

## LIMITATIONS

This Corporate Governance Revised Rating Report, issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for **Türkiye Sigorta 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 and Third Group 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 16 February 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](http://www.kobirate.com.tr)).

Although the 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.

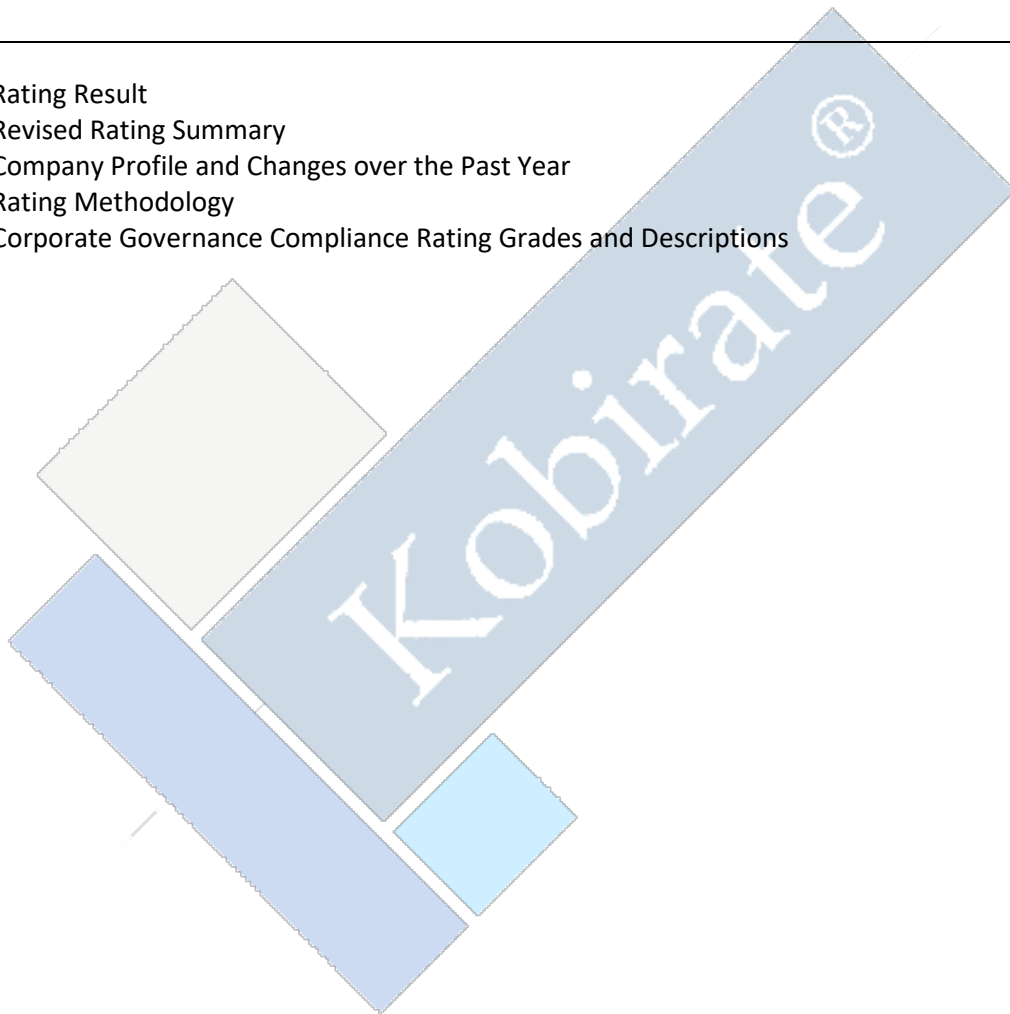
The rating grade does not constitute a recommendation to purchase, to hold, or to dispose of any kind of borrowing instrument. KOBİRATE A.Ş. may not be held liable for any losses incurred or investments made to the company referring to this report.

© All rights in this report belong to Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. This report cannot be printed in writing and electronically reproduced and distributed without our permission.

## TABLE OF CONTENTS

---

1.	Rating Result	3
2.	Revised Rating Summary	5
3.	Company Profile and Changes over the Past Year	12
4.	Rating Methodology	21
5.	Corporate Governance Compliance Rating Grades and Descriptions	23



TÜRKİYE SİGORTA A.Ş.

