

# Statement of Compliance with the Corporate Governance Principles

Türkiye Hayat Emeklilik hereby discloses that it conducts its operations in substantial compliance with the Corporate Governance Principles issued by the Capital Markets Board and the circular of the Ministry of Treasury and Finance of the Republic of Türkiye regarding corporate governance principles in insurance companies.

Türkiye Hayat Emeklilik shows the utmost care to achieve compliance with the four principles set out in the Principles, which are transparency, fairness, responsibility and accountability. Pursuant thereto in all activities of the Company, both

shareholders and stakeholders are treated equally and possible conflicts of interest are avoided.

Provided that reserving information that is a trade secret and has not yet been disclosed to the public, financial and non-financial information about the Company is disclosed to the public in a timely, accurate, complete, understandable, open to interpretation, low cost and easily accessible manner in accordance with the principle of transparency.

All activities of the Company's Board of Directors on behalf of the Company are

carried out and audited in accordance with the legislation, articles of association and in-house regulations.

The Company received its first corporate governance rating in 2022 to facilitate the independent evaluation of its corporate governance practices. This demonstrates the Company's commitment to transparently and fairly measuring its compliance to corporate governance requirements.

The first corporate governance rating recorded in October 2022 was 9.37.

Main Titles	Weight	Note
Shareholders	25%	94.23
Public Disclosure and Transparency	25%	93.36
Stakeholders	15%	98.50
Board of Directors	35%	91.45
Corporate Governance Rating		9.37

In 2021, the Board of Directors prepared the Declaration of Compliance to Sustainability. The first responses were explained in line with the Sustainability Principles Compliance Framework in the 2021 Annual Report. The responses corresponding to the report format of the Sustainability Principles Compliance Framework developed by Borsa İstanbul in 2022 can be found on page 84.

The first Sustainability Report of our Companies, prepared jointly for Türkiye Hayat Emeklilik and Türkiye Sigorta, has been officially released and is available for public access on our website. The Report encompasses various key components, such as our strategic sustainability roadmap, UNGC principles, 17 SDG principles, and BIST Sustainability principles; the sustainability work team; the risks and opportunities of the Company; our communication methods with our stakeholders; the results of our prioritization survey and selected priority topics; the Company's electricity, water, and heating consumption data for the last three years in the environmental performance information; the distribution of the number of employees in the social performance data; the OHS data and the training information provided to the employees; and the targets for the

year 2022. The 2021 Sustainability Report has been prepared in accordance with GRI standards, and GRI approval has been obtained for the report.

The Donation Policy, Disclosure Policy, and Dividend Distribution Policy were officially approved during the General Assembly meeting held on 28 March 2022. These policies have been subsequently published on the organization's website for public access. The Remuneration Policy and Compensation Policy have been presented to stakeholders and made available on the website for their reference.

The annual report provides details regarding the attendance of the Board of Directors' members at meetings, their professional backgrounds, external responsibilities, committee affiliations, and their status as independent members. The inclusion of corporate governance information in the annual report for the year 2022 has been duly ensured. The Annual Report contains details regarding the number of committee meetings. Managerial liability insurance was first implemented in 2022 to mitigate the potential risks associated with damages caused by the Company's Board Members and managers in the course of their professional responsibilities. The members of the Board of Directors conducted a self-

evaluation for the first time, documenting their assessments on various topics including Providing Information, Secretariat Activity, Duties and Responsibilities, Agenda and Meeting, Communication and Compliance, Meeting Participation, and Performance.

Notes about the assessment of the Board Committees and the assessment of the Corporate Governance Committee on the Board of Directors were provided.

Although there is not any policy that restricts the election of female board members, no female member exists in the Company's Board of Directors.

In its activities, the Company strives to avoid decisions and practices that would negatively impact compliance with corporate governance principles, and exercises the utmost care and attention to take positive steps to achieve alignment with the principles. As of the current situation, principles, which have not yet been fully complied with, have not caused any conflict of interest among stakeholders up until today. Corporate Governance Committee and the Investor Relations maintain their leading role regarding compliance with the principles, and contribution continues to be extended thereto.

# Corporate Governance Compliance Report

## SECTION 1 - SHAREHOLDERS

### 1.1 Facilitating the Exercise of Shareholder Rights

No discrimination is made between the shareholders in the exercise of the right to obtain and review information. All kinds of information that may affect the exercise of the rights of the shareholders are made available to the shareholders. The Company acts equally and transparently towards the shareholders with the responsibility for accountability. The Company avoids any transaction that will complicate the conduct of a special audit.

Regulations respecting Ordinary and Extraordinary General Assembly meetings, the way of making meeting announcements and voting rights are determined in our Company's articles of association. Prior to the General Assembly meetings, the Company takes all kinds of measures to ensure the participation of the shareholders in the General Assembly, and informs the shareholders about the General Assembly agenda in a complete manner, without causing any hesitation, and allowing the shareholders to make necessary preparations. Subjects in the agenda of the general assembly meeting are handled impartially and in detail, through an explicit and comprehensible method; shareholders are given the opportunities to explain their ideas and ask questions under equal conditions, and a healthy discussion environment is created.

The capital structure of the Company is published on the website as well as in the activity reports and related documents. There is no real person ultimately controlling shareholders in the partnership structure of the Company.

All relevant information that may affect the exercise of shareholders' rights is provided to shareholders through the Company's corporate website. The Company maintains comprehensive and secure records of all correspondence with shareholders, as well as other pertinent information documents, ensuring that they are accurate and up-to-date. The Investor Relations Directorate consistently delivers reports and updates to the Board of Directors on a regular basis throughout the year. The Investor Relations Directorate, in collaboration with the Corporate Governance Committee, delivered two presentations within the past year.

#### 1.1.1 Investor Relations Unit and Communication

The investor relations unit is carried out by an investor relations director and manager and three investor relations officers.

Communication with Investor Relations department is made through the e-mail address investor.relations@turkiyehayatemeklilik.com.tr Names and surnames and license information of the investor relations officers as well as their responsibilities in the department are given on the Company's website.

#### 1.1.2 Assignments of the Investor Relations Unit

The assignments of the Investor Relations Unit are summarized as following:

- To provide the communication of shareholders with the Board of Directors,
- To ensure that the General Assembly Meeting is held in accordance with the articles of association,
- To submit the General Assembly announcement, meeting agenda and meeting minutes to the information of the shareholders,
- To ensure the distribution of dividend and bonus share related to shareholders,
- To update periodically information about General Assembly, financial statements, Board of Directors, etc. on the E-Company Portal,
- To maintain the "Investor Relations" section of the corporate website up-to-date,
- To enable that the annual report is prepared in accordance with the regulations of the TCC (Turkish Commercial Code) and the Insurance and Private Pension Regulatory and Supervisory Agency and submitted at the right time and appropriate for the review of the partners,
- To be responsible for updating the Corporate Governance Principles Compliance Report,

- To lead the activities for compliance to corporate governance principles, and their rating,
- To participate in Corporate Governance Committee meetings, to inform the committee about the Company's efforts to comply with corporate governance principles,
- To spearhead the implementation of Corporate Sustainability initiatives within the Company and ensure that the set goals are achieved,
- To prepare a report concerning investor relations activities to the Board of Directors at least once a year,
- To help in adapting to the new regulations published through official statement and legislations.

