



FUTURE IS ONE TOUCH AWAY

Garanti BBVA Emeklilik
Annual Report
2024



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PRIVATE PENSION SYSTEM WITH ONE TOUCH

As of 2024, Garanti BBVA Pension reached **3.3 million** participants, maintaining its leadership among private companies, while becoming the company with the highest number of new participants into the system. By encouraging participants to start their **Private Pension System (PPS)** journeys, the Company helped them build financial security while offering tailored solutions to meet each individual's unique needs, prioritizing customer satisfaction.



You can scan the QR code for detailed information about the Private Pension System with One Touch.

Introduction

FUTURE IS ONE TOUCH AWAY

In a rapidly changing world, digitalization transforms every aspect of our lives, which is increasingly evident in the pension and life insurance sectors. At Garanti BBVA Pension, our goal is to offer individuals future security, help them take good care of themselves and their loved ones, and offer innovative, fast, and easy solutions to enable them to manage their savings efficiently.

As digitalization takes hold in every area of life, users seek solutions that facilitate their transactions, save time and space, and allow them to access products and services tailored to their needs with just one touch. In line with this understanding, we use our digital channels to help customers monitor their savings instantly and reach their goals with ease. As our customers begin saving with a single touch, we share the excitement of offering them a secure tomorrow.

Our aim is to raise awareness on saving while providing provide financial protection and ensuring that our customers and their loved ones are ready for unexpected risks of life. With just one touch, our life and health insurance products offered on digital platforms empower our customers to secure their future and that of their loved ones.

As a company, we don't simply offer assurance for savings and insurance. We also create a privileged world for our customers that enables them and their families to live life to the fullest in a healthy and meaningful way. With our Live Healthy platform, tens of thousands of customers can enjoy, free of charge or at special prices, a wide variety of

activities, ranging from yoga to healthy eating, meditation to children's workshops, cultural tours to handicrafts. They also gain exclusive, one-touch access to discounts from brands promoting a healthy lifestyle.

We developed the “Future Is One Touch Away” concept as part of this vision, which underlines that a single touch is not only a physical act, but also an emotional and reassuring gesture, and that every touch can mark an important step in shaping someone's life. Sometimes, a single touch can be the beginning of the most significant transformation in someone's journey. People value not only financial resources but also emotional bonds and a sense of security for their loved ones. That's why we ensure our customers can access all our products and services, from the Private Pension System (PPS) and health insurance to life insurance and the Live Healthy platform, through our digital channels in the fastest and easiest way possible. Behind every touch, we carry the responsibility of delivering secure and reliable service. Our digital platforms made it possible for our customers to secure their futures with just one touch, which is why the core message of our 2024 Annual Report is built around the theme: Future Is One Touch Away.

About the Report

INTRODUCTION

The first chapter covers the "Introduction" to "Garanti BBVA Pension's 2024 Annual Report", "About the Report", and opening messages from "the Chairman of Garanti BBVA" and "the CEO of Garanti BBVA Pension."

ABOUT GARANTI BBVA PENSION

The second chapter gives a detailed overview of "Garanti BBVA Pension", "Garanti BBVA" and "Achmea B.V.", the Company's key characteristics, its mission and values, strategic priorities, and partnership and shareholding structure as well as important quantitative data such as the Company's position within the sector. This information highlights the Company's strong position in the sector and its competitive edge.

ACTIVITIES IN 2024

The third chapter presents the Company's successful operations and recent developments in key areas such as the "Private Pension System (PPS)," "Life Insurance," "Health Insurance," and "Bancassurance and Agencies," along with the information and quantitative data related to these areas. This is followed by detailed information about the Company's activities under headings such as "Customer Focus," "Customer-Centric Projects," "Communication Activities," "Fund Developments," "Digital Transformation," "Project Management," and "Live Healthy." Finally, the section "Social Investments and Sustainability" explains the Company's environmental and social values as well as its core principles.

GOVERNANCE AND CORPORATE GOVERNANCE PRACTICES

The fourth chapter includes the Company's "Organizational Chart," "Corporate Governance Bodies," "Attendance at Board of Directors Meetings," and the "Summary Governance Report Submitted to the General Assembly." Moreover, the section "Talent and Culture" provides information about the Company's human resources practices and management strategies.

REPORTS

The final chapter covers the "Data on Financial Structure," "Financial Position," "Profitability and Claims Payment Capacity Assessment," "Board of Directors Commitment Report," "Study on Corporate Governance Principles Compliance," "Five-Year Summary Financial Data," "Independent Auditor's Report on the Board's Annual Report," the "Independent Auditor's Report on the Financial Statements," and the "Financial Statements." At the end of the report, the Company's contact information is available.

