dividend Distribution Rate (%) December 2023
TL (unit based)	11.44%	11.00%
US Dollar (unit based product one)	5.92%	6.03%
TL (other)	-	12.09%
USD (other)	-	5.18%
EUR (other)	-	4.92%
USD (unit based product two)	6.10%	6.91%

17.15 Amounts arising from insurance contracts:

	31 December 2024	31 December 2023
Gross insurance liabilities		
Unearned premium reserve	4,386,059,411	1,008,571,325
Outstanding claims reserve	583,230,346	205,282,033
Equalization reserve	128,689,032	75,487,021
Mathematical reserves (*)	24,464,029,792	16,098,447,318
Total	29,562,008,581	17,387,787,697
Reinsurance assets		
Unearned premium reserve	13,204,721	3,944,613
Outstanding claims reserve	122,378,842	48,435,321
Equalization reserve	5,029,889	2,725,441
Mathematical reserves (*)	4,882,702	9,254,873
Total	145,496,154	64,360,248
Net insurance liabilities		
Unearned premium reserve	4,372,854,690	1,004,626,712
Outstanding claims reserve	460,851,504	156,846,712
Equalization reserve	123,659,143	72,761,580
Mathematical reserves	24,459,147,090	16,089,192,445
Total	29,416,512,427	17,323,427,449

(*) The movement of Mathematical reserve is explained in Note 17.2. These provisions are calculated on a net basis as explained in Note 2.20.

As of 31 December 2024, Mathematical reserves amounting to TL 679,158,089 (31 December 2023: TL 569,555,420) and fair value loss of financial investments with risks on policyholders amounting to TL (107,219,162) (31 December 2023: TL (85,152,881)) are not included in the related amount.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.15 Amounts arising from insurance contracts (cont’d):

Movement of provision for outstanding claims in the accounting period:

	31 December 2024			31 December 2023		
Life	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	194,878,363	(45,432,377)	149,445,986	137,788,795	(19,936,550)	117,852,245
Compensation paid	(1,582,267,168)	93,527,378	(1,488,739,790)	(873,114,124)	100,395,457	(772,718,667)
Increase/(Decrease)	-	-	-	-	-	-
- Current period outstanding	1,640,117,533	(157,953,070)	1,482,164,463	852,757,880	(119,144,163)	733,613,717
- Prior period outstanding	112,364,805	(9,769,605)	102,595,200	77,445,812	(6,747,121)	70,698,691
31 December	365,093,533	(119,627,674)	245,465,859	194,878,363	(45,432,377)	149,445,986
Reported damages	323,504,756	(102,759,274)	220,745,482	184,014,581	(40,288,092)	143,726,489
Incurred but not reported	41,588,777	(16,868,400)	24,720,377	10,863,782	(5,144,285)	5,719,497
Total	365,093,533	(119,627,674)	245,465,859	194,878,363	(45,432,377)	149,445,986
	31 December 2024			31 December 2023		
Personal accident	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	10,403,670	(3,002,944)	7,400,726	6,835,367	(19,903)	6,815,464
Compensation paid	(501,680,717)	560,386	(501,120,331)	(8,075,512)	3,341,988	(4,733,524)
Increase/(Decrease)	-	-	-	-	-	-
- Current period outstanding	702,846,178	(2,264,394)	705,110,572	6,937,189	(6,306,697)	630,492
- Prior period outstanding	6,567,682	(2,573,004)	3,994,678	4,706,626	(18,332)	4,688,294
31 December	218,136,813	(2,751,168)	215,385,645	10,403,670	(3,002,944)	7,400,726
Reported damages	43,467,923	(2,751,168)	40,716,755	9,202,024	(3,002,944)	6,199,080
Incurred but not reported	174,668,890	-	174,668,890	1,201,646	-	1,201,646
Total	218,136,813	(2,751,168)	215,385,645	10,403,670	(3,002,944)	7,400,726
Grand Total	583,230,346	(122,378,842)	460,851,504	205,282,033	(48,435,321)	156,846,712

Movement of equalization reserve in the accounting period:

	31 December 2024			31 December 2023(*)		
Equalization reserve	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	75,487,021	(2,725,441)	72,761,580	65,209,807	(1,639,362)	63,570,445
Net change	53,202,011	(2,304,448)	50,897,563	10,277,214	(1,086,079)	9,191,135
31 December	128,689,032	(5,029,889)	123,659,143	75,487,021	(2,725,441)	72,761,580

(*) The Company has provided for the damage payment amounting to TL 14,378,853 related to the Kahramanmaraş earthquake in 2023 from the equalization reserve.

Movement of unearned premium reserves in the accounting period:

	31 December 2024			31 December 2023		
Unearned premium reserves	Gross	Reinsurance share	Net	Gross	Reinsurance share	Net
1 January	1,008,571,325	(3,778,227)	1,004,793,098	216,387,569	(4,881,670)	211,505,899
- Current period unearned premium provision	4,385,907,844	(13,204,721)	4,372,703,123	1,008,434,527	(3,670,087)	1,004,764,440
- Prior period unearned premium provision	(1,008,419,758)	3,778,227	(1,004,641,531)	(216,250,771)	4,607,144	(211,643,627)
Net change	3,377,488,086	(9,426,494)	3,368,061,592	792,183,756	937,057	793,120,813
31 December	4,386,059,411	(13,204,721)	4,372,854,690	1,008,571,325	(3,944,613)	1,004,626,712

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS (cont’d)

17.15 Amounts arising from insurance contracts (cont’d):

As of 31 December 2024 and 31 December 2023, net technical reserves expressed in foreign currency are as follows:

