



Corporate Governance Compliance Rating Report



Türkiye Hayat ve Emeklilik A.Ş.

10 October 2023

Validity Period : 10.10.2023-10.10.2024

LIMITATIONS

This revised Corporate Governance Rating Report, issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for **Türkiye Hayat ve Emeklilik Anonim Şirketi**;

has been prepared by considering Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published in the Official Gazette No. 31262 on 02 October 2020 by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated 03 January 2014 and numbered 28871

The criteria, established for the companies whose shares are traded at BIST, are organized separately as First Group, Second Group, Third Group and non-listed companies and investment partnerships, taking into consideration the group distinctions stated by CMB's Corporate Governance Principles in Item 2 - Article 5 of communiqué no II-17.1, published in the Official Gazette on 03.01.2014.

The Corporate Governance Compliance Rating Report issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. has been prepared based on the documents and information contained in 117 files sent electronically by the relevant company, the data disclosed to the public on the official website, the Independent Audit Report dated 03 March 2023 and issued by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. regarding the company's activities in 2022, and the interviews and examinations made with the relevant company officials through our experts.

Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. has formulated its Ethical Rules according to the Banking Act, the CMB and BRSA Directives on the Operations of Rating Companies, generally accepted ethical rules of the IOSCO and OECD including generally accepted ethical customs, which is shared with the public through its Internet website (www.kobirate.com.tr).

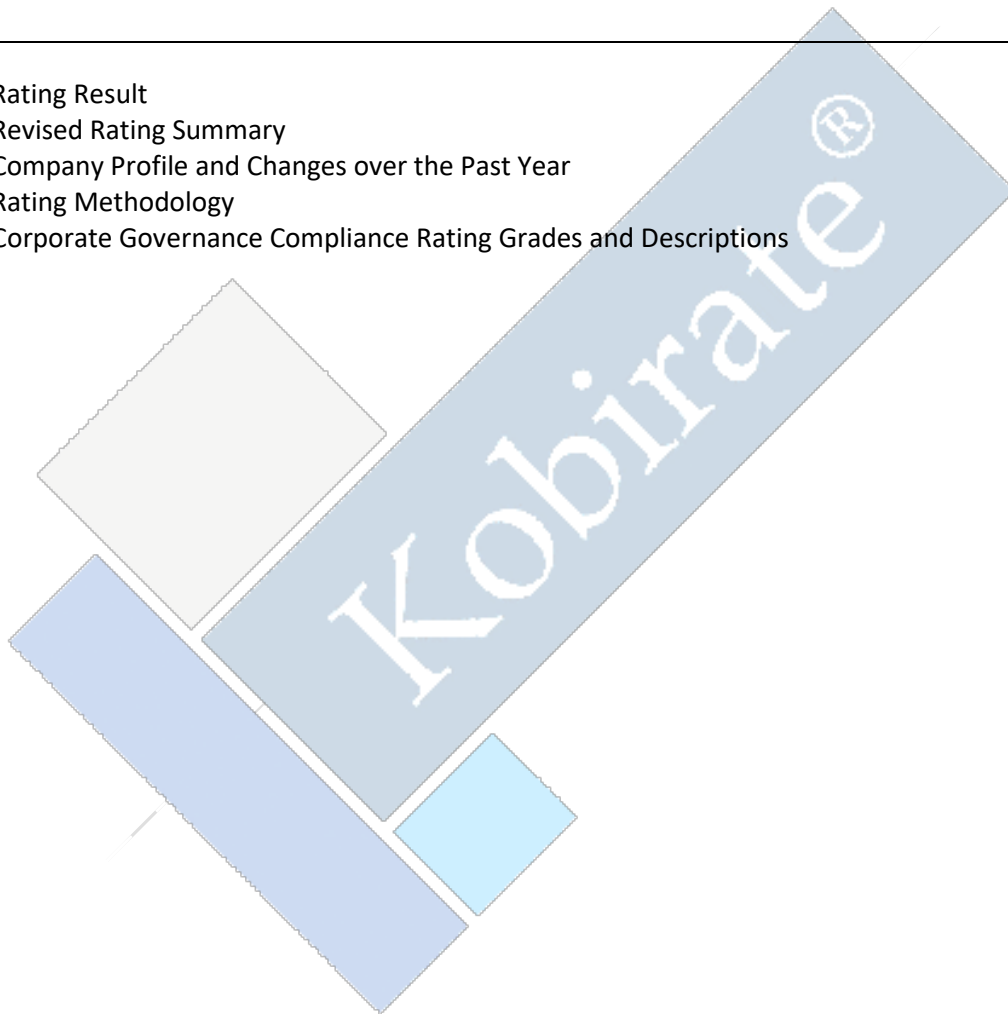
Although rating is an assessment based on numerous data, it is consequently the institutional opinion of Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. formed according to the methodology disclosed.

The rating grade does not constitute a recommendation to purchase, to hold, or to dispose of any kind of borrowing instrument. KOBİRATE A.Ş. may not be held liable for any losses incurred or investments made to the company referring to this report.

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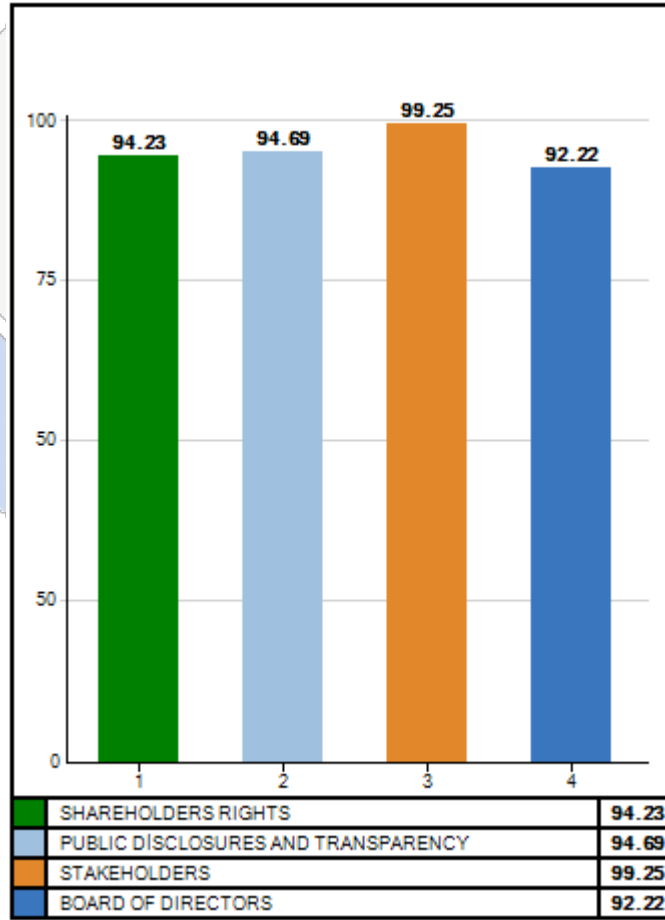
TÜRKİYE HAYAT VE EMEKLİLİK A.Ş.