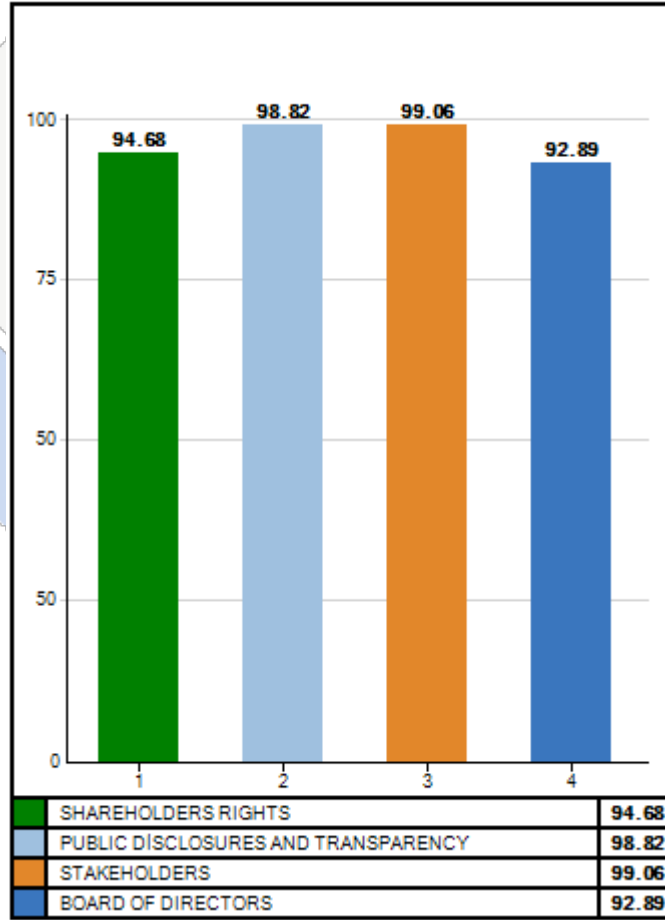


1. RATING RESULT

BIST FIRST GROUP COMPANY

CMB CORPORATE GOVERNANCE  
PRINCIPLES COMPLIANCE GRADE

9.57





**Kobirate A.Ş. Contact:**

**Rating Expert:**

Burhan TAŞTAN (License Number: 700545)

(216) 3305620 Pbx

[burhantastan@kobirate.com.tr](mailto:burhantastan@kobirate.com.tr)

[www.kobirate.com.tr](http://www.kobirate.com.tr)

**Fenerbahçe Mahallesi, Bağdat Caddesi, Prenses 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 Rating Revised Report prepared by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş regarding the rating of the compliance of **Türkiye Sigorta A.Ş** with Corporate Governance Principles, has been concluded 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 Corporate Governance Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal 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

According to the Capital Markets Board's bulletin dated 12.01.2023 and numbered 2023/2, Türkiye Sigorta A.Ş is included in the **BIST 1st Group Companies** list. The company has been evaluated through examination of **456** criteria described in Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.'s methodology of "BIST 1st Group Companies".

At the end of the examination of criteria under the main headings of Shareholders, Public Disclosure and Transparency, the Stakeholders and the Board of Directors, the

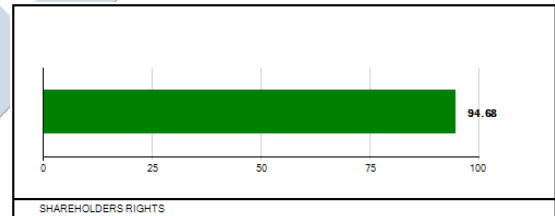
Corporate Governance Compliance Rating Grade of **Türkiye Sigorta A.Ş.** has been revised as **9.57**.

This result shows that the company has very high compliance with the Corporate Governance Principles issued by the Capital Market Board. Potential risks that the company may be exposed to are identified and can be managed. The level of public disclosure and transparency is high. The rights of the shareholders and stakeholders are treated fairly. The composition and operational conditions of the Board highly comply with the Corporate Governance Principles.

When the activities of Türkiye Sigorta A.Ş. for the last one year are examined, it is seen that it has been maintaining its compliance with Corporate Governance Principles.

This rating indicates that the company highly deserves to be included in the BIST Corporate Governance Index.

### SHAREHOLDERS



In this section, as determined by CMB's Corporate Governance Principles, the company was evaluated on **111** 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 concluded as **94.68** points.