	31 December 2024			31 December 2023		
	Currency type	Exchange rate	TL amount	Currency type	Exchange rate	TL amount
Mathematical reserves						
TL			1,176,404,891			858,183,992
US Dollar (effective selling rate)	192,407	35,3969	6,810,626	17,609	29,5355	520,079
US Dollar	659,729,433	35,2803	23,275,452,299	517,355,091	29,4382	15,230,002,631
EUR	13,003	36,8576	479,274	14,863	32,6815	485,743
			24,459,147,090			16,089,192,445
Unearned premium reserves						
TL			4,372,854,690			1,004,626,712
			4,372,854,690			1,004,626,712
Outstanding claim reserves						
TL			357,097,046			94,992,692
US Dollar (effective selling rate)	-	35,3969	-	72,966	29,5355	2,155,087
US Dollar	2,940,861	35,2803	103,754,458	2,027,941	29,4382	59,698,933
			460,851,504			156,846,712
Equalization reserve						
TL			123,659,143			72,761,580
			123,659,143			72,761,580

The Group's claim development table as of 31 December 2024 is as follows:

Damage year	2017 and before	2018	2019	2020	2021	2022	2023	2024	Total
Ultimate claim cost estimate									
In the year of damage	15,380,093	1,727,625	3,360,051	4,363,823	5,421,204	16,414,832	49,662,629	254,257,079	350,587,336
After 1 year	867,187	971,411	1,345,423	2,479,513	12,693,761	7,817,280	8,811,076	-	34,985,651
After 2 years	2,130,358	912,263	270,892	2,214,133	2,819,387	376,633	-	-	8,723,666
After 3 years	400,361	-	2,711,339	-	349,826	-	-	-	3,461,526
After 4 years	115,585	276,394	-	6,377,689	-	-	-	-	6,769,668
After 5 years	90,448	-	-	-	-	-	-	-	90,448
After 6 years	-	772,818	-	-	-	-	-	-	772,818
After 7 years	262,976	-	-	-	-	-	-	-	262,976
Total outstanding claim based on the damage development table	19,247,008	4,660,511	7,687,705	15,435,158	21,284,178	24,608,745	58,473,705	254,257,079	405,654,089
Claims incurred but not reported									216,257,667
Outstanding Claims Review and Litigation Winning Discount									(38,681,410)
As of 31 December 2024, total gross outstanding claims reserve									583,230,346

The Group's claim development table as of 31 December 2023 is as follows:

Damage year	2016 and before	2017	2018	2019	2020	2021	2022	2023	Total
Ultimate claim cost estimate									
In the year of damage	17,324,696	4,378,013	5,047,997	3,210,510	8,090,235	15,651,092	21,417,872	115,097,532	190,217,947
After 1 year	252,137	246,791	1,450,974	790,259	762,112	5,001,800	6,240,829	-	14,744,902
After 2 years	438,810	66,605	85,773	190,183	1,036,878	82,012	-	-	1,900,261
After 3 years	898,654	-	12,500	2,295,687	-	-	-	-	3,206,841
After 4 years	-	7,500	1,077,051	15,094	-	-	-	-	1,099,645
After 5 years	-	-	10,134	-	-	-	-	-	10,134
After 6 years	-	-	-	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-	-	-	-
Total outstanding damage based on the damage development table	18,914,297	4,698,909	7,684,429	6,501,733	9,889,225	20,734,904	27,658,701	115,097,532	211,179,730
Claims incurred but not reported									12,065,428
Outstanding Claims Review and Litigation Winning Discount									(17,963,125)
As of 31 December 2023, total gross outstanding claims reserve									205,282,033

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

18. INVESTMENT CONTRACT LIABILITIES

None.

19. TRADE AND OTHER PAYABLES, DEFERRED INCOME

The Group's trade and other payables as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Payables from operating activities	2,889,268,835	1,701,535,074
Payables from pension operations (*)	2,450,355,096	1,456,755,026
Payables from insurance operations	438,913,739	244,780,048
Payables to related parties	287,082,003	186,205,040
Payables to other related parties	278,256,628	181,025,177
Payables to shareholders	3,516,257	2,419,707
Payables to personnel	5,309,118	2,760,156
Other payables (Note 47.1)	305,018,198	166,705,606
Deferred income and expense accruals	353,417,590	160,013,355
Deferred commission income	8,297,894	3,285,928
No-claim premium refund	2,050,641	1,884,118
Provision for other general administrative expenses	343,069,055	154,843,309
Total	3,834,786,626	2,214,459,075

(*) TL 228,012,950,880 pension investment funds portfolio amount is not included in the total (31 December 2023: TL 141,346,845,235).

Trade and other payables denominated in foreign currency as of 31 December 2024 and 31 December 2023 are disclosed in footnote 12.4.

20. LIABILITIES

The Group's total lease liabilities recognized in accordance with TFRS 16 - Leases are as follows:

	31 December 2024	31 December 2023
Short-term lease liabilities	132,382,885	22,516,093
Long-term lease liabilities	233,005,777	86,943,615
Discount amount with alternative borrowing rate	(140,759,702)	(48,710,970)
Total lease liabilities	224,628,960	60,748,738

The Group's total lease liabilities recognized are as follows:

	2024	2023
1 January Opening	60,748,738	45,909,206
Rent increase / (decrease)	289,804,518	28,303,767
Lease contract termination cancellation - payments	(141,718,252)	-
Rent payments	(116,238,295)	(24,833,332)
Cancellation of interest on the lease agreement for which termination notification has been made	56,750,890	-
Interest payments	75,281,361	11,369,097
Total lease liability as of balance sheet date - 31 December	224,628,960	60,748,738

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

21. DEFERRED TAX

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its consolidated financial statements as reported for CMB Financial Reporting Standards and its statutory tax consolidated financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for the consolidated financial statements prepared in accordance with the Reporting Standards and tax legislation and they are presented below.

With the law numbered 7394 published in the Official Gazette dated 15 April 2022, banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies The corporate tax rate has been permanently increased to 25%.