Message from the Chairman



DEAR STAKEHOLDERS,

2024 was marked by ongoing uncertainties in the global economy with a persistent search for stability. Following positive signals in inflation, the FED and the European Central Bank initiated interest rate cuts, while China intensified its efforts to boost domestic demand. Potential protectionist policies under the new administration of the USA and the risks posed by increasing international competition are expected to be key factors for the global economy in 2025 and beyond. In Turkey, 2024 was a year where we witnessed the initial effects of balancing measures. With a steadfast commitment to tight monetary policies, inflation entered a downward trend. We anticipate that the interest rate cuts, which began in December, will continue gradually throughout 2025 and be managed proactively in response to inflation dynamics.

In 2024, the Private Pension System (PPS) contributed more significantly to the national economy and societal well-being. Operating smoothly for over two decades, the system has earned the trust of its participants and also evolved beyond a savings mechanism into an important investment tool. Reforms such as redesigning funds to enhance the value of savings, increasing fund diversification, improving returns on government contributions, simplifying deductions, and enabling participants to use their savings as collateral for loans further boosted interest in the system.

Closing 2024 with growth across all areas, the PPS and the Auto Enrolment System (AE) have become one of

Turkey's leading savings instruments with over 19 million participants and a fund size reaching TL 1.2 trillion. Moreover, since 2022, the system has covered 400,000 participants under the age of 18 for savings, which proves the growing awareness among families. As the system continues to achieve stable growth, Turkey, home to over 23 million young people, has a vast potential for further expansion in this area.

By the end of 2025, we expect the AES to transition into the Supplementary Pension System, a widely adopted second-tier social security model worldwide. This shift will significantly strengthen savings, overall well-being, and household economies.

The insurance sector also maintains its steady growth, reinforcing its capital with each passing day. In 2024, total premium production across life, non-life, and health insurance increased by 72% compared to the previous year, reaching TL 839 billion. We aim to elevate awareness of insurance and improve its role within the economy. Our key priorities for 2025 will include the development of products tailored to diverse needs and the introduction of solutions that make insurance products more accessible to customers.

With flexible and innovative solutions, digitalization has become a crucial driver of competitiveness in the sector. The rapid increase in digital sales highlights the growing interest in digital solutions among consumers. In addition, the insurance and finance sectors have long maintained a complementary relationship through the bancassurance model. Technology has significantly streamlined access to bancassurance customers while enabling transactions that save both time and effort. We expect that personalized products and services will drive higher customer satisfaction and increase sales.

As Garanti BBVA Pension, we continuously evolve our service model in alignment with these trends. By prioritizing digitalization in our operations, we strive to enhance customer experience across both sales and service channels. Our empathy-driven approach aims to support customers at every crucial moment and to create a model offering proactive value-driven solutions. To this end, we integrate artificial intelligence, one of the most powerful tools, into our business model as effectively as possible, enhancing efficiency and the value we deliver. As always, improving customer experience remains at the core of everything we do.

In the coming period, we will continue to expand into new business areas and create value for all our stakeholders through our expert team, robust technological infrastructure, process innovation, and intelligent business solutions.

I would like to extend my sincere gratitude to all our colleagues, the driving force behind our achievements in 2024, to our valued participants for placing their trust in us, and to all our stakeholders.

Sincerely,

MAHMUT AKTEN

Chairman

Message from the CEO



DEAR STAKEHOLDERS,

2024 was an incredibly successful year for the Private Pension System (PPS). With over 19 million participants, trust in the system continues to grow steadily. In 2019, the fund size was TL 119 billion, and in just five years, it rose to TL 1.2 trillion by 2024, reflecting a 62% increase compared to the previous year. The inclusion of children and young individuals under the age of 18 in the system played a significant role in this increase. Since 2022, the number of children under 18 saving with the PPS has reached 1.4 million, indicating that parents are highly motivated to invest in their children's future. Moreover, these 1.4 million children have accumulated a fund of TL 34.3 billion in the system.

As an industry, we are constantly working to make the PPS more flexible and sustainable for participants. In the current system, participants receive a 30% state contribution for their contribution payments. Additionally, they have the opportunity to generate returns by investing their savings in various investment tools. In recent years, the increased diversity of funds and the provision of professional fund management services have allowed participants to view the system not just as a savings tool, but as an investment tool to grow their savings.

One of the applications introduced in 2024, PPS Assignment Projects enables participants to use their PPS savings as collateral for loans, while the second, the Partial Withdrawal Function, allows them to withdraw part of their savings without losing their rights in the system. These applications reduce the likelihood of participants leaving the system for financial reasons. As a result, they don't have to waive their rights earned through the system and continue to stay in the system to maintain their living standards during retirement.

The insurance sector has also shown significant growth in recent years. In 2019, the total premium production in the life, non-life, and health sectors was TL 69 billion, and in 2024, it reached TL 839 billion with a significant increase of 72% compared to 2023.