Activities regarding the relations with shareholders are carried out by the Directorate of Investor Relations. Mr. Umut KOVANCI started to work as Investor Relations Director in December 2021. He owns Capital Market Activities Level 3 and Corporate Governance Compliance Rating licenses. The duty of Investor Relations-1 Manager is carried out by Ms. Fulden PEHLİVAN, and she 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. PEHLİVAN has Capital Market Activities Level 3 and Corporate Governance Rating Specialist Licenses. She is responsible for Corporate Governance and Legislation Practices, CMB, MKK and Stock Exchange, Communication, General Assembly, KAP announcements, Annual Report and Sustainability Reports in the company.

The duty of Investor Relations-2 Department Manager is carried out by Mr. Eray DURAN, who 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 information and documents required for the proper exercise of shareholders' rights are presented to the shareholders, and to this end, the company's website, [www.turkiyesigorta.com.tr](http://www.turkiyesigorta.com.tr), is used as an efficient platform.

Shareholders' right to obtain information and to examine is not canceled or restricted by the Articles of Association or any department of the company.

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 3 p.m. at the Company

Headquarters building at the address of Levent Mahallesi Çayır Çimen Sokak No: 7 Beşiktaş.

There is no general assembly resolution that has not been implemented in our rating period.

There is no privilege for voting.

According to the company's articles of association, each share has 1 (one) voting right. The company doesn't have a mutual subsidiary, which brings a relationship of sovereignty.

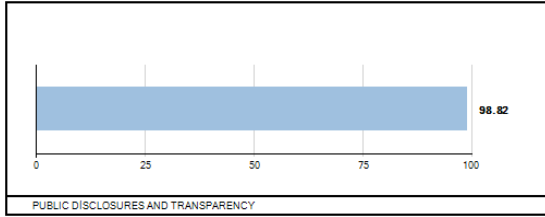
Profit Distribution Policy of Türkiye Sigorta A.Ş. is implemented within the framework of the provisions of the Turkish Commercial Code, the provisions of the Insurance Law, the Capital Markets legislation and other relevant legislation and in accordance with Article 24 of the Company's Articles of Association.

The company does not have any privileges in the distribution of dividends, and the provision regarding the distribution of advance dividends is included in the Articles of Association. Profit distribution regarding 2022 activities is included in the relevant section of this report.

There is no regulation in the articles of association that restricts the transfer of company shares. The transfer of company shares is subject to the provisions of the Turkish Commercial Code, the Capital Markets Law, and the relevant legislation.

The inclusion of shareholders' right to request a special audit as an individual right in the Articles of Association, the inclusion of regulations in the Articles of Association supporting the representation of public shareholders in management, and the expansion of minority rights regulations continue to be areas that need to be improved.

## PUBLIC DISCLOSURE AND TRANSPARENCY



As for this section, the company has been assessed by **93** 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 concluded as **98.82**.

Türkiye Sigorta A.Ş public disclosures are made within the framework of the Disclosure Policy accepted by the Board of Directors and submitted to the information of the shareholders at the General Assembly held on 28.03.2022. The Financial Management Assistant General Manager and Investor Relations Directorate are responsible for implementing the Disclosure Policy.

The company's 2022 consolidated external audit was carried out by PwC Bağımsız Denetim ve SMMM A.Ş. In the reports prepared on 16.02.2023, there has not been any situation where the independent auditor refrained from expressing an opinion, expressed a qualified opinion, or did not sign.

The corporate website ([www.turkiyesigorta.com.tr](http://www.turkiyesigorta.com.tr)) is updated regularly, and the website is being used as an active and effective platform for disclosure to the public. It has been determined that the information on the company's corporate website is consistent with the statements made as part of regulations, and there is no missing or conflicting information.

It is seen that the Annual Report has been prepared in such a way that the public can access comprehensive, complete, and correct information on company activities. Annual Reports of the last five years are

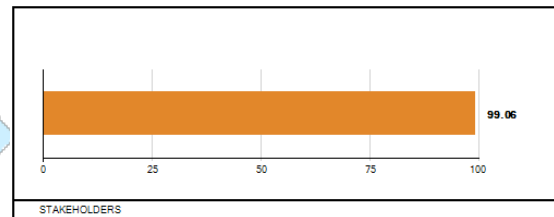
accessible to shareholders and the public in the electronic environment.

The Annual Report for the accounting period ending on 31.12.2022 was signed and approved by the members of the Board of Directors of the company, with the Board of Directors decision dated 01.03.2023 and numbered 8/27.