Law No. 7456 ‘Law on the Amendment of Certain Laws and the Decree Law No. 375 on the Amendment of Certain Laws and the Decree Law No. 375 on Additional Motor Vehicles Tax for the Compensation of the Economic Losses Caused by the Earthquakes Occurred on 6 February 2023’ was published in the Official Gazette dated 15 July 2023 and numbered 32249.

With Article 21 of this Law, the corporate tax rate has been set as 25%, and it is regulated that this rate shall be applied as 30% for the corporate income of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings and Financing Companies Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

The change in the Corporate Tax Law covers insurance companies, not all companies within the scope of the Insurance Law. Since the insurance brokerage Group included in the Group's consolidated financial statements is not an insurance Group and are companies defined independently of each other, the tax rate of Agesa Sigorta Hizmetleri A.Ş. included in the consolidated financial statements is applied as 25% as of 31 December 2024.

Movements of deferred tax assets during the year are as follows:

	Deferred tax assets / (liabilities)	Deferred tax assets / (liabilities)	Deferred tax (expense) income	Deferred tax (expense) income
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Deferred tax assets				
Expense accruals	238,701,651	124,941,692	113,759,959	79,325,564
Equalization reserve	37,097,743	21,828,474	15,269,269	5,935,863
Provisions for lawsuits	9,502,536	6,254,241	3,248,295	2,643,261
Employee termination benefits	33,531,792	24,002,063	(2,648,250)	774,226
Staff allowance	9,651,026	5,949,121	3,701,905	3,242,089
Advance incentive commission	-	-	-	(144,010)
Deposits internal rate of return-linear interest rate difference	2,162,597	147,158	2,015,439	129,427
Eurobond internal yield-linear interest difference	28,987,866	15,435,294	13,552,572	12,380,268
Differences arising from lease liabilities	8,264,376	2,265,151	5,999,225	713,898
TPL Inflation Valuation	16,853,547	(6,981,375)	23,834,922	37,089,353
Net difference between registered values of tangible assets and tax bases	(8,888,835)	8,015,460	(16,904,295)	(36,376,592)
Carryforward tax losses (*)	35,940,886	18,773,850	17,167,036	17,366,509
2023 Prepaid expense inflation adjustment value increase tax effect	(4,853,891)	-	(4,853,891)	-
Price differences of financial assets held for trading	(1,359,741)	6,800,522	(8,160,263)	18,793,338
Valuation difference on foreign currency assets and liabilities	(642,784)	22,569	(665,353)	5,489
Deferred tax asset (liability) of available-for-sale financial assets accounted under equity)	(28,312,025)	(24,325,578)	-	-
Stock Exchange-IRR Corporate tax rate change difference	151,432	151,432	-	-
Total deferred tax assets	376,788,176	203,280,074	165,316,570	141,878,683

(*) At the reporting date, the Group has unused tax losses of TL 119,802,952 (31 December 2023: TL 62,579,500) that can be offset against possible future profits, and a deferred tax asset of TL 35,940,886 (31 December 2023: TL 18,773,850) has been recorded for these losses.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

21. DEFERRED TAX (cont’d)

	2024	2023
1 January	203,280,074	117,103,479
Cancellation of deferred tax assets recognized in equity due to impairment of available-for-sale financial assets	24,325,578	(24,636,850)
Deferred tax expense (*)	165,316,570	141,878,683
Deferred tax asset recognized in equity due to decrease in value of available-for-sale financial assets	(28,312,025)	(24,325,578)
Deferred tax asset/(liability) recognized in equity due to severance pay liability actuarial loss	12,177,979	(6,739,660)
31 December	376,788,176	203,280,074

(*) In the current period, the adjustment made regarding the previous period tax amounting to TL 58,969,204 was presented in the deferred tax income in the income statement (2023: TL 28,445,111).

22. RETIREMENT BENEFITS OBLIGATIONS

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The amount payable consists of one month's salary limited to a maximum of TL 46,655 for each year of service as of 1 July 2025 (1 January 2024: TL 35,059).

According to TAS 19, actuarial calculations are required to calculate the liabilities of the Group, the provision has been calculated and accounted for in the accompanying consolidated financial statements by using “Projection Method” and based on the Group’s past experience in the employee’s rate of eligibility for retirement pay. Provision for employee termination benefits is calculated estimating the present value of the future probable obligation of the Group arising from the retirement of employees. Accordingly, the actuarial assumptions used to calculate the liability as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
The estimated rate of salary increase - annually	22%	8.5%
Annual discount rate	3.5%	3.5%

Movement of provision for employee termination benefits during the period is presented below:

	2024	2023
1 January	82,991,535	124,418,336
Paid during the period	(39,059,198)	(47,586,999)
Service cost	21,962,112	15,512,300
Interest cost	8,488,617	13,806,768
Actuarial loss	40,054,914	(23,158,870)
31 December	114,437,980	82,991,535

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

23. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

23.1 Provisions related to social security related employee benefits, and others: None.

23.2 Provisions for other risks:

Provision for expense accruals of the Group are as follows:

	31 December 2024	31 December 2023
Provision for personnel bonuses	327,417,579	187,475,108
Provision for commissions	90,497,061	59,366,640
Provision for commissions to sales personnel	45,203,740	28,605,584
Total	463,118,380	275,447,332

As of the balance sheet date, the Group has unused vacation provisions amounting to TL 32,193,227 in other current liabilities (31 December 2023: TL 20,228,538).

The details of other non-current liabilities and provisions for expenses are disclosed in Note 47.