In 2024, the life insurance sector reached a premium production of TL 100 billion. Although general purpose loan-linked insurance products account for 53%, interest in savings-based products has continued to rise in recent years. In addition to having a high death benefit, features like saving in USD and benefiting from tax advantages make insurance products with premium returns highly attractive. Five years ago, the premium production of return-of-premium and savings-based products stood at only TL 1.6 billion. In 2024, this figure reached TL 34.7 billion while growing by 104% compared to the previous year. The share of return-of-premium and savings-based products among all offerings rose from 15% to 36% over the same period. Another important area of coverage in the sector is unemployment insurance. Premium production in this segment grew by 109% compared to 2023. While unemployment insurance made up 26% of general purpose loan-linked insurance products in the previous year, this rate increased to 33% in 2024.

Reaching over 8 million policyholders and TL 128 billion in premium production in 2024, health insurance continues to grow with the increasing weight of Supplementary Health Insurance each year. The share of this product group in total premium production increased from 13% in 2019 to 37% in 2024.

As Garanti BBVA Pension, we maintained our leadership among private companies by reaching a total of 3.2 million participants in the PPS and AES by year-end, while also becoming the company that brought the highest number of

new participants into the system. We also reached a fund size of TL 7.4 billion with nearly 280,000 PPS for children participants. Since 2022, one in every five children joining the system has been enrolled by Garanti BBVA Pension.

In 2022, we took our digital fund advisory service, Fund Coach, a step further by launching the Automatic Fund Coach service. Through the Automatic Fund Coach, customers using the service have their fund allocations automatically adjusted, and they are regularly informed about the implemented changes. Serving over 80,000 customers, the Automatic Fund Coach provided a return 49% above inflation in 2024. As a company, we reached a premium production of TL 6.6 billion in general purpose loan-linked life insurance products with a 74% increase, and TL 2.3 billion in return-of-premium and savings-based life insurance with a 126% increase compared to 2023.

In 2024, we took an important step to provide additional value to our customers. We started offering coverage against critical diseases that require long treatment periods and result in significant costs. We added insurance products that provide financial protection against diseases that may cause major emotional and financial harm both to individuals and their loved ones.

Our main product in this area is: Critical Illness Insurance. With this insurance, we aim to provide coverage against various critical diseases and the risks of disability resulting

from accidents or diseases. By offering various packages in terms of premium and coverage amounts, we make our product accessible to various customer segments. We also support regular health checkups by providing additional benefits, such as free check-ups depending on the coverage amount.

To match the right product with the right audience, we developed tailored insurance products for our female and male customers. The first of these is the Critical Illness Insurance for Women, designed for women who wish to secure themselves against serious diseases such as breast cancer, gynecological cancers, and thyroid cancer. In addition to this competitively priced insurance with flexible payment options, we also gift an annual mammogram and doctor evaluation to raise awareness around early diagnosis and help all our female customers protect their health.

The second product is the Critical Illness Insurance for Men, designed for men who want to protect themselves and their loved ones financially against the risks of urological cancers, colon cancer, disability, or loss of life due to accidents or illnesses. Customers who purchase this insurance also benefit from a free annual PSA test, an essential and critical checkup that supports awareness around early diagnosis.

In 2024, we reached 6,300 participants and generated TL 69 million in premiums through Supplementary Health Insurance, achieving a 171% increase compared to the previous year. To meet more specific needs in our health insurance line,

we launched our Surgery Insurance product in 2024. This insurance enables our customers to receive a lump sum aligned with their coverage amount in the event of any inpatient surgical operation, disability, or loss of life and to use this amount to cover post-surgery expenses or any other costs.

Participants' interest in digital platforms continued to rise in 2024. They now see the PPS as part of their regular banking transactions. Since they're familiar with the PPS, they purchase the product from self-service digital channels in just a few steps, without the need for additional information or an advisor, just like any other investment tool.

As a company, we continued to place digitalization at the heart of our business model in 2024 and introduced innovations that make our customers' lives easier. In 2024, nearly 60% of our PPS sales came through digital channels.

We also expanded our digital product range and streamlined processes in our insurance offerings, mirroring our approach with savings products. In July, we launched our Credit Card Payment Assurance Insurance through Garanti BBVA Mobile. Customers can purchase this insurance with a monthly premium equal to only 1% of their credit card spending. Thus, in unexpected situations such as unemployment, accident, or disability, we cover our customers' credit card debt. In September, we enabled customers to purchase Critical Illness Insurance for Women directly through Garanti BBVA Mobile.

By increasing the variety of products available at our digital

channels, we continue to shape the sector with nearly 1 million active digital customers. To provide this level of service to such a broad customer base, we prioritize understanding each customer's needs, enhancing their satisfaction, and creating value for them.

At Garanti BBVA Pension, we also consolidated our financial performance in 2024. We achieved strong growth by generating TL 606 million in technical profit from private pension operations and TL 3.6 billion from insurance operations.

