

Investor Presentation

December 2023

Contact No
00902162809761

Email Address
investor.relations@aksigorta.com.tr

AKSigorta
Bambařka.



Table of contents

Introduction

Company overview

Business overview

Growth drivers

Financial overview

Appendix



- **#5 player** in the non-life insurance market with 6.7% share as of December 2023
- Esteemed Sabancı Holding – Ageas Collaboration: A Beacon of Trust, Global Expertise, and Decades of Insurance Mastery
- 60+ years experience in insurance industry
- Has ~3,750 agencies; 134 brokers and an exclusive agency agreement with Akbank, reaching 705 branches
- **28% of shares are listed** with «AKGRT» ticker name on Istanbul Stock Exchange
- As of March 21st, 2024 Aksigorta MCap is 10.1bn TL (312m USD)



Has 771 employees and ranks #1 in Aon Hewitt / Kincentric «Best Place to Work» in 2018, 2019, 2020, 2021, 2022 and 2023.



Aksigorta brand ranks #79 among top 100 brands of Turkey in 2023, in Brand Finance «Turkey 100 2023» research*

(*): <https://static.brandirectory.com/reports/brand-finance-turkey-100-2023-full-report.pdf>

Empowering the Future of Insurance: Aksigorta's Legacy & Innovation

Leading the Next Wave in Insurance: Experience, Technology, and Growth



Esteemed Sabancı Holding – Ageas Collaboration: A Beacon of Trust, Global Expertise, and Decades of Insurance Mastery

- Powerful Sabancı Holding – Ageas Shareholder's Structure
- 2.5 Mn customers
- Global know-how
- 60+ years experience in insurance industry
- 28% of shares are listed with «AKGRT» ticker name on Istanbul Stock Exchange



Visionary Leadership & Dynamic Teamwork: The Heartbeat of Aksigorta's Success

- CEO Uğur Gülen with 15 years in the company, 21 years in the sector, also President of Turkish Insurance Union
- Agile and cross-functional teamwork across the company



Expansive Network & Strategic Alliances: Aksigorta's Unrivaled Reach and Expertise

- Has ~3,750 agencies; 134 brokers and an exclusive agency agreement with Akbank
- Exclusive partnership with Akbank (705 branches, expert call center, #1 in mobile banking)
- 10 regional offices with a strong, advisory sales team



Leading-Edge Technological Integration: Redefining Insurance Excellence

- Automated claims management enhanced with intelligent capabilities; studies launched for end-to-end digital servicing
- AI and ML technologies used in underwriting
- Robust core system improved by value added technologies
- Investments in CRM, APIs, analytics capabilities
- Robot Transformation a first of its kind in the industry and Turkey, automating business processes
- Strong reinsurance treaty led by leading global players
- Lowest expense / premium ratio in the market thanks to use of technology and efficiency



Financial Prowess & Market Dominance: Aksigorta's Ascending Trajectory in 2023

- Strong top-line and net profit growth
- #5 player in the non-life insurance market with 6.7% share as of December 2023
- High dividend yield (ranked #6 in dividend yield for 2018-2022 period in Borsa İstanbul)
- As of March 21st, 2024, Aksigorta MCap is 10,1bn TL (312m USD)

Table of contents

Introduction

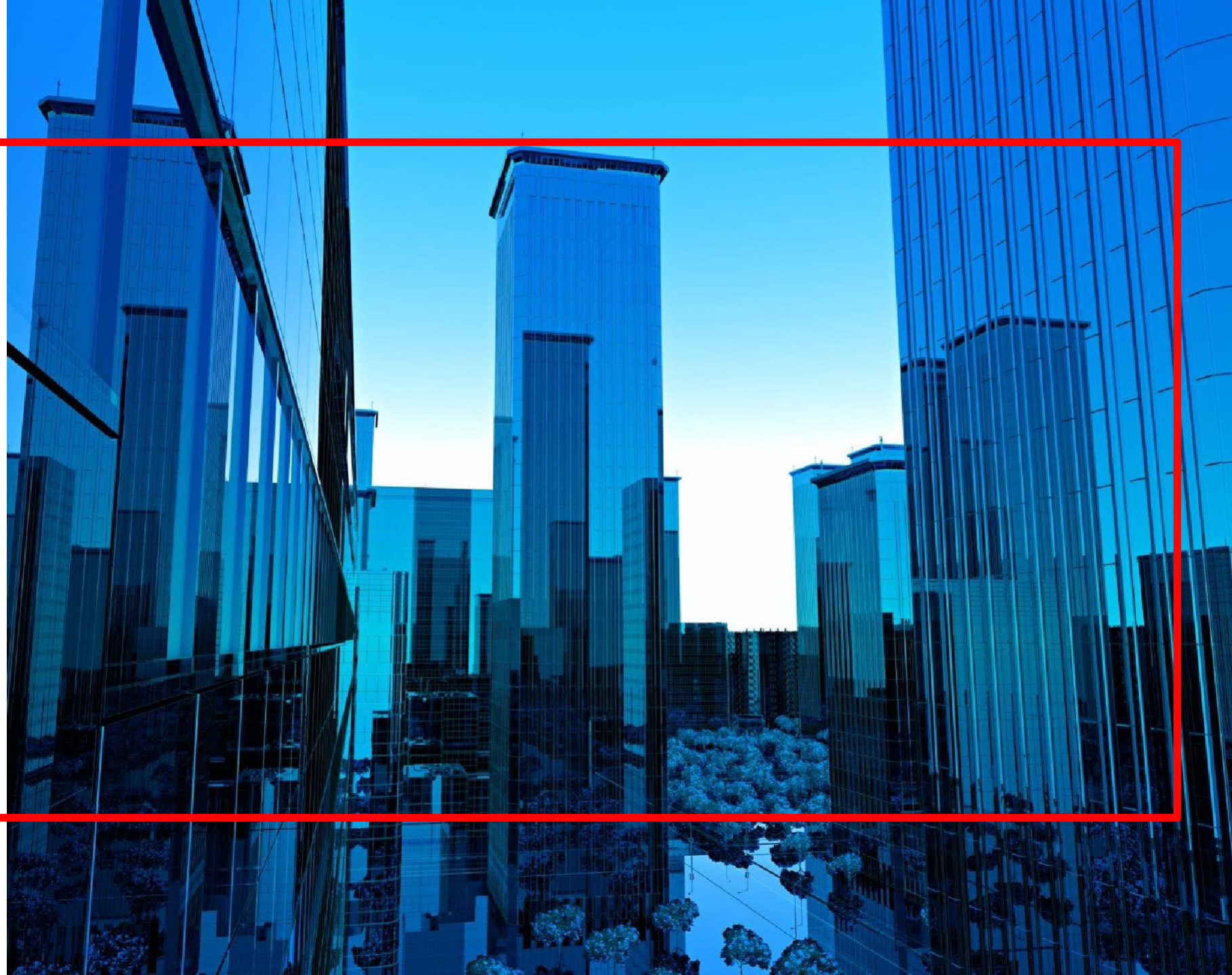
Company overview

Business overview

Growth drivers

Financial overview

Appendix



60's

The first insurance agency

The first insurance policy



80's

Beginning of bancassurance



90's

Public offering of Aksigorta in 1994

Opening of the Fire and Earthquake Training Center

First website

First online policy in Turkey's bancassurance business

2000's

Opening of the Aksigorta Service Center

Awarded the certificate of authorization in the health branch

Transition to regional management

Selected as "Türkiye's Best Employer" for the fifth time

Merger between Sabancı Holding and Ageas in 2011

Established Sabancı Ageas Sağlık Sigorta A.Ş. in 2022



Haluk Dinçer

Chairman of the Board (since 2011)

Currently presiding over Sabancı Holding's Financial Services Group, he has been an integral figure within the organization, holding pivotal leadership roles since 1995. Between 2011 and 2016, he notably led as the President of Sabancı Holding's Retail and Insurance Group.

Beyond his contributions to Sabancı Holding, Mr. Dinçer has made significant impacts on the broader business community. He honorably served as the President of the Turkish Industry & Business Association (TÜSİAD) and took the helm as Chairman of the Foreign Economic Relations Board (DEİK) Turkish-American Business Council from 2008 to 2014. His expertise and leadership are further recognized internationally, as he is a member of the Brookings International Advisory Council and serves on the Executive Committee for B20 Turkey.



Antonio Cano

Vice Chairman of the Board (since 2021)

- CEO of AG Insurance (2009-2015)
- COO of Ageas since 2015
- General Manager of Europe Region of Ageas



Ben Karel E. Coumans

Member of the Board (since 2024)

He began his professional journey at Fortis Bank in 2000 as a Management Trainee, swiftly advancing to a Senior Analyst role in M&A at the Fortis Corporate Center by 2002. His expertise led him to become the Director of Strategy and Business Development at the Fortis Consumer Finance Group in 2006, followed by a pivotal role as Director of Development & Acquisitions for Fortis Retail Banking in 2007.

Transitioning into investment banking, he joined Leonardo & Co in 2008 as a Director, eventually becoming Managing Director, contributing significantly until the company's integration into Rothschild and Natixis. In 2014, his path led him to Ageas, where he has held several strategic roles, culminating as the Group Director of Strategy and M&A since 2021. Simultaneously, he has been serving as an Independent Board Director at VDK Bank since 2020, actively engaging in its Audit, Risk, and Strategic Committees.



Emmanuel Van Grimbergen

Member of the Board (since 2019)

He holds distinguished board memberships at Cardiff Lux Vie, East West Ageas Life (Philippines), and Intreas. Serving as the Group Risk Officer for Ageas SA/NV, he is an integral member of the Ageas Management Committee and previously helmed the CRO Forum as its Chairman.

His illustrious career spans an 18-year tenure with ING, where he made significant contributions within the Risk and Actuarial departments. His leadership led him to various senior management roles at ING Insurance Belgium and ING Central Europe. His expertise was further recognized when he was appointed Chief Actuary of ING South West Europe. In 2004, his trajectory took a turn towards an elevated role as Chief Insurance Risk Officer of ING Insurance Retail Banking. By 2007, he was positioned in Amsterdam, serving as the Chief Risk Officer of ING Central and Rest of Europe.



Sitare Sezgin

Member of the Board (since 2024)

She is an esteemed professional renowned for her deep expertise in management consulting, strategic leadership, and corporate governance. Her journey began at leading consulting firms, Bain & Company and Boston Consulting Group, setting the stage for her impressive career. In 2004, she embarked on a pivotal role with the Sabancı Group, and by 2009, she was leading new product and channel development at Akbank, a key player in Turkey's banking sector. Her leadership extended to successfully managing companies within the Boyner Group from 2011 to 2018, before returning to the Sabancı Group as the founding CEO of AkÖde.

Her governance prowess is further evident through her board memberships at renowned organizations, including her influential role as CEO of Teknosa since September 2021. Committed to advancing gender equality in the business arena, she actively engages with several associations dedicated to this cause, underscoring her role as a trailblazer for inclusivity and diversity in corporate settings.



Burcu Civelek Yüce

Member of Board (since 2022)

She embarked on her journey with Akbank in 2006, ascending through pivotal roles such as Senior Vice President of Strategic Management, EVP of Human Resources and Strategy, and EVP of Strategy, Digital Banking, and Payment Systems. Since January 2022, her expertise has been channeled into her role as EVP of Consumer Banking and Digital Solutions. Before her tenure at Akbank, she honed her skills at prestigious international consulting and technology firms. An alumna of Boğaziçi University, she boasts a B.Sc. in Industrial Engineering and an MBA, with the distinction of graduating first in rank for both degrees. Further enhancing her academic credentials, she attended courses at the esteemed Harvard Business School and Koç University.

Her leadership and vision are also recognized through her roles as the Chairperson of AkÖde and as a Board Member of Akbank AG, Ak Investment, and Sabancı DX.



Erkan Şahinler

Member of the Board (since 2022)

He embarked on his professional journey in 1990, initially in the independent audit sector. In 1993, he transitioned to Sabancı Holding, where he distinguished himself in a series of leadership roles within Finance and Information Systems:

- From 1993 to 2005, he played a pivotal role at Marsa Kraft Foods International.
- His expertise was further honed during his tenure with Gidasa from 2005 to 2008.
- In 2008, he contributed significantly to Exsa UK.

In the same year, he joined Aksigorta as the Assistant General Manager of Financial Affairs. Demonstrating exceptional leadership, he expanded his remit in 2016 to also oversee Claims and Operations.

By 2017, he transitioned to AgeSA, taking on the role of Assistant General Manager of Finance until 2021. As of March 1st, 2021, he has been instrumental as the Director of Planning, Analysis, and Finance at Sabancı Holding.

In addition, he serves on the boards of Teknosa and Temsa İş Makinaları and holds esteemed positions as the General Manager and Board Member for Exsa, Tursa, and AEO – all prestigious entities under the Sabancı Group.



Uğur Gülen

Member of the Board and General Manager (since 2009)

He commenced his distinguished career in 1991, acquiring invaluable experience across leading financial institutions including Interbank, Denizbank, Ak Internet, and MNG Bank.

From 2004 to 2009, his expertise was further recognized as he assumed the role of Assistant General Manager at both AK Emeklilik A.Ş. and Avivasa Emeklilik ve Hayat A.Ş.



Fatma Dilek Yardım

Independent Member of the Board (since 2024)

With over 30 years of extensive experience in banking and financial services, she is a seasoned Senior Executive who has held the position of Country CEO at three international banks. Throughout her impressive career, she has demonstrated a consistent ability to deliver robust bottom-line results while adeptly managing growth and navigating change. Her professional journey is marked by her ability to thrive within complex matrix organizations, adapting swiftly to dynamic business landscapes and evolving regulatory frameworks.

Her strategic expertise encompasses Corporate Governance, Client Management, Corporate Finance, Enterprise Risk Management, and Compliance. Her leadership and strategic acumen have been pivotal in steering these organizations towards sustained growth and operational excellence.



Hüseyin Gürer

Independent Member of the Board (since 2021)

He embarked on his professional journey in 1986 with Deloitte. Broadening his horizons, he ventured to London between 1989 and 1990, serving as an independent auditor. Demonstrating leadership and expertise, he ascended to the role of CEO for Deloitte Turkey, a position he held with distinction from 2007 to 2016. In addition to his contributions at Deloitte, he holds a esteemed position as a Board Member of Eczacıbaşı Holding.