23.3 Total commitment amount which is not included in liabilities:

	31 December 2024				31 December 2023			
	USD	EUR	TL	Total	USD	EUR	TL	Total
Guarantees and collaterals given: Letter of guarantee	-	-	28,475,335	28,475,335	-	-	22,549,559	22,549,559
Total	-	-	28,475,335	28,475,335	-	-	22,549,559	22,549,559
Insurance guarantee								
Life	329,488,210,449	23,726,417	265,210,448,026	594,722,384,892	195,455,101,707	27,963,435	150,327,568,300	345,810,633,442
Personnel accident	-	-	73,981,577,466	73,981,577,466	-	-	45,102,294,496	45,102,294,496
Total	329,488,210,449	23,726,417	339,192,025,492	668,703,962,358	195,455,101,707	27,963,435	195,429,862,796	390,912,927,938

24. NET INSURANCE PREMIUM INCOME

Net premiums written of the Group for the periods 1 January – 31 December 2024 and 1 January – 31 December 2023 are as follows:

	1 January-31 December 2024			1 January-31 December 2023		
	Gross	Reinsurance Share	Net	Gross	Reinsurance Share	Net
Non-life	2,820,527,914	(1,346,888)	2,819,181,026	130,806,976	(291,259)	130,515,717
Life	14,085,844,810	(535,413,596)	13,550,431,214	7,353,081,090	(178,071,435)	7,175,009,655
Total premium income	16,906,372,724	(536,760,484)	16,369,612,240	7,483,888,066	(178,362,694)	7,305,525,372

25. INCOME FROM PENSION BUSINESS

The income amounts obtained from the Group's services in the field of private pension for the accounting periods of 1 January – 31 December 2024 and 1 January – 31 December 2023 are stated below:

	1 January-31 December 2024	1 January-31 December 2023
Fund management income	2,623,349,106	1,434,808,882
Management fee	939,982,978	392,389,015
Entry fees income	229,007,432	63,072,837
Fee deduction in case of contribution suspension	321	3,006
Total	3,792,339,837	1,890,273,740

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

26. INVESTMENT INCOME

The Group's investment income for the accounting periods of 1 January – 31 December 2024 and 1 January – 31 December 2023 are as follows.

	1 January-31 December 2024	1 January-31 December 2023
Dividend income	2,149,991	-
Income on Financial Investments	2,714,255,391	1,106,303,548
Financial assets held to maturity net realized income/(expense)	1,157,927,118	609,553,218
Financial assets held for trading net realized income/(expense)	322,707,023	196,687,499
Available for sale financial assets net realized income (expense)	775,577,641	257,906,167
Available-for-sale financial assets-deposit interest income	456,854,305	41,878,122
Other	1,189,304	278,542
Profit from Cash Conversion of Financial Investments	47,015,659	181,891,496
Financial assets held for trading	-	65,003,138
Available-for-sale financial assets	47,015,659	116,888,358
Investment Income transferred from Life Technical Division	-	(2,194,206)
Available-for-sale financial assets	-	(2,194,206)
Income from Derivative Products	3,600	799,386
Total	2,763,424,641	1,286,800,224

27. NET ACCRUAL INCOME / (EXPENSES) OF FINANCIAL ASSETS

	1 January-31 December 2024	1 January-31 December 2023
Financial assets held for trading	401,584,923	(111,861,517)
Financial assets available-for-sale	255,559,296	130,754,527
Held-to-maturity assets	205,493,081	286,700,693
Total	862,637,300	305,593,703

28. ASSETS HELD AT FAIR VALUE THROUGH PROFIT AND LOSS

Disclosed in Note 26.

29. INSURANCE RIGHTS AND CLAIMS

Disclosed in Note 17.

30. INVESTMENT AGREEMENT RIGHTS

None.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

31. OTHER EXPENSES

	1 January- 31 December 2024	1 January- 31 December 2023
Operating expenses classified under technical part		
Pension	4,437,516,706	2,617,139,078
Life	3,550,377,706	1,591,820,492
Non-life	598,576,917	162,807,659
Total	8,586,471,329	4,371,767,229

32. OPERATING EXPENSES

	1 January- 31 December 2024	1 January- 31 December 2023
Production commission	4,047,438,698	2,027,412,204
Personnel expenses	3,002,371,146	1,594,339,571
Outsourced benefits and services	732,959,504	424,349,344
Management expenses	604,466,155	300,639,621
Marketing and sales expenses	170,189,984	97,776,819
Reinsurance commissions	(2,252,746)	(92,304,510)
Other operating expenses	31,298,588	19,554,180
Total	8,586,471,329	4,371,767,229

33. EMPLOYEE BENEFIT EXPENSES

	1 January- 31 December 2024	1 January- 31 December 2023
Wages	1,576,990,667	826,879,546
Commissions and promotions expenses	467,579,591	283,393,678
Other wage expenses	384,988,372	143,808,136
Social security premiums	328,962,039	177,510,800
Other personnel expenses	188,727,685	100,605,898
Termination benefits expenses	39,059,198	47,586,999
Notice pay expenses	5,785,479	2,363,963
Unused vacation pay expenses	10,278,115	12,190,551
Total	3,002,371,146	1,594,339,571

34. FINANCE COSTS

34.1 Finance expenses of the period: None (31 December 2023: None)

34.2 Finance expense related to the shareholders, affiliates and subsidiaries (Amounts exceeding 20% of the total amount will be presented separately): None.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

34. FINANCE COSTS (cont'd)

34.3 Sales and purchases to/with shareholders, subsidiaries and affiliates (Amounts exceeding 20% of the total amount will be presented separately):

	1 January - 31 December 2024	1 January- 31 December 2023
Services purchased		
Hacı Ömer Sabancı Holding A.Ş.	4,943,815	3,085,364
Total	4,943,815	3,085,364

	1 January- 31 December 2024	1 January- 31 December 2023
Services provided		
Hacı Ömer Sabancı Holding A.Ş.	2,980,026	2,030,254
Total	2,980,026	2,030,254

34.4. Interest, rent and other similar income/expense received/paid from/to shareholders, subsidiaries and affiliates (Amounts exceed 20% of the total amount will be presented separately): 31 December 2024: None (31 December 2023: None).

35. INCOME TAXES

The Group is subject to the tax legislation and applications in force in Türkiye.

With the publication of the Law No. 7394 in the Official Gazette dated 15 April 2022, the corporate tax rate for banks, consumer finance companies, factoring and financial leasing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies has been determined as 25%.