We believe that the positive trend observed in private pension, life insurance and health insurance will continue in 2025 with the support of planned developments. One of the key innovations expected to launch soon is the Supplementary Pension System, referred to as the second pillar in developed countries, which involves employer-supported contributions. We believe this will ensure the positive momentum in the PPS and further increase the number of participants.

As we conclude 2024 with success, I would like to extend my thanks to all my colleagues for their dedication throughout the year, and to all our stakeholders for the trust they have placed in us. I hope that 2025 will be a year where we work with even greater enthusiasm to secure our customers' future and protect their health, achieving even greater accomplishments together.

Sincerely,

GÖKHAN KOCA
CEO



PRIVATE PENSION SYSTEM
FOR CHILDREN WITH
ONE TOUCH

The PPS for Children product offered by Garanti BBVA Pension has secured a significant market share since its launch. Since 2022, **one in every five children** joining the system has been enrolled by Garanti BBVA Pension. To make the product more accessible and user-friendly, it was made available through digital channels with the option to start with small contributions. In 2024, the Company organized various campaigns to attract more participants and help more people benefit from the advantages of the PPS, awarding gifts worth a total of **TL 8 million** to **nearly 2,000** customers.



You can scan the QR code for detailed information about the Private Pension System for Children with One Touch.

Garanti BBVA Pension in Brief

Garanti Emeklilik ve Hayat Anonim Şirketi began its life insurance activities on July 24, 1992, under the name "AGF Garanti Hayat Sigorta Anonim Şirketi". The Company's trade name was changed to "Garanti Hayat Sigorta Anonim Şirketi" on May 18, 1999. After deciding to add private pension services to its operations, the Company applied for the change on November 14, 2002, and the Company's trade name was first changed to "Garanti Emeklilik Anonim Şirketi" and later to "Garanti Emeklilik ve Hayat Anonim Şirketi".

As a result of a decision by the Board of Directors and approval from the Capital Markets Board, Garanti Emeklilik ve Hayat Anonim Şirketi established its pension investment funds on June 28, 2003. On June 21, 2007, the Company transferred 15% of its paid-up capital to Achmea B.V. for a sales price of EUR 100 million.

Working for tomorrow's "Glad I did it" moments, Garanti BBVA Pension is a leading and pioneering company in the sector with a focus on customer satisfaction, employee-centricity, and efficient business models, always aiming for sustainable success. With its approach to customer satisfaction, the Company adds value to Turkey's pension and life insurance sectors with its ability to quickly adapt to emerging needs, compliance with regulatory changes, and its stable stance in the face of changing economic conditions.

Working for tomorrow's "Glad I did it" moments, Garanti BBVA Pension is a leading and pioneering company in the sector with a focus on customer satisfaction, employee-centricity, and efficient business models, always aiming for sustainable success.

Garanti BBVA Pension embraces innovation in the Private Pension, life and health insurance sectors, developing pioneering practices. The Company has achieved firsts in the sector with its customer-centric approach to technological applications. Proud to be the **most preferred** private company in terms of the number of participants in the Private Pension System and to **maintain its leadership** in digital sales, Garanti BBVA Pension continues to be a model company in the sector with its steady and rapid growth.

Garanti BBVA in Brief

Established in Ankara in 1946, Garanti BBVA is Türkiye's **second largest private bank** with consolidated assets **TL 3 trillion 2 billion** as of December, 2024.

Garanti BBVA is an integrated financial services group operating in every segment of the banking sector including corporate, commercial, SME, payment systems, retail, private and investment banking together with its subsidiaries in pension and life insurance, leasing, factoring, brokerage and asset management, besides international subsidiaries in the Netherlands and Romania.

Its custom-tailored solutions and wide product variety play a key role in reaching TL 2 trillion 310 billion performing cash loans and non-cash loans. Garanti BBVA's capital generative, disciplined and sustainable growth strategy that strictly adheres to solid asset quality enables the Bank to move forward strongly. The Bank has a leading position in key banking service areas:

- Largest private bank in TL lending with **21.8% market share** among peers
- Highest TL customer deposit base among private peers with **20.5% market share**
- Leadership in consumer loans with more than **24.3 million** retail customers
- **20.2% market share in TL** business banking loans

Garanti BBVA's purpose is to bring the age of opportunity to everyone, and with this purpose the Bank works to create value for all of its stakeholders. In the light of strategic

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priorities; the Bank focuses on improving the customers' financial health by providing advice and actionable insights to them.

The Bank puts emphasis on influencing decision-makers and other players in the sector regarding sustainability and making sustainability as mainstream. Garanti BBVA creates shared value and drives positive change through lending based on impact investment, as well as strategic partnerships and community programs focusing on material issues for both Garanti and its stakeholders.

