

AXA Sigorta A.Ş.

AXA Hayat ve Emeklilik A.Ş.

2021 Annual Report



AXA SİGORTA



AXA HAYAT
EMEKLİLİK

A large, solid red diagonal bar that runs from the bottom-left towards the top-right, crossing the word 'INTRODUCTION'.

INTRODUCTION

MESSAGE FROM THE CHAIRMAN



At AXA Group, we had a pretty successful year in 2021. Our efforts focusing on Trade Goods and Accident Insurances and Medical Insurances, as the preferred segments, not to mention our robust balance sheet, combined with our strong and agile structure, enabled us in terms of overcoming the problems brought about by the pandemic, and implementing the measures required to protect our customers all around the globe. 2021 was a year in which people realized once again the value of insurance coverage in the face of the pandemic and natural disasters. It has been a year in which we reinforced our

commitment to our brand's goal: "Protecting what is valuable for people, to help the development of the humanity". We well know that we provide assurance against potential risks, for the loved ones, dreams, and future of the people, as we perform our job.

In 2021, AXA's gross revenues grew by 6%, reaching €100 billion, whereas the underlying earnings of our group reached €6.8 billion. As of 31 December, 2021, AXA's solvency ratio stands at 217%, putting it at a most healthy position. Included among the International New Markets, AXA Sigorta contributed to these results with 9% growth in revenues and an Euros in underlying earnings figure of 0.3 billion euros.

As one of the leading names in Turkish Insurance Industry, we achieved TRY 5.9 billion premium production and 27 percent growth in 2021, bringing us to 6.8% market share in property and casualty insurance. In Life and Pension, our overall fund volume reached TRY 1,281 million. Our Non-Life and Life Insurance companies achieved TRY 1,483 million in consolidated profits after taxes, while improved our technical reserves and registered a score 8 point higher than the industry average in the Net Promoter Score (NPS) survey held last year to assess our Customer satisfaction ratings. The agency satisfaction surveys, on the other hand, saw us achieve significant success with a score of 4.57 over 5.00.

At AXA Sigorta, we also feel proud as we received a further range of marketing awards this year. Our social media strategies were also noted for success.

AXA Sigorta is making rapid and solid progress towards our goals for 2023 with not only its strong and well-equipped distribution channels and regional presence, but also its strong management structure, flexible working regime, and competences based on data. Currently, approximately 2.5 million customers enjoy AXA Sigorta coverage.

We are building the future of the insurance industry by integrating innovative technologies into our products and services. As part of our corporate social responsibility efforts, we are supporting entrepreneurs and start-ups through the AXA Next system designed to develop innovative ideas and services at a global scale. We also contribute to the implementation of innovative ideas and facilitate the realization of innovation projects at universities. For instance, we sponsor ITU Çekirdek, which is an incubator for entrepreneurs, as well as ITU Rover Team working on space technologies. We continue with our progress on the “Move for the World” project, aiming to raise awareness about human health and the future of our World. Moreover, we promote healthy and sustainable habits for individuals through our AXAFit mobile app. We continue to think our business together with people and the nature, and to stand out through investments into social outcomes, under the leadership of CEO Yavuz Ölken.

Christophe Knaub

Chairman of the Board of Directors

MESSAGE FROM THE CEO AND DEPUTY CHAIRMAN



READY FOR THE FUTURE

Marked by COVID-19 and its lingering effects, uncertainties marring the global and local economy, new trends, negative consequences of global warming and climate change, not to mention next-gen risks such as cyber security, 2021 stands as an important reference year for us.

At AXA Sigorta and AXA Hayat ve Emeklilik, we continued to build up a wide range of new experiences in line with the goals of our group and our aim of “Protecting What is Valuable for People, in the name of the Progress of Humanity”, within the framework of the principles of transition from the position of a “Payer to a Solution Partner”. As always, we continued to support our customers, agencies, distribution channels and – of course– our employees, with our agile steps and solutions made possible by our experience and robust organizational structure.

In this day and age where the concept of sustainability is more important than ever, successful adaptation of innovative approaches and technology is gaining priority with a view to facilitating business processes today. In order to render potential uncertainties manageable and to increase efficiency, all stakeholders in the insurance industry utilize some form of digital technologies, innovative products and solutions.

Today, concepts such as artificial intelligence, machine learning, big data, data analytics, and mobile technologies are indispensable elements of our business.

At AXA Sigorta, leading the industry through steps we take on this front is among our top goals. By combining this goal with our passionate growth vision, we have been implementing our Insurance 4.0 approach since year 2018.

We embarked on a journey where we will proceed with diligence, choosing correct risks and applying appropriate pricing, keeping track of opportunities, and concentrating on efficiency and sustainability.

We focus on developments to allow us to present the change expected from us, responding to the needs in four distinct areas –agency, employee, customer, and process–, and using technology as a “means” rather than seeking it as a “goal”. We have been implementing crucial technological developments with AXA Group, and are proud to lead the way in global projects.

This journey we embarked on to achieve Insurance 4.0 became even more significant in the past two years. 2020 and 2021 were years where we experienced a most extraordinary process in the form of the pandemic, mourning for the ones who passed away. Through these extraordinary days, we were able to maintain a full suite of services in parallel to our goal of “Protecting What is Valuable for People, to Help the Progress of the Humanity”, in addition to steering through this process without a glitch, thanks to our robust information technologies infrastructure developed within the framework of Insurance 4.0. Since the earliest days of the pandemic, we digitalized our business services and protected our agencies and employees, developing agile and constructive solutions to respond to the changing needs of the customers. As we stated our claim to “achieve Insurance 4.0”, making life easier for our customers was one of the most valuable achievements on this journey.

That achievement, in effect, served as the proof of the accuracy of our vision and mission as an insurance company. We are trying to go beyond being just a payer to cover claims, and to become a solution partner to contribute to a better life for our customers. The global communications campaign we have been implementing with AXA Group, “Know You Can”, in turn, represents our goal to stand by our customers at all times, as they realized their dreams.

2021 was marked as a year in which we generated robust and sustainable technical and financial value, despite all the challenges the year brought. We completed the year with a net promoter score (NPS) of +8, representing our customer satisfaction ratings well above the industry average.

By the end of 2021, our growth reached 27%, with a premium production of TRY 5.9 billion. In Life and Pension, our overall fund volume reached TRY 1.3 billion.

The consolidated profits after taxes of our Non-Life and Life&Pension firms reached TRY 1.5 billion, whereas our solvency ratios were 161.8% for Non-Life and 289.5% for Life and Pension.

2021 also saw ever increased emphasis on health insurances, and our firm achieved significant progress in complementary health insurances, increasing the insured numbers by 11%, reaching 411 thousand.

The “AXA Doctor Consultation Service” online services offered to our customers in the context of our focus on end-to-end customer journey were used more than 15,000 times in total, entailing visual examination, doctor consultation, as well as second opinion services. The immediate feedback received after such services represented by a score of 4.50/5.00 can be interpreted as an important indicator of service quality.

The “AXA Youth Complementary Health Insurance” product we introduced in the last quarter of 2021 drew attention as a product consolidated with AXAFIT, which put its mark on year 2021, as a product of substantial significance for young university students.

Other important branches standing out in 2021 for our company include corporate and commercial insurances, shipping insurances, home and comprehensive car insurances. With respect to these, our risk-aligned pricing, aftermarket services, and pricing skills reinforced with artificial intelligence and big data, as well as our risk engineering services create a substantial difference. We notice that these services are taken into account by the insured.

In particular, our claims services helped us stand out in this crucial year which saw ever increasing recognition of our brand as a dependable one. In spite of all the challenges posed by the pandemic, natural disasters and forest fires, we focused on making life easier for our customers with the help of a number of measures including on-site claim survey service, online claim and risk survey, post-claim improvement service and so on.

We developed many projects, digital and mobile solutions increasing efficiency of our agencies and distribution channels within 2021, where we expanded the scope of our services through a robust regional organization, simplification within the entire organization and operations as well as in our customer and agency/distribution channel processes, with simple and comprehensible communication and with solution oriented approaches. Our new insurance platform AXATek is made available for our agencies as of the last quarter of 2021.

We continue to support our processes and operations with significant investments into our information technologies infrastructure, in line with the principle of speed, productivity, and sustainability. Thus we wrapped up another important year of transformation, in which we underlined our readiness for the future.

Our AXAFit mobile app offering many self-service capabilities for our customers and including not only insurance services but also online claim report and tracking services, online trailer, online medical services, AXA Doctor Consultation Line, personalized exercise plan and healthy living content continued to stand out. Having been downloaded approximately 537 thousand times, AXAFit will see further improvements with many innovations in year 2022 and beyond.

2021 brought a host of challenges and also saw “global warming”, “climate change”, and “health” stand out among the priorities of our company. In this context, we continued to improve further and support the “Move for the World” initiative we introduced in 2020.

Through this initiative, we invite individuals to moving move for their own health as well as the health of the planet, and thus reducing their individual carbon footprint, all the while raising awareness in print and visual media as well as any social media channels, in addition to our AXAFit application. In our quest to carve out a print of pride out

of our carbon footprint affecting the planet, it is really important and a happy development in terms of sustainability, to see the increase in the number of distribution channels embracing Friend-of-the-World Agency concept, along with all AXA employees.

We are determined to maintain our “Move for the World” initiative in the coming years as well, given how important it is in the fight against the global warming. In this context, we will continue to work with AXA Group.

On the other hand, through the efforts of AXA Hearts in Action Volunteers, and for Corporate and Social Responsibility efforts, we contacted online more than 20,000 young students enrolled at more than 20 universities, with a view to contributing to their development.

2021 was also a year in which we enjoyed the pride of contributing to the successes achieved by ITU Rover team in international competitions, with us as their sponsor.

We continued to support ‘good individual, good citizen, good athlete’ efforts with Altınordu Football Club, as well as ‘volleyball for village schools’ and ‘Volleyball High School’ scholarship activities with the Volleyball Federation of Turkey.

At this junction, we are proud to be a value partner of our Women’s National Volleyball Team which achieved the 5th position in 2020 Olympics and the 2nd position in 2021 European Championship, as well as the sponsor of Men’s National Volleyball Team which became the European Golden League Champion in 2021.

Throughout the year we engaged in joint efforts with a number of NGOs including Active Living Association, Karaoklar Ecologic Agriculture Farm, Turmepa, Koruncuk, TOFD, TEMA, WWF, Red Crescent Society, TEV, and Darüşşafaka. Thus, we continued our Corporate Responsibility efforts without any interruption throughout the year.

On the sustainability front, we have been focusing on activities to reduce our carbon footprint in terms of the climate and the environment. In conjunction with all our employees and stakeholders, we support efforts and activities trying to leave a better world for the coming generations.

By the end of 2021, our company reached a very strong position in terms of growth, profitability, financial resilience, solvency, and reserves.

We are grateful to all our colleagues, agencies and distribution channels for their efforts to achieve these successful results.

After 2022, we will be entering into a phase where we will need to effect a true “reboot”, where we will have to live with uncertainties and forget what we had been accustomed to.

In 2022, we will again achieve our passionate growth target, based on sustainable pricing, and with a focus on the customer, agency, and employee experiences.

In this context, we are confident in our employees' and agencies' passion for our growth target and perfect customer experience commitment.

The confidence AXA Group has in our company and our management, as well as the global experience shared with us and the support we were always afforded by the European Region to which we reported since April 2021 and AMIH (AXA Madrid International Hub) help us to express the Single AXA value and continue on our journey with ever increasing pace.

At AXA Sigorta and AXA Hayat ve Emeklilik, we will continue to work for our customers, agencies, and distributions channels, combining the values, experience and expertise we have with the power of technology. 2022 will be a year in which we will increase our sustainability levels in terms of growth, enterprise, efficiency, and speed.

We are ready to help the development of our agencies, and protect what is valuable for our customers, the humanity, all the while ensuring the efficiency and sustainability of our employees!

Yavuz Ölken

CEO and the Deputy Chairman of the Board of Directors



**Members of
the Board of**

Chrisophe Knaub

hairman of the Board of Directors

Born in 1977 in Wissembourg, Knaub graduated from Ecole des Mines de Paris. Having started his business life in 2000 and participated in AXA Group in 2006, Knaub served as the Director of many departments in AXA Sigorta since 2015, including Cash Management and Financial Investments, Accounting, PBR and Strategic Planning, Purchasing and all affiliated units of these departments. Knaub was appointed as AXA Group International and New Markets CFO in 2019, followed by his appointment in 2021 as AMIH (AXA Madrid International Hub) Chief Executive and Strategic Development Manager.

Knaub currently serves as AXA Group Performance Management Officer.

Yavuz Ölken

Deputy Chairman of Board and CEO

Born in 1966 in İzmir, Mr. Ölken graduated from Saint Joseph College in 1984, İzmir Atatürk High School in 1989 and Istanbul Technical University Department of Civil Engineering in 1989. Having started his career in 1989, he has been working in AXA Sigorta since 2002 as Director of various departments, such as Corporate and Technical, Individual Technical, Pricing and Reserve, Reinsurance, Corporate and Commercial Risks Sales Support, Project Management, Information Technologies (Integration and Domestic Development, Life and Pension Software, Digital Solutions, System Performance and Non-Life Software, System and Network Management, Data Warehouse and Customer Value Management).

Since 2018, Mr. Ölken has been serving as AXA Sigorta's CEO.

Guillaume Herve Marie Xavier Lejeune

Board Member

Lejeune graduated from Hautes Etudes Commerciales (HEC Paris) and Centre d'Etudes Actuarielles (Actuary Department). He started his career as a Consultant at Eurosept in 1990, followed by a tenure as a Manager in AT Kearney in 1995. Lejeune joined Axa Group in 1996 and first worked as Financial Control Manager of USA, UK and Asia Regions in AXA GMS Planning Budget and Reporting Department. Afterwards he served as Head of Sales Department at AXA Conseil in 1999; Deputy CEO of AXA France in 2001; Head of Sales in charge of AXA France South West Region in 2003; Financial Control and Strategy Manager in AXA France in 2006; Chief Financial Officer of AXA Mexico in 2008 and he is currently working as Chief Operating Officer of AXA France since 2011. In the period 2015-2018 Mr. Lejeune served as the CEO of AXA Sigorta, and continues to serve as the CEO of AXA Global RE.

Xavier Veyry

Board Member

Veyry is the CEO of AXA XL's APAC and European Business Unit. Having joined AXA Group in 1996, he set up AXA's healthcare application in the Middle East, and managed the operational transformation of AXA Global Direct which brought together all direct insurance subsidiaries of AXA, serving approximately five million customers around the globe. Most recently, Mr. Veyry managed the process for full ownership of AXA Tianping and made that firm the biggest foreign elementary insurance company in China. Moreover, he made sure that the company became a leader in health insurance, embracing a diversified portfolio.

Maria Jesus De Arteaga Larru

Board Member

2005, Madrid. Mr. Larru is a graduate of the Actuary Department of Universidad Complutense de Madrid. His career began in year 2000. In 2016, he joined AXA Group, and was appointed the President of Personal Lines and Pricing at AXA Group International and New Markets Area, as of October 2019. He is also serving as the President of Personal Lines and Pricing at AMIH (AXA Madrid International Hub).

Onur Koçkar

Board Member

Onur Koçkar graduated from Ankara University Faculty of Law in 1994.

His career began in 1996. After joining our firm, he served as the Head of Legal Department and Manager of Bodily Damages Operation Center between 2001 - 2015. He was assigned as the Legal Director responsible for Bodily Damages Operation Center in 2015. In 2018, he took up the position of General Secretary and the Director of Law and Compliance.

He became a Member of the Board of Directors and the Executive Board in 2019 in addition to his current responsibilities, and continues to serve as the President of Law, Compliance, and Corporate Responsibility.

Benoit Michel Claveranne

Board Member

Benoit Claveranne, graduated from Ecole Nationale d'U Administration (ENA), Institut d'Etudes Politiques (Paris) ve Ecole Normale Superieure (Economy Department) then completed Economy Master Program at Paris University.

Before joining AXA, he worked as a Director in International Monetary Fund, World Bank and French Treasury. Mr. Claveranne joined AXA in September 2009 as Group Vice President for Europe and Public Relations, followed by his leadership of AXA France Prévoyance & Patrimoine in 2011-2013. In the period 2014-2016 he served as the Executive Board Member responsible for Life Insurances at AXA Asia.

In the time frame July 2016-December 2017 he worked as the Group Director for Distribution, Data, Information Technology, Operational Excellence (including Productivity) and Procurement. Mr. Claveranne joined AXA Group Executive Committee in July 2016, and was appointed as the Executive Board Member for International and New Markets on 1 December, 2017.

In April 2021 Mr. Claveranne left AXA Group.

Company's Business Title

AXA SİGORTA A.Ş GENEL MÜDÜRLÜK



AXA SİGORTA

MECLİS-İ MEBUSAN CAD NO: 15 SALIPAZARI 34453 İSTANBUL/TÜRKİYE

VERGİ DAİRESİ : BÜYÜK MÜKELLEFLER
VERGİ NUMARASI : 649 003 9946
TİCARET SİCİL : İSTANBUL TİCARET SİCİL MÜDÜRLÜĞÜ
TİCARET SİCİL NUMARASI : 98645
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AXA HAYAT VE EMEKLİLİK A.Ş GENEL MÜDÜRLÜK



AXA HAYAT
EMEKLİLİK

MECLİS-İ MEBUSAN CAD NO: 15 SALIPAZARI 34453 İSTANBUL/TÜRKİYE

VERGİ DAİRESİ : BÜYÜK MÜKELLEFLER
VERGİ NUMARASI : 092 000 0019
TİCARET SİCİL : İSTANBUL TİCARET SİCİL MÜDÜRLÜĞÜ
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0 242 247 49 00

BAKIRKÖY REGIONAL MANAGEMENT OFFICE

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0 212 442 15 50

DENİZLİ REPRESENTATION OFFICE

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0258 213 40 90

AEGEAN REGIONAL MANAGEMENT OFFICE

Heris Tower Akdeniz Mahallesi Şehit Fethi Bey Caddesi No:55 Kat:22 Ofis:2201-2202 Konak, Alsancak/İzmir
0 232 464 87 97

ERZURUM REPRESENTATION OFFICE

Lalapaşa Mah. İslam Hoca Sk. Ömer Erturan İş Merkezi Sit. Dış kapı:4 İç kapı:4 Kat:2 Yakutiye/Erzurum
0 442 234 15 65

SOUTH ANATOLIA REGIONAL MANAGEMENT OFFICE

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0322 457 19 65

ISTANBUL REGIONAL MANAGEMENT OFFICE

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0212 334 34 00

NORTHERN CYPRUS BRANCH MANAGEMENT

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KADIKÖY REGIONAL MANAGEMENT OFFICE

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BLACK SEA REGIONAL MANAGEMENT OFFICE

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0 362 432 60 50

MARMARA REGIONAL MANAGEMENT OFFICE

Odunluk Mahallesi Akpınar Caddesi No:21 R Plaza 9. ve 10. Kat, 16 no.lu Dupleks Ofis Nilüfer / BURSA
0 224 222 02 22

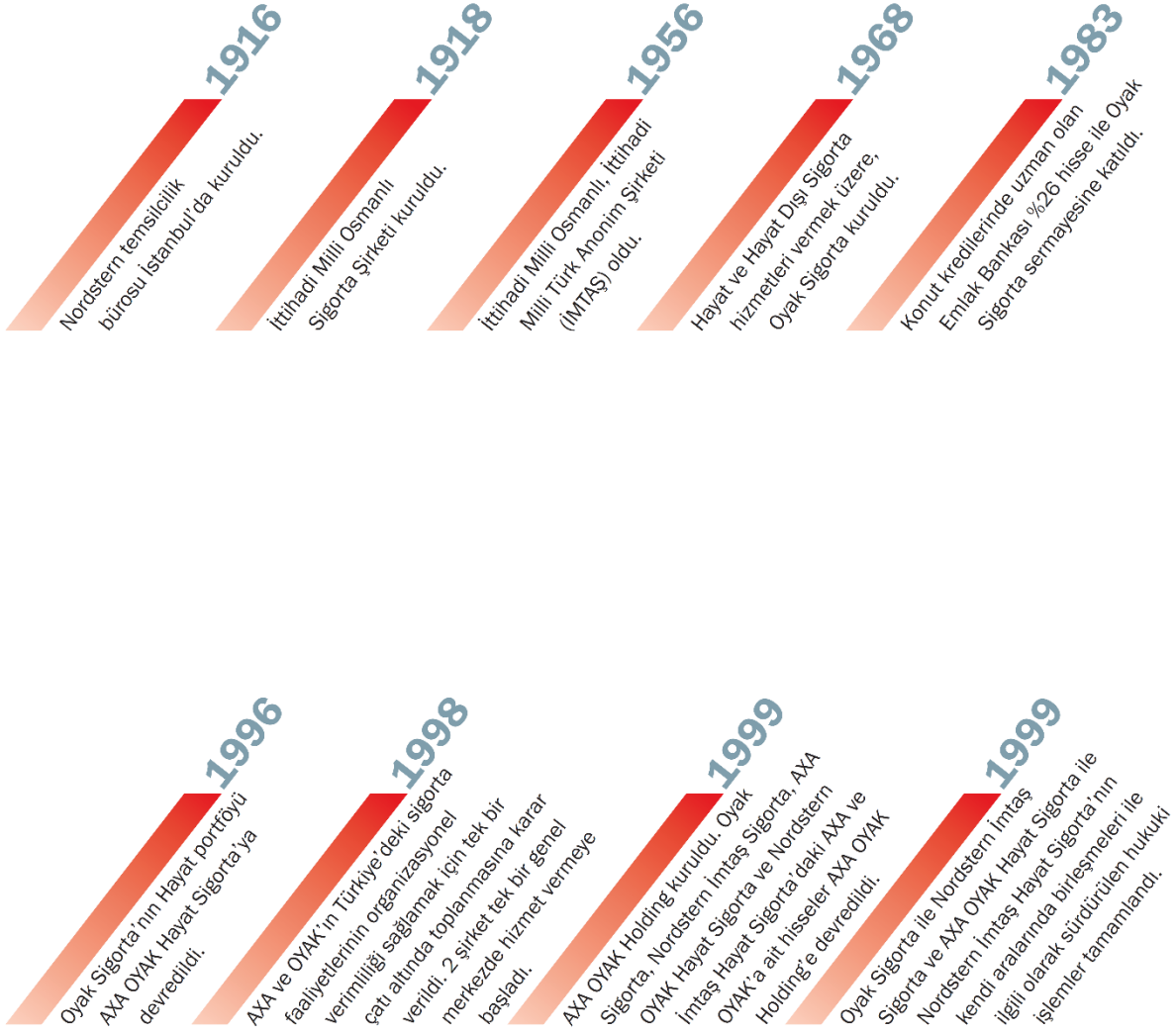
CENTRAL ANATOLIA REGIONAL MANAGEMENT OFFICE

Eskişehir Yolu 7.km. Mustafa Kemal Mah. Dumlupınar Bulvarı No:164 (Kentpark Alışveriş Mer.) 6.Kat Ofis No:15 Çankaya/Ankara
0 312 218 68 68

TRABZON REPRESENTATION OFFICE

Sanayi Mahallesi Devlet Karayolu Caddesi Dedehan İş Merkezi Dış Kapı No:89 / 14 Ortahisar Trabzon
0 462 372 70 54

HISTORY



1989
Türkiye'de faaliyette bulunan UAP (Union des Assurances de Paris)'nin Hayat Şirketi' imtaş Hayat' kuruldu.

1994
AXA, %11 hisse ile Oyak Sigorta'nın sermayesine katıldı.

1995
AXA OYAK Hayat Sigorta kurulu.

1995
Oyak Sigorta, müşteri ve acente odaklı organizasyona geçen ilk Türk Sigorta Şirketi oldu.

1996
Nordstern ve imtaş birleşip, Nordstern imtaş adını aldı.

2000
AXA OYAK Sigorta, 63 trilyon TL prim üretimi ile hayat dışı sigorta pazarında liderliğe oturdu.

2001
AXA OYAK Sigorta, İnan Sigorta'yı satın aldı.

2002
Hayat ve hayat dışı şirketleri bütünleşti.

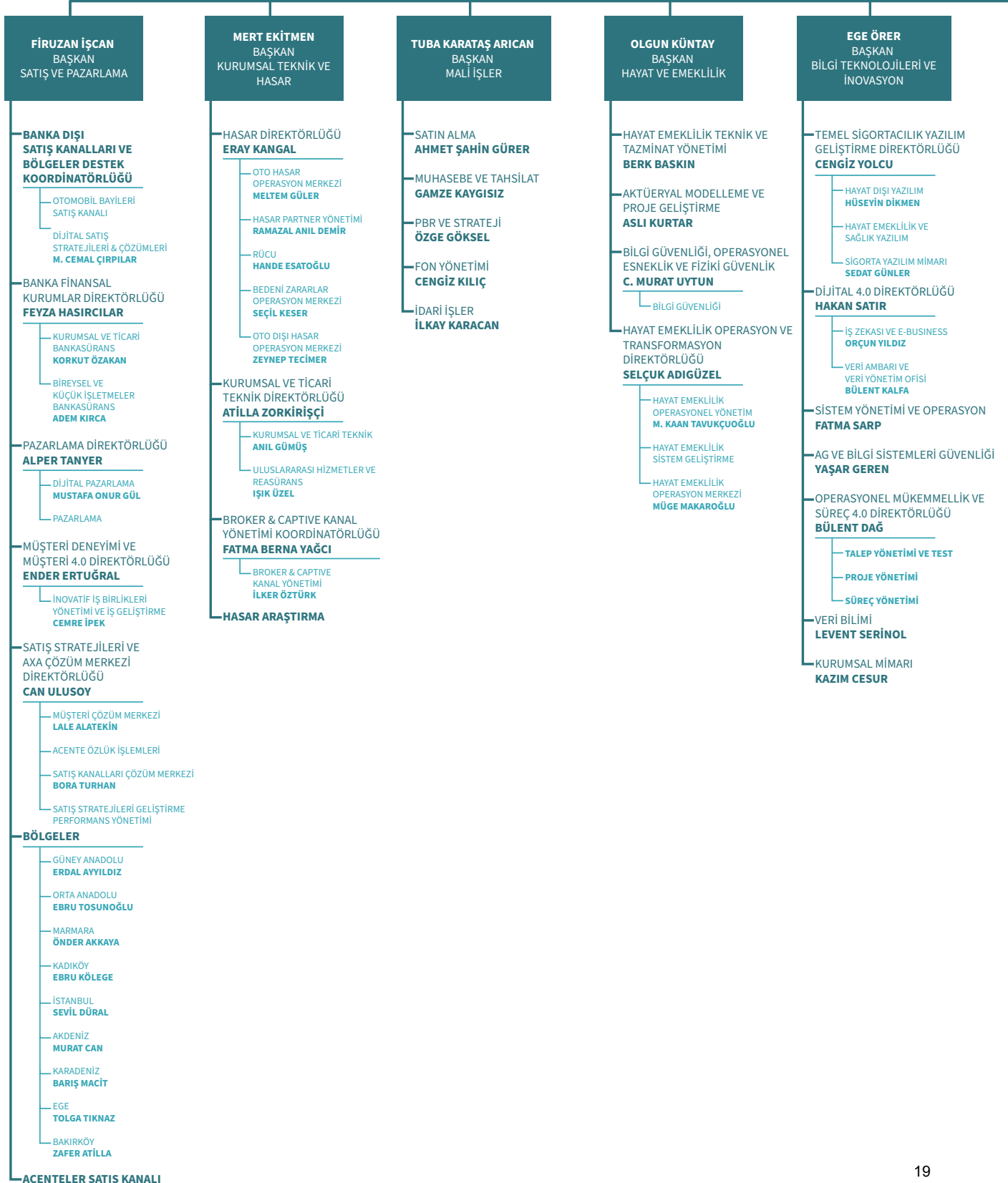
2008
AXA'nın OYAK'ın hisselerini alması ile Şirket AXA SIGORTA unvanı ile faaliyetlerine devam etti.