Law No. 7456 ‘Law on the Amendment of Certain Laws and the Decree Law No. 375 on the Amendment of Certain Laws and the Decree Law No. 375 on Additional Motor Vehicles Tax for the Compensation of the Economic Losses Caused by the Earthquakes Occurred on 6 February 2023’ was published in the Official Gazette dated 15 July 2023 and numbered 32249.

With Article 21 of this Law, the corporate tax rate has been set as 25%, and it is regulated that this rate shall be applied as 30% for the corporate income of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings and Financing Companies Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

The change in the Corporate Tax Law covers insurance companies, not all companies within the scope of the Insurance Law. Since the insurance brokerage Group included in the Group's consolidated financial statements is not an insurance Group and are companies defined independently of each other, the tax rate of Agesa Sigorta Hizmetleri A.Ş. included in the consolidated financial statements is applied as 25% as of 31 December 2024.

In accordance with the Provisional Article 33 added to the Tax Procedure Law with the Article 1 of the Law No: 7352 on the Amendment of the Tax Procedure Law and Corporate Tax Law published in the Official Gazette No: 31734 dated 29 January 2022, the consolidated financial statements as at 31 December 2023 prepared in accordance with the tax legislation should be subject to inflation adjustment.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

35. INCOME TAXES (cont'd)

In line with the Law No. 7352, inflation adjustment will be applied to the consolidated financial statements dated 31 December 2023, and the profit/loss difference arising from the inflation adjustment will be shown in the previous years' profit/loss account and will not be taxed.

In addition, with the Law numbered 7491 published in the Official Gazette dated 28 December 2023 and numbered 32413, banks, payment and electronic money institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies' profits or losses that will arise as a result of inflation adjustment in the 2024 and 2025 accounting periods will not be taken into account in determining the corporate tax base.

Finally, the provisions regarding the inflation adjustment to be made by insurance and reinsurance companies and pension companies are regulated under the heading 13.2. Considerations Regarding Inflation Adjustment in Institutions Using Accounting Techniques Different from Those Determined in the Accounting System Implementation General Communiqué of Tax Procedure Law Circular No. 165 numbered TPL-165/2024-3/ numbered Inflation Adjustment Application-15 published by the Revenue Administration of the Ministry of Treasury and Finance on 20 February 2024.

Corporate tax losses can be carried forward for a maximum period of 5 years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

Dividend payments made with parties except for the joint-stock companies' resident in Turkey that are not subject to and are exempted from corporate and income tax and also made with real persons whether resident in Turkey or not, and legal entities not resident in Turkey are subject to income tax at the rate of 15%.

Dividend distribution by resident corporations to resident corporations is not subject to a withholding tax. Furthermore, in the event the profit is not distributed or included in capital, no withholding tax shall be applicable.

Dividend earnings of corporations from participation in the capital of another corporation (except for the participation certificates of mutual funds and the dividends obtained from the shares of investment trusts) subject to full liability are exempt from corporation tax. In addition, 50% of the profit arising from the sale of the participation shares in the assets of the corporations for at least two full years and the founding certificates of the real estates (immovables) owned for the same period of time, the usufruct shares and the preference rights are exempt from corporate tax. In order to benefit from the exception, the said gain must be kept in a fund account in the liability and should not be withdrawn from the enterprise for 5 years. The sales price must be collected by the end of the second calendar year following the year in which the sale was made.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

35. INCOME TAXES (cont'd)

Tax income and expenses included in the income statements for the 1 January – 31 December 2024 and 1 January – 31 December 2023 are summarized below:

	1 January- 31 December 2024	1 January- 31 December 2023
Current period corporate tax	(1,241,292,847)	(594,687,157)
IRR-stock market difference tax effect of TL Bonds	6,540,217	(28,570,346)
Deferred tax income/(expense)*	224,285,774	170,323,794
Total tax expense	(1,010,466,856)	(452,933,709)

(*) Deferred tax income amounting to TL 224,285,774 consists of TL 165,316,570 from the current period deferred tax income and TL 58,969,204 from the adjustment made in the current period regarding the previous period tax (1 January-31 December 2023: Deferred tax income amounting to TL 170,323,794 consists of TL 141,878,683 from the current period deferred tax expense and TL 28,445,111 from the adjustment made regarding the previous period tax in the current period).

Reconciliation of current tax expense is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Profit/loss before tax	3,880,497,488	1,842,972,255
Tax rate	30%	30%
Calculated corporate tax provision	(1,154,158,868)	(557,964,035)
Non-recognized and other expenses, net	(82,459,301)	(44,534,535)
Tax Exemption Income (*)	158,367,539	93,019,056
Corporate Tax Rate Change	-	19,456,452
TPL Inflation Adjustment Deferred Tax Effect	67,783,775	37,089,353
Total tax expenses in the income statement (-)	(1,010,466,856)	(452,933,709)

(*) The Group's tax exemption income consists of investment fund income and dividend income acquired before 15 July 2023.

(**) As of 31 December 2024, the tax rate of AgeSA Sigorta Aracılık A.Ş. is 25%. This rate was also taken into account in the tax reconciliation.

The Group has prepaid tax amounting to TL 925,512,990 (31 December 2023: TL 458,398,904).