1. RATING RESULT

NON-LISTED COMPANY

**CMB CORPORATE GOVERNANCE
PRINCIPLES COMPLIANCE GRADE**

9.44





Kobirate A.Ş. Contact:

Rating Expert:

Burhan TAŞTAN (License Number: 700545)

(216) 3305620 Pbx

burhantastan@kobirate.com.tr

www.kobirate.com.tr

Fenerbahçe Mahallesi, Bağdat Caddesi, Prenseler Palas Apt. No: 106/4 Kadıköy/İSTANBUL

Corporate Governance Rating Committee

Serap ÇEMBERTAŞ

(License Number: 700342)

Can TEKİN

(License Number: 700573)

Nermin Z. UYAR

(License Number: 702999)

2. REVISED RATING SUMMARY

Corporate Governance Compliance Revised Rating Report prepared by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş regarding the rating of the compliance of Türkiye Hayat ve Emeklilik A.Ş. with Corporate Governance Principles, has been prepared based on the documents, information, data disclosed to the public, interviews with the executives and relevant persons, and other detailed examinations and observations under 117 files sent by the relevant company electronically.

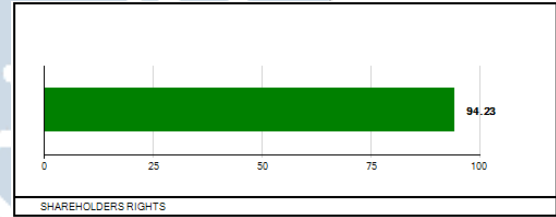
The study has been held in accordance with the year 2022 Non-Listed Companies Corporate Governance Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Yönetim Hizmetleri A.Ş. The methodology has been prepared by considering Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published in the Official Gazette No. 31262 on 02 October 2020 by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated 03 January 2014 and numbered 28871

Türkiye Emeklilik ve Hayat A.Ş. has been operating as a **BIST non-listed company**. The company has been evaluated by examining **360** criteria described in Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.'s methodology of "BIST Non-Listed Companies".

At the end of the examination of criteria under the main headings of Shareholders, Public Disclosure and Transparency, Stakeholders and Board of Directors, the Corporate Governance Compliance Rating Grade of Türkiye Hayat ve Emeklilik A.Ş. has been revised as **9.44**.

This result shows that the company achieved substantial compliance with to the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established and are operational. Potential risks to which the company may be exposed are identified and can be managed. The rights of the shareholders are fairly taken care of. The level of public disclosure and transparency is at a good level. The interests of the stakeholders are fairly considered. The structure and working conditions of the Board of Directors are in line with corporate governance principles. Still, although they do not pose major risks, they need some improvements within the framework of corporate governance principles.

SHAREHOLDERS



In this section, as determined by CMB's Corporate Governance Principles, the company was evaluated on **94** different criteria under the headings of **Facilitating the Exercise of Shareholders' Rights, Shareholders' Right to Obtain information and to Examine, Shareholders' Right to Attend the General Assembly, Shareholders' Right to Vote, Rights of Minority Shareholders, Shareholders' Right for Dividend and Shareholders' Right to Transfer Their Shares to whomever they want, whenever they want**. The company's grade for this section has been confirmed as **94.23** points.

Activities regarding the relations with shareholders are carried out by the Directorate of Investor Relations. Mr. Umur KOVANCI started to work as Investor Relations Director in December 2021. He has Capital Market Activities Level 3 and

Corporate Governance Rating Specialist licenses. The Investor Relations Department functions as two departments under the Directorate. Investor Relations-1 Department Manager Ms. Fulden PEHLİVAN was appointed as a Member of the Corporate Governance Committee in accordance with the CMB's Corporate Governance Communiqué No. II.17-1. The aforementioned development was announced to the public with the Material Disclosure of the same date. Ms. Pehlivan has Capital Market Activities Level 3 and Corporate Governance Rating Specialist Licenses. She is responsible for Corporate Governance and Legislation practices in the company, as well as MKK, CMB and Stock Exchange, Communications, General Assembly, KAP announcements, Annual Report and Sustainability studies. Mr. Eray DURAN, who works as the other Investor Relations Department Manager, is involved in the company's Investor Meetings, Analyst Meetings, Investor Presentations, keeping the investor relations information up to date on the company's corporate website, Stock Tracking, Economic and Sectoral Tracking, and Term Financial Presentation Meetings.

The investor relations directorate and its team simultaneously carry out the investor relations task at Türkiye Sigorta A.Ş.

Any data that might affect the exercise of shareholders' rights is currently at the disposal of shareholders on the corporate Internet website.

The information and documents necessary for the healthy exercise of shareholder rights are made available to the shareholders, and for this purpose, the corporate internet address of the company www.turkiyehayatemeklilik.com.tr directed to www.turkiyesigorta.com.tr is used as an effective platform.

With the decision of the Board of Directors of the Company dated 10.07.2023, the Ordinary General Assembly Meeting for the accounting period of 2022 was held on Wednesday,

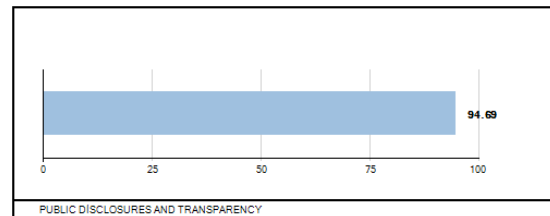
03.08.2023, at 5 p.m. at the Company Headquarters building at the address of Levent Mahallesi Çayır Çimen Sokak No: 7 Beşiktaş, without announcement in accordance with the TPC Article 416.

Pursuant to Article 18 of the Articles of Association of the Company, each share has 1 (one) voting right. It is possible for the shareholders to exercise their voting rights in person or by proxies, whether a shareholder or not, at the general assembly meetings. The members are submitted with the specimen proxies to be used for this purpose. There is no structure that will create minority shareholding in the partnership structure of the company.

Profit distribution of the company is implemented within the framework of the provisions of the Turkish Commercial Code, insurance, and other relevant legislation and in accordance with Article 22 of the Company's Articles of Association. There is no regulation in the articles of association that restricts the transfer of company shares.

Having a provision in the articles of association for donations to be made by the company and including the information that the General Assembly meetings will be open to the public, including stakeholders and the media, without the right to speak, in the general assembly announcement or information document will increase compliance with the principles regarding this section.

PUBLIC DISCLOSURE AND TRANSPARENCY



As for this section, the company has been assessed by **78** different criteria under the headings of **Corporate Website** and **Annual Report** as laid down in the Corporate Governance Principles of the Capital Market

Board, for which the company's grade was revised as 94.69.