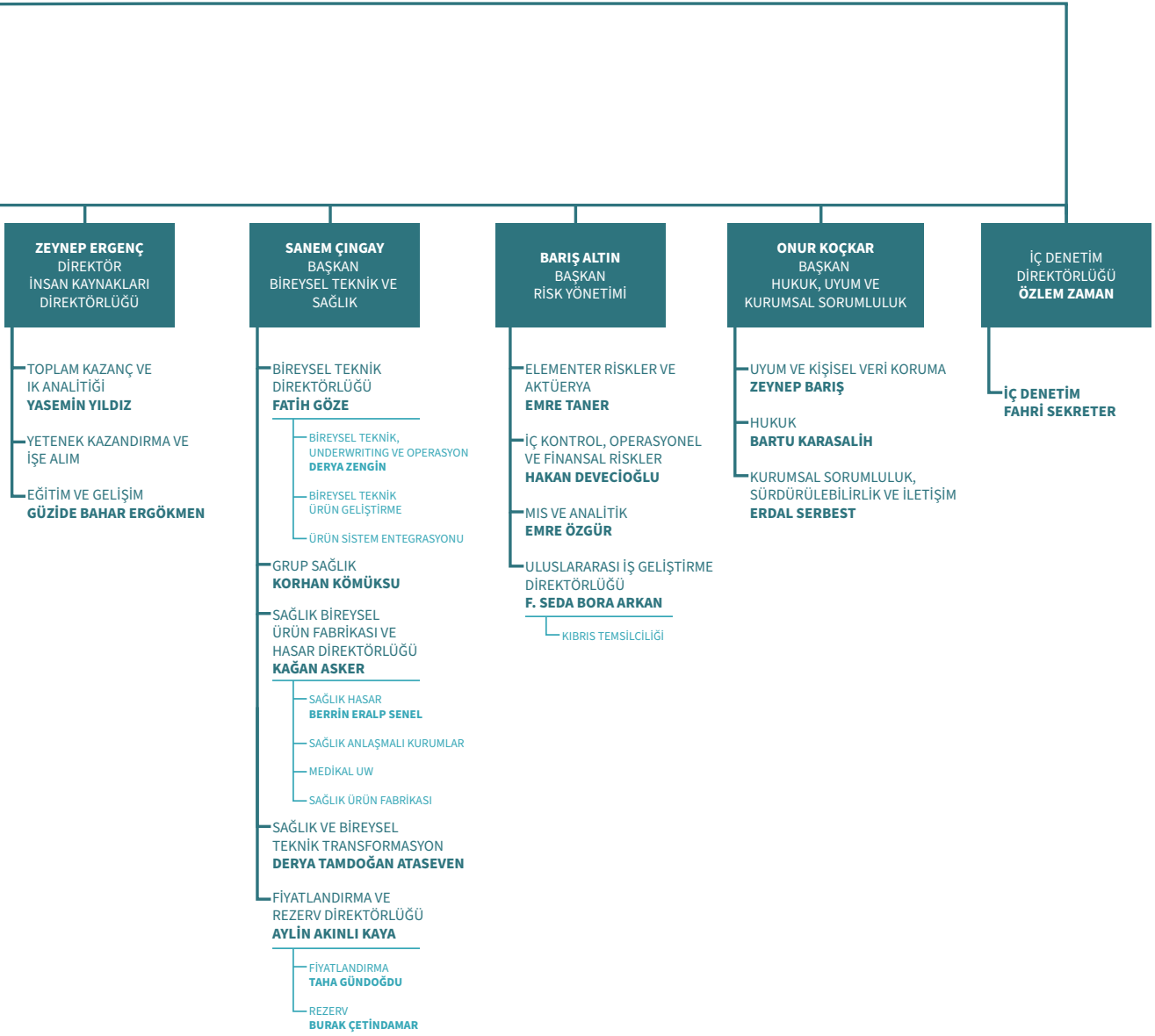
2010
AXA HAYAT SIGORTA bireysel emeklilik piyasasına adım attı, o günden EMEKLİLİK olarak devam ediyor.

ORGANIZATION CHART

YÖNETİM KURULU

YAVUZ ÖLKEN GENEL MÜDÜR





AXA SİGORTA SENIOR



İbrahim Olgun Kuntay

Chairman and the Member of the Executive Committee

Life and Pension

Kuntay graduated from Department of Statistics at Hacettepe University in 1983. He then got his Ph.D. in Statistics at the same university and completed the Actuary program at Turkish Insurance Institute Foundation (TSEV). Having started his career in 1983, Kuntay has been working in our company since 1999 and he is currently the Head of Life, Pension Technical and Claims Management, Actuary Modeling and Project Development, System Development, and Operational Management Departments as well as the Operations Center (HOMER), and all affiliated units in our Company.

Firuzan İşcan

Chairman and the Member of the Executive Committee

Sales and Marketing

İşcan graduated from Galatasaray University Faculty of Industrial Engineering in 1997. He completed his post graduate study in 1999 again in Galatasaray University Faculty of Industrial Engineering. İşcan started his professional life in 1997 as a research assistant in Galatasaray University and assumed various positions in Allianz Turkey and Germany between 2001 - 2018. Last office he held in Allianz was CEO of Allianz Worldwide Partners Turkey before joining our team in AXA. İşcan is currently the Chief Sales and Marketing Officer in AXA Sigorta, in charge of Sales, Marketing, Customer Complaints Management, Innovative Cooperations Management and Business Development Departments and all affiliated units thereof.





Sanem Çingay

Chairman and the Member of the Executive Committee

Personal Technical and Health

Çingay graduated from Department of Mathematics at Middle East Technical University in 1998. She completed her M.A. in Economy at Lancaster University in 1999, then Ph.D in Actuary Science at Caas Business School in 2009. Çingay assumed various position in Allianz Turkey and Germany between 2000 - 2010. Having worked as the Director of special Lines Technical Department in Ergo Turkey between 2010 - 2017, and as Head of Individual Technical Underwriting in Groupama Sigorta between 2017 - 2018, Çingay has been working as the Head of Individual Technical and Health in AXA Sigorta since May 2018, managing Individual Technical, Technical Operation Center, Pricing and Reserve, Contractual Healthcare Facilities and Compensation

Management, Health, Health Compensation Departments and all affiliated units.

Şükrü Mert Ekitmen

Chairman and the Member of the Executive Committee

Corporate Technical and Claims

Ekitmen graduated from Civil Engineering Department at Istanbul Technical University in 1995 and received his MBA degree from Dogus University. Having started his career in 1996, Ekitmen joined AXA Group in 2017 and has been working in AXA Sigorta as Chief Operating Officer in charge of Loss Management, Corporate and Commercial Technical Management, Loss Communication Center, Broker & Captive Channel Management, Reinsurance, Recovery Departments and all affiliated units.





Zeynep Ergenç

Director and the Member of the Executive Committee

Human Resources Director

Ergenç graduated from Koç University Department of Psychology in 2008. Having started her career in 2008 and joined AXA Group in 2018, Ergenç has been serving as the manager of all units affiliated with the Total Earnings and HR Analytics, Training and Development, Talent Acquisition and Hiring Departments at AXA Sigorta.

Bariş Altın

Chairman and the Member of the Executive Committee

Risk Management Department

Altın graduated from Marmara University Department of Business Management in 2000 and received his MBA degree on Business Management from Yeditepe University. Having started his career in 1997, Altın has been working in our company since 2000 and he is currently the Head of Internal Control, Operational and Financial Risks, Elemental Risks and Actuary, MIS & Analytics Departments and all affiliated units in our Company.





Ege Örer

Chairman and the Member of the Executive Committee

Information Technologies and Innovation

Örer graduated from Istanbul Technical University Department of Electronic Communication in 1994 and received his MS degree on Electronics from Boğaziçi University. Having started his career in 1995, Örer has been working in our company since 2002 and he is currently the Head of Operational Excellence and Process 4.0, System Management and Operations, Network and Information Systems Security, Information Security Departments and all affiliated units in our Company.

Tuba Karataş Arıcan

Chairman and the Member of the Executive Committee

Financial Affairs

Arıcan is a double major graduate of Middle East Technical University in 2004 both in Economics and Business Administration and obtained her Master's degree in Business Administration for Managers from Boğaziçi University in 2012. She began her professional life in 2004. She was the CFO of Libery Sigorta before joining AXA. Arıcan became an AXA member in 2018 and currently she is the Chief Financial Officer in charge of Accounting, Collection, Fund management, Purchasing, Business Analysis and Strategy and PBN Departments and all affiliated units.





Onur Koçkar

Chairman and the Member of the Executive Committee

Legal, Compliance and Corporate Responsibility

Koçkar graduated from Ankara University Faculty of Law in 1994. Koçkar started his professional business life in 1996 and was commissioned in our Company as Head of Legal Department and Manager of Bodily Damages Operation Center between 2001 - 2015. He was assigned as the Legal Director responsible for Bodily Damages Operation Center in 2015. Koçkar was promoted to Legal & Compliance Director and General Secretary in 2018. He has become a Member of the Board of Directors and the Executive Board in 2019 in addition to his current responsibilities, and continues to serve as the President of Law, Compliance, and Corporate Responsibility.



DIRECTORS OF INTERNAL SYSTEMS AND COMPLIANCE

Özlem Zaman

Internal Audit

Director

Zaman graduated from Department of Management Engineering at Istanbul Technical University in 1999. She received a Master's Degree in Actuary from Bahcesehir University. Having started her business life in 1999 and worked in AXA Sigorta since 2008, Zaman has been working as the Director of Internal Audit Department.

Zeynep Barış

Compliance and Personal Data Protection

Manager

Barış graduated from Istanbul University Department of Business Administration in 2005. Barış started her professional life in 2005 and has worked as a financial auditor and risk consultant for ten years in Qatar offices of KPMG Turkey and Ernst&Young and has Internal Audit Department management experience for almost five years in the insurance industry. Barış has been working in AXA Sigorta since February 2020 and currently she holds the position of Compliance and Personal Data Protection Department Director.

Hakan Devecioğlu

Internal Control, Operational and Financial Risks

Manager

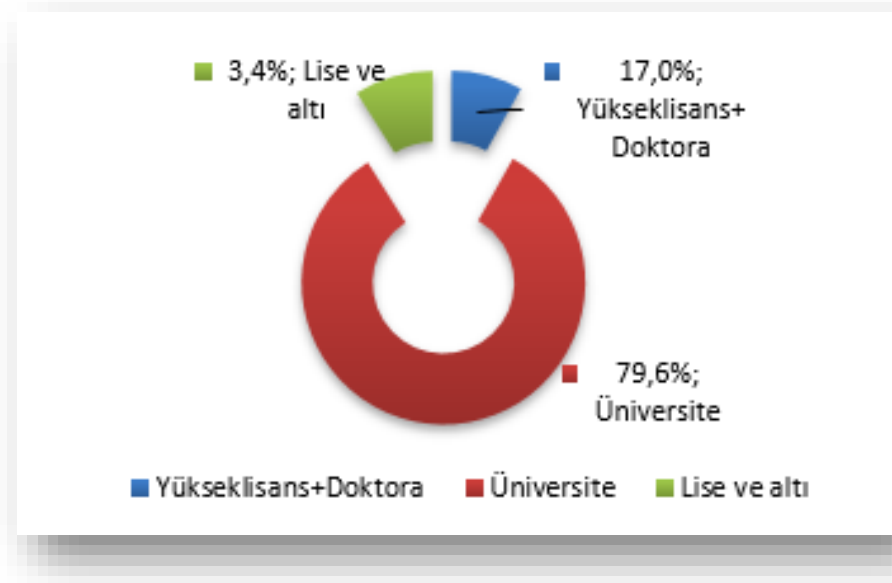
Devecioğlu graduated from Department of Public Finance at Celal Bayar University in 2003. He got his MBA for Executives at Istanbul Technical University. Having began his career in 2004, Mr. Devecioğlu has been a part of AXA Turkey, Italy, Spain and International and New Markets Region since 2005. Most recently, since January 2018, he serves as the Department Manager of Internal Control, Operational and Financial Risks.

MANAGEMENT BODIES, SENIOR EXECUTIVES AND NUMBER OF EMPLOYEES

AXA Sigorta and AXA Hayat ve Emeklilik provide services with nine regional management offices, three regional representative offices and one branch office in addition to Head Office functions. Our offices are listed as follows: Bakırköy Regional Management Office, Kadıköy Regional Management Office and İstanbul Regional Management Office in İstanbul; Marmara Regional Management Office in Bursa; Aegean Regional Management Office in İzmir and Denizli Representative Office; Mediterranean Regional Management Office in Antalya; Southern Anatolian Regional Management Office in Adana; Central Anatolian Regional Management Office in Ankara; Black Sea Regional Management Office in Samsun with its affiliated Erzurum Representative Office, Trabzon Representative Office and Cyprus Branch Office in TRNC.

General profile of employees working at AXA SIGORTA and AXA HAYAT VE EMEKLİLİK as of 31.12.2019 is provided below:

Gender		
	Number of Employees	Percentage
Female	396	51.8%
Male	369	48.2%
Total	765	
Locations		
Building	Life	Insurance
Region		282
Head Office	43	440
Grand Total	43	722
Educational Background		
Post Graduate & PhD	130	17%
Bachelor's Degree	609	80%
High School and Below	26	3%
Titles		
	Female	Male
Senior Executive	7	19
Manager	75	100
Employee	313	251
Total	395	370



The rate of higher education among our employees are increasing year by year.

AXA Sigorta is a Group Company with a good ratio in terms of Female/Male employees according to the AXA Group Diversity Principle.



FINANCIAL RIGHTS PROVIDED TO MEMBERS OF MANAGEMENT COMMITTEE AND SENIOR EXECUTIVES

AXA SİGORTA A.Ş./AXA HAYAT VE EMEKLİLİK A.Ş.
Consolidated

Year 2021

Allowance and General Expense Payments Allocated to Board Members and Senior Executives (*)

Travel Expenses	219,458
Representation Expenses	9,252
Other	6,743
Total	235,453

Financial Rights Provided to Board Members and Senior Executives (*)

Salaries	17,320,006
Accomplishment Premiums	6,396,659
Insurance Payments	1,709,367
Other Payments	970,825
Total	26,396,856

(*) Consists of Chairman and Members of Company Board of Directors, CEO, Deputy CEOs, Directors and the members of the Extended Executive Board Members.

CAPITAL AND PARTNERSHIP STRUCTURE

AXA SİGORTA A.Ş. SERMAYE DAĞILIM TABLOSU 31.12.2021

ORTAĞIN ADI	İŞTİRAK ORANI (%)	Toplam Sermaye (TL)	HİSSE ADEDİ (1 KR)
AXA HOLDİNG A.Ş.	92,61%	1.135.204.390	113.520.439.013
T.C.ZİRAAT BANKASI A.Ş.	7,31%	89.547.369	8.954.736.910
GROUPAMA SİGORTA A.Ş.	0,04%	540.906	54.090.627
DİĞER *	0,04%	446.522	44.652.142
TOPLAM	100,00%	1.225.739.187	122.573.918.692

*Söz konusu rakamın içinde bazı yönetim kurulu üyelerinin de birer adet hissesi mevcut olup, yönetim kurulu üyelerimizin sahip olduğu hisse adetleri yönetim kurulu üyelikleri devam ettiği süre içinde geçerlidir.

Şirketimiz 2021 yılı içinde sermaye artırımına gitmemiş olup, sermayeyi temsil eden hisse senetlerine tanınan herhangi bir imtiyaz ya da şirketin iktisap ettiği kendi payı bulunmamaktadır.

AXA HAYAT VE EMEKLİLİK A.Ş. SERMAYE DAĞILIM TABLOSU 31.12.2021

ORTAĞIN ADI	İŞTİRAK ORANI (%)	Toplam Sermaye (TL)	HİSSE ADEDİ (1 KR)
AXA HOLDİNG A.Ş.	99,99%	19.999.283	1.999.928.328
DİĞER *	0,01%	717	71.672
TOPLAM **	100%	20.000.000	2.000.000.000

*Söz konusu rakamın içinde bazı yönetim kurulu üyelerinin de birer adet hissesi mevcut olup, yönetim kurulu üyelerimizin sahip olduğu hisse adetleri yönetim kurulu üyelikleri devam ettiği süre içinde geçerlidir.

AXA SİGORTA A.Ş.

AFFIRMATIVE OPINION ON ANNUAL REPORT



YÖNETİM KURULU'NUN YILLIK FAALİYET RAPORUNA İLİŞKİN BAĞIMSIZ DENETÇİ RAPORU

Axa Sigorta A.Ş. Genel Kurulu'na

1. Görüş

Axa Sigorta A.Ş.'nin ("Şirket") 1 Ocak - 31 Aralık 2021 hesap dönemine ilişkin yıllık faaliyet raporunu denetlemiş bulunuyoruz.

Görüşümüze göre, yönetim kurulunun yıllık faaliyet raporu içinde yer alan finansal bilgiler ile Yönetim Kurulu'nun Şirket'in durumu hakkında denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemeler, tüm önemli yönleriyle, denetlenen tam set finansal tablolarla ve bağımsız denetim sırasında elde ettiğimiz bilgilerle tutarlıdır ve gerçeği yansıtmaktadır.

2. Görüşün Dayanağı

Yaptığımız bağımsız denetim, Kamu Gözetimi, Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Denetim Standartlarının bir parçası olan Bağımsız Denetim Standartları'na ("BDS") uygun olarak yürütülmüştür. Bu standartlar kapsamındaki sorumluluklarımız, raporumuzun Bağımsız Denetçinin Yıllık Faaliyet Raporunun Bağımsız Denetimine İlişkin Sorumlulukları bölümünde ayrıntılı bir şekilde açıklanmıştır. KGK tarafından yayımlanan Bağımsız Denetçiler için Etik Kurallar (Bağımsızlık Standartları dahil) ("Etik Kurallar") ve bağımsız denetimle ilgili mevzuatta yer alan etik hükümlere uygun olarak Şirket'ten bağımsız olduğumuzu beyan ederiz. Etik Kurallar ve mevzuat kapsamındaki etiğe ilişkin diğer sorumluluklar da tarafımızca yerine getirilmiştir. Bağımsız denetim sırasında elde ettiğimiz bağımsız denetim kanıtlarının, görüşümüzün oluşturulması için yeterli ve uygun bir dayanak oluşturduğuna inanıyoruz.

3. Tam Set Finansal Tablolara İlişkin Denetçi Görüşümüz

Şirket'in 1 Ocak - 31 Aralık 2021 hesap dönemine ilişkin tam set finansal tabloları hakkında 11 Mart 2022 tarihli denetçi raporumuzda olumlu görüş bildirmiş bulunuyoruz.

4. Yönetim Kurulu'nun Yıllık Faaliyet Raporuna İlişkin Sorumluluğu

Şirket yönetimi, 6102 sayılı Türk Ticaret Kanunu'nun ("TTK") 514. ve 516. maddelerine göre yıllık faaliyet raporuyla ilgili olarak aşağıdakilerden sorumludur:

- Yıllık faaliyet raporunu bilanço gününü izleyen ilk üç ay içinde hazırlar ve genel kurula sunar.



- b) Yıllık faaliyet raporunu; Şirket'in o yıla ait faaliyetlerinin akışı ile her yönüyle finansal durumunu doğru, eksiksiz, dolambaçsız, gerçeğe uygun ve dürüst bir şekilde yansıtabilecek şekilde hazırlar. Bu raporda finansal durum, finansal tablolara göre değerlendirilir. Raporda ayrıca, Şirket'in gelişmesine ve karşılaşması muhtemel risklere de açıkça işaret olunur. Bu konulara ilişkin yönetim kurulunun değerlendirmesi de raporda yer alır.
- c) Faaliyet raporu ayrıca aşağıdaki hususları da içerir:
- Faaliyet yılının sona ermesinden sonra şirkette meydana gelen ve özel önem taşıyan olaylar,
 - Şirketin araştırma ve geliştirme çalışmaları,
 - Yönetim kurulu üyeleri ile üst düzey yöneticilere ödenen ücret, prim, ikramiye gibi mali menfaatler, ödenekler, yolculuk, konaklama ve temsil giderleri, ayni ve nakdi imkânlar, sigortalar ve benzeri teminatlar.

Yönetim kurulu, faaliyet raporunu hazırlarken Ticaret Bakanlığı'nın ve ilgili kurumların yaptığı ikincil mevzuat düzenlemelerini de dikkate alır.

5. Bağımsız Denetçinin Yıllık Faaliyet Raporunun Bağımsız Denetimine İlişkin Sorumluluğu

Amacımız, TTK hükümleri çerçevesinde yıllık faaliyet raporu içinde yer alan finansal bilgiler ile Yönetim Kurulu'nun denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemelerin, Şirket'in denetlenen finansal tablolarıyla ve bağımsız denetim sırasında elde ettiğimiz bilgilerle tutarlı olup olmadığı ve gerçeği yansıtır yansıtmadığı hakkında görüş vermek ve bu görüşümüzü içeren bir rapor düzenlemektir.

Yaptığımız bağımsız denetim, BDS'lere uygun olarak yürütülmüştür. Bu standartlar, etik hükümlere uygunluk sağlanması ile bağımsız denetimin, faaliyet raporunda yer alan finansal bilgiler ve Yönetim Kurulu'nun denetlenmiş olan finansal tablolarda yer alan bilgileri kullanarak yaptığı irdelemelerin finansal tablolara ve denetim sırasında elde edilen bilgilerle tutarlı olup olmadığına ve gerçeği yansıtır yansıtmadığına dair makul güvence elde etmek üzere planlanarak yürütülmesini gerektirir.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.



Talar Gül, SMMM
Sorumlu Denetçi

İstanbul, 28 Mart 2022

AXA HAYAT VE EMEKLİLİK A.Ş.

AFFIRMATIVE OPINION ON ANNUAL REPORT



YÖNETİM KURULU'NUN YILLIK FAALİYET RAPORUNA İLİŞKİN BAĞIMSIZ DENETÇİ RAPORU

Axa Hayat ve Emeklilik A.Ş. Genel Kurulu'na

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2. Görüşün Dayanağı

Yaptığımız bağımsız denetim, Kamu Gözetimi, Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Denetim Standartlarının bir parçası olan Bağımsız Denetim Standartları'na ("BDS") uygun olarak yürütülmüştür. Bu standartlar kapsamındaki sorumluluklarımız, raporumuzun Bağımsız Denetçinin Yıllık Faaliyet Raporunun Bağımsız Denetimine İlişkin Sorumlulukları bölümünde ayrıntılı bir şekilde açıklanmıştır. KGK tarafından yayımlanan Bağımsız Denetçiler için Etik Kurallar (Bağımsızlık Standartları dahil) ("Etik Kurallar") ve bağımsız denetimle ilgili mevzuatta yer alan etik hükümlere uygun olarak Şirket'ten bağımsız olduğumuzu beyan ederiz. Etik Kurallar ve mevzuat kapsamındaki etiğe ilişkin diğer sorumluluklar da tarafımızca yerine getirilmiştir. Bağımsız denetim sırasında elde ettiğimiz bağımsız denetim kanıtlarının, görüşümüzün oluşturulması için yeterli ve uygun bir dayanak oluşturduğuna inanıyoruz.

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c) Faaliyet raporu ayrıca aşağıdaki hususları da içerir:

- Faaliyet yılının sona ermesinden sonra şirkette meydana gelen ve özel önem taşıyan olaylar,
- Şirketin araştırma ve geliştirme çalışmaları,
- Yönetim kurulu üyeleri ile üst düzey yöneticilere ödenen ücret, prim, ikramiye gibi mali menfaatler, ödenekler, yolculuk, konaklama ve temsil giderleri, ayni ve nakdi imkânlar, sigortalar ve benzeri teminatlar.

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PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.



Talar Gül, SMMM
Sorumlu Denetçi

İstanbul, 29 Mart 2022

STATEMENT REGARDING ANNUAL REPORT

2021 Yılı Faaliyet Raporuna İlişkin Beyan

31 Aralık 2021 tarihi itibarıyla düzenlediğimiz finansal tablolar ile bunlara ilişkin açıklama ve dipnotların, sigortacılık mevzuatı gereği yürürlükte bulunan muhasebe ilke ve standartlarına göre hazırlandığını ve ilgili mevzuat ile şirketimiz kayıtlarına uygun olduğunu; şirketimizin 2021 yılı faaliyet raporu içeriğinde yer alan belge ve bilgilerin, 7 Ağustos 2007 tarih 26606 sayılı Resmi Gazete’de yayınlanan Sigorta ve Reasürans ile Emeklilik şirketlerinin Mali Bünyelerine İlişkin Yönetmelik hükümlerine uygun olarak hazırlandığını beyan ederiz.

İstanbul, 11 / 03 / 2022

AXA SİGORTA A.Ş.

AXA HAYAT VE EMEKLİLİK A.Ş.


YAVUZ ÖLKEN
Yönetim Kurulu
Başkan Vekili ve
Genel Müdür


Tuba KARATAŞ ARICAN
Mali İşler Genel Müdür
Yardımcısı


Gamze KAYĞISIZ
Muhasebe ve
Tahsilat Müdürü

FINANCIAL INFORMATION

AXA SİGORTA A.Ş

1.000 TL	2021	2020	2019	2018	2017
Alınan Prim	5.923.589	4.657.374	4.104.058	3.374.670	2.908.210
Ödenen Hasar	3.129.018	2.170.949	2.346.344	2.014.216	1.916.862
Teknik Kar	1.815.815	803.219	433.247	532.238	-359.112
V.Ö. Kar	1.873.406	682.230	526.22	371.280	-335.120
Net Kar/(Zarar)	1.470.427	512.583	316.377	371.280	-335.120
Ödenmiş Sermaye	1.225.739	1.225.739	1.225.739	1.225.739	1.225.739
Toplam Aktifler	12.099.549	9.526.217	8.143.081	6.692.842	6.022.373

AXA HAYAT VE EMEKLİLİK A.Ş

1.000 TL	2021	2020	2019	2018	2017
Alınan Prim	26.672	16.146	11.400	11.448	20.347
Ödenen Hasar Ve Tazminat	23.089	32.952	26.606	38.488	45.146
Teknik Kar	1.736	-4.954	1.326	-4.692	-9.669
V.Ö. Kar	15.912	737	11.944	13.489	3.824
Net Kar	12.603	623	7.047	13.489	3.824
Ödenmiş Sermaye	20.000	20.000	20.000	62.975	62.975
Toplam Aktifler	1.428.333	1.041.838	812.516	673.934	583.578



ASSESSMENTS OF FINANCIAL

- Evaluation of financial condition, profitability and solvency (5.11)

AXA Sigorta A.Ş completed year 2021 with an operating profit of TRY 1,470.4 million, whereas AXA Hayat ve Emeklilik A.Ş completed the year with an operating profit of TRY 12.6 million. Details on financial results of both companies are given in the section of “Audit Reports”.

Sum of cash and securities and financial assets of AXA Sigorta A.Ş forms 75% of total assets while the comparable ratio at AXA Hayat ve Emeklilik A.Ş is 10%. Both companies meet all their legal and commercial obligations without any financial difficulties thanks to their strong financial structure with a high liquidity ratio.

- Determination and Assessment on capital of the Company (5.4)

As a company with the highest paid-in capital of TRY 1.2 billion within the sector, AXA Sigorta A.Ş. is also one of the companies having the most powerful equity ratio. AXA Hayat ve Emeklilik A.Ş. has sufficient equity ratio to meet its existing and potential risk and obligations, as well.

Besides, capital adequacy calculations of both companies are conducted in accordance with the principles of “Regulation on Measurement and Assessment of Capital Adequacy of Insurance, Reinsurance and Pension Companies” published in the Official Journal No.29454 dated August 23, 2015. According to the results of calculation made in accordance with these principles, capital adequacy ratio of AXA Sigorta A.Ş. is 166.7% in 2021 but this ratio for AXA Hayat ve Emeklilik A.Ş. is 289.5%.

- Analysis and evaluation of the management body regarding the financial condition and results of activities, the level of realization of planned activities, Company’s situation against the determined strategic goals (5.2)

AXA Sigorta A.Ş. and AXA Hayat ve Emeklilik A.Ş. continued to focus on sustainable profitability objectives and fulfilled strategic actions based on objectives determined by their management bodies in 2021. They have continued to make necessary investments for digital change and in order to provide right solutions for customer needs that are at the center of company strategies. Additionally, the Companies made improvements in pricing and reserve management to strengthen the financial structure for the purpose of meeting their obligations to policyholders. And consequently, they have achieved the targets determined in key performance indicators such as profitability, productivity, capital adequacy calculated by both locally and internationally accepted standards.

Our companies continue their activities to attain profitable growth by providing the highest customer satisfaction without sacrificing service quality and inquire constantly their performance and determine actions to improve our service quality in line with the results they obtained. Accordingly, depending on results of various researches we have conducted, it is observed that the agency satisfaction ratio regarding our companies is 91%. According to the Pulse survey conducted for the measurement of employee satisfaction, there was an increase of +8 points in overall score compared to the previous year. All these results have shown that our activities/operations have successfully continued in 2021 as well.



TURKEY AND WORLD ECONOMY

TURKEY'S ECONOMIC CONDITION IN 2021

In the post-pandemic recovery process, Turkish economy continues to exhibit a performance level in excess of the expectations. The growth rate in 2021 was 11%. The primary cost brought about by the growth, on the other hand, is the inflation. The five months of rapid interest cuts which began in September, accompanied by a rapid devaluation of TRY in the last quarter of the year, leads to inflationary pressures. The exchange rate hike experienced at the end of the year made it difficult to predict the inflation rates. The unorthodox path taken to manage the global inflationary pressures, and the abandonment of the “policy interest rates in excess of the inflation rate” on part of the Central Bank of Turkey brought about rapid deterioration of the inflation indicators, which were already feeling the global pressures.

The 500 basis point cut in the interest rates since September took the real interest rate on TRY to -22%. Central Bank’s first inflation report of the year revised the inflation forecast for the end of the year, from 11.8% to 23.2%.

In 2021, TRY lost more than 75% of its value when compared to USD. The losses increased in the last quarter of the year, and all-time highs were recorded in November and December. The bank deposit system with exchange rate guarantees, coupled with a strategy to encourage the use of Lira brought about some level of stabilization in the exchange rates within the banking system.

The recovery of the reserve levels of the Central Bank made it possible to leave behind the balance of payments problems experienced in the first months of 2021. As a result of the Central Bank’s insistence in avoiding interventions on exchange rates, along with swap deals and SDR intake improved the overall state, and took the total reserve figure to more than USD 120 billion once again by December.

On the current accounts deficit front, in turn, the increasing exports and slowing imports along with the recovering global mobility levels leading to improvements in tourism revenues brought about substantial recovery. The assumptions of the new economic model supported by these expectations are expected to bring about surpluses in the current accounts by the year 2022.