Management team

High-performance focused leadership team

Aksigorta leadership team's ultimate target and responsibility is to prepare for the future while succeeding today



Uğur Gülen

General Manager (since 2009)

He commenced his distinguished career in 1991, acquiring invaluable experience across leading financial institutions including Interbank, Denizbank, Ak Internet, and MNG Bank.

From 2004 to 2009, his expertise was further recognized as he assumed the role of Assistant General Manager at both AK Emeklilik A.Ş. and Avivasa Emeklilik ve Hayat A.Ş.



Zeren Zeynep Eröktem Bal

Assistant GM – Finance (since 2023)

Launching her career in 2005 within the realm of independent financial audit, she transitioned into transaction advisory services from 2007 to 2009. In 2010, she became an integral part of H.Ö. Sabancı Holding, first serving as a financial analyst and later elevating to the role of finance manager within the Retail and Insurance Group. Her journey led her to Aksigorta in January 2020, where she assumed the position of Financial Control Group Manager. By May 2023, her expertise and leadership were further recognized as she was appointed the Chief Financial Officer (CFO) of Aksigorta.



Osman Akkoca

Assistant GM – Agencies and Bank Insurance (since 2023)

He embarked on his professional journey in 1999 as an Assistant Inspector at Sumerbank. His trajectory then led him to Avivasa, where he rendered his expertise as an Inspector from 2005 to 2007. Joining Aksigorta in 2007, he made significant contributions first as the Internal Control and Compliance Assistant Manager for three years. Subsequently, he held the positions of Risk Manager from 2010 to 2011 and Financial Control Manager from 2011 to 2017.



Soner Akkaya

Assistant GM – Claims and Legal (since 2017)

He began his professional tenure as an auditor at Interbank, serving from 1998 to 2002. This was followed by a role as Assistant Manager at Tekfenbank between 2003 and 2005. He then transitioned to Sabancı Holding, where he held the position of Audit Manager from 2005 to 2011. Demonstrating expertise and leadership, he subsequently took on the role of Head of Internal Audit at Aksigorta, a position he held with distinction for six years, from 2011 to 2017.



Tolga Okan Tezbaşaran

Assistant GM – Retail Product, UW and Customer Management (since 2023)

Before ascending to prominent roles as Regional Manager and Group Head at Yapı Kredi Insurance, he rendered his expertise as Regional Manager at both Yapı Kredi Pension and Halk Yaşam Insurance. In 2011, he joined the ranks of Zurich Insurance. Since then, he has distinguished himself as the Executive VP of the Individual and Small Business Segment Group and holds a seat on the Board.



Burak Yüzgöl

Assistant GM – Human Resources and Sustainability (since 2022)

He initiated his professional journey at Eczacıbaşı Baxter in 2002. In 2007, he transitioned to the AgeSA family, where he navigated through various roles within the Human Resources Department, showcasing his expertise and leadership. His contributions were recognized with his appointment as the Assistant General Manager overseeing Human Resources on April 1, 2015. Additionally, he holds the distinction of being an AgeSA Executive Board member. Beyond his corporate responsibilities, he also lends his insights as a board member to various non-governmental organizations.

Management team (continued)

High-performance focused leadership team

Aksigorta leadership team's ultimate target and responsibility is to prepare for the future while succeeding today



Seydi Kaan Konak
Assistant GM – Technology and Operational Excellence AGM (since 2022)

He initiated his career journey at Zurich Insurance in 2007, serving as the Process and Project Management Assistant Manager. By 2014, he transitioned into the role of Project Manager, a position he held until 2015. That same year, he embarked on a new chapter at Aksigorta within the Technology, Digital, and Individual Technical function. His expertise was further recognized as he took on the role of Governance and Service Management Department Manager. Since 2021, he has been instrumental in driving Ageas IT Digital Transformation as its sponsor.



Deniz Ceylan
Assistan GM - Corporate UW and Reinsurance (since 2023)

He embarked on his professional journey with Sabancı Holding in 2008, stepping into the role of Risk Management Manager. In 2010, he transitioned to Aksigorta, serving as the Reinsurance Manager until 2016. His expertise then led him to Marsh McLennan from 2016 to 2022, where he held the position of Assistant General Manager, overseeing Placing and Strategy. Subsequently, he took on a pivotal role at Aksigorta as the Assistant General Manager, responsible for Reinsurance and Strategic Cooperations.



Elif Horasan
Director - Strategy and Retail Bancassurance Business Development Director (since 2022)

She started her career by enrolling the management trainee program in Dogus Otomotiv in 2006 and worked as a product specialist in Volkswagen Passenger Cars. She continued her career in Deloitte, where she worked as 'Transaction Services Manager' in Corporate Finance division, and later joined Sabanci Holding as a Strategy Manager in Retail and Insurance Group. As of January 2017, she embarked on her journey with Aksigorta, and assumed several different roles such as 'Financial Controller Group Manager', 'Strategy and Digital Channels Group Manager' and subsequently the 'Head of Strategy and Retail Bancassurance'. She is a graduate from Istanbul University Business Administration Faculty, and holds an MBA degree from Frankfurt Goethe University.



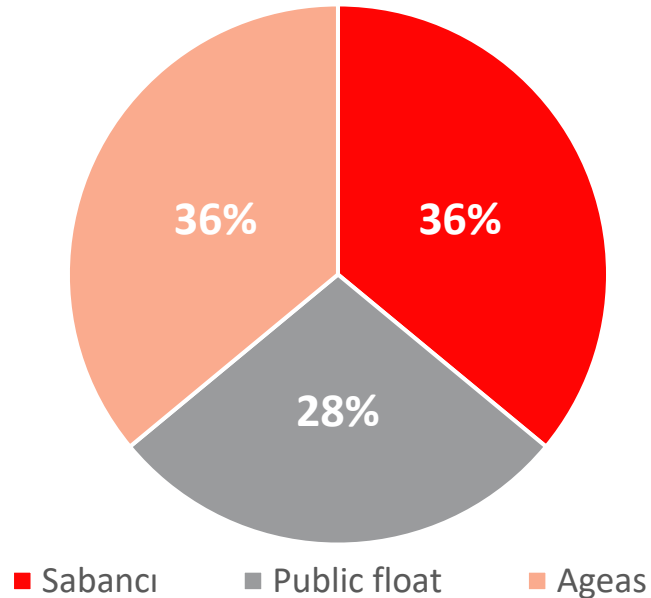
Mustafa Erdoğan
Director – Corporate Sales (since 2023)

He initiated his professional journey at Yapı Kredi Sigorta in 2001, marking the beginning of a distinguished career in the insurance industry. Advancing his expertise, he made a significant career move to Aksigorta in 2006, indicating a continuous trajectory of growth and development within the sector.

Shareholder structure and commitment to minority shareholders

Shareholder Structure

Major shareholders (as of 31 December 2023)	Shares in TL	%
Hacı Ömer Sabancı Holding A.Ş.	580,320,000	36
Ageas Insurance International NV	580,320,000	36
Free Float	451,360,000	28
Total	1,612,000,000	100



Our Pledge to Minority Shareholders

Our core ethos revolves around fostering unwavering trust and delivering sustained value to our minority shareholders. We achieve this through:

Unparalleled Transparency: Upholding an ethos of openness in all our communications.
Data Accessibility: Ensuring stakeholders have unfettered access to pivotal data.
Swift Engagement: Committing to rapid response times for all inquiries

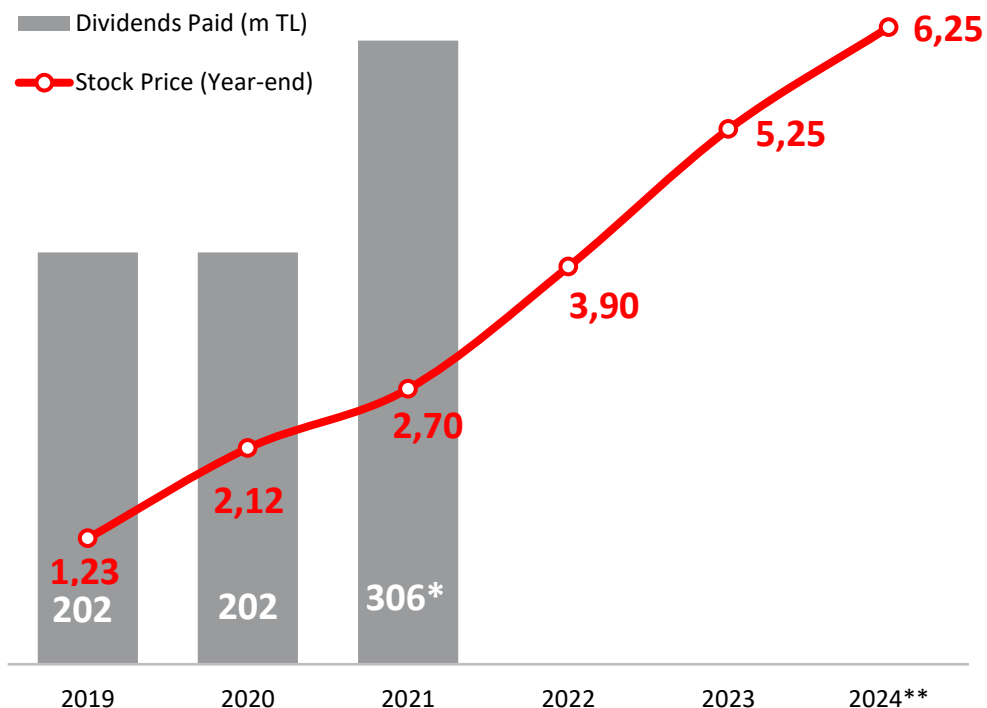
Engagement Channels for Continuous Communication:

- **Quarterly Updates:** Regular [Earnings calls](#) to provide financial insights and outlook.
- **Digital Resource:** Our official platform, www.aksigorta.com.tr, is a comprehensive resource for stakeholders.
- **Direct Communication:** For specific inquiries, reach out to investor.relations@aksigorta.com.tr.
- **Investor Briefings:** Engage in our periodic roadshows for strategic updates and vision.
- **Tailored Discussions:** Opt for 1-on-1 sessions for personalized engagements and deep dives.
- **Public Disclosures:** Stay abreast of crucial announcements via our dedicated disclosure platform.

At the heart of our operations is our commitment to your trust and confidence.

Dividend history

Stock Price CAGR ('19-'23)
44%



Buybacks and M&A History

- In 2011, Ageas acquired 30.99% stake in Aksigorta from Sabancı Holding, amounting to USD 220 million.
- Subsequently, between November 2011 and November 2012, both Sabancı Holding and Ageas strategically bolstered their positions, each amplifying their shareholdings by 5.00% through a concerted share buyback program.

m TL	2019	2020	2021	2022	2023	2024**
MCap	1.551	2.662	2.151	4.514	8.463	10.075
P/E	4,2	6,2	6,8	n/a	8,5	8,1
P/B	1,7	2,4	2,1	2,3	3,1	2,9
DPS	1	1	1	-	-	-

(*): Total dividend payment in 2021 was 306m TL; paid with two installments 202m TL in Mar.22 and 104m TL in Sep.22.

(**): As of March 21, 2024.

Table of contents

Introduction

Company overview

Business overview

Growth drivers

Financial overview

Appendix



Reshaping the insurance industry

Insurance industry trends

DIGITALIZATION & TECHNOLOGY



Core businesses are digitized to enable hybrid experience, through tech solutions in customer support such as smart digital assistants and payment via smart contracts

CHANGING CUSTOMER NEEDS & EMBEDDED INSURANCE



In line with changing customer behaviors, insurance products are seamlessly integrated into various ecosystems, services and transactions, offering customers real-time personalized policies

NEW RISKS & SUSTAINABILITY



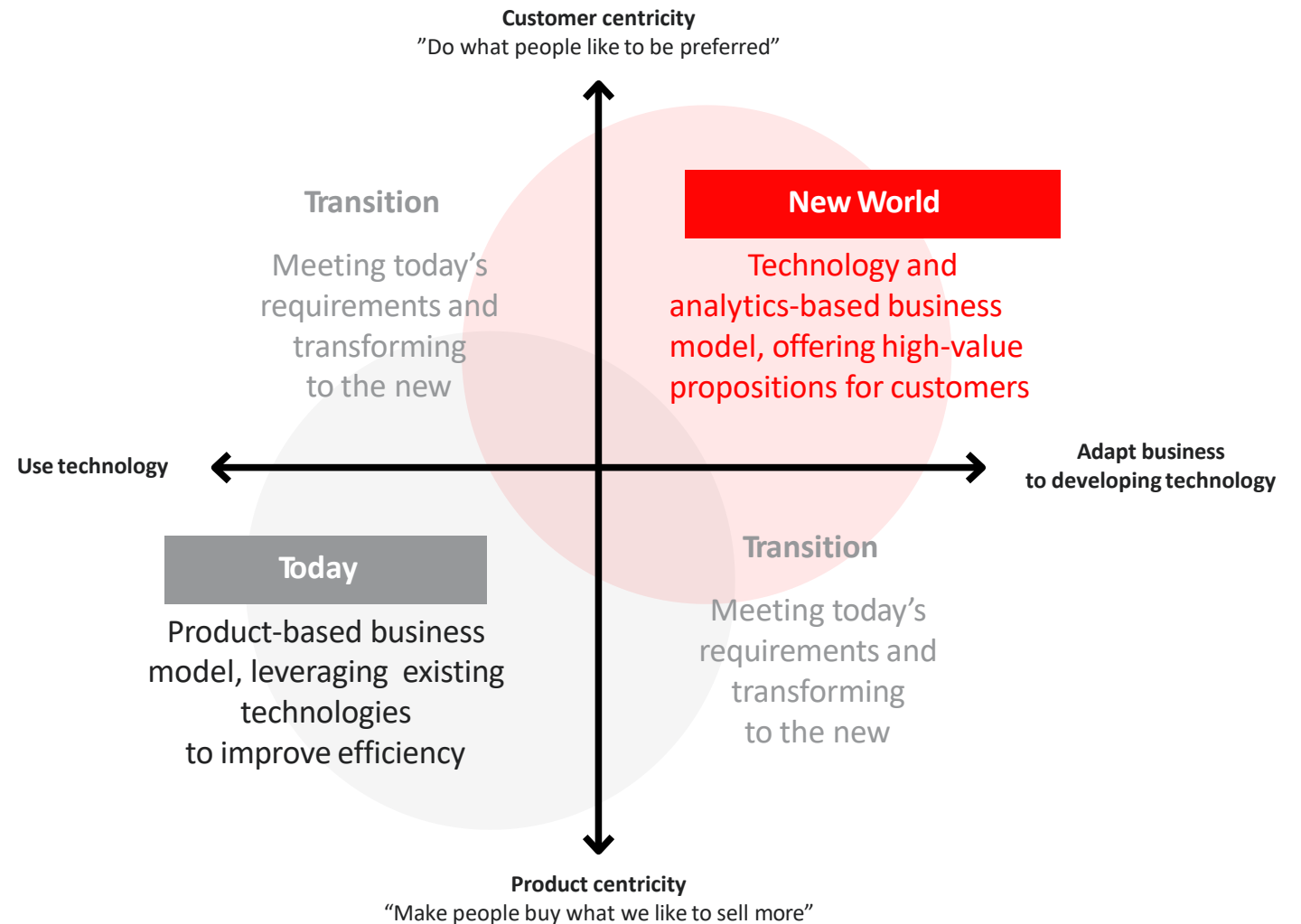
New emerging risks, sustainability issues and green investment themes require new product and service developments