The fact that the corporate website includes the agendas of the general assembly meetings, as well as the information required to be disclosed in accordance with the legislation, constitutes the reason for the increase in the grade in this section.

The independent external audit for 2022 was conducted by PwC Bağımsız Denetim ve SMMM A.Ş. In the reports dated 03.03.2023, there were no cases in which the independent auditor refrained from expressing an opinion, expressed a qualified opinion, or did not sign. The same organization was selected as the independent auditor for the audit of the accounts and transactions of the 2023 operating year within the framework of the Capital Markets legislation, the Turkish Commercial Code, and the relevant legislation, with the recommendation of the audit committee and the approval of the shareholders at the general assembly held on 03.08.2023.

The corporate website of the company, www.turkiyehayatemeklilik.com.tr directed to www.turkiyesigorta.com.tr is used as an active and effective platform for public disclosure.

The information contained here is constantly updated. In addition to the information required to be disclosed in accordance with the legislation, the company website contains various information such as shareholding and management structure as of the latest status, the committees of the Board of directors and the working principles of the committees as well as the final version of the company's articles of association, financial reports, annual reports, Dividend Distribution Policy, Disclosure Policy, other policies implemented by the company, including Remuneration Policy, Donations and Aid Policy, Compensation Policy, Sustainability Policy, Responsible Purchasing and Ethical principles, and information requests received

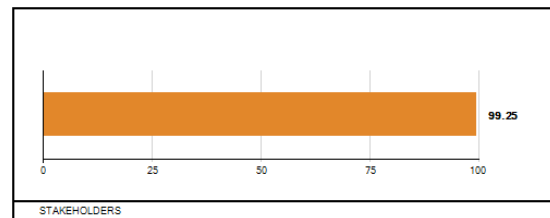
by the company under the heading of frequently asked questions.

The 2022 Annual report has been prepared in the required format, fully and appropriately, in accordance with the Regulation on the Financial Structures of Insurance and Reinsurance Provincial Pension Companies, Regulation on Determining the Minimum Content of the Annual Report of the Companies, the Republic of Türkiye Ministry of Treasury and Finance Insurance Companies Circular No. 2011/8 and the CMB Corporate Governance Communiqué.

Türkiye Hayat ve Emeklilik A.Ş has disclosed the Sustainability Principles Compliance Framework to the public in its annual report in accordance with the provisions of the Communiqué (II-17.1.a) Amending the Corporate Governance Communiqué (II-17.1) published in the Official Gazette dated 02 October 2020 and numbered 31262.

The English corporate website includes only the information regarding the investor relations section. The development of this practice for other sections on the company's corporate website and the disclosure of the remunerations paid to board members and managers with administrative responsibilities and all other benefits provided on an individual basis through the annual activity report continue to be areas that need improvement in this section.

STAKEHOLDERS



In this section, the company has been assessed by **62** different criteria under the headings of **Corporate Policies on Stakeholders, Supporting Stakeholders' Participation in Company Management, Company Policy on Human Resources,**

Relations with Customers and Suppliers, Ethical Rules and Social Responsibility and Sustainability as laid down in the Corporate Governance Principles of the Capital Market Board, for which the grade has been revised to **99.25**.

It is concluded that Türkiye Hayat ve Emeklilik A.Ş. protects stakeholders' rights, which are specified in regulations and mutual contracts.

The articles of association and/or internal regulations do not contain regulations supporting the direct participation of stakeholders in the company management. During the reviewing period, workshops were held where Company Directors were brought together. In addition, with the "Suggestion System", where all employees can directly convey their opinions and suggestions, employees can submit their suggestions on managerial, operational, financial and sustainability issues that will affect the company.

As of the end of June 2023, **1,216** people are employed at Türkiye Hayat ve Emeklilik A.Ş. The employees are organized within the body of BASS, the Bank Finance and Insurance Workers Union affiliated with TÜRK İŞ, and a collective labor agreement covering the dates 01.05.2021 - 31.12.2023 with the union continues its effectiveness.

The Employee Representatives project was prepared to provide information on Human Resources issues, and 78 people were designated as employee ambassadors. The Employee Satisfaction Survey was conducted with the company "Great Place to Work" in 2021 and 2022, and the survey is planned for 2023, too. The 2022 survey results showed a 5% increase in satisfaction compared to the previous year.

Although the representation of company employees on the Board of Directors is not determined in writing, the relevant unit managers inform the Board of Directors regarding Actuarial and Internal Audit Reports, Budget, Sector Production

Information, Corporate Governance and Human Resources.

After the merger of Türkiye Sigorta A.Ş and Türkiye Hayat ve Emeklilik A.Ş., Türkiye Sigorta Akademisi was established to provide training services to all stakeholders as well as its employees. Annual training needs analyses of the personnel are made, and the training prepared under the main headings of professional technical, personal development, corporate development, compulsory training, and licensing training are offered to the employees throughout the year. During the reviewing period, 22,680 hours of In-Class-Online training and 5,020 hours of E-Learning training were given to company employees.

In terms of customers, the company monitors customer satisfaction scores. The customer satisfaction rate in 2022 was 88%.

The New Ethical Principles policy created by the Assistant General Manager of Human Resources, Training, Procurement and Administrative Services was accepted at the meeting of the Board of Directors dated 02.08.2023 and numbered 19/76 and was presented to the information of the Shareholders at the General Assembly held on 03.08.2023.

The company has ISO 10002:2018 (Customer Satisfaction Management System), ISO 18295:2017 (Customer Relationship Management System), ISO 27001 Information Security, and ISO 9001 quality certificates among international standards.

Türkiye Hayat ve Emeklilik A.Ş. has disclosed the "Sustainability Principles Compliance Framework" to the public in its annual report in accordance with the provisions of the Communiqué (II-17.1.a) Amending the Corporate Governance Communiqué (II-17.1) published in the Official Gazette dated 02 October 2020 and numbered 31262.

The company made a change in its Sustainability organization in 2023; a Sustainability Committee was established

instead of a Working Group, and the Sustainability Committee Regulation was prepared.

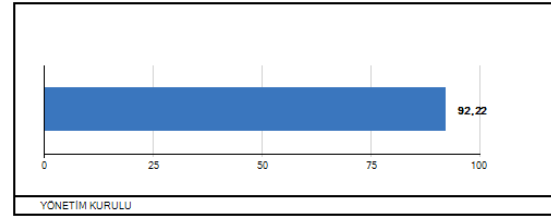
According to the grouping of the main sustainability priorities, 5 committees have been formed under the committee: Voice of the Customer Committee, Employee Welfare Committee, Environment and Supply Management Committee, Governance Committee and Sustainability Communication Committee. Three meetings were held with each Sustainability Subcommittee until September 2023, and as a result of these meetings, the working principles of the Sustainability Committee were determined.

Information research was conducted on UNGC, UNWEP and UNPRI signatories/memberships in May and June 2023 and it was made into a presentation by Investor Relations.