STATE OF THE GLOBAL ECONOMY IN 2021

According to IMF's global economic outlook report published in January 2022, the global economy is expected to grow 5.9% through 2021. This figure is consistent with the Organization's forecasts published in October. On the other hand, the growth forecasts for 2022 are revised as 4.4%, down from 4.9%. The report also notes a growth forecast of 3.9% for advanced economies in 2022, whereas the growth forecast for developing economies was revised downwards from 5.1% to 4.7%. In other words, even though the economies are still expected to grow in 2022, the pace is falling. In terms of the inflation outlook, which is the source of monetary tightening and stagflation concerns, the picture is a bit better, albeit still problematic in general. Occasional hits from supply issues and the demand pressures to be brought along by the move out of the pandemic suggest that the outlook in 2021 will continue to dominate this year as well.

Leading central banks are expected to put an end to the extremely broad money supply policies. The central banks of developed nations began to increase interest rates, with FED expected to join the train in March. One should also note that the US and the EU does not embrace the same perspective regarding interest rate hikes. The European Central Bank's management states the intent to maintain the broad money supply policy in 2022 as well, given the concerns about growth rates (which have been further emphasized due to the Ukraine crisis coupled with a potential energy scarcity crisis). ECB is expected to engage in interest rate hikes no earlier than the last quarter of 2023, and then, only if the inflation targets are achieved.

The European Union also managed to leave behind the destructive phase of the pandemic. Strong data on economic recovery have been slowing down recently. Yet, the positive trend is still in place. Throughout the Union, the inflation forecasts are above the targets. However, the experts are now confident that the inflationary stage is a passing one. The fragility of the growth trend, on the other hand, leads to the expectations that the European Central Bank will skip year 2022, and perhaps 2023 as well. The annual CPI within the group reached 5% quite rapidly. This leap in contrast to the years of efforts to avoid negative inflation rates in the EU, is considered a temporary one.



INSURANCE THROUGHOUT THE

World premium production decreased by 1.3% in 2020 compared to the previous year. 2.8 T USD out of the total premium production recorded as 6.3 T USD was realized in Life, 3.5 T USD was realized in Non-Life segments. The premium production in 2020 decreased by 4.4% in Life and increased by 3.5% in Non-Life segments.

Developed markets held 81.5% and developing markets held 18.5% of total global premium production within 2020.

Reference: Swiss Re, sigma, No. 3/2021.



INSURANCE IN TURKEY

Total premium production in Turkish insurance sector in 2021 was realized as TRY 105.3 B, TRY 87.6 B of which belongs to Non-Life and TRY 17.7 B to Life segments. Premium production increased by 27.5% compared to 2020. TRY 96.6 B of the total production consists of direct premium production, while TRY 8.7 B was obtained through reinsurance.

Share of Non-Life segments in total premium production is higher than Life segment in Turkey. 83.2% of total premium production in 2020 was generated by Non-Life and 16.8% by Life segments.

Amount of funds invested in Private Pension system was TRY 170 B by the end of 2020 (including state subsidy and automatic participation system amounts) and this figure was increased by 43.6% up to TRY 243.6 B TRY by the end of 2021. Share of participants' fund in total invested funds at 2021 year end is 84%, state subsidy share is 9% and automatic participation system's share is 7%.

Turkish insurance sector realized 105.3 billion TRY of total premium production in 2020. Given the fact that the same period saw a GDP figure of TRY 7.2 trillion, Turkish insurance sector generated a total premium amount equal to 1.46% of GDP. The comparable rate for 2019 was 1.64%. Fund amount accumulated in Private Pension system was realized as 3.4% of GDP as of 2021 year end.

Due to its nature, insurance sector comes at the top among financial sectors highly and rapidly affected from developments in the economy. The sector grows more rapidly during economic expansions and shrinks more rapidly during recessions. Real growth in premium production of insurance sector in 2021 as compared to 2020 is 6.3%. Real decrease in premium production as compared to the previous year was 5.6% in Non-Life segments and as 9.7% in Life segment.

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Research & Development Activities

MARKETING, CORPORATE RESPONSIBILITY, SUSTAINABILITY and COMMUNICATIONS

MARKETING

AXA Sigorta and AXA Hayat ve Emeklilik continued to carry out marketing activities for its customers in 2021. All the while trainings, campaigns and meetings for the distribution channels continued.

Distribution Channels

Having one of Turkey's most powerful and competent agency network, AXA Sigorta has more than 2,600 agencies as of the end of 2021. AXA Sigorta has been managed by Regional Offices for the purpose of create more effective and dynamic organization structure for its distribution channels based in all provinces of Turkey. In 2021, AXA Sigorta continued to sell its products through 8 banks in total including Denizbank with which it cooperated exclusively in non-life insurance products. In 2021, the following banks served as agencies for the sale of AXA Sigorta products: In Turkey: DenizBank, QNB Finansbank, Burgan Bank, ICBC Turkey Bank, Odeabank, In TRNC: Albank LTD, GarantiBBVA, NOVABANK, HIGHRISE BANK (formerly Faisal Islam), SEKERBANK Kibris LTD.

Studies on Efficiency of Distribution Channel

Agencies have the highest share of the Company's distribution channel in terms of both quantity and weight in production. The share of the agencies in total non-life production was 90% in 2021 (Agency+Motor+Broker). Various trainings, seminar, development program, meeting and campaigns have been organized for the purpose of ensuring that resolutions of the Company were adopted more and increasing motivation in short term but in the long term for the purpose of make the business processes of the agencies more efficient and contributing to the company's targets in future by developing economical, sectoral and customer-oriented perspectives and competencies.





AXA Sigorta holds various meeting ever year in order to move its agencies forward in accordance with its marketing vision. The Millionaires Club and Provincial Champions Club, which were established in order to emphasize the appreciation of activities of the agencies that make a difference by applying the Company's strategies in accordance with criteria determined every year and to maintain their motivation and which provide various awards and privileges to their members, remained in effect in 2021 as well. Moreover, from 2021 on, AXA Club was implemented as the new prestige club we have been keeping an eye on with a view to building up the agencies to become the Millionaires of the future. Within the framework of club activities designed to create loyalty and continuity in the agencies that reach a certain level in total premium production, Millionaire and Provincial Champion agencies were rewarded.

Now as a tradition over the years, organized with a different concept on each occasion, the Agencies Meeting was held in April 2021 as the first online agencies meeting of the insurance industry, in parallel to the rapid actions taken in response to the pandemic. An extraordinary event was organized to bring together agencies from all around Turkey, using greenbox technology. The meetings noted the devoted work carried out by the agencies in 2020, a markedly trying year for the whole world, as well as their expectations and wishes for year 2021, providing a detailed and effective picture outside the screens as well.

For each of more than 2,600 agencies of AXA Sigorta in 81 provinces, there are sales representative at the relevant Regional Office. Various motivational trainings and campaigns have also been organized for these representatives responsible for finding solutions to all kinds of requests, questions and problems of the agencies within the shortest time, giving company's goals to the agencies in a correct and complete manner by providing mutual information flow between the company and agency. Regional Offices are scored based on certain criteria and according to the realization of their goals with "Region Rating Report" prepared on a monthly basis and the rankings of the regions are published on the basis of their performance. As a result of defined criteria in parallel with yearly target, it is possible to extend the studies on yearly targets and thus to obtain healthy results in this regard, which allows regional offices improve themselves according to their weakness and strengths. Thanks to this application where champion regional office is obtained various awards at the end of the year, efficiency of the regional offices can be maintained high during the year.

We Continue to Support Sports and Athletes

As a partner, we continued to support volleyball, easily the sport Turkey is most successful in at the clubs and national squads level. We maintain our status as a Value Partner standing by Turkish

Volleyball Federation, to help Turkish Volleyball achieve further progress and inspire new athletes, raising awareness about the sports throughout the country.

Moreover, we support our young friends enrolled at TVF High School for their education, with the scholarships we offer.

In addition, we continue our relationship as a Value Partner with Altınordu Football Club, an organization established on the same year with the Republic, trying to raise model athletes for the country and supporting the dreams of our youth. Working towards the goal of raising ‘Good Individuals, Good Citizens, Good Footballers’, with Altınordu we continue to cooperate to maintain and reinforce the values of the club, and ensuring the acquaintance of future generations with those values, so as to touch their lives.

We also supported Turkish Archery Federation to help the success of Mete Gazoz, who won the gold medal in 2021 Olympics. The Federation has been established in 1961, and raised esteemed athletes to bring in success in international events. Now, its efforts are supported by us.

In addition, we put our name as a “Mobile Life Sponsor” of the E-Sports Federation of Turkey, in the context of a new cooperation to help raise healthy individuals in line with the goal of protecting what is valuable for people, to help the progress of the humanity. We are continuing to work on bringing about physical mobility to e-sports within the framework of the sponsorship.

Furthermore, we continue to support Cem Bölükbaşı, the first race pilot to represent Turkey in F2 category, as a racer registered with the federation.

In the context of the “Outdoors Exercises with AXA Sigorta”, we are both engaging in action with the Metropolitan Municipality of Istanbul, and inviting everyone to action by taking it to the streets. On every day of the week, the programs held at approximately 200 locations (streets, parks, squares) are executed with the help of expert trainers. We continue to show how important regular exercise is, and to instill action with such motivation.

Our cooperation with the Active Living Association within the framework of the “Move for the World” initiative continues to encourage the society for more action and bring about healthy living.

We Continued to Represent Our Values through Art, with the Legends and Perseverance Documentary Films

The Legends Documentary produced by award winning documentary filmmaker Tuluhan Tekelioğlu with our company’s support, has reached audiences. The documentary brought the cultural, intellectual and human values we inherited from legendary names of Turkey in every field, to the screen.

The 4-part documentary series covering the success story of the Sultans of the Net since 2019, produced with our support to Turkish Volleyball Federation, ‘Sultans of the Net: Perseverance’ tells the journey and story of the success the athletes and the team achieved by holding on to their values.

Advertising Campaign for the Launch of Our New Product

In 2021, the company organized various advertising campaigns for the purpose of increasing brand awareness, becoming a preferred brand, supporting sales and improving its growth rate further. The ads express our commitment to the mission of bringing new products and services to the customers, to make available the benefits thereof, and draw attention to the importance of becoming insured before a trying experience comes along. Innovative products are developed with reference to the needs of our customers. 2021 saw the introduction of AXA Complementary Health Insurance designed for university students in 17-22 age group, to cover inpatient care on 1 occasion, along with outpatient care covered on a pay-as-you-go basis.



Continuing Communications through our Social Media Accounts

In 2021, we used our social media accounts to communicate about the Complementary Health Insurance, publish the mobility bulletin within the framework of the Move for the World Initiative, invite people to moving more within the framework of our sponsorship of the Metropolitan Municipality of Istanbul, and publish content about volleyball during the Olympics and the European Championship in the context of our sponsorship of TVF.

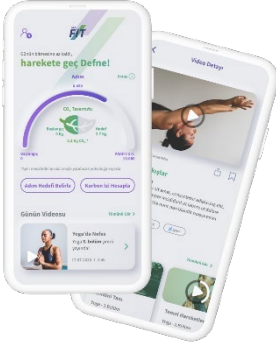
AXA Sigorta and AXA Hayat ve Emeklilik take part in social media platforms such as Facebook, Instagram, Twitter and Youtube under the name of AXA Turkey since 2013 in order to take place in each media where they can give support their customers, to reach large masses, to be accessible from every platform in the digitalized world.

Mobile Applications

AXA Acentem

AXA Sigorta enables agencies to follow-up their portfolios on their mobile devices through mobile application “AXA Acentem”. Agencies can easily access the production and performance figures of their own agencies from all mobile devices through the application “AXA Acentem”. Thanks to the application, they can give offer, follow-up renewal of thereof and also monitor many information on production, target, collection, damage, campaign, customer details etc. on a daily or even immediate basis. It is aimed to provide convenience and contribution to the business of agencies with the application.

AXAFit



AXAFit is a user-friendly application that is considered as good life, sports and activity companion, that provides customizability properties based on user's exercise and needs and in which users can easily access current good living contents.

Unlike standard insurance applications, AXAFit can be regarded as an application that is often used during the day and provides content and support to its users about life and health. Through this application, we aim to reach not only AXA Sigorta's customers, but also all users interested in healthy living. Our aim regarding Fit section of the application is to help the users to adopt healthy life style and to feel AXA Sigorta's support all the time.

We support the users not only in compensation payment but also in the prevention of problems that may occur especially in terms of health thanks to this application. In this context, AXA Doctor Consultation Line, Medical Second Opinion and Independent Living Line were made available to our customers through AXAFit, with a view to providing preventive advice as well as solutions to meet their needs.

Awards



AXA Sigorta won the following awards in 2021:

PSM Awards	Best Promotion, Marketing Achievement	AXAFit / Feeling Good is up to You
SMARTIES 2021	Lead Generation / Direct Response / Conversions	AXA Sigorta
The Hammers	Best Marketing Team in the Insurance Sector	Marketing Department
DP	Mobile User Experience and Interface	AXAFit
Effie Awards	Insurance Services	AXA My Health Is Covered / AXA Will Cover the Rest
Marketing Turkey	Most Reputable Insurance Brand	AXA Sigorta
MARTECH	Best Use of Technology During the Pandemic	AXA Doctor Consultation Line
Stevie Awards	Insurance Firm of the Year	AXA Sigorta
Stevie Awards	Campaign and Sales Category of the Year	AXA My Health Is Covered
Stevie Awards	Insurance and Better Living Application	AXAFit / Feeling Good is up to You
Stevie Awards	Sales (The Effect of Campaigns to Sales)	AXA My Health Is Covered
Stevie Awards	Healthcare Category	AXA My Health Is Covered
Stevie Awards	Social Media Category	AXAFit / Feeling Good is up to You
Stevie Awards	The Campaign's Effect on Growth	AXA Sigorta
Stevie Awards	The Campaign's Effect on Growth	AXA Sigorta
Stevie Awards	Sales Achievement Category	AXA My Health Is Covered

Customer Satisfaction Survey

AXA Group conducts “Customer Satisfaction Field Survey” in all countries where AXA operates in. In the survey conducted by an independent research company in 2020, the satisfaction of the customers buying Motor Insurance and Housing has been measured. According to the research results, AXA Sigorta’s Customer Net Advise Score in 2021 increased by 8 points over the figure recorded in 2020, reaching 61 and exceeding the average score of its competitors within the market by 8 points. AXA Sigorta’s NPS Score exceeded the average score of competitors by +9 points with a score of 75 from participants with MOD loss experience, +8 points with 62 points from participants with Home loss experience according to the evaluation of NPS scores per type of experience.

Agency Satisfaction Survey

AXA Sigorta has been aware of requirement of having high motivation of all stakeholders in contact with the customer and has been improving its business processes in order to provide better service to its customers. In this regard, satisfaction from services and support provided to agencies is measured regularly. In 2021, an online Agency Satisfaction Survey, which measures the satisfaction rate of AXA SIGORTA agencies regarding the services and company activities received from all units of our company, was carried out. 2,471 agencies responded. 91% of the respondents indicated their satisfaction with the working conditions of AXA Sigorta. 91% of the participating agencies replied as "Yes" to the question "Are you pleased with the conditions of working with AXA Sigorta?". The survey also measured the satisfaction rates of agencies with AXA Sigorta units, which revealed that the satisfaction due to the positive effect of the trust in AXA brand on agency businesses was 93%, satisfaction rate regarding distinction of AXA Sigorta from other competitors due to the services offered to customers was 86%.

CORPORATE RESPONSIBILITY, SUSTAINABILITY and COMMUNICATIONS

In 2021, at AXA Sigorta we focused on the dimensions of corporate responsibility ranging from society, environment, customer, employees and suppliers and implemented many projects with the support of increasing voluntary participation that it embraced and applied in every sphere of life. We also acted with the aim of dissemination of this awareness continued to lead many activities where the corporate responsibility approach touched the “society”. As Turkey’s largest insurance company with international identity, one of our main responsibility is to empower people to live a better life and support social life with the goal of "Protecting what's significant for people to ensure human development".

In 2021, the company focused more on longer lasting projects consistent with our corporate strategy, thanks to the setting up of the Corporate Responsibility, Sustainability and Communications Department within the year.

Such projects cover the fields “Climate Change and Environment, Health and Sports, Preventing Social Inequality, Arts, Assistance in Emergencies”. The work carried out is reported to the AXA Group through transparent reporting at the end of the year, in line with AXA Group Reporting Procedures.

Various projects performed under these titles and other actions taken with the contributions of AXA In All Hearts Volunteers are provided below.

Climate Change and the Environment

Continuing Value Partnership with TURMEPA

On the second year of the ‘Move for the World” project to fight against climate change based on the ‘Earth-Friendly Insurance’ perspective, we joined our forces with DenizTemiz Association / TURMEPA acting as the NGO partner in the project, and continued our cooperation within the framework of marine ecosystems.

We Planted 7,500 Trees at our Meetings

Even though physical meetings were not among the options, we continued to work through remote connections and stayed in touch at all times with online meetings, seminars, and roadshows. However, we are also aware of the digital carbon footprint of all such digital meetings. Through 2021 we kept track of our meetings and donated 7,500 trees to be planted to OGEM, so as to compensate for our carbon footprint.

We will continue to move for the world in 2022 as well! We Became a Business World Plastics Initiative Signatory

At AXA Sigorta, we are one of the first signatories the Business World Plastics Initiative has in the insurance industry. Thus, we put our name among the companies trying to bring about a concrete change through sustainable and systematic solutions to the plastics problem. In this context, we will work towards clear commitments till year 2023, so as to reduce our Company’s plastics consumption to contribute to the transition to a cyclic economy in the plastics sector.

We Supported Smart and Sustainable Agriculture

We are now supporting the Karaoklar Science Center to be set up at Karaoklar Farm, where sustainable and smart agriculture efforts will be carried out.

We continued to underline the value we ascribe to agriculture and farming, by insuring Datça Murat Farm and Tabit.

‘Plogging’ at our Corporate Responsibility Week

Within the framework of AXA Week For Good organized throughout AXA Group entities, we collected liters of waste and ensured they are sorted out, with volunteering colleagues from all regions, in cooperation with Let’s Do It Turkey.

Support for TEMA: Make a Donation, Get Your Coffee!

We served free cold coffees to our colleagues who donated TRY 5 to the TEMA donation machine installed at the cafeteria at the Headquarters of the Company.

Preventing Social Inequality

We Continued to Draw Attention to Social Gender Equality

We organized a range of trainings within the framework of the Business World Standing Against Domestic Violence project with Sabancı University, with a view to developing our Policy for Fighting Domestic Violence. We will publish our policy in 2022.

We went through an independent audit in cooperation with the Sustainability Academy and Intertek, and were awarded the Certificate for Equal Treatment of Women at Work with a high score, expressing our support for equality at work.

Our Inclusion and Diversity Committee and Senior Management, along with the trainer Ebru Nihan Celkan, organized Social Gender Equality Workshops, so as to continue our progress on the inclusion front.

We took part in the Inclusion Survey organized by AXA Group, hearing what our colleagues think about inclusion and diversity. We then took action on these issues.

Sponsoring Education for Girls

The support we provide to Koruncuk Foundation represents a significant action to touch to the lives of girls who have limited access to education. Moreover, we sponsored the foundation to cover education costs of one class for a year, in cooperation with Alişan Group, which is also an insurance customer with us.

Touching the Operation of Many Associations with the “From the Bottom of My Heart” Project

The “From the Bottom of My Heart” Project we launched during the year went on successfully as our colleagues who shared their hobbies presented their works to other colleagues in the team, in consideration of donations to selected charities.

The associations / foundations we supported within the framework of the project:

Turmepa, Rescue Home, Koruncuk Foundation, Turkish Education Foundation, Turkish Paraplectics Association, Down Syndrome Association of Turkey, Sinemasal, Laughing Cures People Foundation.

Partnering for Good on the Occasion of Eids

By enabling donations our gift budget to 4 charities (Turmepa, Turkish Education Foundation, Turkish Paraplectics Association, Koruncuk Foundation) on the occasion of eids, we provided strong support thanks to our colleagues who opted to do so in the spirit of ONE AXA.

Standing Out on the Disability Day

This year, we engaged in efforts to raise awareness about IDD, in cooperation with the Paraplectics Association of Turkey.

Our CEO Yavuz Ülken used a wheelchair at our Headquarters, to empathize with wheelchair users. The wheelchair was supplied by the Paraplectics Association of Turkey. The event helped raise awareness and try out the accessibility level of our office in the first hand.

As AXA Hearts in Action Volunteers, we visited the Paraplectics Association of Turkey, and experienced the Empathy Track. We listened to and learned in first hand how we can assist a wheelchair user requesting assistance, and the kinds of challenges he or she may be facing. All participants were issued certificates with the phrase ‘Thank you for supporting a disability-free life’.

Continuing Value Partnership with the Rover Team of Istanbul Technical University

We are proud of continuing value partnership with ITU Rover Team, which has started its activities in 2017 with the understanding stated as the "Best way to foresee the future is to create it" and has designed, developed and manufactured the prototypes of robots which shall help astronauts during colonization on Mars.

ITU Rover Team commenced work on AXA Rover Vehicle designed in line with the needs of AXA Sigorta.

Moving with the Youth

We came together on digital platforms with the students of universities giving insurance education and locating at various provinces with the purpose of improving the cooperation between the Sector and the University. These events conducted by Company executives included sectoral information, aspects of business world in general and various clues to help students in their career choices. We reached out to more than 20,000 students at 20 schools.

Some schools and foundations we supported within the framework of educational activities:

Middle East Technical University, Black Sea Technical University, Marmara University, Uludağ University, Anadolu University, Eskişehir University, Hacettepe University, Ege University IEEE Club – Engineering Workshop, Hisarönü Secondary School, Anadolu Scholars at Koç University, ITU Graduates Association, GEA Van Primary School, Yıldız Technical University Racing Team, Milas Ören Primary School, Darüşşafaka My Fellow Traveler – Book Guardian

Supporting Entrepreneurs

We engaged in mentoring activities throughout the year within the framework of the ITU Core project, and sponsored 2 successful projects selected through the assessment at the end of the year.

Continued Support for Anadolu Scholars

We provide support for educational expenses of two young students, one attending the Faculty of Psychology and the other the Faculty of Business Administration, within the scope of the project launched in 2018 aiming at supporting successful students.

Our Pet Friends Are also in Our Hearts

As AXA Hearts in Action Volunteers, we worked to support the 'Rescue Home' project to offer better living and feeding conditions for our pet friends who have a difficult time in finding a home due to their special circumstances.

Emergency Assistance

Our Response to Heart-Breaking Forest Fires: "We'll Make It Green Again, Together!"

25,000 saplings were donated to TEMA's "Putting Green Back Again" campaign, in order to dressing the wounds inflicted by the heart-breaking fires which ravaged the shores of Turkey in July 2021. Moreover, we provided an equal amount of humanitarian assistance to the Red Crescent Society.

In cooperation with TUSIAD and WWF, we made a donation and kept track of the process in order to bring firefighting helicopters.

Art

We Continued to Support Art by Insuring Istanbul Modern Museum, BASE Istanbul, and Unlock Exhibitions

We continued to support arts, artists, and young individuals aiming to achieve progress on that field.

We provided AXA Sigorta coverage for the works at Istanbul Modern and Unlock Istanbul, as the insurance sponsor.

Moreover, as the sponsor of BASE Istanbul, which aims to bring young artists who just graduated to the limelight, we provided insurance coverage for all works at the exhibition.

Social Studies and Support

In cooperation with Galatasaray University, a study on “The Effects of Covid-19 Pandemic on the Family Life and Mental Health of White Collar Workers” was carried out, and will be announced soon.

The study on “The Effects of Working from Home / Remote Work on the Cardiovascular Health of White Collar Workers” carried out with Marmara & HIPAM is in progress, and is expected to be completed and announced in the spring.

We supported the publication of the book “Risk Yönetimi ve Sigortacılık” by Assoc. Prof. Erdem Kırkbeşoğlu, Vice Dean of Başkent University, Faculty of Commercial Sciences.

Continuing to Raise Awareness

The seminars we organized throughout the year helped raise awareness about mental as well as physical health.

The q&a session on the Covid-19 vaccine, the awareness raising seminar on Movember & Pink October, and the holistic health program ‘So That You’ll Take Good Care of Yourself’ are part of our efforts to help mental health.



**Significant
Developments**



INFORMATION ON INVESTMENTS MADE BY THE COMPANY

IT INVESTMENTS

IT investments are established based on meeting needs of capacity and technology developing in parallel with company growth and maintaining system security and business continuity. Inventory which became old and cannot meet the current transaction volume is fed in hardware purchasing. The novel needs arising from the change of daily business way due to the occurrence of new technologies and trends are also provided by new investments. The most important investments in 2021 has been made for the purpose of enhancing capacity in line with the efforts in information and system security and Company's growth targets. Besides, investments on licenses have been also made.

RESEARCH & DEVELOPMENT ACTIVITIES	31.12.2021 (TRY)
Software / License	14,660,803
IT Equipment	1,424,679
TOTAL	16,085,482

2021

AXA SİGORTA A.Ş. and AXA HAYAT VE EMEKLİLİK A.Ş. DONATIONS AND GRANTS (TRY)

TEMA	250,000
WHITE CRESCENT SOCIETY OF TURKEY	250,000
TÜSİAD (TURKISH INDUSTRY & BUSINESS ASSOCIATION)	250,000
WWF	250,000
KOÇ UNIVERSITY FOUNDATION	214,609
LADYBUGS ASSOCIATION	200,000
ISTANBUL TECHNICAL UNIVERSITY	128,742
OTHER	289,823
	1,833,175



INTERNAL AUDIT

Internal Audit Department of our company exists to help the Board and Executive Management protect the assets, reputation and sustainability of the organization by providing an independent and objective assurance activity designed to add value and improve the organization's operations. It helps the organization meet its objectives by bringing a systematic, disciplined approach to challenge Executive Management and evaluate the effectiveness of risk management, control and governance processes.

The duties, authorities and responsibilities of Internal Audit Department are defined by the "Internal Audit Regulation" approved by BoD and the Audit Committee. The independence of Internal Audit is ensured by the Internal Audit Regulation and the relevant regulation is reviewed every year and updates are made if necessary.

Internal Audit Department conducts its activities in line with the "Regulation on Internal Systems of Insurance and Reinsurance and Pension Companies" and AXA Internal Audit Standards, directly reporting to the Chairman of the Board and the Audit Committee. Also, it reports functionally to AXA Group Audit Management and AXA Group Audit Committee.

The Audit Committee is comprised of two members. The annual meeting agenda is determined by the Committee and accordingly various directors of our company and representatives of independent audit companies are invited to the meeting to inform the Audit Committee. Furthermore, Audit Committee results are reviewed and discussed with an agenda item continuously kept in the agenda of BoD meetings.

The Internal Audit Department builds the annual audit plan depending on the levels of structural risk and control and applies the plan in line with the comments of the Audit Committee and the approval of the Board. During the preparation of the audit plan, the Company's strategy and objectives, customer complaints, audit and control results and operational risk assessments are reviewed and the risk scaling obtained and risk perceptions of the managers are also taken into account.

Apart from the audits within the scope of the annual plan, the Internal Audit is also involved in carrying out investigations and examinations when necessary.

The result of each audit activity is put into report form and submitted to the Audit Committee and the Board. Audit reports included the scope and purpose of the audit, findings and suggestions for solutions, the responsible unit and the date of the action. It is also followed periodically whether these actions are carried out or not and the results are reported to Management, Audit Committee and Board of Directors.

In 2021, Internal Audit Department carried out 13 audits and 2 examination/investigation. Action plans and dates were taken from the process owners and reports regarding the audit results were prepared.

There are tools defined for follow-up and continuous review of performance criteria of audit operations, results and performance of Internal Audit Department are monitored by the Audit Committee on a regular basis and Board of Directors is informed accordingly.

Internal Audit Department consists of 6 employees as of 2021 year end. The audit team holds internationally recognized certifications (CIA, CFSA, CISA, CRMA) and the employees are supported for continuous development of the team.

In audits, adding value to the activities of the unit and the company in cooperation with the audited unit is embraced as the basic approach.

Risk Control and Audit Committee has been conducted in order to increase the coordination among the internal system functions; Control Functions Committee (monthly) and Executive Board Members have participated in this committee, in which defined agenda and current and serious issues have been discussed. As a result of internal audit activities coordinated with the functions of other internal systems, it is aimed to continuously improve the control structure so as to contribute to the achievement of the company's objectives.



INTERNAL CONTROL SYSTEM

Internal Control Department was established on August 2008 for the purpose of monitoring the performance of Company's activities and examining and controlling within the scope of risk based approach as per "Regulation on Internal Systems of Insurance, Reinsurance and Pension Companies" entered into force and published in Official Journal No.26913 dated June 21, 2008 and the Department was authorized to enable the effective evaluation of internal control medium. The scope of internal control activities is defined in "Internal Control Regulation" approved by the Board of Directors. From 2022 on, the internal control activities shall continue effectively within the framework of the Regulation on the Internal Systems in Insurance and Private Pension Industries, which entered into force through publication on the Official Gazette no. 31670 dated 25 November, 2021.

Internal Control System has been established to ensure the protection of company's assets, the performance of business activities effectively and efficiently in accordance with Law and related legislation, internal policies and rules and insurance practices, the reliability and integrity of accounting and financial reporting system and availability of information in time. Functional duties and responsibilities of all units within the administrative structure of the company have been determined. Job descriptions for all employee positions have been established. The job descriptions have clearly indicated the authorization, responsibilities and employee qualification required by job. This job descriptions are accessible to all employees and directors and are updated when needed.