Garanti BBVA constantly improves its business model and processes with operational excellence priority and keeps a close eye on financial and non-financial risks. In order to accelerate and drive its value creation; bank continues to focus on reaching more customers by being wherever customers are. As of December 31, 2024, Garanti BBVA provides a wide range of financial services to its over 27.7 million customers with total 22.664 employees including subsidiaries through an extensive distribution network of 797 domestic branches, 8 foreign branches 7 in Cyprus and one in Malta and 1 international representative office. Garanti BBVA offers an omnichannel convenience with

seamless experience across all channels with 5,820 ATMs, an award winning Call Center, internet, mobile and social banking platforms, all built on cutting edge technological infrastructure.

Data, technology and “best and engaged team” are the key accelerators of strategy. With **16.7 million** digital and **16.5 million** mobile customers, Garanti BBVA has one of the highest digital and mobile customer base. Share of digital sales in total sales has reached **89%**. The Bank is continuously investing in robust and reliable technology, leveraging advanced data analytics and artificial intelligence. Recognizing that human capital is the driving force behind all progress, the Bank builds systems to recruit, train and develop young and innovative individuals on a continuous basis, to provide a working environment that encourages full utilization of employees’ skills, offers a wide range of opportunities and ensures recognition and awarding of their accomplishments.

Implementing an advanced corporate governance model that promotes the Bank’s core values, Garanti has Banco Bilbao Vizcaya Argentaria S.A. (BBVA) as its majority shareholder with 85.97% share¹

The Bank puts emphasis on influencing decision-makers and other players in the sector regarding sustainability and making sustainability as mainstream.

* Please find the disclosure dated 18 May 2022. <https://www.garantibbvainvestorrelations.com/en/news/Corporate-Disclosures/Disclosures/112/0/0>

Note: Market shares and rankings are based on non-consolidated BRSA weekly private bank data.

Note: Branch, ATM, and customer figures do not include consolidated subsidiaries.

Achmea B.V. in Brief

Based in the Netherlands, Achmea is one of the world's largest cooperative insurance organizations, operating in 5 countries with 16,500 employees. The company serves over 10 million customers with products and services that are transparent, financially accessible, and easy to understand. Achmea considers its customers as the actual owners of the Group and ranks them first among stakeholders. Believing that solidarity forms the basis of cooperative insurance, Achmea undertakes sustainable initiatives for its customers to achieve common goals by sharing strategic and financial risks.

Achmea Group is widely known as an innovative employer, one of the best places to work in the finance industry, and a leader in boosting diversity. Achmea develops solutions for health-related issues when necessary; provides coverage and protection against damages resulting from fire, traffic accidents and theft; and ensures the long-term financial security of its customers and their families. Through its micro-insurance projects, Achmea also contributes to establishing economic stability in underdeveloped countries. Achmea holds a strong market presence in its home market, the Netherlands and also in Greece, Turkey, Slovakia, Australia and Germany. As of the half year financial results, Achmea's gross premium production under contract totals EUR 22 billion.*

For over 210 years, Achmea has been supporting not only its customers but also society. Together with its customers and partners, Achmea works to develop solutions for major societal challenges such as health, living and working, and mobility.

Operating in the non-life insurance market, Eureko Sigorta is a member of Achmea in Turkey. It is the country's leader in bancassurance, thanks to its powerful partnership with Garanti BBVA. In March 2007, Achmea entered into a partnership agreement with Garanti BBVA in Turkey under the name Eureko B.V. to acquire an 80% stake in Garanti BBVA Insurance's non-life insurance operations and 15% stake in Garanti BBVA Pension's life insurance and pension operations. In May 2011, Achmea completed the share transfer process, which had started with the initial agreement in 2007. Pursuant to the initial agreement, Garanti BBVA Pension and Life acquired the remaining 20% stake in Eureko Insurance held by Garanti BBVA to become the sole owner of Eureko Insurance.

* https://www.achmea.nl/-/media/achmea/documenten/investors/publicaties-2024/half-year-report_achmea-bv_hy-2024.pdf

Highlights

The private company with the **highest participant growth** in the sector across both the Voluntary PPS and the Auto Enrolment System

With **3.3 million** participants, the private company serving the highest number of participants in the Voluntary PPS and Auto Enrolment System

The leader in digital PPS sales with a **45.9%** market share

The second-largest company in the sector in terms of PPS for children fund size, with a **21.7%** market share

With **1.8 million** participants, the private company serving the highest number of participants in the Auto Enrolment System

With **46,294** companies, the private company preferred by the largest number of employers in the Auto Enrolment System

The company with the **highest market share** growth in participant number, fund size, and number of affiliated companies within the Auto Enrolment System over the past four years

184% increase in Additional Contribution and Initial Capital compared to the previous year

The company **more than doubling** its premium production in Return of Premium Life Insurance

The **top-performing company** in total life insurance premium production via the bancassurance channel (excluding public institutions)

* Based on data from the Pension Monitoring Center (EGM) and the Insurance Association of Türkiye (TSB) as of December 31, 2024.