The company's carbon footprint efforts have started, and a team has been formed within the company to provide activity data. The designated team was given two different training by a certified consultant on carbon footprint training and emission calculation on the basis of ISO 14069. The carbon footprint calculation for 2022 data was made in August 2023. Data regarding shuttle vehicles, air travel, cargo services and accommodation are detailed. Carbon footprint source determinations were made in Esentepe and Levent Head Quarter buildings. The company's efforts on the 2022 Sustainability Report continue.

The establishment of a Corporate Human Rights and Employee Rights Policy by the company, in which full compliance with the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye, and the legal framework and legislation regulating human rights and working life in Türkiye is committed are considered as areas that need improvement in this section.

BOARD OF DIRECTORS



In this section, the company has been assessed by **126** different criteria under the headings of **Function of the Board of Directors, Principles of Activity of the Board of Directors, Structure of the Board of Directors, Procedure of Board of Directors Meetings, Committees Formed within the Structure of the Board of Directors and Financial Rights Provided for the Members of the Board of Directors and Executives as laid down by the Capital Market Board's Corporate Governance Principles**, for which the company's grade has been revised as **92.22**.

The Board of Directors of the Company consists of a total of 6 (six) persons, including a chairman and 5 (five) members. As of the report date, 1 (one) member of the Board of Directors consists of executive members and the other 5 (five) non-executive members. 2 (two) of the non-executive members are independent members in accordance with the definitions in the corporate governance principles. The Board of Directors is authorized to make decisions, determine strategy, and represent the company at the highest level. The Board monitors company activities to be in compliance with regulations, articles of association, internal procedures and policies and it supervises management performance.

No person in the company has the authority to decide solely and in an unrestricted fashion. The duties of the Chairman of the Board of Directors and General Manager are carried out by different people. One female member was elected to the Board of Directors at the 2022 General Assembly.

Damages caused by the faults of the members of the Board of Directors during

their duties in the company are partially insured.

Article 11 of the company's articles of association includes the meeting and decision quorum of the Board of Directors. Every Board Member has one vote.

It has been observed that the meetings of the Board of Directors are held in accordance with the regulations of the legislation and the articles of association regarding the meetings of the Board of Directors, and the meeting processes are also written down with the internal regulations of the company.

In order for the Board of Directors to fulfill its duties and responsibilities soundly, the Audit Committee, Corporate Governance Committee and Early Detection of Risk Committees have been established. Due to the structure of the Board of Directors, a separate Nomination Committee and Remuneration Committee have not been established, and the duties of these committees are carried out by the Corporate Governance Committee.

The duties, working principles, and the members of the committees were determined by the Board of Directors and approved by the Board as written documents and disclosed to the public via the corporate website.

All the members of the Audit Committee are elected from among the independent members of the Board of Directors, and the chairmen of the other committees are elected from among the independent board members, and the general manager does not take part in the committees. Apart from these committees, which are determined according to the Company's Principles, there are Strategy Management Committee and Information Technology Management Committees.

The principles of remuneration of the members of the Board of Directors and executives with administrative responsibility were put in writing, submitted to the

approval of the general assembly, and shared with the public electronically.

It has been learned that the company has not lent or extended loan to any member of the Board or top executive or made available any credit under personal loan through any third person or provided securities such as surety in favor of them.

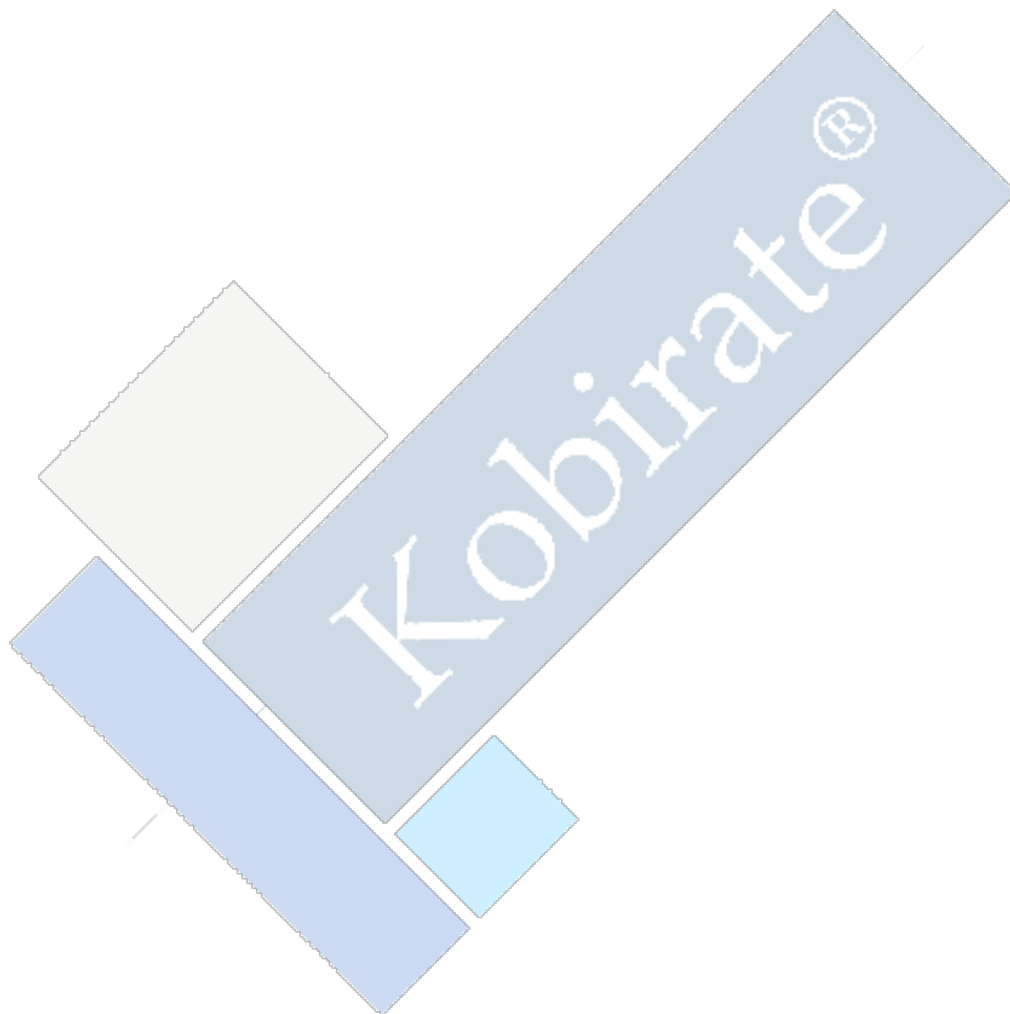
As of 2022, the performance evaluation of the Board of Directors has started to be made in writing to ensure the effectiveness and transparency of the Board of Directors' work activities. The performance evaluation of the Board of Directors regarding the activities of 2022 was made on 16.02.2023.