Directives, work instructions and work flow diagrams have been prepared for all business processes of the company and recorded in electronic environment. These documents include application details, process manager, control areas for each process and cover the functions in Head Office Departments, Regional Offices and Representative Offices. These documents are published in an integrated management system in such a way as to be available to all employees. In case of any changes in application principles stated in these documents, it is updated quickly and reviewed periodically twice a year.

The directors take necessary measures in order to carry out the business activities in accordance with legislation, company's policies, procedures and targets for the departments they are responsible for. In this regard, internal control activities are considered as inseparable part of daily activities of the company. It is ensured that the implementation procedures for internal control are developed primarily by the personnel carrying out the activity and secondarily by the personnel carrying out the internal control activity with a risk-based approach. Within the scope of the working plan, control studies are conducted and the results are reported by Internal Control Department in order to evaluate the structure and effectiveness of the controls in the defined areas and to increase the effectiveness of thereof.

Risk and risk limit Company may exposed to are determined and monitored regularly by Risk Management Department.

The insurance information systems used in our company are integrated to cover the practices of all insurance branches and products in business and the controls of the processes and to enable risk and price analysis and reporting of thereof. All information systems of our company such as the infrastructure, server, security, etc. are up-to-date in terms of both software and hardware and meet the requirements related to company activities. Accounting and financial reporting system has been designed so as to keep accounting records in accordance with insurance account plan and registration statement on transaction basis and to prepare financial statements in a healthy way. Necessary measures are taken to ensure that all information about the Company is stored, used, backed up in electronic environment and maintained in an uninterrupted manner. A business continuity plan is prepared, reviewed regularly and tested periodically by the related department for the risks and problems that may arise in case of sudden and unexpected events.

Authorizations for each work step have been determined taking account of the nature of the work, duties and positions in our company. It is adopted to put the specified authorizations into the system in the form of parametric controls in all business steps. Therefore, authorization levels in the company systems are determined within the scope of authorization system for all users. Signing authorities are included in the signatory circular of the company.

E-mail addresses has been assigned for all users to ensure internal communication. Besides, many information and announcements are published and presented to the users on the intranet media, which is one of communication instruments, regarding the issues, especially the company activities that the personnel should be informed about. Portals of various functions of the company in the same environment are also an significant element of communication channels. Legislation and legislative amendments for which the Company is responsible are published on the intranet media in such a way as to be accessible to all users.

The efficiency and adequacy of the internal control system is individually audited by our Company's Internal Audit Department on a risk-based basis within the scope of the audit plan.

Within the scope of controls or analysis based on general or specific observations and monitoring through various documents and tools concerning the internal control system; the Company's Internal Control System is considered to have the necessary elements in terms of protection of company assets, carrying out business activities in an effective and efficient manner in accordance with the legislation, internal policies and rules and insurance practices, and ensuring the reliability, integrity of the accounting and financial reporting system and availability of information in time.

LONG-TERM MARKETABLE

AXA SİGORTA A.Ş. İŞTİRAKLER

İŞTİRAK ADI	İştirak oranı (%)	SERMAYE (TL.)	Hisse Adedi	Nominal Hisse Tutarı (TL)	İştirak Defter Değeri (TL)
MİLLİ REASÜRANS T.A.Ş.	0,0914%	660.000.000	60.334.560	603.346	574.279
TARSİM AŞ. (TARIM SİGORTALARI HAVUZ İŞLETMESİ A.Ş.)	5,81%	15.065.000	87.542.016	875.420	875.420
TOPLAM				1.478.766	1.449.699

AXA HAYAT VE EMEKLİLİK A.Ş. İŞTİRAKLER

İŞTİRAK ADI	İştirak oranı (%)	SERMAYE (TL.)	Nominal Hisse Tutarı (TL)	İştirak Defter Değeri (TL)
EMEKLİLİK GÖZETİM MERKEZİ A.Ş.	6,25%	4.275.225	267.188	540.478

REMARKS

REMARKS ON SPECIAL AND PUBLIC AUDIT CARRIED OUT IN THE ACCOUNTING PERIOD:

AXA SİGORTA A.Ş. is subject to limited independent audit biannually and full independent audit annually carried out by the independent auditing company PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. An independent review was performed by Ernst & Young regarding Internal Audit processes of the Company in line with the quality assurance program of AXA Group.

AXA HAYAT VE EMEKLİLİK A.Ş. is subject to limited independent audit biannually and full independent audit annually carried out by the independent auditing company PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. Besides, State contribution transactions have been audited by Insurance Audits Board of the Undersecretariat of Treasury.

OTHER ISSUES

Information on the transactions and activities made by members of the management body with the company on behalf of themselves or anyone else within the scope of the prohibition of competition as per permission granted by the General Assembly

Members of BoD have been granted the necessary permission as per the Resolution of Shareholders' Assembly made on 21 June, 2021 and Articles 395&396 of Turkish Commercial Code and there are no transactions and activities made by BoD members with AXA Sigorta A.Ş. and AXA Hayat ve Emeklilik A.Ş. on behalf of themselves or anyone else within the scope of the prohibition of competition.

Remarks on the crucial events occurred in the company after the end of activity year that may affect the rights of partners, creditors and other relevant persons and organizations

There is no the crucial events occurred in the company after the end of year 2021 that may affect the rights of partners, creditors and other relevant persons and organizations.

AXA SİGORTA ANONİM ŞİRKETİ
08 ARALIK 2021 TARİHLİ OLAĞANÜSTÜ GENEL KURUL
TOPLANTI TUTANAĞI

AXA SİGORTA ANONİM ŞİRKETİ'nin Olağanüstü Genel Kurul toplantısı, 08 Aralık 2021 tarihinde, saat 14.00'da "Kılıçlı Paşa Mahallesi Meclis-i Mebusan Caddesi No: 15/1 Beyoğlu/İstanbul" adresinde, İstanbul Valiliği Ticaret İl Müdürlüğü'nün 07.12.2021 tarih ve 69784693 sayılı yazılılarıyla görevlendirilen Ticaret Bakanlığı Temsilcisi Hatun KOSTAK gözetiminde yapılmıştır.

Toplantıya ait davet Kanun ve Şirket Esas Sözleşmesi'nde öngörüldüğü gibi, gündemi de ihtiva edecek şekilde, Türkiye Ticaret Sicil Gazetesi'nin 19 Kasım 2021 tarih ve 10455 sayılı nüshasında ilan edilmiş ve ayrıca nama yazılı pay sahiplerine 19 Kasım 2021 tarihinde PTT Kargo Levent Şubesi Postanesi'nden iadeli taahhütlü mektupla, toplantı gün ve gündeminin bildirilmesi suretiyle süresi içerisinde yapılmıştır.

Hazır bulunanlar listesinin tetkikinde, şirket paylarının 1.255.739.186,91 -TL toplam itibari değerinin; toplam itibari değeri 0,1 -TL olan 122.573.918.691 adet paydan 0 adet payın asaleten, 122.529.266.552 adet payın ise vekâleten olmak üzere toplam 122.529.266.552 adet payın toplantıda temsil edildiği ve böylece gerek Kanun gerekse Şirket Esas Sözleşmesi'nde öngörülen asgari toplantı nisabının mevcut olduğunun anlaşılması üzerine toplantı Yönetim Kurulu Üyesi Sn. Onur KOÇKAR tarafından açılarak gündemin görüşülmesine geçilmiştir.

1. Gündemin birinci maddesi uyarınca, Toplantı Başkanlığı'na Sn. Onur KOÇKAR'ın ve Tutanak Yazmanlığı'na Sn. Melahat BÜYÜKDAĞLI'nın, Oy Toplama Memurluğu'na Sn. İlknur EYİLİK'in seçilmelerine ve bu kişilerden oluşan Toplantı Başkanlığı'nın kurulmasına oybirliğiyle karar verildi. Ardından, oluşmuş bulunan Toplantı Başkanlığı'na Genel Kurul Toplantı Tutanak ve kararlarının imzalanması için oybirliğiyle yetki verildi.
2. Gündemin ikinci maddesi uyarınca, Türk Ticaret Kanunu'nun ilgili maddeleri ile diğer mevzuat ve Esas Sözleşme hükümleri gereğince tanzim edilen bilançoya göre hesap ve tespit olunan Şirket'in 2020 yılı karından olağanüstü yedek akçe olarak ayrılan tutardan 362.371.304,06 TL (üçyüzaltmışikimilyonüçyüzyetmişbirbinüçyüzdört Türk Lirası, altı Kuruş) olağanüstü yedek akçelerden geri alınarak, geçmiş yıl karına aktarılması, geçmiş yıl karlarına aktarılan bu tutardan 27.371.304,06 TL (yirmiyedimilyonüçyüzyetmişbirbinüçyüzdört Türk Lirası, altı Kuruş) tutarında ikinci tertip kanuni akçe ayrılması ve kalan tutarın nakit olarak 31 Aralık 2021 tarihine kadar ortaklara dağıtılması ve bu hususlar ile ilgili olarak Yönetim Kurulunun yetkili kılınmasına oybirliği ile karar verildi.
3. Gündemin üçüncü maddesi uyarınca, Genel Kurul Toplantısında alınan kararların Şirketimiz için hayırlı olması dileğinde bulunuldu.

Yukarıda alınan kararlardan başka gündemde görüşülecek konu bulunmadığından Toplantı Başkanlığı toplantıyı kapattı. Toplantı tutanağı zabıt mahallinde Toplantı Başkanlığı'nca imza edildi.

Toplantı Başkanı
Onur KOÇKAR



Tutanak Yazmanı
Melahat BÜYÜKDAĞLI







Ticaret Bakanlığı Temsilcisi
Hatun KOSTAK



Oy Toplama Memuru
İlknur EYİLİK



AXA SİGORTA ANONİM ŞİRKETİ'NİN 08 ARALIK 2021 TARİHLİ OLAĞANÜSTÜ GENEL KURUL TOPLANTISINDA HAZIR BULUNANLARIN LİSTESİ

PAY SAHİBİNİN İSMİ/İVANI	TC VERGİ KİMLİK NO	UYRUÇU	ADRESİ	PAYLARIN TOPLAM İTİBARI DEĞERİ (TL)	PAYLARIN EDİNİM ŞEKLİ VE TARİHİ	KATILIM ŞEKLİ	TEMSİLCİ TÜRÜ	TEMSİLCİNİN ADI SOYADI	TEMSİLCİNİN T.C KİMLİK NO	İMZA
AXA HOLDİNG A.Ş.	920103103	TÜRK	Mecidi-1 Mebusan Caddesi No. 15 Salıpazarı/İstanbul	1.135.204.390,14	BORSA DIŞI	Temsilen	Velâyetten	Tağçe AKGÜN ÇÖN	1188426158	
GUILLAUME HERVE MARIE XAVIER LEFEVRE	6080629721	FRANSIZ	9 Avenue de Messine 75008 Paris Fransa	0,01	BORSA DIŞI	Temsilen	Velâyetten	Berit KARASALIH	99191011692	
T.C.ZİRAAT BANKASI A.Ş.		TÜRK	Eski Büyükdere Cad. N. 39/1 B Blok Ek Hizmet Binası 34398 Mentepe/İstanbul	89.547.369,10	BORSA DIŞI	Temsilen	Velâyetten	Mehmet BOYUKDOĞU	21132468098	
GROUPAMA SİGORTA A.Ş.		TÜRK	Mutluk Mah. Eski Büyükdere Cad. Link Plaza No. 3/5 Sarıyer/İstanbul	540.906,27	BORSA DIŞI	Temsilen	Velâyetten	İlknur EYİLİK	42058767054	
Toplam				1.225.292.665,52						

Toplantı Başkanı
Onur KOÇKARTemsilci Yürütme
Mehmet BOYUKDOĞUOy Toplama Memuru
İlknur EYİLİKTicaret Bakanlığı Temsilcisi
Hüsnü KOSTAKToplantıda Hazır Bulunan Yürütme Kurulu Üyesi
Onur KOÇKARBağımız Denetçi
M. AKALAN

Hazır bulunanlar listesinde gösterilen ortaklık ve sermaye yığılı şirket pay defterine uygundur.

Toplantıda Hazır Bulunan Yürütme Kurulu Üyesi
Onur KOÇKAR

Şirket Sermayesi ve Payların Toplam İhtiyatı Değeri (TL)	1.225.739.186,91	Toplantıda Hazır Bulunan Yürütme Kurulu Üyesi Onur KOÇKAR
Toplam hisse adedi	122.573.918,691	
Asgari toplantı nisbini	30.643.479,673	
Mevcut toplantı nisbini	122.529.266,552	
Asaleten	-	
Velâyetten	122.529.266,552	


M. AKALAN



AXA SİGORTA

BAĞLI ŞİRKET RAPORU

Rapor Tarihi: 08.02.2022

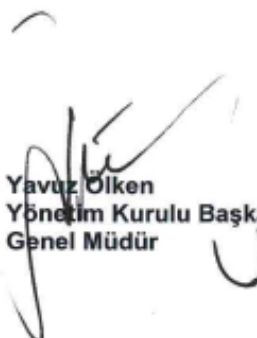
AXA Sigorta A.Ş. Yönetim Kurulu'nun hakim ve bağlı şirketlerle ilişkileri hakkında 6102 sayılı Türk Ticaret Kanunu'nun 199'uncu maddesinin 1'inci fıkrası gereğince düzenlemiş olduğu rapordur:


a) AXA Sigorta A.Ş.'nin hakim şirketle, hakim şirkete bağlı bir şirketle, hakim şirketin yönlendirmesiyle onun veya ona bağlı bir şirketin yararına yaptığı hukuki işlemler ve geçmiş faaliyet yılında hakim şirketin ya da ona bağlı bir şirketin yararına alınan veya alınmasından kaçınılan tüm diğer önlemler :

Şirketler topluluğu bünyesindeki hakim ve bağlı şirketler ile yürütülen işlemler olağan ticari faaliyetler olup hakim şirketin yönlendirmesi ile ya da yönlendirmesi olmaksızın hakim şirketin ya da bağlı şirketlerden birinin yararına yapılan herhangi bir işlem veya söz konusu çerçevede alınan ya da alınmasından kaçınılan herhangi bir önlem bulunmamaktadır.

b) AXA Sigorta A.Ş.'nin hukuki işlemin yapıldığı veya önlemin alındığı veya alınmasından kaçınıldığı anda kendilerince bilinen hal ve şartlara göre, her bir hukuki işlemde uygun bir karşı edim sağlanıp sağlanmadığı ve alınan veya alınmasından kaçınılan önlemin şirketi zarara uğratıp uğratmadığı, şirket zarara uğramışsa bunun denkleştirilip denkleştirilmediği:

Bu çerçevede herhangi bir hukuki işlem yapılmamış olduğu cihetle herhangi bir karşı edim de gerekmemiş, önlem alınması ya da alınmasından kaçınılması ve bu sebeple herhangi bir zararın oluşması söz konusu olmamıştır.


Yavuz Ülken
Yönetim Kurulu Başkan Yardımcısı
Genel Müdür


Onur Koçkar
Yönetim Kurulu Üyesi

BAĞLI ŞİRKET RAPORU

Rapor Tarihi: 08.02.2022

AXA Hayat ve Emeklilik A.Ş. Yönetim Kurulu'nun hakim ve bağlı şirketlerle ilişkileri hakkında 6102 sayılı Türk Ticaret Kanunu'nun 199'uncu maddesinin 1'inci fıkrası gereğince düzenlemiş olduğu rapordur:

a) AXA Hayat ve Emeklilik A.Ş.'nin hakim şirketle, hakim şirkete bağlı bir şirketle, hakim şirketin yönlendirmesiyle onun veya ona bağlı bir şirketin yararına yaptığı hukuki işlemler ve geçmiş faaliyet yılında hakim şirketin ya da ona bağlı bir şirketin yararına alınan veya alınmasından kaçınılan tüm diğer önlemler :

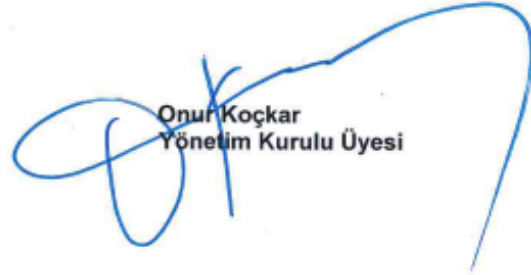
Şirketler topluluğu bünyesindeki hakim ve bağlı şirketler ile yürütülen işlemler olağan ticari faaliyetler olup hakim şirketin yönlendirmesi ile ya da yönlendirmesi olmaksızın hakim şirketin ya da bağlı şirketlerden birinin yararına yapılan herhangi bir işlem veya söz konusu çerçevede alınan ya da alınmasından kaçınılan herhangi bir önlem bulunmamaktadır.

b) AXA Hayat ve Emeklilik A.Ş.'nin hukuki işlemin yapıldığı veya önlemin alındığı veyahut alınmasından kaçınıldığı anda kendilerince bilinen hal ve şartlara göre, her bir hukuki işlemde uygun bir karşı edim sağlanıp sağlanmadığı ve alınan veya alınmasından kaçınılan önlemin şirketi zarara uğratıp uğratmadığı, şirket zarara uğramışsa bunun denkleştirilip denkleştirilmediği;

Bu çerçevede herhangi bir hukuki işlem yapılmamış olduğu cihetle herhangi bir karşı edim de gerekmemiş, önlem alınması ya da alınmasından kaçınılması ve bu sebeple herhangi bir zararın oluşması söz konusu olmamıştır.



Yavuz Ülken
Yönetim Kurulu Başkan Yardımcısı
Genel Müdür



Onur Koçkar
Yönetim Kurulu Üyesi

AXA HAYAT VE EMEKLİLİK A.Ş.

Meclisi Mebusan Cad. No:15 Salıpazarı 34433 İstanbul Türkiye Tel: 0 212 334 24 24 www.axahayatemeklilik.com.tr iletisim@axasigorta.com.tr

Ticaret Sicil No: 328116 Büyük Mükellefler V.D. 092 00 000 19 Mersis No: 3199-6443-7274-4328



COMPLIANCE AND PERSONAL DATA

The Compliance and Personal Data Protection Department is responsible for the following issues with respect to “AXA SIGORTA A.Ş.” and “AXA HAYAT VE EMEKLİLİK A.Ş.”.

- Compliance
- Financial Crimes
- Personal Data Protection

Compliance

It is the second line of Defense Department which has development and monitoring functions in line with “AXA Group Compliance Policy”. It reports to the Legal, Compliance and Corporate Responsibility Presidency. Primary responsibilities of the department are as follows:

- Determination of compliance risks along with job families,
- Helping Management Body in establishing control and procedures required for reducing defined compliance risks and in adjusting thereof within the company,
- Monitoring compliance with local regulations, AXA Group’s requirements, compliance and ethical standards,
- Regularly reporting to Senior Executives, the relevant agencies and AXA Group

The compliance management activities are delineated under the “Compliance Plan” prepared annually. The Compliance Plan is a framework program which includes preparation of annual control plan, risk assessment and update efforts, determination of monitoring program, compliance reporting etc., and is implemented subsequent to the approval of the Executive Committee.

AXA Group has put Group Standards into effect in order to maintain its business activities at high level in every countries where it operates insurance activities. Compliance Manager gives all kinds of supports to ensure that all insurance activities of Management Body and job families comply with AXA Group Standards as well as national legislation. Compliance AXA Group Standards is recorded every year through “certification” process of Senior / Middle Level Executives and the relevant job families.

Compliance studies are audited regularly by AXA Group through an audit by Compliance Managers from various AXA Companies affiliated with AXA Group and AMIH Region in accordance with the “Detailed Compliance Review Activity”. Following audit, possible findings are reported to the CEO and Compliance Manager of audited AXA Group Company. Necessary improvement activities are monitored periodically by AXA Group, AMIH Region and local Internal Audit Department.

The following issues are taken into consideration in the overall risk assessment process:

- Operating Behavior
 - Conflicts of Interest
 - Remuneration and commission structure
 - Product design (Product management, product approval process)
 - Structure of the sales process
 - Qualifications of intermediaries
 - Monitoring, documentation, records
- Employee Behavior
 - Compliance and Ethics Manual
 - Conflicts of Interest
 - Notice process
- Cross-border Transactions
- New Regulatory Risks and Relations with Regulating Agencies
 - New regulatory risks
 - Relations with regulating agencies with respect to compliance issues

Financial Crimes

Compliance risk should be considered as legal or regulatory sanctions, material or reputational loss the Company faces when it fails to act in accordance with laws, regulations and administrative provisions. In this regard, compliance risks are determined / updated every year as a result of risk evaluation in detail performed with job families by taking into account of local and international regulations Turkey is subjected to (FATCA, UK, Bribery Act, UN-US-EU Sanctions etc.). Then, a process whose general principles are determined by AXA Group Risk Management put in place for the purpose of reducing these risks in cooperation with Internal Control, Operational and Financial Risks Department at the national level.

The following issues are taken into consideration in the Financial Crimes risk assessment process:

- Financial Crimes
 - Anti-Money Laundering/ Prevention on Laundering of Crime Revenues and on Financing Terrorism
 - Economic Sanctions and Embargo
 - Preventing Bribery and Corruption

Anti-Corruption, Prevention on Laundering of Crime Revenues and Financing Terrorism are among the significant compliance issues. Control and awareness actions are put into practice in accordance with “Anti-corruption Program” approved by Board of Directors at the beginning of the year. Studies on Prevention of Laundering of Crime Revenues and Financing Terrorism are carried out in accordance with “Compliance Program” issued by MASAK Compliance Team within the framework of national legislation and AXA Group Standards. Necessary improvement activities taken are monitored periodically by AXA Group and AMIH Region. Processes are recorded every year through “certification” procedure of “Anti-

corruption” and “AXA Group Compliance and Ethics Manual” of Senior / Middle Level Executives and the relevant job families.

Personal Data Protection

The processing of personal/private data in accordance with national legislation and AXA Group Data Protection Policy is carried out through necessary technical/legal investigations (“Privacy by Design”) by Legal and Information Technologies Department before domestic data transfer and the projects to be implemented by job families.

Primary responsibilities are as follows:

- Development and adaptation of AXA SIGORTA Data Protection Policy,
- Providing training and giving technical opinion about data protection to different departments in various areas,
- Contacting with regulatory authorities,
- Helping the preparation of internal and external Non-disclosure Agreements,
- Examination and follow-up business activities and supplier contracts for the purpose of ensuring compliance with legislation provisions and AXA SIGORTA Data Protection Policy,
- Approval of projects or processes in compliance with the legislation,
- Ensuring compliance of data processing application and procedures with the legislation,
- Giving information Senior Management and Executives of Data Protection Policy and their responsibilities in this regard.

PROMINENT AMENDMENTS ON INSURANCE LEGISLATION IN 2021

Changes in the Regulations on the Prevention of Laundering of Criminal Proceeds

The regulatory amendments published on the Official Gazettes dated 24 and 26 February, 2021 introduced significant changes in the regulations on the prevention of laundering of criminal proceeds and the financing of terror. The changes introduced in the Regulation on the Measures for the Prevention of Money Laundering the Financing of Terrorism (“**Measures Regulation**”), Regulation on the Program for Compliance with obligations regarding the Prevention of the Laundering of Criminal Proceeds and Financing of Terror (“**Compliance Program Regulation**”), and the Communiqué no. 18 and the Financial Crimes Investigation Board General Communiqué no. 5 (“**Communiqué no. 5**”) were published on the Official Gazettes no. 31405 (2nd Reiteration) and no. 31407. The changes introduced in the Measures Regulation, the Compliance Program Regulation and the Communiqué no. 5 entered into force on 01 May, 2021.

Regulation on the Internal Systems in Insurance and Private Pension Sectors

The Regulation on the Internal Systems in Insurance and Private Pension Sectors (Regulation) issued by the Insurance and Private Pension Regulation and Supervision Agency entered into force through publication on the Official Gazette dated 25 November, 2021. The regulation established the internal systems, business procedures, Information Technologies (IT) and actuary compliance requirements, as well as the applicable methods and principles.



OPERATIONAL STABILITY AND PHYSICAL SECURITY

The Operational Stability and Physical Security Management Department is responsible for the following two issues at “AXA SİGORTA A.Ş.” and “AXA HAYAT VE EMEKLİLİK A.Ş.”:

- 1) Operational Stability Management
- 2) Physical Security Management

Operational Stability Management

Operational Stability Management Department is the unit that defines and manages the procedures to follow in case of failure in critical processes related to AXA’s operations.

The top 5 threats which can affect the resources AXA Sigorta may need to carry out its operations are identified in cooperation with AXA Group, as Cyber Attacks, Earthquakes, Fire, Civil Commotion / Terror Attacks, and Pandemics. The primary goals of the department is, in the face of such threats,

- To define the risks that may hinder/terminate business activities and to reduce/eliminate them proactively,
- To ensure and maintain reputational integrity,
- To provide the best service quality,
- To recover operations within the shortest time after crisis,

CEO of AXA Sigorta is responsible for operational stability policy and development and implementation of thereof. CEO has appointed Olgun Kuntay, member of Executive Committee, as Managing Director responsible for Business Continuity in order to audit the activities related to operational stability in this regard. IT Service Continuity Sponsor and Crisis Leader lend assistance to Olgun Kuntay in this process.

In addition to the foregoing, the Security Committee, comprised of the Senior Executive in charge of Business Continuity, Crisis Leader, Crisis Coordinator, CIO and the General Secretary, closely monitors business continuity activities and level of preparation against risk scenarios and convenes in case of extraordinary situations. Furthermore, the Security Committee convene twice a year to evaluate periodic activities in this regard and set a road map for compliance with AXA Group Operational Stability strategy.


Awareness level of employees and stakeholders is ensured to be maximized with the tests and practices performed in different categories every year. All activities are controlled by AXA Group / AXA International & New Markets at local level. Reports are submitted to AXA Group regularly, on a quarterly basis.

Physical Security

The department operates to prevent attacks which may target company offices or employees, and to minimize their effects.

Reporting is made directly to Olgun Küntay. Four essential elements taken into consideration with respect to Physical Security activities in line with AXA Group directives:

- Security Organization: Development of a clear and official physical security structure within the organization
- Travel Safety: Providing and implementing safety procedures during business travel and trips
- Office Security: Taking measures required to ensure security, and organizing audits
- Event Response: Carrying out preparations in order to reduce the potential impact of physical security incidents on company reputation, employees and assets.



PROMINENT AMENDMENTS ON INSURANCE LEGISLATION IN 2021

Changes in regulations with a direct effect on the industry were introduced in year 2021.

- Amendments were made in Land Vehicles Motor Third Party Liability (MTPL) Insurance General Conditions. Most significant ones among such modifications are the arrangements introduced for the calculation methods of Bodily Damages compensation amounts and Impairment claims. Purpose of these new arrangements is to cease the conflicts regarding the calculation method for the loss amount in practice. The changes of general terms published on 04.12.2021 entered into force on the said date.
- The Law on the Amendment of Laws on Insurance and Certain Other Issues and a Decree with the Force of Law is published on 25.05.2021 and entered into force on the same date. The decision to establish Special Risks Management Center was taken, with subsequent secondary regulations specifying the structure and the area of responsibilities of the center. Currently, the Center is assigned responsibility for the management of Mandatory Physician Liability, Mandatory Mining Personal Accident and State-supported receivable insurance pools.
The age limit for entry into the Private Pension System was removed, enabling youth younger than 18 years of age to enroll in the private pension system. The provision enabling the transfer of savings and commitments within the framework of the existing pension plans existing with associations, foundations, funds, professional associations with legal person status, or various trade companies which have pension related commitments to their members or employees, to the private pension system, by 31 December, 2023 at latest, was introduced.
- The Regulation on the Amendment of the Regulation of the Private Pension System is published on the Official Gazette dated 06.05.2021. Article 8 of the said Regulation entered into force on 01.07.2021, whereas other articles entered into force on the publication date. Provisions were introduced stipulating the participants' entitlement to information about pension funds, to engage in comparisons and trading, as well as provisions on the BEFAS Platform to be managed by the Settlement and Custody Bank, not to mention provisions expanding the use of electronic communications means and regulating the data controller for pension agreements.
- The Regulation on Distance Insurance Contracts and Activities to be Considered Insurance was published on 16.06.2021 and entered into force on the said date. Thereafter, on 01.09.2021, the Circular on Activities Considered Insurance and Distance Insurance Contracts (2021/14) was published. The Regulation on the performance of distance sales by insurance companies and authorized brokers, and the terms under which entities the primary business of which is not insurance can offer insurance products, as well as the types of products involved, is renewed. Thereafter, the Circular providing the technical terms applicable to implementation, notification of relevant entities, and the distance sales process, as well as the questions arising out of the Regulation was published.