Türkiye Sigorta 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 **104** 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 company's grade has been revised to **99.06**.

As of the end of June 2023, 1,599 people were employed at Türkiye Sigorta 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.

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. Türkiye Sigorta A.Ş. employees were provided 29,163 hours of in-class and online training and 7,759 hours of e-learning training between 30.09.2022 and 30.09.2023.

The Employee Ambassadors project was carried out in order to provide information on HR issues, and 78 people were appointed as employee ambassadors.

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.

The Employee Satisfaction Survey was conducted with the Great Place to Work company in 2021 and 2022, and the survey is planned for 2023 as well. The 2022 survey results show a 5% increase in satisfaction compared to the previous year. The company monitors customer satisfaction scores for customers. As of 2023, the average satisfaction score has started to be

monitored and a score of 3.64/5 has been obtained.

The necessary backup plan for critical positions in the teams reporting to the Assistant General Managers is made together with the HR Assistant General Manager. The authority for appointment belongs to the managers specified in the Authority Matrix of the Human Resources Regulation.

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, which is a member of the Türkiye Sigorta Birliği (TSB), the Turkish Investor Relations Association (TUYID), and the Business and Sustainable Development Council (SKD), has ISO 9001 (Quality Management System), ISO 10002:2018 (Customer Satisfaction Management System) and ISO 18295:2017 (Customer Relationship Management System) quality certificates.

Türkiye Sigorta 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 and in PDP platform on 31.07.2023.

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. Two of the company's employees have completed the Sustainability Specialist Certificate program.

The sustainability organization is carried out by a "Sustainability Committee", under the



Corporate Governance Committee, consisting of managers who are familiar with the company's strategy, technical, operation, sales, governance, sustainability, employee, and communication management processes.



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 the Sustainability Subcommittees until September 2023, and as a result of these meetings, the working principles of the Sustainability Committees were determined.

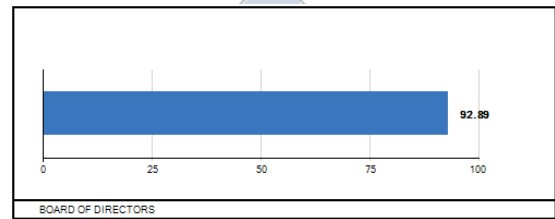
Information research was conducted on UNGC, UNWEP and UNPRI signatories/memberships in May and June 2023 and was made into a presentation by Investor Relations.

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. 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 HQ buildings. The company has prepared the Responsible Purchasing Policy as the first step in starting to work with its suppliers on the Environmental, Social and Economic aspects.

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 148 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 **92.89**.

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 positions of Chairman of the Board and CEO are held by different individuals.

A 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.

The Company's Board of Directors, Decision Majority, Representation and Duties are determined in articles 9, 10, 11, 12, and 13 of the company's articles of association. The affairs and administration of the company have been determined by the General Assembly to be carried out by a Board of Directors consisting of at least five (5) members in total, including the natural member of the Board of Directors, the General Manager of the Company, or his deputy, within the scope of the Turkish Commercial Code, Capital Markets Legislation, Insurance Legislation, and other legislative provisions.

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 Official 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 a 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 AND CHANGES OVER THE PAST YEAR



<b>Company Name</b>	: Türkiye Sigorta A.Ş.
<b>Company Address</b>	: Büyükdere Cad. No:110 34394 Esentepe Şişli/İSTANBUL
<b>Company Phone</b>	: (0212) 310 12 00 0 850 202 20 20
<b>Company Fax Number</b>	: (0212) 355 64 64
<b>Email</b>	: <a href="mailto:bilgi@turkiyesigorta.com.tr">bilgi@turkiyesigorta.com.tr</a>
<b>Company's Web Address</b>	: <a href="http://www.turkiyesigorta.com.tr">www.turkiyesigorta.com.tr</a>
<b>Registered Number</b>	: 66019
<b>Date of Incorporation</b>	: 17.09.1957
<b>The company Mersis No:</b>	: 0434005698400014
<b>Paid-in Capital</b>	: 1,161,523,363 TL
<b>Registered Capital Ceiling</b>	: 5,000,000,000 TL
<b>Line of Business</b>	: Non-life insurance activities
<b>Company's Sector</b>	: Non-life insurance
<b>Audit Authority</b>	: CMB, SEDDK,

