



MAPFRE SİGORTA A.Ş.
**ANNUAL REPORT
FOR 2024**



OUR VISION

Your trusted insurance company.



OUR MISSION

We are with you in every step you take to live in peace by contributing to the development of a sustainable and supportive community structure.

We care about what you value.



OUR VALUES

Integrity

We are **MAPFRE Sigorta** professionals who conduct relations with all our business partners within the framework of ethics, respect for human rights and honesty

Innovation

We offer the most appropriate solutions by anticipating the needs of our customers with a distinctive transformation effect...

Service

We develop all our activities with continuous progress in order to meet all kinds of needs of our customers.

Solvency

We work with the financial, technical and professional strengths necessary to realize our professional commitments with sustainable results.

Multicultural and Diverse Team

At **MAPFRE Sigorta**, we contribute to the values we stand for together by bringing together different talents with the principle of inclusiveness.





RSM Turkey Arkan Ergin
Uluslararası Bağımsız Denetim AŞ

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CONVENIENCE TRANSLATION OF THE AUDITOR'S REPORT ON THE BOARD OF DIRECTOR'S ANNUAL REPORT (Originally issued in Turkish)

To the General Assembly of Mapfre Sigorta Anonim Şirketi,

1) Opinion

We have audited the annual report of Mapfre Sigorta Anonim Şirketi (the "Company") for the period of 1 January - 31 December 2024.

In our opinion, the financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Company are presented fairly and consistent, in all material respects, with the audited full set financial statements and the information we obtained during the audit.

2) Basis for Opinion

We conducted our audit in accordance with Independent Auditing Standards ("ISA") which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") and the regulations on independent auditing principles in force as per the insurance legislation. Our responsibilities under these standards are explained in detail in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We hereby declare that we are independent of the Company in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") published by POA and the ethical requirements in the legislation on independent auditing. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and other applicable legislation. We believe that the audit evidence we have obtained during our independent audit is sufficient and appropriate to provide a basis for our opinion.

3) Our Auditor's Opinion on the Full Set Financial Statements

We have expressed an unqualified opinion in our auditor's report dated 7 March 2025 on the full set financial statements of the Company for the period of 1 January - 31 December 2024.



THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

RSM Turkey is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practises in its own right. The RSM network is not itself a separate legal entity any jurisdiction.

4) Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of Turkish Commercial Code 6102 ("TCC") and the principles in the Regulation on the Financial Structures of Insurance, Reinsurance and Pension Companies ("Regulation") issued on 7 August 2007 dated and 26606 numbered, the management of the Company is responsible for the following items:

a) Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.

b) Preparation and fair presentation of the annual report; reflecting the operations of the Company for the year, along with its financial position in a correct, complete, straight forward, true and honest manner. In this report, the financial position is assessed in accordance with the financial statements. Development of the Company and the potential risks to be encountered are also noted in the report. Evaluation of the Board of Directors is also included in this report.

c) The annual report also includes the matters below:

- Subsequent events occurred after the end of the fiscal year which have significance,

- Research and development activities of the Company,

- Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses and financial aids, insurances and similar deposits.

While preparing the annual report, the Board of Directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

5) Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of TCC and Regulation on whether the financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Company's audited financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with ISA and the principles on auditing in force as per the insurance legislation. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the financial statements.

The name of the engagement partner who supervised and concluded this audit is Ahmet Cihat Kumuşoğlu.

RSM Turkey Uluslararası Bağımsız Denetim A.Ş.
Member of RSM International



Ahmet Cihat Kumuşoğlu, YMM
Engagement Partner

Istanbul, 7 March 2025

Annual report for the period 01/01/2024-31/12/2024 prepared in accordance with the regulation on the financial structure of insurance, reinsurance and pension companies and article 516 of the turkish commercial code

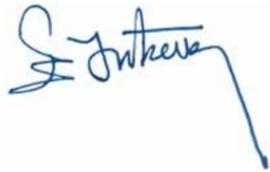
We hereby submit for your review and approval the ANNUAL REPORT, together with its annexes, prepared in accordance with the procedures and principles set out in the Regulation on the Financial Structures of Insurance, Reinsurance and Pension Companies and Article 516 of the Turkish Commercial Code in relation to the activities of our Company for the year 2024. (March 07, 2025)

Regards

MAPFRE SİGORTA A.Ş.

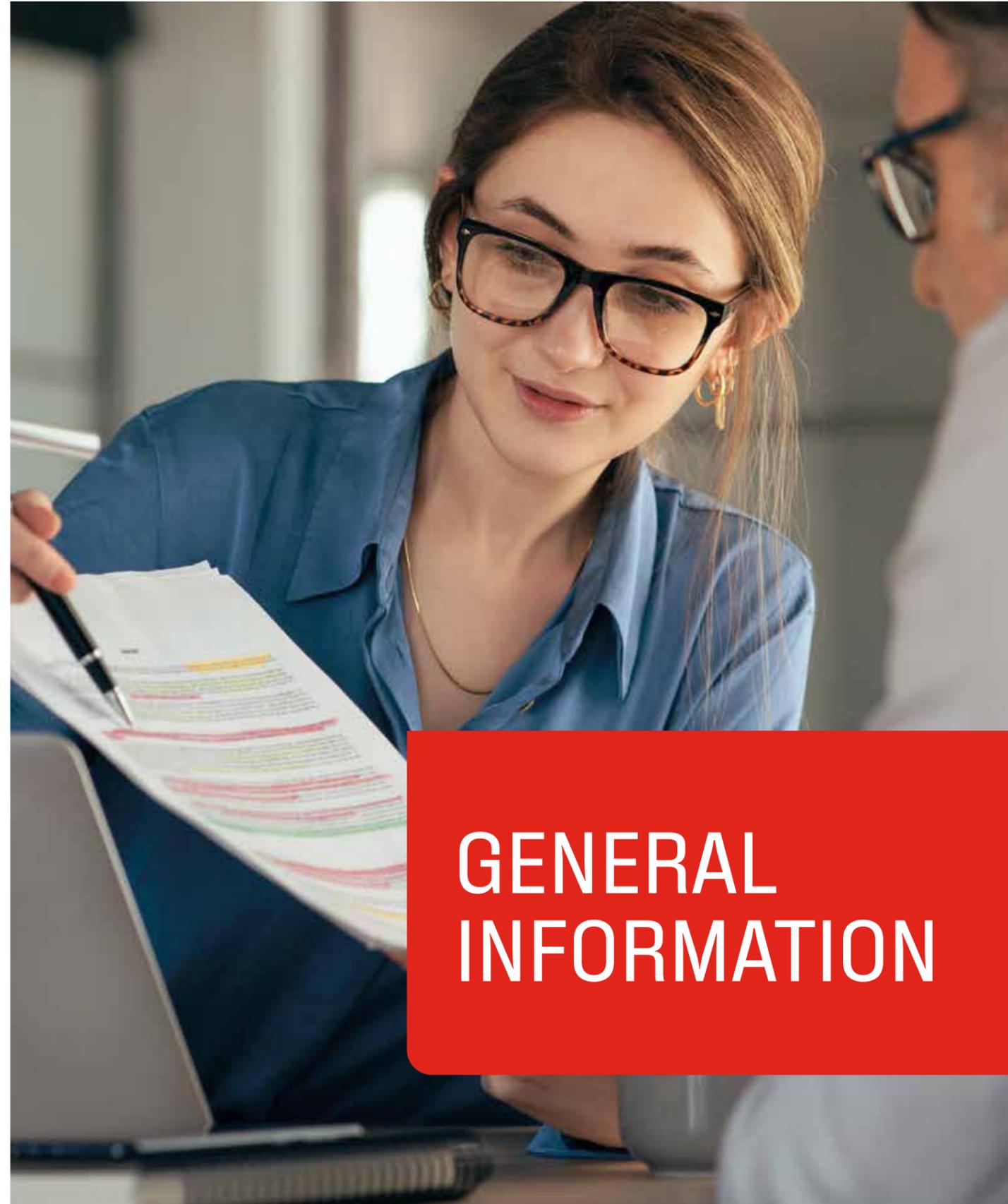
Erdinç YURTSEVEN

Deputy Chairman of the Board of Directors
General Manager



Zeynep Nazan SOMER ÖZELGİN

Chairman of the Board of Directors



**GENERAL
INFORMATION**



Evaluations of the Chairman of the Board of Directors and the General Manager regarding the activity period and their expectations for the future

Dear Shareholders

2024 was a year in which world economies began to emerge from the dilemma of recession and inflation and significant progress was made in the fight against inflation on a global scale. While the inflation rate in developed economies such as the US and the European Union countries fell below 3%, interest rate cuts by Central Banks globally gained momentum in 2024.

In 2024, the global economy is expected to grow by just over 3%, still below historical averages. Turkey, which grew by 5.1% in 2023, closed the year with 3.2% growth as the effects of tightening steps to combat inflation became more evident.

The foreign trade balance, on the other hand, recorded a significant improvement in 2024 despite weak external demand and the appreciation of the Turkish lira in real terms. As a result, our current account deficit narrowed to USD 10 billion in 2024, down to 0.8% of GDP.

The Central Bank's net foreign exchange position improved significantly due to the decline in the current account deficit, weakening dollarization and foreign inflows. Net FX reserves excluding swaps increased by a

total of 81 billion USD throughout the year, reaching 43.5 billion USD at the end of the year.

Under cost shocks and strong demand conditions, annual inflation continued to rise until May 2024 under cost shocks and strong demand conditions, peaking at 75.4%, before entering a downtrend and reaching 44.4% at the end of 2024 due to the base effect. While our Central Bank maintained its tight interim policy stance by raising the policy rate to 50% with increases in January and March, it started an interest rate cut cycle as of December within the envisaged disinflation path and framework, reducing the policy rate by 250 basis points to 47.5% in the last month of 2024. Interest rate cuts are expected to continue in a similar manner in 2025.

As a result, Turkey was the only country to receive a rating upgrade from the three major international credit rating agencies in 2024, thanks to the improvement in the inflation outlook, strong reserve increases and the decline in the current account deficit.

Despite the economic slowdown, our sector's total non-life premium production increased by 72% year-on-year to TL 738.6 billion as of year-end 2024, according to data compiled by the Insurance Association of Turkey.

As of year-end 2024, our Company's total premium production increased by 71.4% year-on-year to TL 19.1 billion. Analyzed by branches, premium production increased by 72.5% year-on-year in the health branch, which accounted for 33.6% of our total production, and by 87.1% in the auto branch, which accounted for 31.8% of our total production.

Our market share in terms of premium production was 2.6%, the same as last year, and our company ranked 12th in the sector in terms of premium production.

Our sustainable and balanced growth strategy paid off in our financial results and we closed 2024 with a record profit after tax of TL 1,559,613,303. Compared to the previous year, our net profit increased by 115.8% and our return on equity was realized above inflation at 46.2%.

2024 income statement technical segment balance was realized as TL 1,668,880,140 income. This result is achieved by adding insurance technical items amounting to TL 2,084,033,910 to TL 2,310,618,300 from investment income transferred from the non-technical segment and deducting operating expenses amounting to TL 2,725,772,070. Our investment income amounted to TL 3,397,230,661 and our investment expenses amounted to TL 2,723,187,205, including the amount transferred to the technical department. Thus, our net investment income amounted to TL 674,043,456.

In early 2024, in line with MAPFRE Group's long-term strategic plans in Turkey, we sold MAPFRE Yaşam Sigorta in line with the decision to focus on non-life insurance. In addition, as part of this strategy, we made a capital increase of TL 550 million in 2024 to further strengthen our strong capital structure and support our growth strategy. The results we achieved in 2024 once again demonstrated the success of this strategy.

As a matter of fact, we are also pleased to announce that in 2024, our financial strength rating was once again affirmed as AA+ (Tur) by the international rating agency Fitch Ratings. This rating is the result of a review of our company's financial and technical strength, management structure, risk acceptance policy and reinsurance practices, as well as an independent assessment based on internationally recognized criteria.

Likewise, it was no surprise to us that we were selected

as one of the most reputable brands in the insurance sector in a survey conducted by the Turkish Reputation Academy with 15 thousand people from 26 regions and 72 provinces.

2024, a year in which we achieved highly successful financial results, was also a year in which we continued our social responsibility projects that touch every segment of society in cooperation with our foundation Fundacion MAPFRE. In this context, we have reached approximately 90,000 students and 180,000 families in 600 schools so far within the scope of our Smart Children of the City project, which we have been carrying out since 2021 and aims to raise awareness about traffic rules in future generations.

Our social responsibility activities in 2024 include Hatay earthquake aid, autism awareness day support event, fairy tale reading event and cheerful roofs workshop for children undergoing cancer treatment with the Laughter Heals Association, painting of pediatric oncology wards in Istanbul and Ankara with the Color Life Association, and donation of the sales proceeds of the works of our art and photography club's year-end exhibition to Darüşşafaka.

At MAPFRE Sigorta, we also recognize sustainability as a fundamental principle of our company. Within the scope of our Strategic Sustainability Plan, which consists of four main topics: environment, society, corporate governance and business, we work to protect our planet, strengthen society and support equal opportunities. In 2024, we reduced our carbon footprint by 38% beyond our targets and became a carbon neutral company by contributing to carbon offset projects for the first time this year to compensate for our remaining carbon emissions.

In 2025, as part of the MAPFRE Group, one of the world's most important insurance groups, we are confident that we will achieve significant success with our solid financial structure, sustainable growth vision and strong operational performance.

We would like to extend our gratitude to all our business partners and insureds who have trusted and supported us every step of the way.

In this context, our annual results for 2024 are presented for your attention.

Sincerely yours,

Erdiñ YURTSEVEN

Deputy Chairman of the Board of Directors

Zeynep Nazan SOMER ÖZELGİN

Chairman of the Board of Directors

Title and field of activity of the Company

The title of the company is MAPFRE SİGORTA A.Ş. Founded on August 16, 1948 in Istanbul, Turkey, MAPFRE SİGORTA A.Ş. is engaged in the design, marketing, sales and after-sales services of insurance services in the following lines of business: Credit, Sickness/Health, Watercraft Liability, Aircraft Liability, General Damages, Land Vehicles, Rail Vehicles, Air Vehicles, Accident, General Liability, Land Vehicles Liability, Water Vehicles, Marine, Fire and Natural Disasters, Safety Damage, Financial Losses and Legal Protection.

The historical development of the Company and the amendments, if any, made to its articles of association during the accounting period and the reasons thereof

Founded on August 16, 1948 in Sirkeci, Istanbul with a capital of TL 1,000,000 and the participation of Türkiye Kredi Bankası A.Ş. and businessmen of the period, our company has been serving the Turkish Insurance Sector for 76 years with a paid-in capital of TL 1.3 billion.

Well-established Past, Reassuring Future: MAPFRE Sigorta

The foundation of MAPFRE Sigorta, one of the strongest companies in the Turkish insurance sector and a prominent contributor to the industry, dates back 75 years to 1948. Founded in 1948 by Türkiye Kredi Bankası A.Ş. and some entrepreneurs of the period, T. GENEL SİGORTA was incorporated into Çukurova Holding in 1975. In 2007, MAPFRE, the largest insurance group in Spain and South America, acquired 80% of Çukurova Holding's shares and became the controlling shareholder of the company. The company has been operating under the name MAPFRE GENEL SİGORTA since April 2009 and MAPFRE SİGORTA since October 2016. As of today, MAPFRE INTERNACIONAL's share in the shareholding structure of MAPFRE SİGORTA is 99.81%.

MAPFRE Sigorta Reinforces Its Strength in Turkey with Financial Results

Today, MAPFRE Sigorta stands out with its capital and robust shareholders' equity structure, while the AA+(TUR) National Insurer Financial Strength Rating from the International Credit Rating Agency Fitch Ratings, with a "stable" outlook, demonstrates the success of its financial sustainability and steady growth plan.

The operating profile of MAPFRE Sigorta, which operates with global expertise in corporate governance, operational support and risk management, was assessed as "favorable" compared to other Turkish insurance companies in the report released by Fitch Ratings. The report also confirms MAPFRE Group's confidence in Turkey and MAPFRE Sigorta. In this context, the report positions MAPFRE Sigorta as "Important" for MAPFRE Group and reveals that the Group will maintain its commitment to the Turkish market despite economic fluctuations.

Indispensable for MAPFRE Sigorta: Sustainability

MAPFRE Sigorta embraces the MAPFRE Group's vision for sustainability and carries out all its activities accordingly. Saying "We are here" with the goal of building a sustainable future, MAPFRE Sigorta continues to realize its commitments in the areas of environment, society,

corporate governance and business in the Strategic Sustainability Plan 2022-2026.

Having set a target of reducing its carbon footprint by 46 percent by the end of 2024 and 65 percent by 2030, MAPFRE Sigorta has already achieved its 2030 target by reducing its carbon footprint due to electricity consumption by 69 percent in 2023 and by 54 percent overall compared to 2019 data. MAPFRE Sigorta has made the largest contribution to reducing electricity consumption in the MAPFRE Group with a rate of 49 percent. It also played an important role in reducing the energy consumption associated with the energy consumption of MAPFRE Group's buildings and vehicle fleet by 12 percent. In this context, Turkey ranks second after Brazil among the countries that have contributed the most to this reduction, with 46 percent.

An Approach that Prioritizes Opportunity and Gender Equality and Cares about the Future of Society and the Environment

MAPFRE Sigorta also stands out with its efforts to increase female employment, diversity and create sustainable value for both society and the environment.

Embracing diversity, equality and inclusion as an indispensable value, MAPFRE Sigorta has 54.33% female employees and 47.6% women in management positions. As the first company in the insurance sector to receive the Equal Opportunity Model Certificate, MAPFRE Sigorta implements practices that promote equality. In addition to being the first insurance company to be included in the list of Women Friendly Brands, as a signatory of the Women's Empowerment Principles and a certified Equal Women at Work organization, MAPFRE Sigorta continues to provide a fair, inclusive and supportive working environment.

MAPFRE Sigorta stands by all its stakeholders even tomorrow with its Stable and Strategic Management Approach!

In 2007, the transfer of the Company's controlling shares to MAPFRE Group, the largest insurance group in Spain, was completed on September 20, 2007 and 280,000,000 shares of MAPFRE S.A., representing 80% of the Company's capital, were transferred to MAPFRE International S.A., a subsidiary responsible for international investments, on April 23, 2008.

The shares of Demir Toprak İthalat İhracat ve Tic A.Ş. amounting to TL 35.000.000, representing 10% of the Company's capital, were transferred to MAPFRE Internacional S.A. in accordance with the permission letter of the Republic of Turkey Prime Ministry Undersecretariat of Treasury dated 03.12.2009 and numbered 51308 and the transfer was recorded in the Company's share ledger. Thus, the share of MAPFRE Internacional S.A. increased to 99,75%.

The name of the Company was changed to MAPFRE SİGORTA A.Ş. as of October 12, 2016.

The Board of Directors Resolution numbered 01 June 2017/31 was taken regarding the transfer of the Company's commercial center to Torun Center, Fulya Mahallesi, Büyükdere Caddesi No. 74 D Blok Mecidiyeköy 34381 İstanbul as of 19 June 2017 and the relevant resolution was published in the Turkish Trade Registry Gazette dated 29 June 2017 and numbered 9356.

In 2024, in line with MAPFRE Group's long-term strategic plans in Turkey, the Company sold MAPFRE Yaşam Sigorta in line with the decision to focus on non-life insurance. In addition, the Company transferred its shares in Genel Servis, one of its existing contracted vehicle repair centers, in which it has held a 51% stake since 2012.

As part of this strategy, the Company further strengthened its capital through a capital increase of TL 550 million in 2024.

A stable and strategic management approach is one of MAPFRE Sigorta's greatest strengths. In addition to knowledge and experience, the management team, which develops financial and technical policies for the future,

HEAD OFFICE

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Tel : 0212 334 90 00
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E-mail: info@mapfre.com.tr

ADANA REGIONAL DIRECTORATE

Cemalpaşa Mah. Fuzuli Cad. Egemen Apt. Zemin Kat No: 71 Seyhan/ADANA
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Fax : 0322 459 58 62
E-mail: adana@mapfre.com.tr

ANTALYA REGIONAL DIRECTORATE

Meydankavağı Mah. Avni Tolunay Cad. No: 77/C Muratpaşa/ANTALYA
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E-mail: antalyabolge@mapfre.com.tr

SAMSUN REGIONAL DIRECTORATE

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E-mail: samsunbolge@mapfre.com.tr

ISTANBUL ANATOLIA REGIONAL DIRECTORATE

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İZMİR REGIONAL DIRECTORATE

Akdeniz Mah. Halit Ziya Bulvarı No: 39 Daire: 68-70A Gloria Şen Residence Konak/İZMİR
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E-mail: izmirbolge@mapfre.com.tr

GAZİANTEP REGIONAL DIRECTORATE

İncilipınar Mah. 3 No'lu Cad. Akınalan İş Merkezi Şehitkamil/GAZİANTEP
Tel : 0342 220 51 11
Fax : 0342 231 00 97
E-mail: gaziantep@mapfre.com.tr

offers a more effective decision-making and management process.

MAPFRE Sigorta will continue to meet the expectations of its intermediaries and insureds by caring about what you value and adhering to the ethical values of insurance.

Contact details of the company

The registered office of the Company is Torun Center, Fulya Mahallesi Büyükdere Caddesi No.74 D Blok Mecidiyeköy 34381 İstanbul, Turkey. The Company has branch offices in Adana, Ankara, Antalya, Bursa, İzmir, İstanbul, Konya, Samsun and Gaziantep.

Contact information for the Head Office and Branch Offices is as follows.

ANKARA REGIONAL DIRECTORATE

Cevizlidere Cad. No: 1/13 Dikmen Çankaya/ANKARA
Tel : 0312 472 75 72 (pbx)
Fax : 0312 472 58 59
E-mail: ankarabolge@mapfre.com.tr

BURSA REGIONAL DIRECTORATE

Alaaddinbey Mah. İzmir Yolu Cad. Uludağ Ticaret Merkezi No: 277/G Nilüfer/BURSA
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Fax : 0224 441 63 55
E-mail: bursa@mapfre.com.tr

EUROPE 2 REGIONAL DIRECTORATE

Torun Center, Fulya Mahallesi, Büyükdere Cad. No: 74/D Şişli/İSTANBUL
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Fax : 0212 334 97 09
E-mail: avrupa2bolge@mapfre.com.tr

EUROPE 1 REGIONAL DIRECTORATE

Torun Center, Fulya Mahallesi, Büyükdere Cad. No: 74/D Şişli/İSTANBUL
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Fax : 0212 334 90 00
E-mail: avrupa1bolge@mapfre.com.tr

KONYA REGIONAL DIRECTORATE

Musalla Bağları Mah. Ankara Cad. No: 71/A Selçuklu/KONYA
Tel : 0332 235 86 86
Fax : 0332 235 80 00
E-mail: konyabolge@mapfre.com.tr

Capital and Shareholding Structure of the Company

As of 01.07.2024, the paid-in capital of the Company is TL 1,277,680,661.00 and the shareholding structure of the Company is as follows:

		31 December 2024		31 December 2023
Name	Share rate	Share amount	Share rate	Share amount
MAPFRE Internacional S.A.	99,81%	1.686.865.946	99,75%	349.109.046
Other	0,19%	3.232.215	0,25%	890.954
Authorized Capital	100,00%	1.690.098.161	100,00%	350.000.000
Unpaid Capital	-	(412.417.500)	-	-
Paid-in Capital		1.277.680.661		350.000.000

The chairman and members of the board of directors of the Company do not hold any shares in the shareholding structure.

Amendments in the Company's capital and shareholding structure

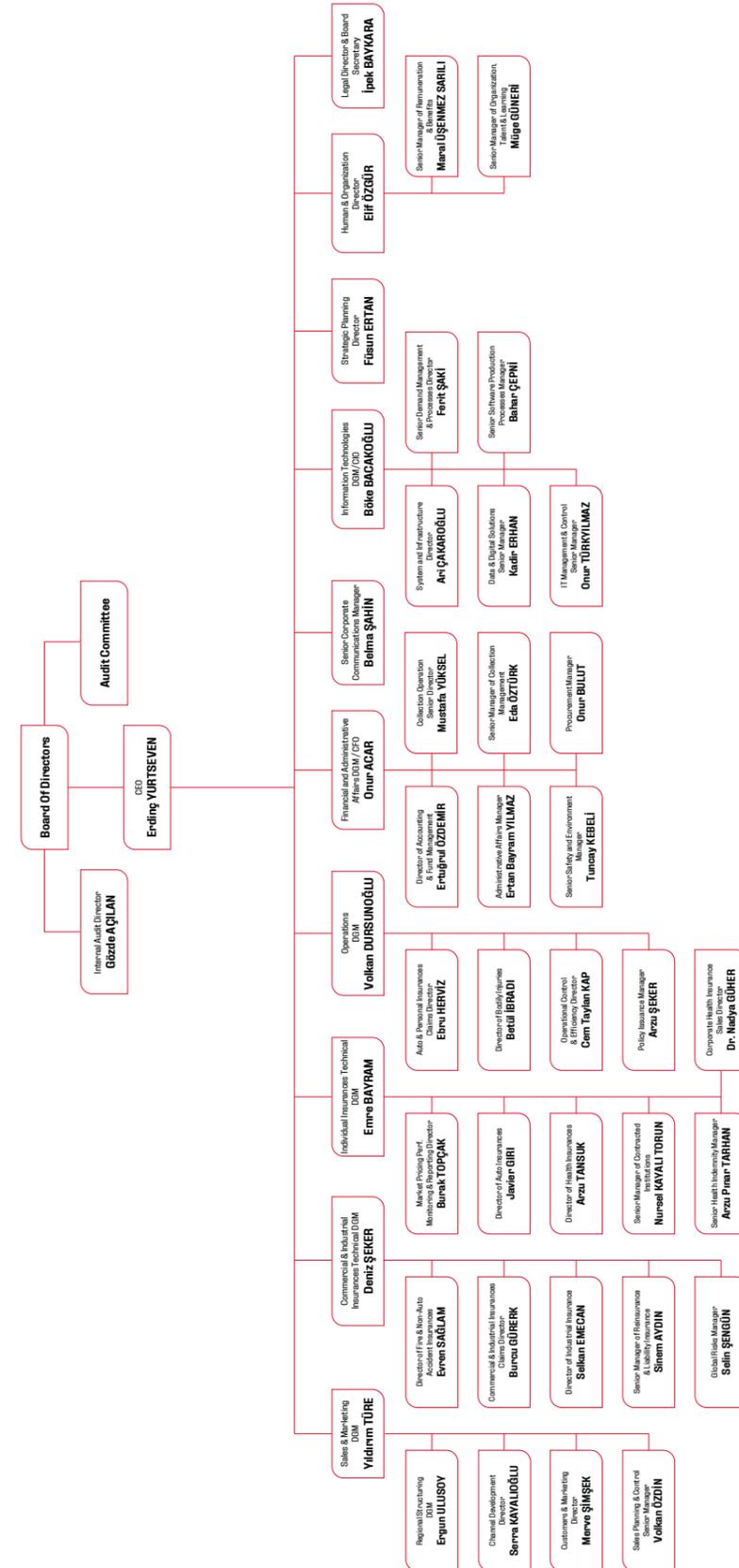
The capital and shareholding structure of the Company as of 01.07.2024 has been amended as follows as a result of the simultaneous capital increase and decrease.

		31 December 2024		31 December 2023
Name	Share rate	Share amount	Share rate	Share amount
MAPFRE Internacional S.A.	99,81%	1.686.865.946	99,75%	349.109.046
Other	0,19%	3.232.215	0,25%	890.954
Authorized Capital	100,00%	1.690.098.161	100,00%	350.000.000
Unpaid Capital	-	(412.417.500)	-	-
Paid-in Capital		1.277.680.661		350.000.000

Privileged Shares of the Company and Rights Granted to These Shares

No privileged shares were issued in 2024. Pursuant to the Articles of Association, the rights of 200 (Two Hundred) founders' share certificates, which were previously distributed by the decision of the founders who rendered significant services in the establishment of the Company, are reserved.

Organisation Chart



Board of Directors

Zeynep Nazan SOMER ÖZELGİN

Chairman of the Board of Directors

DATE OF APPOINTMENT

31.03.2020

AREA OF RESPONSIBILITY

MAPFRE Sigorta A.Ş.
Chairman of the Board of Directors

EDUCATIONAL STATUS

Boğaziçi University
Faculty of Business Administration

TENURE AND PROFESSIONAL EXPERIENCE

- 04/2018 - Zagrebacka Banka (Unicredit Croatia)
Vice Chairman of the Board of Directors, Risk Committee and Audit Committee Member
- 04/2017 - Unicredit Romania
Board Member, Audit Committee Chairman, Risk Committee and Nomination Committee Member
- 10/2020 - Member of the Board of Directors of Worldline Group S.A.
- 09/2000 - 01/2018 Yapı Kredi Bankası A.Ş. Deputy General Manager
- 08/1988 - 05/2000 AA Aktif Denetim ve Danışmanlık AŞ Responsible Partner

Alfredo Castelo MARİN

Board Member

DATE OF APPOINTMENT

23.02.2024

AREA OF RESPONSIBILITY

MAPFRE Sigorta A.Ş.
Chairman of the Board of Directors

EDUCATIONAL STATUS

Madrid Complutense University
Economics and Business

TENURE AND PROFESSIONAL EXPERIENCE

- 2024- Currently, MAPFRE Group Corporate Areas Human Resources Strategy and Sustainability General Manager
- 2021-2023 MAPFRE Group Business and Customer Relations - General Manager
- 2017- 2020 MAPFRE Group North America Region - General Manager
- 2013-2016 SOLUNION Vice President
- 2009-2016 MAPFRE Global Risks General Manager

Hasan Hulki YALÇIN

Board Member

DATE OF APPOINTMENT

08.09.2020

AREA OF RESPONSIBILITY

MAPFRE Sigorta A.Ş.
Board Member

EDUCATIONAL STATUS

University of Birmingham
International Banking and Finance
ODTÜ / Economy

TENURE AND PROFESSIONAL EXPERIENCE

- 2003-2019 Milli Reasürans TAŞ, CEO, Board Member
- 2009-2019 Türkiye Sigorta Birliği, Board Member
- 2011-2019 Anadolu Sigorta A.Ş. Vice President, Board Member
- 2015-2019 Miltaş Turizm İnşaat Ticaret A.Ş., President
- 1989-2003 Türkiye İş Bankası A.Ş., Regional Director
- 2003-2003 Trakya Cam Sanayi, Board Member
- 2001-2003 Yatırım Finansman Menkul Değerler A.Ş., Board Member
- 1999-2001 Türk Dış Ticaret Bankası A.Ş., Board Auditor Member

Süleyman Serdar ÇALOĞLU

Board Member

DATE OF APPOINTMENT

16.09.2015

AREA OF RESPONSIBILITY

MAPFRE Sigorta A.Ş.
Board Member

EDUCATIONAL STATUS

Bilkent University
Faculty of Administrative Sciences
Business Administration / Master's Degree

TENURE AND PROFESSIONAL EXPERIENCE

- 2013 - Çukurova Holding A.Ş. Business Development Coordinator
- 2011 - 2013 AKS Tv A.Ş. Executive Member of the Board of Directors
- 1998 - 2011 ET Medya A.Ş. Executive Member of the Board of Directors Board Member
- 1997 - 1998 Denizbank Branch Manager
- 1992 - 1997 Interbank Marketing Manager

Erdiņ YURTSEVEN

Vice Chairman of the Board of Directors / General Manager

DATE OF APPOINTMENT

19.12.2022

AREA OF RESPONSIBILITY

MAPFRE Sigorta A.Ş.
General Manager

EDUCATIONAL STATUS

Marmara University
Faculty of Economics and Administrative Sciences
University of Illinois at Urbana-Champaign, USA
Finance / Master's Degree

TENURE AND PROFESSIONAL EXPERIENCE

- 2009-2022 MAPFRE Sigorta A.Ş. CFO
- 2006-2009 Insurance Association of Turkey Deputy Secretary General
- 2005-2006 Prime Ministry Insurance Supervisory Board / Istanbul Group President
- 1990-2006 Prime Ministry Insurance Supervisory Board/Insurance Supervision Specialist

Audit Committee

The members of the Audit Committee, who are responsible for overseeing the functioning and adequacy of internal systems, are as follows:

Hasan Hulki YALÇIN

Independent Board Member

Süleyman Serdar ÇALOĞLU

Independent Board Member

Top Management

As of 31.12.2024, the top management of our Company consists of the General Manager, 7 Deputy General Managers and 2 Directors who are members of the Executive Committee, and their distribution of duties is given below.