- The Regulation on the Amendment of Annual Income Insurances Regulation was published and entered into force on 15.07.2021. The said Regulation introduced provisions restricting the products to be offered to persons older than 56 years of age, and the time frame applicable to yield postponement.
- The Regulation on the Amendment of the Regulation on the Technical Reserves of Insurance, Reinsurance and Pension Firms and the Assets on which such Reserves are to be Invested in is published on 10.10.2021. Article 3 and 8 and paragraph fourteen of article 7 entered into force on 1/1/2022 while other articles entered into force on the date of publication. The principles applicable to reserves for loss insurances and fixed sum insurances as well as files entailing non-pecuniary claims were established.
- The Regulation on the Internal Systems in Insurance and Private Pension Sectors entered into force on 25.11.2021. The said Regulation introduced comprehensive regulation of the structure of internal systems, powers and responsibilities of the board of directors, structure, powers and responsibilities of the audit committee, the audit committee members' duties regarding internal control, risk management, actuary, internal audit, external audit functions and other services, duties of the internal control system, the structure of the internal systems and internal processes, the communications structure and the establishment of effective communications channels, business continuity plan, internal control function, controls regarding the communication systems and information systems, compliance controls, controls regarding service procurement, the structure and duties of the internal control department, the risk management system, actuary function and the purpose, structure, and responsibilities of the actuary department, functions of the internal audit system and the structure of the internal audit department.



Risk Management



RISK MANAGEMENT

Risk Management Department was established on August 2009 for the purpose of monitoring the performance of Company's activities and examining and controlling within the scope of risk based approach as per "Regulation on Internal Systems of Insurance, Reinsurance and Pension Companies" entered into force and published in Official Journal No.26913 dated June 21, 2008 and the Department was authorized to enable the effective management of any risks the company may be subject to. The scope of risk management is established through the "Risk Management Policies" approved by the Board of Directors. From 2022 on, the risk management activities shall continue effectively within the framework of the Regulation on the Internal Systems in Insurance and Private Pension Industries, which entered into force through publication on the Official Gazette no. 31670 dated 25 November, 2021.

Risk management policies and procedures of AXA SİGORTA A.Ş. and AXA HAYAT VE EMEKLİLİK A.Ş. have been developed in parallel to AXA Group Risk Management Standards, to ensure monitoring, checking, and where necessary revising the risk and return structure of the company's future cash flows, and the characteristics and level of the associated activities. The purpose of these standards determined by AXA Group is to ensure systematic identification, measurement, management and control of any risks the group companies may encounter with. The risk groups the companies may be exposed to are incorporated in these standards in line with their extent, characteristics, and complexities as well as experiences from previous periods. Within the framework of Risk Management Activities, AXA SİGORTA A.Ş. and AXA HAYAT VE EMEKLİLİK A.Ş. have embraced AXA Group Risk Management standards; coordination is established with and regular reports are submitted to AXA Group and the AXA Madrid International Region Risk Management teams.

The primary purpose of our Risk Management operations, constituting an integral part of all our business operations in line with AXA Group Risk Management standards, is collective monitoring of financial, insurance, operational and emerging risks and reputation risk exposures, as well as measuring the impacts of these exposures on significant financial indicators (profitability, company value, capital, liquidity), followed by the taking of measures required to minimize such risks.

All these activities are conducted by the Risk Management Department within AXA SİGORTA A.Ş. and AXA HAYAT VE EMEKLİLİK A.Ş. While performing these assessments, the Risk Management shall be held responsible particularly for implementation of AXA Risk Management standards and fulfillment of responsibilities set forth in local regulations and for meeting all requirements within this context. The roles and responsibilities of the Risk Management Department, which directly reports to Risk Management, is approved by the Board.

In accordance with national and international legislation, insurance companies are required to actively manage the risks that they are exposed to, which are comparable to the nature and complexity of the activities they engage in and which can affect their ability to meet their obligations or fulfill their corporate

objectives. Also they are required to establish an effective and adequate risk management system that allows them to be assessed. The system has to be integrated into the company and it is essential that the roles played by key personnel are formally identified.

Insurance companies, within the framework of the necessities of legislative regulation, through a rigorous analysis process, must be able to understand the nature of the identified risks, their origin, the likelihood or need to control them and must understand also the effects that may arise from them in terms of possible losses and opportunities. In particular, the role of risk management is not to prevent risk taking by insurers and investment managers, but to selectively develop a risk-taking culture of AXA SİGORTA A.Ş. and AXA HAYAT VE EMEKLİLİK A.Ş. with the tools and metrics to help consciously select the risks that it really wants to carry. Considering these requirements, AXA SİGORTA A.Ş. and AXA HAYAT VE EMEKLİLİK A.Ş. have established a framework of Corporate Risk Management which is a complex framework based on a set of standards, policies, procedures, committees and governance.

Five key processes have been identified as relevant to this framework, fixed with a strong risk culture:

a) Organization and Management: AXA SİGORTA A.Ş. and AXA HAYAT VE EMEKLİLİK A.Ş. have a Risk Governance Scheme established and structured by Risk Management policies and procedures.

b) Risk Appetite Framework: The role of the Risk Management team is to make sure that senior management has approved actionable risks, understands the consequences of adverse developments in risk and has actionable plans when things start to deteriorate. This is achieved through the Risk Appetite framework, which shows the risks involved in causes, company value, capital and liquidity under different scenarios.

c) Second Opinion: Risk Management is to be able to look at risk areas and identify these areas by measuring, inspecting financial risks, insurance risks and operational risks, and to be vigilant against extremes and to think about them. Risk management has processes and governance to ensure that AXA Turkey's major decision-making processes receive a systematic and independent second opinion.

d) Underwriting Rules and Product Approval: The release of new products or the re-pricing / re-design of products allows the senior management to evaluate the long-term consequences of such actions and to determine the profitability objectives determined based on the risk in order to realize the strategy of AXA.

e) Internal Model (STEC - Short Term Economic Capital): can provide a concrete and powerful metric that controls and measures most of the exposed risk. The AXA STEC model is also designed as a consistent and wide-ranging risk management tool that is an important component in capital management, planning process and performance measurement process.

Risk Classification

In parallel to AXA Group standards, the risk management practices of AXA SİGORTA A.Ş. and AXA HAYAT VE EMEKLİLİK A.Ş. assess the Risk Portfolio in 3 primary groups, as well as their sub-groups.

I. Financial Risks

This category covers the impact of interest rate, exchange rate and real estate price variations to be caused by potential fluctuations in financial markets and various investment instruments on

the company's financial indicators. These assessments allow the implementation of action plans to ensure that the potential impacts remain below the risk limits defined.

On the other hand, the Asset-Liability management is crucial particularly for the preservation of earnings on long term portfolios and liquidity; assessments performed in this respect guide the investment decisions taken to assure cash flows for our obligations.

Furthermore, our reinsurance structure is reviewed on company basis within the scope of financial analyses activities, classified in accordance with the ratings issued by international rating agencies and the reinsurance risks are assessed with the models utilized in AXA Group standards.

II. Insurance Risks

These risks are grouped in two primary segments: Life and Non-Life.

Within the scope of these risks arising from insurance agreements, the financial loss which may occur due to realization of the insured event are measured through statistical methods, which in return determines the minimum capital level the company should keep to cover these risks. These measurements are made in accordance with the internal models established in line with AXA Group standards and by the Undersecretariat of Treasury, and are reported regularly.

III. Insurance Risks

These risks refer to the losses which may be incurred, directly or indirectly, due to external events, or inadequate or failed internal processes, personnel, and systems. The task of Risk Management unit is to identify, measure, and monitor the operational risks which may be exposed to. The emerging risks and reputation risks are also monitored under the operational risk assessments, and required activities are carried out in this context. The risk scenarios identified on self-assessment basis are updated annually and measured at AXA Group Standard levels through use of statistical methods. The risks identified are monitored by the relevant unit and Internal Audit department and reviewed by the Risk Committee.

The table identified in line with AXA Group Risk Management standards that indicates the risk groups AXA companies are exposed to, is as follows:

ANA Risk Grubu	Alt Risk Grubu	Risk Konusu
Finansal Riskler	Piyasa Riskleri	Hisse Senedi Riskleri
		Gayri Menkul Riski
		Faiz Riski
		Özel Sektör Bono Riski
		Varlık Bazlı Finansal Yatırım Riski
		Alternatif Yatırım Riskleri
		Döviz Riski
		Volatilité Riski
		Baz Riski
	Kredi Riski	Ülke Riski
		Karşı Taraf Riskleri
	Likidite Riski	Likidite Riski
Hayat Dışı Sigortacılık Riskleri	Rezerv Riski	Yetersiz Rezerv Riski
		Yükselen Riskler (örn. Asbestos)
	Sigortacılık Riski	Ticari Yazım Riski
		Fiyatlama Riski
		Müşteri Değeri Riski
	Katastrof Riski	Katastrof Riski - Doğal Afet
		Katastrof Riski - İnsan
Hayat Sigortacılık Riskleri	Rezerv Riski	Mortalite Riski
		Uzun Yaşam Riski
		İştirâ Riski
		Gider Riski
	Sigortacılık Riski	Sakatlık Riski
		Uzun Dönemli Bakım Riski
		Sağlık Riskleri
	Katastrof Riski	Katastrof Riski - Salgın
Operasyonel Riskler	Şirket İçin Suistimal	Şirket içi Suistimal ve yetkisiz işlemler
	Şirket Dışı Suistimal	Şirket dışı Suistimal ve Sistem güvenliği
	İş yeri güvenliği ve istihdam uygulamaları	Çalışan ilişkileri, ayrımcılık
		Güvenli çalışma ortamı (örn; Salgın)
		Personel Yönetimi (kritik çalışan kayıpları)
	Müşteri, ürün ve iş uygulamaları	Uygunluk, bildirim ve ürün sorumlulukları (örn; yanlış satış, agresif satış, yanlış yönlendiren pazarlama materyali,...)
		Uygun olmayan ve kanun dışı, iş ve piyasa uygulamaları (Antitröst, lisanssız satış, kara para, yasal uyumsuzluklar)
		Ürün hataları (ürün eksiklikleri ve model hataları)
	Maddi Varlıklara Gelebilecek Zararlar	Doğal Afet ve diğer insan kaynaklı felaketler
	Sistem Hataları ve İş Kesintileri	Bilgi güvenliği
		Sistem kesintileri
	İşlem, yönetim ve süreç hataları	İşlem Hataları (örn; hatalı hasar ödemeleri,...)
		Yazım ve Hasar Süreçlerindeki hatalar
		Kamuya açıklama ve raporlama hataları
		Proje Yönetimi Hataları
		İç Servis sağlayıcıların hataları ve düşük performansları (bağlı acenteler, satış ve provizyon ekipleri)
		Dış Servis sağlayıcıların hataları ve düşük performansları

Risk Limits

By taking the financial structures of the companies into account, the impact of sub risk groups on the most critical financial indicators of the company, namely profitability, company value and capital adequacy are considered during determination of risk limits in accordance with AXA Group standards. While the risk limits vary by the diversity

and scale of the company's financial asset investments, the operational limits set on a per-personnel or per-unit basis may also vary with reference to the complexity of the transactions performed, and the characteristics of the products.

The limits set are then reviewed annually with reference to the market circumstances, the financial state and strategies of the company, and AXA standards. Any excess of limits are monitored both through the alerts defined in the system by responsible units, and on a collective basis; the operations are executed through a structure which allows immediate intervention and reporting in case of any limit excess.

A detailed explanation regarding the risk group of the company and its transactions is provided in footnote 45, attached to the Independent Audit Reports provided in the Annual Report.



Other Issues



INFORMATION REGARDING LEGAL CASES FILED AGAINST THE COMPANY NEGATIVELY AFFECTING COMPANY'S FINANCIAL STATUS & ACTIVITIES AND POSSIBLE CONSEQUENCES THEREOF

There are no open legal cases against the Company which may negatively affect the Company's financial status or activities, excluding those filed for disputes arising from the insurance policies issued in various product segments for which the required reserves have been allocated.



ADMINISTRATIVE AND JUDICIAL SANCTIONS APPLIED TO THE COMPANY AND MANAGEMENT BODY MEMBERS DUE TO NON- COMPLIANT PRACTICES


There are no administrative or judicial sanctions imposed on the Company or members of its management body for any reason.



INFORMATION REGARDING THE ORDINARY SHAREHOLDERS' MEETING (IF HELD WITHIN THE YEAR) INCLUDING DATE, RESOLUTIONS AND RELEVANT ACTIONS

An

Extraordinary Shareholders' meeting was held on 08.12.2021 for AXA Sigorta A.Ş and dividend distribution was made to the extent permitted by the relevant legislation.



EXPLANATIONS REGARDING EVENTS OF SPECIFIC SIGNIFICANCE WHICH HAS OCCURRED WITHIN THE COMPANY AND WHICH MAY INFLUENCE THE RIGHTS OF COMPANY SHAREHOLDERS AND OTHER RELEVANT INDIVIDUALS AND

There is no the crucial events occurred in the company after the end of year 2020 that may affect the rights of partners, creditors and other relevant persons and organizations.



AMENDMENTS TO COMPANY ARTICLES OF ESTABLISHMENT AND REASONS THEREOF

No amendments or modifications were made in the Company's Articles of Incorporation within year 2021.



AXA SİGORTA A.Ş. AXA HAYAT VE EMEKLİLİK A.Ş. BOARD OF DIRECTORS MEETINGS

Şirket	Toplantı Tarihi	Katılması Gereken Üyeler	Katılım	Katılım Oranı
AXA SİGORTA A.Ş.	28.01.2021	Benoit Michel CLAVERANNE	Evet	100%
AXA SİGORTA A.Ş.	28.01.2021	Yavuz ÖLKEN	Evet	
AXA SİGORTA A.Ş.	28.01.2021	Christophe Stephane KNAUB	Evet	
AXA SİGORTA A.Ş.	28.01.2021	Guillaume Herve Marie Xavier LEJEUNE	Evet	
AXA SİGORTA A.Ş.	28.01.2021	Onur KOÇKAR	Evet	
AXA SİGORTA A.Ş.	28.01.2021	Xavier VEYRY	Evet	
AXA SİGORTA A.Ş.	2.06.2021	Yavuz ÖLKEN	Evet	100%
AXA SİGORTA A.Ş.	2.06.2021	Christophe Stephane KNAUB	Evet	
AXA SİGORTA A.Ş.	2.06.2021	Guillaume Herve Marie Xavier LEJEUNE	Evet	
AXA SİGORTA A.Ş.	2.06.2021	Onur KOÇKAR	Evet	
AXA SİGORTA A.Ş.	2.06.2021	Xavier VEYRY	Evet	
AXA SİGORTA A.Ş.	26.11.2021	Yavuz ÖLKEN	Evet	100%
AXA SİGORTA A.Ş.	26.11.2021	Christophe Stephane KNAUB	Evet	
AXA SİGORTA A.Ş.	26.11.2021	Guillaume Herve Marie Xavier LEJEUNE	Evet	
AXA SİGORTA A.Ş.	26.11.2021	Onur KOÇKAR	Evet	
AXA SİGORTA A.Ş.	26.11.2021	Xavier VEYRY	Evet	

Şirket	Toplantı Tarihi	Katılması Gereken Üyeler	Katılım	Katılım Oranı
AXA HAYAT VE EMEKLİLİK A.Ş.	28.01.2021	Benoit Michel CLAVERANNE	Evet	100%
AXA HAYAT VE EMEKLİLİK A.Ş.	28.01.2021	Yavuz ÖLKEN	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	28.01.2021	Christophe Stephane KNAUB	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	28.01.2021	Guillaume Herve Marie Xavier LEJEUNE	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	28.01.2021	Onur KOÇKAR	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	28.01.2021	Xavier VEYRY	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	2.06.2021	Yavuz ÖLKEN	Evet	100%
AXA HAYAT VE EMEKLİLİK A.Ş.	2.06.2021	Christophe Stephane KNAUB	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	2.06.2021	Guillaume Herve Marie Xavier LEJEUNE	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	2.06.2021	Onur KOÇKAR	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	2.06.2021	Xavier VEYRY	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	26.11.2021	Yavuz ÖLKEN	Evet	100%
AXA HAYAT VE EMEKLİLİK A.Ş.	26.11.2021	Christophe Stephane KNAUB	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	26.11.2021	Guillaume Herve Marie Xavier LEJEUNE	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	26.11.2021	Onur KOÇKAR	Evet	
AXA HAYAT VE EMEKLİLİK A.Ş.	26.11.2021	Xavier VEYRY	Evet	



AXA SİGORTA A.Ş. AXA HAYAT VE EMEKLİLİK A.Ş. CORPORATE MANAGEMENT COMMITTEE REPORT

CORPORATE MANAGEMENT COMMITTEE

AXA Hayat ve Emeklilik A.Ş. (hereinafter referred to as “Company”) established a Corporate Management Committee (hereinafter “Committee”) in June 2011 to follow-up the compliance with the principles set out in the Circular “on Corporate Management Principles in Insurance, Reinsurance and Pension Companies (2011/8).

The duties of the Committee are as follows: to perform the necessary activities for the purpose of ensuring compliance with the principles, to give suggestions to the Board of Directors in this regard and to monitor Company’s compliance with the principles.

The Corporate Management Committee prepares a report indicating the evaluations and submits it to Board of Directors in March every year. A copy of the report is submitted to Turkish Ministry of Treasury and Finance.

THE PRINCIPLES AXA SİGORTA A.Ş. HAS ADOPTED

PRINCIPLE 1 - Corporate Management Principles

The company has established its corporate management principles by taking into account of the principles of “equality”, “transparency”, “accountability” and “responsibility”. These principles are guaranteed at the Company in the light of numerous policies and procedures.

Moreover, the “AXA Group Compliance and Ethics Manual” updated by AXA Hayat ve Emeklilik A.Ş.’s group company AXA S.A.S. and entered into force on November 2018 is in effect at all AXA Group subsidiaries including but not limited to our company, and plays an important part in establishing and embracing corporate governance principles with reference to equality, transparency, accountability and responsibility.

PRINCIPLE 2 - Principles on Exercise of Share Ownership’s Rights

All shareholders are treated equally in accordance with the principles.

No distinction is made between shareholders in exercise of the right to demand information and examination. Any information that may affect the exercise of shareholder's rights is accessible to shareholders in electronic environment.

The company shall take all necessary measures to ensure the participation of shareholders in General Meeting in a timely manner and provide information on the agenda in such a way so as not to create any hesitation and to provide shareholders with the opportunity to make necessary arrangements. The issues set out the agenda are transferred in an objective and detailed manner with a clear and understandable way in Shareholders' Assembly Meeting; shareholders are given opportunity to express their opinions and ask questions under equal conditions by creating a healthy discussion environment.

Practices that make the exercise of voting difficult are avoided. Each shareholder is given an opportunity to exercise his/her right of voting in the easiest and most appropriate manner.

The voting procedure is announced to all shareholders before and at the beginning of the meeting.

The company shows utmost care to the exercise of minority rights.

The company avoids the practices that make it difficult for shareholders to transfer their shares freely.

The company has a specific and coherent profit distribution policy. Our company performs the profit distribution in accordance with laws and regulations to which it is subjected. The following items are taken into consideration during profit distribution: our long-term group strategies, investment and financing policies, profitability and cash positions, and above all, capital adequacy ratio. Profit distribution decisions are taken by the shareholders in General Meeting held in March every year in accordance with Company's Capital Adequacy Forecasts and company's targets.

Accordingly, profit distribution is made in cash or non-paid up shares over the net profit for the period in the financial statements prepared in accordance with legislation and subjected to independent audit as well as the "distributable profit" calculated pursuant to the relevant legislation.

PRINCIPLE 3 – Transparency in Business and Operations

Corporate Website and Contents

The Company undertakes to announce all kinds of up-to-date information that will be disclosed to the public and that may have an impact on its financial condition and operating results.

Certified Information on financial condition of the company, which is also used in public disclosure, is easily available in the "Financial Info" section of the website <https://www.axahayatveemeklilik.com.tr> . All annual reports are available electronically on the company's website since 2003.

The company's website is easily accessible. In addition to the information contained in the sub-paragraph (a) of Article 13/3 titled "Obligation to Create Website" of Regulation on Information on Insurance Contracts published in the Official journal No.31039 dated 14/02/2020 on the company's website, the following are also included:

- a) Institutional Information regarding the Company (in English and Turkish),
- b) Information on Trade Registration,
- c) Articles of Incorporation,

- c) Information on members of Board of Directors,
- d) Annual Reports
- e) Financial statement for the current year and the last four years, including independent audit reports and footnotes,
- f) Company's vision and mission.

The content of the dedicated part of our company's website which should be available has started to be kept in a secure environment, to be made available for company's access and to be archived by signing a protocol with Central Registry Agency (CRA) pursuant to Regulation on Website of Equity Companies published in Official Journal No.28663 dated 31 May 2013.

The company has an "Information Policy" on public disclosure, indicating which / how and how often/ in what ways the information defined by Board of Directors, other than the ones determined by laws, shall be disclosed to the public. In this Information Policy, the company pursues the balance between identifying confidential business information and protecting its transparency and interests.

Annual Report

The company's annual report is drawn up to cover the details stipulated under the Corporate Government Principles. The annual report is drawn up by the Board of Directors, and contains the statement of the company's complete compliance with the regulations, and the accurate presentation of the company's financial status in the financial statements.

The annual report is drawn up on the basis of the format stipulated in, and in complete compliance with the Regulation on the Financial Structure of Insurance, Reinsurance and Pension Firms, the Regulation Establishing the Minimum Required Content for Annual Operating Reports of Companies, the Undersecretariat of Treasury Circular no. 2011/8 on Insurance Firms, and Capital Markets Board Corporate Governance Communiqué.

A total of 36 standards have been implemented for governance standardization in the countries where AXA Group operates in insurance, which were approved by AXA Group Board of Directors and updated in January every year. This process is finalized with a year-end certification (original signed) that the relevant Directors undertake to carry out their daily activities in accordance with the standards under the guidance of CEO.

The information required pursuant to "Data Controller's Obligation to Inform" of Personal Data Protection Law No. 6698 enacted on April 7, 2016 was published under <https://www.axahayatemeklilik.com.tr/kisisel-verilerin-korunmasina-iliskin-aydinlatma-bildirimi>. Furthermore, data Protection Statement, Personal Data Protection Policy and a document including information regarding the application process for data Owners to Execute their Rights can also be found in Company website.

The profit distribution policy is included in the annual report and disclosed to public pursuant to the Information Policy.

The Annual Report is prepared in detail so as to ensure that public can reach all kinds of information about the Company's activities. A special section was included in the Annual Report, where the main legislative amendments affecting the insurance activities during the year were discussed.

All purchases, including service procurements, are carried out automatically through the approval mechanism defined using the portal “Corporate Expense Management (Truck)”. Purchase Tenders are performed through internet by providing user name and password to the tenderer over the portal “e-Tender Purchase Portal”. The parties participating in the tenders are able to see each other’s offers and thereby transparency is ensured in maximum level.

PRINCIPLE 4 - Protection of Stakeholders’ Rights

Notification of stakeholders

A well-balanced policy is followed in order to protect stakeholders’ rights in case of conflicts of stakeholders’ interests.

The stakeholders including various parties such as the shareholders, employees, creditors, customers, suppliers, and various non-governmental organizations can be notified on any matter of concern to them.

Diligence is paid to notifying the stakeholders with respect to our Company through written communications (e-mail, corporate website, public disclosure platform) to the extent possible, and to regulating the relations with them through written contracts to the extent possible.

In cases where the stakeholders’ rights are not regulated through regulations or contracts, their interests are protected within the framework of the principles of goodwill and the capabilities of the company, with the company’s reputation in mind.

Stakeholders’ Participation in Management

Examples of the exchange of views between the employee-agency-customer throughout the year are as follows: the organization called “Being from AXA” organized with the participation of all Company employees in order to strengthen a participatory management environment; “Agencies Meetings” where information and evaluations are provided for agencies; “Regional Meetings”, which enable agencies to meet face-to-face with the top executives of the company and in which the issues related to the economy or personal development have been discussed; “Employee Satisfaction Survey” where employee satisfaction is determined online; Agency Satisfaction Survey where agency satisfaction is determined; various satisfaction surveys conducted by independent organizations; "Axa Sigorta Employee Health Insurance" information benefited by employees and their relatives and Orientation Training Program for new employees.

Human Resources Policy

Everyone is regarded as a talent in AXA Hayat ve Emeklilik and each employee is given equal opportunity in all processes of discovering talent, recruitment, evaluation of skills, developing and dependence of thereof performed by HR Department. This cycle is considered as an experience journey and each step is planned with care and by obtaining the opinions of employees.

Our “Values” underlying this process are as follows: Customer First, Courage, Integrity and ONE AXA. Commitments expected from all Company employees in accordance with these values are summarized as follows:

CUSTOMER FIRST

We put the customer at the center of everything we do.

- We begin every project, process and product with the customer's view.
- We put our entire energy and creativeness in facilitating and simplifying our customers' lives.
- We do everything we can to match our interests with those of customers', even if this means a challenge for the existing order.

COURAGE

We support others to take action for creating learning and development opportunities.

- We make our decision much more rapidly and 80% sure to implement them with the right pace and to be able to continue to innovate. We always prefer "good enough but complete" to "excellent but too late".
- We think much more simple and decide and implement much faster both for our teams and for our customers.
- We value feedback; we both request feedback and also give feedback, always respectfully.
- We try to learn and develop to achieve the better and encourage other teams to do the same.

ONE AXA

We achieve mutual success with diversity and cooperation. Big decisions, creative ideas and sustainable success can only be possible through minds, support and energy of others.

- We are aware that cooperation is the most significant capability we should seek for during promotions, recruitment and rewarding processes.
- We encourage diversity and inclusion because we are sure different mindsets, opinions, different backgrounds and experiences would eventually bring us success.

INTEGRITY

We take responsibility and walk the talk.

- We always think about the long term and always act upon our ethical values, no matter how hard.
- With utmost transparency we do as we say and say as we do.
- We surely have the courage to share our opinions; however, once a decision is made, we back up and support that decision even if we do not entirely agree.

Job descriptions and distribution of all company employees are determined by Directors and announced to employees. The entire process is performed automatically through use of AXABiz HR Portal.

The decisions made or developments regarding employees are shared with all employees via e-mail, information screens and/or intranet by HR-Training, Development and Internal Communication Department.

Code of Ethics and Social Responsibility

The company's code of ethics are listed under the "Compliance and Ethics Guide". The code is published on the Company's website. Besides, the internal code of ethics Company employees should follow are gathered under the name of "AXA SIGORTA Compliance and Ethics Guide" and Senior Management and Directors declare, in writing, every year, that they are working in compliance with the principles in the Guide during the year. This process is called Compliance and Ethics Guide Certification. Diligence is paid to make sure that the third parties we engage in business relationships with, also act in compliance with the applicable rules.

In 2021, the company implemented various projects in order to enable communication and socialization with the aim of increase the interaction within the company.

We maintained a continuous communication with our colleagues during the remote working period due to Covid-19 pandemic, with our bimonthly news bulletin called "Remote yet Close". The bulletin covered the events organized within the Company, news from colleagues, interesting pieces of news and world news, not to mention information regarding the insurance sector as well as activities which would ensure building motivation at home.

We aimed at keeping the communication live with our colleagues also with the close interest and support of senior management. In this context, within the framework of the "We're Listening to You" series, we had chat meetings with first our colleagues at Regional Directorates. Following positive feedback we received, we repeated the process with the Headquarters Departments, taking their minds from the busy environment we work in, so as to provide them enjoyable hours associated with work, as well as authoritative answers to your questions. In those meetings, we intended to provide information to and perhaps more importantly, listen to our colleagues.

The monthly CEO Talks events we had with shares from our CEO Yavuz Ölken and senior executives from various lines of business continued on an online basis from September on, as we proceeded to be the guests of Regional Directorates. The events saw not only the discussion of the current state of affairs, the strategic progress, and the projects the departments work on, but also answering of the questions submitted in advance or during the event.

The 'Outlook Program' carried out with a focus on Health in the first half of 2021 continued with a focus on Sustainability on the second half of the year. The program continues to go on air on NTV in its new season, and provides a venue for our senior management and guests sharing important points on Health and Sustainability.

Throughout the year the Extended Executive Committee and the Regional Coordinators had 1-hours special group meetings per year, analyzing and discussing the "Future Readiness and Reset" concept in an event facilitated by experienced consultant Bozkurt Cendey. The most important output of these efforts was the "Modular Leadership Manifesto".

In 2021, at AXA Sigorta we focused on the dimensions of corporate responsibility ranging from society, environment, customer, employees and suppliers and implemented many projects with the support of increasing voluntary participation that it embraced and applied in every sphere of life. We also acted with the aim of dissemination of this awareness continued to lead many activities where the corporate responsibility approach touched the “society”. As Turkey’s largest insurance company with international identity, one of our main responsibility is to empower people to live a better life and support social life with the goal of "Protecting what's significant for people to ensure human development".

In 2021, the company focused more on longer lasting projects consistent with our corporate strategy, thanks to the setting up of the Corporate Responsibility, Sustainability and Communications Department within the year.

Such projects cover the fields “Climate Change and Environment, Health and Sports, Preventing Social Inequality, Arts, Assistance in Emergencies”. The work carried out is reported to the AXA Group through transparent reporting at the end of the year, in line with AXA Group Reporting Procedures.

Various projects performed under these titles and other actions taken with the contributions of AXA In All Hearts Volunteers are provided below.

Climate Change and the Environment

Continuing Value Partnership with TURMEPA

On the second year of the ‘Move for the World” project to fight against climate change based on the ‘Earth-Friendly Insurance’ perspective, we joined our forces with DenizTemiz Association / TURMEPA acting as the NGO partner in the project, and continued our cooperation within the framework of marine ecosystems.