	31 December 2024	31 December 2023
Current tax provision	1,241,292,847	594,687,157
Prepaid taxes	(900,623,452)	(458,010,217)
The amount of withholding tax to be deducted	(24,889,538)	(388,687)
Total current tax liabilities	315,779,857	136,288,253

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

36. NET FOREIGN EXCHANGE INCOME

	1 January- 31 December 2024	1 January- 31 December 2023
Financial investment foreign exchange profit with the risk on life policy holders	3,966,406,916	5,060,178,615
Financial investment foreign exchange loss with risk on life policy holders	(698,220,115)	(186,877,557)
Foreign exchange profit on financial assets available for sale	408,300,513	840,984,595
Foreign exchange loss on financial assets available for sale	(37,492,958)	(108,811,400)
Foreign exchange income from other transactions (*)	21,337,279	31,122,037
Foreign exchange expenses from other transactions (*)	(15,147,500)	(13,722,124)
Foreign exchange gains on derivative instruments	3,600	799,386
Foreign exchange losses on derivative instruments	(10,119,130)	(12,581,150)
Total	3,635,068,605	5,611,092,402

(*) It refers to the foreign exchange gain/loss amount included in Income and Profits and Expenses and Losses from Other Activities and Extraordinary Activities.

37. EARNINGS PER SHARE

The calculation of earnings per share for the Group's shareholder is as follows.

	1 January- 31 December 2024	1 January- 31 December 2023
Net profit for the period	2,871,345,742	1,390,038,546
Number of equity shares outstanding	18,000,000,000	18,000,000,000
Earnings per share (TL)	0.1595	0.0772

38. DIVIDENDS PER SHARE

The Group's dividend distribution to its shareholders in year 2024 with respect to the profit of the year 2023 is as follows:

Based on the positive opinion dated 19 February 2024 received from the Insurance and Private Pension Regulation and Supervision Agency in accordance with the circular numbered 2023/2, in line with the profit distribution proposal received at the ordinary General Assembly Meeting held on 19 March 2024; after allocating TL 29,100,000 of general legal reserves and TL 1,095,503,500 of extraordinary reserves from the consolidated net profit for the period of TL 1,424,603,500 after taxes resulting from the activities of 2023, the Group has decided to distribute a total gross dividend of TL 300,000,000 and to make payments in cash as of 15 April 2024, and the relevant dividend payments were made on 15 April and 17 April.

39. CASH GENERATED FROM OPERATIONS: The cash flows from operating activities are presented in the accompanying statement of cash flows.

40. CONVERTIBLE BOND: None.

41. REDEEMABLE PREFERENCE SHARES: None.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

42. RISKS

The amount of provision required for the lawsuits pending against the Group was accounted for in other long-term debts and expenses in the accompanying consolidated financial statements. As of 31 December 2024, total amount included in outstanding claims reserves is TL 72,263,805 (31 December 2023: TL 55,719,637).

43. COMMITMENTS

The Group has letters of guarantee amounting to TL 28,475,335 (31 December 2023: TL 22,549,559) to its suppliers and Executive Directorates.

44. BUSINESS MERGERS

None.

45. RELATED PARTY TRANSACTIONS

Benefits provided to executive management:

For the periods ended as of 1 January – 31 December 2024 and 1 January – 31 December 2023, salaries and other benefits provided to key management such as; Chairman and members of the Board of Directors, managing director and assistant managing directors during the period are presented below.

	1 January- 31 December 2024	1 January- 31 December 2023
Benefits provided to executive management	115,166,641	61,740,182

As of 31 December 2024 and 31 December 2023, balances with related parties are as follows:

Related Entity Balances

	31 December 2024	31 December 2023
Akbank T.A.Ş. - credit card receivables	2,389,391,236	1,444,964,894
Other cash and cash equivalents	2,389,391,236	1,444,964,894
Akbank - T.A.Ş. - bank deposit	256,025,959	354,984,797
Banks	256,025,959	354,984,797

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont’d)

As of 31 December 2024, securities issued by the Group’s related parties and classified as trading financial assets in the Group’s own securities portfolio are followed:

	31 December 2024			
	Nominal value	Cost value	Fair value	Book value
Enerjisa Elektrik Dağıtım A.Ş.	90,000,000	90,000,000	96,695,422	96,695,422
Çimsa Çimento Sanayi Ve Ticaret A.Ş.	10,000,000	10,000,000	10,242,012	10,242,012
Carrefoursa Sabancı Ticaret Merkezi A.Ş.	64,630,000	64,630,000	75,333,023	75,333,023
Ak Yatırım Menkul Değerler A.Ş.	50,000,000	50,000,000	53,609,579	53,609,579
Teknosa İç ve Dış Ticaret A.Ş.	11,000,000	11,000,000	12,556,760	12,556,760
Total	225,630,000	225,630,000	248,436,796	248,436,796

As of 31 December 2024, the Group has an investment fund classified as a financial asset for trading purposes with a nominal value and cost of TL 181,964,593, a book value and fair value of TL 191,225,246, held in Ak Portföy Yönetimi A.Ş.

As of 31 December 2023, securities issued by the Group’s related parties and classified as trading financial assets in the Group’s own securities portfolio are followed:

	31 December 2023			
	Nominal value	Cost value	Fair value	Book value
Private sector bonds				
Enerjisa Elektrik Dağıtım A.Ş.	69,980,000	69,980,000	82,366,609	82,366,609
Çimsa Çimento Sanayi Ve Ticaret A.Ş.	10,000,000	10,000,000	10,201,400	10,201,400
Financial Assets	79,980,000	79,980,000	92,568,009	92,568,009

	31 December 2024	31 December 2023
Other receivables from related parties		
Aksigorta A.Ş.	13,444,436	4,447,932
Akbank T.A.Ş.	279,756	9,006
Sabancı Dijital Teknolojileri Hizmetleri A.Ş.	2,965,875	-
	16,690,067	4,456,938

	31 December 2024	31 December 2023
Receivables and payables from insurance operations		
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	316,489	3,173
Sabancı Üniversitesi	162,437	166,298
Enerjisa Enerji Üretim A.Ş	146,731	36,974
Teknosa İç ve Dış Ticaret A.Ş.	53,896	(3,044)
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş.	23,494	2,384
Temsa İş Makineleri İma.Paz.Satış A.Ş.	14,456	1,047
Ak Finansal Kiralama A.Ş.	308	-
Brisa Bridgestone Sabancı Lastik ve Ticaret A.Ş	(46,765)	1,856,971
Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş.	(12,747)	757,202
Other	(688,762)	294,485
	(30,463)	3,115,490