Erdinç YURTSEVEN

General Manager and Vice Chairman of the Board of Directors

DATE OF APPOINTMENT 31.12.2022	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2009-2022 MAPFRE Sigorta - Financial and Administrative Affairs Assistant General Manager• 2006-2009 Insurance Association of Turkey Deputy Secretary General• 2005-2006 Prime Ministry Insurance Supervisory Board / Istanbul Group President• 1990-2006 Prime Ministry Insurance Supervisory Board / Insurance Supervision Specialist
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. General Manager and Vice Chairman of the Board of Directors	
EDUCATIONAL STATUS Marmara University Faculty of Economics and Administrative Sciences/ Public Administration University of Illinois at Urbana-Champaign, USA Finance / Master's Degree	

Yıldırım TÜRE

Assistant General Manager and Executive Committee Member

DATE OF APPOINTMENT 26.01.2021	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2018-2019 Ergo Sigorta - CEO• 2016-2018 Ergo Sigorta - General Manager• 2012-2016 Ergo Sigorta - Deputy General Manager• 1991-2018 Yapı Kredi Sigorta - Deputy General Manager
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Sales and Marketing Assistant General Manager and Executive Committee Member	
EDUCATIONAL STATUS Çukurova University Faculty of Economics and Administrative Sciences / Business Administration	

Ergun ULUSOY

Deputy General Manager

DATE OF APPOINTMENT 01.01.2014	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2009-2013 Group Manager• 1999-2009 Ankara Regional Manager• 1995-1998 Ankara Deputy Regional Manager• 1994-1995 Ankara Regional Marketing Officer• 1990-1993 Ankara Regional Sales Specialist
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Regional Structuring Deputy General Manager	
EDUCATIONAL STATUS Gazi University Labor Economics and Industrial Relations	

Böke BACAĞOĞLU

Assistant General Manager and Executive Committee Member

DATE OF APPOINTMENT 11.04.2022	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2018-2022 Bupa Acıbadem Sigorta- IT Director• 2015-2018 Acıbadem Sağlık ve Hayat Sigorta A.Ş.- IT Director• 2013-2015 Acıbadem Sağlık ve Hayat Sigorta A.Ş.- Information Technology Manager• 2007-2013 Acıbadem Sağlık ve Hayat Sigorta A.Ş.- IT Assistant Manager• 2004-2007 Acıbadem Sağlık ve Hayat Sigorta A.Ş.- Software Dev. and Bus. Analyst• 2003-2004 Nexus Software and IT Corp- Software Development Engineer
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Deputy General Manager Responsible for Information Technologies and Executive Committee Member	
EDUCATIONAL STATUS Bilkent University Computer Engineering Yeditepe University Master of Business Administration (MBA) Program	

Onur ACAR

Deputy General Manager and Executive Committee Member

DATE OF APPOINTMENT 31.12.2022	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2019-2023 MAPFRE Sigorta Accounting & Financial Reporting Director• 2011-2019 MAPFRE Sigorta Risk & Internal Control Manager• 2005-2011 Insurance Association of Turkey Financial Regulations Specialist
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Deputy General Manager of Financial and Administrative Affairs and Executive Committee Member	
EDUCATIONAL STATUS Boğaziçi University - Political Science (BA) UCL Belgium - European Economy (MA) Marmara University - EU Economics (PhD)	

Deniz ŞEKER

Deputy General Manager and Executive Committee Member

DATE OF APPOINTMENT 31.12.2022	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2018-2023 MAPFRE Sigorta- Commercial & Industrial Insurance Director• 2013-2018 MAPFRE Sigorta- Fire Non-Auto Accident Insurance Manager• 2011-2013 MAPFRE Sigorta- Fire Non-Auto Accident Insurance Unit Manager• 2009-2011 MAPFRE Sigorta- Fire & Non-Automobile Accident Manager• 2006-2009 MAPFRE Sigorta- Fire & Non-Auto Accident Insurance Specialist
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Commercial and Industrial Insurance Technical Deputy General Manager and Executive Committee Member	
EDUCATIONAL STATUS İstanbul University Faculty of Economics and Administrative Sciences Business Administration	

Emre BAYRAM

Deputy General Manager and Executive Committee Member

DATE OF APPOINTMENT 01.03.2023	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2021-2023 Groupama Deputy General Manager in charge of Technical Areas• 2019-2020 Türkiye Sigorta Deputy General Manager• 2019-2020 Güneş Sigorta - Deputy General Manager• 2017-2019 Sampo Japan Sigorta Loss Coordinator• 2015-2017 Aksigorta - Health Insurance & Medical Channels Manager• 2013-2015 Aksigorta- Loss Logistics Department Manager• 2010-2013 Aviva Sigorta- Loss Logistics Procurement Manager
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Individual Insurance Technical Deputy General Manager and Executive Committee Member	
EDUCATIONAL STATUS Boğaziçi University - Economy	

Volkan DURSUNOĞLU

Deputy General Manager and Executive Committee Member

DATE OF APPOINTMENT 30.04.2024	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2024- Currently MAPFRE Sigorta Operations Assistant General Manager• 2018-2024 MAPFRE Sigorta Actuarial Director• 2015-2018 Liberty Sigorta Actuarial and Analytical Director & Executive Committee Member• 2011-2015 Anadolu Anonim Türk Sigorta - Technical Analysis Research and Development - Manager• 2016-2011 Anadolu Anonim Türk Sigorta - Auditor• 2008-2011 Anadolu Anonim Türk Sigorta - Business Analysis Manager• 2003-2006 Anadolu Anonim Türk Sigorta Şirketi - Reinsurance Dept. - Specialist
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Executive Vice President and Executive Committee Member	
EDUCATIONAL STATUS İstanbul Teknik University - Business Engineering Bahçeşehir University- Master of Actuarial Science	

Elif ÖZGÜR

Director and Executive Committee Member

DATE OF APPOINTMENT 01.06.2020	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2017-2020 MAPFRE Sigorta - Talent & Organization & Learning Senior Manager• 2015-2017 MAPFRE Sigorta - Talent & Organization Manager• 2011-2015 MAPFRE Sigorta - Human Resources Specialist• 2008-2011 Metropol Uluslararası İnsan Kaynakları Şirketi - Senior Human Res. Cons.• 2008 Profera Danışmanlık- Recruitment Assistant
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Human & Organization Director & Executive Committee Member	
EDUCATIONAL STATUS Marmara University Labor Economics and Industrial Relations	

İpek BAYKARA

Director and Executive Committee Member

DATE OF APPOINTMENT 25.05.2021	TENURE AND PROFESSIONAL EXPERIENCE <ul style="list-style-type: none">• 2020-2021 Zurich Sigorta- Legal Counsel and Secretary to the Board of Directors• 2015-2020 MAPFRE Sigorta- Consultant Lawyer• 2012-2014 Gedik & Eraksoy Law Firm - Lawyer• 2011-2012 Hergüner Bilgen Özeke Law Firm - Lawyer
AREA OF RESPONSIBILITY MAPFRE Sigorta A.Ş. Legal Director, Executive Committee Member and Board Secretary	
EDUCATIONAL STATUS İstanbul Bilgi University - Law City, University of London, LL.M	

Number of Personnel

As of the end of **December 2024**, the Company employed **515** employees in total, with **405** employees at the Head Office and **110** employees at the Istanbul Anatolian Side, Istanbul Europe 1, Istanbul Europe 2, Izmir, Bursa, Ankara, Samsun, Konya, Adana, Gaziantep, Antalya, Regional Directorates and Eskişehir Direct Offices.

The Company's Board of Directors consists of **5** members including the General Manager. The Company's senior management consists of **1** General Manager, **7** Assistant General Managers and **2** Directors who are members of the Executive Committee. The remaining employees consist of **22** Directors, **57** mid-level managers (Senior Managers, Managers and Regional Managers), **426** technical and administrative employees. The table below shows the Company's staff in terms of education and gender.

DEPARTMENT OF GRADUATION	Female	Male	Total
Primary School	1	3	4
Secondary School and Equivalent	2	1	3
High School and Equivalent	13	32	45
2 Year High School	43	36	79
University	199	141	340
Postgraduate	24	20	44
Total	282	233	515

Information on Human Resources Practices

Based on the fact that the realization of our corporate goals is directly proportional to the skills and efforts of our employees,

- Where the best people want to work,
- Where potential is transformed into high performance and development is based on a culture of continuous learning,
- To create a corporate culture where customer satisfaction is achieved through increased service quality as an output of efficient management of human resources and organization.

continues its activities with these objectives.

In line with the vision of Human Resources;

a) To ensure the creation and continuity of a working environment where mutual respect and trust are essential and where everyone feels responsible for achieving the set goals,

b) To encourage open two-way communication between employees and their managers, which is the basis for trust and mutual understanding,

c) To structure the work done in a way to ensure the most efficient work and to ensure that the personnel work in tasks appropriate to their knowledge and skills,

d) To evaluate the performance of employees with objective criteria, to appreciate, encourage and motivate high performing personnel,

e) To ensure that career development, promotion and remuneration of personnel are carried out within an objective system,

f) To identify, plan and implement training needs related to the professional and personal development of employees,

g) To create and maintain a working environment that encourages employees to develop themselves and their work and to make improvements with their suggestions,

h) To place people who are suitable for the job and the corporate culture in the relevant jobs from the Company's existing human resources, to prioritize high-performing employees for responsible positions, and to prepare employees appropriately for the job to which they are assigned so that they can perform in a short time,

i) To create a safe and healthy work environment,

j) Where all employees are evaluated with equal opportunity, inclusion and diversity sensitivity, and where human resources provide corporate representation in activities that contribute to social awareness

k) Within the scope of corporate well-being, the importance and unity of employees' work and private life balance is respected and well-being is encouraged

l) To create a culture that voluntarily provides the facilities and support needed by ensuring employee organization in all kinds of social assistance and sensitivity requirements

m) To evaluate and implement all rights of employees within the framework of laws and rules.

Manpower is the most prominent value within the MAPFRE SYSTEM. With the awareness that any improvement in this area plays a key role in the future success of our organization, MAPFRE Group human resources policies are based on providing the right training to the right person;

- Have effective people management skills,
- Encouraging learning and development
- Knowing and applying HR practices

Adopts a management philosophy focused on developing that kind of leaders.

At MAPFRE Sigorta, talent management refers to the integration and development of new employees, the development and retention of existing employees, and the processes that will bring the best and most talented employees to our company, manage their performance and reveal their potential. Our talent management practices are directly related to performance management, leadership development, workforce planning, talent gap identification and recruitment systems.

By transferring responsibilities to each of our employees individually, starting from management levels, we aim to ensure that our employees are responsible for our organization's business objectives while performing their activities.

Human resources practices serve the realization of our company's mission, goals, objectives and budgets by developing and implementing manpower-related planning and strategies.

Our corporate policies, based on our corporate values, set out the basic approaches to be followed in determining the form and conditions of personnel employment and remuneration, training, performance monitoring and termination of personnel in order to ensure that all business in the Company is carried out effectively, efficiently, in compliance with applicable laws and in an ethical manner.

The aim is to reflect the corporate values and fundamental principles that should guide the professional activities of both the Company and the Personnel.

MAPFRE Group corporate policies are determined, published and executed according to the general principles established by the MAPFRE SYSTEM. Managers and Personnel at all levels are jointly responsible for the implementation and control of corporate policies.

FINANCIAL BENEFITS PROVIDED TO MEMBERS OF THE MANAGEMENT BODY AND SENIOR EXECUTIVES



Financial Benefits Provided to The Members of The Governing Body and Top Management

The gross total amount of financial benefits such as attendance fees, salaries, premiums, bonuses, dividends, in-kind and cash benefits, insurances and similar guarantees provided to the members of the governing body and top management in 2024 amounted to **TL 65,699,225.11**.

The total amount of allowances, travel, accommodation and representation expenses paid to the members of the governing body and top management in 2024 amounted to **TL 1,664,575.02**.



RESEARCH AND
DEVELOPMENT
ACTIVITIES

Information on Research and Development Activities Related to New Services and Practices

MAPFRE Sigorta is based on the following procedures in the creation of new products and/or new services;

- Identifying new needs on customer and resource basis (agency, broker, etc.) and determining the need for new products and/or new services by taking into account the demands,
- Conducting feasibility studies (market research - benchmarking) to determine the potential business volume and preparing a new product and/or new service design plan by seeking know-how support from the MAPFRE center on the subject,
- Examination of legal processes related to the relevant branch of the product and/or service,
- The scope of coverage for the product and/or service is established by taking into account the compliance of the tariff with the insurance law and the General Terms and Conditions of Insurance and possible reinsurance conditions,
- Completion of automation works related to the product and/or service in parallel with MAPFRE Soft, if necessary.

The Company may need to obtain approval from the Insurance and Private Pension Regulatory and Supervisory Board for new products in accordance with applicable legislation. In cases where this need arises, the process is completed with the work required for application and approval as the final stage after the work on the new product is completed.

COMPANY ACTIVITIES AND SIGNIFICANT DEVELOPMENTS RELATED TO THE ACTIVITIES



Company Activities and Significant Developments Related to Activities

There are no developments that would be significant in terms of the Company's activities in 2024.

2024 Risk Management Activities

2024 Risk Management Activities are carried out under the Audit Committee established on June 15, 2022 in accordance with the Regulation on Internal Systems in the Insurance and Private Pension Sectors. In addition, the Risk Management Committee consisting of the General Manager, Assistant General Manager in charge of Financial Affairs and Risk Manager also operates. Within the scope of the Regulation, Risk Appetite Policy, Own Risk and Capital Adequacy Policy, Operational Risk Management Policy, Risk Management Regulation have been approved by the Board of Directors and continue to function in accordance with the written procedures determined in accordance with them. These policies define the principles, principles and segregation of duties regarding the risk management function, as well as the authorities and responsibilities of the employees carrying out this function.

The Risk Management Unit, the second line of defense, is responsible for ensuring that operations are carried out in accordance with the legislation and the Company's policies and procedures. Within the scope of the risk management function, insurance risks, market risks and third party default risks are periodically measured using certain models and their impact on capital adequacy is determined. Operational risks, on the other hand, are measured every year through an application called Riskmap, and action plans are put into practice for the areas deemed risky in the risk maps created as a result of the assessment. Operational risks encountered are recorded in the operational risk inventory and monitored, and control actions are designed when necessary. In addition, risks in the investment portfolio are analyzed, and compliance with investment risk limits approved by the Investment Strategy Committee is monitored and reported on a daily basis. Results and critical risk indicators regarding risk-based capital adequacy, insurance, market and third-party risks and operational risks are periodically reported to senior management and the Board of Directors for inclusion in decision-making mechanisms.

2024 Internal Control Activities

2024 Internal Control Activities are carried out under the Audit Committee established on 15.06.2022 in accordance with the Regulation on Internal Systems in Insurance and Private Pension Sectors. Within the scope of the Regulation, the Company's Internal Control Regulation and Internal Control Policy have been approved by the Board of Directors and continue to function in line with the written procedures determined in accordance with them. These policies define the principles, guidelines and segregation of duties regarding the internal control function, as well as the authorities and responsibilities of the employees performing this function.

Within the framework of COSO and the Triple Line of Defense Model, the internal control system, which consists of the control environment, risk assessment, control activities, information and communication and supervision, is a process designed to ensure that the activities carried out to achieve our company's goals are carried out efficiently and effectively, the reliability of financial information, compliance with legal

regulations and MAPFRE Group rules and that all employees are involved. The system is structured according to the triple line of defense principle. Accordingly, all process owners in the first line of defense, together with top management, are responsible for identifying the risks arising from their activities and implementing control points to minimize them, in light of the principles set out in the Internal Control Policy and the Regulation on Internal Systems in the Insurance and Private Pension Sectors. The Internal Control Unit, the second line of defense, is responsible for the effective and efficient operation and supervision of the internal control system. The internal control system in our Company is regularly audited by internal audit every year. Training programs are organized to raise awareness and consciousness on internal systems and employee awareness is measured through periodic surveys.

Within the scope of the internal control function, all process owners monitor the actions they take while carrying out their processes and the risks and controls related to these actions through a standardized form and periodically test their controls. In addition, the effectiveness of the controls implemented in our company is measured every year by creating control maps. In line with the annual internal control plan, financial reporting, information systems, reinsurance controls, process controls, customer complaint control, control of accounts, control of renewals on branch and channel basis are carried out, and control weaknesses identified are followed up by opening internal control findings and necessary actions are taken.

In addition to these functions, our company also implements the ISO 9001:2015 Quality Management System, certified by international certification bodies, which ensures the improvement of processes, enhancement of profitability, optimization of customer satisfaction and management of product service quality efficiency in line with basic principles such as leadership with a risk-based approach, customer focus, employee participation, process approach and evidence-based decision making.

2024 Compliance Activities

The Compliance Function aims to ensure that the Company's activities are carried out efficiently and effectively, in compliance with internal rules and legal regulations and within the framework of the Company's mission, vision and values. The purpose, scope, authority and duties of the Compliance Function are defined in the Company Compliance Policy. Accordingly, within the scope of the Compliance Function, compliance risks, authorizations of the changes in legal regulations to the company, periodic reporting to the public authority and compliance with MAPFRE Group policies are monitored and correspondence with supervisory institutions and organizations and public authorities are followed up. The Compliance function, which reports to the Audit Committee, reports its activities to the Board of Directors annually.

2024 Information on Actuary Activities

Actuary activities for 2024 are carried out under the Audit Committee established on 15.06.2022 in accordance with the Regulation on Internal Systems in Insurance and Private Pension Sectors. In accordance with the same Regulation, the actuarial unit manager has been appointed and the actuarial unit manager also acts as the Responsible Actuary of the Company.

As defined by the Regulation, within the scope of the responsibilities of the Actuary area, reports are made to the top management of the organization and the regulatory body on the general pricing policy, the actuarial adequacy of reinsurance agreements, the financial position of the organization, the reliability and adequacy of technical provisions, asset and liability risk management related to insurance activities and investment risk for investments made in connection with insurance policies.

In addition, studies have been carried out and necessary contributions have been made to the projects within the framework of compliance with the changing reporting standards in accordance with the changing legislation both in the group to which the Company is affiliated and in our country.

In 2024, the main focus was on technical provisions and pricing studies. Within the scope of the Regulation on Internal Systems, regular reporting of the results of the relevant actuarial activities to top management and the audit committee and submission of the audit committee's evaluations regarding the monitoring and follow-up activities carried out within the scope of the execution of the actuarial function to the Board of Directors were completed.

As of 2024, since the company's actuarial unit manager and the company's responsible actuary were appointed to different positions, the new actuarial unit manager was appointed and notified to SEDDK in accordance with the Regulation.

2024 Internal Audit Activities

2024 Internal Audit activities are aimed at controlling and auditing all business and transactions of the Company, especially compliance with applicable laws, regulations, communiqués, tariffs and instructions, general conditions and other legislation, the Company's internal directives, management strategy and policies, and preventing and detecting errors, fraud and irregularities.

In line with these objectives, the activities of the Internal Audit Unit in 2024 were carried out within the framework of MAPFRE Sigorta A.Ş. Internal Audit legislation, covering all activities of MAPFRE Sigorta A.Ş., including outsourcing, including Head Office Units, Regional Directorates and agencies.

In 2024, 24 audits were conducted by the Internal Audit Unit. Of these audits, 19 were Central Services, 4 were Information Technologies and 1 was a continuous audit project.

2024 Information on Activities Carried Out Within The Scope of Business Continuity

MAPFRE Sigorta, which has a Business Continuity Plan, continues to dynamically improve its processes in order to increase operational flexibility in the face of unexpected events or disasters, minimize downtime and maintain customer confidence. Accordingly, periodic business continuity tests were conducted throughout 2024 and the resilience of systems was regularly assessed.

In line with the activities carried out within the framework of the Business Continuity Management System, MAPFRE Sigorta maintains the ISO 22301:2019 Business Continuity Management System certification, which it was entitled to receive on 04.01.2022, and makes updates in line with best practices.

2024 Information on Outsourced Service Procurement

During the 2024 accounting period, the Company outsourced assistance services, spare parts supply, product and tariff preparation services, claim notification services, pre-claim risk mitigation services, repair and maintenance services, policy issuance operations, salvage management and medical consultancy services. Necessary notifications for the related services were made in accordance with the Support Services Regulation.

Company's Subsidiaries

As of 31.12.2024, the Company's subsidiaries are as follows

SUBSIDIARIES	Amount	Share
TARIM SİGORTALARI HAVUZ İŞLETMELERİ A.Ş. (TARSİM)	4.344.996	3,70%

Public Audit

On 8/11/2024, the Ministry of Treasury and Finance, Tax Audit Board Presidency Istanbul Sectoral-1 Audit Department sent an "invitation to explain" letter regarding the income tax withholding amounts for the years 2021 and 2023.

On 16/12/2024, a total of TL 5.234.551 was paid as tax principal, tax loss penalty and default interest.

Special Audit

Information on the audit firms that the Company works with for Independent Audit and Tax Audit and the audit hours are as follows:

INDEPENDENT AUDIT FIRM'S

Title	RSM TURKEY ULUSLARARASI BAĞIMSIZ DENETİM A.Ş.
Address	Maslak Office Building Sümer Sok. No: 4 K: 2 Maslak / İstanbul
TAX Office / TAX Number	Maslak Tax Office 6450334186
Telephone No.	0212 - 370 0700
Fax No.	0212 - 370 0849

2024 AUDIT DURATION

Responsible Auditor	35 Hours
Senior Auditor	80 Hours
Auditor	281 Hours
Assistant Auditors	399 Hours
Total	795 Hours

2024 AUDIT SUBJECTS

30 June 2024 Limited Review Of Financial Statements
31 December 2024 Audit Of Financial Statements
Audit Of 2024 Annual Report

CERTIFIED PUBLIC ACCOUNTANT FIRM'S

Title	KPMG YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
Address	İş Kuleleri Kule 3 Kat: 2-9 Beşiktaş / İstanbul
TAX Office / TAX Number	Büyük Mükellefler Tax Office 8790018869
Telephone No.	0212 - 316 6000
Fax No.	0212 - 316 6060

Information on the Company's internal audit officer and authorized auditor in accordance with the Turkish Commercial Code No. 6102

Internal Audit Officer

Gözde AÇILAN

Internal Audit Senior Manager

DATE OF APPOINTMENT

01.06.2020

AREA OF RESPONSIBILITY

MAPFRE Sigorta A.Ş.
Internal Audit Senior Manager

EDUCATIONAL STATUS

İstanbul University
Faculty of Business Administration
Business Administration

TENURE AND PROFESSIONAL EXPERIENCE

- 2012 – 2020 MAPFRE Sigorta A.Ş. Internal Audit Manager
- 2011 – 2012 Ergo Sigorta Senior Internal Audit Specialist
- 2007 – 2011 Ankara Sigorta Internal Audit

The information regarding the authorized auditor elected in agenda item 10 of the Ordinary General Assembly meeting held on March 29, 2024 is as follows.

RSM TURKEY Uluslararası Bağımsız Denetim A.Ş.
Maslak Mahallesi Sümer Sokak No: 4/2 34485 Sarıyer, İstanbul

İSTANBUL - Maslak Tax Office Directorate - 6450334186

Tel: 02123700700

Fax: 02123700849

<https://www.rsm.global/turkey/tr>

Lawsuits Filed Against the Company

Although it does not affect the financial position and operations of the Company, the number of lawsuits filed against the Company and still ongoing in the Auto and Non-Auto damage branches is 10.071 and corresponds to TL 3.213.659.129 - and this amount is included in the Company's financial statements as Outstanding Claims.

In addition, there are 53 other lawsuits amounting to TL 4,302,375.

The Company has provided necessary provisions in its financial statements for both claims and other lawsuits.

Information on whether the targets set in the previous periods have been achieved and whether the resolutions of the General Assembly have been fulfilled

The Company's total premium production amounted to TL 19,127,970,119.

In 2024, our Company's profit before tax amounted to TL 1,889,399,084 and profit after tax amounted to TL 1,559,613,303.

By the end of 2024, our total premium production increased by 71.4% year-on-year to TL 19.1 billion, with a market share of 2.6%. This production enabled our Company to rank 12th in the total premium production ranking as of the end of 2024.

In 2024, our financial solvency rating was once again affirmed as AA+ (Tur) by the international rating agency Fitch Ratings. This rating is the result of a review of our company's financial and technical strength, management structure, risk acceptance policy and reinsurance practices, as well as an independent assessment based on internationally recognized assessment criteria.

In light of these results, it is seen that all resolutions taken at the Ordinary General Assembly Meeting held on 29.04.2024 have been fulfilled by the Company Management.

Extraordinary General Assembly Meeting

In 2024, no Extraordinary General Assembly meeting was held.

Information on the Attendance of Board Members to Meetings

According to the Articles of Association, the Board of Directors holds meetings as deemed necessary. For the meetings to be valid, one more than half of the members must be present. Decisions are made by the majority of the members present. The minutes to be prepared accordingly shall be entered in the decision book and signed by the members. The Board of Directors represents the company before the administration, shareholders and third parties and before the courts. 6 board meetings were held in 2024. All board decisions were taken unanimously and all members participated in the decisions.

Donations and Grants Made by the Company During the Year and Expenditures Made within the Framework of Social Responsibility Projects

The amount of donations made by the Company in 2024 is TL 4,011,617.

Employee volunteering activities and social responsibility projects carried out by the Company in 2024 are listed below. Social Responsibility activities are sponsored by Fundación MAPFRE and employee volunteering activities are covered by the MAPFRE Sigorta budget.

With the I'm a Volunteer Program, the following activities were carried out with our volunteers in 2024:

1. Hatay Earthquake Aid
2. Autism Awareness Day Support Event
3. Story Reading Event with Laughter Heals Association for Children Undergoing Cancer Treatment
4. Painting Children's Oncology Wards in Istanbul and Ankara with Color Life Association
5. Visit to Hospice Care Home
6. Establishment of Şanlıurfa Yediiklim Vocational and Anatolian High School Library
7. Run for TEV at the 46th Istanbul Marathon
8. Cheerful Bags Workshop was organized for children undergoing cancer treatment at the Laughter Heals Association.
9. The proceeds of the works of our Art and Photography Club's End of Year Exhibition were donated to Darüşşafaka Educational Institutions.
10. A new collaboration involving the Ministry of National Education, the Ministry of Transport and Infrastructure and TÜVTÜRK was planned to raise traffic safety awareness among 4th grade students in the Smart Kids of the City project. In 2024, we reached 32,846 students in 200 schools in 10 cities.

Fundación MAPFRE Social Responsibility Projects

Our foundation, Fundación MAPFRE, focuses on economic, social and cultural development for the most disadvantaged people and groups in society. We work directly for social good and collaborate with many institutions, NGOs, museums, foundations and associations around the world.

The Foundation's work focuses on five key areas:

- Accident Prevention and Road Safety
- Insurance and Social Security
- Culture
- Social Development
- Health Incentives

According to the MAPFRE Group's internal regulations, social responsibility activities must be carried out completely separately from commercial activities, and the Foundation projects are managed by the Corporate Communications team. As in all the social responsibility projects it carries out around the world, our Foundation takes part in the activities carried out in Turkey through and in cooperation with MAPFRE Sigorta under its own name, Fundación MAPFRE.

SOCIAL DEVELOPMENT

We believe that all individuals in our society should have the opportunity to develop themselves individually and socially. For this reason, through Fundación MAPFRE, we support individuals in need or disadvantaged groups in the field of Social Development in areas such as education, health and nutrition. We also strive to help individuals at risk of exclusion from society to participate in employment.

Our TEV Scholarship Recipients

Since 2016, we have been providing educational scholarships to our students through TEV. In the 2024 - 2025 academic year, we are providing scholarships to 83 university students, 30 of whom are disabled, through TEV. In line with our diversity approach, we especially prefer our scholarship recipients to include disabled people.

Pediatric Cancer Tree of Knowledge

In 2016, we launched the Families of Children with Cancer Information Portal in collaboration with KAÇUV (Hope Foundation for Children with Cancer). With the portal, we aim to guide families of children with cancer about their children's disease and provide online trainings. This portal, which aims to ensure that families are more aware of their children's disease and treatment processes by obtaining accurate information, can be accessed at www.cocukkanseri.org. On this portal, we have presented a total of 62 educational videos in 5 different categories (Living with Cancer, Types of Cancer, Treatment in Cancer, Physical Care and Heroic Stories). There are also various publications on the cancer process, treatment and coping methods with experts.

Darüşşafaka Society Support

Since 2017, we have been providing educational support to our students through Darüşşafaka Association. In the 2024 - 2025 academic year, in order to support the education of our students, we provide educational support by covering the expenses of 3 math teachers.

ACCIDENT PREVENTION AND ROAD SAFETY

Smart Kids of the City

At the beginning of 2020, a new collaboration involving the Ministry of National Education, the Ministry of Transport and Infrastructure and TÜVTÜRK was planned to raise traffic safety awareness among 4th grade students in the Smart Kids of the City project, but the project was put on hold for a while due to the onset of the pandemic. At the end of 2020, the pandemic realities were reviewed and the project was put on the agenda again, and accordingly, a protocol text was created involving the Ministry of National Education, the Ministry of Transport and Infrastructure and TÜVTÜRK, and we restructured the Smart Kids of the City project to cover this cooperation. In 2021, training materials were prepared through academics and disadvantaged schools were identified with the relevant ministries. Since 2021, a total of 600 schools, 3000 teachers, 90,000 students and 180,000 families have been reached with our project. In 2024, we reached 200 schools and 32,846 students in 10 cities and we continue our project in 2025.

Corporate Governance Principles Compliance Report

MAPFRE SİGORTA A.Ş. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

1. STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

MAPFRE Sigorta A.Ş. (“**the Company**”) adheres to the corporate governance principles set forth in the “Circular No. 2011/8 on Corporate Governance Principles for Insurance Companies, Reinsurance Companies and Pension Companies” (“**Circular**”) published by the Republic of Turkey Prime Ministry Undersecretariat of Treasury on 27/4/2011 and takes utmost care to conduct its business and operations in accordance with these principles.

In this context, the Company’s Board of Directors decided to establish a Corporate Governance Committee with its resolution dated September 17, 2013 and numbered 2013/27. Duties of the Corporate Governance Committee: To carry out the necessary work to ensure compliance with the principles set forth in the Circular, to make recommendations to the Board of Directors for this purpose and to monitor the Company’s compliance with the principles.

Information on the members of the Corporate Governance Committee is provided below.

Name	Committee Role	Company Role	Contact Information Tel (212 334 90 00)
Erdoğan YURTSEVEN	Chairman	General Manager Vice Chairman of the Board of Directors	eyurtseven@mapfre.com.tr
Onur ACAR	Member	Deputy General Manager	oacar@mapfre.com.tr
İpek BAYKARA	Member	Legal Department Director	ibaykara@mapfre.com.tr

In addition, the “MAPFRE Group Ethical Values and Code of Conduct Guidelines”, which was approved by MAPFRE S.A., the parent group company of MAPFRE International S.A., on June 25, 2009 and entered into force on September 1, 2009, is implemented in all MAPFRE Group subsidiaries, including our company, and has an important share in the adoption of corporate governance principles based on the principles of equality, transparency, accountability and responsibility.

2. SHAREHOLDERS

Since the Company’s main shareholder MAPFRE International S.A. holds 99.86% of the shares, a separate “Shareholder Relations” unit has not been established. Relations with shareholders are carried out by the Legal and Financial and Administrative Affairs Departments.

3. EXERCISE OF SHAREHOLDERS’ RIGHT TO OBTAIN INFORMATION

All shareholders are treated equally by our Company. No discrimination is made between shareholders in the exercise of the right to obtain and review information, and all kinds of information is provided to shareholders, except for information that is not a trade secret. All kinds of information of importance that may affect the exercise of shareholders’ rights are submitted to the shareholders’ information in the “Announcements” section of the Company’s website.

4. GENERAL ASSEMBLY MEETINGS

Prior to the General Assembly Meetings, our Company takes all kinds of measures in a timely manner to ensure the participation of shareholders in the General Assembly and provides information about the agenda of the General Assembly in a complete manner, in a manner that will not cause any hesitation and will allow shareholders to make the necessary preparations. At the General Assembly Meeting, the issues on the agenda are conveyed in an impartial, detailed, clear and understandable manner; shareholders are given the opportunity to express their opinions and ask questions under equal conditions and a healthy discussion environment is created. Our Company provides each shareholder with the opportunity to exercise his/her voting rights in the easiest and most convenient manner.

One (1) General Assembly meeting was held in 2024. The aforementioned general assembly meeting was held at Torun Center Büyükdere Cad. No: 74, D Blok Mecidiyeköy, Şişli 34387, İstanbul, the company's headquarters address.

On March 29, 2024, the call for the Ordinary General Assembly Meeting was made in due time by announcement in the Turkish Trade Registry Gazette dated March 08, 2024, Milliyet and Sabah newspapers and the Company's website, as stipulated in the Articles of Association and including the agenda, as well as by registered mail to the registered shareholders, informing them of the date and agenda of the meeting. At the relevant meeting, the amendment to the capital article of the articles of association, our annual report for the 2023 period (including financial statements), the independent auditor's opinion and other documents forming the basis for the agenda items of the General Assembly were submitted for the information of the shareholders. Our annual report for the 2024 period (including financial statements), independent auditor's opinion and other documents forming the basis for the agenda items of the General Assembly will be presented to the shareholders on March 28, 2025.

It is believed that our shareholders did not encounter any difficulties or setbacks in attending the General Assembly meeting. This is because no notification was received in this regard.

The minutes of the General Assembly are available on the Company's website at <http://www.mapfresigorta.com.tr/>. The relevant minutes are also made available to shareholders at the Company headquarters. No questions were asked or agenda proposals were made by the shareholders at the General Assembly.

5. VOTING RIGHTS AND MINORITY RIGHTS

The Company avoids practices that make it difficult to exercise voting rights and aims to ensure that each shareholder exercises his/her voting rights in accordance with the Articles of Association and the law.

The voting and method of vote at the General Assembly is set out in detail in the "Internal Directive on the Working Principles and Procedures of the General Assembly of MAPFRE Genel Sigorta Anonim Şirketi", which was prepared with the Board of Directors' Resolution No. 2013/13 dated March 22, 2013 and approved by the Ordinary General Assembly Meeting dated March 29, 2013, and is made available for shareholders' review at the General Assembly Meetings.

The Company takes utmost care in the exercise of minority rights and avoids practices that make it difficult for shareholders to freely transfer their shares.

6. DIVIDEND RIGHTS

There are no privileges regarding participation in the Company's profit. Dividend distribution is carried out within the legal periods in accordance with the relevant legislation and the Company's articles of association. The Articles of Association, long-term group strategies, investment and financing policies, profitability and cash positions and, most importantly, the capital adequacy ratio are taken into consideration in determining the profit distribution. In parallel with the forecasts made for the coming years regarding the Company's

Capital Adequacy and the Company's targets, dividend distribution decisions are made by the shareholders at the General Assembly held in March each year.

The Company's dividend distribution policy is set out in Article 53 of the Company's Articles of Association.

7. TRANSFER OF SHARES

The transfer of shares is made in accordance with the Company's articles of association and relevant legislation. There are no provisions restricting the transfer of shares in the Company's articles of association.

8. DISCLOSURE POLICY

The Company's disclosure policy has been approved by the Board of Directors. The disclosure policy aims to ensure timely and accurate disclosure of information other than trade secrets within the framework of the relevant legislation, and covers the manner, frequency and means of disclosure of such information.

The information to be disclosed to the public within the framework of the disclosure policy is determined as "the Company's quality policy; mission; vision; values; strategy; plans; past performance, targets and other similar issues, except for the issues that are required to be disclosed by the relevant legislation and the issues that fall within the scope of trade secrets within the framework of the relevant legislation".

The information specified to be disclosed by the relevant legal legislation is disclosed within the relevant time periods, and other matters are disclosed through the above-mentioned channels when necessary. Disclosures are made on the Company's website at <http://www.mapfresigorta.com.tr/> ("Internet Address"); through the Company's Annual Reports, Financial Reports and Independent Audit Reports; in the Trade Registry Gazette; through announcements made through print and visual media organizations; through communication via fixed telephone and GSM operators; through press releases, meetings and promotions; through electronic mail and similar communication methods; and through authorizations duly made by authorized signatures of the Company.

The management and execution of the Disclosure Policy is under the authority and responsibility of the Board of Directors. The relevant issues are announced to the public by the personnel to be assigned by the General Manager of the Company upon his/her approval.

9. COMPANY WEBSITE AND ITS CONTENT

The "Information Society Services" section of the Company's website includes the following sections: The Company's capital structure; Trade Registry Information; Board of Directors' information; Financial Information; General Assembly Resolutions; Internal Directive; Registry Announcements; Auditor Information; and - Announcements - where important issues are published. The relevant information is kept up to date and made available to the public, particularly our shareholders.

10. ACTIVITY REPORT

The Company's annual report presents the requirements of Corporate Governance Principles to the shareholders and aims to provide the public with transparent and accurate information about the Company's activities.

11. INFORMING STAKEHOLDERS

Our Company actively uses the Company's website for informing stakeholders and the public. In this respect, stakeholders are informed both through the section titled "Announcements" on the Company's website and through press conferences, bulletins, annual reports, statements, etc. Thus, information to be disclosed

to the public that may have an impact on the Company's financial situation, any significant changes that may occur in this situation and the results of its operations is made available to the public in an accurate, complete, understandable, up-to-date and easily accessible manner.

Activities to inform employees about human resources policies are carried out by the Human Resources Department through the company intranet, e-mails and written and visual posters.

12. PARTICIPATION OF STAKEHOLDERS IN MANAGEMENT

The Company's articles of association do not contain any provision on the participation of stakeholders in the Company management. However:

- Employees and Regions: Employees are informed about the Company's activities via internal e-mails, and periodic regional meetings are also organized for the employees of regional directorates.
- Agencies: Agencies are informed about the Company's activities via internal e-mails and agencies are encouraged to contribute to the management through agency meetings held throughout the year.
- Shareholders: The rights to participate in the management are provided in accordance with the relevant legislation and the Articles of Association.
- Customers: Company information is presented in detail for customers on the website. Customers are also given the opportunity to contribute to the Company's management through the contact form on the Company's website.

13. HUMAN RESOURCES POLICY

The Human & Organization Area is structured to implement the best HR practices to attract, develop, backup and retain internal and external talents that will realize MAPFRE Group's strategies and carry them into the future, starting from establishing organizational structures that enable the implementation of MAPFRE Group strategies.

Human Resources vision Based on the fact that the realization of the company's corporate goals is directly proportional to the skills and efforts of our employees, our vision is to maintain a corporate culture where the best people want to work, where they are permanent and happy because they can transform their potential into high performance, and where service quality and customer satisfaction are employee outputs.