HEALTHY LIVING & WELLBEING

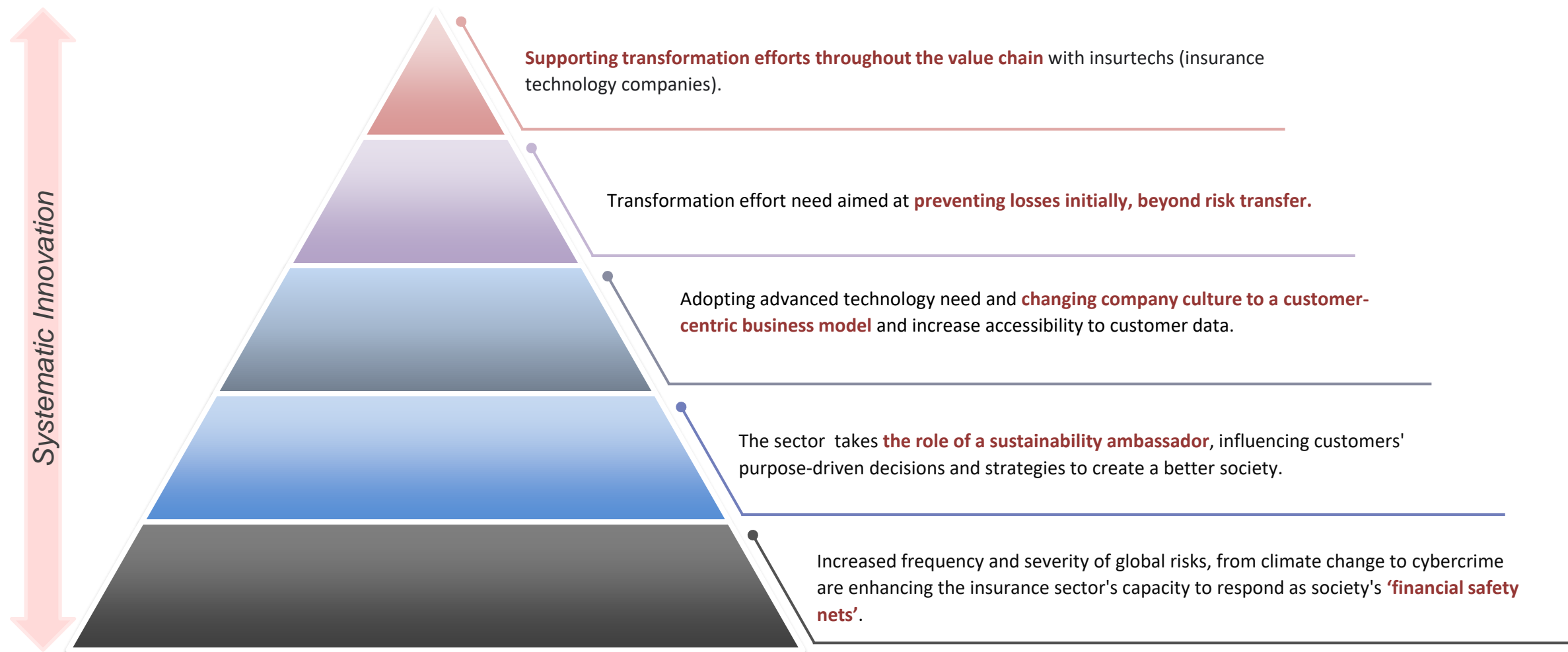


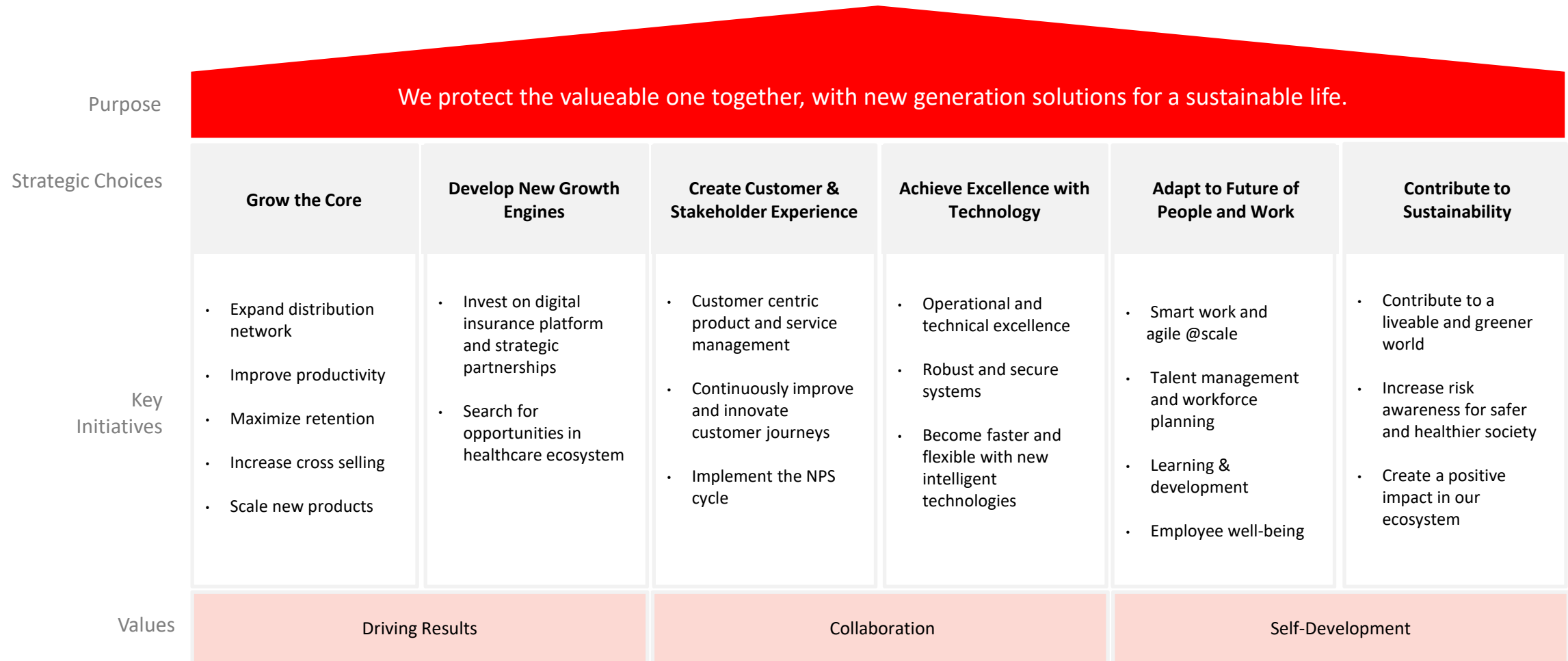
Rising needs due to ageing and chronic diseases; preventive care; personalized and virtual care; new digital players and ecosystem business models

Customer preferences are changing
Pivoting to the "New World"



Increased frequency and severity of global risks are reshaping the role of insurance





Yet, there are certain signals that we need to consider...

Key Highlights / Strengths

- Strong distribution network
- A wide range of product offerings
- Advanced use of technology
- Long standing relationships with reinsurers, better positioned to obtain reinsurance capacity and become a market maker in the industry
- Agile company culture and talented workforce
- Growth potential in health with Health Co

Things to Consider

- Lower AUM size relative to peer competitors
- UWR profitability pressure due to relatively limited financial gain
- Untapped bancassurance potential
- Low capital adequacy level, resulting in higher risk exposure in case of adverse macro conditions

Positive Signals

- Higher asset investments, leading to higher protection need
- Increased insurance awareness
- Elevated price level in insurance premiums
- Embedded insurance and ecosystem play
- Future way of working

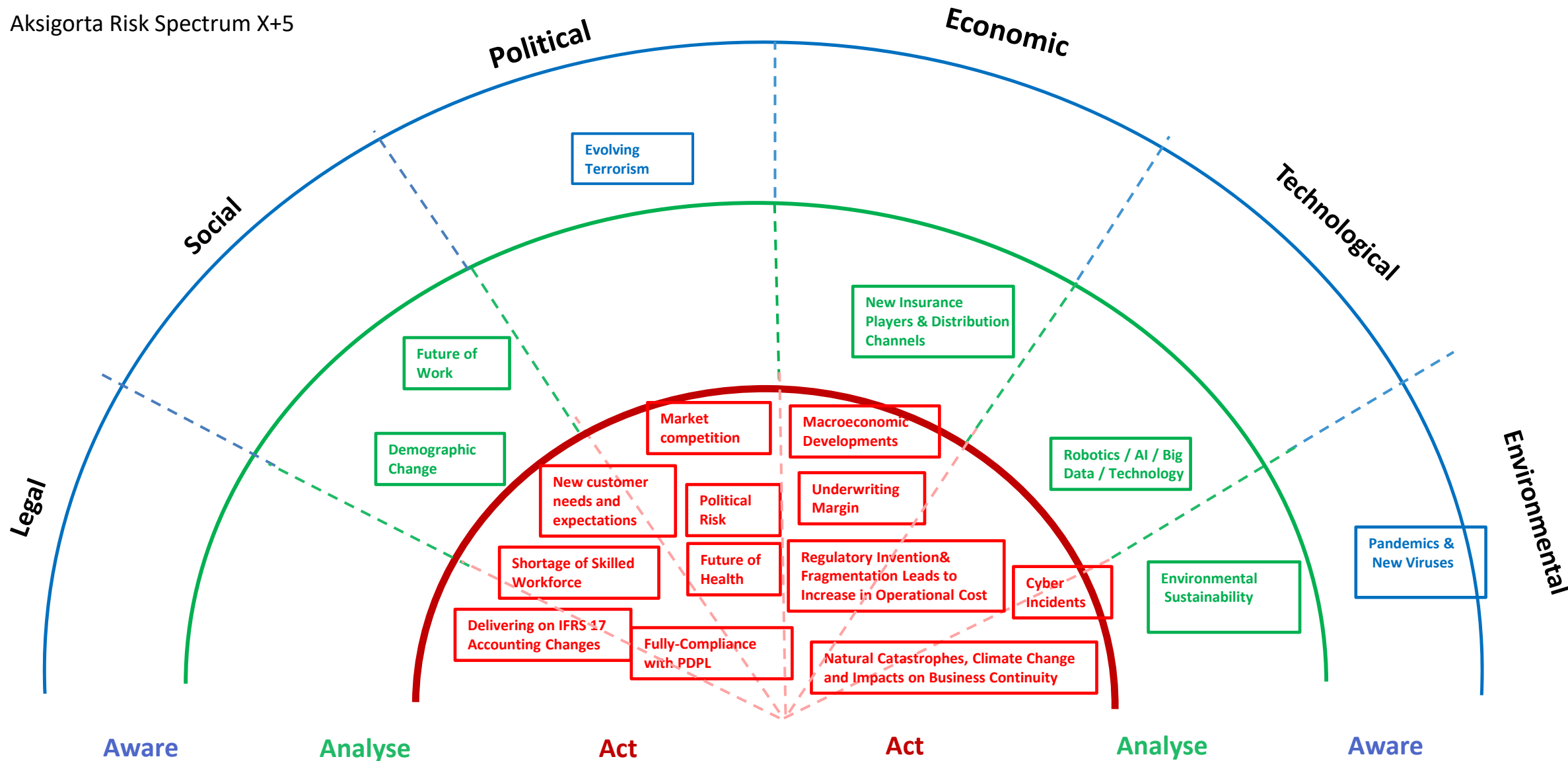
Negative Signals

- Prolonged instability, leading to volatile and uncertain macro conditions
- Continued negative interest rate environment
- Regulation risks, and continued limitations in Mtpl (e.g. tariff regime)
- Increased claim frequency and costs
- Increased CAT events and big claims
- Tightened reinsurance market (less available capacity at higher costs)
- Expected earthquake in the Marmara region
- Lower entry barrier to industry (accelerated new entries in recent years)

Business model and growth strategy

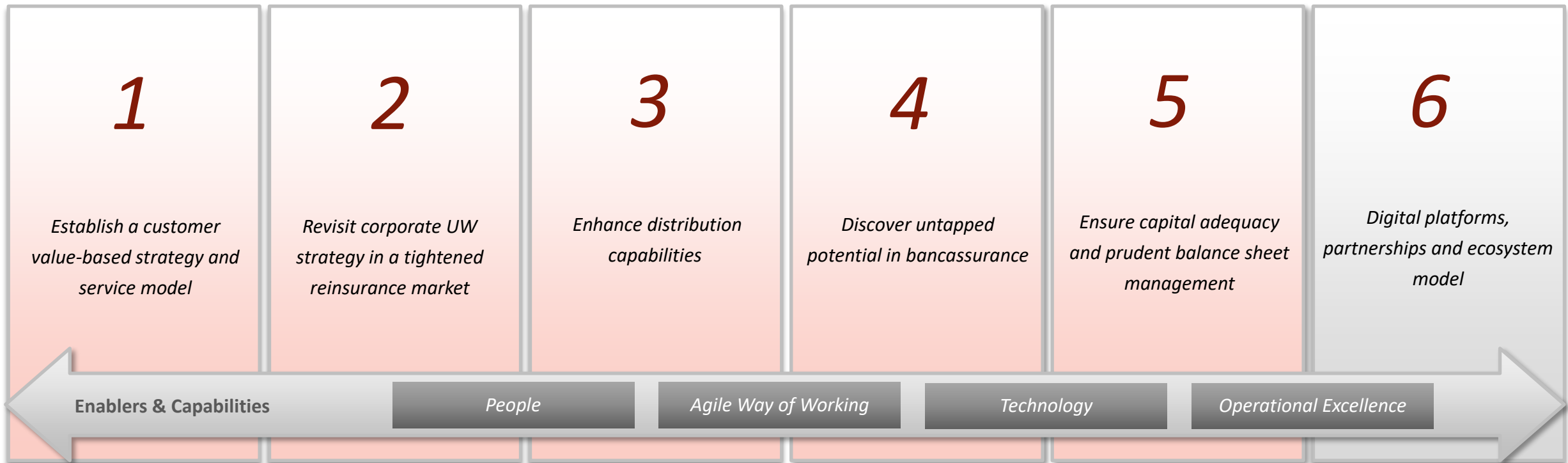
... and a risk spectrum that we need to take action on