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont’d)

	31 December 2024	31 December 2023
Receivables from insurance operations		
Aksigorta A.Ş.	867,079,359	-
	867,079,359	-

	31 December 2024	31 December 2023
Business Advances		
Aksigorta A.Ş.	-	81,378
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	-	7,980
	-	89,358

	31 December 2024	31 December 2023
Other trade payables to related parties		
Sabancı Dijital Teknolojileri Hizmetleri A.Ş.	113,084,553	50,698,031
Vista Turizm ve Seyahat A.Ş.	13,020,642	1,040,178
Aksigorta A.Ş.	142,064,965	128,442,679
Ak Portföy Yönetimi A.Ş.	5,269,144	-
Akbank T.A.Ş.	158,333	158,333
TeknoSA İç ve Dış Tic. A.Ş.	3,969,714	583,501
EnerjiSA Başkent Elektrik Perakende Satış A.Ş	-	4,866
EnerjiSA Anadolu Yakası Elektrik Perakende Satış A.Ş.	-	325
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	689,277	92,655
Enerjisa Toroslar Elektrik Perakende Satış A.Ş.	-	4,609
	278,256,628	181,025,177

	31 December 2024	31 December 2023
Payables from operations		
Akbank T.A.Ş	426,317,240	245,193,333
Ak Portföy Yönetimi A.Ş.	19,287,718	12,589,797
Emeklilik Gözetim Merkezi A.Ş.	5,230,872	4,399,384
	450,835,830	262,182,514

	31 December 2024	31 December 2023
Deferred income and expense accruals		
Hacı Omer Sabancı Vakfı	10,169,102	-
	10,169,102	-

	31 December 2024	31 December 2023
Prepaid expenses and income accruals		
Ak Portföy Yönetimi A.Ş.	85,109,544	-
	85,109,544	-

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont’d)

	1 January- 31 December 2024	1 January- 31 December 2023
Services purchased		
Akbank T.A.Ş.	3,829,643,758	1,802,777,419
- Commission paid	3,827,743,758	1,800,877,419
- Administrative expenses paid	1,900,000	1,900,000
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	407,811,126	249,843,406
Ak Portföy Yönetimi A.Ş.	207,429,884	106,719,660
Vista Turizm ve Seyahat A.Ş.	77,737,461	28,971,102
Emeklilik Gözetim Merkezi A.Ş.	57,056,722	23,703,536
Aksigorta A.Ş.	31,184,820	10,697,604
Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.	5,723,585	4,216,582
TeknoSA İç ve Dış Tic. A.Ş.	4,715,841	1,588,343
Anadolu Yakası Elektrik Dağıtım A.Ş.	153,935	97,322
Ak Finansal Kiralama A.Ş.	79,376,879	-
Other	13,349,039	9,566,809
	4,714,183,050	2,238,181,783
	1 January- 31 December 2024	1 January- 31 December 2023
Finance income		
Akbank T.A.Ş.	494,867,643	102,540,101
Enerjisa Enerji A.Ş.	31,368,814	6,980,285
Çimsa Çimento San.ve Tic. A.Ş.	3,241,120	23,178,089
Ak Portföy Yönetimi A.Ş.	44,593,406	-
Ak Finansal Kiralama A.Ş.	3,736,988	-
	577,807,972	132,698,475

	1 January - 31 December 2024	1 January - 31 December 2023
Income/(Expense) from Reinsurance Operations Net		
Aksigorta A.Ş. (*)	1,543,042,950	-
	1,543,042,950	-

(*) The Group's deferred commission expenses as of 31 December 2024 are TL 376,718,239 and have not been offset against expenses from related party transactions.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont’d)

	1 January - 31 December 2024	1 January- 31 December 2023
Services Provided		
Akbank T.A.Ş.	52,845,041	34,346,185
Aksigorta A.Ş.	46,000,876	17,237,365
Başkent Elektrik Dağıtım A.Ş.	7,228,980	4,156,476
Toroslar Elektrik Dağıtım A.Ş.	6,245,880	3,474,140
Kordsa Teknik Tekstil A.Ş.	3,155,061	2,456,650
Enerjisa Enerji Üretim A.Ş.	4,053,883	2,282,673
Brisa Bridgestone Sabancı Lastik ve Ticaret A.Ş.	3,379,385	1,868,028
İstanbul Anadolu yakası Elektrik Dağıtım A.Ş.	3,162,878	1,781,672
Ak Yatırım Menkul değerler A.Ş.	1,602,331	929,691
Temsa Ulaşım Araçları Sanayi ve Ticaret A.Ş.	1,535,537	836,930
Akçansa Çimento Sanayi ve Ticaret A.Ş.	1,332,682	777,070
TeknoSA İç ve Dış Ticaret A.Ş.	1,302,777	664,936
Sabancı Dijital Teknoloji Hizmetleri A.Ş.	9,332,419	12,479,467
Ak Portföy Yönetimi A.Ş.	999,657	425,378
CarrefourSA Carrefour Sabancı Ticaret Merkezi A.Ş.	319,571	199,272
Çimsa Çimento Sanayi ve Ticaret A.Ş.	1,700,869	1,237,927
Other	6,955,632	4,004,342
	151,153,459	89,158,202
Other Expenses		
Hacı Ömer Sabancı Vakfı	177,094,729	90,816,918
Sabancı Üniversitesi	-	7,000,000
	177,094,729	97,816,918

45.1 Partners, investments and its doubtful receivables due to the receivables from the subsidiaries: None.

45.2 Details of affiliates and subsidiaries having indirect capital and management relations with the Group; names, amounts and rates of participations in the affiliates and subsidiaries; profit/loss for the period presented in the recent consolidated financial statements of such participations; net profit/loss for the period and period covered by the consolidated financial statements; information about whether these consolidated financial statements are prepared in accordance with the CMB standards; information about whether these consolidated financial statements are audited; details of the audit opinion: Note 9

Details of other financial assets are as follows:

	31 December 2024		31 December 2023	
	Share of Partnership (%)	Amount (TL)	Share of Partnership (%)	Amount (TL)
Non-Group				
Milli Reasürans A.Ş.	0.1494	575,082	0.1494	575,082
Emeklilik Gözetim Merkezi A.Ş.	6.6700	3,371,543	6.2500	3,163,210
Enternasyonal Turizm Yatırım A.Ş.	0.0001	2	0.0001	2
Endüstri Holding A.Ş.	0.0001	625	0.0001	625
Total		3,947,252		3,738,919

45.3 Bonus shares obtained from affiliates or subsidiaries through internal resource capital increases: None (31 December 2023: None).