In line with this vision; to create and maintain a high-performance working environment where mutual respect and trust are essential and where everyone feels responsible for achieving the set goals; to encourage open two-way communication between employees and their managers, which is the basis of trust and mutual understanding; to structure the work done in a way that ensures the most efficient work and to ensure that the personnel work in tasks that are suitable for their knowledge and abilities; to evaluate the performance of employees with objective criteria, to appreciate, encourage and motivate high performing personnel; to carry out the career development, promotion and remuneration of personnel within an objective system; identifying, planning and implementing training needs related to the professional and personal development of employees; creating and maintaining a working environment that encourages employees to improve themselves and their work and to make improvements with their suggestions; placing people who are suitable for the job and corporate culture primarily in the relevant jobs from the Company's existing human resources, ensuring that high-performing employees have priority to be assigned to responsible positions and that employees are properly prepared for the job they are assigned to so that they can perform in a short time; creating a safe and healthy work environment; and evaluating and implementing all employee rights within the framework of laws and rules.

Manpower is the most prominent value within the MAPFRE system. With the awareness that any improvement in this area plays a key role in the future success of our Company, Human Resources Policies adopt a management philosophy focused on training leaders who have effective people management skills, encourage learning and development, know and apply human resources practices by providing the right training to the right person. Within this framework: employment policy; remuneration policy; training policy; performance evaluation policy; promotion policy principles have been determined by the Human Resources Department in accordance with MAPFRE Group Global Policies and guidelines.

Job descriptions and distribution of duties of the Company's employees were determined by the managers and shared with the employees, and safe and well-conditional working environments were created for employees. Measures have been taken to protect employees against physical, mental and emotional abuse within the company, and in this context, the "Protocol for the Prevention of Harassment Cases" has been put into effect. The Human & Organization Department organizes e-trainings for Company employees on issues such as Ethical Values and Code of Conduct; and Prevention of Harassment Cases.

The Human & Organization Area works to create more flexible, strategy-aligned and effective structures to provide flexibility and agility to the organization. Professional development activities include talent management and career development, the most effective use and development of the workforce by increasing both functional and geographical mobility, the provision of development levers and training content to support the realization of strategies, and the creation of systems to encourage self-learning. Based on our strategic initiatives, our Talent Management practices have been completed to identify the profiles we need for the realization of our Company's strategies, and the talents within our Company that fit these profiles have been identified and development plans have been created according to their strategic readiness levels.

Within the framework of corporate governance principles, all employees and managers work together to reinforce and adopt the MAPFRE culture and to implement practices that will increase employee loyalty. In this context, all MAPFRE employees are positioned as culture representatives. In order to improve the employee experience, meetings are organized to ensure that employees adopt the company's culture and values, internalize goals and strategies, and raise awareness.

14. CODE OF ETHICS AND SOCIAL RESPONSIBILITY

The Company's Ethical Values and Code of Conduct are presented to the attention of Company employees on the Company intranet. The Company is sensitive to social responsibility projects and acts in compliance with regulations and ethical rules regarding the environment, consumers, public health. Accordingly, volunteering and social responsibility projects have been organized within the Company. Employee volunteering activities and social responsibility projects carried out by the Company in 2024 are listed below. Social Responsibility activities are sponsored by Fundación MAPFRE and employee volunteering activities are covered from MAPFRE Sigorta budget.

With our volunteers in 2024 with the I Volunteer Program,

1. Hatay Earthquake Aid
2. Autism Awareness Day Support Event
3. Story Reading Event with Laughter Heals Association for Children Undergoing Cancer Treatment
4. Painting Children's Oncology Wards in Istanbul and Ankara with Color Life Association
5. Visit to Hospice Care Home
6. Establishment of Şanlıurfa Yediiklim Vocational and Anatolian High School Library
7. Run for TEV at the 46th Istanbul Marathon
8. Cheerful Bags Workshop was organized for children undergoing cancer treatment at the Laughter Heals Association.
9. The proceeds of the works of our Art and Photography Club's End of Year Exhibition were donated to Darüşşafaka Educational Institutions.

Fundación MAPFRE Social Responsibility Projects

Our foundation, Fundación MAPFRE, focuses on economic, social and cultural development for the most disadvantaged people and groups in society. We work directly for social good and collaborate with many institutions, NGOs, museums, foundations and associations around the world.

The Foundation's work focuses on five key areas:

- Accident Prevention and Road Safety
- Insurance and Social Security
- Culture
- Social Development
- Health Incentives

According to the MAPFRE Group's internal regulations, social responsibility activities must be carried out completely separately from commercial activities, and the Foundation projects are managed by the Corporate Communications team. As in all the social responsibility projects it carries out around the world, our Foundation takes part in the activities carried out in Turkey through and in cooperation with MAPFRE Sigorta under its own name, Fundación MAPFRE.

SOCIAL DEVELOPMENT

We believe that all individuals in our society should have the opportunity to develop themselves individually and socially. For this reason, through Fundación MAPFRE, we support individuals in need or disadvantaged groups in the field of Social Development in areas such as education, health and nutrition. We also strive to help individuals at risk of exclusion from society to participate in employment.

Our TEV Scholarship Recipients

Since 2016, we have been providing educational scholarships to our students through TEV. In the 2024 - 2025 academic year, we are providing scholarships to 83 university students, 30 of whom are disabled, through TEV. In line with our diversity approach, we especially prefer our scholarship recipients to include disabled people.

Child Cancer Tree of Knowledge

In 2016, we launched the Families of Children with Cancer Information Portal in collaboration with KAÇUV (Hope Foundation for Children with Cancer). With the portal, we aim to guide families of children with cancer about their children's disease and provide online trainings. This portal, which aims to ensure that families are more aware of their children's disease and treatment processes by obtaining accurate information, can be accessed at www.cocukkanseri.org. On this portal, we have presented a total of 62 educational videos in 5 different categories (Living with Cancer, Types of Cancer, Treatment in Cancer, Physical Care and Heroic Stories). There are also various publications on the cancer process, treatment and coping methods with experts.

Darüşşafaka Society Support

Since 2017, we have been providing educational support to our students through Darüşşafaka Society. In the 2024 - 2025 academic year, in order to support the education of our students, we provide educational support by covering the expenses of 3 math teachers.

ACCIDENT PREVENTION AND ROAD SAFETY

Smart Kids of the City

At the beginning of 2020, a new collaboration involving the Ministry of National Education, the Ministry of Transport and Infrastructure and TÜVTÜRK was planned to raise traffic safety awareness among 4th grade students in the Smart Kids of the City project, but the project was put on hold for a while due to the onset of the pandemic. At the end of 2020, the pandemic realities were reviewed and the project was put on the agenda again, and accordingly, a protocol text was created involving the Ministry of National Education,

the Ministry of Transport and Infrastructure and TÜVTÜRK, and we restructured the Smart Kids of the City project to cover this cooperation. In 2021, training materials were prepared through academics and disadvantaged schools were identified with the relevant ministries. Since 2021, a total of 600 schools, 3000 teachers, 90,000 students and 180,000 families have been reached with our project. In 2024, we reached 200 schools and 32,846 students in 10 cities and we continue our project in 2025.

HEALTH INCENTIVES

My Plate is Colorful My Life is Active

In the field of health promotion, Fundación MAPFRE aims to improve the health and quality of life of individuals and, to achieve this, promote healthy eating habits, physical exercise and proper rest, which have the greatest impact on the non-communicable diseases of our time (cardiovascular disease, cancer, diabetes, high blood pressure, etc.).

Our activities in Turkey in this field include the Healthy Living Workshops we have been organizing since 2014. In 2019, we changed the project name to "My Plate is Colorful, My Life is Active".

With the project, we have reached thousands of children at primary school level since 2014 to raise awareness about obesity and conveyed the tips of a healthy life in an entertaining theater play format.

"My Plate is Colorful, My Life is Active Project" draws attention to the problem of obesity, which is one of the major health problems both in the world and in our country. The project, which was realized in primary schools, on the Yenikapı Bandırma - Bandırma Yenikapı IDO voyages, in shopping malls with a festival format and in various environmental and children's festivals, met with children in Istanbul, Kocaeli, Yalova, Tekirdağ, Lüleburgaz and Edirne.

"My Plate is Colorful, My Life is Active Project" reached 70,233 students in 255 schools and 8 public spaces with 1,003 activities until 2020. All students and parents received the project's two books after the events: My Plate is Colorful story and parent book. In 2020, the project was terminated due to the pandemic. In 2025, we will launch new projects in the field of health incentives.

Pandemic prevention efforts and other donations:

In addition to supporting the We Are Enough for Us Turkey National Campaign organized by the Presidency of the Republic of Turkey through the Insurance Association of Turkey, the Foundation met the medical needs such as masks, gowns, disinfectants and ventilators of about 1000 citizens over the age of 65 and nursing home employees living in the Hospice Directorate, ANT Artist Living Home and Dr. Beşir Akınal nursing homes, targeting the over 65 age group, which is seen as the biggest risk group.

During this period, the Foundation undertook all medical supplies such as protective goggles, gloves, masks, overalls, aspirator devices, etc. for about 500 residents over the age of 65 and caregivers in Darüşşafaka's 4 different locations in Turkey.

The foundation also had a local manufacturer produce 40,000 visors and donated them to various public hospitals in Istanbul, the center of the pandemic.

After the earthquake in Izmir, approximately 1 million masks and 15 thousand disinfectants were delivered to Izmir earthquake victims. The distribution of masks and disinfectants was carried out in cooperation with Izmir Metropolitan Municipality.

In 2021, donations were made to TEMA and HAYTAP after the fires in our country.

STRUCTURE AND COMPOSITION OF THE BOARD OF DIRECTORS

The Company's Board of Directors consists of 5 members.

Name	Title
Zeynep Nazan SOMER ÖZELGİN	Chairman of the Board of Directors
Erdiç YURTSEVEN	Deputy Chairman of the Board of Directors and General Manager
Hasan Hulki YALÇIN	Board Member
Alfredo Castelo MARIN	Board Member
Süleyman Serdar ÇALOĞLU	Board Member

Except for Mr. Süleyman Serdar Çaloğlu, Mr. Hasan Hulki Yalçın and Ms. Zeynep Nazan Somer Özelgin, all members are currently employed by MAPFRE GROUP companies.

15. OPERATING PRINCIPLES OF THE BOARD OF DIRECTORS

The Company's Board of Directors determines the Company's policies and strategies, the methods to be followed to achieve these policies and strategies, the developments regarding these policies and strategies, and the processes to be followed in monitoring and evaluations. Within this framework, the Board of Directors continuously and effectively reviews the degree of achievement of the Company's objectives, its activities and past performance and takes measures when necessary. The Company's Board of Directors oversees the compliance of the Company's activities with the legislation, articles of association, internal regulations and established policies.

According to the Articles of Association, the Company's Board of Directors consists of at least five (5) and at most seven (7) members, including the General Manager. The General Manager is a subject member of the Board of Directors. According to Article 25 of the Company's Articles of Association, the Board of Directors convenes whenever necessary to fulfill its duties and manage the business in accordance with the Turkish Commercial Code No. 6102, other relevant legislation and the provisions of the Articles of Association. Members of the Board of Directors are appointed for a term of three (3) years.

It is essential that the members of the Board of Directors fulfill their duties prudently and in good faith, and due to legal regulations, the majority of the members of the Board of Directors must have at least four (4) years of higher education and must be elected from among persons with at least three (3) years of experience in insurance, economics, business administration, accounting, law, finance, mathematics, statistics, actuarial or engineering fields. All members have these qualifications.

16. NUMBER, STRUCTURE AND INDEPENDENCE OF OTHER COMMITTEES ESTABLISHED WITHIN THE COMPANY

The Investment Strategy Committee, Risk Management Committee, Corporate Governance Committee and Executive Committee were established within the Company. The Risk Management Committee and the Corporate Governance Committee were established in 2013, while the Investment Strategy Committee was established in 2010 as the Investment Committee, but its name was changed in 2013. The Executive Committee was established in 2015 and renamed as the Management Committee in 2018. In 2022, the Audit Committee was established in accordance with the provisions of the Regulation on Internal Systems in the Insurance and Private Pension Sectors.

17. RISK MANAGEMENT, INTERNAL CONTROL AND COMPLIANCE MECHANISM

In accordance with the Regulation on Internal Systems in the Insurance and Private Pension Sectors, the Company's risk management, internal control and compliance functions are carried out under the direction and management of the Audit Committee, with the ultimate responsibility resting with the Board of Directors.

Risk manager, internal control officer and head of compliance function are currently appointed by the Board of Directors. Internal systems functions are carried out in line with the policies approved by the Board of Directors, particularly the Risk Management Policy and Regulation, Internal Control Policy and Regulation and Compliance Function Policy. These policies define the principles, operational processes and segregation of duties of the risk management, internal control and compliance functions, as well as the authorities and responsibilities of the units and individuals managing these functions. In addition, there is a Risk Management Unit reporting to the Audit Committee responsible for overseeing the Company's risk assumption and an Investment Strategy Committee responsible for monitoring the investment portfolio and approving investment risk limits.

Internal systems, which are structured according to the triple line of defense principle, are a series of processes that belong to all employees and are designed to ensure the efficient and effective continuation of the activities carried out in line with the achievement of our company's goals, the reliability of financial information, and compliance with external and internal rules. All process owners in the first line of defense undertake risks and controls together with senior management in the light of MAPFRE Group rules and the principles set out in the Regulation on Internal Systems in the Insurance and Private Pension Sectors. The Risk Management, Internal Control and Compliance functions in the second line of defense and the environment and safety function called DISMA are responsible for the oversight of this system, while the Internal Audit Service in the third line of defense is responsible for its audit.

Within the scope of Risk Management, the operational risk process is determined and monitored, while insurance risks, financial risks and third party default risks are periodically monitored using specific models and their impact on capital adequacy is determined. In addition, risks in the investment portfolio are analyzed, risk limits arising from investments are determined and compliance with these limits is monitored and reported on a daily basis. Results and critical risk indicators for risk-based capital adequacy, insurance, market and third party risks and operational risks are periodically reported to the Audit Committee and the CEO for inclusion in decision-making mechanisms.

Within the scope of the internal control function, all process owners monitor their actions, risks and controls related to these actions through a standardized form and an application called Riskmap, and periodically test their controls. In addition, the effectiveness of the controls implemented in our company is measured every year by creating control maps. In line with the annual internal control plan, financial reporting, information systems, communication and compliance controls are carried out, and control weaknesses identified are monitored by opening internal control findings and necessary actions are taken.

A Compliance Function has been established to ensure that our Company acts in compliance with legal regulations and internal rules and there is a Compliance Function Policy that defines the purpose, scope, powers and duties of the Compliance Function. Accordingly, the Compliance Function identifies compliance risks and action plans to minimize these risks. The effects of changes in legal regulations on the company and periodic reporting to the public authority are monitored, and the coordination and follow-up of correspondence with official institutions are ensured. In addition, the Compliance Department is responsible for ensuring the implementation of MAPFRE Group's written policies, which set out our internal rules, and keeping company policies up-to-date. All Compliance activities carried out during the year are reported to the Audit Committee and the Board of Directors at the beginning of the following year. In addition, a compliance officer has been appointed by the Board of Directors within the scope of the fight against laundering proceeds of crime and financing of terrorism, and there is a corporate policy prepared in accordance with the relevant legislation and updated in 2022 and written procedures published accordingly.

17.a. Quality Management System

ISO 9001:2015 Quality Management System and ISO 10002:2018 Customer Complaint Management System, which ensure that customer needs are met at the highest level, product and service quality and efficiency are managed and certified by international certification bodies every year, are implemented in our company.

Our Company's quality policy is to be a transparent and dynamic institution that focuses on the needs and expectations of its customers, knows that quality is the output of systematic work, supports the effective

participation and suggestions of its employees, considers providing quality service as a leadership element, adopts continuous improvement as a management philosophy at all levels of the organization and insurance intermediaries, and continuously improves its service understanding at every stage, in line with its vision of becoming a reliable insurance company worldwide.

Within the framework of our quality policy and ISO 9001:2015 and ISO 10002:2018 standards, procedures, processes and documents used in these processes, job descriptions, organizational chart, reports and lists are recorded within the scope of the Quality Management System in order to monitor product and service quality and reliability.

18. COMPANY'S STRATEGIC OBJECTIVES

Our vision is to be your trusted insurance company and our mission is to contribute to the development of a sustainable and supportive social structure and to stand by you in every step you take to live in peace. Our Company's values are Guaranteeing Financial Strength, Encouraging Innovation, Providing the Best Service, Multiculturalism and Acting with Integrity with a Team Working with the Principle of Equality. The Company's vision, mission and values are also disclosed to the public on the Company's website. Our Strategic Plan is determined every year on the basis of our Company's vision and mission by conducting SWOT Analysis, Macro and Micro Analyses, which address the world and Turkish conjuncture, competitive conditions and economic climate. Our Strategic Plan is approved by the Board of Directors, and the evaluation of the relevant Plan is periodically reviewed at Strategic Analysis Meetings and presented to the Board of Directors four times a year.

Our Company has adopted the principle of Management by Objectives, and Management by Objectives, as a management and personal development tool, is within the scope of the Model for Performance Evaluation and was created to ensure that the work of all employees is in line with strategic goals and to contribute to their professional development.

19. FINANCIAL RIGHTS

The policy on remuneration to be paid to the members of the Board of Directors, senior management and other personnel has been approved by the Board of Directors.

The purpose of the Remuneration Policy is to set appropriate remuneration levels for each task/job and the performance therein, and to serve as a source of satisfaction and motivation for staff, facilitating the achievement of objectives and alignment with corporate strategy.

The Remuneration Policy encourages effective risk management by keeping conflicts of interest at bay as well as risks that exceed the company's tolerance limits.

MAPFRE SİGORTA A.Ş. Remuneration Policy;

- It is task/job oriented and includes measures to eliminate any conflict of interest that may arise.
- Merit, technical equipment, professional skills and performance are taken into account.
- It guarantees equality regardless of gender, race or ideology.
- It is transparent as it is made available to all affected parties.
- It is structurally flexible and therefore adaptable to different groups and market conditions.
- Efforts are made to satisfy the staff in the best way possible within the framework of the existing opportunities in terms of wage system and social rights.
- Internal balances, sectoral and general wage analysis reports, and MAPFRE GROUP wage policies and principles are taken into consideration in setting wages.

The remuneration to be paid to the members of the Board of Directors is at the discretion of the General Assembly.



**FINANCIAL
CONDITION**

Financial Condition and Results of Activities

The results of our Company's commercial activities for the year 2024 are presented below for your information.

Our Company's total premium production for 2024 amounted to TL 19,127,970,119, which corresponds to an increase of 71.4% compared to the previous year. When analyzed by branches, it is seen that auto branches, which account for 31.8% of our total production, increased by 87.1%, health branches, which account for 33.6%, by 72.5% and other branches, which account for 34.6% of total production, by 58.2% compared to the previous year.

Our investment income amounted to TL 3,397,230,661 and investment expenses, including the amount transferred to the technical department, amounted to TL 2,723,187,205. Thus, our net investment income amounted to TL 674,043,456.

Including TL 453,524,512 of expenses from other and extraordinary activities, we realized a profit of TL 1,889,399,084 before tax and TL 1,559,613,303 after tax from our activities in 2024.

Summarised Financial Information for the Five-Year Period Including the Reporting Period

Asset	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
I- Cash Assets	7.368.996.769	3.793.224.802	2.696.452.899	1.808.319.309	1.840.612.584
II- Securities Portfolio	4.556.175.862	2.784.193.476	1.030.825.683	1.012.512.963	597.571.932
III- Receivables	5.676.876.568	3.918.360.473	2.219.127.839	1.383.680.071	929.223.898
IV- Receivables under Administrative and Legal Follow-up					
V- Affiliates	4.356.189	40.048.839	39.477.219	39.131.144	38.721.175
VI- Fixed Assets	2.026.942.032	1.415.342.812	291.534.119	257.583.236	236.668.135
VII- Other Assets (Net)	2.224.234.583	1.226.055.747	800.313.634	356.081.442	253.908.475
Total Assets	21.857.582.003	13.177.226.150	7.077.731.392	4.857.308.164	3.896.706.198
Liability					
I- Payables	3.323.569.564	2.228.277.698	1.310.605.506	876.156.297	465.760.885
II- Provisions	13.589.950.670	8.295.096.396	5.118.669.930	3.001.891.865	2.437.158.659
III- Other Liabilities	490.115.960	(66.710.636)	203.999.866	128.250.868	91.642.967
IV- Shareholders' Equity (1)	2.894.332.506	1.927.807.249	776.025.582	787.438.506	650.550.032
V- Profit (1)	1.559.613.303	792.755.443	(331.569.492)	63.570.628	251.593.655
Total Liabilities	21.857.582.003	13.177.226.150	7.077.731.392	4.857.308.164	3.896.706.198
Income Statement					
I- Technical Revenues (2)	13.126.034.941	7.169.468.512	3.498.544.090	2.255.843.327	2.114.989.822
II- Technical Expenses (3)	(11.457.154.801)	(7.416.664.985)	(4.315.269.377)	2.453.590.209	1.905.011.277
III- Technical Profit/Loss (I - II)	1.668.880.140	(247.196.473)	(816.725.287)	(197.746.882)	209.978.545
IV- General Expenses (4)	(2.723.187.205)	(1.805.217.726)	(976.427.340)	(724.705.628)	(364.115.511)
V- Financial Revenues	3.397.230.661	3.053.617.948	1.335.949.930	995.132.512	445.983.775
VI- Financial Expenses (5)	(453.524.512)	(278.338.800)	55.742.712	(73.241.076)	(69.823.245)
VII- Inflation Loss					
VIII- Profit/Loss for the Period (III-IV+V-VI-VII)	1.889.399.084	722.864.947	(401.459.988)	(561.074)	222.023.564
IX- Profit for the Period Provision for Taxes and Other Legal Liabilities (-)	329.785.781	-	-	5.758.795	44.968.101
X- Net Profit/Loss for the Period (VIII-IX)	1.559.613.303	722.864.946	(401.459.989)	(6.319.869)	177.055.463

Information on financial structure

The purpose of the Regulation on Measurement and Assessment of Capital Adequacy of Insurance, Reinsurance and Pension Companies is to ensure that insurance companies maintain adequate capital against losses that may arise due to existing liabilities and potential risks. Pursuant to Article 17 of the Insurance Law No. 5684 on collaterals, insurance companies operating in the life branch are obliged to block or mortgage the assets corresponding to the amount remaining after deducting the mathematical reserves corresponding to the amount of loans made in accordance with the Turkish Commercial Code No. 6762 dated 29/6/1956 and the amount of uncollected premium receivables from the sum of mathematical reserves and outstanding reserves set aside as of the periods determined by the Undersecretariat and in favor of the Undersecretariat as collateral. Non-life insurance companies shall establish a minimum guarantee fund as collateral not less than one-third of their capital adequacy. The minimum guarantee fund cannot be less than one third of the minimum capital amounts required for the branches of business in any period.

According to the results of the capital adequacy table, which measures the amount of equity capital required for the Company, the Company's capital adequacy result as of 31.12.2024 is calculated as TL 1,175,595,675 positive.

Assessment of financial condition, profitability and indemnity solvency

Internationally recognized ratios on financial structure used in the on-site audit of insurance sectors are presented in the table below.

The net loss coverage ratio of shareholders' equity is 53% and the net paid loss coverage ratio is 61%. The loss coverage ratios of liquid assets are 141% and 164%, respectively.

Dividend distribution policy

The Company submits the related period profit to the General Assembly with the recommendation of the Board of Directors and realizes the profit distribution process according to the decision taken at the General Assembly. Regarding the profit for the year 2024, the Company will discuss the recommendation of the Board of Directors regarding dividend distribution at the Ordinary General Assembly meeting to be held on March 28, 2025.

Ratios

A- CAPITAL ADEQUACY RATIOS

1- Shareholders' Equity / Premiums Received (Gross)	23%
2- Shareholders' Equity / Premiums Received (Net)	32%
3- Shareholders' Equity / Total Assets	20%
4- Shareholders' Equity / Technical Provisions	35%
5- Foreign Liabilities / Total Assets	80%

B- ASSET QUALITY AND LIQUIDITY RATIOS

1- Liquid Assets / Total Assets	55%
2- Liquidity Ratio	70%
3- Current Ratio	113%
4- Premium and Reinsurance Receivables / Total Assets	26%
5- Agency Receivables / Shareholders' Equity	102%
6- Collection Ratio	74%

C- ACTIVITY RATIOS

1- Retention Ratio	73%
2- Compensation Payment Ratio	55%
3- Compensation Share Ratio	84%
4- Premium Increase Ratio	218%

D- PROFITABILITY RATIOS

1- Loss / Premium Ratio (Gross)	69%
2- Loss Premium Ratio (Net)	80%
3- Expense Ratio	21%
4- Combined Ratio	101%

RISKS AND ASSESSMENT OF THE GOVERNING BODY



Information on the Company's Transactions with the Risk Group to which the Company Belongs

MAPFRE Sigorta acts in accordance with the conditions and principles of practice applicable to third parties in its relations with the companies within the risk group to which it belongs. On September 20, 2007, MAPFRE Genel Sigorta' joined the MAPFRE Group with its majority shares.

Since the treaty-based reinsurance protections of all insurance companies owned by MAPFRE are 100% subject to MAPFRE RE placements, MAPFRE RE has also been placing the treaty-based reinsurance protections of MAPFRE Sigorta since 01/01/2008. MAPFRE RE's rating is "A Excellent" according to A.M. BEST and MAPFRE RE is a reinsurance company operating in Spain / Madrid under the MAPFRE S.A group.

Information on Risk Management Policies Applied to Risk Types

Our Company's Risk Management policies and activities are carried out as specified under the main headings below.

1) On Risk / Collateral Basis:

As a result of many years of experience, our Company has established risk acceptance policies based on past claims and other experiences. These are also periodically reviewed in the light of internationally recognized general statistics and criteria. Our Company's reinsurance agreements form the basis of our risk acceptance criteria, which are determined annually.

Considering that reinsurance protection is one of the most important factors in maintaining the company's existence, the risks identified are analyzed and evaluated by risk engineers and other means. Risk Acceptance Criteria are communicated in writing to all company officials and distribution channels, and their implementation is meticulously monitored systematically.

2) On Catastrophic Risk Basis:

As Turkey is located on active earthquake fault lines, the Company's catastrophe scenario has been developed taking into account the earthquake risk. For this reason, earthquake risk is monitored on an earthquake zone basis in our Company, as in the entire Turkish Insurance Sector. The earthquake risk is closely monitored especially in and around Istanbul, as it is the earthquake zone with the highest risk, and the risk is kept under control through periodic reports on the subject. These assessments are also shared with our reinsurers.

According to our total earthquake-related liabilities (earthquake cumulations), the limits of the necessary reinsurance protection programs are determined with MAPFRE Re, with which we cooperate on the subject, and the protections are purchased accordingly. The limits of protection purchased can be revised during the year according to the growth rates of the Company's earthquake portfolio and economic changes.

3) Determination of our Retentions:

At our Company, retention amounts for each branch/product are determined separately. While doing so, the relevant risk profiles, loss frequencies, sizes, average loss amounts and loss-premium ratios, as well as reinsurance needs and conditions, if any, are analyzed, and the company's own funds of the retention amounts determined as a result are determined in accordance with the relevant legislation.

4) Reinsurance Policies:

Our Company's reinsurance activities take different forms on a risk basis and on the basis of annual treaty agreements. Although our needs on a risk basis - Facultative Reinsurance - are generally met with companies with which we have annual treaty agreements, in addition, reinsurers with a strong financial structure and whose strength is certified by international rating companies constitute our first preferences according to our needs and expertise.

Our proportional or non-proportional annual reinsurance agreements have been concluded with MAPFRE Re since 2008 and the company's needs and reinsurance solutions are solved jointly with this company.



OTHER
ISSUES

Other Issues

After the end of the fiscal year, there have been no events of special significance that occurred in the Company other than those mentioned in this report and that may affect the rights of shareholders, creditors and other related persons and organizations.



**FINANCIAL
STATEMENTS AND
NOTES**



RSM

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MAPFRE Sigorta Anonim Şirketi

Unconsolidated Financial Statements
for the Period Ended
31 December 2024

CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH

To the General Assembly of Mapfre Sigorta Anonim Şirketi

A) Report to the Audit of the Financial Statements

1) Opinion

We have audited the financial statements of Mapfre Sigorta Anonim Şirketi. (the "Company") which comprise the balance sheet as at 31 December 2024 and the statement of income, the statement of changes in shareholders' equity, the statement of cash flows and the statement of profit distribution for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with "Insurance Accounting and Financial Reporting Legislation" comprising the prevailing accounting and financial reporting regulations enforced by the insurance legislation and Turkish Financial Reporting Standards ("TFRS") for the matters not regulated by the insurance legislation.

2) Basis of Opinion

We conducted our audit in accordance with the regulations on the principles on auditing as set out in the insurance legislation and the Standards on Independent Auditing (the "SIA") which are part of Turkish Auditing Standards issued by the Public Oversight, Accounting and Auditing Standards Authority of Turkey (the "POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We hereby declare that we are independent of the Company in accordance with the Code of Ethics for Independent Auditors (the "Code of Ethics") and the ethical requirements regarding independent audit in regulations issued by POA. We have also fulfilled other ethical responsibilities in accordance with the Code of Ethics and the relevant regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

THE POWER OF BEING UNDERSTOOD

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Key audit matter	How our audit addressed the key audit matter
Estimation of the incurred but not reported claim reserve	
<p>As of 31 December 2024, the Company's total technical reserves is 12.618.896.151 TRY which comprises 58% of the Company's liabilities and shareholders' equity. The Company accounted for 4.643.608.917 TRY net outstanding claims reserve for the possible future payments related to the insurance contracts. As explained in Notes 2 and Note 17, actuarial assumptions and best estimate methods determined by considering the Company actuary's opinions were used in the calculation of incurred but not reported claim reserve (IBNR) (4.643.608.917 TRY, before discounting and after reinsurer share) accounted for under the outstanding claims reserve.</p> <p>Containing significant actuarial judgment and estimations by nature and its material amount in the financial statements, this issue has been considered as key audit matter.</p>	<p>Audit procedures regarding the estimation of IBNR were carried out with the actuary auditor who is a member of our audit team. Those procedures are essentially having a purpose of evaluating whether the estimations and methods used in the calculation of IBNR performed by the Company are appropriate.</p> <p>In this context, incurred outstanding claim files were tested on a sample basis and analytical reviews were performed. Lawyer letter was obtained from the Company lawyer for the litigated part of the outstanding claim files. Average amount of the claim files and the opening amounts determined by the Company actuary were evaluated. Data used in the calculation of IBNR was reconciled with the financial statements. Methodologies used for calculating IBNR for each line of business were evaluated including the assessment of their appropriateness considering the claim characteristics and the Company's claim history of each line of business. Actuarial calculations were performed to determine the reasonable range estimations for the evaluation of IBNR calculated by the Company and comparisons with the Company's IBNR recognized were made. Adequacy and appropriateness of the related explanations in the notes to the financial statements were assessed.</p>

4) Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with the Insurance Accounting and Financial Reporting Legislation, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

5) Auditor's Responsibilities for the Audit of the Financial Statements

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with the regulations on the principles on auditing as set out in the insurance legislation and SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material, if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise our professional judgment and maintain our professional scepticism throughout the audit. We also;

- Identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies and the reasonableness of accounting estimates and relevant disclosures made by management.
- Conclude the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Responsibilities Arising From Regulatory Requirements

In accordance with paragraph 4 of Article 402 of Turkish Commercial Code ("TCC") No.6102, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January to 31 December 2024 are not in compliance with the TCC's provisions and provisions of the Company's articles of association related to financial reporting.

In accordance with paragraph 4 of Article 402 of TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

The name of the engagement partner who supervised and concluded this audit is Ahmet Cihat Kumuşoğlu.

Additional Paragraph for Convenience Translation into English

The effect of differences between the accounting principles as set out by the related insurance laws and accounting principles generally accepted in countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards ("IFRS") have not been quantified in the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations and changes in financial position and cash flows in accordance with accounting principles generally accepted in such countries and IFRS.

RSM Uluslararası Bağımsız Denetim A.Ş.
Member of RSM International



Ahmet Cihat Kumuşoğlu, YMM
Partner
İstanbul, 7 March 2025

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 **MAPFRE Sigorta**

March 7, 2025

OUR STATEMENT REGARDING THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

We hereby declare that the financial statements as of 31 December 2024 and the related explanations and notes thereto, presented herewith, have been prepared in accordance with the provisions of the "Regulation on Financial Reporting of Insurance, Reinsurance and Pension Companies" issued by the Republic of Türkiye Ministry of Treasury and Finance, the relevant legislation, and the circulars and announcements related thereto, and that they are in compliance with our Company's accounting records.

MAPFRE SİGORTA A.Ş.