There are a total of 19 criteria among the evaluation subjects, including the adequacy of information, the regularity of the secretariat activities of the Board of directors, the duties and responsibilities of the members, the preparation of the meeting agenda and meeting management, the communication and cooperation between members and the members with the senior management, meeting participation and performance. Individual answers of the Board members regarding the topics were obtained and development areas were identified.

The reasons for the grade increase in this section are the performance evaluation of the Board of Directors, the appointment of a female member to the Board of Directors at the 2023 Ordinary general Assembly, and the disclosure of the salaries paid to the Board of Directors and Senior Managers on a group basis in the Annual Report.

The clear separation of the powers of the Chairman of the Board of Directors and the CEO/General Manager, and the expression of this distinction in writing in the Articles of Association, setting a target ratio and target time for the proportion of female members in the Board of Directors, with a condition that it should not be less than 25%; creating a policy to achieve these targets; and evaluating annually the progress made by the Board in

achieving these goals, and establishing specific rules and limitations for the current board member to take on other roles or responsibilities outside the company, continue as the areas that need development in this regard.



3. COMPANY PROFILE



Company Name	: Türkiye Hayat ve Emeklilik A.Ş.
Company Address	: Levent Mah. Çayır Çimen Sokak, No:7 Levent-Beşiktaş/ İSTANBUL
Company Phone	: (0212) 310 12 00
Company Fax Number	: (0212) 310 39 99
E-mail	: bilgi@turkiyehayatemeklilik.com.tr
Company's Web Address	: www.turkiyesigorta.com.tr
Registered Number	: 274811-0
Date of Incorporation	: 01.05.1991
The company Mersis No:	: 0434005145200019
Paid-in Capital	: 755,752,390 TL
Line of Business	: Carrying out all kinds of insurance activities within the scope of life insurances and activities defined for pension companies in accordance with the provisions of the Private Pension Savings and Investment System Legislation, and especially individual life, group life, personal accident, health, and sickness insurance activities.
Company's Sector	: Insurance and Private Pension
Audit Authority	: CMB, ,SEDDK,
Company's LEI Code	: 789000YV6U4OETKGKH48

Company's Representative in Charge of Rating:

Umut KOVANCI

Investor Relations Director

umut.kovanci@turkiyesigorta.com.tr

(0212) 310 12 09

Brief History of the Company

Ziraat Hayat ve Emeklilik, Halk Hayat ve Emeklilik, Vakıf Emeklilik ve Hayat Türkiye Hayat ve Emeklilik Anonim Şirketi merged in September 2020 as part of the planned reforms in the insurance and private pension sector in order to increase the savings of the Turkish economy and to develop the non-banking financial sector.

With this merger, companies that undertake an important mission to reach wider masses of insurance services in Türkiye and to ensure the continuity of stable growth were established with the aim of contributing to the non-banking financial sector size reaching the world average.

"Gücü Adında" with its brand promise and the great responsibility of Türkiye in its name, started its activities to change the present and future of the insurance and pension sector and to consolidate its presence as a regional power.

Today, Türkiye Hayat Emeklilik A.Ş. continues to work on its roots in three companies.

The merger process officially started on 13 December 2019 with the press release of Türkiye Varlık Fonu (TVF) and the notifications made to the Public Disclosure Platform by the controlling shareholders of Güneş Sigorta and Halk Sigorta. Türkiye Varlık Fonu took over the shares of public insurance companies for TL 6.54 billion in April.

Based on the decisions taken at the Board of Directors meeting held on 14.05.2020, the necessary preparations have been started within the framework of the relevant legislation provisions. The relevant merger permission was obtained from the Insurance and Private Pension Regulation and Supervision Agency on 23.06.2020 and then Merger Report and Merger Agreement have been signed by the acquired and transferred companies as of 24.06.2020.

An Extraordinary General Assembly was held on 24.08.2020 to merge Ziraat Hayat ve Emeklilik A.Ş and Halk Hayat ve Emeklilik A.Ş with all their assets and liabilities under Vakıf Emeklilik.

Ziraat Emeklilik and Halk Emeklilik merged under Vakıf Emeklilik on 01.09.2020. The name of Vakıf Emeklilik was changed to Türkiye Hayat ve Emeklilik Anonim Şirketi, and as of 01 September 2020, Türkiye Sigorta started to operate in the non-life (elementary) sector, which was formed by the merger of three public insurance companies in the sector; however, Türkiye Hayat Emeklilik, which was formed by the merger of three public pension companies, started to operate in the life/pension sector.

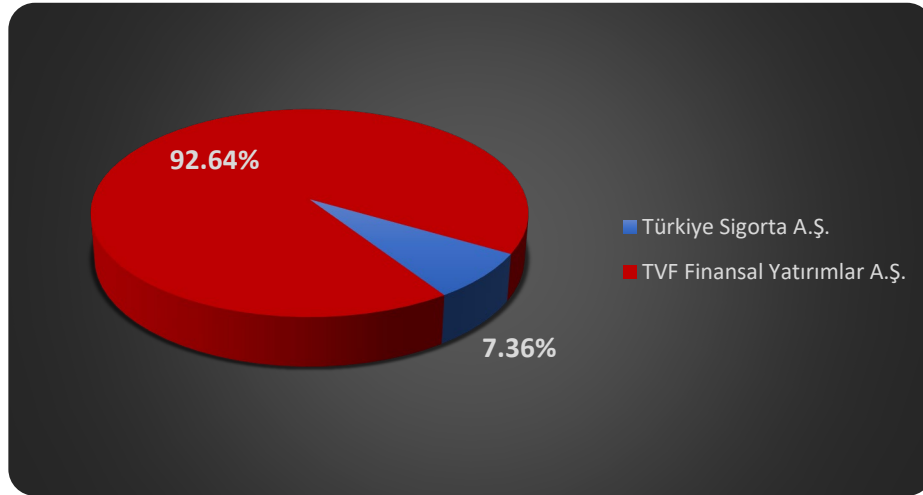
The main shareholder of Türkiye Hayat ve Emeklilik A.Ş. is TVF Finansal Yatırımlar Anonim Şirketi. Türkiye Varlık Fonu owns 100% of TVF Finansal Yatırımlar A.Ş and is an indirect partner. The share of TVF Finansal Yatırımlar, the controlling shareholder of the company, in the company's capital is 92.64%, and the share of Türkiye Sigorta A.Ş. is 7.36%.

Türkiye Hayat Emeklilik, Türkiye's largest and leading life and pension company, has a wide and strong service network serving **10.8** million customers, with a total of 1,216 employees in **18** regional directorates, **148** agencies, **4,512** bank branches, **30** brokers and **590** direct sales teams.

The asset size of Türkiye Hayat Emeklilik, which is the leader in the life insurance industry with a premium production of 5 billion 511 million TL and a market share of 22.37% as of the end of June 2023, and in the private pension system with a fund size of 103 billion 258 million TL and a market share of 19.6%, is 147 billion 844 million TL. The company reached a net profit of 1 billion 516 million TL in the second quarter of 2023.