Aksigorta Risk Spectrum X+5

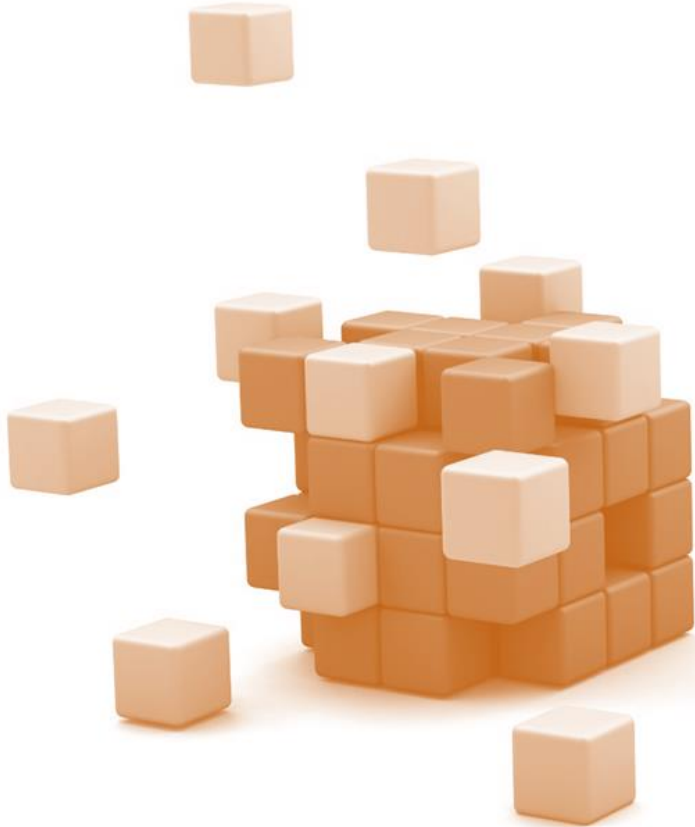


We shape our X+5 strategic priorities in the light of these signals

X+5 Strategy: We will be an adaptive and resilient player in VUCA environment, which protects its capital and generates value for its stakeholders taking necessary risks in a controlled way



How do we position ourselves in terms of customer, product and channel based on our X+5 vision?



Customer

- Be the insurer of the valuable customer, offer all-encompassing solutions to their risks
- Adopt a customer - value based service model that focuses on value creation for customers and stakeholders in an end to end manner throughout their journeys
- Be selective, opt not to select customers with only MTPL portfolio
- Bring in large scale businesses in the corporate segment, target for mass volume

Product

- Focus on the products with more predictable profitability: health, non motor and MoD
- Explore less penetrated, profitable LoBs with growth prospects
- Avoid capital consuming products, utilize reinsurers' capital
- Improve our product development skills

Channel

- Increase channel productivity and Aksigorta wallet share in agencies
- Discover untapped bancassurance potential
- Maintain strong muscles in corporate channel and improve penetration where less penetrated
- Search for alternative distribution channels with new partnerships

What will we do?	How will we do?
1. Grow The Core	
<i>Establish a customer value-based strategy and service model</i>	<ul style="list-style-type: none"> Switching from: <ul style="list-style-type: none"> - pure technical and line approach to product, customer needs and market dynamics focus - motor lines domination to balance among motor, non-motor and health products - commoditized governance mainly focused on pricing, to value proposition including product scope, ecosystem approach, service levels and differentiation in segments to first intermediaries then to customers
<i>Revisit corporate UW strategy in a tightened reinsurance market</i>	<ul style="list-style-type: none"> Proper risk selection Alternative reinsurance models to utilize reinsurers' capital
<i>Enhance distribution capabilities</i>	<ul style="list-style-type: none"> Improvement in productivity of agency channel management with segment based approach. Bring in large scale businesses in the corporate segment,
<i>Discover untapped potential in bancassurance</i>	<ul style="list-style-type: none"> Revisiting sales service models to transform the way of working for RMs Leveraging on Akbank's rapid new customer acquisition, integrate into banking transactions, grow with high profit & high commission product in retail segment. Leverage on Akbank's strong position within commercial customer base, and utilize Aksigorta's capabilities and competitive advantages in corporate segment.
<i>Ensure capital adequacy and prudent balance sheet management</i>	<ul style="list-style-type: none"> Searching for cheap funding (leveraging financials income with bank loans, early collection of credit card receivables etc.), friendly settlements in MTPL bodily litigated claim files, decreasing # of collection days, being selective in debt instrument investments
2. New Growth Engine	
<i>Strategic partnerships & platforms</i>	<ul style="list-style-type: none"> Laying the foundation for scalable partnership in different ecosystems Maximize potential of traditional B2B2C partnerships w / enhanced digital capabilities

*Impact on premium generation for commercial actions / importance of key enablers for creating targeted impact

**At product and channel breakdown, for relevant items.

We grow our core with sector leading capabilities

Customer Centricity



- ✓ Above market NPS scores
- ✓ New product innovation
- ✓ Customer Centric Innovation Program

Data & Analytics



- ✓ Customer segmentation
- ✓ Journey Analytics
- ✓ Pricing Algorithms
- ✓ Cross Sale and Next Best Actions
- ✓ AI based Churn and Retention Model

Digital Enablement



- ✓ Mobile-centric omni-channel structure
- ✓ Aksigorta Mobile Apps
- ✓ Digital capabilities through Akbank Mobile

Smart Processes



- ✓ Aksigorta Digital Twin : Automated Process Mining Solution
- ✓ Image Recognition in Claims Processes
- ✓ Aksigorta Digital Assistant (ADA)
- ✓ Using generative AI to improve digital capabilities

Motor



Motor Third Party Liability (MTPL):

Mandatory insurance that covers damages by the insured vehicle to others, ensuring protection within defined limits.

Motor Own Damage (MoD):

Optional coverage, often referred to as CASCO, safeguarding against damages to the insured vehicle. It encompasses diverse perils, ranging from fires, natural disasters, and theft, to potential losses of personal and professional belongings.

Non-Motor



Fire: Specialized property insurance that addresses damages and losses resulting from fire incidents.

Engineering: Tailored coverage providing financial protection against risks encountered by construction projects, machinery, and equipment.

Liability: A safeguard against potential legal liabilities, defending the insured against lawsuits and related claims within the policy's purview.

Marine: Transit insurance, ensuring coverage for the insured's property while being transported between locations, irrespective of the mode of transport.

General Losses: Comprehensive coverage mitigating the risks associated with everyday life.

Health



Aksağlık Insurance: Offers privileges according to your needs with more than 4000 contracted institutional options and different policy plans to get to the health care solutions “just for you.”

Critical Illness Insurance: Should any of the 13 dangerous conditions and illnesses covered under the scope of “Hayata Devam!” Insurance occur, indemnities starting from TL 50,000 are available.

Health Insurance for Foreigners: In accordance with the law, Health Insurance for Foreigners, a must for non-citizens who come to Turkey to obtain a residency permit, is available at Aksigorta.

ESG - Charting a Sustainable Tomorrow

Embracing innovative solutions and forging partnerships for a greener, more sustainable future for generations to come

Sustainability & Environmental Stewardship:

- Duty to future generations for a greener world.
- Started environmental protection with in-house innovations.
- By reducing the use of energy and natural resources in offices, it was entitled to receive the Green Office Diploma from WWF Turkey.

Key Environmental Milestones:

- Pledged 53% reduction in Scope 1 & 2 emissions (2019-2030).
- Procured 100% renewable energy certificate in 2022.
- The studies have started this year to determine the 2030 scope 3 emission (investment-related) target.
- After publishing the 2030 Scope 3 target to all stakeholders, we will apply and commit to Science Based Target Initiative or Non-Zero Insurance Alliance initiatives within 2 years.

Philanthropy:

- Annually allocate 5% of PBT to Sabancı Foundation.

SBTI: Science Based Targets initiative
NZIA: Net-Zero Insurance Alliance



Sustainability Reporting & Initiatives:

- Published GRI-compliant ESG report in 2022.
- ESG fund was established in the 3rd quarter and aims to reach 20% of total investments by 2030.
- Launched three SDG-linked sustainable products/services in 2022.
- SDG-linked sustainable products and services rate is 19% on a GWP basis in 2022

Resource Management & Waste Reduction:

- Labels promote efficient use of water, electricity, paper.
- In-office recycling for batteries, plastics, glass.
- Treated 4 tons of waste oil, preventing nature pollution.

Global Commitments & Recognition:

- Signatories of UNEP FI Principles for Sustainable Insurance & UN Global Compact.
- AKGRT listed on Istanbul Stock Exchange Sustainability Index since 2022.

UN Sustainable Development Goals (SDGs)



Gender equality

We have become "Equal Women at Work Certificate"



Avoid wasting water

We dissociate the wasting water to special tanks and prevent the nature pollution by 4 tons of domestic waste oil.



Sustainability

We have recycling boxes for batteries, plastics and glasses at our office.
We have stopped plastic consumption by 2022.



Climate Action

Based on the science-based target, we will reduce our Scope 1 and Scope 2 emissions by up to 53% from 2019 to 2030.

Table of contents

Introduction

Company overview

Business overview

Growth drivers

Financial overview

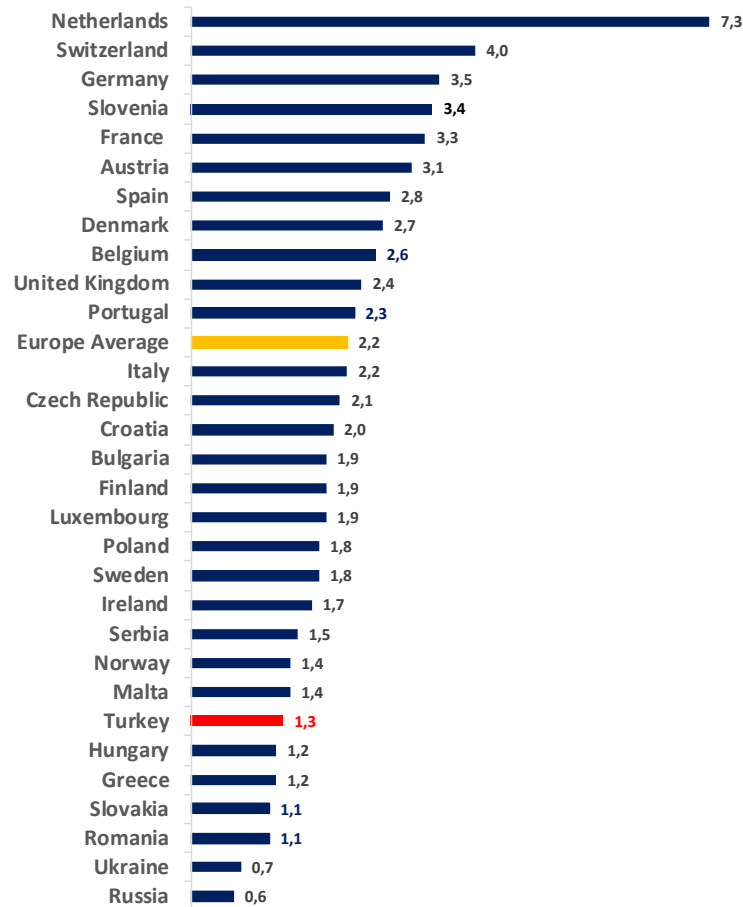
Appendix



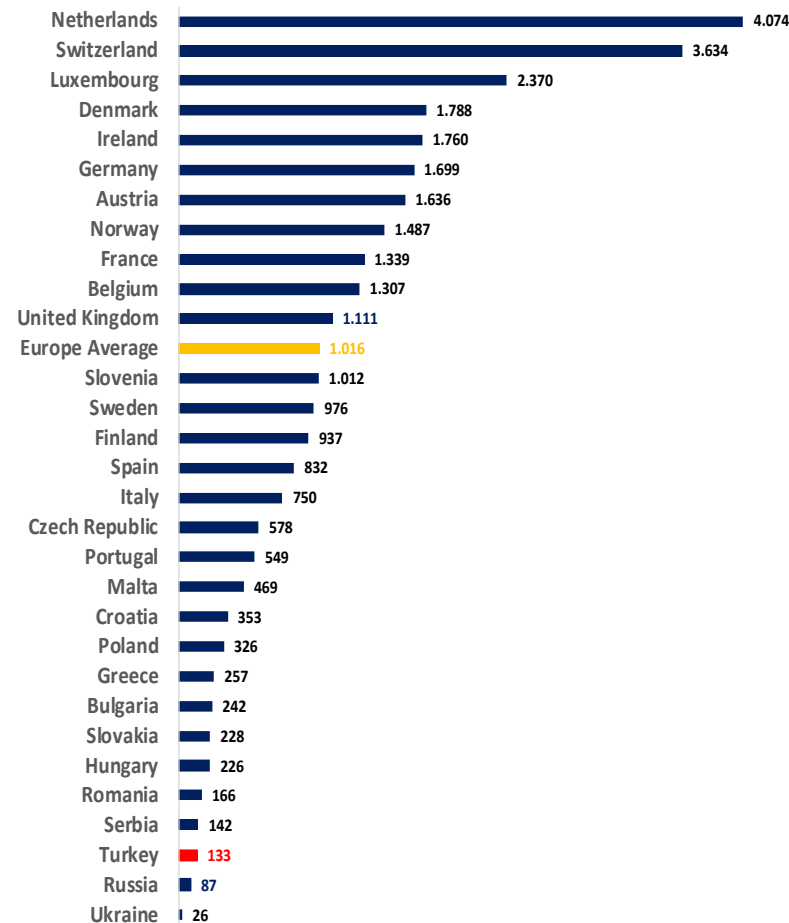
Strong growth potential in non-life insurance sector