#### Company's Representative in Charge of Rating:

**Umut KOVANCI**

**Investor Relations Director**

[umut.kovanci@turkiyesigorta.com.tr](mailto:umut.kovanci@turkiyesigorta.com.tr)

**(0212) 310 12 09**

## Brief History of the Company

Based on the approval granted by the Insurance and Private Pension Regulation and Supervision Agency with the letter dated 23 June 2020 and numbered 97354901-010.99-01/41 and the announcement text approved by the decision dated 16 July 2020 of the application made to the Capital Markets Board for the merger on 30 June 2020, the merger of Ziraat Sigorta A.Ş. and Halk Sigorta A.Ş. with all their assets and liabilities was approved by Güneş Sigorta through dissolution without liquidation at the Extraordinary General Assembly of the Company held on 27 August 2020 and the company was renamed as Türkiye Sigorta A.Ş.

On 27 August 2020, the company's capital was increased to TRY 1,161,523,363 with the decision taken at the Extraordinary General Assembly dated 27 August 2020, and the capital increase in question was covered by the acquisition of Ziraat Sigorta A.Ş. and Halk Sigorta A.Ş. with all their assets and liabilities as a whole through dissolution without liquidation in accordance with the relevant legislation. The company was registered on 31 August 2020 with the Extraordinary General Assembly resolutions dated 27 August 2020 and it was announced in the Trade Registry Gazette dated 03 September 2020.

The main shareholder of Türkiye Sigorta 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 81.10% and the share of shares traded on the Stock Exchange is 18.90%.

Türkiye Sigorta started to provide services in elementary insurance branches as of 31 August 2020, when the public insurance companies Ziraat Sigorta, Halk Sigorta and Güneş Sigorta joined forces in order to increase the savings base of the Turkish economy and to develop the non-banking financial sector, within the framework of the New Economy Program of the Ministry of Treasury and Finance.

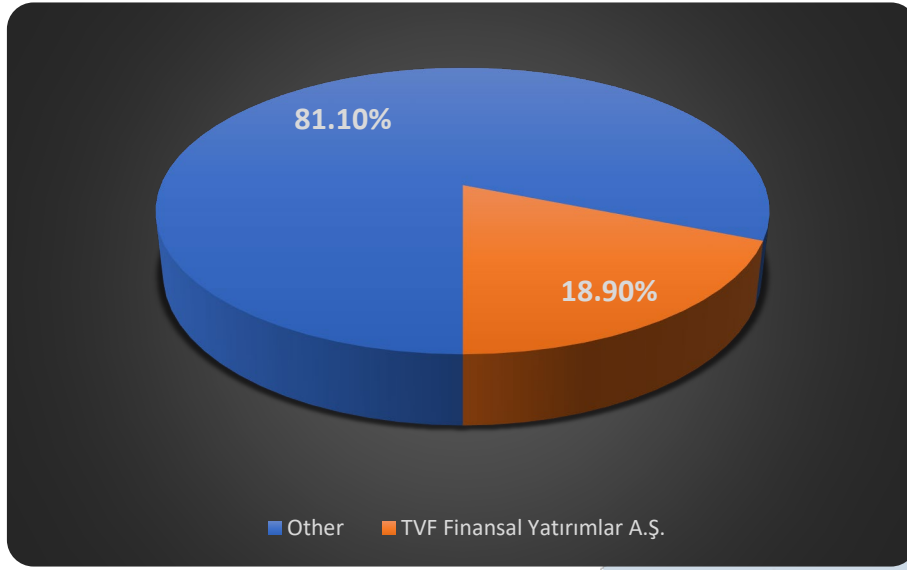
Headquartered in Istanbul, Türkiye Sigorta has **6.8** million customers. In addition, it has a wide and strong service network with a total of **1,610** employees, including **14** agency regional directorates, **11** bancassurance regional directorates, **3,695** agencies, **4,718** bank branches, **121** brokers and **395** direct selling teams.

The company provides services in the non-life insurance sector in the following branches: Fire and Natural Disasters, Transportation, Watercraft, Watercraft Liability, Land Vehicles, Land Vehicle Liability, Accident, Aircraft, Aircraft Liability, General Damages, General Liability, Legal Protection, Credit, Sickness/Health, and Financial Losses.

Being the leader of the insurance industry with 24 billion 402 million TL premium production and 13.14% market share as of the second quarter of 2023, Türkiye Sigorta's asset size has reached 44 billion 978 million TL and its net profit in the second quarter has exceeded 2 billion 904 million TL.