Our Purpose and Values

Maintaining robust growth, Garanti BBVA Pension is aware of its expanding responsibilities and inspired by its core values to meet society's expectations.

OUR PURPOSE

We work towards a future with lots of **“We’re glad”**s.

OUR VALUES

Customer Comes First

- We are empathetic
- We have integrity
- We meet their needs

We Think Big

- We are ambitious
- We break the mold
- We amaze our customers

We are One Team

- We are committed
- We collaborate
- This is our Bank

OUR STRATEGIC PRIORITIES

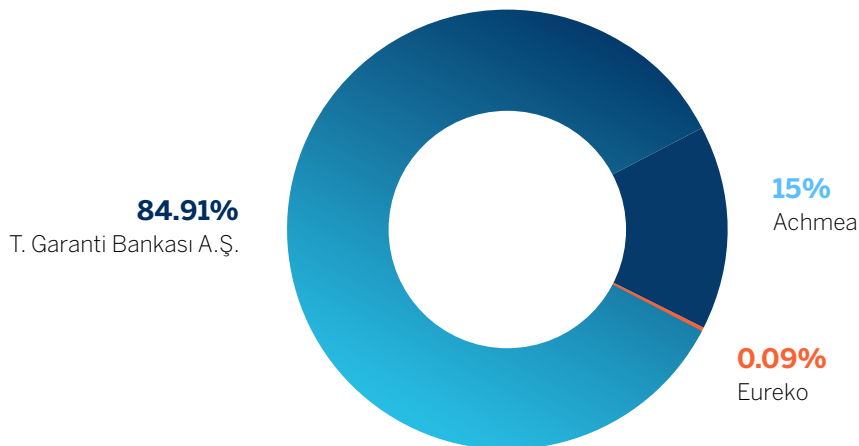
- To maintain leadership among private companies in PPS.
- To expand the product range in digital sales and sustain leadership in the PPS sector.
- Enhance Financial Advisory services for high-end segment customers, providing support in areas such as savings, health, and fund management.

Shareholding Structure and Share

In 2007; Achmea B.V. has purchased 15% of our shares for EUR 100 million. In 2024, there have been no changes in the Company's shareholding structure.

The company's shareholding structure and capital distribution are as follows:

NAME	SHARE (%)	NOMINAL (TL)	NUMBER OF SHARES
T. Garanti Bankası A.Ş.	84.91%	424,566,290	42,456,629,000
Achmea B.V.	15%	75,000,000	7,500,000,000
Eureko Sigorta A.Ş.	0.09%	433,710	43,371,000
TOTAL		500,000,000	50,000,000,000



The Environment We Operate in and Garanti BBVA Pension in Numbers

	GROWTH IN SECTOR	GROWTH OF GARANTİ BBVA PENSION
TOTAL PPS FUND SIZE	62%	68%
UNIQUE NUMBER OF PARTICIPANTS*	7.6%	11%
VOLUNTARY PPS FUND SIZE	62%	68%
NUMBER OF VOLUNTARY PARTICIPANTS	9.8%	10.4%
BANCASSURANCE CONTRIBUTION SHARE	84%	89%
BANCASSURANCE FUND SIZE	66%	72%
NUMBER OF PPS FOR CHILDREN PARTICIPANTS	40%	40%
PPS FOR CHILDREN FUND SIZE	176%	184%
BANCASSURANCE LIFE TOTAL PREMIUM	69%	95%
LIFE CREDIT-BASED PRODUCTS TOTAL PREMIUM PRODUCTION	64%	74%
CUMULATIVE TOTAL PREMIUM PRODUCTION OF ROP	104%	126%

* Private Pension System and Automatic Enrolment unique pension monitoring datas

** Based on data from the Pension Monitoring Center (EGM) and the Insurance Association of Türkiye (TSB) as of December 31, 2024.



CRITICAL ILLNESS INSURANCE
FOR WOMEN WITH
ONE TOUCH

Always committed to protecting its customers, their loved ones, and their health, Garanti BBVA Pension offers **Critical Illness Insurance for Women**, providing coverage for serious diseases that require long treatment periods and result in high medical expenses. Offered at competitive premiums and with flexible payment options compared to the rest of the market, the insurance included an annual complimentary mammogram to promote early diagnosis and raise awareness. In September, the product was made even more accessible, enabling customers to purchase Critical Illness Insurance for Women directly through Garanti BBVA Mobile.



You can scan the QR code for detailed information about the Critical Illness Insurance for Women with One Touch.