Turkish non-life insurance market is underpenetrated

Non-life GWP production / GDP in Europe (% , 2022)



GWP per capita (USD, 2022)



Low penetration levels signal growth potential

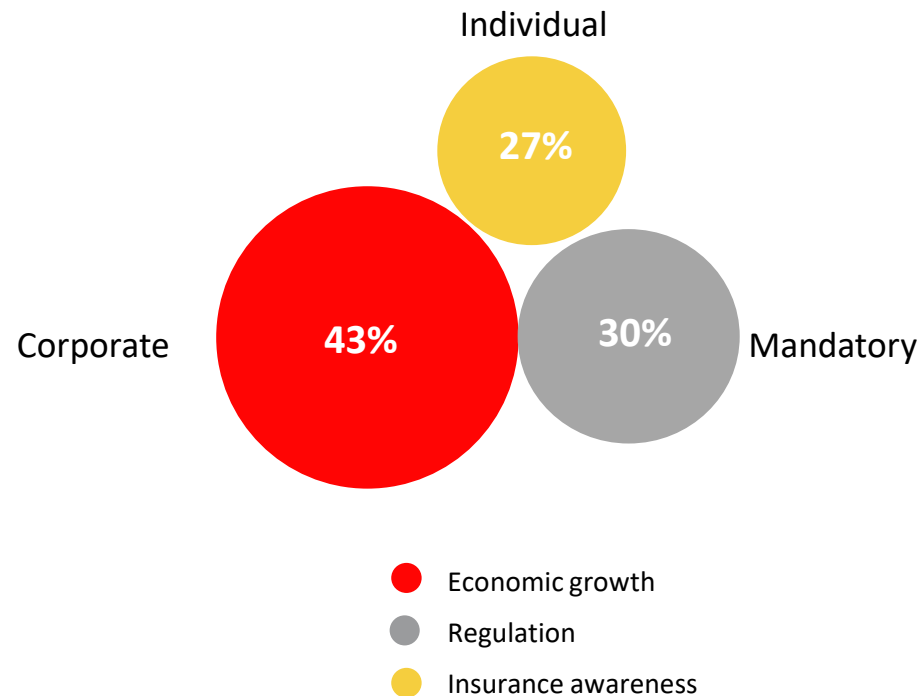
	in millions	# of insurable	# of insured	Penetration
MTPL		28,7	23,0	80,1%
MOD		28,7	7,2	25,0%
TCIP*		20,0	11,7	58,3%
HEALTH		85,3	7,1	8,3%

(*): Compulsory earthquake insurance.
As of 31.12.2023

Factors driving insurance penetration in Turkey

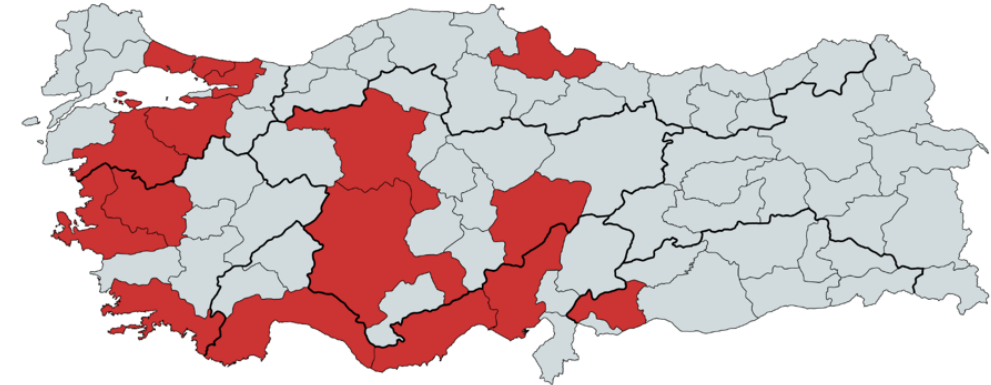
Different premium segments are driven by three different factors. Insurance penetration also depends on economic development.

Premium production by segment and factors driving penetration



Note: As of 31.12.2022

Premium production is affected by socio-economic status of cities and per capita income

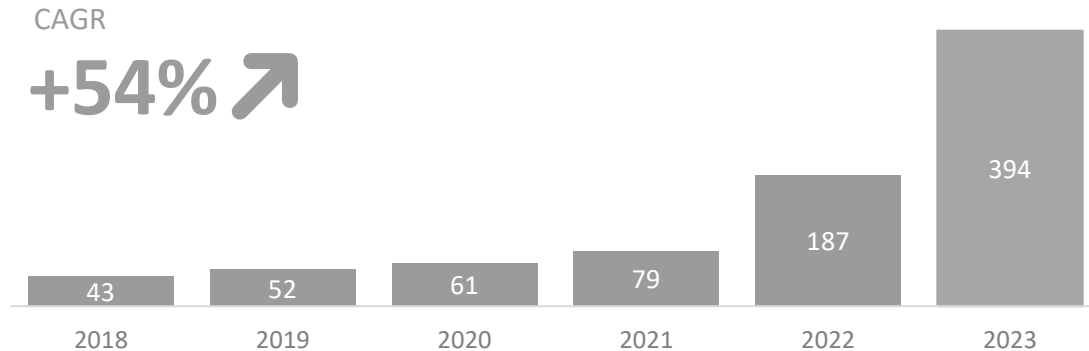


Top 15 cities generate 75% of total premium production.

Higher per capita income leads to higher premium generation. Top 15 cities in premium production have higher per capita income levels compared to the rest.

Insurance is the core business in agencies while it is a part of financial services in banks

Market GWP* (TL bn)



Key growth assumptions

Distribution Channels Market Share:

- The agency channel dominates the market, accounting for **61% of the total**, followed by corporate and bank channels at 25%** and 14%** , respectively.

Motor Products Distribution through Agency Channel:

- A significant 79% of motor insurance products (both MTPL and MOD) are distributed through the agency channel. Within the agency channel's portfolio, motor products represent 64%**.

Channel Performance:

- The agency channel has exhibited exceptional growth in motor product sales, outpacing other channels.
- Conversely, the bank channel has experienced a deceleration, largely influenced by a reduced credit appetite and a global trend of customers transitioning from in-branch to digital services, particularly in the retail segments.

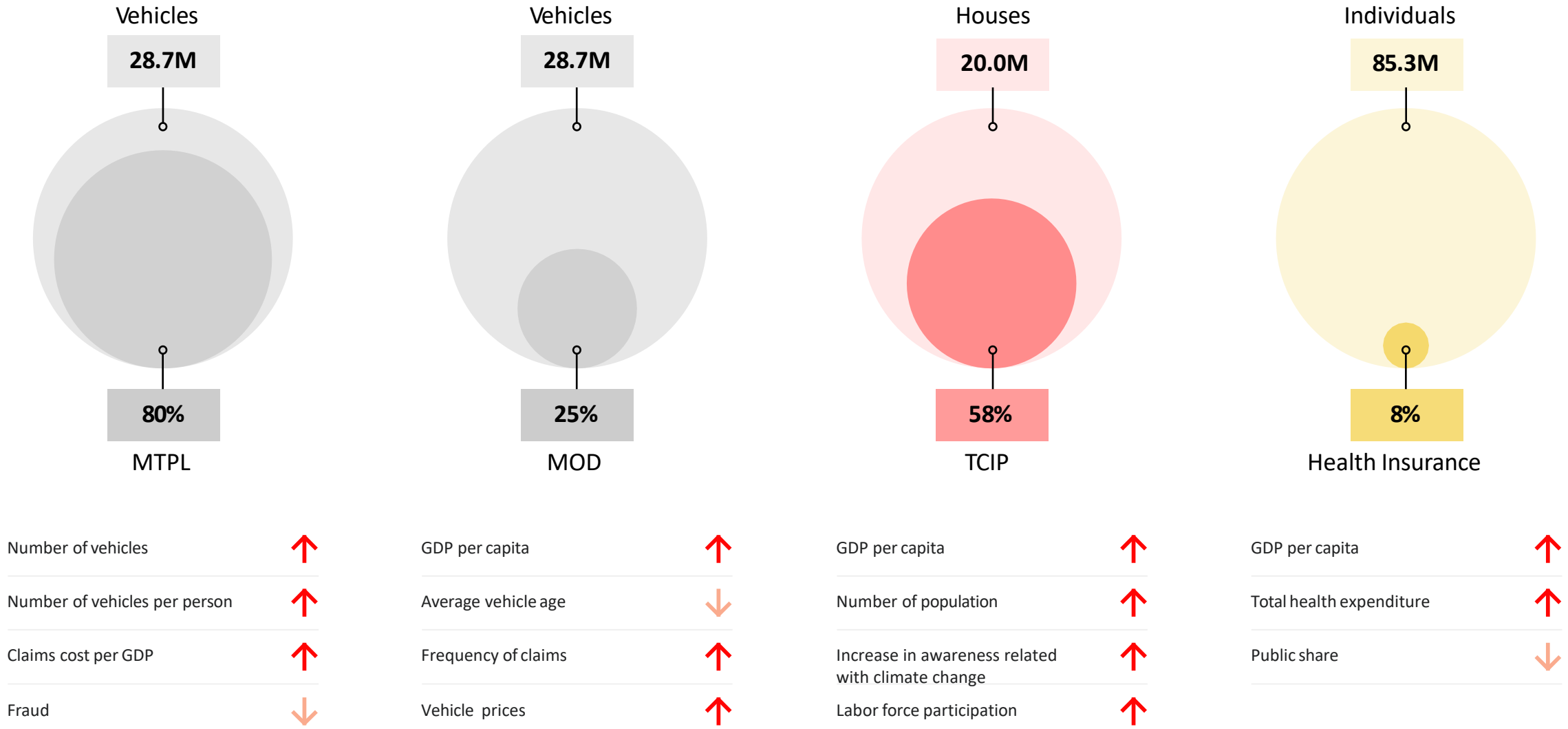
Future Outlook:

- Growth in the bank channel is anticipated to pivot towards the commercial and corporate segments.

(*): Normalized figures by excluding double-count premiums of MTPL, agriculture and medical malpractice pools.

(**): As of 31 December 2023.

Penetration development is correlated with several attributes, quantified with single-factor analysis



Note: As of 31 December, 2023.

Position in the Competitive Landscape

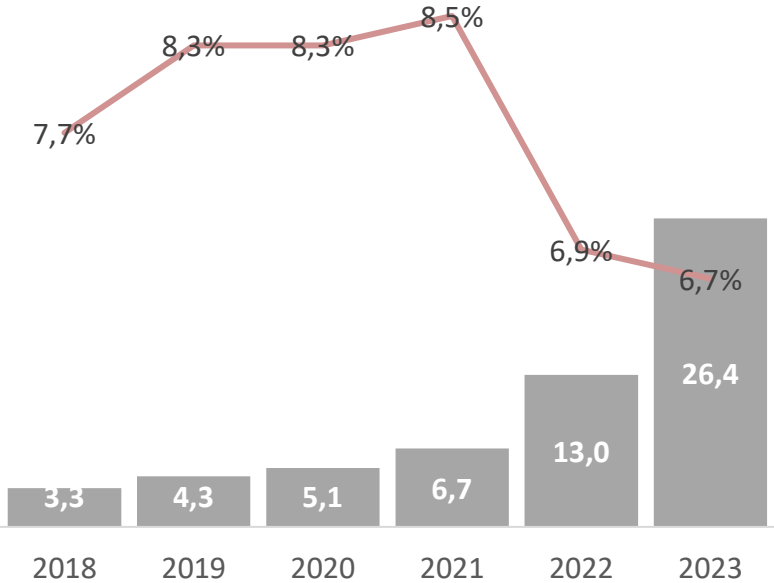
Aksigorta GWP and market share development



Aksigorta GWP
CAGR ('18 -'23)
49% (market: 54%)

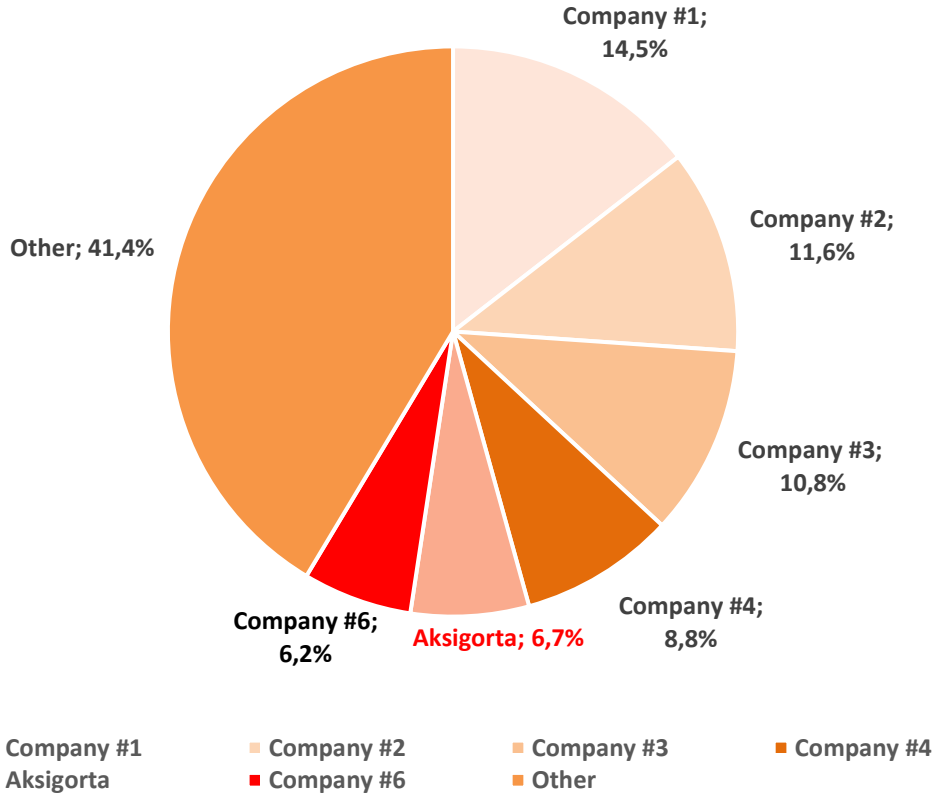


Aksigorta GWP
2023 YoY
103% (market: 111%)



■ GWP — Market Share

Aksigorta is the #5 player in the market, with 6.7% market share**



(*): Normalized figures by excluding double-count premiums of MTPL, agriculture and medical malpractice pools.