Zeynep Nazan Somer ÖZELGİN
Yönetim Kurulu Başkanı

Süleyman Serdar ÇALOĞLU
Denetim Komitesi Üyesi

Onur ACAR
Genel Müdür Yardımcısı

Ertuğrul Özdemir
Muhasebe & Finansal Raporlama Direktörü

Hasan Hülki YALÇIN
Denetim Komitesi Başkanı

Erdiç YURTSEVEN
Genel Müdür

Mehmet PIRILDAK
Aktüer

ASSETS

	Independent Audited	Independent Audited
Footnote	Dec 31, 2024	Dec 31, 2023

I- Current Assets

		7.368.996.769	3.793.224.803
A- Cash and Cash Equivalents	2.12	7.368.996.769	3.793.224.803
1- Cash		-	-
2- Cheques Received		-	-
3- Banks	2.12	5.785.678.845	3.055.461.814
4- Cheques given and payment orders (-)	2.12	-	-
5- Bank Guaranteed Credit Card Rec. with Maturity Less Than 3 Months	2.12, 14	1.583.317.924	737.762.989
6- Other Cash and Cash Equivalents	2.12, 14	-	-
B- Financial Assets and Financial Investments at Insurers' Risk	11	4.556.175.862	2.784.193.476
1- Financial Assets Available for Sale	11	4.263.056.857	1.409.988.088
2- Financial Assets Held to Maturity	11	293.119.005	1.374.205.388
3- Financial Assets Held for Trading		-	-
4- Loans		-	-
5- Provision for Loans (-)		-	-
6- Financial Investments at Risk of Life Policyholders		-	-
7- Company Share		-	-
8- Provision for Impairment of Financial Assets (-)		-	-
C- Receivables from Main Operations	12	5.678.342.253	3.908.787.537
1- Receivables from Insurance Operations	12	5.547.198.955	3.726.171.296
2- Provision for Receivables from Insurance Operations (-)	12	(29.205.535)	(14.126.816)
3- Receivables from Reinsurance Operations	12	160.348.833	196.743.057
4- Provision for Receivables from Reinsurance Operations (-)		-	-
5- Deposits held with Insurance and Reinsurance Companies		-	-
6- Loans to Policyholders (Loans)		-	-
7- Provision for loans to policyholders (-)		-	-
8- Receivables from Pension Operations		-	-
9- Doubtful receivables arising from operating activities	12	795.232.388	523.917.353
10- Provision for Doubtful Receivables from Operating Activities (-)	12	(795.232.388)	(523.917.353)
D- Receivables from Related Parties	12	156.881	250.665
1- Receivables from shareholders		-	-
2- Receivables from Associates		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Joint Ventures		-	-
5- Receivables from Personnel		100.294	194.078
6- Receivables from Other Related Parties		56.587	56.587
7- Rediscount on Receivables from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
E- Other Receivables		(1.882.431)	9.185.212
1- Financial Lease Receivables		-	-
2- Unearned Finance Lease Interest Income (-)		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables	47.1	(1.882.431)	9.185.212
5- Rediscount of Other Miscellaneous Receivables (-)		-	-
6- Doubtful Other Receivables		-	-
7- Provision for Doubtful Other Receivables (-)		-	-
F- Prepaid Expenses and Income Accruals		1.382.981.066	860.615.614
1- Deferred Production Expenses	47.1	1.246.424.504	755.446.068
2- Accrued Interest and Rental Income		-	-
3- Income Accruals		-	-
4- Other Expenses for Future Months	47.1	136.556.562	105.169.546
G- Other Current Assets		443.476.457	104.827.384
1- Inventories for Future Months		1.038.495	1.103.173
2- Prepaid Taxes and Funds	35	371.262.818	56.965.008
3- Deferred Tax Assets		-	-
4- Work Advances		537.261	497.620
5- Advances Given to Personnel		59.952.716	37.302.651
6- Deficiencies in Counting and Receipt		-	-
7- Other Miscellaneous Current Assets		10.685.167	8.958.932
8- Provision for Other Current Assets (-)		-	-
I- Total Current Assets		19.428.246.857	11.461.084.691

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ASSETS (continued)	Footnote	Independent Audited	Independent Audited
		Dec 31, 2024	Dec 31, 2023
II- Non-Current Assets			
A- Receivables from Operating Activities			
1- Receivables from Insurance Operations		-	-
2- Provision for Receivables from Insurance Operations (-)		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations (-)		-	-
5- Deposits held with Insurance and Reinsurance Companies		-	-
6- Loans to Policyholders (Loans)		-	-
7- Provision for loans to policyholders (-)		-	-
8- Receivables from Pension Operations		-	-
9- Doubtful receivables arising from operating activities		-	-
10- Provision for Doubtful Receivables from Operating Activities (-)		-	-
B- Receivables from Related Parties			
1- Receivables from shareholders		-	-
2- Receivables from Associates		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Joint Ventures		-	-
5- Receivables from Personnel		-	-
6- Receivables from Other Related Parties		-	-
7- Rediscount on Due from Related Parties (-)		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties (-)		-	-
C- Other Receivables			
		259.865	137.060
1- Financial Lease Receivables		-	-
2- Unearned Finance Lease Interest Income (-)		-	-
3- Deposits and Guarantees Given		259.865	137.060
4- Other Miscellaneous Receivables		-	-
5- Rediscount of Other Miscellaneous Receivables (-)		-	-
6- Doubtful Other Receivables		-	-
7- Provision for Doubtful Other Receivables (-)		-	-
D- Financial Assets			
	9	4.356.189	40.048.839
1- Subsidiary Securities	9	11.193	11.193
2- Associates	9	1.793.115	1.793.115
3- Capital Commitments of Associates (-)		-	-
4- Subsidiaries	9	-	38.244.531
5- Capital Commitments of Subsidiaries (-)		-	-
6- Joint Ventures		-	-
7- Capital Commitments of Joint Ventures (-)		-	-
8- Financial Assets and Financial Investments at Policyholders Risk		-	-
9- Other Financial Assets		-	-
10- Provision for Impairment of Financial Assets (-)		-	-
E- Tangible Assets			
	7	1.599.609.575	1.217.287.555
1- Investment Properties	7	892.077	990.077
2- Provision for Impairment on Investment Properties (-)		-	-
3- Properties for Use	6	1.497.017.527	1.145.750.306
4- Machinery and Equipment		-	-
5- Fixtures and Installations	6	66.649.898	49.636.216
6- Motor Vehicles	6	80.379.005	60.240.853
7- Other Tangible Assets (Including Leasehold Improvements)	6	17.579.238	13.470.031
8- Tangible Assets Acquired Through Leasing	6	38.322.592	21.960.670
9- Accumulated Depreciation (-)	6	(101.230.762)	(74.760.598)
10- Advances on Tangible Assets (Including Investments in Progress)		-	-
F- Intangible Assets			
	8	427.332.457	198.055.256
1- Rights	8	452.735.226	249.907.547
2- Goodwill		-	-
3- Pre-operating Period Expenses		-	-
4- Research and Development Expenses		-	-
5- Other Intangible Assets		-	-
6- Accumulated Amortisation (Depreciation) (-)	8	(172.089.812)	(97.247.169)
7- Advances on Intangible Assets	8	146.687.043	45.394.878

ASSETS (continued)	Footnote	Independent Audited	Independent Audited
		Dec 31, 2024	Dec 31, 2023
II- Non-Current Assets - continued			
G- Accrued Expenses and Income Accruals			
		2.688.861	5.198.984
1- Deferred Production Expenses		-	-
2- Income Accruals		-	-
3- Other Expenses for Future Years	471	2.688.861	5.198.984
H- Other Non-Current Assets			
		395.088.199	255.413.765
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Inventories for Future Years		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	21	395.088.199	255.413.765
6- Other Miscellaneous Non-Current Assets		-	-
7- Amortisation of Other Non-Current Assets (-)		-	-
8- Provision for Other Non-Current Assets (-)		-	-
II- Total Non-Current Assets			
		2.429.335.146	1.716.141.459
Total Assets (I + II)			
		21.857.582.003	13.177.226.150

LIABILITIES

	Footnote	Independent Audited Dec 31, 2024	Independent Audited Dec 31, 2023
III- Short Term Liabilities			
A- Financial Liabilities	20	21.138.392	8.298.747
1- Payables to Credit Institutions		-	-
2- Payables from Financial Leasing Transactions	20	21.138.392	8.298.747
3- Deferred Finance Lease Borrowing Costs (-)		-	-
4- Principal instalments and interest on long-term loans		-	-
5- Principal, instalments and interest on bonds issued		-	-
6- Other Financial Assets Issued		-	-
7- Issuance difference of other financial assets issued (-)		-	-
8- Other Financial Payables (Liabilities)		-	-
B- Liabilities from Operating Activities	19	2.272.209.318	1.617.379.582
1- Payables from Insurance Operations	19	612.240.227	429.456.663
2- Payables from Reinsurance Operations	19	1.659.912.786	1.187.866.615
3- Deposits Received from Insurance and Reinsurance Companies	19	56.304	56.304
4- Payables from Pension Operations		-	-
5- Other Operating Payables		-	-
6- Other Operating Payables Rediscount of Notes Payable (-)		-	-
C- Payables to Related Parties		57.035.948	34.239.905
1- Payables to shareholders	12,2	294.734	294.734
2- Payables to Associates		-	-
3- Payables to Subsidiaries		-	-
4- Payables to Joint Ventures		-	-
5- Payables to Personnel		46.728.550	26.199.094
6- Payables to Other Related Parties	12,2	10.012.664	7.746.077
D- Other Payables		973.185.906	568.359.465
1- Deposits and Guarantees Received	19	48.610.934	41.857.195
2- Payables to SGK for Treatment Expenses	10	117.472.489	59.437.716
3- Other Miscellaneous Payables	47,1	807.102.980	467.065.051
4- Rediscount of Other Miscellaneous Payables (-)		(497)	(497)
E- Insurance Technical Provisions		12.450.058.360	7.818.590.612
1- Reserve for Unearned Premiums - Net	17,15	7.687.815.287	4.311.634.261
2- Provision for Unexpired Risks - Net	17,15	111.964.268	79.940.789
3- Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net	17,15	4.643.608.917	3.424.448.430
5- Provision for bonuses and discounts - Net	17,15	6.669.887	2.567.132
6- Other Technical Provisions - Net		-	-
F- Taxes and Other Similar Liabilities and Their Provisions		582.245.390	151.228.752
1- Payable Taxes and Funds	19	173.485.915	106.701.232
2- Payable Social Security Deductions	19	17.246.475	9.516.050
3- Overdue, Deferred or Installment Taxes and Other Liabilities		-	-
4- Payable Other Taxes and Similar Obligations	19	61.727.220	35.011.470
5- Period Profit Tax and Other Legal Liability Provisions	35	329.785.781	-
6- Prepaid Tax and Other Liabilities of Period Profit (-)		-	-
7- Provisions for Other Taxes and Similar Liabilities		-	-
G- Provisions for Other Risks	23	329.439.983	203.497.197
1- Provision for Employment Termination Benefits		-	-
2- Provision for Social Assistance Fund Asset Deficits		-	-
3- Provision for Cost Expenses	23	329.439.983	203.497.197
H- Income and Expense Accruals for Future Months	19	438.527.027	319.667.570
1- Deferred Commission Income	19	438.527.027	319.667.570
2- Expense Accruals		-	-
3- Other Income for Future Months		-	-
I- Other Short Term Liabilities		25.637.861	16.915.483
1- Deferred Tax Liability		-	-
2- Surpluses from Counting and Receiving		-	-
3- Other Miscellaneous Short Term Liabilities	47,1	25.637.861	16.915.483
III - Total Short Term Liabilities		17.149.478.186	10.738.177.313

LIABILITIES (continued)

	Footnote	Independent Audited Dec 31, 2024	Independent Audited Dec 31, 2023
IV- Long Term Liabilities			
A- Financial Liabilities		-	-
1- Payables to Credit Institutions		-	-
2- Payables from Financial Leasing Transactions		-	-
3- Deferred finance lease borrowing costs (-)		-	-
4- Issued Bonds		-	-
5- Other Financial Assets Issued		-	-
6- Difference on issue of other financial assets (-)		-	-
7- Other Financial Payables (Liabilities)		-	-
B- Payables from Operating Activities		-	-
1- Payables from Insurance Operations		-	-
2- Payables from Reinsurance Operations		-	-
3- Deposits Received from Insurance and Reinsurance Companies		-	-
4- Payables from Pension Operations		-	-
5- Other Operating Payables		-	-
6- Other Operating Payables Rediscount on Notes Payable (-)		-	-
C- Payables to Related Parties		-	-
1- Payables to Shareholders		-	-
2- Payables to Associates		-	-
3- Payables to Subsidiaries		-	-
4- Payables to Joint Ventures		-	-
5- Payables to Personnel		-	-
6- Payables to Other Related Parties		-	-
D- Other Payables		-	-
1- Deposits and Guarantees Received		-	-
2- Payables to SGK for Treatment Expenses		-	-
3- Other Miscellaneous Payables		-	-
4- Rediscount of Other Miscellaneous Payables		-	-
E- Insurance Technical Provisions		168.837.791	75.946.257
1- Provision for Unearned Premiums - Net		-	-
2- Provision for Unexpired Risks - Net		-	-
3- Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net		-	-
5- Provision for bonuses and discounts - Net		-	-
6- Other Technical Provisions - Net	17,15, 47,1	168.837.791	75.946.257
F- Other Liabilities and Provision		-	-
1- Other liabilities payable		-	-
2- Matured, Delayed or Deferred Tax By Installments and Other Liabilities		-	-
3- Provisions for Other Payables and Expenses		-	-
G- Provisions for Other Risks		59.369.146	45.833.577
1- Provision for Employment Termination Benefits	22	55.799.710	42.264.141
2- Provision for Social Assistance Fund Asset Deficits	22, 23	3.569.436	3.569.436
H- Income and Expense Accruals for Future Years		-	-
1- Deferred Commission Income		-	-
2- Expense Accruals		-	-
3- Other Revenues for Future Years		-	-
I- Other Long Term Liabilities		25.951.072	14.661.522
1- Deferred Tax Liability		-	-
2- Other Miscellaneous Long Term Liabilities	22	25.951.072	14.661.522
IV- Total Long Term Liabilities		254.158.009	136.441.356

SHAREHOLDERS' EQUITY

	Footnote	Independent Audited	Independent Audited
		Dec 31, 2024	Dec 31, 2023
V- Shareholders' Equity			
A- Paid-in Capital		1.277.680.661	350.000.000
1- (Nominal) Capital	2.13, 15	1.690.098.161	350.000.000
2- Unpaid Capital (-)	2.13, 15	(412.417.500)	-
3- Positive Capital Adjustment Differences		-	-
4- Negative Capital Adjustment Differences (-)		-	-
5- Capital Expected to be Registered		-	-
B- Capital Reserves		-	-
1- Share Premium		-	-
2- Profit on Cancellation of Share Certificates		-	-
3- Profit on Sale to be added to Capital		-	-
4- Foreign Currency Conversion Differences		-	-
5- Other Capital Reserves		-	-
C- Profit Reserves		1.616.651.845	1.577.807.248
1- Legal Reserves	15	110.838.023	110.838.023
2- Status Reserves		-	-
3- Extraordinary Reserves		-	248.894.920
4- Special Funds (Reserves)	15	(51.221.430)	24.525.042
5- Valuation of Financial Assets	15	(22.626.153)	10.125.500
6- Other Profit Reserves	15	1.579.661.405	1.183.423.763
D- Retained Earnings		-	69.890.497
1- Retained Earnings		-	69.890.497
E- Retained Losses (-)		-	(417.955.210)
1- Retained Losses		-	(417.955.210)
F- Net Profit for the Period		1.559.613.303	722.864.946
1- Net Profit for the Period	37.1	1.559.613.303	722.864.946
2- Net Loss for the Period (-)		-	-
3- Profit for the Period Not Subject to Distribution		-	-
Total Shareholders' Equity		4.453.945.808	2.302.607.481
Total Liabilities (III + IV + V)		21.857.582.003	13.177.226.150

The notes on pages 12 to 75 are an integral part of these financial statements.

I- TECHNICAL PART

	Footnote	Independent Audited	Independent Audited
		Jan 1 - Dec 31 2024	Jan 1 - Dec 31 2023
A- Non-Life Technical Income			
1- Earned Premiums (Net of Reinsurers' Share)		13.126.034.941	7.169.468.509
1.1- Premiums Written (Net of Reinsurers' Share)	24	13.904.358.025	7.990.005.462
1.1.1- Gross Written Premiums (+)	24	19.127.970.119	11.159.759.327
1.1.2- Premiums Ceded to Reinsurers (-)	10, 24	(4.906.301.479)	(2.971.478.198)
1.1.3- Premiums Transferred to SGK (-)	24	(317.310.616)	(198.275.667)
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Share and Reserves Carried Forward) (+/-)	47	(3.837.181.027)	(1.837.051.552)
1.2.1- Provision for Unearned Premiums (-)	17	(4.355.449.936)	(2.521.366.718)
1.2.2- Reinsurer Share in Unearned Premiums Provision (+)	10, 17	897.358.307	632.035.645
1.2.3- SGK Share in Unearned Premiums Reserve (+/-)	17	17.819.602	52.279.521
1.3- Change in Provision for Unexpired Risks (Net of Reinsurer Share and Reserves Carried Forward) (+/-)	17	(32.023.479)	48.465.551
1.3.1- Provision for Unexpired Risks (-)	17	(31.178.542)	71.893.856
1.3.2- Reinsurer Share in Provision for Unexpired Risks (+)	17	(844.937)	(23.428.305)
2- Investment Income Transferred from Non-Technical Segment		2.310.618.300	830.268.739
3- Other Technical Income (Net of Reinsurer Share) (+/-)		-	6.207.044
3.1- Gross Other Technical Income (+/-)		-	6.207.044
3.2- Reinsurer Share in Gross Other Technical Income (+/-)		-	-
4- Accrued Recourse and Salvage Income (+)		319.263.122	131.573.265
B- Non-Life Technical Expense (-)		(11.457.154.801)	(7.416.664.988)
1- Incurred Claims (Net of Reinsurer Share) (+/-)		(8.469.038.641)	(5.738.984.858)
1.1- Claims Paid (Net of Reinsurer Share)	17	(7.249.878.154)	(4.434.610.897)
1.1.1- Gross Claims Paid (-)	17	(8.638.146.073)	(5.926.522.572)
1.1.2- Reinsurer Share in Claims Paid (+)	10, 17	1.388.267.919	1.491.911.675
1.2- Change in Provision for Outstanding Claims (Net of Reinsurer Share and Reserves Carried Forward) (+/-)	47	(1.219.160.487)	(1.304.373.961)
1.2.1- Provision for Outstanding Claims (-)		(1.591.116.708)	(2.446.990.979)
1.2.2- Reinsurer Share in Provision for Outstanding Claims (+)	10	371.956.221	1.142.617.018
2- Change in Provision for Bonuses and Discounts (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)	17	(4.547.087)	(6.831.241)
2.1- Provision for bonuses and discounts (-)	17	(4.547.087)	(6.831.241)
2.2- Reinsurer's Share in Provision for Bonuses and Discounts (+)		-	-
3- Change in Other Technical Reserves (Net of Reinsurer Share and Reserves Carried Forward) (+/-)	17, 47	(92.891.534)	63.247.401
4- Operating Expenses (-)	31	(2.725.772.070)	(1.623.131.477)
5- Change in Mathematical Reserves (Net of Reinsurer Share and Carried Forward) (+/-)		-	-
5.1- Mathematical Provisions (-)		-	-
5.2- Reinsurer Share in Mathematical Reserves (+)		-	-
6- Other Technical Expenses (-)	47	(164.905.469)	(110.964.813)
6.1- Gross Other Technical Expenses (-)	47	(164.905.469)	(110.964.813)
6.2- Reinsurer Share in Gross Other Technical Expenses (+)		-	-
C- Technical Segment Balance - Non-Life (A - B)		1.668.880.140	(247.196.479)
D- Life Technical Income			
1- Earned Premiums (Net of Reinsurers' Share)		-	-
1.1- Premiums Written (Net of Reinsurers' Share)		-	-
1.1.1- Gross Written Premiums (+)		-	-
1.1.2- Premiums Ceded to Reinsurers (-)		-	-
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Share and Reserves Carried Forward) (+/-)		-	-
1.2.1- Reserve for Unearned Premiums (-)		-	-
1.2.2- Reinsurer Share in Unearned Premiums Reserve (+)		-	-
1.3- Change in Provision for Unexpired Risks (Net of Reinsurer Share and Reserves Carried Forward) (+/-)		-	-
1.3.1- Provision for Unexpired Risks (-)		-	-
1.3.2- Reinsurer Share in Provision for Unexpired Risks (+)		-	-
2- Life Branch Investment Income		-	-
3- Unrealised gains on investments		-	-
4- Other Technical Income (Net of Reinsurer Share) (+/-)		-	-
4.1- Gross Other Technical Income (+/-)		-	-
4.2- Reinsurer Share in Gross Other Technical Income (+/-)		-	-
5- Accrued Recourse Income (+)		-	-
E- Life Technical Expense			
1- Incurred Claims (Net of Reinsurer Share) (+/-)		-	-
1.1- Claims Paid (Net of Reinsurer Share) (-)		-	-
1.1.1- Gross Claims Paid (-)		-	-
1.1.2- Reinsurer Share in Claims Paid (+)		-	-
1.2- Change in Provision for Outstanding Claims (Net of Reinsurer Share and Carried Forward) (+/-)		-	-
1.2.1- Provision for Outstanding Claims (-)		-	-
1.2.2- Reinsurer Share in Provision for Outstanding Claims (+)		-	-
2- Change in Provision for Bonuses and Discounts (Net of Reinsurers' Share and Reserves Carried Forward) (+/-)		-	-
2.1- Provision for bonuses and discounts (-)		-	-
2.2- Reinsurer's Share in Provision for Bonuses and Discounts (+)		-	-
3- Change in Mathematical Reserves (Net of Reinsurer Share and Carried Forward) (+/-)		-	-
3.1- Mathematical Provisions (-)		-	-
3.1.1- Actuarial Mathematical Provision (+/-)		-	-
3.1.2- Provision for Dividends (Provision for Policies with Investment Risk Policyholders)		-	-
3.2- Reinsurer Share in Mathematical Provision (+)		-	-
3.2.1- Actuarial Mathematical Provisions Reinsurer Share (+)		-	-
3.2.2- Reinsurer Share of Provision for Dividends (Provision for Policies with Investment Risk Policyholders) (+)		-	-
4- Change in Other Technical Reserves (Net of Reinsurer Share and Reserves Carried Forward) (+/-)		-	-
5- Operating Expenses (-)		-	-
6- Investment Expenses (-)		-	-
7- Unrealised losses on investments (-)		-	-
8- Investment Income Transferred to Non-Technical Segment (-)		-	-

The notes on pages 12 to 75 are an integral part of these financial statements.

I- TECHNICAL PART (continued)

	Footnote	Independent Audited Jan 1 - Dec 31 2024	Independent Audited Jan 1 - Dec 31 2023
F- Technical Segment Balance - Life (D - E)		-	-
G- Pension Technical Income		-	-
1- Fund Operating Income		-	-
2- Administrative Expense Deduction		-	-
3- Income from Entrance Fee		-	-
4- Administrative Expense Deduction in Case of Suspension		-	-
5- Special Service Expense Deduction		-	-
6- Capital Allocation Advances Value Increase Income		-	-
7- Other Technical Income		-	-
H- Pension Technical Expense		-	-
1- Fund Operating Expenses (-)		-	-
2- Capital Allocation Advances Value Decrease Expenses (-)		-	-
3- Operating Expenses (-)		-	-
4- Other Technical Expenses (-)		-	-
I- Technical Segment Balance - Pension (G - H)		-	-

II- NON-TECHNICAL SEGMENT

	Footnote	Independent Audited Jan 1 - Dec 31 2024	Independent Audited Jan 1 - Dec 31 2023
C- Technical Segment Balance - Non-Life (A - B)		1.668.880.140	(247.196.479)
F- Technical Segment Balance - Life (D - E)		-	-
I- Technical Segment Balance - Pension (G - H)		-	-
J- General Technical Segment Balance (C+F+I)		1.668.880.140	(247.196.479)
K- Investment Income	26	3.397.230.661	3.053.617.950
1- Income from Financial Investments	26	2.297.786.614	833.457.670
2- Income from Cash Conversion of Financial Investments	26	-	476.728
3- Valuation of Financial Investments	26	294.181.835	(1.732.840)
4- Foreign Exchange Gains	26, 36	660.422.899	2.199.789.081
5- Income from Associates	26	128.874.589	805.426
6- Income from Subsidiaries and Joint Ventures		-	-
7- Income from Land, Plots and Buildings	26	15.964.725	20.821.885
8- Income from Derivative Instruments		-	-
9- Other Investments		-	-
10- Investment Income Transferred from Life Technical Segment		-	-
L- Investment Expenses (-)		(2.723.187.205)	(1.805.217.725)
1- Investment Management Expenses - Including Interest (-)	26, 34	(7.113.858)	(1.730.300)
2- Impairment of Investments (-)		-	-
3- Losses arising from liquidation of investments (-)		-	-
4- Investment Income Transferred to Non-Life Technical Segment (-)	26	(2.310.618.300)	(830.268.739)
5- Losses arising from derivative instruments (-)		-	-
6- Foreign Exchange Losses (-)	26	(273.607.491)	(900.731.329)
7- Depreciation Expenses (-)	31	(131.847.556)	(72.487.357)
8- Other Investment Expenses (-)		-	-
M- Income and Profit, Expenses and Losses from Other and Extraordinary Operations (+/-)		(453.524.512)	(278.338.799)
1- Provisions Account (+/-)	47	(302.205.894)	(121.717.558)
2- Rediscout Account (+/-)	47	-	(3.639.205)
3- Specialised Insurances Account (+/-)		-	-
4- Inflation Adjustment Account (+/-)		-	-
5- Deferred Tax Asset Account (+/-)	35	(2.315.798)	(78.434.521)
6- Deferred Tax Liability Expense (-)		-	-
7- Other Income and Profit	47,5	35.115.944	3.720.222
8- Other Expenses and Losses (-)	47,5	(184.118.664)	(78.267.737)
9- Prior Year Income and Profits		-	-
10- Prior Year Expenses and Losses (-)		-	-
N- Net Profit or Loss for the Period		1.559.613.303	722.864.946
1- Profit and Loss for the Period	35	1.889.399.084	722.864.946
2- Taxes and Other Legal Liabilities Provisions for the Profit for the Period (-)	35	(329.785.781)	-
3- Net Profit or Loss for the Period	35	1.559.613.303	722.864.946
4- Inflation Adjustment Account		-	-

CASH FLOW STATEMENT

	Footnote	Independent Audited Jan 1 - Dec 31 2024	Independent Audited Jan 1 - Dec 31 2023
A- Cash Flows From Operating Activities			
1- Cash inflows from insurance operations		17.631.421.503	10.623.533.978
2- Cash inflows from reinsurance activities		2.227.023.640	2.067.737.658
3- Cash inflows from pension operations		-	-
4- Cash outflows from insurance operations (-)		(10.577.587.569)	(7.181.420.638)
5- Cash outflow from reinsurance activities (-)		(4.253.478.530)	(2.848.706.009)
6- Cash outflow due to pension activities (-)		-	-
7- Cash generated from operating activities (A1+A2+A3-A4-A5-A6)		5.027.379.044	2.661.144.989
8- Interest payments (-)		-	-
9- Income tax payments (-)		(226.161.005)	-
10- Other cash inflows		2.895.092	8.366.049
11- Other cash outflows (-)		(2.011.214.743)	(980.889.980)
12- Net cash generated from operating activities		2.792.898.388	1.688.621.058
B- Cash Flows From Investing Activities			
1- Sale of tangible assets	6,3, 8	29.993.754	158.296.002
2- Acquisition of tangible assets (-)	6,3, 8	(365.892.087)	(219.820.630)
3- Acquisition of financial assets (-)	11	(4.216.368.815)	(1.308.139.147)
4- Sale of financial assets	11	2.746.786.728	153.499.433
5- Interest received		2.398.697.801	753.853.279
6- Dividends received		-	-
7- Other cash inflows		-	-
8- Other cash outflows (-)		(1.992.875.598)	(2.514.766.080)
9- Net cash provided by investing activities		(1.399.658.216)	(2.977.077.143)
C- Cash Flows From Financing Activities			
1- Stock certificate issuance		137.500.000	-
2- Cash inflows related to borrowings		-	-
3- Payments for finance lease obligations (-)		-	-
4- Dividends paid (-)		(256.919)	-
5- Other cash inflows		82.500	-
6- Other cash outflows (-)		-	-
7- Net cash provided by financing activities		137.325.581	-
D- Effect of Exchange Rate Differences on Cash and Cash Equivalents		216.639.629	(8.315.369)
E- Net Increase in Cash and Cash Equivalents (A12+B9+C7+D)		1.747.205.382	(1.296.771.454)
F- Cash and Cash Equivalents at the Beginning of the Period		931.681.766	2.228.453.221
G- Cash and Cash Equivalents at the end of the Period (E+F)	2,12	2.678.887.148	931.681.766

MAPFRE Sigorta Anonim Şirketi

 STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2024 AND 2023
 (Currency in Turkish Lira ("TL") unless otherwise stated)

Independent Audited											
December 31, 2023 (*)											
	Capital	Company's own shares (-)	Increase in value of assets	Inflation adjustment to shareholders' equity	Foreign currency conversion differences	Legal reserves	Extraordinary reserves	Other reserves and retained earnings	Net profit/ (loss) for the period	Retained earnings/ (losses)	Total
CURRENT PERIOD											
I- Previous Period End Balance (31 December 2022)	350.000.000	-	(25.157.425)	-	-	110.838.023	248.894.920	91.450.064	(401.459.989)	63.570.628	438.136.221
II- Changes in Accounting Policies (Note 2.30)	-	-	-	-	-	-	-	-	-	-	-
III- New Balance (I+II) (01 January 2023)	350.000.000	-	(25.157.425)	-	-	110.838.023	248.894.920	91.450.064	(401.459.989)	63.570.628	438.136.221
A- Capital Increase (A1+A2)	-	-	-	-	-	-	-	-	-	-	-
1- Cash	-	-	-	-	-	-	-	-	-	-	-
2- From internal sources	-	-	-	-	-	-	-	-	-	-	-
B- Own shares purchased by the enterprise	-	-	-	-	-	-	-	-	-	-	-
C- Gains and losses not recognised in the income statement	-	-	35.282.925	-	-	-	-	(13.761.346)	-	-	21.521.579
D- Increase/decrease in value of assets	-	-	-	-	-	-	-	1.120.094.735	-	-	1.120.094.735
E- Foreign currency conversion differences	-	-	-	-	-	-	-	-	-	-	-
F- Other gains and losses	-	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-
H- Net profit (loss) for the period	-	-	-	-	-	-	-	-	722.864.946	-	722.864.946
I- Dividends distributed (Note 15)	-	-	-	-	-	-	-	-	-	-	-
J- Transfer to reserves	-	-	-	-	-	-	-	10.175.352	401.459.989	(411.635.341)	-
IV- Balance at the end of the period (31 Dec 2023)	350.000.000	-	10.125.500	-	-	110.838.023	248.894.920	1.207.948.805	722.864.946	(348.064.713)	2.302.607.481

Independent Audited											
December 31, 2024 (*)											
	Capital	Company's own shares (-)	Increase in value of assets	Inflation adjustment to shareholders' equity	Foreign currency conversion differences	Legal reserves	Extraordinary reserves	Other reserves and retained earnings	Net profit/ (loss) for the period	Retained earnings/ (losses)	Total
CURRENT PERIOD											
I- Previous Period End Balance	350.000.000	-	10.125.500	-	-	110.838.023	248.894.920	1.207.948.805	722.864.946	348.064.713	2.302.607.481
II- Changes in Accounting Policies (Note 2.30)	-	-	-	-	-	-	-	-	-	-	-
III- New Balance (I+II) (01 January 2024)	350.000.000	-	10.125.500	-	-	110.838.023	248.894.920	1.207.948.805	722.864.946	348.064.713	2.302.607.481
A- Capital Increase (A1+A2)	927.890.661	-	-	-	-	-	(248.894.920)	(197.150.900)	-	(344.052.341)	137.500.000
1- Cash	137.500.000	-	-	-	-	-	-	-	-	-	137.500.000
2- From internal sources	790.180.661	-	-	-	-	-	(248.894.920)	(197.150.900)	-	(344.052.341)	82.500
B- Own shares purchased by the enterprise	-	-	-	-	-	-	-	-	-	-	-
C- Gains and losses not recognised in the income statement	-	-	(32.751.653)	-	-	-	-	(12.614.505)	-	-	(45.366.158)
D- Increase/decrease in value of assets	-	-	-	-	-	-	-	499.765.600	-	-	499.765.600
E- Foreign currency conversion differences	-	-	-	-	-	-	-	-	-	-	-
F- Other gains and losses	-	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-	-
H- Net profit (loss) for the period	-	-	-	-	-	-	-	-	1.559.613.303	(256.919)	1.559.613.303
I- Dividends distributed (Note 15)	-	-	-	-	-	-	-	-	-	692.373.973	(256.919)
J- Transfer to reserves	-	-	-	-	-	-	-	30.490.973	(722.864.946)	692.373.973	-
IV- Balance at the end of the period (31 Dec 2024)	1.277.890.661	-	(22.626.153)	-	-	110.838.023	1.528.439.973	1.559.613.303	1.559.613.303	(4.453.945.808)	4.453.945.808

(*) Detailed explanations related to equity items are disclosed in footnote 15.

MAPFRE Sigorta Anonim Şirketi

 PROFIT DISTRIBUTION TABLE FOR THE PERIODS JANUARY 1 - DECEMBER 31, 2024 AND 2023
 (Currency in Turkish Lira ("TL") unless otherwise stated)

	Independent Audited Jan 1 - Dec 31, 2024	Independent Audited Jan 1 - Dec 31, 2023
Profit for the period		
Profit / (loss) before corporate tax	1.889.399.084	722.864.946
Corporate Tax	(329.785.781)	-
Tax expense recognized in equity	-	-
Net profit for the period	1.559.613.303	722.864.946
Prior period losses	-	-
Primary reserve fund	-	-
Legal funds that must be left to the company and saved	-	-
Distributable profit for the period	1.559.613.303	722.864.946
First dividend to shareholders		
To shareholders	-	-
To preferred shareholders	-	-
To holders of participation redeemable certificates	-	256.919
To holders of profit participation bonds	-	-
To holders of profit and loss sharing certificates	-	-
Second dividend to shareholders		
To shareholders	-	-
To preferred shareholders	-	-
To holders of participation redeemable certificates	-	-
To holders of profit participation bonds	-	-
To holders of profit and loss sharing certificates	-	-
Second reserve fund	-	-
Extraordinary reserves	-	-
Other reserves	-	-
Special funds	-	-

Since the profit distribution proposal for 2024 has not yet been prepared by the Board of Directors for approval at the General Assembly, only the distributable profit amount is stated in the profit distribution table for 2024.

1. GENERAL INFORMATION

1.1 Name of the parent company and last owner of the group

MAPFRE Sigorta Anonim Şirketi ("the Company") was incorporated in Istanbul, Turkey on August 16, 1948 and its main operations are in the field of non-life insurance, mainly in accident, personal accident, traffic, fire, transportation, TCIP, engineering, agriculture and health branches. The transfer of the controlling shares of the Company to the Spanish MAPFRE Group was completed on September 20, 2007 and 280.000.000 shares of MAPFRE Internacional S.A., representing 80% of the Company's share capital, were transferred to MAPFRE Internacional S.A. ("MAPFRE"), a subsidiary of MAPFRE S.A. responsible for international investments, on July 23, 2008 and the transfer was recorded in the Company's share ledger. Demir Toprak İthalat İhracat ve Tic AŞ shares amounting to TL 35.000.000 representing 10% of the Company's capital were transferred to MAPFRE Internacional SA and the transfer was recorded in the Company's share ledger.

Avor İnşaat Gıda Tekstil Kimya San ve Tic AŞ shares amounting to TL 34.109.046 representing 9,75% of the Company's capital were transferred to MAPFRE Internacional S.A. in accordance with the permission letter of the Republic of Turkey Ministry of Treasury and Finance dated October 4, 2010 and numbered 69664 and the transfer was recorded in the Company's share ledger.

On March 31, 2009, the Company's name was changed to "MAPFRE Genel Sigorta Anonim Şirketi" with the decision taken at the Ordinary General Assembly Meeting.

On September 27, 2016, the title of the Company was changed to "MAPFRE Sigorta Anonim Şirketi" with the decision taken at the Extraordinary General Assembly Meeting held on September 27, 2016 and published in the Turkish Trade Registry Gazette dated October 12, 2016.

1.2 The residence and legal form of the organization, the country of its formation as a Company and the address of its registered office

The registered office of the Company is located at Torun Center Fulya Mah. Büyükdere Cad No:74/D Şişli / İSTANBUL. The Company has branch offices in Adana, Ankara, Antalya, Bursa, Denizli, Eskişehir, Gaziantep, İzmir, İstanbul, Kayseri, Kocaeli, Konya, Mersin, Malatya, Muğla, Samsun ve Tekirdağ.

1.3 The actual field of activity of the company

The Company carries out all types of insurance transactions in Turkey in the non-life insurance sector, including fire and natural disasters, transportation, land vehicles, rail vehicles, air vehicles, water vehicles, accidents, general liability, land vehicles liability, water vehicles liability, air vehicles liability, general damages, surety, financial losses, credit, legal protection and health insurance. The Company started to operate in health insurance by taking over the health portfolio from MAPFRE Yaşam Sigorta A.Ş. as of August 1, 2011. With the decision of the Board of Directors dated September 21, 2012 and numbered 2012/23, the Company has decided to purchase 36,720 shares corresponding to 51% of Genel Servis Yedek Parça Dağıtım Ticaret A.Ş. and the purchase transaction has been completed.

1.4 Description of the nature of the organization's activities and main areas of work

Explained in Notes 1.2 and 1.3.

1.5 Number of personnel working during the year by category

	December 31, 2024	December 31, 2023
Senior and mid-level managers	91	99
Other personnel	424	449
Total	515	548

1.6 Total amount of salaries and similar benefits provided to the chairman and members of the board of directors and top executives such as general manager, general coordinator, deputy general managers in the current period

1 January - 31 December 2024: TL 65.699.225, 1 January - 31 December 2023: TL 34.519.849

1.7 The keys used in the allocation of investment income and operating expenses (personnel, administration, research and development, marketing and selling, outsourced benefits and services and other operating expenses) in the financial statements

Investment income transferred from non-technical segment to technical segment

In accordance with the Circular of the Republic of Turkey Ministry of Treasury and Finance dated January 4, 2008 and numbered 2008/1 "Procedures and Principles of the Keys Used in the Financial Statements Prepared within the Framework of the Insurance Uniform Chart of Accounts", all income obtained from the investment of assets that cover technical reserves is transferred to the technical department. The amount transferred to the technical department is distributed to the sub-branches in proportion to the ratios calculated by dividing the net cash flow amounts calculated net of reinsurer share for each branch by the total net cash flow amounts. Net cash flow is calculated as net written premiums less net paid claims.