Being a member of the Turkish Insurance Association and the Turkish Investor Relations Association, the company has ISO 9001:2015 - Quality Management, ISO 18295-1/2:2017 - Customer Relationship Management and ISO 10002:2018 Customer Satisfaction Management System Quality Certificates.

### Shareholder Structure (as of date of this report)



Source: [www.kap.org.tr](http://www.kap.org.tr)

Shareholder Name	Share Amount (TL)	Share (%)
TVF FİNANSAL YATIRIMLAR A.Ş.	942,015,416.92	81.10
OTHER	219,507,946.08	18.90
<b>TOTAL</b>	<b>1,161,523,363</b>	<b>100.00</b>

Source: [www.kap.org.tr](http://www.kap.org.tr) Türkiye Varlık Fonu owns 100% of TVF Finansal Yatırımlar A.Ş.

### The Board of Directors and Representation of the Company

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

Source: [www.turkiyesigorta.com.tr](http://www.turkiyesigorta.com.tr)

**The changes made in the company's Board of directors during the rating period are as follows:**

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;**

The Company's Board of Directors, Decision Majority, Representation and Duties are determined in articles 9, 10, 11, 12, and 13 of the company's articles of association. The affairs and administration of the company have been carried out by a Board of Directors consisting of at least five (5) members in total, including the natural member of the Board of Directors, the General Manager of the Company, or his deputy, within the scope of the Turkish Commercial Code, Capital Markets Legislation, Insurance Legislation, and other legislative provisions.

A legal entity can be elected to the Board of Directors. If the 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 along with the legal entity. In addition, the fact that the registration and announcement have been made is 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 conditions required by the Capital Markets Law, Turkish Commercial Code, Insurance Law, and relevant legislation. If the relationship between the legal entity and its representative ends, the representative's membership in the Board of Directors ends on the date this situation is notified in writing.

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 maximum 3 years. However, members whose terms have expired can be re-elected. It is possible to appoint the General Manager and Deputy General Managers for a period exceeding the term of office of the Board members. 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 General Assembly always has the authority to dismiss the members of the Board of Directors and replace them with another member. The number and qualifications of independent members who will serve on the Board of Directors are determined in accordance with the regulations of the Capital Markets Board regarding corporate governance.

The Board of Directors convenes at the invitation of the Chairman or upon the written request of one or more members, not less than once a month, as required by the company's business. 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. If the votes are equal, the discussed issue is postponed to the next meeting. If the equality continues in the second meeting, the proposal is deemed to be rejected.

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

### Other Committees Established by the Board of Directors

<b>Strategy Management Committee</b>	Taha <b>ÇAKMAK</b>	Chairman	Vice Chairman and General Manager
	Murat <b>AKGÜÇ</b>	Member	Member of Board of Directors
	Bilal <b>TÜRKMEN</b>	Member	Assistant General Manager
<b>Information Technologies Steering Committee</b>	Muhammed Mahmut <b>ER</b>	Chairman	Member of Board of Directors
	Bilal <b>TÜRKMEN</b>	Member	Assistant General Manager
	Sevda <b>MERSİN HENDEM</b>	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
Kürşat PEDİS	Assistant General Manager	02.06.2021
Murat SÜZER	Assistant General Manager	09.10.2023
Sevda MERSİN HENDEM	Assistant General Manager	01.10.2021
Tuba BULDU	Assistant General Manager	01.09.2022
Doğan BAŞAR	Assistant General Manager	06.09.2023
Çağrı AKPINAR	Assistant General Manager	06.09.2023
Gürdoğan YURTSEVER	Head of Internal Systems	20.12.2021

The changes made in the company's senior management during the rating period are as follows:

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 as the Assistant General Manager of Human Resources, Training, Procurement and Administrative Services of the company, Mr. Çağrı AKPINAR, who served as Non-Auto Insurance Director in the company, as Assistant General Manager of Technical and Agencies Sales, and Mr. Murat SÜZER, who resigned his position as Assistant General Manager of Financial Management on 06 March 2023, to the same position on 09 October 2023, following the processes related to the Insurance and Private Pension Regulation and Supervision Agency.