### 1.2 Right to Obtain and Examine Information

The shareholders are provided with all the necessary information and documents essential for the proper exercise of their shareholder rights. For this purpose, the official website of the Company, [www.turkiyehayatemeklilik.com.tr](http://www.turkiyehayatemeklilik.com.tr), serves as an efficient platform, redirecting users to the secure website <https://www.turkiyesigorta.com.tr/>.

The Company consistently provides comprehensive and accurate information in a timely manner, without receiving any penalties or warnings from regulatory or supervisory institutions regarding this matter.

The entitlement of shareholders to obtain and review information is not invalidated or restricted by the Articles of Association and/or the decision of one of the Company's bodies.

While the Company's Articles of Association do not specifically address the shareholders' entitlement to request the appointment of a special auditor from the General Assembly, there are also no internal regulations or practices that impede the exercise of this right.

# Corporate Governance Compliance Report

## 1.3 General Assembly

The Ordinary General Assembly meeting, which involved a discussion of the activities carried out in 2021, took place on 28 March 2022, at 16:00 at the Company's headquarters situated at Levent Mahallesi Çayır Çimen Sokak No: 7 Beşiktaş İstanbul. It was conducted without prior announcement in accordance with Article 416 of the Turkish Commercial Code.

Furthermore, in accordance with Article 437 of the Turkish Commercial Code numbered 6102, the financial statements, annual activity report, audit reports, profit distribution proposal of the Board of Directors, and the necessary notifications and explanations required by the relevant legislation and Corporate Governance Principles have been duly provided to shareholders in a timely manner. Our partners have not made a formal request for the appointment of a special auditor during the specified period.

General Assembly meetings are held at the Company headquarters with the participation of all shareholders without being called. Shareholders are informed before the General Assembly for making the necessary preparations. Chairman of the General Assembly shall chair the meeting as to protect the rights of the shareholders. Applications which can make exercising the right to vote difficult are avoided. At the General Assembly meetings, the agenda items are voted one by one and the shareholders are informed about the voting results.

The shareholders were provided with a comprehensive report on the total amount and beneficiaries of all donations and aids made during the specified period. This information was presented as a separate agenda item, and it received unanimous approval from the shareholders, and it was resolved that the maximum limit for donations and aid expenditures in 2022 would be set at TL 10,000,000. The Dividend Distribution Policy, Donation Policy, and Disclosure Policy were approved unanimously. The Remuneration Policy and Compensation Policy were also presented to the shareholders for their information.

In the General Assembly meeting, no changes were made regarding the members of the Board of Directors, and the Board of Directors of the previous period was re-elected.

## 1.4 Right to Vote

The Articles of Association and internal procedures do not include any regulations that impede the exercise of the right to vote. Each shareholder is provided with the opportunity to exercise their voting rights in a convenient and appropriate manner. Pursuant to Article 18 of the Company's Articles of Association, it is stipulated that each share shall carry one voting right.

Shareholders have the option to exercise their voting rights during general assembly meetings either in person or by appointing a third party to act as their proxy. This applies to both shareholders and non-shareholders, and appropriate proxy templates are made available for shareholders to utilize for this purpose.

The Company does not possess any shares that grant privileged voting rights. The Company does not possess any subsidiary entities that establish a dominant relationship through reciprocity.

## 1.5 Minority Rights

The Company pays utmost attention to the exercise of minority rights. The Company avoids practices that make it complicated for shareholders to freely transfer their shares.

The partnership structure of the Company does not include any minority shareholding.

Nevertheless, there is currently no provision in the Articles of Association that regulates the extension of minority rights or the allocation of such rights to individuals holding less than one twentieth of the capital. Minority rights were not described in the Company's Articles of Association.

## 1.6 Dividend Rights

The Dividend Distribution Policy of Türkiye Hayat Emeklilik has been presented for approval to the shareholders during the Ordinary General Assembly held on 28 March 2022, and has been duly approved. The distribution of profits within the Company is carried out in accordance with the provisions of the Turkish Commercial Code, insurance regulations, and other applicable legislation. This process is also aligned with the guidelines outlined in Article 22 of the Company's Articles of Association. In the aforementioned article, it has been indicated that the dividend will be allocated

equally among all currently held shares, irrespective of their issuance and acquisition dates. The specific method and timing of the dividend distribution will be determined by the General Assembly, upon a proposal put forth by the Board of Directors.

The profit distribution proposal, which was decided upon during the Board of Directors meeting dated 04 March 2022 and numbered 4/19, was discussed and accepted at the General Assembly held on 28 March 2022, and it was resolved that the distribution of profits would be made to the shareholders as of 15 September 2022. The dividend distribution process of the Company does not entail any privileges, and the Articles of Association do not contain any provisions regarding the distribution of advance dividends.

## 1.7 Transfer of Shares

Appertaining to the transfer of shares, the provisions of the Turkish Commercial Code, Private Pension Savings and Investment System, Insurance Law and relevant legislation are applied. There is no restriction which prevents the transfer of shares.

The share transfer made in accordance with the above-mentioned procedure should be approved by the Board of Directors and recorded in the share register. The transfer of share certificates to real and legal persons or the establishment of usufruct rights is subject to the approval of the Board of Directors.

In order for the Company to achieve its purpose, the shareholders of the Company should meet the conditions sought in the relevant legislation in the founding partners, and the Company should be composed of people who are experienced and knowledgeable in the field of activity. Should one of the partners wish to transfer their shares to third parties who do not have the qualifications specified in this paragraph or to establish usufruct rights, is an important reason which shall cause the common environment to change. In the case that this significant reason occurs, the Board of Directors of the Company may reject the request for approval. Article 493/3 and article 493/4 of the Turkish Commercial Code provisions are also reserved.

## SECTION 2 – PUBLIC DISCLOSURE AND TRANSPARENCY

### 2.1. Corporate Website

The corporate website of the Company, <https://turkiyehayatemeklilik.com.tr>, is redirected to <https://www.turkiyesigorta.com.tr>.

The Company is responsible for providing the information required to be disclosed as per the legislation, on the website, and their actuality and accessibility. The website is actively used for informing and public disclosure. Through sections such as general information about the Company, members of the board of directors and senior executives, products, online transactions, fund performances, agencies, contracted health institutions, frequently asked questions, investor relations and addressing to the communication sections are made on the website.

On the website; trade registry information, partnership structure, management structure and organization, articles of association, Corporate Governance Principles Compliance Report with vision and mission, annual reports for the last five years, financial statements and footnotes, independent audit reports, policies and industrial information are included.

Information policy, Ethical Principles policy, Sustainability policy, Human Resources policy, Occupational Health and Safety policy, Quality policy, Salary policy, Compensation policy, Dividend Distribution policy, Donation and Aid policy and Business Continuity policy of our Company can be found on the corporate website.

Up-to-date news about the Company, press releases, addresses of regional directorates and contact information, as well as information about products related to our field of activity are also involved on the website.

Contact information of the headquarter and regional offices of the Company is located in the “contact” section. The Customer Communication Center (+90 850) 202 20 20 was introduced to customers and the relevant information is given on the website.

Pursuant to Article 1524 of the Turkish Commercial Code, the content to be announced on the website should be uploaded to the pages of the companies with a secure electronic signature and time stamp, the uploaded content should be kept in a secure environment, the content should be made available for access, and it should be archived securely.

Information about our Company can be accessed from the “Legal Disclosure” section on the website under the title of information society services (e-Company), and all stakeholders are informed.