Allocation of operating expenses

As at December 31, 2024, personnel, administration, research and development, marketing and selling expenses, outsourced benefits and services and other operating expenses that cannot be directly allocated are allocated according to the weighted average of the ratios calculated by proportioning the number of policies issued, gross written premiums and number of claim notifications for each sub-branch in the last three years to the total number of policies issued, total gross written premiums and number of claim notifications, respectively, in accordance with the circular of the Republic of Turkey Ministry of Treasury and Finance mentioned in the paragraph above.

1.8 Whether the financial statements include a single company or a group of companies

The financial statements include only one company (MAPFRE Sigorta Anonim Şirketi).

1.9 The name or other identifying information of the reporting entity and any changes in this information since the previous balance sheet date

The Company's name and other identifying information are disclosed in Notes 1.1, 1.2 and 1.3 and any changes in this information since the previous balance sheet date are also disclosed in the related notes.

1.10 Events after the balance sheet date

None.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Preparation principles

2.1.1 Information about the basis used in the preparation of financial statements and the specific accounting policies used

The Company maintains its unconsolidated financial statements in accordance with the "Communiqué on Financial Reporting of Insurance, Reinsurance and Pension Companies" promulgated by the Ministry of Treasury and Finance based on Article 18 of the Insurance Law; In accordance with the Turkish Accounting Standards ("TMS"), Turkish Financial Reporting Standards ("TFRS") and other regulations, explanations and circulars published by the Turkish Ministry of Treasury and Finance on accounting and financial reporting principles and the principles stipulated for insurance and reinsurance companies by the Insurance and Private Pension Regulatory and Supervisory Authority ("SEDDK") established by the Presidential Decree dated October 18, 2019 (all "Reporting Standards").

As of December 31, 2024, the Company has calculated and reflected its insurance technical provisions in the financial statements in accordance with the "Communiqué on Technical Provisions for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Provisions" published in the Official Gazette No. 27655 dated July 28, 2010 and entered into force as of December 31, 2010 and other related legislation.

The "Communiqué on Presentation of Financial Statements" published in the Official Gazette dated July 18, 2008 and numbered 26851 regulates the form and content of financial statements to be prepared by companies in order to enable comparison of financial statements with prior periods and financial statements of other companies.

2.1.2 Other accounting policies appropriate for the understanding of the financial statements

Restatement of financial statements in hyperinflationary periods

In accordance with TAS 29 "Financial Reporting in Hyperinflationary Economies", entities whose functional currency is the currency of a hyperinflationary economy report their financial statements in terms of the purchasing power of money at the end of the reporting period. With the "Announcement on Inflation Adjustment of Financial Statements of Companies Subject to Independent Audit" dated November 23, 2023, POA announced that the financial statements of companies applying Turkish Financial Reporting Standards for the annual reporting period ending on or after December 31, 2023 should be presented as adjusted for the effects of inflation in accordance with TAS 29, however, institutions or organizations authorized to regulate and supervise in their fields may determine different transition dates for the application of TAS 29. SEDDK has decided not to subject the financial statements of insurance, reinsurance and pension companies as of December 31, 2023 to the inflation adjustment required to be made within the scope of TAS 29 with the "Circular on the Application of Inflation Accounting in the Insurance Sector" dated December 6, 2023 and numbered 2023/30, issued in accordance with the aforementioned announcement of POA.

According to the 'Circular on the Implementation of Inflation Accounting in the Insurance Sector' dated March 11, 2024, and numbered 2024/10, published by the Insurance and Private Pension Regulation and Supervision Agency (SEDDK), the date for the transition to inflation accounting for insurance, reinsurance, and pension companies was set as January 1, 2025. However, with the publication of the 'Circular on the Implementation of Inflation Accounting in the Insurance Sector' dated December 6, 2024, and numbered 2024/32, the 2024/10 Circular was repealed, and it was decided that inflation accounting would not be applied by

insurance, reinsurance, and pension companies in 2025. Accordingly, the Company has not applied TAS 29 in its financial statements for the years ending December 31, 2024, and 2023.

2.1.3 Functional and reporting currency

The Company's functional and reporting currency is Turkish Lira (TL). The Company has presented its financial statements and the amounts in the notes in TL unless otherwise stated.

2.1.4 The degree of rounding of amounts presented in the financial statements

Unless otherwise stated in the financial statements and related notes, all amounts are presented in TL and without rounding.

2.1.5 Basis of measurement used in the preparation of financial statements

The financial statements have been prepared on the historical cost basis, except for available-for-sale and trading financial assets and properties held for own use, which are carried at fair value.

2.1.6 Accounting policies, changes in accounting estimates and errors

If the changes in accounting estimates are for only one period, changes are applied in the period in which the change is made and if the changes in accounting estimates are for future periods, changes are applied prospectively. There are no changes in accounting estimates in the current period.

Significant changes in accounting policies and significant accounting errors are applied retrospectively and prior period financial statements are restated. There are no changes in accounting policies and significant accounting errors in the current period.

Explanations on accounting estimates are given in Note 3 - Significant accounting estimates and judgments.

2.2 Consolidation

In the financial statements dated December 31, 2023, the Company has reflected MAPFRE Yaşam Sigorta Anonim Şirketi at restated acquisition cost by converting the capital increases made until December 31, 2004 with the appropriate adjustment factors in accordance with the sector announcement of the Republic of Turkey Ministry of Treasury and Finance dated February 18, 2008 and numbered 2008/9, and the capital increases made after December 31, 2004 are reflected in the unconsolidated financial statements by taking into account the increase amount. On September 22, 2023, with the decision of the Board of Directors dated September 22, 2023 and numbered 2023/42, it was decided to transfer the shares of MAPFRE Yaşam Sigorta A.Ş., a subsidiary of the Company, to Zurich Sigorta A.Ş. and all legal procedures were finalized and the transfer was completed on January 31, 2024.

The Company has a subsidiary, Genel Servis Yedek Parça Dağıtım Ticaret A.Ş. (Genel Servis), which should be consolidated in its unconsolidated financial statements in accordance with "TAS 27 - Consolidated and Separate Financial Statements (TAS 27)". However, in accordance with paragraphs 5 and 6 of Article 5 of the "Communiqué on the Preparation of Consolidated Financial Statements of Insurance, Reinsurance and Individual Pension Companies" numbered 27097 and dated September 30, 2009 of the Republic of Turkey Ministry of Treasury and Finance, the Company will not consolidate the subsidiary in its financial statements as of December 31, 2024 and has presented the subsidiary in its records according to the cost method.

2.3 Segment reporting

The Company realizes its policy production in Turkey. The Company operates in a single reportable segment in Turkey and carries out insurance activities in non-life elementary branches and does not make segment reporting since it is not publicly traded.

2.4 Foreign currency conversion

The Company uses the Central Bank of the Republic of Turkey (CBRT) foreign exchange selling rates prevailing on the transaction date for policy transactions in foreign currencies and CBRT foreign exchange buying rates prevailing on the transaction date for other transactions. At the end of the period, the Company converts foreign currency denominated balances into the currency used by using the CBRT foreign exchange buying rate for assets and the CBRT foreign exchange selling rate for liabilities. Exchange gains or losses arising from the settlement and translation of foreign currency items are recognized in the income statement in the related period.

The exchange rates used at the end of the period are as follows:

	December 31, 2024			December 31, 2023		
	TL/USD	TL/EUR	TL/GBP	TL/USD	TL/EUR	TL/GBP
Buying Rate	35,2803	36,7362	44,2073	29,4382	32,5739	37,4417
Selling Rate	35,3438	36,8024	44,4378	29,4913	32,6326	37,6369
Effective Selling Rate	35,3969	36,8576	44,5044	29,5355	32,6815	37,6934

2.5 Tangible fixed assets

Tangible assets, except for properties held for own use, are carried at cost less accumulated depreciation and impairment losses, if any. Properties held for own use are measured at fair value. For depreciable properties measured at fair value, depreciation has started to be calculated by taking into account the remaining life of the related properties as of the date the fair value is determined.

Expenditure on repairs and maintenance of tangible fixed assets is recognized as an expense.

Any gain or loss arising on the disposal or retirement of an item of tangible fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss. They are included in other income and gains and other expenses and losses in the income statement.

There are no pledges, mortgages and similar encumbrances on tangible fixed assets.

There are no changes in accounting estimates that have had a material effect on the current period or are expected to have a material effect on subsequent periods.

The estimated depreciation periods based on the useful lives of tangible fixed assets are as follows:

Asset Type	Useful Life
Properties held for own use (Buildings)	15 Years - 50 Years
Fixtures and installations	3 Years - 50 Years
Motor vehicles	5 Years
Special costs	3 Years - 5 Years

Right of use asset

The right-of-use asset is initially recognized at cost and measured at cost less accumulated depreciation and accumulated impairment losses and adjusted for any remeasurement of the lease liability. The Company depreciates the right-of-use asset in accordance with the depreciation provisions of TAS 16 Tangible Fixed Assets.

Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that have not been made at that date. Lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the lessee's alternative borrowing rate if the interest rate implicit in the lease is not readily determinable.

2.6 Investment properties

Land and buildings held to earn rentals or for capital appreciation or both, rather than for use in the Company's operations or for administrative purposes or sale in the ordinary course of business, are classified as investment property. Investment properties consist of land and buildings and are carried at cost less accumulated depreciation, except for land. Depreciation is not provided for land and buildings due to their indefinite useful lives. Buildings are depreciated on a straight-line basis over their useful lives. When events or changes in circumstances indicate that the carrying amount of an investment property may not be recoverable, the carrying amount of the investment property is reviewed for possible impairment and, if the carrying amount of the investment property exceeds its recoverable amount, the carrying amount is written down to its recoverable amount. The recoverable amount is the higher of the net cash flows expected to arise from the current use of the investment property and fair value less costs to sell. Depreciation periods of investment properties are as follows:

Asset Type	Useful Life
Investment properties (Buildings)	15 Years - 50 Years

2.7 Intangible fixed assets

Intangible fixed assets consist of software licenses. In accordance with TAS 38 - Accounting for Intangible Assets, intangible assets initially recognized at cost are carried at restated cost, translated with the appropriate adjustment factor for the year of acquisition, until 31 December 2004. From 2005 onwards, intangible fixed assets are carried at acquisition cost.

The carrying amounts of intangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

As of December 31, 2024 and December 31, 2023, intangible fixed assets are amortized on a straight-line basis over their useful lives. The amortization periods of intangible fixed assets are as follows:

Asset Type	Useful Life
Rights	3 Years - 15 Years

2.8 Financial assets

Financial instruments are agreements that increase the financial assets of one entity and the financial liabilities or capital instruments of another entity. Financial assets:

- Cash,
- A contractual right to receive cash or another financial asset from another entity,
- A contractual right or obligation of an entity to exchange financial instruments with another entity in a manner that is favorable to the entity or,
- Capital instruments of another enterprise.

A financial asset or liability is measured at fair value, being the fair value initially given (for a financial asset) or received (for a financial liability), plus transaction costs, if any (except for financial assets at fair value through profit or loss). Fair value is the price at which a financial instrument could be exchanged between willing parties in a current transaction, other than in a forced sale or liquidation. The quoted market price, if any, is the price that best approximates the fair value of a financial instrument. The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. As of 31 December 2024 and 31 December 2023, all of the financial assets carried at fair value through profit or loss are Level 1 financial assets.

The Company recognizes a financial asset or liability in its balance sheet when it becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset, in whole or in part, only when it loses control over the contractual rights that arise from the contractual provisions of the instrument. The Company derecognizes a financial liability when the obligation under the contract is discharged, cancelled or expires.

All normal purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits to purchase or sell the asset. Such purchases and sales usually require delivery of the financial asset within the time frame specified by the general customs and regulations in the market.

Current financial assets

The Company classifies its current financial assets as available-for-sale, held-to-maturity and trading financial assets and loans and receivables from main operations.

Classification and valuation of financial investments

a) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are not classified as (a) held-to-maturity, (b) held-for-trading, (c) loans and receivables. Subsequent to initial recognition, available-for-sale securities are subsequently measured at fair value. Unrealized gains or losses arising from changes in the fair value of available-for-sale financial assets, which represent the difference between the amortized cost of the securities calculated using the effective interest method and their fair value, are recognized in the "Valuation of Financial Assets" account in equity. In case of disposal of available-for-sale financial assets, the value arising in equity accounts as a result of fair value application is reflected in profit or loss. The Company's subsidiary securities are classified as available-for-sale financial assets.

Purchases and sales of marketable securities are recognized on the date of delivery. Financial assets are derecognized when the Company loses control of the contractual rights to those assets. This occurs when those rights are realized, expire or are surrendered.

i) Government bonds and Eurobonds

Government bonds classified as available-for-sale financial assets are measured at fair value. The values of government securities calculated with the relevant interest rates according to the internal rate of return method are compared with the fair values of the related securities by taking into account the best buy order among the current orders in the stock exchange and the difference between the values is recognized in the "Valuation of Financial Assets" account under shareholders' equity. The difference between the cost value and the value of public securities calculated with the relevant interest rates according to the internal rate of return method is recognized as interest income in the income statement.

ii) Marketable securities

Equity securities classified under available-for-sale financial assets are valued at fair value upon initial recognition. Unrealized gains or losses arising from changes in fair value are recognized in the "Valuation of Financial Assets" account under shareholders' equity. Dividends received are recognized in dividend income on the date of receipt.

The fair values of available-for-sale securities traded in active markets are determined by reference to the closing price quoted on the Stock Exchange as of the balance sheet date.

b) Held-to-maturity financial assets

Financial assets with fixed or determinable payments that are acquired with the intent to hold to maturity are classified as held-to-maturity securities.

If securities carried at amortized cost are impaired or disposed of, the realized gains or losses are included in the income statement in the related period.

Interest earned from carrying held-to-maturity financial assets is recognized in the income statement.

As of 31 December 2024 and 31 December 2023, the Company's foreign currency hedged deposit accounts are included in the held-to-maturity financial assets portfolio.

c) Financial assets held for trading

Financial assets held for trading are either acquired for generating a profit from short-term fluctuations in price or other similar factors in the market, or are part of a portfolio in which a pattern of short-term profit making exists, regardless of the reason for the acquisition. Subsequent to initial recognition, financial assets held for trading are measured at fair value, taking into account the best bid among current orders in the stock exchange. All realized and unrealized gains and losses on financial assets held for trading are included in the income statement in the related period.

As of 31 December 2024 and 31 December 2023, the Company has no financial assets held for trading in its portfolio.

d) Loans and receivables

Loans and receivables are financial assets created by providing money or services to the debtor. The Company initially recognizes loans and receivables from operating activities at their acquisition cost and subsequently measured at amortized cost. Subsequent to initial recognition, loans and receivables are carried at amortized cost. If there is a concrete indication that receivables from insurance operations will not be collected, a provision for receivables is recognized. Duties and other similar expenses paid in relation to the assets received as collateral for these receivables are not recognized as part of the transaction cost and are charged to expense accounts.

In addition, the Company provides administrative and legal provisions for doubtful receivables related to agents and policyholders which are under administrative and legal follow-up. This provision is presented under "Provision for doubtful receivables from operating activities" in the balance sheet.

Recognition and derecognition of financial instruments

The Company recognizes a financial asset or financial liability in its balance sheet when it becomes a party to the contractual provisions of the instrument. All ordinary purchases and sales of financial assets are recognized on the date of delivery. The Company derecognizes a financial asset, in whole or in part, only when it transfers substantially all the risks and rewards of ownership of the asset and loses control of the contractual rights that give rise to the asset. The Company derecognizes a financial liability when the contractual obligation is discharged, cancelled or expires.

2.9 Impairment of assets

Financial assets

Objective indicators that a financial asset or a group of financial assets is impaired include the following:

- The issuer or underwriter is in material financial distress,
- Breach of the agreement,
- The creditor, for economic or legal reasons related to the debtor's financial distress, grants the debtor a privilege that it would not otherwise grant under other circumstances,
- There is a high probability that the debtor will enter bankruptcy or other financial restructuring,
- The disappearance of an active market for the financial asset due to financial difficulties,

At each balance sheet date, the Company assesses whether there is any indication of impairment and recognizes impairment losses if any.

In addition, a prolonged and significant decline in the fair value of available-for-sale financial assets below cost is considered an objective indicator of impairment. In terms of this criterion, TAS 39 differs from IAS 39 issued by the International Accounting Standards Board. While TAS 39 requires a "prolonged and significant decline in fair value below cost" in order to identify impairment in available-for-sale financial assets, the same criterion is considered as "prolonged or significant decline in fair value below cost" in IAS 39.

However, both standards require that, where there is objective evidence of impairment, the cumulative impairment loss recognized in equity, being the difference between the cost and fair value, be removed from equity and recognized as a loss in the income statement. The Company had been recognizing impairment in the statement of changes in equity under the increase/(decrease) in value of assets account due to the lack of explicit definition of "long term" and "significant" in both TAS 39 and IAS 39, the lack of guidance from the Ministry of Treasury and Finance on the definitions of "long term" and "significant" and the fact that the decline in the stock market price of the shares whose fair value is below cost has been continuing for less than one year. In 2009, the Company evaluated the developments in the last year, anticipated that the impairment of some financial assets may be long-lasting and determined certain criteria to determine whether the impairment of its financial assets is "long-lasting" and "significant". "Long-term" represents financial assets that have been impaired by the Company for 18 months, while 'significant' represents financial assets that have lost 40% of their cost. The Company has decided to recognize impairment losses for financial assets that meet both criteria.

When there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of the loss is recognized in profit or loss. In addition, the Company recognizes allowances for doubtful receivables related to its agents and insureds, which are under administrative and legal follow-up, and allowances for receivables under administrative and legal follow-up for amounts that are uncollectible or whose collectability is no longer probable.

Non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the income statement. The recoverable amount is the higher of the asset's net selling price and value in use. Value in use represents the present value of future cash flows expected to be derived from the use of an asset and its disposal at the end of its useful life, whereas the net selling price represents the sales proceeds less costs to sell. The amount that can be converted into cash is estimated for each asset, if it can be determined, or for the cash flow generating group to which the asset belongs, if it cannot be determined. If the allowance for impairment losses recognized in prior years is no longer valid or if a lower allowance is required, the amount is reversed and recognized in the income statement.

2.10 Derivative financial instruments

None (31 December 2023: None).

2.11 Netting (offsetting) of financial assets

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits at cash and banks and credit card balances. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, have maturities of three months or less and are subject to an insignificant risk of changes in value.

Cash and cash equivalents are stated at cost plus accrued interest.

Cash flow statement

Cash and cash equivalents included in the statement of cash flows are as follows:

	December 31, 2024	December 31, 2023
Banks	5.539.820.147	2.946.356.756
- demand deposits	56.929.359	118.459.668
- time deposits	5.482.890.788	2.827.897.088
Blocked credit cards	1.583.317.924	737.762.989
Interest accrual	245.858.698	109.105.058
Cash and cash equivalents	7.368.996.769	3.793.224.803
Time deposits with original maturity exceeding 3 months	(4.441.250.923)	(2.749.437.978)
Blocked amount in favor of Tarsim	(3.000.000)	(3.000.000)
Interest accrual	(245.858.698)	(109.105.058)
Cash and cash equivalents used in the statement of cash flows	2.678.887.148	931.681.767

2.13 Capital

2.13.1 As of 31 December 2024 and 31 December 2023, the Company's share capital and shareholding structure are as follows:

Name	December 31, 2024		December 31, 2023	
	Share ratio	Share amount	Share ratio	Share amount
MAPFRE Internacional S.A.	99,81%	1.686.865.946	99,75%	349.109.046
Other	0,19%	3.232.215	0,25%	890.954
Nominal Capital	100,00%	1.690.098.161	100,00%	350.000.000
Outstanding Capital	-	(412.417.500)	-	-
Paid-in Capital		1.277.680.661		350.000.000

MAPFRE Internacional S.A. has made a capital increase amounting to TL 137.500.000 on March 29, 2024 and committed to pay capital amounting to TL 412.417.500. On June 28, 2024, unregistered TL 137.500.000 was added to the capital and capital increase amounting to TL 790.180.661 was made from internal resources.

The transfer of the controlling shares of the Company to the Spanish MAPFRE Group was completed on September 20, 2007 and 280.000.000 shares of MAPFRE Internacional S.A., representing 80% of the Company's share capital, were transferred to MAPFRE Internacional S.A. ("MAPFRE"), a subsidiary of MAPFRE S.A. responsible for international investments, on July 23, 2008 and the transfer was recorded in the Company's share ledger.

Demir Toprak İthalat İhracat ve Tic A.Ş. shares amounting to TL 35.000.000 representing 10% of the Company's capital were transferred to MAPFRE Internacional S.A. and the transfer was recorded in the Company's share ledger.

Avor İnşaat Gıda Tekstil Kimya San. ve Tic A.Ş. shares amounting to TL 34.109.046 representing 9,75% of the Company's capital were transferred to MAPFRE Internacional S.A. in accordance with the permission letter of the Republic of Turkey Ministry of Treasury and Finance dated October 4, 2010 and numbered 69664 and the transfer was recorded in the Company's share ledger.

2.13.2 As at 31 December 2024 and 31 December 2023, there are no privileges granted to the shares representing the share capital.

2.13.3 As of 31 December 2024 and 31 December 2023, the Company is not subject to registered capital system.

2.13.4 Other information about the Company's share capital is disclosed in Note 15.

2.14 Insurance and investment contracts - classification

Insurance contracts

As of 31 December 2024 and 31 December 2023, all contracts related to the Company's operations consist of insurance contracts and there are no investment contracts. Insurance contracts are contracts that transfer insurance risk. Insurance contracts protect the insured against the negative economic consequences of the damage event under the terms and conditions promised in the insurance policy. The main insurance contracts produced by the Company are fire and natural disasters, transportation, land vehicles, rail vehicles, air vehicles, water vehicles, accident, general liability, land vehicles liability, water vehicles liability, air vehicles liability, general damages, surety, financial losses, credit, legal protection, health contracts.

Reinsurance contracts

The Company cedes insurance risks in the branches in which it operates to reinsurance companies within the framework of reinsurance contracts. Reinsurance assets represent receivables from reinsurance companies. Impairment of reinsurance assets has been evaluated as of the report date.

Income and expenses related to reinsurance contracts are recognized in the profit and loss account on the date of accrual in accordance with the periodicity principle.

Reinsurance contracts do not eliminate the Company's obligations arising from insurance contracts and do not transfer the insurance risk existing in the financial statements.

Premiums written and claims incurred are presented gross and reinsurance share separately in the financial statements.

Reinsurance assets and liabilities are derecognized when the contract is terminated.

Premiums Transferred to the Turkish Bureau of Motor Vehicles

As determined by the "Regulation Amending the Regulation on Tariff Implementation Principles in Compulsory Financial Liability Insurance of Highways Motor Vehicles" published in the Official Gazette dated July 11, 2017 and numbered 30121 by the Ministry of Treasury and Finance, a "Pool for Risky Insureds" ("Pool") was established to be valid for traffic insurance policies written as of April 12, 2017 for steps and/or vehicle groups with high loss frequency. According to the Operating Principles of the Risky Insureds Pool, which entered into force with the aforementioned regulation, premiums and claims for traffic insurance policies within the scope of the Pool are calculated by the Turkish Motor Vehicles Bureau ("TMTB") in two stages. Accordingly, 50% of the premiums and claims will be shared equally among the insurance companies and the remaining 50% will be distributed based on the share of insurance companies in traffic insurance premiums in the last 3 years. On August 15, 2017, according to the Risky Insureds Pool Operating Rules published by TMTB, for policies to be issued after July 11, 2017 and to be transferred to the pool, 76% of the premium to be transferred to the pool will be transferred to the pool after deducting the deductions from the insured from the premiums determined in the regulation. On June 6, 2021, with the amendment made in the Official Gazette on the 'Regulation on Tariff Implementation Principles in Compulsory Financial Liability Insurance of Motor Vehicles on Highways', the premium to be transferred to the pool for the policies to be transferred to the pool will be 74% of the premiums determined in the regulation, after deducting the deductions received from the insured.

2.15 Optional participation features in insurance and investment contracts

The optional participation feature in insurance and investment contracts is a contractual right to the following additional benefits in addition to the guaranteed benefits:

- (i) are likely to constitute a significant portion of the total contractual benefits;
- (ii) the amount and timing of which are contractually at the discretion of the issuer; and
- (iii) which is contractually based on the following:
 - (1) The performance of a specific pool of contracts or a specific type of contract;
 - (2) Realized and/or unrealized investment income of a specific pool of assets held by the issuer; or
 - (3) to the profit or loss of the contract issuing company, fund or other entity,

As of the end of the reporting period, the Company does not have any insurance or investment contracts with optional participation feature.

2.16 Investment contracts without discretionary participation feature

None (31 December 2023: None).

2.17 Debts

Contractual financial liabilities:

- An entity that intends to give cash or another financial asset to another entity; or
- These are contractual obligations that require an entity to exchange financial instruments with another entity in a way that is unfavorable to the entity.

As of 31 December 2024 and 31 December 2023, there are no loans received.

2.18 Taxes

Corporate Tax

With the amendment made to the first paragraph of Article 32 of the Law No. 5520 titled Corporate tax and provisional tax rate with Article 25 of the Law No. 7394 dated April 6, 2020, it was ruled that the corporate tax rate of banks, financial leasing, factoring, financing and savings financing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will be applied as 25% on their corporate earnings. However, with the law numbered 7456, which was published due to the compensation of the economic losses caused by the earthquakes that occurred on February 6, 2023, it was decided to apply the corporate tax rate as 30% for insurance companies (31 December 2023: 30%).

Dividends paid to corporations that have a place of business or permanent representative in Turkey and dividends paid to resident corporations in Turkey are not subject to withholding tax. Dividend payments made to persons other than these are subject to 15% withholding tax. In the application of withholding tax rates on dividend payments to non-resident corporations and real persons, the practices in the relevant Double Tax Treaty Agreements are also taken into consideration. Addition of profit to capital is not considered as profit distribution and no withholding tax is applied. Advance taxes are calculated and paid at the corporate tax rate applicable to that year's earnings. Advance taxes paid during the year can be offset against the corporate tax calculated on the annual corporate tax return for that year. Under Turkish tax legislation, tax losses carried forward can be carried forward to offset against future taxable income for up to 5 years. However, tax losses cannot be offset against retained earnings.

With Article 17 of the Omnibus Law published in the Official Gazette dated December 28, 2023, banks, financial leasing, factoring, financing and savings finance companies, payment and electronic money institutions, authorized foreign exchange offices, asset management companies, capital market institutions, as well as insurance and reinsurance companies and pension companies will apply inflation accounting in accordance with the Tax Procedure Law as of December 31, 2024. The profit/loss difference arising from the inflation adjustment made during the 2024 and 2025 accounting periods, including the provisional tax periods, will not be considered when determining the tax base.

On August 2, 2024, the Domestic Minimum Corporate Tax was enacted by the laws published in the Official Gazette. This tax will be applied starting from the fiscal year 2025. Law No. 7524 introduced the Minimum Corporate Tax and stipulated that the corporate tax calculated within this scope cannot be less than 10% of the corporate income before deducting deductions and exemptions. The regulation will enter into force on the date of its publication to be applied to the corporate earnings of the taxation period of 2025. In addition, the General Communiqué on Corporate Tax Serial No. 23 has been published.

Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit in accordance with TAS 12 - Income Taxes. For tax purposes, differences that affect neither the taxable profit nor the accounting profit at the acquisition date of assets and liabilities are excluded from this calculation. Deferred tax assets and deferred tax liabilities are offset and the net amount reported in the financial statements when there is a legally enforceable right to set off current tax assets against current tax liabilities. If the valuation differences arising from the valuation of the assets are recognized in the income statement, the related current period corporate tax and deferred tax income or expense are also recognized in the income statement. If the valuation differences arising from the valuation of the related assets are recognized directly in equity, the related tax effects are also recognized directly in equity.

As of 31 December 2024, the net deferred tax asset reflected in the Company's period-end financial statements is disclosed in footnote 35.

Transfer pricing

In Turkey, transfer pricing regulations are set out in Article 13 of the Corporate Tax Law titled "Disguised profit distribution through transfer pricing". The communiqué dated November 18, 2007 on disguised profit distribution through transfer pricing regulates the details of the application. If a taxpayer purchases or sells goods or services to related parties at a price or prices determined in violation of the arm's length principle, the gain is considered to be distributed in whole or in part through disguised profit distribution via transfer pricing. Such disguised profit distribution through transfer pricing is considered as an unallowable expense for corporate tax purposes.

2.19 Employee benefits

Under the Turkish Labor Law, the Company is required to make lump-sum termination indemnities to employees in the event of resignation, termination of employment other than for just cause and retirement. As of 31 December 2024, this compensation is equivalent to 30 days' salary for each year of service until the date of dismissal or retirement, provided that it does not exceed the ceiling wage based on the SSI premium. The amount payable consists of one month's salary for each year of service (Footnote 22).

In accordance with the provisions of "Turkish Accounting Standard for Employee Benefits" ("TAS 19"), liabilities related to severance pay are required to be calculated over the net present value of the estimated provision for the future probable obligation of all employees using certain actuarial assumptions (Footnote 22).

Pension rights and defined contribution plan

The Company's employees are members of Türkiye Genel Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik ve Yardım Sandığı ("Fund"), which was established in accordance with the provisional article 20 of the Social Insurance Law numbered 506. The Company makes premium payments to the Fund for these employees. The technical financial statements of the Fund are audited by a registered actuary in accordance with Articles 1, 21, 28 and 31 of the Insurance Law No. 5684.

The first paragraph of the provisional Article 23 of the Banking Law, which was published in the Official Gazette dated November 1, 2005 and bis numbered 25983, stipulated the transfer of bank pension funds to the SSI within 3 years from the date of publication of the Banking Law and regulated the principles of this transfer.

The aforementioned article of the law regarding the transfer was annulled by the Constitutional Court with the decision dated March 22, 2007 and numbered E. 2005/39, K. 2007/33 published in the Official Gazette dated September 30, 2007 and numbered 26479, based on the application made by the President on November 2, 2005, and its execution was suspended as of the publication date of the decision. The reasoned decision of the Constitutional Court regarding the annulment of the aforementioned article was published in the Official Gazette dated December 15, 2007 and numbered 26372. Following the publication of the reasoned decision, the Grand National Assembly of Turkey ("TBMM") started to work on new legal arrangements for the transfer of the bank funds' participants to SSI and on July 17, 2008, the relevant articles of the Law No. 5754 "Law on the Amendment of the Social Security and General Health Insurance Law and Certain Laws and Decree Laws" ("New Law") regulating the principles regarding the transfer were approved by the General Assembly of TBMM.

The new Law was published in the Official Gazette No. 26870 dated May 8, 2008 and entered into force. The New Law stipulates that the bank pension funds shall be transferred to the Social Security Institution within three years as of the publication date of the relevant article without any further action, and that the three-year transfer period may be extended by the Council of Ministers for a maximum of two years. With the Council of Ministers' Decision No. 2011/1559 published in the Official Gazette dated July 9, 2011, the period for the transfer of the funds to the Social Security Institution was extended by 2 years. With the Law No. 6283 on Amendments to the Social Security and General Health Insurance Law published in the Official Gazette dated 8 March 2012, the Council of Ministers was authorized to extend the 2-year extension period to 4 years. Based on the Council of Ministers' decision dated February 24, 2014, the transfer date was set for May 2015. However, with Article 51 of the Law No. 6645 published in the Official Gazette dated July 23, 2015 and numbered 29335, the authority to determine the transfer date was given to the Council of Ministers and thus the transfer of the funds was postponed to an unknown date.

A commission to be established with the participation of the SSI, the Ministry of Treasury and Finance, the Undersecretariat of State Planning Organization, the BRSA, the SDIF, one member representing the fund to which the account is made and one member representing the fund's participants, separately for each fund; the committee will calculate the cash value of the liability for each fund, including the participants who left the fund, by taking into account the income and expenses of the funds in terms of insurance branches within the scope of the Law and the differences in case the pensions and incomes paid by the funds are higher than the pensions and incomes within the framework of SSI regulations, by using the technical interest rate of 9.80% for the transferred persons as of the transfer date. Pursuant to the New Law, after the transfer of the fund participants, those who have been granted pension and/or income and their beneficiaries to the SSI, the other social rights and payments of these persons, which are not covered despite being included in the foundation deed to which they are subject, will continue to be covered by the funds and the organizations employing the fund participants.

Law No. 6283 on Amendments to the Social Insurance and General Health Insurance Law, commonly known as the "adjustment law", was published in the Official Gazette on March 8, 2012 (Footnote 22).

2.20 Provisions

Provisions, contingent liabilities and contingent assets

Provisions are recognized when, and only when, the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the decline in the value of money over time is material, provisions are recognized by discounting future cash flows using a pre-tax rate that reflects current market estimates of the time value of money (and, where appropriate, the risks specific to the liability). Contingent liabilities are not recognized in the financial statements and disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed if it is probable that an inflow of economic benefits will arise.

Insurance technical provisions

a) Provision for unearned premiums

In accordance with the "Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves" (Communiqué on Technical Reserves) published in the Official Gazette No. 26606 dated August 7, 2007 and effective from January 1, 2008; Excluding the premiums for earthquake coverage in the policies issued before June 14, 2007 and the premiums for marine branch policies whose end date cannot be determined, it consists of the portion of the accrued premiums for the insurance contracts made during the period January 1 - December 31, 2013 and in force as of the balance sheet date, which are carried forward to the next accounting period on a gross basis on a day basis without any deduction. In accordance with the July 4, 2007 dated Circular of the Republic of Turkey Ministry of Treasury and Finance, unearned premiums reserve is calculated for the earthquake coverage premiums of the policies issued after June 14, 2007. For transportation branch policies with an undetermined expiry date, 50% of the premiums accrued in the last three months are calculated as Provision for unearned premiums.

On the other hand, in accordance with the Circular of the Republic of Turkey Ministry of Treasury and Finance dated December 28, 2007 and numbered 2007/25, since the reserve for unearned premiums net of commissions for 2007 has been transferred to the 2008 financial statements, it has been decided to continue the practice of allocating reserve for unearned premiums net of commissions for the policies issued before December 31, 2007. In accordance with the "Sector Announcement on the Implementation of the Legislation Related to Technical Reserves" published by the Republic of Turkey Ministry of Treasury and Finance on March 27, 2009, the starting and ending dates of the policies considered in the reserve for unearned premiums are assumed as 12:00 noon and all policies are considered as half a day for the day of issue and the ending day.

In the calculation of the reinsurer's share of the reserve for unearned premiums, the terms and commissions of the reinsurance agreements in force are taken into consideration.

The portion of the amounts accrued for non-proportional reinsurance treaties corresponding to the next period or periods is recognized in deferred expenses.

b) Provision for unexpired risks

As of January 1, 2008, in accordance with the Communiqué on Technical Reserves for insurance contracts issued as of January 1, 2008, unexpired risk reserves are recognized for insurance branches in which the level of risk assumed during the term of the insurance contract and the distribution of premiums earned over time are considered to be incompatible, in the event that the unearned premiums reserve is insufficient for the level of risk and expected expenses carried by the company.

Companies are required to perform an adequacy test at each accounting period, covering the last 12 months, against the possibility that the claims that may arise from the insurance contracts in force will exceed the unearned premium reserves for the related contracts, while allocating the reserve for unexpired risks ("DERK"). If the expected loss ratio is above 95% for the branches to be determined by the Republic of Turkey Ministry of Treasury and Finance, the amount calculated by multiplying the ratio exceeding 95% by the net unearned premiums reserve is calculated as the unexpired risk reserve for that branch.