We Planted 7,500 Trees at our Meetings

Even though physical meetings were not among the options, we continued to work through remote connections and stayed in touch at all times with online meetings, seminars, and roadshows. However, we are also aware of the digital carbon footprint of all such digital meetings. Through 2021 we kept track of our meetings and donated 7,500 trees to be planted to OGEM, so as to compensate for our carbon footprint.

We will continue to move for the world in 2022 as well! We Became a Business World Plastics Initiative Signatory

At AXA Sigorta, we are one of the first signatories the Business World Plastics Initiative has in the insurance industry. Thus, we put our name among the companies trying to bring about a concrete change through sustainable and systematic solutions to the plastics problem. In this context, we will work towards clear commitments till year 2023, so as to reduce our Company’s plastics consumption to contribute to the transition to a cyclic economy in the plastics sector.

We Supported Smart and Sustainable Agriculture

We are now supporting the Karaoklar Science Center to be set up at Karaoklar Farm, where sustainable and smart agriculture efforts will be carried out.

We continued to underline the value we ascribe to agriculture and farming, by insuring Datça Murat Farm and Tabit.

‘Plogging’ at our Corporate Responsibility Week

Within the framework of AXA Week For Good organized throughout AXA Group entities, we collected liters of waste and ensured they are sorted out, with volunteering colleagues from all regions, in cooperation with Let’s Do It Turkey.

Support for TEMA: Make a Donation, Get Your Coffee!

We served free cold coffees to our colleagues who donated TRY 5 to the TEMA donation machine installed at the cafeteria at the Headquarters of the Company.

Health and Sports

We Continue to Support Sports and Athletes

As a partner, we continued to support volleyball, easily the sport Turkey is most successful in at the clubs and national squads level. We maintain our status as a Value Partner standing by Turkish Volleyball Federation, to help Turkish Volleyball achieve further progress and inspire new athletes, raising awareness about the sports throughout the country.

Moreover, we support our young friends enrolled at TVF High School throughout their education, with the scholarships we offer.

Moreover, we continue our relationship as a Value Partner with Altınordu Football Club, an organization established on the same year with the Republic, trying to raise model athletes for the country and supporting the dreams of our youth. Working towards the goal of raising ‘Good Individuals, Good Citizens, Good Footballers’, with Altınordu we continue to cooperate to maintain and reinforce the values of the club, and ensuring the acquaintance of future generations with those values, so as to touch their lives.

We also supported Turkish Archery Federation to help the success of Mete Gazoz, who won the gold medal in 2021 Olympics. The Federation has been established in 1961, and raised esteemed athletes to bring in success in international events. Now, its efforts are supported by us.

In addition, we put our name as a “Mobile Life Sponsor” of the E-Sports Federation of Turkey, in the context of a new cooperation to help raise healthy individuals in line with the goal of protecting what is valuable for people, to help the progress of the humanity. We are continuing to work on bringing about physical mobility to e-sports within the framework of the sponsorship.

Furthermore, we will continue to support Cem Bölükbaşı, the first race pilot to represent Turkey in F2 category, as a racer registered with the federation.

In the context of the “Outdoors Exercises with AXA Sigorta”, we are both engaging in action with the Metropolitan Municipality of Istanbul, and inviting everyone to action by taking it to the streets. On every day of the week, the programs held at approximately 200 locations (streets, parks, squares) are executed

with the help of expert trainers. We continue to show how important regular exercise is, and to instill action with such motivation.

Our cooperation with the Active Living Association within the framework of the “Move for the World” initiative continues to encourage the society for more action and bring about healthy living.

Preventing Social Inequality

We Continued to Draw Attention to Social Gender Equality

We organized a range of trainings within the framework of the Business World Standing Against Domestic Violence project with Sabancı University, with a view to developing our Policy for Fighting Domestic Violence. We will publish our policy in 2022.

We went through an independent audit in cooperation with the Sustainability Academy and Intertek, and were awarded the Certificate for Equal Treatment of Women at Work with a high score, expressing our support for equality at work.

Our Inclusion and Diversity Committee and Senior Management, along with the trainer Ebru Nihan Celkan, organized Social Gender Equality Workshops, so as to continue our progress on the inclusion front.

We took part in the Inclusion Survey organized by AXA Group, hearing what our colleagues think about inclusion and diversity. We then took action on these issues.

Sponsoring Education for Girls

The support we provide to Koruncuk Foundation represents a significant action to touch to the lives of girls who have limited access to education. Moreover, we sponsored the foundation to cover education costs of one class for a year, in cooperation with Alişan Group, which is also an insurance customer with us.

Touching the Operation of Many Associations with the “From the Bottom of My Heart” Project

The “From the Bottom of My Heart” Project we launched during the year went on successfully as our colleagues who shared their hobbies presented their works to other colleagues in the team, in consideration of donations to selected charities.

The associations / foundations we supported within the framework of the project:

Turmepa, Rescue Home, Koruncuk Foundation, Turkish Education Foundation, Turkish Paraplectics Association, Down Syndrome Association of Turkey, Sinemasal, Laughing Cures People Foundation.

Partnering for Good on the Occasion of Eids

By enabling donations our gift budget to 4 charities (Turmepa, Turkish Education Foundation, Turkish Paraplectics Association, Koruncuk Foundation) on the occasion of eids, we provided strong support thanks to our colleagues who opted to do so in the spirit of ONE AXA.

Standing Out on the Disability Day

This year, we engaged in efforts to raise awareness about IDD, in cooperation with the Paraplectics Association of Turkey.

Our CEO Yavuz Ülken used a wheelchair at our Headquarters, to empathize with wheelchair users. The wheelchair was supplied by the Paraplectics Association of Turkey. The event helped raise awareness and try out the accessibility level of our office in the first hand.

As AXA Hearts in Action Volunteers, we visited the Paraplectics Association of Turkey, and experienced the Empathy Track. We listened to and learned in first hand how we can assist a wheelchair user requesting assistance, and the kinds of challenges he or she may be facing. All participants were issued certificates with the phrase 'Thank you for supporting a disability-free life'.

Continuing Value Partnership with the Rover Team of Istanbul Technical University

We are proud of continuing value partnership with ITU Rover Team, which has started its activities in 2017 with the understanding stated as the "Best way to foresee the future is to create it" and has designed, developed and manufactured the prototypes of robots which shall help astronauts during colonization on Mars.

ITU Rover Team commenced work on AXA Rover Vehicle designed in line with the needs of AXA Sigorta.

Moving with the Youth

We came together on digital platforms with the students of universities giving insurance education and locating at various provinces with the purpose of improving the cooperation between the Sector and the University. These events conducted by Company executives included sectoral information, aspects of business world in general and various clues to help students in their career choices. We reached out to more than 20,000 students at 20 schools.

Some schools and foundations we supported within the framework of educational activities:

Middle East Technical University, Black Sea Technical University, Marmara University, Uludağ University, Anadolu University, Eskişehir University, Hacettepe University, Ege University IEEE Club – Engineering Workshop, Hisarönü Secondary School, Anadolu Scholars at Koç University, ITU Graduates Association, GEA Van Primary School, Yıldız Technical University Racing Team, Milas Ören Primary School, Darüşşafaka My Fellow Traveler – Book Guardian

Supporting Entrepreneurs

We engaged in mentoring activities throughout the year within the framework of the ITU Core project, and sponsored 2 successful projects selected through the assessment at the end of the year.

Continued Support for Anadolu Scholars

We provide support for educational expenses of two young students, one attending the Faculty of Psychology and the other the Faculty of Business Administration, within the scope of the project launched in 2018 aiming at supporting successful students.

Our Pet Friends Are also in Our Hearts

As AXA Hearts in Action Volunteers, we worked to support the 'Rescue Home' project to offer better living and feeding conditions for our pet friends who have a difficult time in finding a home due to their special circumstances.

Emergency Assistance

Our Response to Heart-Breaking Forest Fires: “We’ll Make It Green Again, Together!”

25,000 saplings were donated to TEMA’s “Putting Green Back Again” campaign, in order to dressing the wounds inflicted by the heart-breaking fires which ravaged the shores of Turkey in July 2021. Moreover, we provided an equal amount of humanitarian assistance to the Red Crescent Society.

In cooperation with TUSIAD and WWF, we made a donation and kept track of the process in order to bring firefighting helicopters.

Art

We Continued to Support Art by Insuring Istanbul Modern Museum, BASE Istanbul, and Unlock Exhibitions

We continued to support arts, artists, and young individuals aiming to achieve progress on that field.

We provided AXA Sigorta coverage for the works at Istanbul Modern and Unlock Istanbul, as the insurance sponsor.

Moreover, as the sponsor of BASE Istanbul, which aims to bring young artists who just graduated to the limelight, we provided insurance coverage for all works at the exhibition.

We Continued to Represent Our Values through Art, with the Legends and Perseverance Documentary Films

The Legends Documentary produced by award winning documentary filmmaker Tuluhan Tekelioğlu with our company’s support, has reached audiences. The documentary aims to bring to the screen the cultural, intellectual and human values we inherited from legendary names of Turkey in every field.

The 4-part documentary series covering the success story of the Sultans of the Net since 2019, produced with our support to Turkish Volleyball Federation, ‘Sultans of the Net: Perseverance’ tells the journey and story of the success our athletes and our team achieved by holding on to their values.

Social Studies and Support

In cooperation with Galatasaray University, a study on “The Effects of Covid-19 Pandemic on the Family Life and Mental Health of White Collar Workers” was carried out, and will be announced soon.

The study on “The Effects of Working from Home / Remote Work on the Cardiovascular Health of White Collar Workers” carried out with Marmara & HIPAM is in progress, and is expected to be completed and announced in the spring.

We supported the publication of the book “Risk Yönetimi ve Sigortacılık” by Assoc. Prof. Erdem Kirkbeşoğlu, Vice Dean of Başkent University, Faculty of Commercial Sciences.

Continuing to Raise Awareness

The seminars we organized throughout the year helped raise awareness about mental as well as physical health.

The q&a session on the Covid-19 vaccine, the awareness raising seminar on Movember & Pink October, and the holistic health program ‘So That You’ll Take Good Care of Yourself’ are part of our efforts to help mental health.

Relations / Communications with Customers and Suppliers

The Customer Relations Management department handles any comments, information, appreciation messages and complaints received in written or verbal form (through e-mail, web site survey forms, phone, fax, and customer satisfaction hotline) within the framework of the Information Regulation of the company, responding within a maximum of three business days, so as to maximize customer satisfaction levels.

The company covers its relationships with suppliers of goods or services with procedures it establishes in line with applicable standards. The procedure beginning with receiving offers and culminating in the payment of the invoice and the preparation of the supplier list is executed with a view to protecting the suppliers' rights and increasing quality, to the extent possible given the means available to the company.

PRINCIPLE 5 - Activities of Board of Directors and Executives

Board of Directors determines company's policy and strategies, the ways to be followed in achieving these strategies and policies, development related to them and the processes to be followed in supervision and evaluation. The Board of Directors, constantly and effectively, reviews the degree to which the Company has achieved its goals, activities and past performance of thereof. And, it takes precautions promptly and before the problem occurs if required.

The Board of Directors looks out for the compliance of company's business activities with legislation, articles of association, internal regulations and policies established.

The Board of Directors plays a leading role in removal any possible disputes between Company and shareholders.

The authorities and responsibilities of members of Board of Directors and other Executives are clearly and understandably determined and included in the annual report.

The member of Board of Directors performs her/his duties circumspectly and well-meaningly. Performing the duty circumspectly and well-meaningly means that the minimum attention and care have been taken under similar situations and circumstances. The member of Board of Directors should take enough time for the company's business. Meetings of Board of Directors are planned and held effectively and efficiently.

Necessary mechanisms have been established to ensure that all members of Board of Directors have access to all kinds of information in time to ensure the performance of their duties.

The Board of Directors is responsible for the preparation and presentation of financial statements in accordance with the existing legislation and international accounting standards and the authenticity and accuracy of thereof. The Board of Directors takes an individual decision on acceptance of the periodic financial statement and annual report.

Directors ensure the performance of company's activities pursuant to mission, vision, targets, strategies and policies and act in accordance with financial and operational plans approved by Board of Directors

every year. Directors follow the rules of legislation, articles of association, internal regulations and policies while performing their duties.

Directors have necessary qualifications to perform their duties.

Directors shall not use confidential and non-public information about Company in favor of themselves or anyone else and shall not give false, misleading, groundless information about Company and shall not disseminate and comment about Company.

PRINCIPLE 6 - Remuneration Policy

General policy regarding remunerations to be paid to the members of Board of Directors, senior executives and other employees is determined by the Board of Directors. The remunerations to be paid to the members of Board of Directors are calculated per meeting and valid only for the independent members; however, the members of Board of Directors who are the employees of any AXA company at the same time are not paid salary.

The qualifications of the employees and their contributions to the Company are taken into consideration in determination of the salaries and wages and other benefits to be given to the directors and employees. The company performed a clear and target-oriented performance evaluation consisting of all complete target and competency assessments. The results obtained and the attitudes and behaviors to these results are taken into account during performance evaluation. Performance Evaluation System runs online through AXABiz İK Portal and is based on the evaluation of targets and competencies entered into the system, with face-to-face meetings between the Director and the employee. All transactions performed in electronic environment regarding performance evaluation system are carried out with personal passwords and the records of thereof is monitored by the system.

These implementations are available on our intranet open to all users. Personal Data, Total Earnings (salary plus bonuses), Payroll, Business Travels, Leaves, Expenses made on behalf of the Company for business purposes, Probation Periods, Development Plans, Job Definitions, Recruitment and Lay Off/Termination processes are automatically recorded and managed on fully automated "AXABiz HR Portal" which is accessible via Company intranet

HUMAN RESOURCES PRACTICES

Talent Management

At AXA Sigorta, we work to protect people for a better life. In line with this goal, we operate with the vision of establishing a true partnership, going well beyond a firm paying claims or wages for our stakeholders or employees, and put “human” to the center stage of all processes of the company.

Talent Management lies at the heart of any Human Resources processes we implement on the basis of this perspective. The primary goal of the Talent Management processes is to come up with an accurate assessment of the current and future human resources of AXA Sigorta, and the performance levels, potentials and expectations of our existing employees, so as to provide the basis of supporting their career development. For, anyone employed at AXA is a talent, and such talent are responsible with their own development and career planning from the day they join AXA on. Their supervisors and the Human Resources department provide them with the necessary information and strategic assistance, so as to provide a true partnership in this journey.

We believe 70% of the progress occurs by working on the tasks, in other words by assuming responsibility for projects, rotations, and trying tasks, whereas 20% is associated with feedback, coaching, and mentoring. Therefore we attach great importance to these processes, and prepare our Individual Development Plans based on this perspective.

Making All Job Postings Available Within the Company: At AXA, everyone is a talent. Based on this perspective, we began to make all job postings available within the company as well, and announce the positions via e-mail so as to increase visibility and ensure equality of opportunities, in line with our efforts to offer opportunities for development as well as different careers. Through this new practice, in 2021 we were able to fill out 13 positions with talent from within the company, contributing to the progress of our colleagues. Our colleagues within the company can not only apply for the postings, but also recommend their acquaintances for such positions.

“I Know Someone” is a program providing AXA employees the chance to recommend candidates for any available positions within the company. In cases



the referred candidate is hired, the AXA employee who recommended that candidate is rewarded with a gift certificate.

Virtual Career Show: The virtual career show we organize with a view to meeting young talents with innovative practices and providing them information about the industry and our business, all the while increasing our brand's recognition levels, gave us the opportunity to reach out more than 500 talent at once. The virtual booths on the lobby of the virtual career show provide information about our business units, as well as chance for our team supervisors to chat with next generation talents, answering the questions they are curious about.

AXIS (AXA Intern Story)



Our AXIS program is designed to go well beyond a standard internship program, and instead to offer true work experience and to prepare the interns to their career journey all the while shaping the future together with them, with the help of what we learn from them.

The program prepare them for the future, and make them realize their potential to achieve progress. The program designed with the support of next-gen tools leads to a journey to bring their potential true.

Our efforts under the motto “Working With the Youth” to design the future and prepare young talent for the future with the support we provide for their development led to the posting of the ad for the next term of the long-term internship program AXIS (AXA Intern Story), in September 2021. The program provide young talent with a true work experience and prepare them for the corporate life, all the while contributing to the career journey of young individuals, thanks to the customized development opportunities on offer. Young talent who join AXA within the framework of AXIS, by going through the digital hiring processes designed to mimic a game, then take part in digitized orientation processes and the opportunity to get to know and have a chat with all executives within the firm, including senior management, through the AXIS Talks program. The next stage is yet another set of end-to-end experience extending from trainings to support personal development, customized mentoring and performance

assessment

including

feedback

interviews.

AXIS Programı Süreç ve Deneyim Haritası

Genç yeteneklerle birlikte 'Gelecek için Hazırız!' diyerek; AXIS'lerimizin şirketimizde yaşadığı deneyimi uçtan uca yeniden tasarladık!



Casebot: As a first in insurance industry, we introduced the digital case application called casebot. We now use it in the hiring processes of the long-term part-time work program named AXIS, through which we offer a true work experience. Casebot provides a true experience with an imagined company, and serves as an online assessment tool entailing chatbot-supported and gamified exercises to assess a number of competences such as openness to change, analytical skills, and a focus on results. In 2021, this online simulation game was experienced by 1780 university students from various provinces of Turkey, to get a distinctive experience during their talent assessment processes.

Digital Archive:

Our Earth-Friendly Insurance perspective involves not only the provision of solutions based on our global expertise and accumulated experience, but also efforts to minimize the direct and indirect environmental footprint of our operations. Thanks to the Digital Archive offering an environmental-friendly solution and making it easy to manage personnel files in the Human Resources processes, we did away with the need for paper-based documents, and moved our personnel files to digital space, instead of the more than 50,000 sheets of paper. Any document pertaining to our colleagues, including hiring certificates, documents and contracts are stored securely on a single platform, allowing us to access such documents and information anytime we want, on any device we choose.



“Take Good Care of You” Program



The "How Are You?" initiative launched by AXA Group aims at enhancing our culture and developing an environment of acceptance and inclusion to freely talk about our psychological health without the fear of being judged. AXA Sigorta supported this precious initiative with "Take Care of Yourself Wellbeing Program". We took important actions with the objective of "creating an environment where our colleagues would know from where/whom to get support when needed and where they can feel comfortable and trust to access such information" and emphasized the significance of self care and taking time for themselves. And we asked them "How Are You?".

Various projects performed under these titles and other actions taken with the contributions of AXA In All

Hearts Volunteers are provided below.

- **Digital Medical Check-up Program**



Within the framework of the “A Healthier You!” initiative, the Digital Medical Check-up allows a general medical assessment of all AXA employees worldwide through online surveys. Two surveys covering physical health and mental health provide our colleagues with the chance to take this assessment, and raise their awareness levels.

- **The “Take Good Care of You!” health awareness seminars:** Raising awareness is still one of our important goals, even during the pandemic. So, we organized the following seminars with specialist doctors, on online medium:
 - May 2021: “Sleep, Stress, Memory Seminar” / 284 Participants
 - August 2021: “Little Bits of Habits Seminar” / 210 Participants
 - September 2021: “Are You Ready to Start Loving, Yourself?” / 90 Participants
 - October 2021: “Take Good Care of Your Spirit” / 105 Participants
 - October 2021: “Breast Cancer Awareness Seminar” (Pink October) / 86 Participants
 - November 2021: “Prostate Cancer Awareness Seminar” (Movember) / 54 Participants

In conjunction with our sustainability initiative, a tree was planted for each participant in the events we organized, including meetings and seminars.



P U L S E

Your Voice Matters

Pulse

We run the PULSE employee satisfaction survey three times in 2021 (February, June, and December), with which we measure Employee Satisfaction and Engagement on a global scale. Moreover, as AXA Sigorta, in September we took part in the "Inclusion Survey" organized globally for the first time, assessing diversity.

The PULSE survey assessing 9 main dimensions of Employee Satisfaction and Loyalty plays a significant role in commitment of our employees to our company and its applications in the successful performance of our Company.

Our Company's participation ratings in the Pulse survey stood at 96% in February 2021, and 92% in both June and December 2021. The participation rate in the "Inclusion Survey" carried out in September 2021 was in turn 73%.

Our colleagues' participation ratio in the PULSE survey and their opinions in this regard allow us make our values "ONE AXA" and "Courage" happen. We can see this very clearly from the comments. Sincere replies given by employees to PULSE questions encourage us to chase the better.

Employee engagement levels were found to be 49 in February 2021, 52 in June 2021 and 40 in December 2021 according to the results of the survey we run among our employees based on our motto "Your Voice Matters". The i-NPS (inclusion net promoter score) measured in the Inclusion Survey carried out in September 2021 was, in turn, 44.

Equal Treatment of Women at Work

The core of our business is to protect. Our goal is to protecting what is valuable for people, to help the development of the humanity. At AXA Sigorta, we do not restrict this approach to just our business. We invest in social achievements as well, with our incessant efforts to go beyond the economic value we generate for our country. Reinforcing the position of women, and the endeavors to be implemented in this context play a major part in our agenda.

In this context, we are entitled to the Equal Treatment of Women at Work Certificate, following an independent audit carried out at the Headquarters and Regional Directorates, in



cooperation with the Sustainability Academy and Intertek. Our significant steps towards Social Gender Equality and the fact that women comprise more than 50% of our work force, we continue our efforts to bring value in the life of women.

TRAINING AND DEVELOPMENT

In 2021 just like in ever year, AXA Sigorta has acted in accordance with development plans and needs of its employees by being aware of contribution of Training and Development activities to the performance of companies and employees and taking into account of the needs of the developing world. Accordingly, in 2021 just like in previous years, the company has implemented different training programs with the experience of global environment and the support of local solutions and continued to make a difference in the sector in terms of both employee and distribution channels.

GELECEĞE HAZIRLIK GELİŞİMLE BAŞLAR!

%70 YAPTIKLARIMIZDAN
ÖĞRENDİKLERİMİZ

%20 BİRBİRİMİZDEN
ÖĞRENDİKLERİMİZ

%10 EĞİTİMLERDEN
ÖĞRENDİKLERİMİZ



*"Bana söylersen
unutabilirim,
Gösterirsen
anımsayabilirim,
Ama beni de katarsan
anlarım."*



In 2021, in line with the 70-20-10 method, which takes learning beyond in-class trainings, and employees made progress according to the development method personally preferred shaped by the feedback discussions by their immediate managers in line with the "Individual Development Plans" supporting their development, through on the job trainings (involvement in projects, taking additional responsibilities, rotation) by 70%,

by 20% through learning from others (peer coaching, manager coaching, manager mentoring) and by 10% through formal trainings (in-class courses, online trainings, movies, books, articles, etc.).

As our Company continued its activities and operations remotely in 2021 due to the Covid-19 pandemic, we supported our employees in terms of training and development by providing formerly in-class training on online environment with the precious supports of specialist trainers.

The different development opportunities arising from being a part of global force reflects credit upon the programs conducted within the company. The program contents are designed to support the company culture and to provide contribution to development journey of the employees and specialization in business processes. There is a system that blends and builds the differences inclusively in these programs which aim to develop the employees both individually and professionally. In the programs developed with AXA University and expert foreign institutions on a global scale and with national universities and consultancy firms on a local scale for this purpose, employees are supported with all kinds of development tools in order to think multi-directionally and to acquire other competencies required for performing their duties at the expected level outside their main responsibility areas. AXA Sigorta has continued to provide regular contributions to the development of its employees and agencies in 2021 just like in every year thanks to the training programs carried out with this understanding the contributions of different solution partners.

Trainings

AXA Sigorta Directors have the opportunity to increase their skills in corporate culture as well as professional business competencies with customized and applicable training and development programs within the scope of creating values of “**Customer First, Courage, Integrity and ONE AXA**” targeted on a global level and maintaining thereof.

- **Development Programs for Executives**

The “**Online Coaching Program**” aimed to develop the Coachy Leadership perspective we have implemented in 2020 continued to be utilized. Within the framework of the program, the Regional Coordinators and Managers who took part in the “Coachy Leadership Training” and who offered coaching, continued to engage in coaching interviews. The supervisors who received promotions within the year and who just joined the ranks are also included in the “Coachy Leadership Training” within the framework of the program. We also had sessions to assess the process since its very beginning in 2020, and to share experiences. The program gets both refreshed and richer with feedback, and continues to contribute to the company’s corporate culture.

Online certificate programs on diverse topics provided with the cooperation of **LinkedIn Learning** to ensure development of AXA employees continued to serve as a supportive tool for the leadership development of our Managers. Additionally, special programs with contents prepared by AXA University, supporting corporate culture and designed for reinforcing Company strategy were also opened to the access of our Managers.

- **Technical Development Training Programs**

AXA Sigorta has carried out training programs in order to allow its Employees keep and develop their technical know-how up-to-date with national and international programs.

- The 38th term of Basic Insurance Training Program issued by TSEV has been participated by 6 employees.
- The following trainings were organized by TSEV:
 - “Interpreting Economic and Financial Indicators”,
 - “General Terms and Best Practices from the Perspective of a Claims-Assessor”,
 - “Mandatory Training for Insurance and Pension Companies Operating within the framework of Participation Finances”,
 - “Insurance-Related Provisions of the Personal Data Protection Law”. The trainings to support technical development were taken up by our colleagues.
- In order to help improve the technical expertise and competence levels of our colleagues in the Information Technologies and Innovation Department, the following trainings were provided:
 - “ABP Framework Training”,
 - “AIS Training”,
 - “ASP Net Core Training”,
 - “Cyber Resilience Certificate Program”,

- “Foundations of Cyber Security Training”, “SSDLC Training”.
- Moreover the “Agency / Bank Coaching Program” with the aim of helping our sales team to manage our processes with the same perspective in line with our company strategy, was offered to the whole sales team in year 2021.
- With a view to supporting the development of our colleagues to take the actuary exams, a long-winded “Actuary Exams Preparation Training” was organized with valuable contributions of an experienced specialist trainer.
- A glance at personal development plans revealed the need for MS Office Excel and Power Point proficiency, based on the assessment of competence levels of many of our colleagues. Trainings were organized in groups to support our colleagues with respect to their needs on this front.
- Furthermore, relevant members of our technical teams participated in trainings on various products and technical issues .
- **Personal Development Programs**

Following trainings for personal development are organized in 2021 as well, based on the development areas revealed by the results of performance appraisal meetings held by employees and their direct managers:

- Open Communications and Persuasion Training
- Adisa Employee Experience Seminar
- Process Management Training through Integral and Detailed Perspective
- Conflict Management Training
- Multi-Dimensional Communication Skills Training
- The Role of Emotional Intelligence in Business Life
- Outstanding Presentations Training
- Introduction to AI for All
- Business Law Training
- Training for Impression through Personal Awareness and Professional Stand
- Training for Strategic Planning, Decision Making and Problem Solving
- Training for Phone-Based Communication Skills Training
- Training for Openness to Change and Innovation
- Time and Priorities Training
- **Orientation Program**

We have organized an Orientation Program with 3 groups consisting of 97 colleagues in order to enable new team members get acquainted with the corporate culture and general work flow. We have also carried out an Orientation Program for 2 Executives.

- **Mandatory Trainings**
- **"Basic Occupational Health & Safety Training"** legally required to be completed was realized in online environment with 275 participants.
- **PCI_DSS Training** was held online.
- **KVKK Knowledge Update Training** was carried out as an online event with our relevant colleagues.

Trainings on information security with contents prepared by AXA University were completed as follows on YesLearning global training platform:

- **“Security Core Education Training”** was completed by 100%.
- **“Security Check Point Training ”** was completed by 100%.
- **“Security and Data Privacy 2021 Training”** was completed by 100% of the target audience.

- **LinkedIn Learning Online Development**

With the contributions of prominent international universities, LinkedIn Learning, was one of the programs attracting the interest of our employees working on various subjects on online platforms designed for supporting the development of AXA employees.

The “Speak Up” and Climate Change Training” prepared by AXA University were translated into Turkish language and assigned to all our colleagues as trainings to be taken. In line with our corporate strategy, and with a view to supporting our environment-conscious sustainability initiatives, a plant was planted to AXA Forest by AXA Group for each colleague to complete the “Climate Academy Training” and to get a certificate.

Training Category	# of Individuals	#program	Training Hours
Leadership Development	19	3	180
Personal Development	590	24	2744.5
Technical Development	1383	52	7448.42
Organizational Development	2546	23	4803.52
TOTAL	4538	102	15176.44

Organization	# of Individuals	Training Hours
AXA Sigorta A.Ş.	4293	14015.18
AXA Hayat ve Emeklilik A.Ş.	245	1161.26
Total	4538	15176.44

Distribution Channel Trainings

Agency Trainings

- **Technical Application and Product Training**

We have continued to increase the technical know-how and skills of our Agencies through trainings on product and system usage in the branches of Elemental, Life & Pension and Health in our regional offices within 2021.

AXA Sigorta Academic Trainings

AXA Insurance Academy is designed in order to enable our agencies to improve their competencies in business management as well as technical know-how and to make use of their academic knowledge and practices by combining them with facts of business world.