The relevant information and data from the past five years can be accessed on the website. The English translation of the corporate website primarily features sections on our Company, sustainability, and investor relations, providing relevant information in these areas. The Company is currently making efforts to develop additional sections on the English version of its corporate website.

The Company ensures that information and data are promptly, accurately, comprehensively, and easily accessible to the public or inquiring institutions, in accordance with legal requirements.

### 2.2 Disclosure Policy

Regarding public disclosure, the Türkiye Hayat Emeklilik disclosure policy was authorized by the General Assembly in 2021. The policy is available on the website and on page 89 of the annual report.

Information and data about the Company are made available to the public or the requesting institution in a timely, accurate, complete, understandable, up-to-date and easily accessible manner.

### 2.3 Public Disclosure Platform (PDP)

In accordance with the “Regulations on Principles Related to the Establishment and Operations of Pension Investment Funds” published in the Official Gazette dated 13.03.2013 and numbered 28586, the Public Disclosure Platform (PDP) regarding Pension Investment Funds, following notifications are provided:

- Prospectus and Bylaw,
  - Amendments to Prospectus and Bylaw,
  - Fund Expense Notifications (Once a year, within 6 working days following the accounting period),
  - Fund Total Expense Rate Notifications (Once a year, within 6 working days following the accounting period),
  - 6-Month Reports from Periodic Reports (within 6 weeks following the accounting period),
  - Annual Report from Periodic Reports (within 90 days following the accounting period), Performance Report from Periodic Reports (Twice a year, within 6 working days following the accounting period),
  - General Comments about the Fund, if any,
- are notified.

Within the scope of “Guidelines on Pension Investment Funds,” which is adopted as the Principle Decision of the Capital Markets Board (CMB) numbered i-SPK.4632 s.kn.17.3 (dated 03.03.2016 and 7/223 s.k.), regarding Pension Investment Funds, followings are notified to PDP:

- Intermediary Institution Commission Information Report (4 times a year, within 10 working days following the accounting period)
  - Fund Management Fee Sharing Rate (Once a year, within 6 working days following the accounting period)
- are notified.

# Corporate Governance Compliance Report

## 2.4 Activity Report

The Board of Directors ensures that the annual reports represent a true and complete view of the Company's activities.

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

## SECTION 3 – STAKEHOLDERS

### 3.1 Company Policy Regarding Stakeholders

Stakeholders of the Company are provided with every kind of information in their areas of interest. Conflicts of interest between the stakeholders are discussed in a balanced manner. Our Company protects the rights of stakeholders independently of each other. Information is shared in internal meetings, and via the communication channels regarding the applications, and e-mail as well as the bulletins of the Company. Public disclosures are made through press conferences, statements made through the media, information on the website, and information society service. Whistleblowing mechanisms and report lines are in place for reporting legal and ethical issues.

In the Corporate Governance Principles, stakeholders are defined as individuals, institutions or interest groups, such as employees, creditors, customers, suppliers, unions, various non-governmental organizations, who possess an involvement in the achievement of the Company's goals or activities. Türkiye Hayat Emeklilik is committed to safeguarding the rights of stakeholders in accordance with applicable laws and mutual agreements during its operations and activities.

### 3.2 Supporting Participation of Stakeholders in Company Management

Persons/institutions that affect the activities of the Company or are affected by the activities of the Company are considered as the Company's stakeholders. All kinds of opinions and evaluations of stakeholders are taken into account through various communication platforms.

The rights of the stakeholders are protected independently of each other. On the condition that conflicts of interest arise between stakeholders or should a stakeholder be included in more than one interest group, as far as possible a balanced policy is pursued in terms of protecting the rights owned.

Türkiye Hayat Emeklilik takes every precaution to ensure customer satisfaction in the provision of products and services. Within the context of trade secrets, confidentiality of information about customers and suppliers is watched over. Necessary measures are taken by the Company in order to establish good relations between the Company and its customers and suppliers, free from unfair advantage, and to comply with the terms of the agreement between the parties.

The methods such as questionnaires, receiving requests, filling in the suggestion forms and consultation were applied to ensure the participation of employees in management and to get the opinions of stakeholders about the important decisions which will bring results for them.

A priority survey was developed by gathering samples from all stakeholder groups in order to rank the subjects in terms of importance in sustainability studies, and the results of the survey were released in the 2021 Sustainability Report.

### 3.3 Human Resources Policy of the Company

Human Resources Policy of the Company is published in the annual report and on the corporate website.

To achieve the Company's objectives and strategic goals, it is intended to provide a working environment that will increase the employment of needed employees, performance, and efficiency, as well as reward accomplishments while supporting career plans through training and development programs.

All employee rights are explicitly outlined in the Human Resources regulation, and all employees who meet the specified requirements benefit from these rights without discrimination. The personal data of employees is stored with proper care in accordance with the KVK Law's requirements. The employees are provided with safe work settings and conditions that are in accordance with regulations governing occupational safety and health.

### 3.4 Relations with Customers and Suppliers

Türkiye Hayat Emeklilik places customer satisfaction at the forefront of its operations. In order to carry out its processes in a certain order, the Company continues its efforts to obtain ISO 10002:2018 (Customer Satisfaction Management System) and ISO 18295:2017 (Customer Relationship Management System) quality certifications, as well as its document renewing efforts. The Company places emphasis on the customer experience, seeks to incorporate the customer's voice at every point of contact, and strives to facilitate the customer's relationship with the Company through the implementation of improvements.

Additionally, the Company holds ISO 27001 Information Security certification, encompassing the safeguarding of its financial data, intellectual property, and sensitive customer information. Furthermore, the Company successfully obtained the ISO 9001:2015 Quality Management certificate in 2022.

In an effort to establish positive and lasting relationships with its suppliers, it assists them in meeting mutual demands. It prioritizes topics such as making supplier selections based on fair and measurable criteria and resolving any issues with the supplier in a constructive manner. Opportunities for the efficient operation of the supplier and the work team, which, with the exception of administrative matters, performs the activities collectively, are determined in advance, and the contract is prepared so as to safeguard mutual rights. Suppliers are paid in a timely manner and in full.

### 3.5 Business Continuity Management

Business continuity covers all the work to be carried out to determine the critical processes of our Company, to carry out the necessary efforts for the continuity of these processes, and to make them work again within acceptable interruptions in cases where continuity cannot be ensured.

The Business Continuity Policy and the basic principles of the Business Continuity Management System are outlined and shared with all relevant parties. The Company has started preparations to obtain the ISO 22301 Business Continuity quality certificate. Accordingly, it plans to update its Business Continuity policy in 2023. Within the scope of the Business Continuity Policy Principles, it is as important to provide a good service for our Company as to ensure the

continuity of that service. All employees take an active role in ensuring business continuity. Our Company, which attaches utmost importance to the continuity of all business processes and corporate operations in order to provide the highest possible value to its customers and stakeholders, strives to achieve the world standard in order to provide uninterrupted service even in extraordinary conditions.

### 3.6 Ethical Principles

A set of Ethical Rules and Principles that all employees are required to adhere to has been developed and made public on the Company's website. The Ethical Principles of Türkiye Hayat Emeklilik include the general principles that employees have to follow while performing their duties as well as the regulations governing the working order. These principles are intended to prevent all possible disputes and conflicts of interest between employees, customers, and the Company. The Company's ethical principles have been prepared to include all types of information and have been made available to the public. Ethical principles policy of the Company was updated. It is planned to submit the policy for the approval in the General Assembly meeting for 2022.