In order to eliminate the misleading effect that may arise if the calculation methods of reserve for outstanding claims or unearned premiums reserve are changed in the calculation of reserve for unexpired risks, article 7 of the sector announcement of Republic of Turkey Ministry of Treasury and Finance dated July 18, 2012 and numbered 2012/13 stipulates that the prior period reserve for outstanding claims and reserve for unearned premiums subject to the calculation of reserve for unexpired risks shall be calculated according to the new method.

The Ministry of Treasury and Finance of the Republic of Turkey has amended the sentence "In this context, it has been deemed appropriate to base the calculation of the Provision for Ongoing Risks on all sub-branches contained in the Insurance Uniform Chart of Accounts determined by the Undersecretariat within the framework of the Insurance Law No. 5684" in the second paragraph of circular numbered 2012/15 with effect from December 31, 2012, to read as follows: "In this context, it has been deemed appropriate to base the calculation of the Provision for Ongoing Risks on all main branches contained in the Insurance Uniform Chart of Accounts determined by the Undersecretariat within the framework of the Insurance Law No. 5684." In addition, according to the provisions of the circular numbered 2013/2 of the Republic of Turkey Ministry of Treasury and Finance, the provision for unexpired risks, which is calculated on a net basis, is calculated separately from the gross and reinsurance share as of December 31, 2012. In the Circular No. 2019/ 5 on Provision for Unexpired Risks, it is stated that the amount of DERK can be calculated on the basis of the accounting year described in the first paragraph or on the basis of the accident year. With the Circular No. 2022/27, it is stated that the provision for Unexpired Risks can also be calculated by taking into account the year of writing, and it is also allowed to make adjustments in all calculation methods by taking into account the best estimate principles by the company actuary. If the calculation is based on accident year, separate calculation will be made for the works transferred to the pool (Footnote 17).

DERK calculation is based on the business writing year for the normal portfolio in Traffic branch, accident year for the Traffic pool and accident year for the General Liability side, and accounting year for all other branches.

The final loss ratio for the Traffic pool was calculated as 132.6% and since this ratio was above the 100% threshold, DERK was booked for the related portfolio.

For the Compulsory Traffic (not subject to the pool) portfolio, as a result of the analysis based on the year of writing, the loss ratio was found to be 85.45%; since this ratio was above the 85% threshold, a DERK was allocated for the related portfolio.

The net DERK amount is as follows.

Branch	DERK
Compulsory Traffic Pool	103.285.434
Compulsory Traffic Portfolio	8.678.834
Total	111.964.268

c) Provision for outstanding claims and compensations

The Company recognizes provision for outstanding claims for claims that have been accrued and calculated but not actually paid in the current or prior accounting periods or, if such amount cannot be calculated, for estimated amounts and incurred but not reported claims. Outstanding claims reserve is determined in accordance with the expert reports or the assessments of the insured and the expert, and recourse, salvage and similar income items are not deducted in the related calculations.

d) Incurred but Not Reported Losses

The Company uses the standard actuarial chain ladder method for General Liability, General Damages, Air Vehicles, Air Vehicles Liability, Voluntary Financial Liability, Land Vehicles, Accident, Transportation, Health, Water Vehicles, Fire/Natural Disasters, Financial Losses, Legal Protection and Surety branches in which the Company operates and for material losses in Traffic branch and the combination of the standard actuarial chain ladder method and Bournheutter-Ferguson method for physical losses in Traffic branch.

With the regulation numbered 18145 published by the Republic of Turkey Ministry of Treasury and Finance on July 5, 2017, "Risky Insurance Pool" has been established to be effective as of April 12, 2017. Accordingly, the premiums and claims that the Group will transfer to the pool in Compulsory Traffic branch are excluded from the data used in the calculation of IBNR. For the claims that the Group will take over from the aforementioned pool; Loss Premium ratios on the basis of accident period published by the Turkish Bureau of Motor Vehicles are taken into consideration.

According to the PricewaterhouseCoopers report received by the Turkish Bureau of Motor Vehicles, the lower and upper rates based on 76 base premiums have been specified to be used in the calculation of the final loss premium estimate for the business subject to the pool and the Company has preferred to use the lower limit rate in its calculations and the rates are reported as 171% for 2017, 176% for 2018, 162% for 2019, 162% for 2019, 142% for 2020, 194% for 2021, 246% for 2022, 205% for 2023 and 183% for 2024, respectively. Calculations are based on net premiums written, after SSI share and Assurance Account share (76 Base).

A similar pool application was introduced to the Compulsory Financial Liability Insurance for Medical Malpractice with the sector announcement No. 2017/4 published on September 6, 2017.

In order to perform the analysis on a more homogeneous data, large claims were eliminated by using statistical methods over the claims incurred in the relevant branch in Fire, Marine, General Liability, General Damages and Voluntary Financial Liability branches. Threshold values of TL 3,300,471.46 for Fire, TL 3,102,769.35 for Marine and TL 3,587,768.41 for General Damages were taken as threshold values. In this period, one major loss was detected in Water Vehicles branch and the claim file in question was eliminated. The gross outstanding claims reserve for this claim file is TL 353,440,348. In the Discretionary Financial Liability branch, the claims related to a policy on a construction equipment are not in line with the reality of

the branch in question, so the claims related to the policy in question have been eliminated. The loss average value of the loss files of the said policy excluded in the Discretionary Financial Liability branch is TL 113,973, the median value is TL 33,019.48 and the total maximum incurred loss amount is TL 5.1 million. In the General Liability branch, three groups were analyzed: Employer's Liability, Compulsory Financial Liability for Medical Malpractice, Third Party Financial Liability and other sub-branches, and threshold values were calculated separately for each group. Accordingly, the thresholds were calculated as TL 2,507,103 for Employer's Liability and TL 1,200,250 for Third Party Liability. Accordingly, statistics of the files subject to the chain and the eliminated files are given below;

	Number Eliminated
Fire	122
Transportation	24
Employer Financial Liability	44
Third Party Financial Liability	48
General Damages	68
Discretionary Financial Liability	1

Adequacy of Outstanding Claims Provision

AZMM is used in IBNR calculation for all branches. Therefore, the results of Outstanding Claims Reserve Adequacy Difference calculation are not recognized as provision.

Discounting of Net Cash Flows

With the "Circular on Discounting of Net Cash Flows arising from Outstanding Claims Provisions" numbered 2016/22, companies were granted the right to discount the cash flows generated by outstanding claims provisions. With the 15.09.2017 dated and 2017/7 numbered "Circular Amending the Circular on Discounting of Net Cash Flows arising from Outstanding Claims Reserves", discounting has become mandatory in Land Vehicles Liability and General Liability Branches.

With the Circular dated 15.01.2024 and numbered 2024/3, an amendment was made to the Circular No. 2016/22 on Discounting of Net Cash Flows Arising from Outstanding Claims Provision, and in accordance with the amendment, as of December 31, 2024, a discount rate of 35% was calculated for Discretionary Financial Liability, Traffic and General Liability branches.

For General Liability and Discretionary Liability branches, discount calculation was made according to T57 - ACML table. For the Traffic branch, cash flows were derived and discounted on the basis of claim type instead of T57 due to the analysis on the basis of sub-divisions and the longer payment queue in the T57 - ACML table than the Company's estimates. Accordingly, the figures to be discounted are given in the table below.

As of 31 December 2024, the amount to be discounted from the provision for outstanding claims is calculated as gross TL 3.277.829.333 and net TL 2.638.614.932.

Branch	Discount Gross	Discount Net
Discretionary Financial Liability	66.314.442	66.314.140
General Liability	1.091.939.226	585.680.015
Traffic	2.119.575.665	1.986.620.777
Total	3.277.829.333	2.638.614.932

e) Provision for bonuses and discounts

Provision for bonuses and discounts is the provision required to be set aside in the event that a bonus or discount commitment is made to the insured in relation to policies in force in the current period, regardless of renewal in subsequent periods. In the event that the Company applies bonuses and discounts, the provision for bonuses and discounts required to be set aside in accordance with Article 16 of the Insurance Law consists of the amounts of bonuses and discounts set aside for the insured or beneficiaries according to the technical results of the current year.

The Company calculates a provision for bonuses and discounts based on loss ratios and this amount is disclosed in Notes 17 and 47.5 as of December 31, 2024 and December 31, 2023. If the probability of renewal of the related group is higher than the probability of non-renewal, the Company continues to calculate a provision for bonuses and discounts as a precautionary measure.

The Company's provision for bonuses and discounts calculated as of 31 December 2024 is TL 6.669.887 (31 December 2023: TL 2.567.132).

f) Equalization provision

The Company calculates equalization reserve effective from January 1, 2008 in accordance with the Communiqué on Technical Reserves published in the Official Gazette dated August 7, 2007 and numbered 26606 by the Republic of Turkey Ministry of Treasury and Finance. In accordance with the Communiqué on Technical Reserves, insurance companies are required to set aside equalization reserves for insurance contracts that include credit earthquake guarantees in order to offset fluctuations in claim rates that may occur in subsequent accounting periods and to cover catastrophic risks. This reserve is calculated at the rate of 12% of net earthquake and credit premiums corresponding to each year.

In the calculation of net premium, amounts accrued for non-proportional reinsurance treaties are considered as ceded premium. Equalization reserve, which was calculated as net in accordance with the provisions of the circular numbered 2013/2 of the Republic of Turkey Ministry of Treasury and Finance, has started to be calculated separately from gross and reinsurance share as of December 31, 2012 and accounted under Long Term Other Technical Reserves account (Footnote 17).

It is possible to deduct from the equalization provision the compensation payments made due to earthquake and the provision for outstanding claims based on evidence such as expert reports or documents to be obtained from official institutions in case of disaster, provided that it is not from the equalization provision allocated in the current year.

The Company has deducted the net amount of TL 113.302.248 paid for the damages of Kahramanmaraş Earthquake that occurred in 2023 and affected 11 provinces from the equalization provision allocated in previous years.

The Company's equalization provision calculated as of 31 December 2024 is TL 168.837.791 (31 December 2023: TL 75.946.257).

2.21 New Regulation Regarding Treatment Costs of Traffic Accidents within the Scope of "Circular on Accounting of Payments Made to the Social Security Institution Regarding Treatment Costs and Opening a New Account Code in the Insurance Account Plan" numbered 2011/18

With Article 59 of the Law No. 6111 "Restructuring of Certain Receivables and Amendments to the Social Security and General Health Insurance Law and Certain Other Laws and Decree Laws" published in the Official Gazette dated February 25, 2011 and numbered 27857, as of February 25, 2011, in the compulsory insurances that provide health coverage for traffic accidents; the amount to be determined by the Ministry of Treasury and Finance of the Republic of Turkey, not exceeding 15% of the premiums written by the insurance companies, will be transferred to the Social Security Institution ("SSI") and with this transfer, the responsibilities of the insurance companies regarding the treatment expenses arising from injuries arising from traffic accidents will be transferred to the SSI. Provisional Article 1 of the same law stipulates that the amount to be determined by the Republic of Turkey Ministry of Treasury and Finance, not exceeding 20% of the amount to be transferred within the scope of Article 59, will be transferred to the SSI and the treatment services provided for injuries arising from traffic accidents before February 25, 2011 will be covered by the SSI.

In this context, the procedures and principles regarding the payment of treatment expenses within the scope of compulsory traffic insurance, compulsory transportation insurance and compulsory personal accident insurance are regulated by the "Regulation on the Procedures and Principles Regarding the Collection of Health Service Fees Provided to the Relevant Persons Due to Traffic Accidents" published in the Official Gazette dated August 27, 2011 and numbered 28038 and the Circular numbered 2011/17. In parallel with this, the accounting principles regarding the arrangements and amendments made in the Insurance Uniform Chart of Accounts are regulated by the "Circular on Accounting of Payments to SSI for Treatment Costs and Opening New Account Codes in the Insurance Chart of Accounts (2011/18)", which will be effective as of December 31, 2011.

Accordingly, in 714-Compulsory Road Transportation Financial Liability, 715-Compulsory Traffic and 718-Bus Compulsory Personal Accident branches, IBNR is calculated by subtracting all data related to claims paid for treatment costs, outstanding claims and collected recourse, salvage and similar revenues from AZMM development triangles. However, since no separation can be made for previous years in the premium pillar, premiums are taken into consideration including those transferred to SSI in AZMM calculations for the period after the Law.

2.22 Regulation on "Claims Outstanding in the Litigation Process" within the scope of "Circular on Explanations Regarding the Calculation of Incurred but Not Reported Claims Reserve (IBNR)" numbered 2011/23:

According to the first paragraph of Article 4 of the Regulation on Financial Reporting of Insurance, Reinsurance and Pension Companies, "It is essential that the activities of the company are accounted in accordance with the provisions of this Regulation and the provisions of the legislation on the principles of preparation and presentation of financial statements of the TASB, except for the communiqués to be issued by the Undersecretariat on the issues specified in the second paragraph." In the first paragraph of Article 6 of the same Regulation, the balance sheet is defined as "a statement that reflects the economic and financial position of a company at a certain date, and shows its assets, liabilities and shareholders' equity in the form of asset and liability accounts in a fair and accurate manner".

In this framework, in order to ensure that the financial reports reflect the real situation, the circular numbered 2011/23 stated that provisions should be set aside for the files in the litigation process by

evaluating the probability of winning and losing, and the principles according to which deductions can be made from the provision for outstanding claims for the files in the litigation process.

In accordance with the principles stated in the related circular, the winning rate was calculated over the amounts of the lawsuits filed against the sub-branches according to the realizations of the last five years retrospectively from the end of the period in which the calculation was made by taking into account the date of conclusion of the lawsuit, and according to this winning rate, gross deductions were made from the outstanding files accrued for the files in the litigation process, and the winning rates used on a sub-branch basis are given below.

Branch	December 31, 2024			December 31, 2023		
	Win Rate (%)	Gross	Net	Win Rate (%)	Gross	Net
Employer Financial Liability	5,39	45.510.461	23.771.918	8,43	66.465.870	18.649.112
Liability for Medical Malpractice	25,00	6.527.127	2.870.187	15,00	325.893	226.064
Financial Liability to Third Parties	25,00	86.691.034	13.986.007	25,00	33.063.045	11.448.268
Professional Liability Insurance	25,00	3.196.816	527.232	15,00	526.289	304.659
Electronic Device	0,00	-	-	25,00	27.463.678	4.440.508
Theft	3,07	1.041.250	240.521	15,00	148.798	86.370
Construction	15,00	17.758	14.206	25,00	3.196.667	1.571.433
Machine Breakage	25,00	31.216.141	4.438.818	25,00	6.879.369	3.291.654
Assembly	25,00	80.775.777	9.549.386	10,41	463.108	260.116
Motor Land Vehicles - Motor Insurance	8,43	1.675.580	1.044.302	25,00	5.326.934	5.326.934
Motor Land Vehicles Discretionary Financial Liability	21,65	6.015.725	6.014.059	25,00	6.771.288	6.771.107
Compulsory Road Transportation Financial Liability	24,78	8.681.156	8.680.976	2,84	25.864	24.735
Compulsory Traffic	2,87	173.991	15.591	18,30	151.939.649	142.742.631
Personal Accident	17,39	180.401.663	171.329.141	11,11	517.283	180.616
Bus Compulsory Seat Personal Accident	5,65	32.336	26.323	25,00	1.474.562	954.247
Commodity	25,00	899.890	96.489	15,00	5.942.832	2.485.929
Boat-Marine Vehicles	16,04	21.556.311	12.646.330	2,04	68.293	35.192
Fire	5,93	13.340.435	3.868.193	8,52	13.366.660	5.170.478
Total		487.753.451	259.119.679		323.966.082	203.970.053

2.23 Revenue recognition

Premium revenues

Premiums written represent premiums written for policies issued during the period, net of cancellations. Premium income is recognized on an accrual basis by recognizing unearned premium reserves based on premiums written.

Commission revenue and expenses

Commissions paid in respect of premiums written and commissions received in respect of premiums ceded to reinsurance companies are accrued in the current period. Commissions received and commissions paid, which are recognized on an accrual basis, are netted off and presented under operating expenses in the statement of income and in deferred income and expenses, respectively, in the balance sheet.

Recourse and salvage revenue

In the financial statements prepared as of December 31, 2024, the Company recognizes recourse receivables from insurance companies and real persons and legal entities on accrual basis in the period when the Company is entitled to recourse income related to the claim payments in accordance with the letter of the Republic of Turkey Ministry of Treasury and Finance dated January 18, 2005 and numbered B.02.1.HM.O.SGM.O.3.1.1. The Company also recognizes allowance for doubtful receivables for recourse receivables in litigation and enforcement phase.

In the financial statements prepared as of December 31, 2024, the Company has accrued income for recourse receivables from real and legal persons in accordance with the principles set out in the circulars of the Republic of Turkey Ministry of Treasury and Finance dated September 20, 2010 and January 14, 2011 and numbered 2010/16 and 2011/1 and has provided a provision for receivables for recourse receivables over 6 months (receivables from insurance companies) and 4 months (receivables from real and other legal persons) from the date of payment of the claim that forms the basis of the recourse receivable.

In addition, the Company provides allowance for doubtful receivables for recourse receivables that are in litigation and enforcement phase.

As at 31 December 2024, the Company recognizes accrued recourse and salvage income in the "Accrued Recourse and Salvage Income" account in accordance with the principles stated in the circulars of the Republic of Turkey Ministry of Treasury and Finance dated 20 September 2010 and numbered 2010/13 and dated 31 May 2012 and numbered 2012/7.

Interest revenue

Interest revenue is recognized on an accrual basis using the effective yield method.

Dividend revenue

Dividends are recognized as income when the right to collect the dividend arises.

Rental revenue

Rental revenues are recognized in the financial statements when earned on a monthly basis.

2.24 Leasing transactions

The Company recognizes contracts longer than 12 months in accordance with TFRS 16.

Lease agreements have a maximum term of 5 years. Tangible fixed assets acquired through leasing are recognized as assets in the Company's assets and as liabilities from leasing transactions in the Company's liabilities.

In determining the amounts recognized as assets and liabilities in the balance sheet, the lower of the fair value of the assets and the present value of the lease payments is taken as a basis and the finance costs arising from the lease are spread over the lease period so as to create a fixed interest rate.

Assets held under lease are carried at net realizable value if there is a decline in the value of the leased asset and the expected future benefits from the leased asset are less than the carrying amount of the asset. Assets held under lease are depreciated on the same basis as for tangible fixed assets.

In accordance with TFRS 16, the lease liability is measured at the present value of the lease payments that are not paid at the commencement date. Lease payments are discounted using an alternative borrowing interest rate. Subsequent to the commencement date, the carrying amount of the lease liability is remeasured by increasing the carrying amount of the lease liability to reflect interest on the lease liability, decreasing the carrying amount to reflect lease payments made, reflecting any reassessments and lease modifications, or reflecting revised in-substance fixed lease payments.

Interest on the lease liability for each period of the lease term is calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability. Subsequent to the commencement date, the lease liability is remeasured to reflect changes in the lease payments. The remeasured amount of the lease liability is recognized in the financial statements as an adjustment to the right-of-use asset.

If there is a change in the initial lease term or in the exercise of the purchase option, a revised discount rate is used to reflect changes in the interest rate. However, if there is a change in the lease obligations resulting from a change in an index used to determine future lease payments or a change in the amounts expected to be paid under a residual value commitment, an unchanged discount rate is used. For a modification that is not accounted for as a separate lease, the lease liability is remeasured by discounting the revised lease payments at the effective date of the modification using a revised discount rate.

The revised discount rate is determined as the alternative borrowing interest rate at the date of application of the revised discount rate.

For changes that reduce the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or complete termination of the lease. Gains or losses on the partial or complete termination of the lease are recognized in profit or loss. For all other modifications, an adjustment is made to the right-of-use asset.

As a result of internal assessments, the Company evaluates the amounts of other lease transactions acquired through lease transactions outside the scope of TFRS 16 as they are below the materiality level and recognizes the related lease payments under other operating expenses.

2.25 Distribution of dividends

Earnings per share

Earnings per share is calculated by dividing the net profit for the period available for distribution to shareholders by the weighted average number of shares outstanding during the year. In case of capital increase through internal resources during the period, the new value is considered to be valid as of the beginning of the period while calculating the weighted average number of shares.

2.26 Related parties

A person or entity that is related to the entity that prepares the financial statements (referred to as the 'reporting entity' in this Standard).

(a) A person or a close member of that person's family is related to a reporting entity if:

The person in this case,

- (i) Has control or joint control over the reporting entity,
- (ii) Has significant influence over the reporting entity,
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions exist:

- (i) If the entity and the reporting entity are members of the same group (i.e. each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) If the entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member).
- (iii) If both entities are joint ventures of the same third party.
- (iv) If one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) If the entity has a post-employment benefit plan for the benefit of employees of the reporting entity or of an entity related to the reporting entity. If the reporting entity itself has such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) If the entity is controlled or jointly controlled by a person identified in (a).
- (vii) If a person identified in subparagraph (i) of paragraph (a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, whether or not consideration is received.

A related party transaction is a transfer of resources, services or obligations between related parties, whether or not for consideration.

As of 31 December 2024, MAPFRE Group companies other than shareholders, related parties of other shareholders and the Company management are defined as related parties in the financial statements and related explanatory notes.

2.27 Other monetary balance sheet items

They are recognized in the balance sheet at their book value.

2.28 Events occurring after the balance sheet date

Events occurring after the balance sheet date that may affect the Company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Non-adjusting events are disclosed in the notes to the financial statements if they are material.

2.29 New and revised standards and interpretations

As of 31 December 2024, the accounting policies adopted in preparation of the financial statements for the year ended 31 December 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of 1 January 2024. The effects of these standards and interpretations on the financial position and performance of the Company are disclosed in the related paragraphs.

i) New standards, amendments and interpretations effective as of 1 January 2024

Amendments to TAS 1 - Classification of liabilities as current and non-current

In March 2020 and January 2023, POA issued amendments to TAS 1 to clarify the basis for classifying liabilities as current and non-current. Under the January 2023 amendments, an entity has the right to defer payment of a liability at the end of the reporting period if the entity's right to defer payment of the liability depends on its ability to comply with the terms of the loan agreement at a date subsequent to the reporting period (even if it does not comply with the terms at the end of the reporting period). When a liability arising from a loan contract is classified as non-current and the entity's right to defer payment depends on its ability to comply with the terms of the loan contract within 12 months, the January 2023 amendments require entities to make various disclosures. These disclosures should include information about the loan contract terms and related obligations. The amendments also clarify that the right to defer payment for a long-term classification must exist at the end of the reporting period, regardless of whether compliance with the contractual terms will be tested at the reporting date or at a later date. The amendments clarify that the possibility that an entity will not exercise its right to defer payment until at least twelve months after the reporting period does not affect the classification of a liability. The amendments are applied retrospectively in accordance with TAS 8.

The amendment did not have a significant impact on the financial position or performance of the Company.

Amendments to TFRS 16 - Lease obligations in sale and leaseback transactions

In January 2023, POA issued amendments to TFRS 16. The amendments clarify the requirements for the measurement of a lease liability arising from a sale and leaseback by a seller-lessee, so that no gain or loss is recognized in respect of the retained right of use. In this context, the seller-lessee will determine "lease payments" or "revised lease payments" so as not to recognize any gain or loss related to the remaining right of use after the commencement date of the sale and leaseback transaction, when applying the provisions of TFRS 16 under the heading "Subsequent measurement of a lease liability". The amendments do not include a specific provision for the measurement of lease liabilities arising from leaseback. The initial measurement of such a lease liability may result in payments other than those included in the definition of lease payments in TFRS 16 being identified as lease payments. The seller-lessee will need to develop and apply an accounting policy that provides reliable and relevant information in accordance with TAS 8. The seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16.

The amendment did not have a significant impact on the financial position or performance of the Company.

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Financing Agreements

The amendments, issued by POA in September 2023, provide clarifications that improve existing provisions to help users of financial statements understand the effects of supplier financing arrangements on an entity's liabilities, cash flows and liquidity risks. Supplier financing agreements are defined as agreements in which one or more financing providers undertake to pay an entity's supplier and the entity agrees to pay the supplier on or after the day on which the supplier is paid. The amendments require disclosures about the terms and conditions of such agreements, quantitative information about the liabilities arising from them at the beginning and end of the reporting period, and the nature and effects of non-cash changes in the carrying amount of those liabilities. In addition, within the scope of quantitative disclosures about liquidity risk required by TFRS 7, supplier financing arrangements are cited as an example of other factors that may need to be disclosed.

The amendment did not have a significant impact on the financial position or performance of the Company.

ii) Standards issued but not yet effective and not early adopted

The new standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of authorization of the financial statements and have not been early adopted by the Company are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets by an Investor to an Associate or Joint Venture

In December 2017, POA postponed indefinitely the effective date of the amendments to TFRS 10 and TAS 28, which will be modified depending on the outcomes of the ongoing research project on the equity method. However, early adoption is still permitted.

The Company will assess the impact of these amendments when the standards are finalized.

TFRS 17 - New Insurance Contracts Standard

Effective for annual periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which currently permits a wide range of applications. TFRS 17 will fundamentally change the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation features.

As a result of the legislative amendments published by SEDDK in the Official Gazette dated December 29, 2023 and numbered 32414, the date of application of TFRS 17 in the statutory financial statements of insurance companies was initially determined as January 1, 2025; however, as a result of the legislative amendments published by SEDDK in the Official Gazette dated December 27, 2024 and numbered 32765, the date of application of TFRS 17 in the statutory financial statements of insurance companies was determined as January 1, 2026.

The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

Amendments to TAS 21 - Lack of Exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments clarify how to assess whether a currency is not exchangeable and how to determine the exchange rate when a currency is not exchangeable. According to the amendments, when estimating the exchange rate because a currency is not exchangeable, information that enables users of financial statements to understand how the inability to exchange one currency for another currency has affected, or is expected to affect, an entity's performance, financial position and cash flows is disclosed. The amendments are effective for annual periods beginning on or after January 1, 2025. Early application is permitted, in which case information is disclosed in the notes. When the amendments are applied, comparative information is not restated.

The Company does not expect any significant impact on the financial statements.

iii) Amendments effective from the moment of publication

Amendments to TAS 12 - International Tax Reform - Pillar Two Model Rules

In September 2023, POA issued amendments to TAS 12 that introduce a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws that have been enacted, or are substantively enacted, for the purpose of applying the Second Pillar Model Rules issued by the Organization for Economic Cooperation and Development (OECD). These amendments also introduce certain disclosure requirements for entities affected by such tax laws. The exemption from recognizing and disclosing information about deferred taxes and the disclosure requirement for when the exemption has been applied are effective upon issuance of the amendments.

The amendment did not have a significant impact on the financial position or performance of the Company.

iv) Amendments issued by the International Accounting Standards Board ("IASB") but not issued by POA

The following amendments to IFRS 9 and IFRS 7 and Annual Improvements to IFRS Accounting Standards, IFRS 18 and IFRS 19 are issued by the IASB but not yet adapted/issued by POA to TFRS. Therefore, they do not form part of TFRS. The Company will make the necessary changes to its financial statements after the new standards and amendments are issued and become effective under TFRS.

Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments (to IFRS 9 and IFRS 7) on the classification and measurement of financial instruments. The amendments clarify that financial liabilities are derecognized at the "date of delivery". In addition, the amendment introduces an accounting policy choice to derecognize financial liabilities settled by electronic payment systems before the date of delivery if certain conditions are met. In addition, the amendment clarifies how to assess the contractual cash flow characteristics of financial assets with ESG-related or other similar contingent features, and the treatment of non-callable assets and contractually linked financial instruments. In addition, the amendment adds additional disclosures to IFRS 7 for financial assets and liabilities that contain contractual provisions that reference a contingent event (including those that are ESG-related) and for equity instruments measured at fair value through other comprehensive income.

The Company does not expect any significant impact on the financial statements.

Annual Improvements to IFRS Accounting Standards - Amendment 11

In July 2024, the IASB issued "Annual Improvements to IFRS Accounting Standards / 11th Amendment" with the following amendments:

- IFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge accounting by a first-time adopter: The amendment is intended to eliminate potential confusion caused by the inconsistency between the wording in IFRS 1 and the hedge accounting requirements in IFRS 9.
- IFRS 7 Financial Instruments: Disclosures - Gains or losses on derecognition: IFRS 7 amends the presentation of unobservable inputs and adds a reference to IFRS 13.
- IFRS 9 Financial Instruments - Transaction price when the lease liability is derecognized by the lessee: IFRS 9 has been amended to clarify that when the lease liability is extinguished for the lessee, the lessee is required to apply the derecognition provisions in IFRS 9 and the resulting gain or loss is recognized in profit or loss. IFRS 9 has also been amended to remove the reference to "transaction price".
- IFRS 10 Consolidated Financial Statements - Determining the "de facto agent": The Standard has been amended to address inconsistencies in paragraphs of IFRS 10.
- IAS 7 Statement of Cash Flows - Cost method: The wording in the Standard has been deleted following the removal of the term "cost method" in previous amendments.

The Company does not expect any significant impact on the financial statements.

Amendments to IFRS 9 and IFRS 7 - Contracts for Electricity Generated from Natural Resources

In December 2024, the IASB issued the amendment "Contracts for Electricity Generated from Natural Resources" (related to IFRS 9 and IFRS 7). The amendment clarifies the application of the "own use" exception and permits hedge accounting when such contracts are used as hedging instruments. The amendment also introduces new disclosure requirements to help investors understand the impact of these contracts on an entity's financial performance and cash flows.

The amendment is not applicable for the Company and does not have an impact on the financial position or performance of the Company.

IFRS 18 - Presentation and Disclosures in New Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. IFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including the presentation of specific totals and subtotals. IFRS 18 requires entities to present all income and expenses in the statement of profit or loss in one of five categories: operating activities, investing activities, financing activities, income taxes and discontinued operations. The standard also requires disclosure of performance measures established by management and introduces new requirements for aggregating or disaggregating financial information in accordance with the roles defined for the primary financial statements and notes. The issuance of IFRS 18 also resulted in certain amendments to other financial reporting standards such as IAS 7, IAS 8 and IAS 34.

The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

IFRS 19 - Subsidiaries without New Public Accountability: Disclosures Standard

In May 2024, the IASB issued IFRS 19, which provides an option for certain entities to provide reduced disclosures when applying the recognition, measurement and presentation requirements in IFRSs. Unless otherwise indicated, in-scope entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRSs. An entity that is a subsidiary, has no public accountability and has a parent (interim or ultimate) that prepares consolidated financial statements in accordance with IFRSs that are publicly available will be able to elect to apply IFRS 19.

The standard is not applicable for the Company.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates. Estimates are reviewed periodically, adjusted if necessary and recognized in the income statement in the period in which they are realized. The estimates and assumptions used in the preparation of the financial statements are mainly related to insurance provisions for outstanding claims and compensations, other technical provisions and provisions for impairment of assets and these estimates and assumptions are explained in detail in the related notes. Other significant estimates used in the preparation of the financial statements are as follows:

Provision for employment termination benefits:

In the accompanying financial statements, the Company has calculated and recognized provision for employment termination benefits using actuarial assumptions.

Provision for doubtful receivables:

The Company recognizes allowance for doubtful receivables for the recourse receivables of the related intermediaries and insurers that cannot be reimbursed and are in the execution or litigation stage (Note 12).

Deferred tax:

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which temporary differences and accumulated losses can be utilized. In determining the amount of deferred tax assets to be recognized, significant estimates and judgments regarding future taxable profit are required (Footnote 21).

4. INSURANCE AND FINANCIAL RISK MANAGEMENT

Insurance risk

The main risk associated with the Company's insurance policies is that incurred claims and claim payments exceed expectations. Therefore, the Company's main objective in managing insurance risk is to ensure that there are adequate insurance provisions to cover these liabilities.

The Company operates in the elementary sector and issues policies in the following main branches:

- Fire and natural disasters
- Transportation
- Land vehicles
- Rail vehicles
- Air vehicles
- Water vehicles
- Accident
- General liability
- Land vehicles liability
- Water vehicles liability
- Air vehicles liability
- General damages
- Surety
- Financial losses
- Credit
- Legal protection
- Health

In the transportation branch, policies are generally issued for a short period of time, within the period of transportation; in the engineering branch, construction-assembly policies are issued for the duration of the project; and in other products, policies are generally issued for 12 months.

The main risks that the Company has to manage are natural disasters such as earthquakes, floods, storms, etc. and fire, accident and theft risks. Since there is a tariff system in these branches, risk management is carried out through pricing and segmentation. In addition, the Company receives reinsurance support both on a risk basis and to cover claims that may arise as a result of a catastrophic loss, based on international general acceptances.

The Company manages the risks that may arise from the accident branch through segmentation and appropriate pricing by taking into account geographical and human conditions.

The Company acts as a reinsurer in the Health branch until August 1, 2011 and acts as a direct insurer after August 1, 2011.

Therefore, the Company manages its related risks through a diversified portfolio of insurance contracts, reinsurance agreements and policy writing strategies.

As of 31 December 2024 and 31 December 2023, insurance coverages given for non-life insurance branches are as follows:

	December 31, 2024	December 31, 2023
Land Vehicles	119.826.225.000	73.648.354.000
Land Vehicles Liability	10.092.563.240.000	6.898.832.222.000
Accident	24.853.778.000	21.497.133.000
Water Vehicles	93.662.783.000	76.346.246.000
Air Vehicles	330.980.000	269.814.000
Air Vehicles Liability	27.522.000	373.104.000
General Liability	87.335.164.000	77.798.132.000
Fire and Natural Disasters	2.176.287.089.000	1.524.085.030.000
General Losses	1.691.079.274.000	1.321.970.397.000
Transportation	4.605.901.390.000	1.508.631.197.000
Financial Losses	8.312.559.000	6.498.612.000
Legal Protection	1.951.703.000	1.483.335.000
Disease / Health	1.478.942.140.000	1.490.253.530.000
Surety	2.624.626.000	2.349.051.000
Non-Life Total	20.383.698.473.000	13.004.036.157.000

The Company's loss development tables as of 31 December 2024 and 31 December 2023 are presented in footnote 17.

Financial risk management

The main financial instruments used by the Company are cash, time deposits, reverse repo agreements, equities and government bonds, receivables from operating activities and loans. The Company is exposed to various financial risks arising from its financial instruments and insurance contract liabilities. The risks arising from the instruments used are market risk, foreign currency risk, liquidity risk and credit risk. The Company management manages these risks as stated below.

(a) Market risk

i) Price risk

The Company is exposed to price risk as it holds financial assets valued at market prices. In the table below, with all other variables held constant, there are no equity securities in the Company's portfolio of available-for-sale financial assets.

ii) Interest risk

Interest risk is the risk of changes in the fair value or future cash flows of financial assets arising from fluctuations in market interest rates. Interest risk is closely monitored by the Company through analysis of market information and appropriate valuation methods.

With all other variables held constant, a 5% increase/(decrease) in interest rates has no impact on the Company's assets as there are no floating rate financial assets in the Company's portfolio as of 31 December 2024 and 31 December 2023.

iii) Currency risk

Foreign currency risk arises from the Company's foreign currency denominated assets and liabilities and the translation of these assets and liabilities into TL.