Private Pension System

As of December 31, 2024, the Private Pension System reached a total of 19 million participants, recording an increase of 1.3 million compared to the previous year. This growth is a strong indicator of rising confidence in the pension system and increasing participant interest. Garanti BBVA Pension played a major role in this development, achieving the highest growth among all companies in the sector, with an increase of **322,515** participants in the combined Voluntary PPS and Auto Enrolment System. The number of Voluntary PPS participants at Garanti BBVA Pension realized as **1,503,000**, corresponding to a market share of **16%**. Regarding the Voluntary PPS fund size, the Company achieved a total of **TL 158.3 billion***, securing a **14%** market share.

According to year-end 2024 data, the Private Pension sector enjoyed nearly **10%** growth in Voluntary PPS participant

numbers, while contribution share and fund sizes increased by **78%** and **62%**, respectively.

The growth in contribution share has been a key component of this expansion. By year-end, the sector achieved 78% growth in contribution share compared to the same period the previous year. Garanti BBVA Pension exceeded this with a growth rate of **83%**.

Among the main drivers of annual contribution share growth were large-scale productions in additional contribution share and initial capital. As a result of this strong performance, the total contribution share paid by year-end reached **TL 360 billion**. Garanti BBVA Pension achieved a **68%** increase in total fund size compared to the beginning of the year.

Voluntary PPS (Including State Contributions)

	2018	2019	2020	2021	2022*	2023	2024
Fund Size (TL Million)	12,981	17,147	21,765	35,519	54,342	94,236	158,310
Market Share of Fund Size	15%	14%	13%	14%	14%	13%	14%
Number of Participants	1,150,560	1,105,191	1,112,594	1,134,664	1,263,770	1,362,059	1,503,637
Market Share of Participants	17%	16%	16%	16%	16%	16%	16%
Total Contributions (TL Million)	8,459	9,664	11,494	13,392	17,726	27,009	49,485
Market Share of Total Contributions	15%	14%	14%	14%	14%	13%	14%

* The Number of Participants and Market Share of Participants data for 2022 were prepared using the EGM (Pension Monitoring Center) data of December 23, 2022, while the Fund Size, Market Share of Fund Size, Total Contributions, and Market Share of Total Contributions data were prepared using the EGM data of December 31, 2022.

** The headings and data for other years were prepared using the EGM data of December 31 of the respective years.

Note: Participant Fund Amount is calculated by multiplying the number of fund units held by participants with the unit price of the fund on the relevant day, and differs from the total net asset value of the relevant company's funds. Fund amounts in liquid funds for contracts and certificates in the proposal stage as well as fund amounts for contracts and certificates within pension income plans are included in the total.

PPS FOR CHILDREN

The Private Pension System serves as an important tool for encouraging early participation of children in the system, starting to save at a young age for their future, and for teaching them the discipline of saving through their families. The number of participants in the sector reached **1.42 million** in 2024, growing by **40%** from 1.016 million in 2023.

Garanti BBVA Pension maintained its strong position in the sector in 2023 with 200,000 participants and a fund size of TL 2.6 billion, and enjoyed significant growth in 2024, reaching over **279,000** participants and a fund size of **TL 7.4 billion**.

PPS for Children	Sector Total	Garanti BBVA Pension	Market Share
Fund Size	TL 34,383 billion	TL 7,447 billion	22%
Number of Participants	1,419,944	279,229	20%

* Prepared using data from the Pension Monitoring Center (EGM) as of December 31, 2024.

AUTO ENROLMENT SYSTEM

Launched in 2017, the Auto Enrolment System reached a total of **9.8 million** participants and a fund size of **TL 87.2 billion** by the end of 2024. State contributions constitute TL 5.4 billion of this total. In 2024, 6,664 new companies were incorporated into the system. 2,442 companies among these, representing 36.6% of the sector's gain, preferred Garanti BBVA Pension. Moreover, **36.8%** of the **508,000** new participants in 2024 joined the system through Garanti BBVA Pension.

Number of Participants

	2023	2024	Δ
Garanti BBVA Pension	1,631,956	1,819,023	11.5%
Sector	9,326,520	9,834,519	5.4%

Fund Size (TL Million)

	2023	2024	Δ
Garanti BBVA Pension	6,530	11,455	75.4%
Sector	53,153	87,162	64.0%

Number of Companies

	2023	2024	Δ
Garanti BBVA Pension	43,852	46,294	5.6%
Sector	258,513	265,177	2.6%

Total Contributions

	2023	2024	Δ
Garanti BBVA Pension	3,438	6,074	76.7%
Sector	25,941	42,632	64.3%

With **1.8 million** participants, Garanti BBVA Pension is the private company **serving the highest number of participants** in the Auto Enrolment System. As of 2024, the Company exceeded the sector's growth in both participant numbers and fund size, significantly increasing its market share. Reaching a total of **3.3 million** participants across the Voluntary PPS and Auto Enrolment System, Garanti BBVA Pension maintains its sector leadership as the private company with the highest number of participants.

Market Share

	2024
Market Share in Fund Size	13.14%
Market Share in Participants	18.50%
Market Share in Total Contributions	14.25%
Market Share in Number of Employers	17.46%

* Prepared using data from the Pension Monitoring Center (EGM) as of December 31, 2024.