### 3.7 Social Responsibility

The Company's Corporate Social Responsibility Policy was created in September 2022 and added to the site. Being aware of all its responsibilities towards society and the environment, the Company has carried out various social responsibility projects and activities in 2022, as it does every year. Details of the projects and activities were announced to the public via various media channels, on the website and in the annual report.

### 3.8 Sustainability

The Company released its first Sustainability Report on its official website in November 2022. The Company's Sustainability Report disclosed its strategic sustainability roadmap and medium to long-term objectives to the general public. In the year 2022, two presentations were delivered to the Board of Directors regarding sustainability. The Corporate Sustainability Policy undergoes an annual review conducted by the Sustainability Working Group. The Sustainability Working Group monitors the progress of the annual targets set within the policy. This monitoring takes place on a monthly basis, and the results are reported to the Board of Directors twice a year during the semi-annual periods. The sustainability organization has undergone expansion to enhance the seamless integration of sustainability topics into business processes. The sustainability organization is provided on page 82 of the annual report. Additionally, the Company publicly shares the Sustainability Principles Compliance Framework in its annual report. Thus, the Company disclosed the current status and areas of development in the field of sustainability to the public.

# Corporate Governance Compliance Report

## SECTION 4 – BOARD OF DIRECTORS

### 4.1 Structure of the Board of Directors

Within the scope of the provisions of the Turkish Commercial Code, Insurance and Pension Legislation, and other legislation, the business and administration of the Company is executed by the General Assembly per a Board of Directors consisting of at least 6 (six) members in total together with the General Manager of the Company or his deputy, who is the natural member of the Board of Directors. The names, assignment and starting dates of the Chairman and members of the Board of Directors are presented below;

Position	Name	Starting date	Ending Date
Chairman	Aziz Murat ULUĞ	31.03.2021	-
Vice Chairman and CEO	Atilla BENLİ	15.12.2020 General Manager / 16.01.2019 Board member / 02.06.2020 Chairman of the Board / 31.03.2021 Vice Chairman of the Board	-
Member	Muhammed Mahmut ER	10.09.2020	-
Member	Murat AKGÜÇ	31.03.2021	-
Independent Member	Murat AKBALIK	02.06.2020	-
Independent Member	Mehmet AYDOĞDU	02.06.2020	-

- : continuing

The roles of the Chairman and Chief Executive Officer (General Manager) were separated and defined. In the first Board meeting held after the General Assembly dated 31.03.2021, the Chairman of Board of Directors was elected among the Board Members who are not charged with execution. The General Manager of the Company is a natural member of the Board of Directors and has the right to vote. Exclusive of the General Manager, who is a natural member, the Members of the Board of Directors are elected for minimum 1 and maximum 3 years. Nevertheless, members whose terms have expired can be re-elected. The General Assembly determines the amount of the remuneration to be given to the Members of the Board of Directors. The General Assembly always has the authority to dismiss the Members of the Board of Directors and replace them with another member. There is no policy that restricts the election of female Board Members.

### 4.2 Powers and Responsibilities of the Members of the Board of Directors

The powers and responsibilities of the members of the Board of Directors and managers of the Company are explicitly stated in the Company's Articles of Association. According to Article 13 of the Articles of Association, the Board of Directors is authorized to take resolutions on all transactions other than those left exclusively to the decisions of the General Assembly.

Members of the Board of Directors should comply with the qualifications set forth in Article 6 of the "Regulation on Establishment and Working Principles of Insurance Companies and Reinsurance Companies." The documents of the persons appointed to the Board of Directors are prepared and sent to the Insurance and Private Pension Regulation and Supervision Agency

Educational status, professional experience and backgrounds of the members of the Board of Directors and auditors are reported in the annual report of the Company, and additionally the CVs of the chairman and members are available on the website under the heading of the Board of Directors.

Liabilities of the members of the Board of Directors are covered by professional liability insurance in order to cover the losses that may occur in the Company during their duties. Preparation for making professional liability insurance in order to cover the losses that may occur in the Company during duties of the Board members continues.

### 4.3 Form of Board of Directors Meetings

The agendas of the Board of Directors meetings are determined according to the issues and authorities specified in article 11 of the articles of association. The Board of Directors convenes in accordance with the necessity of the business of the Company with the invitation of the Presidency or with the written request of one or more members to ensure that the business is managed without hitch. Each member of the Board of Directors has the right of one vote. In order for the resolutions of the Board of Directors to be valid, the majority of the members must attend the meetings. All of the Board Members participated in all meetings of the Board of Directors.

#### 4.4 Committees Established within the Board of Directors

In order for our Board of Directors to carry out more productive and constructive works and to take quick and rational decisions, the Strategy Management Committee and the Information Technologies Steering Committee were established with the resolution taken by the Board of Directors, apart from the committees that should be formed as required with the legislation. Committees invited the persons deemed necessary to obtain their views, to the meetings. The committees got consulting service for their activities for 2021. The Committees of the Board of Directors, their members and distribution of their assignments are presented below;

Committees	Committee Members	Position	Duties in the Committee
Corporate Governance Committee	Murat AKBALIK	Board Member	Committee Chairman
	Murat AKGÜÇ	Board Member	Committee Member
	Fulden PEHLİVAN	Investor Relations Manager	Committee Member
Audit Committee	Murat AKBALIK	Independent Board Member	Committee Chairman
	Mehmet AYDOĞDU	Independent Board Member	Committee Member
	Gürdoğan YURTSEVER	Head of Internal Systems	Committee Member
Early Detection of Risk Committee	Murat AKBALIK	Board Member	Committee Chairman
	Mehmet AYDOĞDU	Independent Board Member	Committee Member
	Murat SÜZER	Assistant General Manager	Committee Member
Strategy Management Committee	Atilla BENLİ	Vice Chairman and CEO	Committee Chairman
	Murat AKGÜÇ	Board Member	Committee Member
	Bilal TÜRKMEN	Assistant General Manager	Committee Member
Information Technologies Steering Committee	Muhammed Mahmut ER	Board Member	Committee Chairman
	Bilal TÜRKMEN	Assistant General Manager	Committee Member
	Sevda Mersin HENDEM	Assistant General Manager	Committee Member

\* Ali Araz resigned from consulting job, so Sevda Mersin Hendem was elected as the member as of 22 January 2022.

The regulations of the committees are available on the corporate website of the Company.

#### 4.5 Department of Internal Systems

Department of Internal Systems was established in December 2021 as per the Regulation on Internal Systems in Insurance and Private Pension Industries published in the Official Gazette dated November 25, 2021 no. 31670. Head of Internal Systems was appointed as the Audit Committee member. Furthermore, Risk Management, Internal Control and Actuarial functions/units were incorporated in the Department of Internal Systems administratively.

The organization was changed accordingly to ensure performance of the Company's responsibilities for internal systems via the Audit Committee, and

to position Risk Management, Internal Control, Actuarial and Legislation Compliance functions administratively under the Audit Committee, and the Internal Audit function directly under the Board of Directors.