#### 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
OSEM Sertifikasyon A.Ş.	Spare Parts and Vehicle Maintenance Services Certification Service	8,000,000	8,000,000	TL	100	SUBSIDIARY
Türk P ve I Sigorta A.Ş.	Insurance	80,000,000	40,000,000	TL	50	SUBSIDIARY
Türkiye Hayat ve Emeklilik A.Ş.	Pension	755,752,390	55,650,000	TL	7.36	AFFILIATE
Tarım Sigortaları Havuz İşletmesi A.Ş.	Insurance	29,315,869	1,221,494.54	TL	4.17	AFFILIATE

Source: [www.kap.gov.tr](http://www.kap.gov.tr)

### Comparison of some items at Company's Consolidated Summary Balance Sheet

The company prepares its financial statements in accordance with the Insurance Law and regulations published by the SEDDK. Some selected balance sheet items and financial ratios of the company for the period 2020/12 and 2022/12 are given in the table below.

The currency is stated as Turkish Lira	2020/12	2021/12	2022/12
Current Assets	9,622,497,766	12,510,691,708	24,144,019,216
Non-Current Assets	1,450,055,166	1,876,806,679	3,385,128,999
<b>Total Assets</b>	<b>11,072,552,932</b>	<b>14,387,498,387</b>	<b>27,529,148,215</b>
Short-Term Liabilities	7,447,982,781	9,914,586,530	21,390,423,441
Long-Term Liabilities	156,630,773	216,432,324	387,977,865
Equity	3,467,939,378	4,256,479,533	5,750,746,909
<b>Total Liabilities</b>	<b>11,072,552,932</b>	<b>14,387,498,387</b>	<b>27,529,148,215</b>

Source: Türkiye Sigorta A.Ş. Independent Audit Reports for the Year 2021-2022

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

The currency is stated as Turkish Lira	2020/12	2021/12	2022/12
General Technical Balance	1,340,620,603	1,297,036,851	502,449,048
Investment Income	1,168,832,048	2,412,769,757	4,132,819,668
Investment Expenses	(908,496,485)	(2,095,222,399)	(3,583,819,045)
<b>Net Profit/Loss</b>	<b>1,161,457,615</b>	<b>1,086,276,248</b>	<b>962,400,801</b>

Source: Türkiye Sigorta A.Ş. Independent Audit Reports for the Years 2021-2022

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

### Peak and Bottom Closing Values of Company shares traded at BIST between 25.10.2022 and 06.10.2023

Bottom (TL)	Peak (TL)
7.52 (25.10.2022)	43.26 (06.10.2023)

Source: [www.borsaistanbul.com.tr](http://www.borsaistanbul.com.tr)

The Market where the Capital Market Instrument is Traded and the Indexes that the Company is Included;

BIST STAR / BIST ALL SHARES-100 / BIST STARS / BIST BUYBACK / BIST ALL SHARES / BIST INSURANCE / BIST FINANCIALS / BIST CORPORATE GOVERNANCE

Source: [www.kap.org.tr](http://www.kap.org.tr)

## **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:***

Türkiye Sigorta Anonim Şirketi Ordinary General Assembly Meeting for 2022 was held on Thursday, 03.08.2023, at 3 p.m., at the address Levent Mahallesi, Çayırçimen Sokağı No:7 34330 Beşiktaş/İstanbul, under the supervision of the Ministry Representative, Mr. Mücahit GÜNGÖR, who was appointed by the letter of the TR Istanbul Governorship Provincial Directorate of Commerce dated 01.08.2023 and numbered 87705060 to discuss and decide on the items on the agenda.

The profit distribution decision taken by the Company's Board of Directors at its meeting dated 12.07.2023 and numbered 16/70 was discussed as the 5th item on the agenda at the ordinary general assembly meeting held on 03.08.2023, and the Board of Directors' proposal regarding profit distribution was unanimously accepted. Based on the dividend distribution decision approved at the general assembly, the distribution of 155,555,555.-TL gross dividend amount to the shareholders has been completed.

### ***iii. Policies:***

During the reviewing period, in accordance with the 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 Sigorta 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, Profit Distribution Policy, Corporate Communication Policy, Corporate Social Responsibility and Sponsorship Policy, Sustainability Policy, and Compensation Policy.

### ***iv. Management and Organization:***

Changes in the company's Board of Directors and Senior Management during the reviewing period are included in the relevant sections of the report. There were no other changes in the organizational structure of the company during our reviewing period. The organizational structure of the company has been determined according to the working conditions, the units, the number of people to be employed in these units and their qualifications have been written down with in-house regulations.