As of 31 December 2024 and 31 December 2023, the Company's foreign currency position is as follows:

December 31, 2024	US Dollar	TL equivalent	Euro	TL equivalent	British Pound	TL equivalent	Other currency premiums TL equivalent	Total TL equivalent
Cash and cash equivalents	22.409.463	790.612.573	10.167.874	373.529.044	105.623	4.669.292	855.699	1.169.666.608
Financial assets	30.765.821	1.085.427.394	-	-	-	-	-	1.085.427.394
Receivables from insurance operations	24.747.730	874.678.825	22.826.194	840.058.731	3.919	174.165	1.053.775	1.715.965.496
Receivables from reinsurance operations	-	-	-	-	252.542	11.222.390	-	11.222.390
Total assets	77.923.014	2.750.718.792	32.994.068	1.213.587.775	362.084	16.065.847	1.909.474	3.982.281.888
Payables from operating activities	21.151.001	747.556.764	21.712.517	799.072.729	-	-	100.013	1.546.729.507
Technical provisions net	1.999.905	70.684.257	2.850.259	104.896.378	-	-	78.322	175.658.957
Deposits and guarantees received	90.720	3.206.405	-	-	34.496	1.532.924	-	4.739.329
Total liabilities	23.241.626	821.447.426	24.562.776	903.969.107	34.496	1.532.924	178.335	1.727.127.793
Foreign currency position, net	54.681.388	1.929.271.366	8.431.292	309.618.668	327.588	14.532.923	1.731.139	2.255.154.095

31 December 2023	US Dollar	TL equivalent	Euro	TL equivalent	British Pound	TL equivalent	Other currency premiums TL equivalent	Total TL equivalent
Cash and cash equivalents	11.044.875	325.141.227	10.539.611	343.316.219	71.880	2.691.315	564.662	671.713.423
Financial assets	47.896.546	1.409.988.088	-	-	-	-	-	1.409.988.088
Receivables from insurance operations	19.266.940	568.207.103	20.309.123	662.739.492	16.598	624.713	321.707	1.231.893.015
Receivables from reinsurance operations	-	-	-	-	237.644	8.944.179	4.135	8.948.314
Total assets	78.208.361	2.303.336.418	30.848.734	1.006.055.711	326.122	12.260.207	890.504	3.322.542.840
Payables from operating activities	17.399.949	513.147.103	16.238.515	529.904.972	29	1.108	-	1.043.053.183
Technical provisions net	3.168.680	93.448.506	2.745.877	89.605.114	-	-	10.775	183.064.395
Deposits and guarantees received	14.476	426.921	93.900	3.064.197	12.056	453.748	-	3.944.866
Total liabilities	20.583.105	607.022.530	19.078.292	622.574.283	12.085	454.856	10.775	1.230.062.444
Foreign currency position, net	57.625.256	1.696.313.888	11.770.442	383.481.428	314.037	11.805.351	879.729	2.092.480.396

The table below sets out the effect of a 10% increase/(decrease) in the value of foreign currencies in the Company's portfolio against TL, with all other variables held constant, on profit before tax:

Currency	December 31, 2024		December 31, 2023	
	Foreign currency value increase / (decrease)	Impact on profit before tax	Foreign currency value increase / (decrease)	Impact on profit before tax
US Dollar	10%	192.927.137	10%	169.631.389
US Dollar	(10%)	(192.927.137)	(10%)	(169.631.389)
Euro	10%	30.961.867	10%	38.348.143
Euro	(10%)	(30.961.867)	(10%)	(38.348.143)
Pound Sterling and Other Currencies	10%	1.626.406	10%	1.268.508
Pound Sterling and Other Currencies	(10%)	(1.626.406)	(10%)	(1.268.508)

(b) Credit risk

Credit risk refers to the situation that the Company may face due to the failure of third parties with whom the Company has a mutual relationship to fulfill their obligations in whole or in part on time by not complying with the contractual requirements. The Company manages credit risk by continuously assessing the reliability of counterparties. The Company manages its credit risk by obtaining collaterals when deemed necessary.

Financial assets subject to credit risk included in the Company's financial instruments mainly consist of cash and cash equivalents, government bonds and receivables from main operations and receivables from other assets of the Company that are subject to credit risk. The total amount of these financial instruments as of December 31, 2024 is TL 19.868.841.168 and represents the maximum credit risk (31 December 2023: TL 11.298.583.281).

(c) Liquidity risk

Liquidity risk is the risk that a company will not be able to meet its funding needs. The Company periodically measures and evaluates liquidity risk in accordance with the liquidity risk policies of the group to which it belongs. As of 31 December 2024 and 31 December 2023, the maturity distribution of the Company's undiscounted trade payables and financial liabilities according to their maturity dates are as follows;

31 December 2024	Less than 1 year	1 year - 5 years	More than 5 years	Total
Payables from reinsurance operations	1.659.912.786	-	-	1.659.912.786
Payables from insurance operations	612.240.227	-	-	612.240.227
Other payables	973.186.403	-	-	973.186.403
	3.245.339.416	-	-	3.245.339.416
31 December 2023	Less than 1 year	1 year - 5 years	More than 5 years	Total
Payables from reinsurance operations	1.187.866.615	-	-	1.187.866.615
Payables from insurance operations	429.456.663	-	-	429.456.663
Other payables	568.359.962	-	-	568.359.962
	2.185.683.240	-	-	2.185.683.240

Capital Management

The Company's principal capital management policies are set out below:

- To comply with the capital adequacy requirements set by the Republic of Turkey Ministry of Treasury and Finance

- To ensure the continuity of the Company's activities within the framework of the principle of continuity

In accordance with the "Regulation on Measurement and Assessment of Capital Adequacy of Insurance, Reinsurance and Pension Companies" published in the Official Gazette dated January 19, 2008 and numbered 26761 by the Republic of Turkey Ministry of Treasury and Finance, the required amount of shareholders' equity as of December 31, 2024 is determined as TL 3.669.514.266 (31 December 2023: TL 2.172.920.035).

In accordance with the provisions of the related regulation, as of 31 December 2024, the Company's shareholders' equity is calculated as TL 4.845.109.941 (31 December 2023: TL 2.364.371.865).

5. SECTION INFORMATION

Explained in Footnote 2.3.

6. TANGIBLE FIXED ASSETS

6.1 Depreciation, amortization and depletion expenses for the period:

TL 131.847.556 (December 31, 2023 - TL 72.487.357).

6.1.1 Depreciation expenses: TL 57.004.913 (31 December 2023 - TL 35.754.217).

6.1.2 Amortization and depletion: TL 74.842.643 (31 December 2023 - TL 36.733.140).

6.2 Increase (+) or decrease (-) in amortization expense of the period due to changes in amortization calculation methods and changes in these methods:

None (December 31, 2023 - None).

6.3 Movements of fixed assets in the current period:

6.3.1 Cost of tangible fixed assets purchased, manufactured or constructed:

TL 61.772.243 (31 December 2023 - TL 71.375.169).

6.3.2 Cost of tangible fixed assets sold or scrapped:

TL 29.993.754 (31 December 2023 - TL 153.252.574).

6.3.3 Valuation increases in the current period:

TL 377.013.694 (31 December 2023 - TL 1.110.925.428).

6.3.4 Nature, total amount, start and end date and completion level of investments in progress: None (31 December 2023 - None).

Movement of tangible fixed assets:

	Jan 1, 2024	Valuation	Additions	Exits	Transfers/ Corrections	Dec 31, 2024
Cost:						
Properties held for own use	1.145.750.306	377.013.694	-	(25.746.473)	-	1.497.017.527
Motor vehicles	60.240.853	-	24.941.177	(4.803.025)	-	80.379.005
Fixtures and fittings	49.636.216	-	18.145.017	(1.131.335)	-	66.649.898
Special cost charges	13.470.031	-	5.200.688	(1.091.481)	-	17.579.238
Advances Related to Tangible Assets	-	-	-	-	-	-
Right of Use Assets	21.960.670	-	13.485.361	2.876.560	-	38.322.592
Total cost	1.291.058.077	377.013.694	61.772.243	29.895.754)	-	1.699.948.259
Accumulated depreciation:						
Properties held for own use	(3.713.862)	-	(26.901.672)	1.518.677	24.227.796	(4.869.061)
Motor vehicles	(8.231.197)	-	(14.744.952)	3.617.663	-	(19.358.487)
Fixtures and fittings	(37.238.571)	-	(8.849.404)	976.340	-	(45.111.635)
Special cost charges	(10.877.011)	-	(1.465.967)	1.030.494	-	(11.312.484)
Tangible assets acquired through leasing	(14.234.821)	-	(5.033.379)	(851.901)	-	(20.120.101)
Total accumulated depreciation	(74.295.462)	-	56.995.374)	6.291.273	24.227.796	(100.771.767)
Net book value	1.216.762.615	377.013.694	4.776.869	23.604.482)	24.227.796	1.599.176.492

	Jan 1, 2023	Valuation	Additions	Exits	Transfers/ Corrections	Dec 31, 2023
Cost:						
Properties held for own use	183.379.944	1.110.925.428	-	(148.555.066)	-	1.145.750.306
Motor vehicles	6.492.653	-	53.748.200	-	-	60.240.853
Fixtures and fittings	45.252.476	-	5.386.281	(1.002.541)	-	49.636.216
Special cost charges	12.287.380	-	1.561.207	(378.556)	-	13.470.031
Advances Related to Tangible Assets	-	-	-	-	-	-
Right of Use Assets	14.597.601	-	10.679.481	(3.316.411)	-	21.960.671
Total cost	262.010.054	1.110.925.428	71.375.169	(153.252.574)	-	1.291.058.077
Accumulated depreciation:						
Properties held for own use	(21.908.812)	-	(19.976.545)	38.171.495	-	(3.713.862)
Motor vehicles	(5.230.156)	-	(3.001.041)	-	-	(8.231.197)
Fixtures and fittings	(32.668.214)	-	(5.518.055)	947.698	-	(37.238.571)
Special cost charges	(10.012.016)	-	(1.218.807)	353.812	-	(10.877.011)
Tangible assets acquired through leasing	(7.999.466)	-	(6.030.398)	(204.957)	-	(14.234.821)
Total accumulated depreciation	(77.818.664)	-	(35.744.846)	39.268.048	-	(74.295.462)
Net book value	184.191.390	1.110.925.428	35.630.323	(113.984.526)	-	1.216.762.615

There is a mortgage amounting to TL 800 on the properties for own use in favor of the Republic of Turkey Ministry of Treasury and Finance.

The Company does not have any tangible fixed assets acquired as a lessee in financial leasing transactions.

7. INVESTMENT PROPERTIES

	Jan 1, 2024	Additions	Exits	Adjustments	Dec 31, 2024
Coast:					
Land	19.512	-	-	-	19.512
Buildings	970.565	-	(98.000)	-	872.565
Buildings held for sale	-	-	-	-	-
Total cost	990.077	-	(98.000)	-	892.077
Accumulated depreciation and provision for impairment:					
Buildings - depreciation	(465.136)	(9.538)	15.680	-	(458.994)
Buildings and land - Impairment provision	-	-	-	-	-
Total	(465.136)	(9.538)	15.680	-	(458.994)
Net book value	524.941	-	-	-	433.083

	Jan 1, 2023	Additions	Exits	Adjustments	Dec 31, 2023
Coast:					
Land	19.512	-	-	-	19.512
Buildings	185.774	2.745.193	(1.960.402)	-	970.565
Buildings held for sale	-	-	-	-	-
Total cost	205.286	2.745.193	(1.960.402)	-	990.077
Accumulated depreciation and provision for impairment:					
Buildings - depreciation	(95.219)	(9.371)	(360.545)	-	(465.135)
Total	(95.219)	(9.371)	(360.545)	-	(465.135)
Net book value	110.067	-	-	-	524.942

For the period ended 31 December 2023, the Company earned rental income amounting to TL 455.187 (31 December 2022- TL 280.052) from investment properties.

8. INTANGIBLE FIXED ASSETS

	Jan 1, 2024	Additions	Exits	Dec 31, 2024
Cost:				
Rights	249.907.547	202.827.679	-	452.735.226
Investments in progress	45.394.878	101.292.165	-	146.687.042
Total Cost	295.302.425	304.119.844	-	599.422.269
Accumulated depreciation:				
Rights	(97.247.169)	(74.842.643)	-	(172.089.812)
Total Depreciation	(97.247.169)	(74.842.643)	-	(172.089.812)
Net book value	198.055.256	-	-	427.332.457

	Jan 1, 2023	Additions	Exits	Dec 31, 2023
Cost:				
Rights	107.290.305	145.700.268	(3.083.026)	249.907.547
Investments in progress	60.456.385	47.545.510	(62.607.017)	45.394.878
Total Cost	167.746.690	193.245.778	(65.690.043)	295.302.425
Accumulated depreciation:				
Rights	(60.514.029)	(36.733.140)	-	(97.247.169)
Total Depreciation	(60.514.029)	(36.733.140)	-	(97.247.169)
Net book value	107.232.661	-	-	198.055.256

9. INVESTMENTS IN ASSOCIATES

	December 31, 2024			December 31, 2023		
	Nominal value	Inflation difference	Total	Nominal value	Inflation difference	Total
Türkiye Genel Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik ve Yardım Sandığı Vakfı	11.193	-	11.193	11.193	-	11.193
Subsidiary security	11.193	-	11.193	11.193	-	11.193
Tarım Sigortaları Havuz İşletmesi A.Ş. (TARSİM)	4.344.996	-	4.344.996	1.793.115	-	1.793.115
Associates	4.344.996	-	4.344.996	1.793.115	-	1.793.115
MAPFRE Genel Yaşam	-	-	-	26.940.000	8.876.506	35.816.506
Genel Servis Yedek Parça Dağıtım Tic. A.Ş.	-	-	-	2.428.025	-	2.428.025
Subsidiaries	-	-	-	29.368.025	8.876.506	38.244.531
Total	4.356.189	-	4.356.189	31.172.333	8.876.506	40.048.839

10. REINSURANCE ASSETS

Information on the Company's reinsurance contracts is disclosed in Footnote 2.14.

As of 31 December 2024 and 31 December 2023, the amounts in the balance sheet and income statement of the Company related to reinsurance transactions arising from insurance contracts are as follows:

	December 31, 2024	December 31, 2023
Reinsurer's share of provision for unearned premiums (Note 17)	2.396.811.612	1.499.453.305
SSI share of provision for unearned premiums (Note 17)	192.151.282	110.240.680
Reinsurer share of outstanding claims provision (Note 17)	2.558.288.408	2.186.332.188
Reinsurer share of provision for unexpired risk (Note 17)	10.110.642	10.955.579
Reinsurer share of equalization provision (Note 17)	431.655.851	197.239.970
Current account of reinsurers (net)	(1.499.563.953)	(991.123.558)
Payables to Dask institution	(18.223.168)	(5.336.031)
Payables to Tarsim	(2.677.292)	(1.733.450)
Payables to SSI for treatment expenses	(117.472.489)	(59.437.716)
Reinsurer share of recourse and salvage receivables	(15.964.015)	(490.519)
Total reinsurance assets / liabilities	3.935.116.877	2.946.100.448

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Premiums transferred to reinsurers	(4.906.301.479)	(2.971.478.198)
Premiums transferred to SSI	(317.310.616)	(198.275.667)
Commissions received from reinsurers	719.896.263	440.159.114
Reinsurer share in claims paid	1.388.267.919	1.491.911.675
Reinsurer share in provision for outstanding claims	371.956.221	1.142.617.018
Reinsurer's share in provision for unearned premiums	897.358.307	632.035.645
SSI's share of unearned premiums provision	81.910.602	52.279.521
Reinsurer share of provision for unexpired risks	(844.937)	(23.428.305)
Reinsurer share of equalization provision	234.415.881	(107.771.499)
Reinsurer share of recourse income	(105.405.411)	(204.751.993)
Total reinsurance expense	(1.636.057.250)	253.297.311

Detailed explanations on reinsurance contracts are provided in Footnote 2.14.

11. FINANCIAL ASSETS

11.1 Sub-classifications of items presented, appropriate to the organization's activities:

Financial assets	December 31, 2024			December 31, 2023		
	Blocked	Unblocked	Total	Blocked	Unblocked	Total
Available-for-sale financial assets						
Government Bonds / Eurobonds	582.005.310	1.341.609.544	1.923.614.854	-	-	-
Private Sector Bonds	-	287.325.110	287.325.110	-	13.000.000	13.000.000
Eurobond	1.085.427.393	-	1.085.427.393	1.188.634.517	208.353.571	1.396.988.088
Repo	-	65.084.643	65.084.643	-	-	-
Investment Fund	-	901.604.857	1.374.205.388	-	-	-
Held-to-maturity assets						
Currency Hedged Deposits	-	293.119.005	901.604.857	-	1.374.205.388	1.374.205.388
Total	1.667.432.703	2.888.743.159	4.556.175.862	1.188.634.517	1.595.558.959	2.784.193.476

The movements of financial assets for the periods ended 31 December 2024 and 31 December 2023 are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Beginning of the period	2.784.193.476	1.030.825.683
Purchases	4.216.368.815	1.308.139.147
Sales	(2.746.786.728)	(153.499.433)
Unrealized interest income recognized in the income statement	302.400.299	598.728.077
End of the period	4.556.175.862	2.784.193.476

As of 31 December 2024, the Company has no financial assets held for trading (31 December 2023 - None).

The maturity analysis of financial assets is as follows

December 31, 2024	Demand	0 - 3 month	3 - 6 month	6 month - 1 year	1 year - 3 years	More than 3 years	Total
Available-for-sale financial assets							
Government Bonds / Eurobonds	-	-	-	-	1.954.013.094	1.055.029.153	3.009.042.247
Private Sector Bonds	-	-	-	96.238.480	191.086.630	-	287.325.110
Investment Fund	-	901.604.857	-	-	-	-	901.604.857
Repo	-	65.084.643	-	-	-	-	65.084.643
Held-to-maturity financial assets							
Currency Hedged Deposits	-	-	293.119.005	-	-	-	293.119.005
Total	-	966.689.500	293.119.005	96.238.480	2.145.099.724	1.055.029.153	4.556.175.862

December 31, 2023	Demand	0 - 3 month	3 - 6 month	6 month - 1 year	1 year - 3 years	More than 3 years	Total
Available-for-sale financial assets							
Government Bonds / Eurobonds	-	269.318.611	-	88.835.656	150.089.191	888.744.630	1.396.988.088
Private Sector Bonds	-	-	-	-	13.000.000	-	13.000.000
Held-to-maturity financial assets							
Currency Hedged Deposits	-	434.193.149	940.012.239	-	-	-	1.374.205.388
Total	-	703.511.760	940.012.239	88.835.656	163.089.191	888.744.630	2.784.193.476

11.2 Securities other than shares issued during the year: None.

11.3 Debt securities redeemed during the year: None.

11.4 Information showing the values of marketable securities and financial fixed assets stated at cost in the balance sheet according to their stock market prices, and the values of marketable securities and financial fixed assets stated at stock market prices according to their cost prices:

Securities

	December 31, 2024	
	Cost value	Book value (Fair value)
Available-for-sale financial assets		
Government Bonds / Eurobonds	2.821.486.718	3.009.042.247
Private Sector Bonds	283.000.000	287.325.110
Repo	65.000.000	65.084.643
Marketable securities	88.146	-
Investment Fund	816.738.194	901.604.857
Held-to-maturity financial assets		
Currency Hedged Deposits	242.498.996	293.119.005
Total	4.228.812.054	4.556.175.862

December 31, 2023		
	Cost value	Book value (Fair value)
Available-for-sale financial assets		
Government Bonds / Eurobonds	575.862.702	1.396.988.088
Private Sector Bonds	13.000.000	13.000.000
Repo	-	-
Marketable securities	88.146	-
Investment Fund	-	-
Held-to-maturity financial assets		
Currency Hedged Deposits	1.295.139.147	1.374.205.388
Total	1.884.089.995	2.784.193.476

Financial fixed assets

Financial assets carried at cost have no fair value in the stock exchange.

11.5 Amounts of securities issued by the Company's shareholders, associates and subsidiaries included in the securities and related securities group and the shareholders issuing these securities: None.

11.6 Value increases in financial assets in the last three years:

	Change in Value Increase	Total Value Increase
2024	(32.751.653)	(22.626.153)
2023	35.282.925	10.125.500
2022	7.812.857	(25.157.425)
Total	10.344.129	(37.658.078)

11.7 Total amount of mortgages or collaterals on assets:

	December 31, 2024	December 31, 2023
Blocked Amounts in Favor of the Treasury	2.554.470.374	1.414.599.648
Blocked Amounts in Favor of Tarsim	3.000.000	3.000.000
Real estate mortgages	800	800
Total	2.557.471.174	1.417.600.448

As of 31 December 2024, TL 2.554.470.374 of the blockages on the securities portfolio and TL 800 of the mortgage notes are in the name of Republic of Turkey Ministry of Treasury and Finance (31 December 2023: TL 1.414.599.648). The Company has calculated the blocked securities in accordance with the valuation conditions specified in Article 6 of the "Regulation on the Financial Structure of Insurance, Reinsurance and Pension Companies" issued in accordance with the Insurance Law and published in the Official Gazette dated August 7, 2007 and numbered 26606. TL 3.000.000 of the blockages on the marketable securities portfolio is in the name of Tarım Sigortaları Havuz İşletmesi A.Ş. (31 December 2023: TL 3.000.000).

11.8 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The Company has determined the estimated fair values of financial instruments using available market information and appropriate valuation methodologies. However, evaluating market information and estimating fair values requires judgment and interpretation. Consequently, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

The Company's financial assets carried at fair value are categorized into three categories in terms of valuation methods in the table below. "Category 1" represents financial assets measured at fair value based on quoted market prices (market data), 'Category 2' represents financial assets measured at fair value based on quoted bid prices, 'Category 3' represents financial assets measured at amortized cost based on discounted future cash flows.

December 31, 2024				
	Category 1	Category 2	Category 3	Total
Available-for-sale financial assets				
Government bonds	1.923.614.854	-	-	1.923.614.854
Eurobond	1.085.427.393	-	-	1.085.427.393
Private Sector Bonds	287.325.110	-	-	287.325.110
Repo	65.084.643	-	-	65.084.643
Investment Fund	901.604.857	-	-	901.604.857
Total	4.263.056.857	-	-	4.263.056.857

December 31, 2023				
	Category 1	Category 2	Category 3	Total
Available-for-sale financial assets				
Eurobond	1.396.988.088	-	-	1.396.988.088
Private Sector Bonds	13.000.000	-	-	13.000.000
Total	1.409.988.088	-	-	1.409.988.088

12. RECEIVABLES

12.1 Classification of receivables into receivables from trade customers, receivables from related parties, prepayments (payments due in the next months, years) and others:

	December 31, 2024	December 31, 2023
Current receivables		
Receivables from insurance operations		
Receivables from policyholders	153.924.152	164.578.659
Receivables from intermediaries	4.545.428.648	3.189.695.999
Recourse and salvage receivables	116.063.020	60.642.122
Bank guaranteed credit card receivables	731.675.212	311.146.592
Receivables from insurance companies	7.735	7.736
Other receivables	100.188	100.188
Total	5.547.198.955	3.726.171.296
Receivables from reinsurance operations		
Receivables from reinsurance operations	160.348.833	196.743.057
Total	160.348.833	196.743.057
Provision for receivables from insurance operations		
Receivables under legal follow-up arising from operating activities	795.232.388	523.917.353
Provision for receivables under legal follow-up arising from operating activities	(795.232.388)	(523.917.353)
Provision for receivables from insurance operations (*)	(29.205.535)	(14.126.816)
Total	(29.205.535)	(14.126.816)
TOTAL	5.678.342.253	3.908.787.537

(*) In accordance with the principles set out in the circulars of the Republic of Turkey Ministry of Treasury and Finance dated September 20, 2010 and January 14, 2011 and numbered 2010/16 and 2011/1, the Company has provided a provision for receivables for recourse receivables over 6 months (receivables from insurance companies) and 4 months (receivables from real persons and other legal entities) from the date of payment of the damage that forms the basis of the recourse receivable. As of December 31, 2024, provision for recourse receivables amounts to TL 29.205.535 (December 31, 2023 - TL 14.126.816). Details of other miscellaneous receivables and prepaid expenses are given in Note 47.

The movement of provision for receivables under legal follow-up arising from main operations is as follows.

	January 1 - December 31, 2024	January 1 - December 31, 2023
Beginning of the period	523.917.353	398.900.123
Additional provision	273.618.785	124.466.287
Released provision	(2.303.750)	1.588.408
Collection	-	(1.037.465)
End of the period	795.232.388	523.917.353

As of 31 December 2024 and 31 December 2023, the forward and retrospective aging of receivables from insurance operations that are not due and past due, respectively, are as follows:

Receivables not due / past due	December 31, 2024	December 31, 2023
Receivables not due	5.500.794.396	3.686.589.053
Past due between 0-90 days	5.902.923	10.433.475
Past due between 90-180 days	3.937.209	1.079.458
Past due between 180-270 days	2.823.733	249.222
Past due between 270-360 days	4.345.139	54.319
Past due for more than 360 days	29.395.555	27.765.769
Total	5.547.198.955	3.726.171.296

	December 31, 2024	December 31, 2023
Collaterals received for past due but not impaired receivables	5.001.635	11.222.794

(*) As of 31 December 2024, the Company has collaterals amounting to TL 5.001.635 (31 December 2023 - TL 11.222.794) for its receivables that are past due but not impaired.

12.2 Receivable and payable relationship with shareholders, associates and subsidiaries:

	December 31, 2024			
	Receivables		Debts	
	Commercial	Non-commercial	Commercial	Non-commercial
MAPFRE Tech	-	-	781.587	-
MAPFRE S.A.	-	-	9.105.911	-
T.Genel Sig. Emekli Sandığı	-	189	-	-
Board of Directors	-	-	11.750	-
Other	-	-	113.416	-
Toplam	-	189	10.012.664	-

	December 31, 2023			
	Receivables		Debts	
	Commercial	Non-commercial	Commercial	Non-commercial
MAPFRE Yaşam Sigorta A.Ş.	168.206	-	-	-
Genel Servis Yedek Parça Dağ. Tic. A.Ş.	1.401.028	-	-	-
MAPFRE Tech	-	-	383.918	-
MAPFRE S.A.	-	-	7.060.902	-
T. Genel Sig. Emekli Sandığı	-	189	-	-
Other	-	-	301.257	-
Board of Director	-	-	-	-
Toplam	1.569.235	189	7.746.077	-

12.3 Total amount of mortgages and other guarantees received for receivables:

	December 31, 2024	December 31, 2023
Mortgage notes received	52.462.961	55.877.961
Cash	48.143.692	17.268.308
Letters of guarantee received	53.875.071	44.632.102
Other guarantees and sureties	1.200.811	1.201.810
Total	155.682.535	118.980.181

12.4 Receivables and payables denominated in foreign currencies with no exchange rate guarantee and the separate amounts and conversion rates of foreign currencies in assets:

Note 4 (a) iii to the consolidated financial statements with conversion rates.

13. DERIVATIVE FINANCIAL INSTRUMENTS

None (December 31, 2023 - None).

14. CASH AND CASH EQUIVALENTS

As of 31 December 2024, cash and cash equivalents that form the basis of the statement of cash flows for the period ended 31 December 2024 are disclosed in Note 2.12.

As of 31 December 2024, the Company has blocked time deposits in favor of TARSİM amounting to TL 3.000.000 (31 December 2023: TL 3.000.000).

As of the balance sheet date, the maturity of the Company's time deposits is between 35 days and 250 days (December 31, 2023 - between 35 days and 250 days). Annual interest rates of time deposits in foreign currency are as follows:

	December 31, 2024	December 31, 2023
Foreign currency /TL	Annual interest rate (%)	Annual interest rate (%)
TL	38 - 49,65	20 - 48
Euro	0 - 0	0,01 - 3,5
US Dollar	0,01 - 2,25	0,01 - 5,25

Foreign currency denominated cash and cash equivalents are disclosed in Note 4 (a) iii.

15. CAPITAL

15.1 Distributions to partners; amounts of the organization's transactions with partners and within partners:

None (31 December 2023: None).

15.2 Legal reserves

The legal reserves are divided into first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in/issued share capital. The second legal

reserve is appropriated at the rate of 10% of all dividend distributions in excess of 5% of the Company's paid-in/issued share capital. Under the Turkish Commercial Code, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in/issued capital.

Movements of legal reserves during the period are as follows:

	January 1 - December 31, 2024	January 1 - December 31, 2023
Beginning of Period	110.838.023	110.838.023
Transfer from retained earnings	-	-
End of Period	110.838.023	110.838.023

Valuation of financial assets:

Unrealized gains and losses and tax effects arising from changes in the fair value of available-for-sale financial assets are recognized in equity under "Valuation of Financial Assets".

Movements in the valuation of financial assets during the accounting period are as follows. These amounts are presented net of deferred tax effect in equity.

	January 1 - December 31, 2024	January 1 - December 31, 2023
Beginning of Period	10.125.500	(25.157.425)
Change in fair value and effect of sales	(174.741.886)	(36.053.216)
Deferred tax related to fair value gains (Note 21)	141.990.233	71.336.141
End of Period	(22.626.153)	10.125.500

Other profit reserves:

As of 31 December 2024, TL 15.171.396 (31 December 2023: 63.339.028) of Other Profit Reserves amounting to TL 1.579.661.405 in the Shareholders' Equity account represents the Earthquake Loss Provisions in the balance sheet as of 31 December 2006 and the income obtained from these provisions until 14 June 2007 and recorded in the related provisions, TL 1.564.490.009 (31 December 2023: 1.120.084.935) represents the revaluation income related to the properties in use.

Other capital reserves:

None (31 December 2023 - None).

Special funds

75% of the profits arising from the sale of participation shares held for at least two years and 25% of the profits arising from the sale of real estates are exempt from tax, provided that they are added to capital as stipulated in the Corporate Tax Law or kept in equity for 5 years.

As of 31 December 2024, the balance of the special funds account is TL (51.221.430). Actuarial loss and deferred tax effect amounting to TL (51.221.430) (31 December 2023: TL 24.525.042) is recognized in the special funds account.

15.3 Capital movements

As of 31 December 2024, the Company's share capital consists of 1.690.098.161 (31 December 2023: 350.000.000) shares with a nominal value of TL 1 per share.

Other detailed information about the Company's share capital is disclosed in Footnote 2.13.

15.4 Solvency

The Company's solvency results calculated in accordance with the "Regulation on the Amendment to the Regulation on Measurement and Assessment of Solvency of Insurance, Reinsurance and Pension Companies" published in the Official Gazette dated March 1, 2009 and numbered 27156 by the Republic of Turkey Ministry of Treasury and Finance are given in the table below.

	December 31, 2024	December 31, 2023
Accepted capital	4.845.109.941	2.364.371.865
Amount of equity required for the company	3.669.514.266	2.172.920.035
Solvency Result	1.175.595.675	191.451.830

16. OTHER PROVISIONS AND CAPITAL COMPONENT OF DISCRETIONARY PARTICIPATION

Information on other reserves included in shareholders' equity is disclosed in Footnote 15.

17. INSURANCE LIABILITIES AND REINSURANCE ASSETS

17.1 Collateral amounts required to be provided by the Company for life and non-life branches and collateral amounts provided for life and non-life branches by assets:

	December 31, 2024	December 31, 2023
Amount of collateral required for non-life branches	1.223.971.422	1.091.138.195
Collateral amount for non-life branches (*)	2.576.034.081	1.414.599.648

(*) As of December 31, 2024, the collateral amounts to be established are calculated by using the Solvency Table as of 31 December 2023. In accordance with Article 4 of the "Regulation on the Financial Structure of Insurance, Reinsurance and Pension Companies" published in the Official Gazette dated August 7, 2007 and numbered 26606, issued in accordance with the Insurance Law, the Minimum Guarantee Fund of insurance companies and pension companies operating in the life and personal accident branch cannot be less than one third of the total minimum capital amount. For non-life insurance branches, the minimum guarantee fund is established as collateral during the solvency calculation period.

17.2 Number of life insurance policies of the Company, and the number and mathematical provisions of life and current life policyholders who entered and left during the reporting period: None (31 December 2023 - None).

17.3 Amount of insurance coverage given to non-life insurances by branches: Explained in Footnote 4.

17.4 Pension investment funds established by the Company and unit prices: None (31 December 2023 - None).

17.5 Number and amount of participation certificates in portfolio and participation certificates in circulation: None (31 December 2023 - None).

17.6 Portfolio amounts of individual pension and group pension participants who entered, left, canceled and existing during the period: None (31 December 2023 - None).

17.7 Valuation methods used in the calculation of profit share in profit sharing life insurances: None (31 December 2023 - None).

17.8 Distribution of the number of new private pension participants and their gross and net contributions as individual and corporate: None (31 December 2023 - None).

17.9 Distribution of the number of private pension participants transferred from another company during the period and their gross and net participation shares as individual and corporate: None (31 December 2023 - None).

17.10 Number of private pension participants who switched from the Company's life insurance portfolio to private pension during the period and their gross and net participation shares as individual and corporate: None (31 December 2023 - None).

17.11 Number of individual pension participants who left the Company's portfolio during the period and transferred to another company or did not transfer to another company, and distribution of their gross and net participation shares as individual and corporate: None (31 December 2023 - None).

17.12 Distribution of the number of new life insurance policyholders and their gross and net premiums as individual and group during the period: None (31 December 2023 - None).

17.13 Number of life insurance policyholders leaving the portfolio during the period, gross and net premiums and mathematical reserves as individual and group: None (31 December 2023 - None).

17.14 Dividend distribution rate to life policyholders during the period: None (31 December 2023 - None).

17.15 Amounts arising from insurance contracts:

	December 31, 2024	December 31, 2023
Gross insurance technical provisions		
Provision for unearned premiums	10.276.778.181	5.921.328.245
Provision for outstanding claims and compensations	7.201.897.326	5.610.780.618
Provision for unexpired risks	122.074.910	90.896.368
Provision for bonuses and discounts	6.669.887	2.567.133
Equalization provision	600.493.642	273.186.227
Total	18.207.913.946	11.898.758.591
Reinsurers' share in insurance technical provisions		
Provision for unearned premiums (Note 10)	(2.396.811.612)	(1.499.453.305)
SSI share of reserve for unearned premiums (Note 10)	(192.151.282)	(110.240.680)
Provision for outstanding claims and compensations (Note 10)	(2.558.288.408)	(2.186.332.188)
Provision for unexpired risks	(10.110.642)	(10.955.579)
Equalization provision	(431.655.851)	(197.239.970)
Total	(5.589.017.795)	(4.004.221.722)
Net insurance technical provisions		
Provision for unearned premiums	7.687.815.287	4.311.634.261
Provision for outstanding claims and compensations	4.643.608.917	3.424.448.430
Provision for unexpired risks	111.964.268	79.940.789
Provision for bonuses and discounts	6.669.887	2.567.132
Equalization provision	168.837.791	75.946.257
Total	12.618.896.151	7.894.536.869

Movement of provision for outstanding claims in the reporting period

	January 1 - December 31, 2024			January 1 - December 31, 2023		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of Period	5.610.780.619	(2.186.332.189)	3.424.448.430	3.163.789.639	(1.043.715.170)	2.120.074.469
Claims paid	(8.638.146.073)	1.388.267.919	(7.249.878.154)	(5.926.522.572)	1.491.911.674	(4.434.610.898)
Outstanding claims for the current period	10.229.262.780	(1.760.224.138)	8.469.038.641	8.373.513.551	(2.634.528.692)	5.738.984.859
End of Period	7.201.897.326	(2.558.288.408)	4.643.608.917	5.610.780.618	(2.186.332.188)	3.424.448.430

	January 1 - December 31, 2024			January 1 - December 31, 2023		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Incurred and reported claims	2.176.803.059	(1.997.580.460)	179.222.600	2.250.239.758	(1.708.884.485)	541.355.273
Incurred but not reported claims	5.025.094.266	(560.707.949)	4.464.386.318	3.360.540.860	(477.447.703)	2.883.093.157
End of Period	7.201.897.326	(2.558.288.408)	4.643.608.917	5.610.780.618	(2.186.332.188)	3.424.448.430

Movement of provision for unearned premiums in the reporting period:

	January 1 - December 31, 2024			January 1 - December 31, 2023		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of Period	5.921.328.245	(1.609.693.985)	4.311.634.260	3.399.961.527	(925.378.818)	2.474.582.709
Increase/(decrease)						
- Current period provision for unearned premiums	9.706.907.001	(2.406.435.813)	7.300.471.188	3.005.045.902	(737.186.729)	2.267.859.173
- Provision for unearned premiums in prior years	(5.351.457.065)	1.427.166.905	(3.924.290.160)	(483.679.184)	52.871.563	(430.807.621)
End of Period	10.276.778.181	(2.588.962.893)	7.687.815.288	5.921.328.245	(1.609.693.984)	4.311.634.261

Movement of equalization provision in the reporting period:

	January 1 - December 31, 2024			January 1 - December 31, 2023		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of Period	273.186.227	(197.239.970)	75.946.257	444.205.127	(305.011.469)	139.193.658
Provision for the period	339.460.226	(241.567.342)	97.892.884	196.150.977	(144.633.012)	51.517.965
Earthquake claims paid during the period	(446.516)	121.499	(325.017)	(368.733.011)	252.827.141	(115.905.870)
Outstanding change in earthquake claims	(11.706.295)	7.029.962	(4.676.333)	1.563.134	(422.630)	1.140.504
End of Period	600.493.642	(431.655.851)	168.837.791	273.186.227	(197.239.970)	75.946.257

As of 31 December 2024, net technical provisions denominated in foreign currency are disclosed in Note 4 (a) iii.