#### 4.6 Financial Rights Provided to the Members of the Board of Directors and Managers with Administrative Responsibility

The remuneration policy of the Company is available on the corporate website. Members of the Board of Directors do not receive any remuneration other than the attendance fee determined at the General Assembly. Salaries of the Members of the Board of Directors determined in the General Assembly every year are notified

to the relevant persons in the General Assembly minutes. The financial rights information granted to the Members of the Board of Directors and senior executives is published in the annual report.

The Company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favor of them.

# Sustainability Approach and Practices

The primary mission of Türkiye Hayat Emeklilik, which is fulfilled through its products and services, is to contribute to promote the peaceful and safe life of the society. In this respect, sustainability is one of the key pillars of Türkiye Hayat Emeklilik's strategy.

Türkiye Hayat Emeklilik closely follows both sectoral and global sustainability trends, conducts regular assessments of stakeholder expectations in this area, and reviews its business processes, products, and services through risk and opportunity analyses.

The evaluation of stakeholder priorities involved an analysis of the results obtained from the prioritization survey conducted in 2021. Sustainability priority issues were categorized into 4 separate groups, based on input from employees, external stakeholders' expectations, as well as sectoral and global risks.

During the transition period towards 2022 sustainability reporting, sets of indicators were shared and there was a close exchange of information with all of the units. Due to devoted efforts, the initial Sustainability Report of our companies, jointly prepared by Türkiye Hayat Emeklilik and Türkiye Hayat Emeklilik, has been created in both Turkish and English languages.

The sustainability report encompasses the Strategic Company's Sustainability roadmap, the UN Global Principles, 17 Sustainability Development Goals (SDGs), and BIST Sustainability principles, and outlines the Sustainability team and communication methods employed to communicate with our stakeholders.

The Company has disclosed its environmental performance data, which includes electricity, water, and heating consumption over the past three years, and shared social performance data, which encompasses employee distribution, OHS data, and information on employee training.

Based on all this information, goals have been set for the year 2022 pertaining to environmental, social and governance matters. Aligned with our organizational motto of "Insurance for Positive Impact," we strive to achieve our objectives by systematically managing the economic, environmental, and social impacts of all our processes.

As a means of promoting sustainability awareness, Investor Relations delivered a "Sharings on Sustainability Presentation" to recently hired MT employees as part of the Career Z program. The presentation focused on the Native American perspective, which emphasizes that "the earth is borrowed from children, not from ancestors."

# Sustainability Organization

The procedures and functions executed by the various departments within our organization make numerous contributions to sustainability efforts. In order to ensure a positive impact on the work while enabling more efficient progress, it has become essential to make changes in the sustainability organization. In order to continue the sustainability activities with a more balanced and stronger organization, the Corporate Governance Committee has considered a restructuring in the organization of the Sustainability Committee.

In this regard, it was considered to establish a “Sustainability Committee” comprising of executives possessing expertise in the Company’s strategy, technique, operations, sales, governance, sustainability, employee and communication management processes, under the Corporate Governance Committee. Additionally, “Sustainability Sub-Committees” were considered to be established under the aforementioned committee to address the five fundamental sustainability issues. The updated sustainability organization is structured as follows:



# Sustainability Principles Compliance Report

	Compliance Status				Report Information/Link To Public Disclosed Information
	Yes	No	Partial	Irrelevant	
<b>A. General Principles</b>					
<b>A1. Strategy, Policy and Targets</b>					
	The Board of Directors determines material environmental, social and governance (ESG) issues, risks and opportunities.				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 26, 27
<b>A1.1</b>	The Board of Directors establishes relevant ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policy, etc.) and they are publicly disclosed.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/policies">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/policies</a>
<b>A1.2</b>	Publicly discloses short- and long-term goals set according to ESG policies.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 15, 34
<b>A2. Implementation/Monitoring</b>					
	Determines and discloses the committees/units responsible for the execution of ESG policies, and the highest level positions in charge of ESG issues at the Company and their duties.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 17
<b>A2.1</b>	The responsible committee and/or unit reports the activities carried out as per the policies during the year at least once a year to the Board of Directors.	√			5 documents on the work carried out by the company's sustainability organization in 2022 were submitted to the Corporate Governance Committee, which monitors sustainability activities before the Board of Directors.
<b>A2.2</b>	Creates and discloses implementation and action plans aligned with ESG targets	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 15, 39, 40, 46, 51 ve 72
<b>A2.3</b>	Discloses ESG Key Performance Indicators (KPI) and the degree of their achievement by years.		√		Current ESG Key Performance Indicators (KPI) are presented on a yearly basis at <a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> . Page: 76, 77, 78, 79
<b>A2.4</b>	Discloses efforts for improving sustainability performance with respect to work processes or products and services.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 38-74
<b>A3. Reporting</b>					
<b>A3.1</b>	Discloses sustainability performance, targets and actions in an intelligible, accurate and adequate manner in annual reports.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/financial-reports/annual-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/financial-reports/annual-reports</a> 2022 Annual Report Page: 116-117
<b>A3.2</b>	Provides information about which of the United Nations (UN) 2030 Sustainable Development Goals its activities relate to.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 8, 16
<b>A3.3</b>	Makes disclosures regarding the lawsuits filed and/or concluded against the company on account of ESG issues, which are material with respect to ESG policies and/or have material impact on operations.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 83

		Compliance Status				Report Information/Link To Public Disclosed Information
		Yes	No	Partial	Irrelevant	
<b>A4. Verification</b>						
<b>A4.1</b>	ESG Key Performance measurements are verified by an independent third party and publicly disclosed.		√			ESG Key Performance metrics will be verified by an independent third party in the 2022 Sustainability Report.
<b>B. Environmental Principles</b>						
<b>B1</b>	Publicly discloses its environmental management policy and practices, action plans, environmental management systems (known by ISO 14001 standard) and programs		√			
<b>B2</b>	Publicly discloses the limitations over the reporting scope, reporting period, reporting date, reporting conditions of the environmental reports to be prepared for providing environmental management information		√			
<b>B3</b>	Provided in A2.1.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 17
<b>B4</b>	Discloses the environmental targets included in rewarding criteria within the scope of performance incentive systems on the basis of stakeholders (board members, executives, employees and so on).		√			
<b>B5</b>	Explains how environmental issues identified to be material are integrated into business goals and strategies.		√			
<b>B6</b>	Provided in A2.4.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 38-74
<b>B7</b>	Explains how it manages environmental issues throughout the Company's value chain including suppliers and customers so as to cover the operation process as well and how they are integrated into its business goals and strategies.			√		<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 48
<b>B8</b>	Discloses whether it is involved in policy-making processes on environmental issues of relevant institutions and non-governmental organizations and its collaborations with these institutions and organizations, if any.		√			
<b>B9</b>	Periodically reports information about its environmental impacts comparatively in the light of environmental indicators; GHG emissions Scope-1 (Direct), Scope-2 (Indirect from purchased energy), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity implications).	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 47-50
<b>B10</b>	Discloses the standard, protocol, methodology and baseline year details used to collect and calculate its data.			√		<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 49