(**): Source: Insurance Association of Turkey, data as of 31.12.2023, double count premiums of MTPL, med-mal and agriculture pools are excluded.

Competitive advantages

Aksigorta is a well-established company with strong partners and customer base

Sabancı Holding

Hacı Ömer Sabancı Holding A.Ş., one of Turkey's leading industrial and financial conglomerates, is the parent company and manages the Sabancı Group companies with a strategic portfolio approach.

Turkey's rapidly growing sectors including banking, insurance, energy, cement, retail and industrials are the main business areas of Sabancı Group.

In September 2023, consolidated net income of Sabancı Holding is 34,2 billion TL.

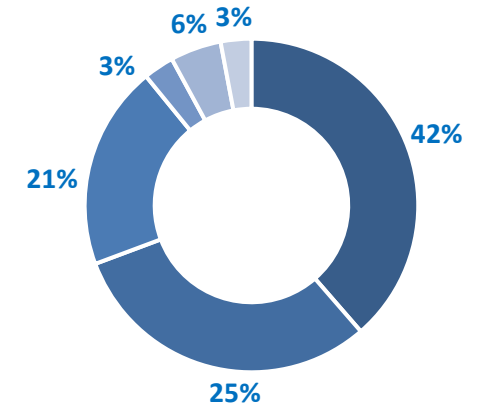
Sabancı Group companies account for 5,0% of the market value of Borsa Istanbul (BIST100)

More than 60k employees

More than 40 million customers

Banking	AKBANK AKPortföy
Energy	ENERJİSA Energy of Turkey ENERJİSA ÜRETİM
Industry	BİRİSA KORDSA TEMSA
Digital	TEKNOSA SABANCI D_x
Construction Materials	AKÇANSA ÇİMSA
Financial Services	AKSigorta AGE SA
Social	Sabancı Üniversitesi SABANCI VAKFI
Other	Carrefour SA TURSA

Sabancı Holding Net Asset Value Breakdown Dec 23 (%)

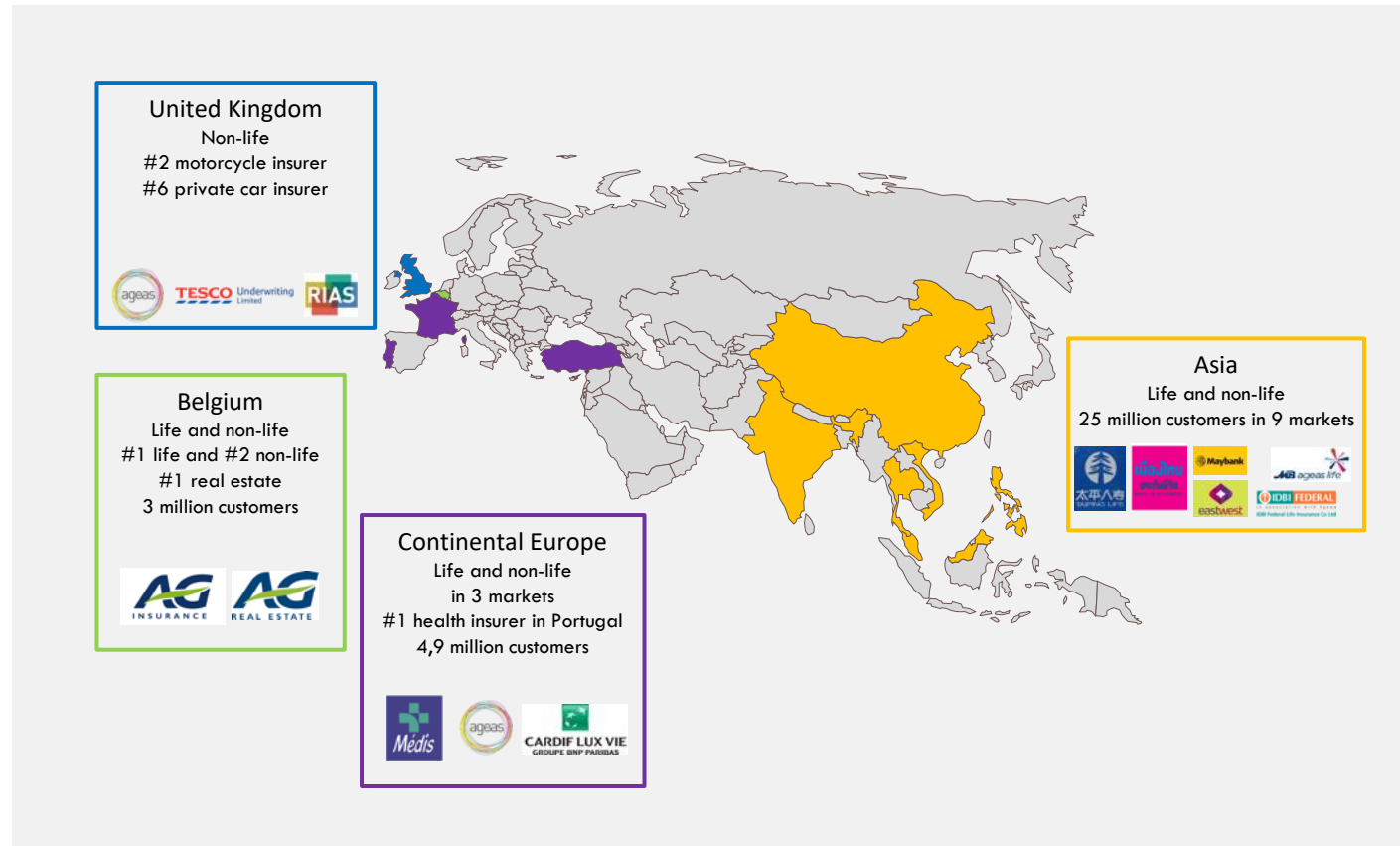


- Banking & Financial Services
- Advanced Material Technologies
- Energy and Climate Technologies
- Digital Technologies
- Other
- Cash

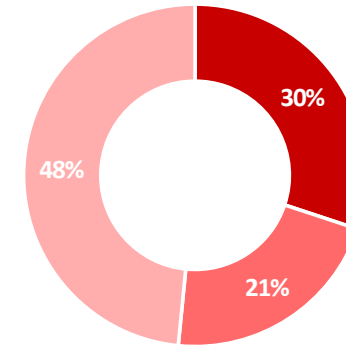
Competitive advantages

Aksigorta is a well-established company with strong partners and customer base

Ageas Insurance International NV



Gross inflows Ageas's
Part 2023 total: €17,1b

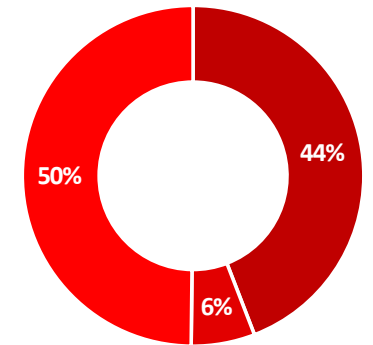


■ Belgium ■ Continental Europe ■ Asia

Group's Solvency II Ratio

217%

Insurance net operating
results 2023 total: €953m



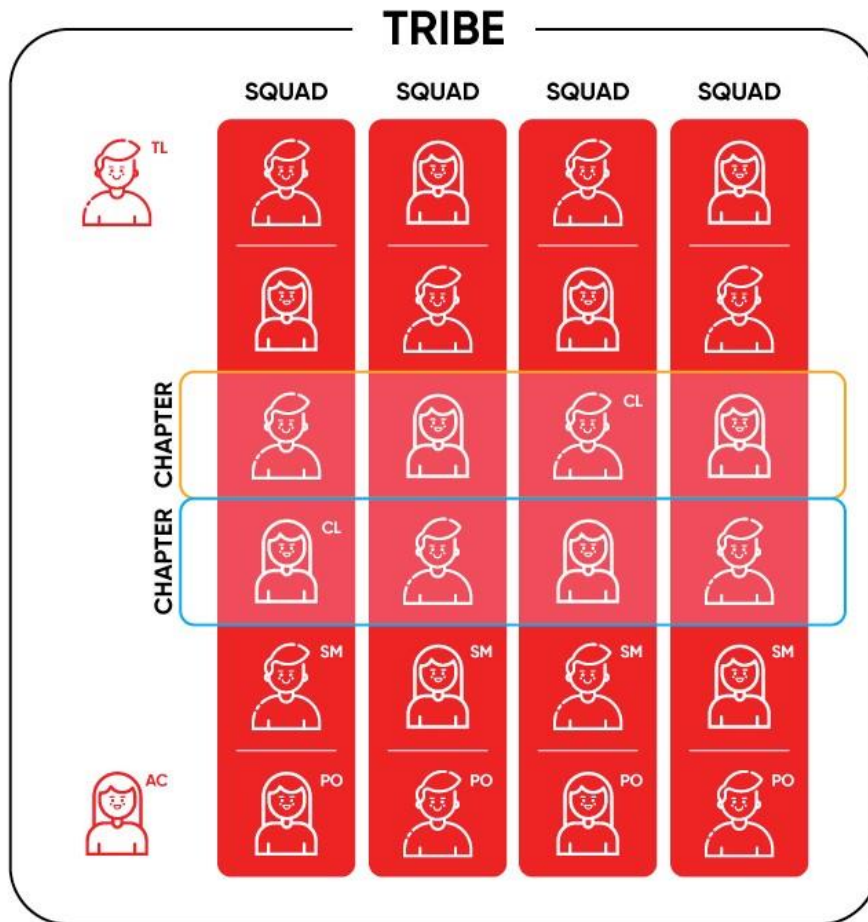
■ Belgium ■ Continental Europe ■ Asia

Group's Non-Life
Combined Ratio

93,3%

Competitive advantages

Cross-functional and agile working organization, empowered people are key for success

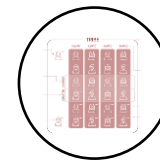


Tribes focus on process improvement and cultural shift along with business management, delivering change, and improving products, systems, and customer journeys.

Organizational Transformation: Embracing Agile & Cross-Functional Structures (2017-Present):

- Initiated the shift towards cross-functional teams and platforms for enhanced collaboration and efficiency.
- Integrated agile methodologies within all IT departments, ensuring dynamic and responsive project execution.
- Amplified engagement of business units, fostering a cohesive organizational approach.
- In 2021, formulated a comprehensive blueprint for enterprise-wide agile transformation.
- 2022 marked the inception of our pioneering "Retail Tribe", further solidifying our agile foundation.
- In 2023 with the establishment of People Tribe and Corporate Tribe, transformation spread among various functions.
- Currently, over 45% of our workforce thrives in agile team environments, underlining our commitment to modern, efficient work paradigms.

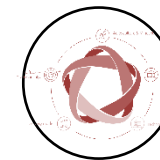
Aksigorta Agile Transformation by the Numbers:



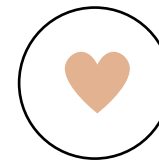
3 Tribes



24 Squads



**%45
Employee**

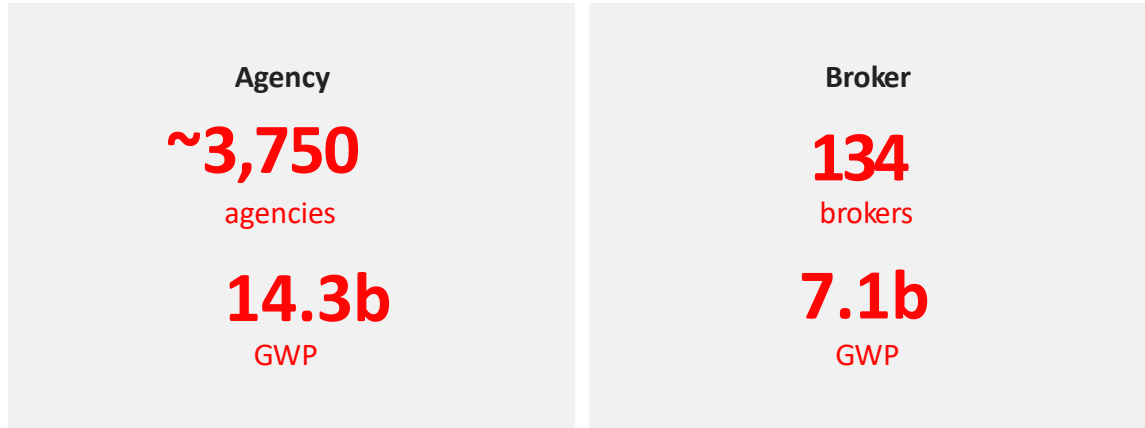


**%90
Satisfaction**

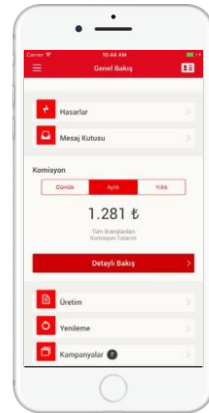
Competitive advantages

Superior distribution power

Aksigorta



Agencies' and brokers' insurance knowledge and expertise



as of 31 December 2023

Akbank



as of 31 December 2023

Digitize insurance processes with ADA

We target 8.8 million transactions in 2025 by using new technologies.