Moreover, the “Future Faculty” established under AXA Academy in 2019 in cooperation with BUYEM (Bogazici University Lifelong Education Center) saw its first graduates from the “You Are the Future” and “Rising Stars” programs in 2020, followed by successful progress with the participation of a total of 40 agencies in the academic year 2021-2022. Topics of both programs are provided below:

Academic courses given by BÜYEM;

- Economics
- Marketing
- Sales- Creation of Customer Loyalty
- Customer Experience
- Professionalism and Creation of Personal Distinction
- Finance
- Inter Generation Conflict Management
- Communication from I to We
- Business Management
- Digital and Social Media Marketing
- Leadership Skills
- Institutionalization in Family Businesses

Technical courses to be provided by AXA Sigorta Executives;

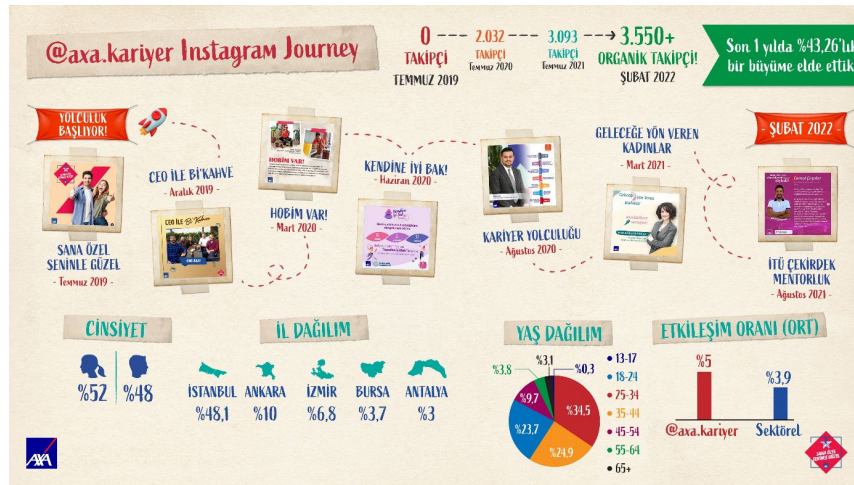
- Industrial Package Policy & Electronic Device and Machinery Breakdown & Liability
- Home & SME
- Engineering & Freight/Marine Insurance Products
- Health Technical & Health Strategies
- Information Security

2021 AGENCY TRAININGS			
Region	# of Individuals	Training	Training Hours
Mediterranean Regional Management Office	38	5	60
Bakirköy Regional Management Office	336	19	773
Aegean Regional Management Office	241	28	407
South Anatolia Regional Management Office	296	18	615
İstanbul Regional Directorate	761	27	1087
Kadıköy Regional Management Office	82	16	280

Black Sea Regional Management Office	228	15	436
Marmara Regional Management Office	83	15	198
Central Anatolia Regional Directorate	107	16	344
TOTAL	2172	159	4200

AXA Career Social Media Account

Our @axa.kariyer instagram account opened in 2019 continued to be effective for both sharing internal practices and implementations on social media and also for creating synergy between our employees. This account had a significant number of followers within a very short time. It continued to be a successful communication channel where we demonstrated, both with posts and with stories, the working environments, development opportunities of AXA Sigorta employees and available career opportunities for individuals who wish to become an AXA employee and where we quite actively created and posted contents.



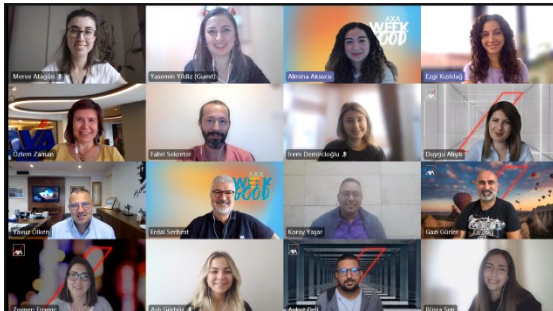
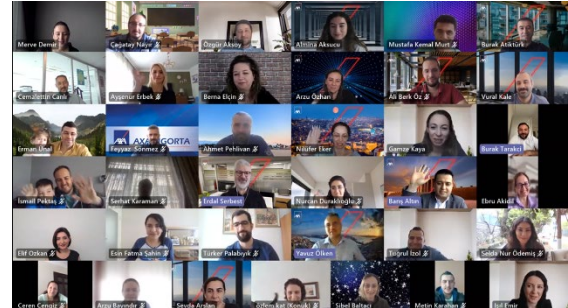
INTERNAL COMMUNICATIONS

In 2021, the company implemented various projects in order to enable communication and socialization with the aim of increase the interaction within the company.



We maintained a continuous communication with our colleagues during the remote working period due to Covid-19 pandemic, with our bimonthly news bulletin called "Remote yet Close". The bulletin covered the events organized within the Company, news from colleagues, interesting pieces of news and world news, not to mention information regarding the insurance sector as well as activities which would ensure building motivation at home.

We aimed at keeping the communication live with our colleagues also with the close interest and support of senior management. In this context, within the framework of the "We're Listening to You" series, we had chat meetings with first our colleagues at Regional Directorates. Following positive feedback we received, we repeated the process with the Headquarters Departments, taking their minds from the busy



environment we work in, so as to provide them enjoyable hours associated with work, as well as authoritative answers to your questions. In those meetings, we intended to provide information to and perhaps more importantly, listen to our colleagues.

AXA Sigorta
2022 VİZYON TOPLANTISI
4X4



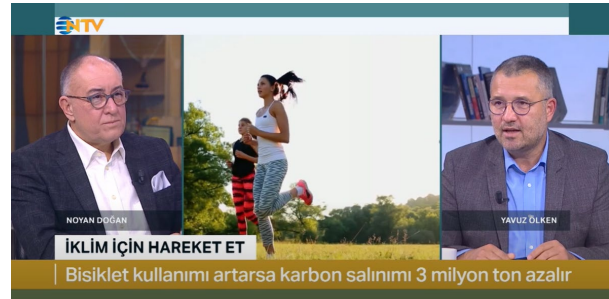
Regional Directorates.

The events saw not only the discussion of the current state of affairs, the strategic progress, and the projects the departments work on, but also answering of the questions submitted in advance or during the event.

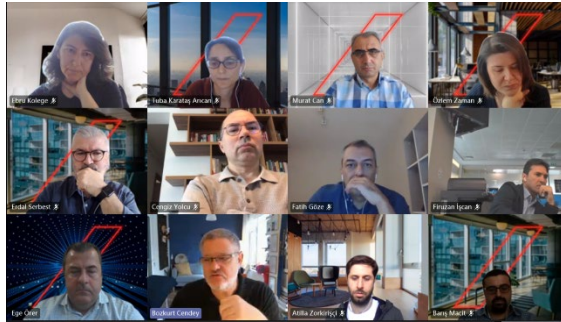
The monthly CEO Talks events we had with shares from our CEO Yavuz Ülken and senior executives from various lines of business continued on an online basis from September on, as we proceeded to be the guests of



The 'Outlook Program' carried out with a focus on Health in the first half of 2021 continued with a focus on Sustainability on the second half of the year.



The program continues to go on air on NTV in its new season, and provides a venue for our senior management and guests sharing important points on Health and Sustainability.



Throughout the year the Extended Executive Committee and the Regional Coordinators had 1-hours special group meetings per year, analyzing and discussing the "Future Readiness and Reset" concept in an event facilitated by experienced consultant Bozkurt Cendey. The most important output of these efforts was the "Modular Leadership Manifesto".



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ON THE BOARD OF DIRECTORS' ANNUAL REPORT
ORIGINALLY ISSUED IN TURKISH**

To the General Assembly of AXA Sigorta A.Ş.

1. Opinion

We have audited the annual report of AXA Sigorta A.Ş. (the "Company") for the 1 January - 31 December 2021 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Company's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Our Audit Opinion on the Full Set Financial Statements

We expressed an unqualified opinion in the auditor's report dated 11 March 2022 on the full set financial statements for the 1 January - 31 December 2021 period.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
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T: +90 212 326 6060, F: +90 212 326 6050, www.pwc.com.tr Mersis Numaramız: 0-1460-0224-0500015

4. Board of Director's Responsibility for the Annual Report

Company management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;
- b) to prepare the annual report to reflect the Company's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Company may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.
- c) to include the matters below in the annual report:
 - events of particular importance that occurred in the Company after the operating year,
 - the Company's research and development activities,
 - financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited financial statements of the Company and with the information we obtained in the course of independent audit.



Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited financial statements and with the information obtained in the course of audit.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Talar Gül, SMMM
Partner

Istanbul, 28 March 2022

AXA SİGORTA A.Ş. BALANCE SHEET (TRY)

English	Draft_Unaudited	Audited
I- Current Assets	31.12.2021	31.12.2020
A- Cash and Cash Equivalents	1.340.118.047	1.116.275.147
1- Cash	-	-
2- Cheques Received	-	-
3- Banks	625.428.771	568.016.703
4- Checks and Payment Orders Issued (-)	-	-
5- Bank Guarantees and Three Months Short Term Credit Cart Receivables	714.689.276	548.258.444
6- Other Cash and Cash Equivalent Assets	0	-
B- Financial Assets and Financial Investments at Policyholders' Risk	7.670.751.462	6.440.169.816
1- Available for Sale Investments	7.672.751.462	6.442.169.816
2- Held to Maturity Investments	-	-
3- Trading Investments	-	-
4- Loans	-	-
5- Provision for Loans (-)	-	-
6- Financial Assets at Policyholders' Risk	-	-
7- Company's Shares	-	-
8- Provision for Impairment of Financial Assets (-)	-2.000.000	-2.000.000
C- Receivables from Operations	2.138.382.489	1.233.130.451
1- Due from Insurance Operations	2.220.328.448	1.316.620.343
2- Provision for Due from Insurance Operations (-)	-218.454.126	-161.253.133
3- Due from Reinsurance Operations	-	-
4- Provision for Due from Reinsurance Operations (-)	-	-
5-Cash Deposited with Insurance and Reinsurance Companies	136.508.167	77.763.241
6- Loans to Policyholders	-	-
7- Provision for Loans to Policyholders (-)	-	-
8- Due from Private Pension Operations	-	-

9- Doubtful Receivables from Main Operations	853.146.764	792.354.656
10- Provision for Doubtful Receivables from Main Operations (-)	-853.146.764	-792.354.656
D- Due from Related Parties	1.530.218	606.261
1- Due from Shareholders	-	-
2- Due from Subsidiaries	-	-
3- Due from Affiliates	-	-
4- Due from Joint Ventures	-	-
5- Due from Personnel	-	-
6- Due from Other Related Parties	1.530.218	606.261
7- Rediscount on Due from Related Parties (-)	-	-
8- Doubtful Receivables from Related Parties	-	-
9- Provision for Doubtful Receivables from Related Parties (-)	-	-
E- Other Receivables	20.791.419	26.590.631
1- Leasing Receivables	-	-
2- Unearned Leasing Interest Income (-)	-	-
3- Deposits and Guarantees Given	85.621	218.061
4- Other Receivables	20.705.798	26.372.570
5- Rediscount on Other Receivables (-)	-	-
6- Other Doubtful Receivables	-	-
7- Provision for Other Doubtful Receivables (-)	-	-
F- Deferred Expenses and Income Accruals	564.175.828	439.906.647
1- Deferred Production Expenses	480.231.571	369.767.453
2- Accrued Interest and Rent Income	-	-
3- Income Accruals	-	-
4- Other Deferred Expenses	83.944.257	70.139.194
G- Other Current Assets	1.724.525	1.958.076
1- Prepaid Office Supplies	57.405	2.788
2- Prepaid Taxes and Funds	1.266.835	1.883.066
3- Deferred Tax Assets	-	-
4- Job Advances	397.022	55.542

5- Advances to Personnel	3.263	16.680
6- Count Shortages	-	-
7- Other Current Assets	-	-
8- Provision for Other Current Assets (-)	-	-
I- Total Current Assets	11.737.473.988	9.258.637.029

	Draft_Unaudited	Audited
II - Non-Current Assets	31.12.2021	31.12.2020
A- Receivables due from Operations	-	-
1- Due from Insurance Operations	-	-
2- Provision for Due from Insurance Operations (-)	-	-
3- Due from Reinsurance Operations	-	-
4- Provision for Due from Reinsurance Operations (-)	-	-
5- Cash Deposited with Insurance and Reinsurance Companies	-	-
6- Loans to Policyholders	-	-
7- Provision for Loans to Policyholders (-)	-	-
8- Due from Private Pension Operations	-	-
9- Doubtful Receivables from Main Operations	-	-
10- Provision for Doubtful Receivables from Main Operations (-)	-	-
B- Due from Related Parties	-	-
1- Due from Shareholders	-	-
2- Due from Subsidiaries	-	-
3- Due from Affiliates	-	-
4- Due from Joint Ventures	-	-
5- Due from Personnel	-	-
6- Due from Other Related Parties	-	-

7- Rediscount on Due from Related Parties (-)	-	-
8- Doubtful Receivables from Related Parties	-	-
9- Provision for Doubtful Receivables from Related Parties (-)	-	-
C- Other Receivables	-	-
1- Leasing Receivables	-	-
2- Unearned Leasing Interest Income (-)	-	-
3- Deposits and Guarantees Given	-	-
4- Other Receivables	-	-
5- Rediscount on Other Receivables (-)	-	-
6- Other Doubtful Receivables	-	-
7- Provision for Other Doubtful Receivables (-)	-	-
D- Financial Assets	1.449.699	1.259.051
1- Investment Securities	1.449.699	1.259.051
2- Subsidiaries	-	-
3- Subsidiaries Capital Commitments (-)	-	-
4- Affiliates	-	-
5- Affiliates Capital Commitments (-)	-	-
6- Joint Ventures	-	-
7- Joint Ventures Capital Commitments (-)	-	-
8- Financial Assets and Financial Investments at Policyholders' Risk	-	-
9- Other Financial Assets	-	-
10- Provision for Impairment of Financial Assets (-)	-	-
E- Tangible Assets	190.665.561	112.938.785
1- Investment Property	58.374.600	39.832.081
2- Provision for Diminution in Value of Investment Property (-)	-	-
3- Property for Operational Usage	45.015.064	44.931.826
4- Machinery and Equipment	-	-
5- Furniture and Fixtures	73.852.431	71.165.756
6- Motor Vehicles	720.000	720.000
7- Other Tangible Assets (including leasehold improvements)	5.212.231	2.591.012
8- Leased Assets	32.705.619	20.618.547
9- Accumulated Depreciation (-)	-81.461.087	-66.964.497

10- Advances Given for Tangible Assets (including construction in progress)	56.246.703	44.060
F- Intangible Assets	73.573.736	74.601.981
1- Rights	181.651.418	156.990.615
2- Goodwill	-	-
3- Start-up Costs	-	-
4- Research and Development Expenses	-	-
5- Other Intangible Assets	2.801.468	2.801.468
6- Accumulated Amortization (-)	-110.879.150	-85.190.102
7- Advances Given for Intangible Assets	-	-
G- Deferred Expenses and Income Accruals	-	-
1- Deferred Acquisition Expenses	-	-
2- Income Accruals	-	-
3- Other Deferred Expenses	-	-
H- Other Non-Current Assets	96.385.747	78.779.886
1- Effective Foreign Currency Accounts	-	-
2- Foreign Currency Accounts	-	-
3- Prepaid Office Supplies	-	-
4- Prepaid Taxes and Funds	-	-
5- Deferred Tax Assets	96.385.747	78.779.886
6- Other Non-Current Assets	-	-
7- Other Non-Current Assets Depreciation (-)	-	-
8- Provision for Other Non-Current Assets (-)	-	-
II- Total Non-Current Assets	362.074.743	267.579.703
Total Assets (I + II)	12.099.548.731	9.526.216.732

III - Current Liabilities	Draft_Unaudited	Audited
	31.12.2021	31.12.2020

A- Financial Liabilities	1.568.879	1.826.192
1- Due to Credit Institutions	-	-
2- Leasing Payables	1.568.879	1.826.192
3- Deferred Leasing Costs (-)	-	-
4- Short Term Installments of Long Term Borrowings	-	-
5- Issued Debt Securities	-	-
6- Other Issued Debt Securities	-	-
7- Value Differences of Other Issued Debt Securities (-)	-	-
8- Other Financial Payables (Liabilities)	-	-
B- Payables from Operations	702.337.529	302.610.131
1- Payables from Insurance Operations	686.422.718	285.199.887
2- Payables from Reinsurance Operations	-	-
3- Cash Deposited by Insurance and Reinsurance Companies	-	-
4- Payables from Private Pension Operations	-	-
5- Payables from Other Operations	15.914.811	17.410.244
6- Rediscount on Payables from Other Operations (-)	-	-
C- Due to Related Parties	2.568	2.842
1- Due to Shareholders	2.568	2.568
2- Due to Subsidiaries	-	-
3- Due to Affiliates	-	-
4- Due to Joint-Ventures	-	-
5- Due to Personnel	-	274
6- Due to Other Related Parties	-	-
D- Other Payables	277.778.445	170.582.319
1- Deposits and Guarantees Received	21.742.676	13.918.038
2- Payables to SSI regarding Medical Expenses	39.240.118	24.334.302
3- Other Payables	216.795.651	132.329.979
4- Rediscount on Other Payables (-)	-	-
E- Insurance Technical Provisions	7.121.529.073	6.245.730.444
1- Unearned Premium Reserve - Net	2.591.814.635	1.999.138.667
2- Unexpired Risks Reserve-Net	65.845.834	20.811.999
3- Mathematical Reserves - Net	-	-
4- Outstanding Claims Reserve - Net	4.406.484.748	4.140.697.724

5- Bonus Provision-Net	-	-
6- Other Technical Reserves - Net	57.383.856	85.082.054
F- Taxes and Other Fiscal Liabilities	335.371.488	52.562.208
1- Taxes and Funds Payable	62.437.211	39.099.063
2- Social Security Withholdings Payable	3.159.278	2.660.563
3- Overdue, Deferred or Restructured Taxes and Other Fiscal Liabilities		-
4- Other Taxes and Fiscal Liabilities	8.923.253	9.506.908
5- Corporate Tax Provision and Other Fiscal Liabilities	427.923.393	187.194.797
6- Prepaid Taxes and Other Similar Liabilities for Profit	-167.071.647	185.899.123
7- Other Taxes and Fiscal Liabilities Provision	-	-
G- Provisions for Other Risks	163.173.236	113.980.170
1- Provision for Employment Termination Benefits	-	-
2- Provision for Social Aid Fund Asset Shortage	-	-
3- Provision for Expense Accruals	163.173.236	113.980.170
H- Deferred Income and Expense Accruals	97.248.612	94.559.578
1- Deferred Commissions Income	93.844.746	89.667.506
2- Expense Accruals	-	-
3- Other Deferred Income	3.403.866	4.892.072
I- Other Current Liabilities	10.379.761	5.609.991
1- Deferred Tax Liabilities	-	-
2- Count Overages	-	-
3- Other Current Liabilities	10.379.761	5.609.991
III - Total Current Liabilities	8.709.389.591	6.987.463.875
	Draft_Unaudited	Audited
IV – Non-Current Liabilities	31.12.2021	31.12.2020
A- Financial Liabilities	18.660.816	11.454.673
1- Due to Credit Institutions	-	-
2- Leasing Payables	18.660.816	11.454.673
3- Deferred Leasing Costs (-)	-	-

4- Issued Debt Securities	-	-
5- Other Issued Debt Securities	-	-
6- Value Differences of Other Issued Debt Securities (-)	-	-
7- Other Financial Payables	-	-
B- Payables from Operations	-	-
1- Payables from Insurance Operations	-	-
2- Payables from Reinsurance Operations	-	-
3- Cash Deposited by Insurance and Reinsurance Companies	-	-
4- Payables from Private Pension Operations	-	-
5- Payables from Other Operations	-	-
6- Rediscount on Payables from Other Operations (-)	-	-
C- Due to Related Parties	-	-
1- Due to Shareholders	-	-
2- Due to Subsidiaries	-	-
3- Due to Affiliates	-	-
4- Due to Joint-Ventures	-	-
5- Due to Personnel	-	-
6- Due to Other Related Parties	-	-
D- Other Payables	-	-
1- Deposits and Guarantees Received	-	-
2- Payables to SSI regarding Medical Expenses	-	-
3- Other Payables	-	-
4- Rediscount on Other Payables (-)	-	-
E- Insurance Technical Provisions	327.914.332	255.711.332
1- Unearned Premium Reserves - Net	-	-
2- Unexpired Risks Reserve-Net	-	-
3- Mathematical Reserve - Net	0	63
4- Outstanding Claims Reserve - Net	-	-
5- Bonus Provision-Net	-	-
6- Other Technical Reserves - Net	327.914.332	255.711.269
F- Other Liabilities and Related Provisions	-	-

1- Other Payables	-	-
2- Overdue, Deferred or Restructured Taxes and Other Fiscal Liabilities	-	-
3- Other Taxes and Fiscal Liabilities Provision	-	-
G- Provisions for Other Risks	29.248.157	24.145.534
1- Provision for Employment Termination Benefits	29.248.157	24.145.534
2- Provision for Social Aid Fund Asset Shortage	-	-
H- Deferred Income and Expense Accruals	-	-
1- Deferred Commissions Income	-	-
2- Expense Accruals	-	-
3- Other Deferred Income	-	-
I- Other Non-Current Liabilities	-	-
1- Deferred Tax Liabilities	-	-
2- Other Non-Current Liabilities	-	-
IV- Total Non-Current Liabilities	375.823.305	291.311.539

V - Shareholders' Equity	Draft_Unaudited	Audited
	31.12.2021	31.12.2020
A- Share Capital	1.225.739.187	1.225.739.187
1- (Nominal) Capital	1.225.739.187	1.225.739.187
2- Unpaid Capital (-)	-	-
3- Adjustments to Share Capital	-	-
4- Adjustments to Share Capital (-)	-	-
5- Capital of Expected Registration	-	-
B- Capital Reserves	16.290.251	14.766.603
1- Share Premium	-	-
2- Share Premiums of Cancelled Shares	-	-
3- Sales Profit Addition to the Capital	-	-
4- Foreign Currency Translation Differences	-	-

5- Other Capital Reserves	16.290.251	14.766.603
C- Profit Reserves	301.879.401	494.352.474
1- Legal Reserves	128.181.851	75.181.394
2- Statutory Reserves	-	-
3- Extraordinary Reserves	451.101.598	328.042.648
4- Special Reserves	-	-
5- Valuation of Financial Assets	-273.164.320	90.137.676
6- Other Profit Reserves	-4.239.728	990.756
D- Retained Earnings	0	-
1- Retained Earnings	0	-
E- Accumulated Loss (-)	-	0
1- Previous Years' Losses	-	0
F- Net Profit / Loss for the Period (-)	1.470.426.996	512.583.054
1- Net Profit for the Period	1.470.289.221	511.059.406
2- Net Loss for the Period (-)	-	-
3- Profit not subject to Distribution	137.775	1.523.648
Total Shareholders' Equity	3.014.335.835	2.247.441.318
Total Liabilities and Shareholders' Equity (III+IV+V)	12.099.548.731	9.526.216.732

AXA SİGORTA A.Ş. DETAILED INCOME STATEMENTS (TRY)

I-TECHNICAL SECTION	Draft Unaudited 31.12.2021
A- Non-Life Technical Revenues (Non-Life Technical Income)	6.119.035.798
1-Earned Premiums (Net of Reinsurer's Share)	3.768.581.495
1.1- Written Premiums (Net of Reinsurer's Share)	4.406.291.299
1.1.1- Gross Written Premiums (+)	5.923.588.615
1.1.2- Ceded Premiums (-)	-1.428.422.793
1.1.3-Premiums Ceded to SGK (-)	-88.874.523
1.2 Change in Unearned Premiums Reserve (Net of Reinsurer's Share and Reserves Carried Forward (+/-))	-592.675.968
1.2.1- Unearned Premium Reserve (-)	-879.057.534
1.2.2- Reinsurer Share in Unearned Premium Reserve (+)	280.568.356
1.2.3- SGK Share of Unearned Premiums Reserve	5.813.210
1.3- Change in Unexpired Risks Reserve (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	-45.033.835
1.3.1- Unexpired Risks Reserve (-)	-102.701.430
1.3.2- Reinsurer's Share in Unexpired Risks Reserve (+)	57.667.595
2-Investment Income Transferred from Non-Technical Part	2.192.015.198
3- Other Technical Income - (Net of Reinsurer's Share)	8.177.058
3.1- Gross other technical income (+)	8.177.058
3.2- Reinsurer's Share of Other Gross Technical Income (-)	-
4- Recovery and Salvage Income Accruals (+)	150.262.047
B- Non-Life Technical Expenses (-)	-4.303.220.437
1- Incurred Losses (Net Of Reinsurer's Share)	-3.065.333.494
1.1- Paid Losses (Net of Reinsurer's Share)	-2.799.546.470
1.1.1-Gross Paid Losses	-3.129.018.052
1.1.2- Reinsurers Share in Paid Losses (+)	329.471.582
1.2- Change in Outstanding Losses (Net of Reinsurers share and Reserves Carried Forward) (+/-)	-265.787.024
1.2.1- Outstanding Losses Reserve (-)	-342.688.230
1.2.2- Reinsurer Share in Outstanding Loss Reserve (+)	76.901.206

2- Change in Bonus and Rebate Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	-
2.1- Bonus and Rebate Reserve (-)	-
2.2- Reinsurers' Share in Bonus and Rebate Reserve (+)	-
3- Change in Other Technical Reserves (Net of Reinsurers Share and Reserves Carried Forward) (+/-)	-72.203.063
4- Operating Expenses	-1.021.411.782
5- Change in Mathematical Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	63
5.1- Mathematical Reserves (-)	63
6- Other Technical Expenses (-)	-144.272.161
6.1- Gross Technical Expenses (-)	-144.272.161
6.2- Reinsurer's Share in Gross Technical Expenses (+)	-
C- Net Technical Income- Non-Life (A - B)	1.815.815.361
D- Life Technical Revenues (Life Technical Income)	-
1- Earned Premiums (Net of Reinsurer's Share)	-
1.1- Written Premiums (Net of Reinsurer's Share)	-
1.1.1- Gross Written Premiums (+)	-
1.1.2- Ceded Premiums (-)	-
1.2- Change in Unearned Premiums Reserve (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	-
1.2.1- Unearned Premium Reserve (-)	-
1.2.2- Reinsurer Share in Unearned Premium Reserve (+)	-
1.3- (Change in Unexpired Risks Reserve (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	-
1.3.1- Unexpired Risks Reserve (-)	-
1.3.2- Reinsurer's Share in Unexpired Risks Reserve (+)	-
2- Life Line's Investment Revenues Life Investment Income	-
3- Unrealized Profits in Investments Unrealized Investments Income	-
4- Other Technical Income (Net of Reinsurer's Share)	-
E- Life Technical Expense	-
1- Incurred Losses (Net Of Reinsurer's Share)	-

1.1- Paid Losses (Net of Reinsurer's Share)	-
1.1.1- Gross Paid Losses (-)	-
1.1.2- Reinsurers Share in Paid Losses (+)	-
1.2- Change in Outstanding Losses (Net of Reinsurers share and Reserves Carried Forward) (+/-)	-
1.2.1- Outstanding Losses Reserve (-)	-
1.2.2- Reinsurer Share in Outstanding Loss Reserve (+)	-
2- Change in Bonus and Rebate Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	-
2.1-Bonus and Rebate Reserve (-)	-
2.2-Reinsurers' Share in Bonus and Rebate Reserve (+)	-
3- Change in Mathematical Reserves (Net of Reinsurers' Share and Returned Reserve) (+/-)	-
3.1-Mathematical Reserves (-)	-
3.2- Reinsurer Share in Mathematical Reserves (+)	-
4- Change in Other Technical Reserves (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	-
5- Operating Expenses (-)	-
6- Investment Expenses (-)	-
7- Unrealized Losses in Investments (-)	-
8- Investment Income Transferred to Non-Life Technical Part (-)	-
F- Net Technical Income - Life (D - E)	-
G- Private Pension Technical Income	-
1- Fund Management Income	-
2- Management Cost Charge	-
3-Entrance Fee Income	-
4- Management Cost Charge in case of Suspension	-
5-Special Service Expense Charge	-
6- Capital Allowance Value Increase Income	-
7- Other Technical Incomes	-

H- Private Pension Technical Expense	-
1- Fund Management Expenses (-)	-
2- Capital Allowance Value Decrease Expense (-)	-
3-Operating Expenses (-)	-
4- Other Technical Expenses (-)	-
I- Net Technical Income – Private Pension (G – H)	-
II- NON-TECHNICAL SECTION	
C- Net Technical Income-Non-Life (A-B)	1.815.815.361
F-Net Technical Income-Life (D-E)	-
I - Net Technical Income-Private Pension(G-H)	-
J- Total Net Technical Income (C+F+I)	1.815.815.361
K- Investment Income	3.247.853.305
1- Revenues from Financial Investments Income from Financial Investments	755.687.506
2- Profits from Cashing in on Financial Investments Income from Liquidation of Financial Investments	47.557.137
3- Valuation of Financial Investments	233.301.726
4- Foreign Exchange Gains	2.190.484.597
5- Income from Subsidiaries	-
6- Income from Equity Investments and Joint-Ventures	-
7- Revenues from Land, Plots and Buildings Income from Property, Plant and Equipment	20.428.794
8- Income from Derivatives	-
9- Other Investments	393.545
10- Investment Income Transferred from Life Technical Part	-
L- Investment Expenses (-)	-2.962.521.482
1-Investment Management Expenses -Interest included (-)	-9.490.700
2-Diminution in Value of Investments (-)	-24.068.411
3- Loss from Realization of Financial Investments (-)	-44.549.479
4- Investment Income Transferred to Non-Life Technical Part (-)	-2.192.015.198
5- Loss from Derivatives (-)	-
6- Foreign Exchange Losses (-)	-649.540.305
7- Depreciation Expenses (-)	-41.786.781
8-Other Investment Expenses (-)	-1.070.608
M- Income and Expenses from Other Operations and Extraordinary Operations (+/-)	-227.741.005
1- Provisions (+/-)	-131.758.499
2- Rediscounts (+/-)	-

3- Special Insurances Account (+/-)	-
4-Inflation Adjustment (+/-)	-
5- Deferred Tax Assets (+/-)	-
6- Deferred Tax Liabilities Expenses (-)	97.290.952
7- Other Revenues and Profits Other Income	3.500.874
8-Other Expenses and Losses (-)	-23.986.590
9- Revenues and Profits from the Previous Year	21.794.162
10- Expenses and Losses for the Previous Year (-)	-
N- Net Profit/(Loss) for the Period	1.470.426.996
1- Profit/(Loss) for the Period (-)	1.873.406.179
2- Corporate Tax Provision and Other Fiscal Liabilities (-)	-402.979.183
3-Net Profit/(Loss) for the Period (-)	1.470.426.996
4- Inflation Adjustment Account Inflation Adjustment	-

CASH FLOW STATEMENT

A. CASH FLOWS FROM OPERATING ACTIVITIES

	Audited 31.12.2021	Audited 31.12.2020
1. Cash provided from insurance activities	7.528.028.653	5.367.322.140
2. Cash provided from reinsurance activities	-	-
3. Cash provided from individual pension activities	-	-
4. Cash used in insurance activities	-7.121.392.738	-4.724.864.174
5. Cash used in reinsurance activities	-	-
6. Cash used in individual pension activities	-	-
7. Cash provided by operating activities (A1+A2+A3-A4-A5-A6)	406.635.915	642.457.966
8. Interest paid	-	-
9. Income taxes paid	-167.819.805	-267.067.896
10. Other cash inflows	126.125.296	34.873.353
11. Other cash outflows	-628.321.230	-379.124.722
12. Net cash provided by operating activities	-263.379.824	31.138.701

B. CASH FLOWS FROM INVESTING ACTIVITIES

1. Proceeds from disposal of tangible assets		980.097	4.807.615
2. Acquisition of tangible assets	6 ve 8	-87.085.994	-63.550.400
3. Acquisition of financial assets	11	-4.079.589.258	-2.602.843.055
4. Proceeds from disposal of financial assets	11	2.591.064.532	1.741.506.588
5. Interests received		2.194.575.160	751.810.730
6. Dividends received	26	39.309	39.309
7. Other cash inflows		1.069.024	89.098
8. Other cash outflows		-1.601.143	-3.817.111
9. Net cash provided by operating investing activities		619.451.727	-171.957.226

C. CASH FLOWS FROM FINANCING ACTIVITIES

1. Equity shares issued		-	-
2. Cash provided from loans and borrowings		-	-
3. Finance lease payments	20	-6.208.851	-6.363.683
4. Dividends paid	38 ve 45	-335.000.001	-77.313.631
5. Other cash inflows		-	-
6. Other cash outflows		-	-
		-341.208.852	-83.677.314
7. Net cash used in financing activities			

D. EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS

		208.981.770	84.830.570
E. Net cash increase in cash and cash equivalents		223.844.821	-139.665.269
F. Cash and cash equivalents at the beginning of the year		1.098.439.328	1.238.104.597
G. Cash and cash equivalents at the end of the year (E+F)	2.12	1.322.284.149	1.098.439.328



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ON THE BOARD OF DIRECTORS' ANNUAL REPORT
ORIGINALLY ISSUED IN TURKISH**

To the General Assembly of AXA Hayat ve Emeklilik A.Ş.