## Sustainability Principles Compliance Report

		Compliance Status				Report Information/Link To Public Disclosed Information
		Yes	No	Partial	Irrelevant	
<b>B11</b>	Publicly discloses the status of environmental indicators for the reporting year (increase or decrease) in comparison with previous years.			√		<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 49, 50
<b>B12</b>	Sets short and long-term goals to reduce its environmental impact and discloses these goals and the progress, if any, as compared to the targets set in previous years.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 34, 46-50, 76
<b>B13</b>	Discloses its strategy and actions to combat the climate crisis.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 34, 46-50, 76
<b>B14</b>	Explains its programs or procedures to prevent or minimize the potential negative impacts of the products and/or services it offers.		√			
	Takes and explains its actions for driving reduction of GHG emission quantities of third parties (e.g. suppliers, sub-contractors, dealers, etc.).		√			
<b>B15</b>	Discloses the total number of actions taken, projects carried out and initiatives undertaken to mitigate its environmental impacts, along with the benefits/revenues and cost savings they provide.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 48
<b>B16</b>	Reports energy consumption data (gas, diesel oil, fuel oil, LPG, coal, electricity, heating, cooling, etc.) and discloses its energy consumption as Scope-1 and Scope-2.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 49, 50
<b>B17</b>	Discloses information about the electricity, heat, steam and cooling generated during the reporting year.			√		<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 76
<b>B18</b>	Discloses information about the electricity, heat, steam and cooling generated during the reporting year.			√		<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 12
<b>B19</b>	Discloses data on its renewable energy generation and consumption.		√			
<b>B20</b>	Develops energy efficiency projects and discloses the quantity reduced in energy consumption and emission enabled by these efforts.		√			
<b>B21</b>	Reports the amount of underground or overground water withdrawn, recycled and discharged, the resources and procedures.				√	
<b>B22</b>	Discloses whether its operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).				√	
<b>B23</b>	Discloses the carbon credits saved or purchased during the reporting period.				√	

		Compliance Status				Report Information/Link To Public Disclosed Information
		Yes	No	Partial	Irrelevant	
<b>B24</b>	Discloses the details if carbon pricing is applied within the Company.				√	
<b>B25</b>	Discloses the platforms that it reports its environmental information to.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 46-50, 76
<b>C. Social Principles</b>						
<b>C1. Human Rights and Employee Rights</b>						
<b>C1.1</b>	Develops a Company Human Rights and Employee Rights Policy, which pledges full compliance with the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other applicable legislation. Discloses the policy and the roles and responsibilities associated for its implementation.		√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/policies/human-resources-policy">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/policies/human-resources-policy</a> <a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/ethical-principles">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/ethical-principles</a>
<b>C1.2</b>	Incorporates equitable workforce, improvement of working standards, women's employment and inclusion (not discriminating on the basis of gender, race, religion, language, marital status, ethnicity, sexual orientation, gender identity, family responsibilities, union activities, political affiliation, disabilities, social and cultural differences, etc.) in its policy concerning employee rights, while looking out for the effects of supply and value chain.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/policies/human-resources-policy">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/policies/human-resources-policy</a> <a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/ethical-principles">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/ethical-principles</a>
<b>C1.3</b>	Discloses the measures taken throughout the value chain for protecting the rights of groups sensitive to certain economic, environmental, social factors (low-income groups, women, etc.) or for securing minority rights/equal opportunity.			√		<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 55, 56
<b>C1.4</b>	Reports on progress in relation to actions for preventing and remedying discrimination, inequality, human rights violations, forced labor and child labor.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 85
<b>C1.5</b>	Incorporates investments in employees (training, development policies), employee compensation, fringe benefits granted, the right to unionize, work/life balance solutions and talent management in its policies concerning employee rights.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 53-58
<b>C1.5</b>	Determines the mechanisms for resolution of employee complaints and labor disputes, and establishes conflict resolution processes.			√		<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 53
	Discloses the activities for ensuring employee satisfaction during the reporting period.	√				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/financial-reports/annual-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/financial-reports/annual-reports</a> 2022 Annual Report Page: 89

# Sustainability Principles Compliance Report

	Compliance Status				Report Information/Link To Public Disclosed Information
	Yes	No	Partial	Irrelevant	
	Establishes and discloses occupational health and safety policies.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 47, 61
<b>C1.6</b>	Discloses the measures adopted for preventing workplace accidents and for protecting occupational health along with statistical data on accidents.				<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 61
<b>C1.7</b>	Establishes and discloses personal data protection and data security policies.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 60
<b>C1.8</b>	Establishes and discloses a code of ethics.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/ethical-principles">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/ethical-principles</a> <a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 52
<b>C1.9</b>		√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 71-74
<b>C1.10</b>	Organizes information meetings and training programs on ESG policies and practices for employees.		√		
<b>C2. Stakeholders, International Standards and Initiatives</b>					
<b>C2.1</b>	Establishes and discloses a customer satisfaction policy for handling and resolving customer complaints.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/policies/complaint-management-policy">https://www.turkiyesigorta.com.tr/en/investor-relations/insurance/corporate-governance/policies/complaint-management-policy</a>
<b>C2.2</b>	Discloses information about the communication maintained with stakeholders (which stakeholders, topics and frequency).	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 19
<b>C2.3</b>	Discloses the international reporting standards embraced in its reporting.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 80-86
<b>C2.4</b>	Discloses the principles embraced in relation to sustainability, international organizations, committees and principles that it is a signatory or member of.			√	<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 16, 17
<b>C2.5</b>	Makes improvements and concrete efforts to qualify for inclusion in sustainability indices of Borsa İstanbul and/or international index providers.		√		
<b>D. Corporate Governance Principles</b>					
<b>D1</b>	Seeks stakeholders' opinions when determining the measures and strategies in relation to sustainability.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 20-25
<b>D2</b>	Works on raising awareness of sustainability and its importance through social responsibility projects, awareness activities and training programs.	√			<a href="https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports">https://www.turkiyesigorta.com.tr/en/investor-relations/sustainability/our-sustainability-reports</a> Page: 71-74

# Disclosure Policy

## I-PURPOSE

Our Company adopted as a principle that its partners, employees, stakeholders, public institutions and therefore all stakeholders have access to information about the Company in a complete, equal, transparent, accurate, timely and understandable manner.

With the aim of announcing the past performance, non-trade secret information, and strategies and targets, the Company sets Information Policy within the framework of the Circular on Corporate Governance Principles of Insurance, Reinsurance and Pension Companies issued by Undersecretariat of Treasury, the Regulation on Principles regarding Establishment and Activities of Pension Investment Funds and the other principles for public disclosure.

## II-RESPONSIBILITY

The Disclosure Policy is enforced upon approval by the Board of Directors, approved by the General Assembly, and publicly disclosed on the Company's website. The Board of Directors is authorized to modify the text of the Policy, and revisions to be made are presented for the approval of the General Assembly, and publicly disclosed.

## III. DISCLOSURE TOOLS AND METHODS

The information tools contain Company's website, information society services, financial reports, promulgations in Trade Registry Gazette, press releases, bulletins, meetings and social media announcements.

Disclosure tools and methods are described in detail below.

### a. Company's Website

The corporate website of our Company on [www.turkiyehayatemeklilik.com.tr](http://www.turkiyehayatemeklilik.com.tr) is available in Turkish (full) and English (partial). The website is actively used for informing and public disclosure. Ultimate attention is paid to keep the website current and up-to-date at all times.

The website has "About Us," "Investor Relations," "Human Resources," "Sustainability," "Information" and "Help Center" sections as well as the sections where insurance products are introduced.

General information about the Company, vision, mission and values of the Company, resumes of the Board of Directors and Senior Management, commercial movies, radio spots and campaign announcements are given in "About Us" section. "Human Resources" section contains employee

profile, human resources practices and career opportunities, customer contact information in the Contact section, headquarters, regional sales directorates, agency contact information and contracted institution application forms.