Being a member of the Türkiye Sigorta Birliđi and the Corporate Communicators Association, the company has ISO 9001:2015 Quality Management System, ISO 18295-1/2:2017 - Customer Relationship Management, ISO 10002:2018 Customer Satisfaction Management System Quality and ISO 27001 Information Security Certificates.

Shareholder Structure (as of the date of this report)



Source: www.turkiyesigorta.com.tr

Shareholder Name	Share Amount (TL)	Share (%)
TVF FİNANSAL YATIRIMLAR A.Ş.*	700,102,390	92.64
TÜRKİYE SİGORTA A.Ş.	55,650,000	7.36
TOTAL	755,752,390	100.00

Source: www.turkiyesigorta.com.tr

*Türkiye Varlık Fonu owns 100% of TVF Finansal Yatırımlar Anonim Şirketi.

The Board of Directors and Representation of the Company

Name/ Surname	Title	Executive/ Non - Executive	Date of Inauguration
Aziz Murat ULUĞ	Chairman of the Board	Non - Executive	31.03.2021
Taha ÇAKMAK	Vice Chairman and General Manager	Executive	04.08.2023
Murat AKGÜÇ	Member of Board of Directors	Non - Executive	31.03.2021
Muhammed Mahmut ER	Member of Board of Directors	Non - Executive	10.09.2020
Murat AKBALIK	Independent Member of Board of Directors	Non - Executive	02.06.2020
Fatma ÖZKUL	Independent Member of Board of Directors	Non - Executive	03.08.2023

Source: www.turkiyesigorta.com.tr

The changes made in the company's Board of directors during the rating period:

At the first Board of Directors meeting held after the Ordinary General Assembly meeting held on 03.08.2023, Mr. Aziz Murat ULUĞ was elected as the Chairman of the Board of Directors and Mr. Taha ÇAKMAK was elected as the Vice Chairman of the Board of Directors. Mr. Atilla BENLİ, who served as Vice Chairman of the Board of Directors and General Manager, resigned from his position as of 03.08.2023 and Board Member Mr. Taha ÇAKMAK was appointed as General Manager.

Decision Majority, Representation, Powers of Duty at the Meetings of the Board of Directors;

Pursuant to Article 9 of the Articles of Association of the Company, The business and administration of the company is carried out by the General Assembly by a Board of Directors consisting of at least 6 (six) members in total, together with the General Manager of the Company or his deputy, who is a natural member of the Board of Directors, within the scope of the provisions of the Turkish Commercial Code, Insurance and Pension legislation, and other legislation.

A legal entity may be elected to the Board of directors. If a legal entity is elected as a member of the Board of Directors, only one real person determined by the legal entity is registered and announced on behalf of the legal entity, together with the legal entity. In addition, the registration and announcement are immediately announced on the company's website. Only this registered person can attend the meetings and vote on behalf of the legal entity. Members of the Board of Directors must meet the requirements of the Turkish Commercial Code, Insurance Law, Private Pension Savings and Investment System Law and relevant legislation.

Depending on his term of office, the General Manager of the company and his deputy, in his absence, are natural members of the Board of Directors and have the right to vote. Except for the General Manager, who is a natural member, the Members of the Board of Directors are elected for a term of at least 1 and at most 3 years. However, members whose terms have expired can be re-elected. The term of office of the General Manager is not dependent on the term of office of the members of the Board of Directors. The Board of Directors convenes upon the invitation of the Chairman or upon the written request of one or more members, as required by the company's business, to ensure that the affairs are managed without interruption. Meetings are held at the company headquarters or at another location agreed upon. Those who have the right to attend the meeting of the Company's Board of Directors can also attend these meetings electronically in accordance with Article 1527 of the Turkish Commercial Code. In order for the decisions of the Board of Directors to be valid, the majority of the members must attend the meetings. Decisions are taken with the majority of the members attending the meeting. This rule also applies if the Board of Directors meeting is held electronically. Members of the Board of Directors cannot vote to represent each other, and they cannot attend meetings by proxy.

According to article 12 of the company's articles of association, the company is managed and represented by the Board of Directors. In order for all documents to be given and contracts to be made by the company to be valid and binding, they must be placed under the title of the company and bear the joint signatures of two persons authorized to bind the company. Persons authorized to sign are determined by the decision of the Board of Directors. The Board of Directors may delegate its authority to represent the company to one or more executive members or third parties as managers in accordance with an internal directive issued in accordance with Articles 370 and 371 of the Turkish Commercial Code. At least one member of the Board of Directors must have representation authority.

Persons authorized to represent and bind the company are registered with the Trade Registry and announced in the Turkish Trade Registry Gazette.

Committees Formed Within Board of Directors

The members of the Company's Audit, Corporate Governance and Early Detection of Risk Committees are listed below. No Nomination and Remuneration Committees have been established in the company, and the duties of these committees are fulfilled by the Corporate Governance Committee in accordance with the revised Corporate Governance Regulation dated 28.06.2022.

Committee	Committee Members	Position within Committee	Position in Company
Audit Committee	Murat AKBALIK	Chairman	Independent Member of Board of Directors
	Fatma ÖZKUL	Member	Independent Member of Board of Directors
	Gürdoğan YURTSEVER	Member	Head of Internal Systems
Corporate Governance Committee	Murat AKBALIK	Chairman	Independent Member of Board of Directors
	Murat AKGÜÇ	Member	Member of Board of Directors
	Fulden PEHLİVAN	Member	Investor Relations Manager
Early Detection of Risk Committee	Murat AKBALIK	Chairman	Independent Member of Board of Directors
	Fatma ÖZKUL	Member	Independent Member of Board of Directors
	Gürdoğan YURTSEVER	Member	Head of Internal Systems

Other Committees Established by the Board of Directors

Strategy Management Committee	Taha ÇAKMAK	Chairman	Vice Chairman and General Manager
	Murat AKGÜÇ	Member	Member of Board of Directors
	Bilal TÜRKMEN	Member	Assistant General Manager
Information Technologies Steering Committee	Muhammed Mahmut ER	Chairman	Member of Board of Directors
	Bilal TÜRKMEN	Member	Assistant General Manager
	Sevda MERSİN HENDEM	Member	Assistant General Manager

The Senior Management of the Company as of the report date is shown in the table below.

Name/ Surname	Title	Date of Inauguration
Taha ÇAKMAK	General Manager	04.08.2023
Şebnem ULUSOY	Assistant General Manager	10.08.2020
Murat SÜZER	Assistant General Manager	09.10.2023
Sevda MERSİN HENDEM	Assistant General Manager	01.10.2021
Doğan BAŞAR	Assistant General Manager	06.09.2023
Gürdoğan YURTSEVER	Head of Internal Systems	20.12.2021

The Company's Assistant General Managers resigned from their positions on the following dates: Mr. Doğan KARAKAYA on 02 December 2022, Mr. Remzi DUMAN on 31 July 2023, Mr. Fatih Yıldız, and Mr. Mehmet Ertan ÖZAY on 04 September 2023, and Ms. Nurcan TUNÇDÖKEN and Mr. Bilal TÜRKMEN on 06 October 2023.