As of 30.06.2023, 1,610 people are employed.

**v. Changes in Group Companies, Subsidiaries and Affiliates:**

The changes made in subsidiaries and affiliates during our reviewing period, between **25.10.2022 and 10.10 2023**, are as below.

On 23.05.2023, a share transfer agreement was signed between T.C. Vakıflar Genel Müdürlüğü as the buyer and Türkiye Sigorta A.Ş. as the seller, with the aim of transferring all shares representing 1.46% of the capital of the company's subsidiary, Vakıf İnşaat Restorasyon ve Ticaret A.Ş., to Türkiye Vakıflar Bankası A.Ş. for a total amount of 1,003,770 TL, including all rights and obligations. The share transfers were also completed on the same date.

On 06.12.2022, a share transfer agreement was signed between Türkiye Vakıflar Bankası A.Ş. as the buyer and Türkiye Sigorta A.Ş. as the seller, with the aim of transferring all Group B shares representing 0.25% of the capital of the company's subsidiary, Vakıf Yatırım Menkul Değerler A.Ş., to Türkiye Vakıflar Bankası A.Ş. for a total amount of 2,097,500 TL, including all rights and obligations. The share transfers were also completed on the same date.

On 06.12.2022, a share transfer agreement was signed between Türkiye Vakıflar Bankası A.Ş. as the buyer and Türkiye Sigorta A.Ş. as the seller, with the aim of transferring all shares representing 9.76% of the capital of the company's subsidiary, Vakıf Pazarlama Sanayi ve Ticaret A.Ş., to Türkiye Vakıflar Bankası A.Ş. for a total amount of 17,634,837 TL, including all rights and obligations. The share transfers were also completed on the same date.

On 06.12.2022, a share transfer agreement was signed between Türkiye Vakıflar Bankası A.Ş. as the buyer and Türkiye Sigorta A.Ş. as the seller, with the aim of transferring all shares representing 1.77% of the capital of the company's subsidiary, Vakıf Enerji ve Madencilik A.Ş., to Türkiye Vakıflar Bankası A.Ş. for a total amount of 2,494,349 TL, including all rights and obligations. The share transfers were also completed on the same date.

On 06.12.2022, a share transfer agreement was signed between Türkiye Vakıflar Bankası A.Ş. as the buyer and Türkiye Sigorta A.Ş. as the seller, with the aim of transferring all shares representing 1.43% of the capital of the company's subsidiary, Taksim Otelcilik A.Ş., to Türkiye Vakıflar Bankası A.Ş. for a total amount of 11,695,229 TL, including all rights and obligations. The share transfers were also completed on the same date.

Regarding the company's shares in Vakıf Gayrimenkul Yatırım Ortaklığı A.Ş. (VKGYO), on 15.12.2022, a share sale transaction for 7,974,238 shares of Class A privileged shares was executed by the company at a price of 5.035 TL per share, selling them to Türkiye Vakıflar Bankası T.A.O. With this transaction, Türkiye Sigorta A.Ş. no longer has a share in the capital of Vakıf Gayrimenkul Yatırım Ortaklığı A.Ş.

Regarding the shares of Vakıf Finansal Kiralama AŞ (VAKFN), the share sale of 1,730,936 shares was carried out by our partnership on 15.12.2022 at 5.14 TL per share. With this transaction, Türkiye Sigorta A.Ş. no longer has a share in the capital of Vakıf Finansal Kiralama A.Ş.

The share transfer process of all Group A and B shares, representing 13.71% of the capital of the company's subsidiary Vakıf Faktoring AŞ, with all rights and obligations, has been completed to Türkiye Vakıflar Bankası TAO for 140,068,750 TL. Türkiye Sigorta AŞ has no shares left in this company.

#### 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 Co-operation 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.

In 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 by taking into account the criteria specified in the Corporate Governance Communiqué of the CMB, numbered II-17.1, published in the Official Gazette dated 03 January 2014 and numbered 28871, as well as the 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 KOBİRATE A.Ş.'s Ethical Rules is considered.

**456** criteria are used in the rating process for BIST 1st Group 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 below:

**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 2014/2 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.

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

<b>GRADE</b>	<b>DEFINITIONS</b>
<b>9-10</b>	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.
<b>7-8,9</b>	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.
<b>6-6,9</b>	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.

<b>GRADE</b>	<b>DEFINITIONS</b>
4-5,9	<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>
< 4	<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>