Shareholding structure, trade registry information, participation information, the date and number of the trade registry gazettes in which the articles of association and amendments to the articles of association were published, corporate governance compliance report, information about the board of directors, committees and their members and various policies are found in the "Investor Relations" section. Besides, it includes the annual reports for the last five years, financial statements and footnotes, and independent audit reports. For contacting the investor relations, the e-mail address [investor.relations@turkiyehayatemeklilik.com.tr](mailto:investor.relations@turkiyehayatemeklilik.com.tr) was given on the website.

### b. Information Society Services

Information Society Services tab under the information section on the Company website gives access to Company information on the companies information portal (e-Company) of the Central Securities Depository of Turkey (MCK). Accessible by all stakeholders, the information on the said portal are kept up-to-date by the Investor Relations.

### c. Financial Reports

Financial reports are a set of reports composed of the quarterly financial statements, footnotes, annual reports of the board of directors and the declarations of responsibility. Financial reports are approved by the Board of Directors upon the statement of responsibility and compliance opinion of the audit committee, the General Manager and our Company's managers responsible for financial reporting.

Annual Reports are made available at least two weeks before the General Assembly meeting in accordance with the legislation. After the annual report is approved at the General Assembly meeting, it is sent to SEDDK and published on our Company's website. Financial reports for the last five years are published on the Company's website.

All information, including the statistical data requested by the Insurance Association of Türkiye, Insurance Monitoring and Information Center, SEDDK and other official institutions and Company partners is prepared by the responsible units and communicated in a timely, accurate and

complete manner. Data sharing is made with the companies giving service, as part of the non-disclosure agreement.

### d. Promulgations in the Turkish Trade Registry Gazette

Persons authorized to represent and bind the Company, the Company's decision on capital increase and any changes in the articles of association are registered in the Trade Registry and announced in the Turkish Trade Registry Gazette. Trade Registry and promulgations in the Gazette are disclosed to public via Turkish Trade Registry Gazette as per the Turkish Commercial Code and other relevant legislation provisions.

### e. Press Releases, Bulletins and Conferences

In order to provide information to the public about the developments about the Company, operating results, targets and performance, and the developments in the sector, press bulletins or press conferences can be used. The Chairman of the Board and the General Manager or other officers to be designated thereby are responsible for press bulletins, press releases and press conferences given/made to/with the printed, visual and digital media.

Activities performed with the press and social network announcements are handled by the Corporate Communication and Brand Management Directorate. A copy of every press bulletin released is made available on the website in an up-to-date manner.

News about the Company covered in the printed or broadcast media are followed up via a media monitoring agency. In case a non-factual news article about the Company is published, the situation is evaluated and the necessary statement is provided by the Corporate Communication and Brand Management Directorate and Investor Relations Directorate.

### f. Other Notifications

Disclosures other than those described above are released to the related institutions or public upon signature within the powers as designated in the signatory circular of the Company.

## VII. MONITORING NEWS AND HEARSAY

The Company may refrain from commenting on news coverage in the media and on hearsay to prevent speculations. If a decision is given later to make a statement on the subject, the statement is made and also posted on the Company's website.

# Other Legal and Important Information

## Financial Rights Provided to the Members of the Board of Directors and Senior Executives

During 2022, an attendance fee of TL 1 million 240 thousand was paid to the members of the Board of Directors. Remuneration paid to the senior management that includes the General Manager, Assistant General Managers amounted to TL 5 million 217 thousand in total, which consists of salaries, bonuses, title, language, commuting, lunch, allowances, group private pension contributions and other benefits.

## Repurchased Own Shares by the Company

The Company does not have its own shares acquired.

## Administrative or Judicial Sanctions against the Company and the Board of Directors Members

During 2022, there were no fines and sanctions of a material nature against the Company and Board of Directors Members on account of actions contradicting with the provisions of the legislation.

## Lawsuits Brought Against the Company and Possible Results

Information about the lawsuits brought against the Company and possible results are provided under the heading "Risks" in the financial statement footnote no. 42.

## Transactions with the Risk Group

Türkiye Hayat Emeklilik provides all insurance services to its risk group on an arm's length basis. All explanations about the Company's dealings with its risk group during 2022 are provided in the financial statement footnote no. 45.

## Information about the Dealings of the Board of Directors Members with the Company

Within the frame of the permission granted by the Company's General Assembly, there are no dealings carried out by the Board of Directors Members with the Company on their own or other's behalf, nor are there any activities falling under the scope of non-competition.

## Conflicts of Interest Between the Company and Service Providers such as Investment Advisory and Rating, and Steps Taken by the Company to Prevent These Conflicts of Interest

None

## Information about Cross-Ownerships with over 5% Direct Participation Share in the Capital

None

## Transactions with the Controlling Company and the Subsidiary

Türkiye Hayat Emeklilik employed the "comparable uncontrolled price method", which is the most suitable method to determine arm's length basis, in all its dealings with its controlling Company, i.e. Türkiye Finansal Yatırımlar AŞ and the group of companies it belongs to. There are no losses with regard to such transactions during 2022.

## Prior Period Targets and Assessment of General Assembly Resolutions

The Company's Ordinary General Assembly Meeting convened on 28 March 2022 with the participation of 100% of the shares representing the capital. All agenda items were discussed and all decisions passed in the meeting were realized.

## Amendments to the Company's Articles of Association

There is no change during the period.

## Information about the Company's Charitable Donations and Aids and Expenses Incurred for Social Responsibility Projects in the Reporting Period

It was approved at the 2021 General Assembly convened on 28 March 2022 that the upper limit of the charitable donations and aids to be made during 2022 would be TL 10,000,000. Donations and aids made in 2022 totaled TL 2,478,479

# Independent Auditor's Report on Annual Report of the Board of Directors

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

## 1. Opinion

We have audited the annual report of Türkiye Hayat ve Emeklilik A.Ş. (the "Company") for the 1 January - 31 December 2022 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 3 March 2023 on the full set financial statements for the 1 January - 31 December 2022 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 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") 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 regard 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.

# Independent Auditor's Report on Annual Report of the Board of Directors

## 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 and Communiqué 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.



ORIGINALLY ISSUED IN TURKISH

Ramazan Yüksekaya, SMMM  
Partner

Istanbul, 14 June 2023

# Summary Board of Directors Report Submitted to the General Assembly

Dear Shareholders,

Our company's high insurance capacity and premium production capability are an outcome of the skill of our competent employees and distribution channels. We strive for greater penetration of service and a superior customer experience by integrating those values with the opportunities brought about by digital transformation. As a result, as Türkiye Hayat Emeklilik, an exemplary and preferred insurance company, we are consolidating our leadership position.

The principal shareholder of Türkiye Hayat Emeklilik is TVF Finansal Yatırımlar AŞ with a share of 92.64%. The Company's residual share of 7.36% belongs to Türkiye Sigorta.

The year 2022, which started with optimistic prospects of a recovery period following the pandemic, was a challenging year in which the global economy's agenda was driven by high inflation and the energy crisis. The war between Russia and Ukraine, which broke out in the first days of the year, upended all optimistic projections for the new year, and in 2021, price increases due to the supply-demand imbalance caused by pandemic restrictions entered a much higher frequency trend as an outcome of the war. With the outbreak of the war, the region's production and logistics operations, which has a significant share of the global market for natural gas, oil, and industrial raw materials, ceased, and then economic sanctions imposed on Russia, the scope of which has been continuously expanded, caused a swift and sharp increase in energy and commodity prices, particularly in the European market due to its energy dependence on Russia, and then spreading at a dramatic rate, in the global markets. Thus, inflation, which showed its first signs in the post-pandemic period, has become a major global issue.