Movement of provision for bonuses and discounts in the reporting period:

	January 1 - December 31, 2024			January 1 - December 31, 2023		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of Period	2.567.132	-	2.567.132	3.052.961	-	3.052.961
Provision for the period	4.547.088	-	4.547.088	6.831.241	-	6.831.241
Paid during the period	(444.333)	-	(444.333)	(7.317.070)	-	(7.317.070)
End of Period	6.669.887	-	6.669.887	2.567.132	-	2.567.132

Movement of provision for unexpired risks in the reporting period:

	January 1 - December 31, 2024			January 1 - December 31, 2023		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Beginning of Period	90.896.368	(10.955.579)	79.940.789	162.790.224	(34.383.864)	128.406.340
Net change	31.178.542	844.937	32.023.479	(71.893.856)	23.428.305	(48.465.551)
End of Period	122.074.910	(10.110.642)	111.964.268	90.896.368	(10.955.579)	79.940.789

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The Company's claim development table as of 31 December 2024 and 31 December 2023 is as follows with the final claim cost estimates:

Year of Notice	Accident Year								Total
	Dec 31, 2017 and before	Jan 1, 2018 - Dec 31, 2018	Jan 1, 2019 - Dec 31, 2019	01 Ocak 2020 - 31 Aralık 2020	Jan 1, 2021 - Dec 31, 2021	Jan 1, 2022 - Dec 31, 2022	Jan 1, 2023 - Dec 31, 2023	Jan 1, 2024 - Dec 31, 2024	
Accident year	367.503.301	73.443.798	107.460.346	44.939.842	73.613.707	104.818.478	193.604.117	731.237.500	1.686.621.089
1 year later	97.886.328	46.432.250	31.100.187	29.066.203	33.419.011	51.538.793	185.426.272	-	474.869.044
2 years later	66.155.646	20.845.817	17.234.857	20.636.824	18.292.280	38.405.907	-	-	179.571.331
3 years later	32.416.305	29.738.163	9.182.649	5.912.449	9.574.262	-	-	-	86.823.828
4 years later	53.420.615	12.116.378	10.105.683	7.481.983	-	-	-	-	83.124.659
5 years later	39.465.147	13.663.987	5.697.519	-	-	-	-	-	58.826.653
6 years later	27.228.047	5.182.997	-	-	-	-	-	-	32.411.044
7 years later	47.437.069	-	-	-	-	-	-	-	47.437.069
Total outstanding claims based on claim development table	731.512.458	201.423.390	180.781.241	108.037.301	134.899.260	192.763.178	379.030.389	731.237.500	2.659.684.717
Incurred but not reported claims									4.464.386.318
Outstanding claims provision for contracts received									470.287.512
Provision for outstanding claims quota share (2007 and before)									(25.491)
Excess of Loss									(53.000.826)
Cut Off									31.298
Recoverable Outstanding Claims									(259.119.679)
Discounting arising from cash flows									(2.638.614.932)
As of 31 December 2024, total provision for outstanding claims and compensations									4.643.808.917

Year of Notice	Accident Year								Total
	Dec 31, 2016 and before	Jan 1, 2017 - Dec 31, 2017	Jan 1, 2018 - Dec 31, 2018	01 Ocak 2019 - 31 Aralık 2019	Jan 1, 2020 - Dec 31, 2020	Jan 1, 2021 - Dec 31, 2021	Jan 1, 2022 - Dec 31, 2022	Jan 1, 2023 - Dec 31, 2023	
Accident year	1.878.502.900	10.830.658	623.484	437.401	16.231	70.143	215.460	42.153.031	1.932.849.308
1 year later	14.608.570	2.699.503	250.561	6.271	1.446	15.709	631.400	-	18.213.460
2 years later	11.312.761	2.158.055	620.568	122.521	-	41.861	-	-	14.255.766
3 years later	4.428.954	1.273.080	493.918	135.089	67.346	-	-	-	6.388.287
4 years later	3.849.121	632.977	113.980	37.194	-	-	-	-	4.633.272
5 years later	6.858.274	2.252.390	192.947	-	-	-	-	-	9.303.611
6 years later	6.209.424	454.534	-	-	-	-	-	-	6.663.958
7 years later	2.693.291	-	-	-	-	-	-	-	2.693.291
Total outstanding claims based on claim development table	1.928.463.295	20.301.197	2.295.358	738.476	85.023	127.713	846.860	42.153.031	1.995.000.953
Incurred but not reported claims									2.883.093.157
Outstanding claims provision for contracts received									319.640.708
Provision for outstanding claims quota share (2007 and before)									(25.491)
Excess of Loss									(93.855.243)
Cut Off									31.298
Recoverable Outstanding Claims									(203.970.053)
Discounting arising from cash flows									(1.475.466.899)
As of 31 December 2023, total provision for outstanding claims and compensations									3.424.448.430

18. INVESTMENT CONTRACT LIABILITIES

None (31 December 2023 - None).

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19. TRADE AND OTHER PAYABLES, DEFERRED INCOME

The Company's payables from main operations as of 31 December 2024 and 31 December 2023 are as follows:

	December 31, 2024	December 31, 2023
Payables from insurance operations	612.240.227	429.456.663
Payables to policyholders/intermediaries	612.240.227	429.456.663
Payables from reinsurance operations	1.659.912.786	1.187.866.615
Payables to reinsurance companies	1.172.464.611	206.974.482
Payables to intermediaries	155.897.708	167.636.010
Payables to insurance companies	331.550.467	813.256.123
Taxes and other similar liabilities payable	582.245.390	151.228.752
Taxes and funds payable	173.485.915	106.701.232
Provision for tax payable	329.785.781	-
Social security deductions payable	17.246.475	9.516.050
Other taxes and similar liabilities payable	61.727.220	35.011.470
Deposits received	56.304	56.304
Deposits received	56.304	56.304
Other payables	973.185.906	568.359.465
Deposits and guarantees received	48.610.934	41.857.195
Payables to SSI related to treatment expenses	117.472.489	59.437.716
Payables to sellers	801.998.736	464.214.805
Other payables	5.104.244	2.850.246
Rediscount on other payables	(497)	(497)
Provision for Cost Expenses	329.439.983	203.497.197
Provision for Cost Expenses	329.439.983	203.497.197
Total	4.157.080.596	2.540.464.996

As at 31 December 2024 and 31 December 2023, trade and other payables denominated in foreign currencies are disclosed in footnote 4 (a) ii.

The details of the Company's deferred income and expense accruals as of 31 December 2024 and 31 December 2023 are as follows:

	December 31, 2024	December 31, 2023
Deferred commission income	438.527.027	319.667.570
Total	438.527.027	319.667.570

20. FINANCIAL LIABILITIES

IFRS 16 "Leases" Standard was published by POA on 16 April 2018 and started to be applied as of 1 January 2022. Within the scope of this standard, the Company's obligations related to leases have started to be presented under Other Financial Payables (Liabilities). The Company does not have any financial liabilities other than TRFS 16 Leases.

As of 31 December 2024, the Company has a financial liability of TL 9.558.722 (31 December 2023: TL 8.298.747) under TRFS 16 Leases standard.

21. DEFERRED INCOME TAX

As of 31 December 2024 and 31 December 2023, the temporary differences subject to deferred tax and the distribution of deferred tax assets and liabilities using the effective tax rates are as follows:

	Cumulative temporary differences	Deferred tax assets/ (liabilities)	Cumulative temporary differences	Deferred tax assets/ (liabilities)
	Dec 31, 2024	Dec 31, 2024	Dec 31, 2023	Dec 31, 2023
Deferred tax assets / (liabilities)				
Marketable securities IFRS - TPL Difference	2.288.326	686.498	14.544.941	4.363.482
Marketable securities valuation	31.642.037	9.492.611	(14.464.999)	(4.339.500)
Provision for doubtful receivables	29.833.934	8.950.180	35.983.988	10.795.196
Provision for unexpired risks	111.964.268	33.589.280	79.940.789	23.982.237
Provision for leave	25.951.072	7.785.322	14.661.522	4.398.457
BITT Provision	24.381.210	7.314.363	21.524.405	6.457.321
TAS21 foreign exchange effect	3.232.532	969.759	-	-
Personnel bonus & gratuity provision	103.497.500	31.049.250	54.901.694	16.470.508
IBNR Difference	10.255.631	3.076.689	9.911.715	2.973.515
Provision for recourse and salvage receivables	29.205.535	8.761.661	14.126.816	4.238.045
Social welfare fund deficit	3.569.436	1.070.831	3.569.436	1.070.831
Provision for employment termination benefits	55.799.710	16.739.913	42.264.141	12.679.242
Provision for impairment of marketable securities	88.146	26.444	88.146	26.444
Fixed asset depreciation differences	(19.165.018)	(5.749.505)	(34.446.584)	(10.333.975)
Provision for bonuses and discounts	6.669.887	2.000.966	2.567.132	770.140
TFRS 16 Leases	2.377.856	713.357	(1.078.234)	(323.470)
Incentive commission accrual	100.869.945	30.260.983	58.650.764	17.595.229
Prov. for Starstone reinsurance claims receivable	58.964.243	17.689.273	49.279.962	14.783.989
Provision for agency meeting expenses	2.742.900	822.870	18.000.000	5.400.000
Other provisions	63.365.396	19.009.619	22.664.777	6.799.433
Earnings from investment funds	(292.665)	(87.800)	-	-
Increase in value of property held for use	892.958.380	200.915.635	347.394.354	78.163.729
Purchased real estate cost difference	-	-	41.882.294	12.564.688
Deductible financial losses	-	-	156.260.746	46.878.224
Total deferred tax assets		395.088.199		255.413.765

As of 31 December 2024, tax rate is used as 30% in deferred tax calculations (31 December 2023: 30%).

The movement table of deferred tax assets is as follows:

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Beginning of period	255.413.765	262.512.145
Deferred tax effect recognized in equity (Note 15)	141.990.233	71.336.141
Deferred tax income / (expense)	(2.315.798)	(78.434.521)
End of period	395.088.200	255.413.765

22. PENSION BENEFIT LIABILITIES

Under the Turkish Labor Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires. The amount payable consists of one month's salary limited to a maximum of TL 46.655 for each year of service as of 31 December 2024 (31 December 2023 - TL 23.490). As of 31 December 2024, the Company has calculated the related liability in accordance with TAS 19 and recognized a severance pay liability amounting to TL 55.799.710 (31 December 2023 - TL 42.264.141).

Provision for employment termination benefits is recognized by calculating the present value of the future probable obligation of the Company arising from the retirement of the employees. Accordingly, the actuarial assumptions used to calculate the liability as of 31 December 2024 and 31 December 2023 are as follows:

	December 31, 2024	December 31, 2023
Discount rate	3,00%	3,55%
Estimated salary increase rate	24,00%	9,11%

For the periods ended 1 January - 31 December 2024 and 2023, provision for employment termination benefits is as follows:

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Beginning of period	42.264.141	45.756.853
Paid during the period	(18.125.176)	(35.094.282)
Actuarial loss/(gain)	18.020.721	19.659.066
Provision for the current period	13.640.024	11.942.504
End of period	55.799.710	42.264.141

For the periods ended 1 January - 31 December 2024 and 2023, the movements in the provision for social assistance fund asset deficit are as follows:

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Beginning of period	3.569.436	3.569.436
(Income) expense for the period, net	-	-
End of period	3.569.436	3.569.436

For the periods ended 1 January - 31 December 2024 and 2023, the movement of leave provision is as follows:

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Beginning of period	14.661.522	11.693.466
Period expense	11.289.550	2.968.056
	25.951.072	14.661.522

23. OTHER LIABILITIES AND PROVISIONS FOR EXPENSES

23.1 Provisions for personnel social security and others:

The Company's employees are members of T. Genel MAPFRE Sigorta A.Ş. Memur ve Hizmetlileri Emeklilik ve Yardım Sandığı ("Fund") which was established in accordance with the provisional article 20 of the Social Insurance Law numbered 506. In accordance with the legal regulations detailed in Note 2, the Company has determined the deficit to be calculated by using actuarial methods in accordance with the methods determined within the framework of the aforementioned legal regulations during the transfer of the Fund to SSI and reflected the provision for the deficit in the financial statements as TL 3.569.436 in accordance with TAS 37 (31 December 2023: TL 3.569.436).

23.2 Provision for cost expenses

	December 31, 2024	December 31, 2023
Provision for incentive commission	100.869.945	99.807.472
Personnel gratuities and bonuses provision	103.497.500	54.901.694
Other provisions	125.072.534	48.788.031
Total	329.439.983	203.497.197

23.3 Total amount of commitments not included in liabilities:

Commitments not included in liabilities are disclosed in footnote 43.

24. NET INSURANCE PREMIUM INCOME

The details of the Company's net insurance premiums written for the years ended 31 December 2024 and 2023 are as follows:

	January 1 - December 31, 2024			January 1 - December 31, 2023		
	Gross	Reinsurer share	Net	Gross	Reinsurer share	Net
Land vehicles	1.271.551.023	(3.294.938)	1.268.256.085	835.968.528	(2.893.505)	833.075.023
Land vehicles liability	4.807.997.117	(3.999.664.073)	4.408.333.044	2.413.580.057	(269.879.047)	2.143.701.010
Financial losses	22.190.455	(16.244.955)	5.945.500	14.139.803	(11.168.002)	2.971.801
Fire and natural disasters	3.747.112.250	(3.066.052.551)	681.059.699	2.153.279.259	(1.649.191.502)	504.087.757
General losses	1.718.131.874	(1.371.850.516)	346.281.358	1.218.420.167	(954.025.309)	264.394.858
Disease/health	6.432.297.590	-	6.432.297.590	3.729.249.442	-	3.729.249.442
Transportation	316.388.633	(90.292.798)	226.095.835	247.190.725	(73.351.567)	173.839.158
Accident	252.332.506	(4.207.988)	248.124.518	161.337.824	(2.604.413)	158.733.411
General liability	337.773.964	(111.846.754)	225.927.210	238.826.994	(98.294.274)	140.532.720
Water vehicles	210.031.186	(155.255.446)	54.775.740	138.362.539	(104.229.650)	34.132.889
Air vehicles	2.032.410	(2.027.329)	5.081	1.817.651	(1.813.107)	4.544
Air vehicles liability	530.407	(529.081)	1.326	483.017	(481.809)	1.208
Legal Protection	1.034.009	-	1.034.009	698.424	-	698.424
Surety	8.566.695	(2.345.665)	6.221.030	6.404.897	(1.821.680)	4.583.217
Life	-	-	-	-	-	-
Total premium income	19.127.970.119	(5.223.612.095)	13.904.358.025	11.159.759.327	(3.169.753.865)	7.990.005.462

25. DUES (FEE) REVENUES

None (31 December 2023 - None).

26. INVESTMENT INCOME AND EXPENSES

The details of the Company's investment income and expenses for the years ended 31 December 2024 and 2023 are as follows:

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Investment Management Expenses		
Investment Management Expenses	(7.113.858)	(1.730.300)
Total Investment Management Expenses	(7.113.858)	(1.730.300)
Depreciation Expenses		
Depreciation Expenses	(131.847.556)	(72.487.357)
Total Depreciation Expenses	(131.847.556)	(72.487.357)
Foreign Exchange Losses		
Foreign exchange loss on current transactions	(246.896.941)	(829.520.317)
Other foreign exchange losses	(46.463)	(116.001)
Loss on sale of foreign currency	(1.472.937)	(1.450.373)
Foreign exchange loss on foreign currency deposits	(25.191.150)	(69.644.638)
Total Foreign Exchange Losses	(273.607.491)	(900.731.329)
Investment Income Transferred to Non-Life Technical Department		
Government Bond Income	(289.172.407)	(78.864.926)
Repo Income	(11.702.201)	-
Treasury Bills	-	(464.009)
Time Deposit Income	(1.848.723.283)	(730.669.093)
Private Sector Bonds	(59.200.044)	-
Income from Real Estate	(14.144.682)	(20.270.711)
Investment Fund Participation Certificates (-)	(87.675.683)	-
Total Investment Income Transferred to Non-Life Technical Department	(2.310.618.300)	(830.268.739)
Total	(2.723.187.205)	(1.805.217.725)

(* Investment income transferred to non-life technical segment is calculated in accordance with the "Circular on the Procedures and Principles of the Keys Used in the Financial Statements Prepared in Accordance with the Insurance Uniform Chart of Accounts" issued by the Republic of Turkey Ministry of Treasury and Finance on 4 January 2008.

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Income from Financial Investments		
Available-for-sale financial assets	211.182.013	82.759.598
Interest income from time deposits	2.086.604.601	750.698.072
Total Income from Financial Investments	2.297.786.614	833.457.670
Income from Cash Conversion of Financial Investments		
Available-for-sale financial assets	-	476.728
Total Income from Cash Conversion of Financial Investments	-	476.728
Evaluation of Financial Investments		
Available-for-sale financial assets	294.181.835	(1.732.840)
Total Evaluation of Financial Investments	294.181.835	(1.732.840)
Foreign Exchange Gains		
Foreign exchange gain on foreign currency deposits	390.909.271	1.271.726.329
Foreign exchange gain on current transactions	267.778.575	926.299.583
Gain on sale of foreign currency	1.488.805	1.459.439
Other foreign exchange gains	246.248	303.730
Total Foreign Exchange Gains	660.422.899	2.199.789.081
Income from subsidiaries		
Income from subsidiaries and associates	128.874.589	805.426
Income from Subsidiaries	128.874.589	805.426
Income from Land and Buildings		
Rent	15.567.045	11.676.789
Sale	397.680	9.145.096
Total Income from Land and Buildings	15.964.725	20.821.885
Total	3.397.230.661	3.053.617.950

27. NET ACCRUED INCOME ON FINANCIAL ASSETS

As of 31 December 2024 and 2023, income and expense information related to government bonds and private sector bonds followed under available-for-sale financial assets are as follows;

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Available-for-sale government bonds	170.038.127	(1.732.840)
Available-for-sale private sector bonds	38.364.759	-
Other financial assets	85.778.949	-
Total	294.181.835	(1.732.840)

28. ASSETS AT FAIR VALUE THROUGH INCOME STATEMENT

None (31 December 2023 - None).

29. INSURANCE RIGHTS AND CLAIMS

Disclosed in footnote 17, insurance liabilities and reinsurance assets.

30. INVESTMENT CONTRACT RIGHTS

None (31 December 2023 - None).

31. OTHER NECESSARY EXPENSES

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Operating expenses classified under non-life technical segment	(2.725.772.070)	(1.623.131.477)
Operating expenses classified under non-technical segment	(131.847.556)	(72.487.357)
Total	(2.857.619.626)	(1.695.618.834)

32. TYPES OF EXPENSES

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Personnel expenses	(930.362.508)	(526.743.844)
Net commission expense	(1.260.508.007)	(755.166.455)
General administrative expenses	(199.434.799)	(134.931.078)
Marketing and selling expenses	(61.226.212)	(32.306.753)
Expenses for outsourced benefits and services	(202.052.475)	(130.080.415)
Other	(72.188.069)	(43.902.932)
Total	(2.725.772.070)	(1.623.131.477)

33. EMPLOYEE BENEFIT EXPENSES

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Salaries	(785.773.550)	(404.224.580)
Severance payment	(18.125.176)	(35.094.282)
Social benefits	(79.382.950)	(53.902.243)
Other	(47.080.832)	(33.522.739)
Total	(930.362.508)	(526.743.844)

34. FINANCE COSTS

As of 31 December 2024, interest and depreciation expense arising from the leases subject to TFRS 16 Leases is as follows.

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Interest Expense	(7.113.858)	(1.730.300)
Depreciation Expense	(5.033.379)	(6.030.398)
Total	(12.147.237)	(7.760.698)

34.2 Portion of current period's financial expenses related to shareholders, subsidiaries and associates (Amounts exceeding 20% of the total amount will be disclosed separately):
(31 December 2023 - None).

34.3 Sales and purchases with shareholders, subsidiaries and associates (Shares exceeding 20% of the total amount shall be disclosed separately):

	January 1 - December 31, 2024			
	Reinsurance commission received/(given)	Reinsurance premium received/(given) on claims	(Ceded)/acquired reinsurance premium	Other
MAPFRE Re Compañia Reaseguros S.A.	499.850.798	1.058.706.333	(3.602.046.283)	-
Total	499.850.798	1.058.706.333	(3.602.046.283)	-

	January 1 - December 31, 2023			
	Reinsurance commission received/(given)	Reinsurance premium received/(given) on claims	(Ceded)/acquired reinsurance premium	Other
MAPFRE Re Compañia Reaseguros S.A.	328.417.070	1.182.987.892	(2.154.512.646)	-
Total	328.417.070	1.182.498.385	(2.154.512.646)	-

34.4 Interest, rent and similar amounts received from and paid to shareholders, subsidiaries and associates (Amounts exceeding 20% of the total amount will be disclosed separately):

Disclosed in footnote 45.

35. INCOME TAXES

The Company's activities are subject to the tax legislation and practices in force in Turkey.

With the amendment made to the first paragraph of Article 32 of the Law No. 5520 titled Corporate tax and provisional tax rate with Article 25 of the Law No. 7394 dated April 6, 2020, it was ruled that the corporate tax rate of banks, financial leasing, factoring, financing and savings financing companies, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will be applied as 25% on corporate earnings. However, due to the compensation of the economic losses caused by the earthquakes that occurred on February 6, 2023, it was decided to apply the corporate tax rate as 30% for insurance companies with the law numbered 7456 (December 31, 2023: 30%). Within the scope of this change, deferred tax assets and liabilities in the solo financial statements as of December 31, 2024 are calculated with a rate of 30% for the tax effect of temporary differences.

According to the Corporate Tax Law, tax losses carried forward can be deducted from the corporate tax base for a period not exceeding 5 years. Declarations and related accounting records can be examined by the tax office within five years and tax accounts can be revised. Dividend payments from joint stock companies resident in Turkey to non-resident and non-resident real persons and non-resident legal entities are subject to 15% income tax, except for those who are not liable for corporate and income tax and those who are exempted from corporate and income tax.

Dividend payments made from joint stock companies resident in Turkey to joint stock companies also resident in Turkey are not subject to income tax. In addition, income tax is not calculated if the profit is not distributed or added to capital.

Dividend income derived by corporations from participation in the capital of another corporation subject to full taxation (except for dividends derived from investment funds participation certificates and investment trusts shares) are exempt from corporate tax. In addition, as of December 31, 2017, 75% of the gains arising from the sale of founders' shares, redeemed shares and preemptive rights of founders' shares, redeemed shares and immovable properties owned by corporations for at least two full years are exempt from corporate tax. However, with the amendment made to the relevant law, this rate was reduced from 50% to 25% for immovable properties and this rate is used as 25% in tax returns to be prepared starting from 2023.

In order to benefit from the exemption, the gain in question must be kept in a fund account in liabilities and must not be withdrawn from the business for 5 years. The sales price must be collected until the end of the second calendar year following the year of sale.

In Turkey, there is no practice of reconciliation with the tax administration regarding the taxes to be paid. Corporate tax returns are filed within four months following the close of the accounting period. Tax authorities may examine the tax returns and the underlying accounting records for five years following the accounting period and may make a re-assessment based on their findings.

As of 31 December 2024 and 31 December 2023, prepaid taxes and tax provision are as follows:

	December 31, 2024	December 31, 2023
Provision for tax payable	329.785.781	-
Prepaid tax	(371.262.818)	(56.965.008)
Tax payable / (to be deducted)	(41.477.037)	(56.965.008)

As of 31 December 2024 and 2023, the analysis of tax expense provision reflected in the income statement is as follows:

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Profit before tax (including deferred tax)	1.889.399.084	722.864.946
Deferred tax income/expense	2.315.798	78.434.521
Additions/discounts to the base	(792.428.946)	(957.560.213)
	1.099.285.936	(156.260.746)
Tax rate	%30	%30
Provision for corporate tax	(329.785.781)	-
Deferred tax income/expense	(2.315.798)	(78.434.521)
Current tax expense, net deferred tax income	(332.101.579)	(78.434.521)

36. NET FOREIGN EXCHANGE GAINS/LOSSES

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Foreign exchange gain/loss on foreign currency deposits	365.718.121	1.202.081.691
Foreign exchange gain/loss on current transactions	20.881.634	96.779.266
Gain on sale of foreign currency	15.868	9.065
Foreign exchange gain/loss on other transactions	199.785	187.730
Total Foreign Exchange Gains	386.815.408	1.299.057.752

37. EARNINGS PER SHARE

37.1 Earnings per share and dividend rates, provided that they are disclosed separately for ordinary and privileged shares:

Earnings per share is calculated by dividing net profit for the period by the weighted average number of shares outstanding during the period. The calculation is as follows:

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Net current period profit	1,559,613.303	722,864,946
Weighted average number of shares with a nominal value of TL 1 each	1,690,098,161	350,000,000
Earnings/(loss) per share (TL)	0,92	2,07

38. DIVIDEND PER SHARE

Dividend per share is calculated by dividing the dividend paid during the year by the weighted average number of shares of the Company during the period. The calculation is as follows:

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
Dividends distributed during the period	-	-
Weighted average number of shares with a nominal value of TL 1 each	1,690,098,161	350,000,000
Earnings per share (TL)	-	-

39. CASH GENERATED FROM OPERATING ACTIVITIES

Cash generated from operating activities is disclosed in the Statement of Cash Flows.

40. CONVERTIBLE BONDS

None.

41. REDEEMABLE PREFERENCE SHARES

None.

42. RISKS

The lawsuits filed against the Company as of 31 December 2024 and 31 December 2023 are as follows:

	December 31, 2024	December 31, 2023
Damage cases	3,213,659,129	2,196,283,153
Labor cases	963,223	1,137,086
Other cases	3,339,152	1,758,036
Total	3,217,961,504	2,199,178,275

43. COMMITMENTS

	December 31, 2024	December 31, 2023
Letters of guarantee	446,295,630	360,191,917
	446,295,630	360,191,917

44. BUSINESS MERGERS

None (31 December 2023 - None).

45. TRANSACTIONS WITH RELATED PARTIES

A related party is defined as an entity that has the ability to control or significantly influence the other party, either directly or indirectly, through shareholding, contractual rights, family relationships or similar means. Related parties also include shareholders and management of the Company. Related party transactions involve the transfer of resources and liabilities between related parties, whether or not a price is charged. As of December 31, 2024, the related parties of the shareholders and the Company management are defined as related parties in the financial statements and related explanatory notes.

As of December 31, 2024 and 2023, sales and purchases with other related parties of the Company are as follows:

Sales and purchases with shareholders and subsidiaries are disclosed in footnote 34.3.

	Jan 1 - Dec 31, 2024	Jan 1 - Dec 31, 2023
	Purchases/sales (Net)	Purchases/sales (Net)
1- Insurance activities		
MAPFRE Yaşam	-	(585,711)
Total Insurance Activities	-	(585,711)
2- Rental income		
MAPFRE Yaşam	-	398,275
Genel Servis Yedek Parça Dağ. Tic. A.Ş.	-	(1,305,412)
Total Rental Income	-	(907,137)
3- Other Sales / Purchases		
MAPFRE S.A.	(45,972,931)	(34,046,021)
MAPFRE Tech	(68,375,854)	(50,880,889)
MAPFRE Internacional	-	(118,276)
MAPFRE Yaşam Sigorta A.Ş.	-	5,121
Genel Sigorta Memur ve Hiz. Emeklilik ve Yardım Sand. Vakfı	23,552,876	11,980,548
Genel Servis Yedek Parça Dağ. Tic. A.Ş.	-	(8,060,223)
MAPFRE Argentina Seguros	-	(161,892)
MAPFRE Mexico S.A.	(810,812)	(296,275)
Other Sales/Purchases Total	(91,606,721)	(81,577,907)

45.1 Doubtful receivables from shareholders, associates and subsidiaries and their payables: None (31 December 2023 - None).

45.2 Breakdown of subsidiaries and affiliates that have an indirect capital and management relationship with the Company, the names of the subsidiaries and affiliates included in the subsidiaries and affiliates account, the names of the subsidiaries and affiliates, their shareholding, rates and amounts, the profit or loss for the period, net profit or loss for the period and the period to which these financial statements belong in the latest financial statements of the said subsidiaries, whether they are prepared in accordance with the standards of our Board, whether they have been subjected to independent audit and the type of independent audit report, including positive, negative and conditional:

Other financial fixed assets	December 31, 2024						
	Amount TL	Share (%)	Period	Net profit / (loss) for the period	Equity	Whether it has been independently audited	Independent audit report
Associates							
Tarım Sigortaları Havuz İşletmesi A.Ş. (TARSİM)	4.344.996	3,70	31.12.2024	88.589.014	244.432.458	Not audited	None
	4.344.996			88.589.014	244.432.458		
Other financial fixed assets	December 31, 2023						
	Amount TL	Share (%)	Period	Net profit / (loss) for the period	Equity	Whether it has been independently audited	Independent audit report
Associates							
Tarım Sigortaları Havuz İşletmesi A.Ş. (TARSİM)	1.793.115	3,70	31.12.2023	55.284.925	106.196.442	Not audited	None
Subsidiaries							
MAPFRE Yaşam Sigorta A.Ş.	35.816.506	99,78	31.12.2023	27.886.855	61.343.536	Not audited	None
Genel Servis Yedek Parça Dağıtım Tic. A.Ş.	2.428.025	51,00	31.12.2023	(4.340.845)	(6.654.485)	Not audited	None
	40.037.646			78.830.935	160.885.493		

45.3 Bonus shares obtained from capital increase of associates and subsidiaries from internal resources: None (31 December 2023 - None).

45.4 Rights in kind on immovable property and their values: None (31 December 2023 - None).

45.5 Amount of guarantees, commitments, sureties, advances and endorsements given in favor of shareholders, associates and subsidiaries: None (31 December 2023 - None).

46. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Disclosed in footnote 1.10.

47. OTHER

47.1 The names and amounts of the items in the financial statements that exceed 20% of the total amount of the group to which it belongs or 5% of the total assets of the balance sheet among the items bearing the expression "other":

	December 31, 2024	December 31, 2023
a) Other miscellaneous receivables:		
Creditors of compulsory earthquake insurance	(18.223.168)	(5.336.031)
Debtors from compulsory earthquake insurance	4.171.398	1.305.066
Creditors of state-subsidized agricultural insurance	(2.677.292)	(1.733.450)
Debtors from state-subsidized agricultural insurance	5.114.598	4.486.086
Miscellaneous receivables from agencies	5.634.645	6.705.664
Other	4.097.389	3.757.877
Total	(1.882.431)	9.185.212
b) Other miscellaneous receivables (Long Term):		
Real Estate Sale-Bağcılar	-	-
Real Estate Sales-Mersin	-	-
Total	-	-
b) Other miscellaneous payables:		
Payables to vendors	801.998.736	464.214.805
Other	5.104.244	2.850.246
Total	807.102.980	467.065.051
c) Other technical provisions:		
Equalization provision	168.837.791	75.946.257
Total	168.837.791	75.946.257
d) Expenses for future months/years:		
Deferred commission expenses	1.246.424.504	755.446.068
Excess of loss reinsurance contracts	102.749.001	81.469.200
Rent expenses for the coming months/years	10.403.283	6.988.709
Insurance expenses for the coming months/years	7.751.669	3.501.767
Other expenses and income accruals	18.341.471	18.408.854
Total	1.385.669.927	865.814.598
e) Income for the coming months:		
Deferred commission income	438.527.027	319.667.570
Other expenses and income accruals	-	-
Total	438.527.027	319.667.570
f) Other Miscellaneous Short Term Liabilities		
Provisional collection account	25.637.861	16.915.483
Total	25.637.861	319.667.570

47.2 Separate totals of receivables from personnel and payables to personnel under "Other receivables" and "Other short or long term payables" account items exceeding one percent of the total assets of the balance sheet: None (31 December 2023 - None).

47.3 Amounts related to off-balance sheet recourse receivables: None (31 December 2023 - None).

47.4 Explanatory note showing the amounts and sources of prior period income and expenses and prior period expenses and losses: None (31 December 2023 - None).

47.5 Other notes that should be included

Other income and profits:

	Jan 1 – Dec 31, 2024	Jan 1 – Dec 31, 2023
Agency interest income	291.375	-
Other interest income	7.799.035	1.017.550
Other income	2.896.235	2.159.005
Gain on sale of tangible fixed assets	24.129.199	543.667
Total	35.115.844	3.720.222

Other expenses and losses:

	Jan 1 – Dec 31, 2024	Jan 1 – Dec 31, 2023
Bank virtual pos points and commission	(25.664.936)	(13.886.512)
Banking and insurance transaction expenses	(105.607.508)	(50.532.672)
Non-allowable expenses	(34.013.195)	(4.643.265)
Interest expense	(1.083.275)	(205.426)
Other	(17.749.750)	(8.999.862)
Total	(184.118.664)	(78.267.737)

Gross other technical expenses:

	Jan 1 – Dec 31, 2024	Jan 1 – Dec 31, 2023
Assistance and support services	(150.526.329)	(101.758.617)
SBM and TMTB participation and inquiry fee	(12.251.142)	(6.138.434)
Other	(2.127.998)	(3.067.762)
Total	(164.905.469)	(110.964.813)

Provision and discount expenses for the period:

a) Provision expenses

	Jan 1 – Dec 31, 2024	Jan 1 – Dec 31, 2023
Non-technical provisions		
Other provisions no longer required	55.569	25.155
Provision for doubtful receivables, net	(294.049.812)	(143.021.175)
Provision for employment termination benefits, net (Note 22)	4.485.152	23.151.778
Provision for leave (Note 22)	(11.289.550)	(2.968.056)
Other provisions	(1.407.253)	1.094.740
Total non-technical provisions	(302.205.894)	(121.717.558)
Technical provisions		
Provision for unearned premiums	(3.376.181.027)	(1.837.051.552)
Provision for outstanding claims	(1.219.160.487)	(1.304.373.961)
Provision for unexpired risks (Note 17)	(32.023.479)	48.465.551
Provision for bonuses and discounts	(4.547.087)	(6.831.241)
Other technical provisions (equalization provision) (Note 17)	(92.891.534)	63.247.401
Total technical provisions	(4.724.803.614)	(3.036.543.802)
Tax provision		
Tax provision	(329.785.781)	-
Total tax provision	(329.785.781)	-

b) Rediscount Expenses

	Jan 1 – Dec 31, 2024	Jan 1 – Dec 31, 2023
Rediscount interest expense	-	(3.639.205)
Total	-	(3.639.205)

47.6 Fees for Services Received from Independent Auditor/Independent Audit Firm:

	Jan 1 – Dec 31, 2024	Jan 1 – Dec 31, 2023
Independent auditor's fee for the reporting period	1.505.000	700.000
Total	1.505.000	700.000