45.4 Rights and their values on immovable: None.

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

45. RELATED PARTY TRANSACTIONS (cont'd)

45.5 Guarantees, commitments, guarantee letters, advances and endorsements given in favor of shareholders, affiliates and subsidiaries: None.

46. EVENTS AFTER THE REPORTING PERIOD

Explanations related to subsequent events are disclosed in Note 1.10.

47. OTHER

47.1 Items and amounts classified under the ‘other’ account in consolidated financial statements either exceeding 20% of the total amount of the group to which they relate or 5% of the total assets in the balance sheet:

Other cash and cash equivalents consist of credit card receivables that have been blocked for a period of 1 to 41 days by the bank.

Short-term other receivables consist of withholding tax and other receivables from various organizations.

Other tangible assets consist of leasehold improvements.

Other intangible assets consist of software.

Other technical reserves and other provisions items consist of equalization reserve.

	31 December 2024	31 December 2023
Other Current Assets		
Business advances	1,593,519	894,281
Personnel Advances	940,079	2,680,453
	2,533,598	3,574,734
Other Liabilities		
Due to suppliers	187,410,089	164,392,076
Debts to contracted institutions	115,971,882	-
Other liabilities	1,636,227	2,313,530
	305,018,198	166,705,606
	31 December 2024	31 December 2023
Other Prepaid Expenses		
Maintenance and Repair Expenses	101,097,044	50,196,309
Insurance Expenses	134,323,977	2,732,831
Subscriptions	3,238,593	2,702,911
Lease Expenses	17,704,431	3,102,478
Information systems expenses	18,774,859	26,544,467
Other prepaid expenses	1,372,550	2,098,273
	276,511,454	87,377,269

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

47. OTHER (cont'd)

47.1 Items and amounts classified under the ‘other’ account in consolidated financial statements either exceeding 20% of the total amount of the group to which they relate or 5% of the total assets in the balance sheet (cont'd)

	1 January- 31 December 2024	1 January - 31 December 2023
Other expenses and losses		
Non-deductible expenses	187,147,522	114,266,320
Foreign exchange losses	15,147,500	13,722,124
Expense Provision	10,169,102	-
Other expenses	15,695,765	7,469,276
Special communication tax expenses	917,918	467,700
	229,077,807	135,925,420
Other income and profit		
Sales efficiency model income	96,986,259	49,718,198
Foreign exchange income	21,337,279	31,122,037
Fixed asset sales income	2,929,721	122,574
Other income	40,177,346	12,172,216
	161,430,605	93,135,025

47.2 Separate sums of receivables from personnel and payables to personnel, which are included in the "Other Receivables" and "Other Short or Long Term Payables" account item and exceed one percent of the total assets of the balance sheet: None.

47.3 Descriptive disclosure in relation to amounts and resources of prior period income, expenses, and losses:

	1 January- 31 December 2024	1 January- 31 December 2023
Income and profit of the prior years		
Invoice and reinsurance adjustment	36,732,704	13,397,206
Other	1,474,965	485,200
Total	38,207,669	13,882,406
	1 January- 31 December 2024	1 January- 31 December 2023
Expenses and losses of the prior years		
Premium and reinsurance adjustment	33,125	20,066,255
Invoices from the previous period	922,953	5,839,355
Other	7,101,209	790,024
Total	8,057,287	26,695,634

AGESA HAYAT VE EMEKLİLİK ANONİM ŞİRKETİ

Notes to the Consolidated Financial Statements
for the Period 1 January – 31 December 2024

(All amounts expressed in Turkish Lira (TL))

47. OTHER (cont’d)

47.4 Other notes should be included

	1 January - 31 December 2024	1 January- 31 December 2023
Provision of deferred tax	224,285,774	170,323,794
Life mathematical reserves, net	(8,479,723,697)	(8,223,879,819)
Provision of tax	(1,234,752,630)	(623,257,503)
Provision of general administrative expenses, net	(204,990,424)	(119,934,151)
Provision of personnel bonuses, net	(139,942,471)	(94,816,076)
Provision of unearned premiums, net	(3,368,061,592)	(793,120,813)
Outstanding claims reserve, net	(304,004,791)	(32,179,003)
Equalization reserve, net	(50,897,563)	(9,191,134)
Provision of commission, net	(31,130,421)	(23,370,400)
Provision of lawsuits	(10,851,823)	(6,505,599)
Provision of severance pay, net	8,608,469	18,267,931
Provision of unused vacation, net	(12,340,433)	(9,889,551)
Total	(13,603,801,603)	(9,747,552,324)

Fees for services received from Independent Auditor/Independent audit firm:

	31 December 2024			31 December 2023		
	IAF	Other IAF	Total	IAF	Other IAF	Total
Independent audit fee for the reporting period	4,310,940	-	4,310,940	6,142,600	-	6,142,600
Fees for tax consultancy services	-	-	-	-	-	-
Fees for other assurance services	565,000	-	565,000	400,000	-	400,000
Fees for other services other than independent audit	-	-	-	-	-	-
	4,875,940	-	4,875,940	6,542,600	-	6,542,600