1. Opinion

We have audited the annual report of AXA Hayat ve Emeklilik A.Ş. (the "Company") for the 1 January - 31 December 2021 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Company's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Our Audit Opinion on the Full Set Financial Statements

We expressed an unqualified opinion in the auditor's report dated 11 March 2022 on the full set financial statements for the 1 January - 31 December 2021 period.

4. Board of Director's Responsibility for the Annual Report

Company management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;

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4. Board of Director's Responsibility for the Annual Report (Continued)

- b) to prepare the annual report to reflect the Company's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Company may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.
- c) to include the matters below in the annual report:
 - events of particular importance that occurred in the Company after the operating year,
 - the Company's research and development activities,
 - financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited financial statements of the Company and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited financial statements and with the information obtained in the course of audit.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Talar Gül, SMMM
Partner

Istanbul, 29 March 2022

AXA HAYAT VE EMEKLİLİK A.Ş. BALANCE SHEET (TRY)

English	Draft Unaudited	Audited
I - Current Assets	31.12.2021	31.12.2020
A- Cash and Cash Equivalents	32.847.631	24.694.324
1- Cash	-	-
2- Cheques Received	-	-
3- Banks	24.011.565	15.445.681
4- Checks and Payment Orders Issued (-)	-	-
5- Bank Guarantees and Three Months Short Term Credit Cart Receivables	8.836.066	9.248.643
6- Other Cash and Cash Equivalent Assets	-	-
B- Financial Assets and Financial Investments at Policyholders' Risk	111.461.772	98.191.340
1- Available for Sale Investments	63.277.247	52.916.859
2- Held to Maturity Investments	-	-
3- Trading Investments	-	-
4- Loans	-	-
5- Provision for Loans (-)	-	-
6- Financial Assets at Policyholders' Risk	48.184.525	45.274.481
7- Company's Shares	-	-
8- Provision for Impairment of Financial Assets (-)	-	-
C- Receivables from Operations	6.462.974	3.514.361
1- Due from Insurance Operations	4.595.342	1.397.293
2- Provision for Due from Insurance Operations (-)	-3.592	-3.592
3- Due from Reinsurance Operations	-	-
4- Provision for Due from Reinsurance Operations (-)	-	-
5-Cash Deposited with Insurance and Reinsurance Companies	0	580.674
6- Loans to Policyholders	128.293	177.470
7- Provision for Loans to Policyholders (-)	-	-
8- Due from Private Pension Operations	1.742.931	1.362.516
9- Doubtful Receivables from Main Operations	78.484	93.484
10- Provision for Doubtful Receivables from Main Operations (-)	-78.484	-93.484
D- Due from Related Parties	0	-
1- Due from Shareholders	-	-
2- Due from Subsidiaries	-	-
3- Due from Affiliates	-	-
4- Due from Joint Ventures	-	-
5- Due from Personnel	-	-
6- Due from Other Related Parties	0	-
7- Rediscount on Due from Related Parties (-)	-	-
8- Doubtful Receivables from Related Parties	-	-
9- Provision for Doubtful Receivables from Related Parties (-)	-	-
E- Other Receivables	395.691	321.622
1- Leasing Receivables	-	-
2- Unearned Leasing Interest Income (-)	-	-
3- Deposits and Guarantees Given	4.365	4.365
4- Other Receivables	391.326	317.257
5- Rediscount on Other Receivables (-)	-	-
6- Other Doubtful Receivables	-	-
7- Provision for Other Doubtful Receivables (-)	-	-

F- Deferred Expenses and Income Accruals	2.388.174	750.195
1- Deferred Production Expenses	2.219.923	572.932
2- Accrued Interest and Rent Income	-	-
3- Income Accruals	-	-
4- Other Deferred Expenses	168.251	177.263
G- Other Current Assets	173.980	527.631
1- Prepaid Office Supplies	-	-
2- Prepaid Taxes and Funds	173.980	527.631
3- Deferred Tax Assets	-	-
4- Job Advances	-	-
5- Advances to Personnel	-	0
6- Count Shortages	-	-
7- Other Current Assets	-	-
8- Provision for Other Current Assets (-)	-	-
I- Total Current Assets	153.730.222	127.999.473

II - Non-Current Assets	Draft Unaudited 31.12.2021	Audited 31.12.2020
A- Receivables due from Operations	1.270.715.942	910.166.139
1- Due from Insurance Operations	-	-
2- Provision for Due from Insurance Operations (-)	-	-
3- Due from Reinsurance Operations	-	-
4- Provision for Due from Reinsurance Operations (-)	-	-
5- Cash Deposited with Insurance and Reinsurance Companies	-	-
6- Loans to Policyholders	-	-
7- Provision for Loans to Policyholders (-)	-	-
8- Due from Private Pension Operations	1.270.715.942	910.166.139
9- Doubtful Receivables from Main Operations	-	-
10- Provision for Doubtful Receivables from Main Operations (-)	-	-
B- Due from Related Parties	-	-
1- Due from Shareholders	-	-
2- Due from Subsidiaries	-	-
3- Due from Affiliates	-	-
4- Due from Joint Ventures	-	-
5- Due from Personnel	-	-
6- Due from Other Related Parties	-	-
7- Rediscount on Due from Related Parties (-)	-	-
8- Doubtful Receivables from Related Parties	-	-
9- Provision for Doubtful Receivables from Related Parties (-)	-	-
C- Other Receivables	-	-
1- Leasing Receivables	-	-
2- Unearned Leasing Interest Income (-)	-	-
3- Deposits and Guarantees Given	-	-
4- Other Receivables	-	-
5- Rediscount on Other Receivables (-)	-	-
6- Other Doubtful Receivables	-	-
7- Provision for Other Doubtful Receivables (-)	-	-
D- Financial Assets	540.478	427.810

1- Investment Securities	540.478	427.810
2- Subsidiaries	-	-
3- Subsidiaries Capital Commitments (-)	-	-
4- Affiliates	-	-
5- Affiliates Capital Commitments (-)	-	-
6- Joint Ventures	-	-
7- Joint Ventures Capital Commitments (-)	-	-
8- Financial Assets and Financial Investments at Policyholders' Risk	-	-
9- Other Financial Assets	-	-
10- Provision for Impairment of Financial Assets (-)	-	-
E- Tangible Assets	521.380	1.054.128
1- Investment Property	-	-
2- Provision for Diminution in Value of Investment Property (-)	-	-
3- Property for Operational Usage	-	-
4- Machinery and Equipment	-	-
5- Furniture and Fixtures	573.243	573.243
6- Motor Vehicles	-	-
7- Other Tangible Assets (including leasehold improvements)	-	-
8- Leased Assets	2.116.445	2.116.445
9- Accumulated Depreciation (-)	-2.168.308	-1.635.560
10- Advances Given for Tangible Assets (including construction in progress)	-	-
F- Intangible Assets	86.040	38.925
1- Rights	3.262.429	3.203.113
2- Goodwill	-	-
3- Start-up Costs	-	-
4- Research and Development Expenses	-	-
5- Other Intangible Assets	-	-
6- Accumulated Amortization (-)	-3.176.389	-3.164.188
7- Advances Given for Intangible Assets	-	-
G- Deferred Expenses and Income Accruals	-	-
1- Deferred Acquisition Expenses	-	-
2- Income Accruals	-	-
3- Other Deferred Expenses	-	-
H- Other Non-Current Assets	2.739.340	2.151.730
1- Effective Foreign Currency Accounts	-	-
2- Foreign Currency Accounts	-	-
3- Prepaid Office Supplies	-	-
4- Prepaid Taxes and Funds	-	-
5- Deferred Tax Assets	2.739.340	2.151.730
6- Other Non-Current Assets	-	-
7- Other Non-Current Assets Depreciation (-)	-	-
8- Provision for Other Non-Current Assets (-)	-	-
II- Total Non-Current Assets	1.274.603.180	913.838.732
Total Assets (I + II)	1.428.333.402	1.041.838.205

III - Current Liabilities

Draft Unaudited

Audited

	31.12.2021	31.12.2020
A- Financial Liabilities		
1- Due to Credit Institutions	729.699	575.362
2- Leasing Payables	-	-
3- Deferred Leasing Costs (-)	729.699	575.362
4- Short Term Installments of Long Term Borrowings	-	-
5- Issued Debt Securities	-	-
6- Other Issued Debt Securities	-	-
7- Value Differences of Other Issued Debt Securities (-)	-	-
8- Other Financial Payables (Liabilities)	-	-
B- Payables from Operations	15.503.109	12.711.376
1- Payables from Insurance Operations	4.241.502	2.027.462
2- Payables from Reinsurance Operations	-	-
3- Cash Deposited by Insurance and Reinsurance Companies	-	-
4- Payables from Private Pension Operations	11.261.607	10.683.914
5- Payables from Other Operations	-	-
6- Rediscount on Payables from Other Operations (-)	-	-
C- Due to Related Parties	1.530.218	599.725
1- Due to Shareholders	-	-
2- Due to Subsidiaries	-	-
3- Due to Affiliates	-	-
4- Due to Joint-Ventures	-	-
5- Due to Personnel	-	-
6- Due to Other Related Parties	1.530.218	599.725
D- Other Payables	3.750.883	2.405.858
1- Deposits and Guarantees Received	2.802.099	1.795.486
2- Payables to SSI regarding Medical Expenses	-	-
3- Other Payables	948.784	610.372
4- Rediscount on Other Payables (-)	-	-
E- Insurance Technical Provisions	12.401.888	13.033.573
1- Unearned Premium Reserve - Net	1.879.448	1.325.141
2- Unexpired Risks Reserve-Net	-	-
3- Mathematical Reserves - Net	-	-
4- Outstanding Claims Reserve - Net	6.954.298	8.725.522
5- Bonus Provision-Net	-	-
6- Other Technical Reserves - Net	3.568.142	2.982.910
F- Taxes and Other Fiscal Liabilities	3.024.896	501.215
1- Taxes and Funds Payable	1.270.741	706.453
2- Social Security Withholdings Payable	221.477	162.903
3- Overdue, Deferred or Restructured Taxes and Other Fiscal Liabilities	-	-
4- Other Taxes and Fiscal Liabilities	-	-
5- Corporate Tax Provision and Other Fiscal Liabilities	4.101.643	113.333
6- Prepaid Taxes and Other Similar Liabilities for Profit	-2.568.965	- 481.474
7- Other Taxes and Fiscal Liabilities Provision	-	-

G- Provisions for Other Risks	8.891.128	5.967.325
1- Provision for Employment Termination Benefits	-	-
2- Provision for Social Aid Fund Asset Shortage	-	-
3- Provision for Expense Accruals	8.891.128	5.967.325
H- Deferred Income and Expense Accruals	2.701.629	1.598.864
1- Deferred Commissions Income	2.073.022	962.586
2- Expense Accruals	-	-
3- Other Deferred Income	628.607	636.278
I- Other Current Liabilities	613.676	485.815
1- Deferred Tax Liabilities	-	-
2- Count Overages	-	-
3- Other Current Liabilities	613.676	485.815
III - Total Current Liabilities	49.147.126	37.879.113

IV – Non-Current Liabilities	Draft Unaudited 31.12.2021	Audited 31.12.2020
A- Financial Liabilities	-	729.699
1- Due to Credit Institutions	-	-
2- Leasing Payables	-	729.699
3- Deferred Leasing Costs (-)	-	-
4- Issued Debt Securities	-	-
5- Other Issued Debt Securities	-	-
6- Value Differences of Other Issued Debt Securities (-)	-	-
7- Other Financial Payables	-	-
B- Payables from Operations	1.270.715.942	910.166.139
1- Payables from Insurance Operations	-	-
2- Payables from Reinsurance Operations	-	-
3- Cash Deposited by Insurance and Reinsurance Companies	-	-
4- Payables from Private Pension Operations	1.270.715.942	910.166.139
5- Payables from Other Operations	-	-
6- Rediscount on Payables from Other Operations (-)	-	-
C- Due to Related Parties	-	-
1- Due to Shareholders	-	-
2- Due to Subsidiaries	-	-
3- Due to Affiliates	-	-
4- Due to Joint-Ventures	-	-
5- Due to Personnel	-	-
6- Due to Other Related Parties	-	-
D- Other Payables	-	-
1- Deposits and Guarantees Received	-	-
2- Payables to SSI regarding Medical Expenses	-	-
3- Other Payables	-	-
4- Rediscount on Other Payables (-)	-	-
E- Insurance Technical Provisions	57.209.135	51.542.934
1- Unearned Premium Reserves - Net	-	-
2- Unexpired Risks Reserve-Net	-	-

3- Mathematical Reserve - Net	56.761.667	47.536.556
4- Outstanding Claims Reserve - Net	-	-
5- Bonus Provision-Net	-	-
6- Other Technical Reserves - Net	447.468	4.006.378
F- Other Liabilities and Related Provisions	-	-
1- Other Payables	-	-
2- Overdue, Deferred or Restructured Taxes and Other Fiscal Liabilities	-	-
3- Other Taxes and Fiscal Liabilities Provision	-	-
G- Provisions for Other Risks	1.898.625	1.334.079
1- Provision for Employment Termination Benefits	1.898.625	1.334.079
2- Provision for Social Aid Fund Asset Shortage	-	-
H- Deferred Income and Expense Accruals	-	-
1- Deferred Commissions Income	-	-
2- Expense Accruals	-	-
3- Other Deferred Income	-	-
I- Other Non-Current Liabilities	-	-
1- Deferred Tax Liabilities	-	-
2- Other Non-Current Liabilities	-	-
IV- Total Non-Current Liabilities	1.329.823.702	963.772.851

V - Shareholders' Equity	Draft Unaudited 31.12.2021	Audited 31.12.2020
A- Share Capital	20.000.000	20.000.000
1- (Nominal) Capital	20.000.000	20.000.000
2- Unpaid Capital (-)	-	-
3- Adjustments to Share Capital	-	-
4- Adjustments to Share Capital (-)	-	-
5- Capital of Expected Registration	-	-
B- Capital Reserves	-	-
1- Share Premium	-	-
2- Share Premiums of Cancelled Shares	-	-
3- Sales Profit Addition to the Capital	-	-
4- Foreign Currency Translation Differences	-	-
5- Other Capital Reserves	-	-
C- Profit Reserves	16.759.880	19.563.523
1- Legal Reserves	10.000.000	10.000.000
2- Statutory Reserves	-	-
3- Extraordinary Reserves	7.669.263	7.046.545
4- Special Reserves	-	-
5- Valuation of Financial Assets	-659.352	2.521.659
6- Other Profit Reserves	-250.031	-4.681

D- Retained Earnings	-	-
1- Retained Earnings	-	-
E- Accumulated Loss (-)	-	-
1- Previous Years' Losses	-	-
F- Net Profit / Loss for the Period (-)	12.602.694	622.718
1- Net Profit for the Period	12.602.694	622.718
2- Net Loss for the Period (-)	-	-
3- Profit not subject to Distribution	-	-
Total Shareholders' Equity	49.362.574	40.186.241
Total Liabilities and Shareholders' Equity (III+IV+V)	1.428.333.402	1.041.838.205

**AXA HAYAT VE EMEKLİLİK A.Ş. DETAILED INCOME
STATEMENTS (TRY)**

**Draft Unaudited
31.12.2021**

I-TECHNICAL SECTION

A- Non-Life Technical Revenues (Non-Life Technical Income)	73.773
1-Earned Premiums (Net of Reinsurer's Share)	73.669
1.1- Written Premiums (Net of Reinsurer's Share)	119.281
1.1.1- Gross Written Premiums (+)	130.005
1.1.2- Ceded Premiums (-)	-10.724
1.1.3-Premiums Ceded to SGK (-)	0
1.2 Change in Unearned Premiums Reserve (Net of Reinsurer's Share and Reserves Carried Forward (+/-)	-45.612
1.2.1- Unearned Premium Reserve (-)	-43.869
1.2.2- Reinsurer Share in Unearned Premium Reserve (+)	-1.743
1.2.3- SGK Share of Unearned Premiums Reserve	0
1.3- Change in Unexpired Risks Reserve (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	0
1.3.1- Unexpired Risks Reserve (-)	0
1.3.2- Reinsurer's Share in Unexpired Risks Reserve (+)	0
2-Investment Income Transferred from Non-Technical Part	0
3- Other Technical Income - (Net of Reinsurer's Share)	104
3.1- Gross other technical income (+)	104
3.2- Reinsurer's Share of Other Gross Technical Income (-)	0
4- Recovery and Salvage Income Accruals (+)	0
B- Non-Life Technical Expenses (-)	-38.937
1- Incurred Losses (Net Of Reinsurer's Share)	-26.512
1.1- Paid Losses (Net of Reinsurer's Share)	-15.545
1.1.1-Gross Paid Losses	-14.528
1.1.2- Reinsurers Share in Paid Losses (+)	-1.017

1.2- Change in Outstanding Losses (Net of Reinsurers share and Reserves Carried Forward) (+/-)	-10.967
1.2.1- Outstanding Losses Reserve (-)	-34.463
1.2.2- Reinsurer Share in Outstanding Loss Reserve (+)	23.496
2- Change in Bonus and Rebate Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	0
2.1- Bonus and Rebate Reserve (-)	0
2.2- Reinsurers' Share in Bonus and Rebate Reserve (+)	0
3- Change in Other Technical Reserves (Net of Reinsurers Share and Reserves Carried Forward) (+/-)	695
4- Operating Expenses	-19.427
5- Change in Mathematical Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	6.307
5.1- Mathematical reserves (-)	6.307
5.2- Mathematical Reserves Reinsurances' Share	0
6- Other Technical Expenses (-)	0
6.1- Gross Technical Expenses (-)	0
6.2- Gross Technical Expenses Reinsurances' Share (-)	0
C- Net Technical Income- Non-Life (A - B)	34.836
D- Life Technical Revenues (Life Technical Income)	48.971.248
1- Earned Premiums (Net of Reinsurer's Share)	17.513.204
1.1- Written Premiums (Net of Reinsurer's Share)	18.021.899
1.1.1- Gross Written Premiums (+)	26.542.464
1.1.2- Ceded Premiums (-)	-8.520.565
1.2- Change in Unearned Premiums Reserve (Net of Reinsurer's Share and Reserves Carried Forward (+/-)	-508.695
1.2.1- Unearned Premium Reserve (-)	-3.252.428
1.2.2- Reinsurer Share in Unearned Premium Reserve (+)	2.743.733
1.3- (Change in Unexpired Risks Reserve (Net of Reinsurer's Share and Reserves Carried Forward) (+/-)	0
1.3.1- Unexpired Risks Reserve (-)	0
1.3.2- Reinsurer's Share in Unexpired Risks Reserve (+)	0
2- Life Line's Investment Revenues Life Investment Income	30.633.456
3- Unrealized Profits in Investments Unrealized Investments Income	0

4- Other Technical Income (Net of Reinsurer's Share)	824.588
4.1- Gross Other Technical Income	824.588
4.2-Gross Other Technical Income Reinsurances' Share (-)	0
5- Recovery Income Accruals (+)	0
E- Life Technical Expense	-41.502.733
1- Incurred Losses (Net Of Reinsurer's Share)	-20.846.924
1.1- Paid Losses (Net of Reinsurer's Share)	-22.629.115
1.1.1- Gross Paid Losses (-)	-23.073.721
1.1.2- Reinsurers Share in Paid Losses (+)	444.606
1.2- Change in Outstanding Losses (Net of Reinsurers share and Reserves Carried Forward) (+/-)	1.782.191
1.2.1- Outstanding Losses Reserve (-)	1.011.038
1.2.2- Reinsurer Share in Outstanding Loss Reserve (+)	771.153
2- Change in Bonus and Rebate Reserve (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	0
2.1-Bonus and Rebate Reserve (-)	0
2.2-Reinsurers' Share in Bonus and Rebate Reserve (+)	0
3- Change in Mathematical Reserves (Net of Reinsurers' Share and Returned Reserve) (+/-)	-9.231.418
3.1-Mathematical Reserves (-)	-9.231.418
3.1.1- Actuarial Mathematical Reserves (+/-)	-6.372.821
3.1.2- Bonus Reserve (Investment Risk Provision for Policies at Policyholders)	-2.858.597
3.2- Reinsurer Share in Mathematical Reserves (+)	0
3.2.1- Reinsurers' Share in Actuarial Mathematical Reserves (+)	0
3.2.2- Reinsurers' Share in Bonus Reserve (Investment Risk Provision for Policies at Policyholders) (+)	0
4- Change in Other Technical Reserves (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	-514.054
5- Operating Expenses (-)	-7.100.639
6- Investment Expenses (-)	-3.809.698
7- Unrealized Losses in Investments (-)	0
8- Investment Income Transferred to Non-Life Technical Part (-)	0
F- Net Technical Income - Life (D - E)	7.468.515

G- Private Pension Technical Income	17.105.062
1- Fund Management Income	12.858.806
2- Management Cost Charge	2.435.561
3-Entrance Fee Income	1.229.723
4- Management Cost Charge in case of Suspension	580.967
5-Special Service Expense Charge	0
6- Capital Allowance Value Increase Income	0
7- Other Technical Incomes	5
H- Private Pension Technical Expense	-22.872.031
1- Fund Management Expenses (-)	-1.017.380
2- Capital Allowance Value Decrease Expense (-)	0
3-Operating Expenses (-)	-18.867.218
4- Other Technical Expenses (-)	-2.953.873
5- Punishment Payments	- 33.560
I- Net Technical Income – Private Pension (G – H)	-5.766.969

II- NON-TECHNICAL SECTION**Draft Unaudited
31.12.2021**

C- Net Technical Income-Non-Life (A-B)	34.836
F-Net Technical Income-Life (D-E)	7.468.515
I - Net Technical Income-Private Pension(G-H)	-5.766.969
J- Total Net Technical Income (C+F+I)	1.736.382
K- Investment Income	24.412.528
1- Revenues from Financial Investments Income from Financial Investments	6.647.660
2- Profits from Cashing in on Financial Investments Income from Liquidation of Financial Investments	43.773
3- Valuation of Financial Investments	1.605.314
4- Foreign Exchange Gains	16.115.781
5- Income from Subsidiaries	0
6- Income from Equity Investments and Joint-Ventures	0
7- Revenues from Land, Plots and Buildings Income from Property, Plant and Equipment	0
8- Income from Derivatives	0
9- Other Investments	0
10- Investment Income Transferred from Life Technical Part	0
L- Investment Expenses (-)	-4.656.424
1-Investment Management Expenses -Interest included (-)	-153.234

2-Diminution in Value of Investments (-)	-1.255.056
3- Loss from Realization of Financial Investments (-)	-156.340
4- Investment Income Transferred to Non-Life Technical Part (-)	0
5- Loss from Derivatives (-)	0
6- Foreign Exchange Losses (-)	-2.294.207
7- Depreciation Expenses (-)	-544.950
8-Other Investment Expenses (-)	-252.637
M- Income and Expenses from Other Operations and Extraordinary Operations (+/-)	-5.580.568
1- Provisions (+/-)	-4.722.799
2- Rediscounts (+/-)	0
3- Special Insurances Account (+/-)	0
4-Inflation Adjustment (+/-)	0
5- Deferred Tax Assets (+/-)	-299.498
6- Deferred Tax Liabilities Expenses (-)	0
7- Other Revenues and Profits Other Income	113.909
8-Other Expenses and Losses (-)	-672.180
9- Revenues and Profits from the Previous Year	0
10- Expenses and Losses for the Previous Year (-)	0
N- Net Profit/(Loss) for the Period	12.602.694
1- Profit/(Loss) for the Period (-)	15.911.918
2- Corporate Tax Provision and Other Fiscal Liabilities (-)	-3.309.224
3-Net Profit/(Loss) for the Period (-)	12.602.694
4- Inflation Adjustment Account Inflation Adjustment	0

CASH FLOW STATEMENT		Audited	Audited
A. CASH FLOWS FROM OPERATING ACTIVITIES		31.12.2021	31.12.2020
1. Cash provided from insurance activities		28.226.182	16.387.111
2. Cash provided from reinsurance activities		-	-
3. Cash provided from individual pension activities		5.542.883	17.991.267
4. Cash used in insurance activities		-54.453.837	-49.692.037
5. Cash used in reinsurance activities		-	-
6. Cash used in individual pension activities		-11.112.574	-22.300.289
7. Cash provided by operating activities (A1+A2+A3-A4-A5-A6)		-31.797.346	-37.613.948
8. Interest paid		-	-
9. Income taxes paid		-3.290.757	-1.319.789
10. Other cash inflows		4.918.760	2.643.350
11. Other cash outflows		-1.417.694	-241.553
12. Net cash provided by operating activities		-31.587.037	-36.531.940
B. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Proceeds from disposal of tangible assets	6 ve 8	-	12.256
2. Acquisition of tangible assets	6, 7 ve 8	-59.316	-5.320
3. Acquisition of financial assets		-18.776.152	-22.058.556
4. Proceeds from disposal of financial assets		28.095.145	32.851.974
5. Interests received		3.406.307	7.283.145
6. Dividends received	26	-	-
7. Other cash inflows		31.170.906	20.817.453
8. Other cash outflows		-17.076.423	-11.524.576
9. Net cash provided by operating investing activities		26.760.467	27.376.376
C. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Equity shares issued		-	-
2. Cash provided from loans and borrowings		-	-
3. Finance lease payments		-828.000	-828.000
4. Dividends paid		-	-
5. Other cash inflows		-	-
6. Other cash outflows		-	-
7. Net cash used in financing activities		-828.000	-828.000
D. EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS		13.821.574	4.532.463
E. Net cash increase in cash and cash equivalents		8.167.004	-5.451.101
F. Cash and cash equivalents at the beginning of the year		21.599.052	27.050.153
G. Cash and cash equivalents at the end of the year (E+F)	2.12	29.766.056	21.599.052