as of end of December
2023

5.8 M

of transactions

180+

processes automated

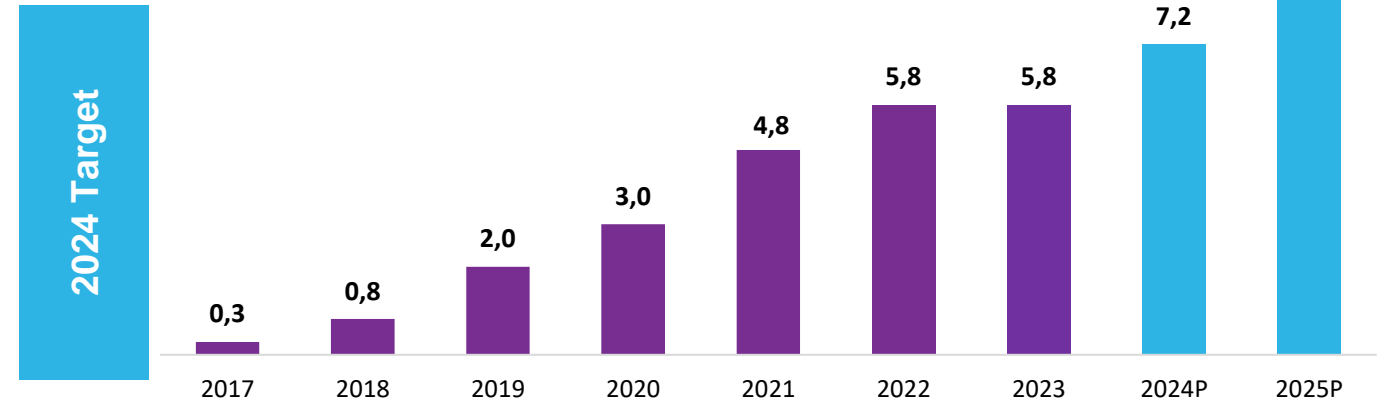
200+

FTE virtual workforce



Our objectives go beyond mere efficiency gains; by offering **fast, 24/7, AI-supported, and high-quality services**, I distinguish Aksigorta from competitors, making Aksigorta the **preferred partner for distribution channels and the top choice for customers.**

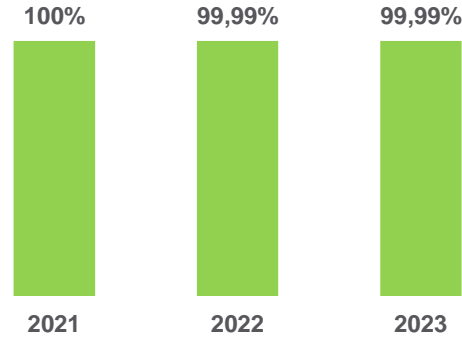
of Transaction Executed by ADA (in million)



We continue to show strong performance in terms of technology

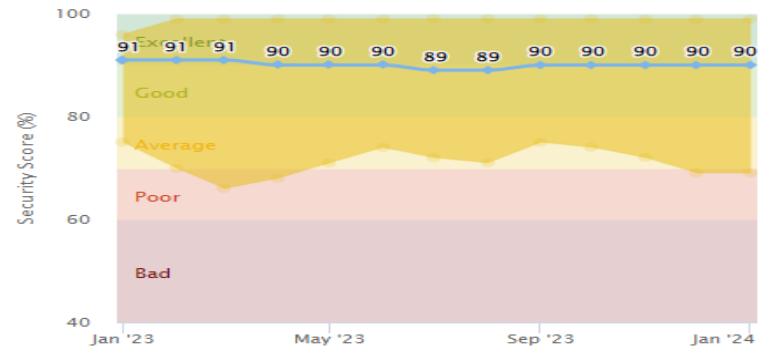
IT shows very solid performance in terms of efficiency, robustness, security and availability against best-in-class players by completing more than 150 projects & 350 system updates in the last 3 years.

Application Availability in % (7x24)



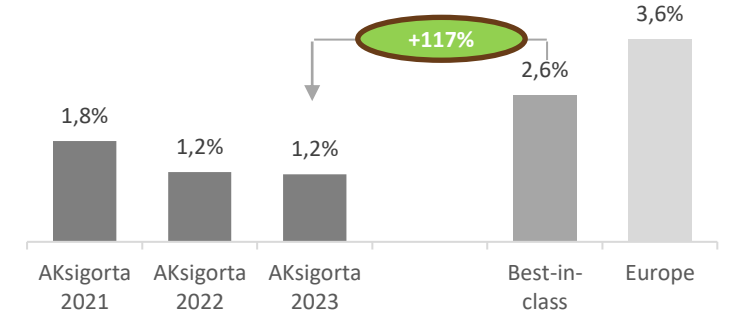
For last 3 years, approx. 100% application availability has been achieved through modern, well designed and robust application and system infrastructure.

Cyber Security



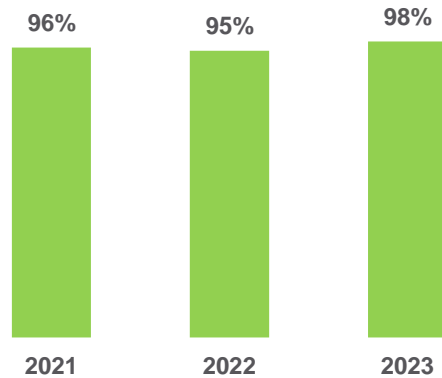
We are constantly improving our cyber security maturity level with new Projects against dramatically increased cyber attacks, and we are in best-in-class players in market.

IT Efficiency (IT Cost per GWP) in %



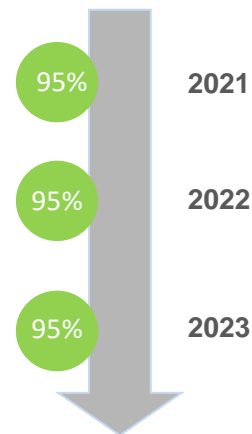
Compared to peer groups AKSigorta with large cost advantage of 50% against best-in-class players.

Service Level



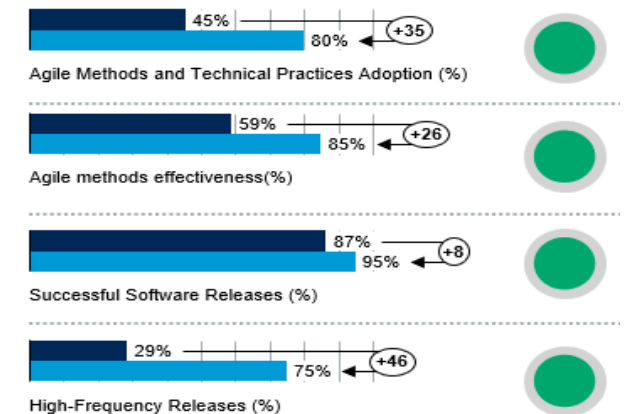
Target SLA has been complied with this year as well against the increasing operational workload and new project go in live.

Customer Satisfaction



As IT, we achieved high satisfaction rate in the customer satisfaction surveys we conducted to continuously improve our products and services.

Agility & Fast Delivery



Compared to peer groups, AKSigorta shows strong performance with agility and fast delivery .

Business outlook

Aksigorta 2024 actions

Strengthen our pricing and claims management

Configure our business model with customer centricity

Increase our focus on Sustainability

Invest in systematic innovation to transform our business

We will

Leverage on our distribution network and grow the core

Strengthen our finance and collection structure

Always prioritize investment in our employees

Assure full transition in health business with the new company

Engage in strategic partnerships in new ecosystems

Manage our processes efficiently and controlled by technology

Constantly target and measure

Table of contents

Introduction

Company overview

Business overview

Growth drivers

Financial overview

Appendix



Income Statement in IFRS [Net Figures]

INCOME STATEMENT COMPANY	DECEMBER YEAR TO DATE					
	22'A	23'E1	23'E3	23'A	23A/22A	23A/23E3
Gross Written Premium (GWP)	13.563,4	23.946,6	28.792,7	27.298,7	101%	-5%
Ceded Premiums	-6.807,2	-13.685,1	-18.170,2	-17.456,0	-156%	4%
Net Written Premiums	6.756,3	10.261,5	10.622,5	9.842,8	46%	-7%
Unearned Premiums Reserve, net	-1.885,6	-1.360,4	-1.261,3	-1.857,8	2%	-47%
Net Earned Premiums	4.870,6	8.901,2	9.361,3	7.985,0	64%	-15%
Claims, net	-5.484,4	-8.468,6	-8.795,4	-7.223,9	-32%	18%
Commissions, net	-618,3	-1.286,9	-1.187,8	-946,7	-53%	20%
Underwriting Result, Net	-1.232,0	-854,3	-621,9	-185,6	85%	70%
Underwriting Result, Net w/o EQ	-1.232,0	-660,5	-424,5	10,9	101%	103%
Allocated Financial Income (+)	1.590,6	2.409,4	3.004,9	2.916,7	83%	-3%
Technical Result Before G&A	358,6	1.555,0	2.383,0	2.731,1	n/a	15%
General Expenses	-484,4	-976,3	-1.097,0	-1.087,5	-125%	1%
Doubtful Receivables Provision	-6,0	-1,9	-5,6	-4,3	27%	23%
Technical Result NL	-131,8	576,9	1.280,4	1.639,2	>1K	28%
Financial Income	-184,7	-251,2	-294,3	-295,4	-60%	0%
Interest Income	1.092,1	1.865,2	2.103,4	2.008,0	84%	-5%
FX Gain / Loss	498,6	544,2	901,5	908,7	82%	1%
Financial Expense	-184,7	-251,2	-294,3	-295,4	-60%	0%
Allocated Financial Income (-)	-1.590,6	-2.409,4	-3.004,9	-2.916,7	-83%	3%
Other Gain/Loss	-4,2	-15,0	-12,7	-2,1	49%	83%
Profit Before Tax & Donation	-320,6	310,7	973,5	1.341,7	n/a	38%
Donation	0,0	-24,9	-18,7	-9,1	>1K	51%
Profit Before Tax	-320,6	285,8	954,8	1.332,6	n/a	40%
Tax	184,1	112,4	-18,5	-97,2	-153%	n/a
Net Profit	-136,5	398,2	936,3	1.235,4	>1K	32%
Net Profit w/o EQ	-136,5	543,5	1.074,5	1.372,9	>1K	28%
EQ O/S Claims, net		-156,3	-154,9	-154,9		
EQ XoL Treaty Reinstatement Fee		-37,5	-44,7	-41,7		
RATIO ANALYSIS COMPANY	DECEMBER YEAR TO DATE					
	22'A	23'E1	23'E3	23'A	23A/22A	23A/23E3
Premium Retention	49,8%	42,9%	36,9%	36,1%	-14pp	-1pp
Combined Ratio, net / NEP	135,2%	120,6%	118,4%	115,9%	-19pp	-2pp
Loss Ratio, net / NEP	112,6%	95,1%	94,0%	90,5%	-22pp	-3pp
Commission Ratio, net / NEP	12,7%	14,5%	12,7%	11,9%	-1pp	-1pp
Expense Ratio, net / NEP	9,9%	11,0%	11,7%	13,6%	4pp	2pp
G&A Exp. / GWP	3,6%	4,1%	3,8%	4,0%	0pp	0pp
Underwriting Result, net / NEP	-25,3%	-9,6%	-6,6%	-2,3%	23pp	4pp

Balance Sheet

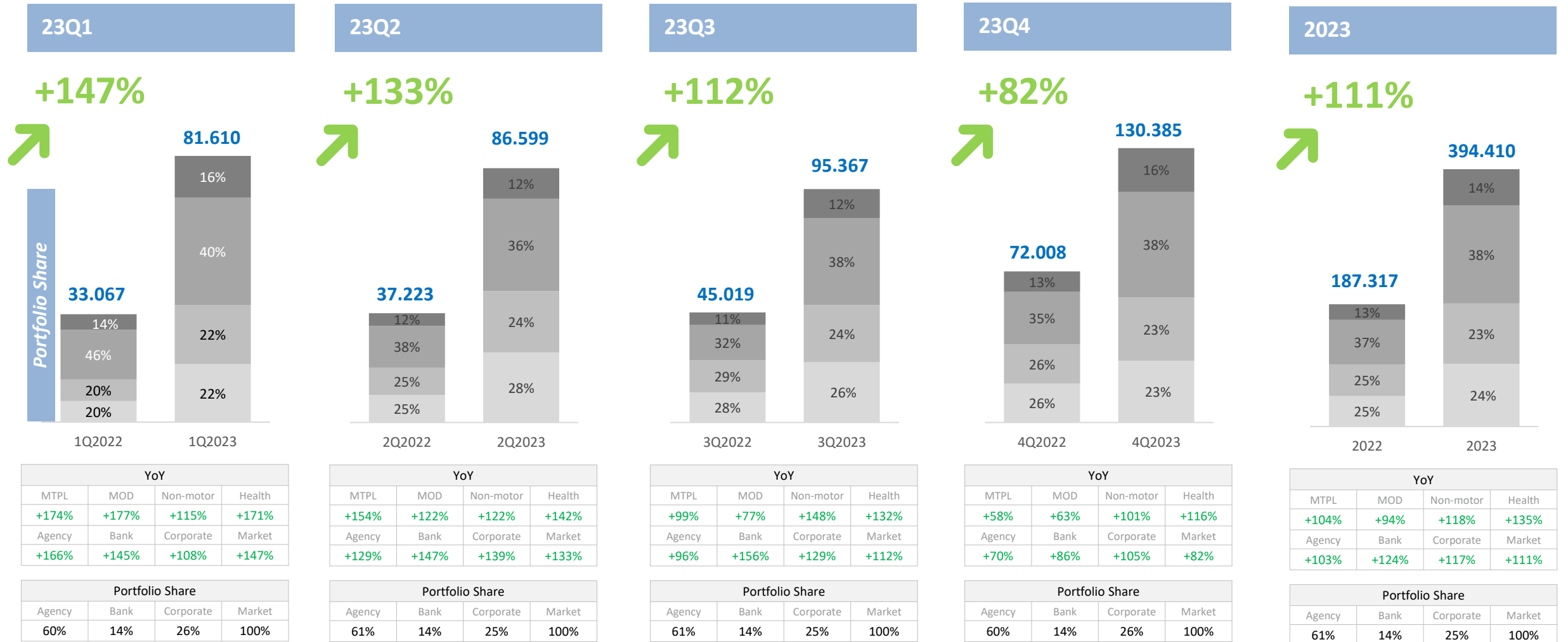
(Million TL)	22'12A	23'11A	23'12E1	23'12E3	23'12A	23'12A/ 22'12A	23'12A/ 23'12E3
Cash & Marketable Securities	8.204	8.806	9.805	9.389	9.141	11%	-3%
<i>AUM</i>	7.659	8.806	9.805	9.389	9.141	19%	-3%
Credit Card Receivables	543	2.849	2.443	2.789	3.802	n/a	36%
Premium Receivables	2.867	3.772	4.310	4.968	5.417	89%	9%
Receivables from (Re)/Insurers	148	808	162	1.529	408	176%	-73%
Receivables from Recoveries	132	183	181	186	171	29%	-9%
Other Receivables	-229	92	28	91	190	183%	109%
Deferred Expenses	904	1.398	1.839	1.720	1.780	97%	4%
Deferred Tax Asset	203	245	227	262	237	17%	-10%
Subsidiaries	60	100	60	100	100	67%	0%
Fixed Assets	217	409	312	367	411	90%	12%
TOTAL ASSETS	13.049	18.662	19.367	21.401	21.657	66%	1%
Accounts Payable	2.522	4.798	6.151	6.509	6.083	141%	-7%
Bank Loans	544	0	0	0	0	-100%	0%
Premium Reserves	3.898	4.913	5.022	5.154	5.756	48%	12%
Technical Reserves	3.056	4.239	4.405	4.629	4.112	35%	-11%
Corporate Tax Liability	0	0	0	-5	0	>1K	100%
Other Payables	402	444	638	400	852	112%	113%
Deferred Income	627	1.428	745	1.751	1.573	151%	-10%
Retirement Pay Provision	34	15	48	24	17	-49%	-27%
Other Payables	11.084	15.837	17.010	18.463	18.394	66%	0%
Paid in Capital	1.612	1.612	1.612	1.612	1.612	0%	0%
Retained Earnings & Legal Reserves	490	395	347	364	416	-15%	14%
<i>MTM IRR difference</i>	2	31	2	26	52	>1K	101%
Net Profit of the Period	-137	818	398	936	1.235	>1K	32%
TOTAL SHAREHOLDERS' EQUITY	1.965	2.825	2.357	2.912	3.263	66%	12%
TOTAL LIABILITIES AND EQUITY	13.049	18.662	19.367	21.401	21.657	66%	1%
ROE (YonY)	n/a	30%	18%	39%	51%	n/a	12pp
CAPITAL ADEQUACY RATIO	107%	79%	100%	102%	105%	-1pp	3pp
AUM / TECHNICAL RESERVES*	118%	96%	104%	96%	93%	-25pp	-3pp