With the contribution of robust domestic demand and net foreign demand in the first three quarters of the year, the Turkish economy grew by 7.5%, 7.7%, and 3.9% respectively, on a year-on-year basis. The increase over the past nine months was calculated to be 6.2%. The IMF estimates that our country has achieved a growth rate of 5.5% in 2022, which is well above the world average.

Based on the year-end data released by the Association of Insurance, Reinsurance and Pension Companies of Türkiye, the Türkiye insurance sector witnessed a significant increase in total premium production in 2022. The sector's total premium production reached TL 235 billion, reflecting a nominal growth of 123.2% and a recorded real growth of 35.8%. The premium production of the life branch, which experienced a decrease in its share from 16.8% to 13.1% of the total production, witnessed a significant increase of 74.1% amounting to TL 30.9 billion. The real growth rate of the branch has been stated to be 6%.

Based on the data provided by the Pension Monitoring Center, as of 30 December 2022, the total fund size within the Voluntary PPS, inclusive of the state contribution, has reached a total of TL 400.1 billion. Furthermore, the number of participants has surpassed 7.8 million individuals. The total number of active contracts has risen to 9.5 million, reflecting a growth of 10.7% in comparison to the previous year.

As of the same date, the Automatic Enrollment System (AES) reported a fund size of TL 33.3 billion, with a corresponding number of participants totaling 8.3 million. The total number of certificates has reached 9.5 million. As of the end of 2022, the total number of employers within AES has been 249,697.

In 2022, when we demonstrated outstanding performance despite all these challenges, thereby attaining additional milestones. By increasing our life premium production by 75 percent to TL 6.9 billion, we maintained our sector leadership with a 22.2% share of the market. In voluntary PPS, we had 2.3 million participants and a fund size of TL 68.2 billion (excluding government contributions) with an increase of 76%, and we became the sector leader with 29.6% and 19.4% market share, respectively, in terms of number of participants and fund size. In Auto Enrollment, we achieved market shares of 29.3% and 52.1%, respectively, in the number of employees and fund size, with the number of employees of 2.4 million and the fund size (excluding the state contribution), which we increased by 93.2% to TL 16.6 billion, and we took the lead. We boosted the size of our assets to TL 111.7 billion and closed 2022 with a TL 3.4 billion net profit.

Since it was founded, Türkiye Hayat Emeklilik has redefined insurance business, transformed the value and perception of insurance, moved investment habits beyond conventional instruments, provided solutions for a secure future to everyone who needed them, delivered solutions that exceed expectations in every aspect of life by shifting its insurance experience from "after" to "before," and offered its customers with innovative insurance and savings solutions to ensure a secure future. In this respect, the company spent 2022 focusing on digital-analytical solutions, perfecting the customer experience with technological opportunities, and innovations that boost customer satisfaction.

The primary mission of Türkiye Hayat Emeklilik, which is fulfilled through its products and services, is to contribute to promote the peaceful and safe life of the society. In this respect, sustainability is one of the key pillars of Türkiye Hayat Emeklilik's strategy. Türkiye Hayat Emeklilik closely follows both sectoral and global sustainability trends, conducts regular assessments of stakeholder expectations in this area, and reviews its business processes, products, and services through risk and opportunity analyses.

With the strength we derive from our country, we continue to grow and strive to become a global brand as an institution that embraces Türkiye.

Dear Shareholders,

We hereby submit for your review the financial statements reflecting the 2022 financial tables of the Company together with the footnotes.

Yours respectfully,

Türkiye Hayat ve Emeklilik AŞ

Board of Directors

# Dividend Distribution Policy

The Dividend Distribution Policy of Türkiye Hayat Emeklilik AŞ is implemented in accordance with the provisions of the Insurance Law and other applicable legislations, and Article 22 of the Company's Articles of Association.

The Company targets to distribute at least 10% of its distributable net profit as bonus shares and/or in cash. At the end of each fiscal year, the Board of Directors devises a profit distribution proposal decision, taking into consideration the Company's cash projections, investment plans, financial structure, and the conditions in the capital markets, in a manner to maintain the delicate balance with shareholders' expectations and the Company's need to grow. The dividend distribution offer contains the dividend amount, and time and method of the

distribution. The dividend distribution proposal by the Board of Directors also covers the amount of dividends to be paid to non-shareholders who will participate in the share, as per the provisions of the Articles of Association.

Once the dividend distribution proposal of the Board of Directors is ratified at the General Assembly Meeting, dividend payout occurs within legally prescribed periods of time. Dividend distribution starts on the date determined by the General Assembly provided that it is completed by the end of the year in which the General Assembly Meeting is held.

The Board of Directors can also propose against the distribution of dividends to the General Assembly. Information is provided to the shareholders in the General Assembly Meeting regarding the

reasons of not distributing the profit and the manner in which the undistributed profit will be used.

There is no privilege with regard to participating in the Company's profit. The provision on advance dividend distribution is incorporated in the Articles of Association. Nevertheless, such distribution is only applicable within the relevant accounting period being subject to the consent of the General Assembly.

The Dividend Distribution Policy is presented for the approval of shareholders at the General Assembly Meeting. Any changes to this policy are updated by the Board of Directors. The policy changes were approved at the General Assembly meeting. The policy was announced to public on the Company's website.

# Information on Financial Standing, Profitability and Solvency

Our Company realized life insurance premium production of TL 6 billion 862 million of and non-life insurance premium production of TL 16 million 553 thousand, reaching a premium production of TL 6 billion 878 million with a total growth of 74.2%. It managed to become the industry leader among the life and pension companies with a market share of 2.9%. Our Company has a fund size of TL 79 billion 672 million (including state contribution) with an increase of 82% in PPS 3.0 and has become the sector leader with a market share of 19.9%. It has a fund size of TL 17 billion 327 million (including state contribution) with an increase of 93.7% in the Auto-Enrollment System and completed 2022 as the industry leader with a market share of 52%.

The Company made a net claim payment of TL 1 billion 601 million in life insurance and of TL 4.5 million in non-life insurance, thereby paying a total TL 1 billion 606 million with an increase of 11.6%. The general technical balance for 2022 was recorded as TL 2 billion 39 million with a rise of 73%. In 2022, the Company's total assets grew by 82% year-over-year and reached TL 111 billion 723 million. Its shareholders' equity increased by 59% to TL 6 billion 206 million. The return on assets ratio was realized as 3.9% and the return on equity ratio became 67%.

By the end of 2022, the Company's "Required Equity" amount was determined as TL 1,896,426,585 within the framework of the applicable regulation. The amount of the Company

shareholders' equity considered as TL 6,591,207,092 on the same date was found to be TL 4,694,780,507 higher than the amount of "Required Equity." The capital adequacy ratio stood at 348%. Our Company's pretax profit reached TL 4,491,681,698 while after-tax profit corresponded to TL 3,392,058,078.

Türkiye Hayat Emeklilik shall move forward with the objective of providing a sustainable and strong financial structure with its strong asset structure, profits and investment incomes that it generated from life Insurance and retirement activities.