At the Board of Directors meeting held on 06 September 2023, as of the same date, it was decided to appoint Dr. Mr. Doğan BAŞAR the Assistant General Manager of Human Resources, Training, Procurement and Administrative Services and Mr. Murat SÜZER, who resigned his position as Assistant General Manager of Financial Management on 06 March 2023, as the Assistant General Manager of Finance, Actuarial and Technical Operations on 09 October 2023, following the processes related to the Insurance and Private Pension Regulation and Supervision Agency.

The senior management of the company also serves as the top management of Türkiye Sigorta A.Ş.

Information Related to the Subsidiaries, Financial Fixed Assets and Financial Investments

Trade name	Line of Business	Paid in/Issued Capital	Company's Share in Capital	Currency	Company's Share in Capital (%)	The Nature of the Relationship with the Company
Emeklilik Gözetim Merkezi A.Ş.	Insurance	50,000,025	3,124,988	TL	6.25	Subsidiary

Source: www.turkiyesigorta.com.tr/yatirimci-iliskiler/emeklilik/finansal-bilgiler

Comparison of some items at Company's Summary Balance Sheet for the the last three years

	2020/12	2021/12	2022/12
Current Assets	6,735,660,622	8,262,760,128	14,490,498,084
Non-Current Assets	36,777,632,960	53,246,958,157	97,232,474,326
Total Assets	43,513,293,582	61,509,718,285	111,722,972,410
Short-Term Liabilities	2,097,630,327	2,649,850,019	6,301,420,011
Long-Term Liabilities	38,524,903,817	54,945,975,310	99,215,850,639
Equity	2,890,759,438	3,913,892,956	6,205,701,760
Total Liabilities	43,513,293,582	61,509,718,285	111,722,972,410

Source: [Türkiye Hayat ve Emeklilik A.Ş. Independent Audit Report for the Year 2022](#)

Comparison of some items at Company's Summary Income Statement for the last three years

	2020/12	2021/12	2022/12
General Technical Balance	1,227,979,085	1,176,000,361	2,039,190,967
Investment Income	650,240,686	1,245,326,064	2,529,308,499
Investment Expenses	(73,482,965)	(125,831,069)	(138,822,347)
Net Profit/Loss	1,384,116,468	1,736,063,743	3,392,058,078

Source: Türkiye Hayat ve Emeklilik A.Ş. Independent Audit Report for the Year 2022

The Company's Financial Data supports the sustainability of Corporate Governance Compliance.

A. Changes in the Company in the Last Year:

i. Changes in Capital and Articles of Association

There were no changes in the company's capital and articles of association during the reviewing period.

ii. Dividend Distribution:

In accordance with Article 5 of the ordinary general assembly meeting of Türkiye Hayat ve Emeklilik company held on 03.08.2023, where the activities of 2022 were discussed, according to the profit distribution decision of the Company's Board of Directors dated 21.07.2023 and numbered 18/75, it was unanimously decided to pay a total gross profit share of 400 Million TL in cash to the shareholders as of 03.11.2023, after deducting the legal liabilities from the consolidated period net profit of the company.

iii. Policies:

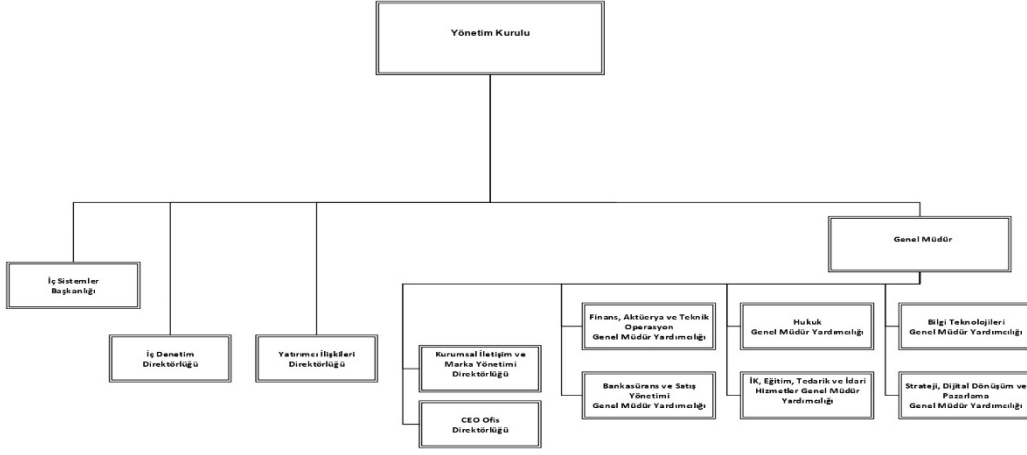
During the reviewing period, in accordance with the meeting and decision of the Board of Directors dated 02.08.2023 and numbered 19/76, it was decided to accept the Ethical Principles policy created by the Assistant General Manager of Human Resources, Training, Procurement and Administrative Services and to submit it to the information of the Shareholders at the General Assembly held on 03.08.2023.

During the reviewing period, Türkiye Hayat ve Emeklilik A.Ş.'s Asset Investment Policy and Responsible Purchasing Policy were accepted by the Board of Directors' decisions dated 29.12.2022 and 23.09.2023, respectively, and came into force as of the same dates.

During the reviewing period, no changes were made to the following policies that the company disclosed to the public through its website: Donation and Aid Policy, Environmental and Occupational Health and Safety Policy, Human Resources Policy, Business Continuity Policy, Quality Policy, Dividend Distribution Policy, Corporate Communication Policy, Corporate Social Responsibility and Sponsorship Policy, Sustainability Policy, and Compensation Policy.

iv. Management and Organization:

YÖNETİM KURULUNA BAĞLI BİRİMLERİN ORGANİZASYON ŞEMASI



No changes were made to the company's organizational chart during the reviewing period. Changes made to the Board of Directors and Senior Management are included in the relevant sections of the report. As of 30.06.2023, the number of employees is 1216 people.

v. Changes in Subsidiary and Affiliates

During the reviewing period, there was a capital increase in Emeklilik Gözetim Merkezi A.Ş., and there was no change in the company's participation rate. In 2022, share sales in Vakıf Menkul Kıymetler Yatırım Ortaklığı and Ziraat Katılım A.Ş., which are excluded from insurance activities, have been completed.

4. RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system that audits whether or not the firm's management structures and management styles, the arrangements for shareholders and stakeholders and the process of informing in transparency and accuracy are performed in accordance with modern corporate governance principles and which assigns a grade corresponding to the existing situation.