(*) Reserves including UPR, o/s claims and IBNR

Capital Adequacy

Capital adequacy	Dec.20	Dec.21	Dec.22	Dec.23	Main drivers:
Required capital	953	1.426	1.971	3.125	
Asset risk	388	484	551	779	by asset size
Reinsurance risk	81	178	320	828	by re-insurance portfolio
Reserve risk	115	165	233	301	by growth
UW risk	350	527	776	1.005	by growth
FX risk	18	72	91	211	by fx exposure
Available capital	1.220	1.167	2.104	3.362	
Capital adequacy ratio	128%	82%	107%	108%	

Market GWP Distribution (%) (m TL)

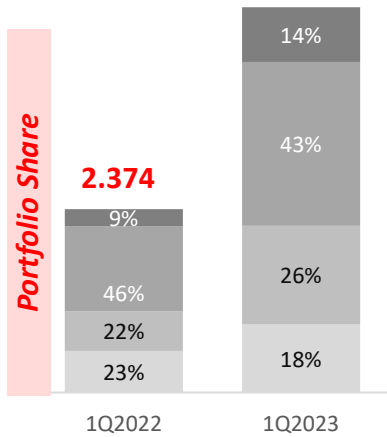


Note: Retro premiums from pools are excluded.

Aksigorta GWP Distribution (%) (m TL)

23Q1

+110%

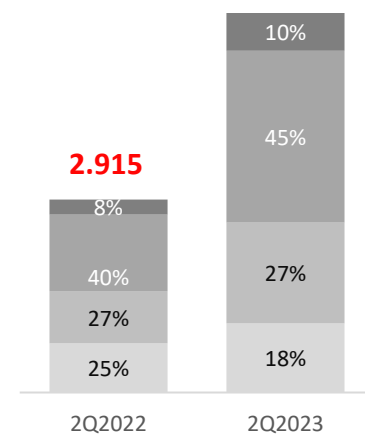


YoY			
MTPL	MOD	Non-motor	Health
+65%	+147%	+93%	+223%
Agency	Bank	Corporate	Company
+103%	+150%	+108%	+110%

Portfolio Share			
Agency	Bank	Corporate	Company
58%	9%	33%	100%

23Q2

+97%

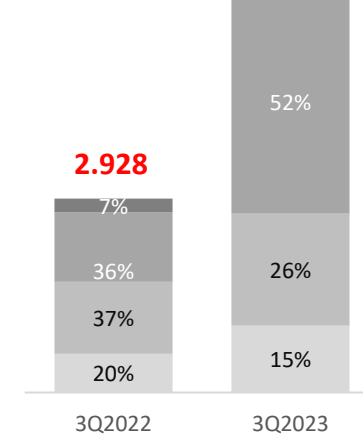


YoY			
MTPL	MOD	Non-motor	Health
+41%	+93%	+125%	+146%
Agency	Bank	Corporate	Company
+75%	+45%	+157%	+97%

Portfolio Share			
Agency	Bank	Corporate	Company
55%	7%	38%	100%

23Q3

+123%

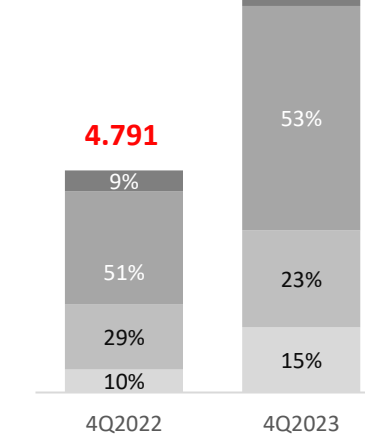


YoY			
MTPL	MOD	Non-motor	Health
+73%	+55%	+224%	+110%
Agency	Bank	Corporate	Company
+68%	+87%	+231%	+123%

Portfolio Share			
Agency	Bank	Corporate	Company
53%	7%	40%	100%

23Q4

+92%

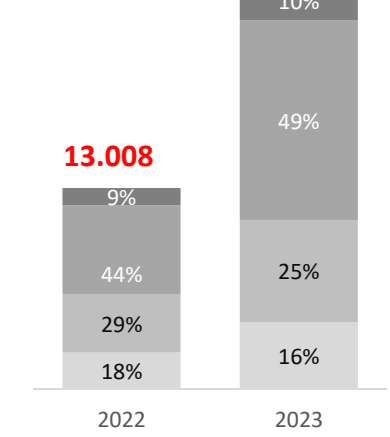


YoY			
MTPL	MOD	Non-motor	Health
+181%	+50%	+98%	+88%
Agency	Bank	Corporate	Company
+94%	+51%	+97%	+92%

Portfolio Share			
Agency	Bank	Corporate	Company
52%	11%	38%	100%

2023

+103%



YoY			
MTPL	MOD	Non-motor	Health
+84%	+73%	+125%	+131%
Agency	Bank	Corporate	Company
+85%	+70%	+140%	+103%

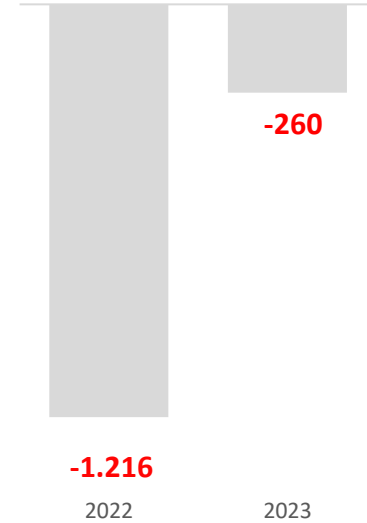
Portfolio Share			
Agency	Bank	Corporate	Company
52%	9%	39%	100%

UW Result and Combined Ratio Development

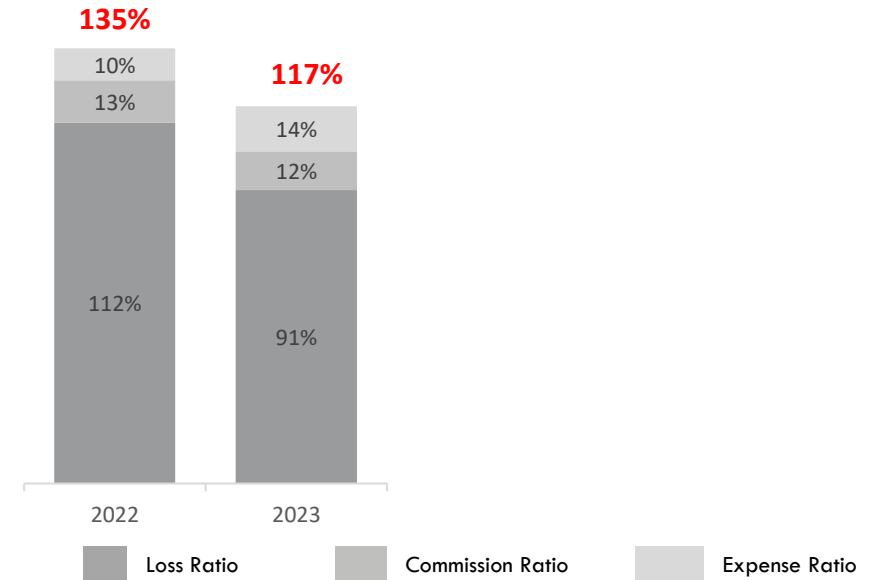
UW improved YoY thanks to increase in discount rates

UW Result and Combined Ratio (TL m; %)

UW Result



Net Combined Ratio

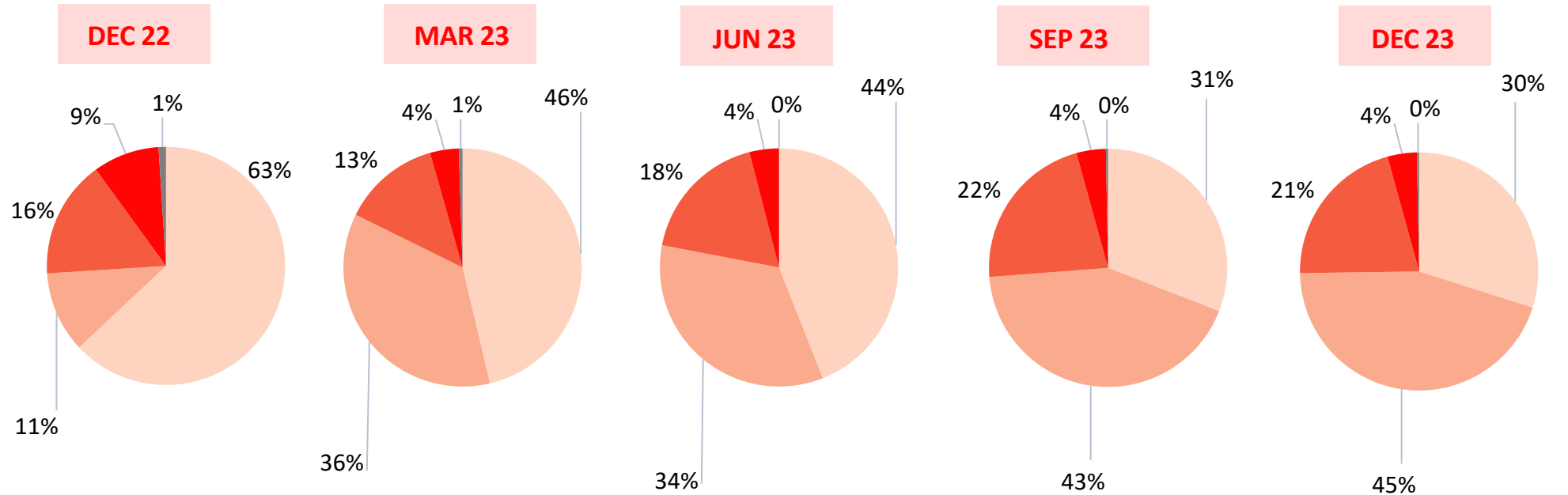


UWM	
2022	2023
-12,4%	-1,3%

UWM: UWR / Gross earned premiums

Financial Income Development

As of December 2023, AuM has reached TL 9.1b with 19% YoY growth



AuM m TL	7,659m TL	8,660m TL	9,411m TL	8,880m TL	9,141m TL
Average annualized yield*	25%	24%	60%	28%	32%
Quarterly financial income*	436m TL	462m TL	1.148m TL	565m TL	743m TL

(*): Including FX gain / loss

Note: Financial income figures are after BITT (net off tax).

Note: In 2023 tax advantage TL fund interest income was 794 million TL; generating 238 million TL tax shield.

Table of contents

Introduction

Company overview

Business overview

Growth drivers

Financial overview

Appendix



Technical Result Bridge between TFRS & Management Reporting

	Technical result in TFRS	Re-classifications							UW result in management reporting
		1	2	3	4	5	6	7	
Net earned premiums	8.044	-41	-9	-	-	-	-	-	7.994
Claims, net (*)	-6.552	-	-	+162	-541	-155	-	-	-7.086
Other technical income and expense	-774	+41	+9	-162	+510	+155	-	-	-221
Commissions, net	-	-	-	-	-	-	-947	-	-947
General expenses	-1.933	-	-	-	-	-	+1.933	-	-
Allocated financial income	2.906	-	-	-	-	-	-	-2.906	-
Total	1.691	-	-	-	-31	-	+986	-2.906	-260

1. Guarantee Fund (premiums ceded to Assurance Account as a % of MTPL production)
2. Assistance Premiums
3. Subrogation Accrual
4. Other Technical Inc. / Exp.
5. Bad Debt for Subrogation Receivables
6. Commissions vs. General Expense (only commissions are included in UWR in management reporting)
7. Allocated Financial Income : Interest income and FX gain/loss

(*) Claims, net in CMB reporting includes non-life technical expenses, namely incurred claims, bonus and rebates and other reserve provisions

AUM	Asset Under Management
Ceded Premiums	Premiums transferred to reinsurers
Combined Ratio	Total of Loss ratio, commission ratio and expense ratio
FI	Financial Income
FTE	Full-Time Employee
GEP	Gross Earned Premium
GWP	Gross Written Premium
HC	Headcount
LoB	Line of Business
MOD	Motor Own Damage
MTPL	Motor Third Party Liability
NEP	Net Earned Premiums
Net Written Premiums	Premium net of reinsurer share
Retention Ratio	Net Written Premiums as a share in GWP
TCIP	Turkish Catastrophic Insurance Pool
Tech. Margin	Technical Margin, Technical Result as a share in NEP
Tech. Result	Technical Result = UWR + Financial Income + Expenses
UWM	Underwriting margin , Underwriting Result as a share in GEP
UWR	Underwriting Result

Thank you!

Contact No
00902162809761

Email Address
investor.relations@aksigorta.com.tr

AKSigorta
Bambařka.