Organization for Economic Cooperation and Development (OECD) established a working group in 1998 in order to assess member countries' opinions on corporate governance and to prepare some non-binding principles.

The fact that principles are open to change in time was also accepted in this work. Although, at first, these principles were focused on the companies whose shares were quoted on the stock exchange, it was emphasized by the OECD that it would also be useful to implement these principles in public enterprises and companies whose shares were not quoted on the stock exchange.

In 1999, OECD Corporate Governance Principles were approved at the OECD Meeting of Ministers and published. Since then, these principles have been regarded as international references for decision-makers, investors, shareholders, companies, and stakeholders throughout the world.

Since their approval, these principles kept the concept of corporate governance on the agenda and became guidelines for the laws and regulations in OECD members, as well as other countries.

According to OECD Corporate Governance Principles, corporate governance is based on four basic principles, which are fairness, transparency, accountability, and responsibility.

Türkiye has been closely monitoring these developments. A working group established

within TUSIAD in 2001 prepared the guide titled "Corporate Governance: The best implementation code". Then, CMB issued "Capital Market Board Corporate Governance Principles" in 2003 and updated it in 2005, 2010, 2012, 2013, 2014 and 2020 according to international developments in this field.

Obligation to comply with CMB's Corporate Governance Principles, based on the principle of "comply or explain", and to declare it became part of companies' lives in 2004. Putting the Declaration of Compliance to Corporate Governance in the annual reports became obligatory the following year.

The principles are grouped under four main headings, namely: the Shareholders, Public Disclosure and Transparency, Stakeholders, and the Board of Directors.

The Corporate Governance Compliance Rating Methodology has been prepared by Kobirate A.Ş. for companies whose shares are traded on BIST, banks, investment partnerships and **non-quoted companies**.

It has been prepared in accordance with "Corporate Governance Communiqué (II-17.1) and Communiqué Amending this Communiqué (II-17.1.a)" published in the Official Gazette No. 31262 on 02 October 2020 by the Capital Markets Board and regulations on voluntary sustainability principles compliance framework in addition to board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

In this analysis, the full compliance of workflow and analysis technique with Kobirate A.Ş.'s Ethical Rules is considered.

360 criteria are used in the rating process for **BIST Non-Listed** Companies in order to measure the compliance of firms with corporate governance principles. These criteria are transformed into "Corporate Governance Rating Question Sets" through Kobirate A.Ş.'s software.

The weighting scheme for the four main sections in the new Corporate Governance Compliance Rating, determined by CMB's memorandum dated 12.04.2013 and numbered 36231672-410.99 (KBRT)-267/3854, is applied completely by Kobirate A.Ş. The weightings are as follows:

Shareholders 25 %

Public Disclosure and Transparency 25 %

Stakeholders 15 %

Board of Directors 35 %

CMB decision dated 01.02.2013 and numbered 4/105 states that in case the minimum requirements of corporate governance principles are met, 85 % of full points can be given at most for that principle and it is required to add new questions/methods into the methodology in order to ensure that good corporate governance principles, which go beyond meeting the minimum requirements are included in the rating grade. Our company has been informed about this requirement by CMB notification dated 19.07.2013 and numbered 36231672-410.99 (KBRT) 452.

In the year 2022 revised corporate governance compliance rating methodology, created by our company, the grade that can be given to a related criterion in that subsection for meeting minimum requirements of corporate governance principles, stated by CMB Communiqué of Corporate Governance published on 03.01.2014 is restricted to 85 % of the full points. A rating is made with a system that completes the section grades up to 100 by the company's compliance and implementation of the corporate governance practices, which include the good implementation and internalization of the criteria determined in the corporate governance principles, and the different good corporate governance practice criteria determined by our company.

The grade to be assigned by the Corporate Governance Rating Committee to the firm ranges between 0-10. In this scale of grade, "10" points mean excellent, full compliance with CMB's Corporate Governance Principles, while grade "0" means that there is no compliance with CMB's Corporate Governance Principles, in any sense, in the existing weak structure.

In this report the following legends have the following meanings:

- ✓ Due / Correct Application of CMB's Corporate Governance Principles
- ✗ Improper / Erroneous Application of CMB's Corporate Governance Principles
- ✓/✗ Practices required to be improved in compliance with CMB's Corporate Governance Principles

**5. KOBİRATE ULUSLARARASI KREDİ DERECELENDİRME VE KURUMSAL YÖNETİM HİZMETLERİ
A. Ş. CORPORATE GOVERNANCE RATING GRADES AND DESCRIPTIONS**

GRADE	DEFINITIONS
9-10	The company achieved substantial compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established and are operational. Any risks to which the company might be exposed are recognized and controlled effectively. The rights of the shareholders are impartially taken care of. The level of public disclosure and transparency is high. The interests of the stakeholders are fairly considered. The structure and the working conditions of the Board of Directors are in full compliance with the Corporate Governance Principles. The company is eligible for inclusion in the BIST corporate governance index.
7-8,9	The company complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place and operational, although some improvements are required. Potential risks to which the company may be exposed are identified and can be managed. The rights of the shareholders are impartially taken care of. Public Disclosure and transparency are at high levels. The interests of the stakeholders are fairly considered. The composition and operational conditions of the Board comply with the Corporate Governance Principles. Some improvements are needed in compliance with the Corporate Governance Principles, even though they do not constitute serious risks. The company is eligible for inclusion in the BIST Corporate Governance Index.
6-6,9	The company has moderately complied with the Corporate Governance Principles issued by the Capital Market Board. Internal Control systems at a moderate level have been established and operated. However, improvement is required. Potential risks that the company may be exposed to are identified and can be managed. The interests of the shareholders are taken care of, although improvement is needed. Although public disclosure and transparency are taken care of, there is a need for improvement. The benefits of the stakeholders are taken care of, but improvement is needed. Some improvement is required in the structure and working conditions of the Board.

GRADE	DEFINITIONS
<p style="text-align: center;">4-5,9</p>	<p>The company has minimum compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place at a minimum level but are not full and efficient. Potential risks that the company is exposed to are not properly identified and are not under control. Substantial improvements are required to comply with the Corporate Governance Principles in terms of the benefits of both the shareholders and stakeholders, public disclosure, transparency, and the structure and working conditions of the Board. Under the current conditions, the company is not eligible to be listed in the BIST Corporate Governance Index.</p>
<p style="text-align: center;">< 4</p>	<p>The company has failed to comply with the Corporate Governance Principles issued by the Capital Market Board. It also failed to establish its internal control systems. Potential risks that the company might be exposed to are not identified and cannot be managed. The company is not responsive to the Corporate Governance Principles at all levels. There are major weaknesses in the interest of the shareholders and the stakeholders, public disclosure, transparency, structure, and working conditions of the Board, and they are at a level that might cause the investor to incur material losses.</p>