Life Insurance

As of the end of December 2024, the life insurance sector grew by 76% compared to the previous year, reaching a total premium production of TL 99.9 billion. During this period, Garanti BBVA Pension outperformed the sector growth rate by achieving an **86%** increase, generating **TL 9.6 billion** in premium production. Enjoying **TL 9.4 billion** in total premium production through the bancassurance channel, Garanti BBVA Pension ranked **first** in the sector excluding public institutions as of the end of December 2024.

In 2024, the largest share of premium production in the sector once again came from credit-based products, accounting for 53%. Premium production from credit-based products grew by 64% compared to the previous year. Garanti BBVA Pension achieved a **74%** increase in the same period.

Credit-based unemployment products also continued their growth in 2024. The share of unemployment within credit-based products reached 33% in the sector, while this rate rose to 52% for Garanti BBVA Pension, exceeding the sector average. As of December 2024, credit-based unemployment premiums in the sector increased by 109% compared to the previous year.

Following credit-based products, the second-largest share in the sector was achieved by savings and return of premium life insurance products with a 36% share. Compared to 2023, the sector experienced a 104% increase in premiums for savings and return of premium life insurance products. This rate is expected to grow even further in the coming period. Garanti BBVA Pension

Garanti BBVA Pension outperformed the sector growth rate by achieving an **86%** increase, generating **TL 9.6 billion** in premium production.

increased its return of premium life insurance premiums by **126%**. As of December 2024, the Company **ranked second** in the sector in the production of return of premium life insurance via the bancassurance channel.

In August 2024, Surgery Insurance and Critical Illness Insurance for Men were added to the product portfolio. Premiums for products including Surgery and Critical Diseases coverage surpassed **TL 57 million** as of December 2024.

Offered specifically to the employees of SME and Commercial segment business owner customers, Group Life Insurance reached **TL 320 million** in premium production in 2024, marking a significant performance.

In 2024, Garanti BBVA Pension strengthened its group insurance product range by introducing Group Surgery Insurance and Group Critical Illness Insurance. The Company aims to further expand its product variety in 2025.

Health Insurance

According to the December 2024 data from the Insurance Association of Türkiye (TSB), the sector generated TL 47.3 billion in Supplementary Health Insurance premiums. The number of individual policyholders with Supplementary Health Insurance reached 3,221,134. The sector realized a 129% increase in premiums and a 38% increase in the number of policyholders.

Garanti BBVA Pension began offering Supplementary Health Insurance renewals in April 2022 and continued in cooperation with SenCard Sales Support as of April 2023. In July 2023, the Company also introduced family policies for Supplementary Health Insurance. As of the end of 2024, the Company reached **6,396** policyholders with a total of **TL 69 million** in premium production. With an increase of **171%** in the premium volume of policies, the Company holds a **0.15%** market share in terms of premiums in the sector.

As of the end of 2024, the Company reached 6,396 policyholders with a total of TL 69 million in premium production.

Bancassurance and Agencies

As of 2024, Garanti BBVA Pension collected **TL 22 billion** in independent contributions and advanced two positions, rising from fourth to second place (excluding public institutions) compared to the previous year. The Company's total contribution amount reached **TL 46.6 billion**, thus moving fourth to second place among private companies with a **15.4%** market share in 2024.

Agencies

In line with its efficient growth strategies in the agency channel, Garanti BBVA Pension added 37 new agencies after December 2023, bringing the total number of agencies to **172** and achieving a **153%** increase in fund size to **TL 3.9 billion** as of December 2024.

In 2024, in addition to increasing its number of registered agencies, Garanti BBVA Pension also expanded its product portfolio to include Critical Illness Insurance and Surgery Insurance as well as Return of Premium Life Insurance and Supplementary Health Insurance. In 2025, the Company aims to further increase penetration and reach a fund size of TL 8.4 billion and a total of 210 agencies.

BANCASSURANCE

	2021	2022**	2023	2024
Fund Size (TL Million)	29,193	49,496	86,058	147,632
Market Share of Fund Size	16%	16%	16%	16%
Number of Participants	1,116,154	1,242,860	1,340,459	1,494,158
Market Share of Participants	17%	17%	16%	17%
Total Contributions (TL Million)	12,354	16,211	24,711	46,599
Market Share of Total Contributions	16%	16%	15%	15%

* The Number of Participants and Market Share of Participants data for 2022 were prepared using the EGM (Pension Monitoring Center) data of December 23, 2022, while the Fund Size, Market Share of Fund Size, Total Contributions, and Market Share of Total Contributions data were prepared using the EGM data of December 31, 2022.

** The headings and data for other years were prepared using the EGM data of December 31 of the respective years.

Customer Focus

CUSTOMER SOLUTIONS

Garanti BBVA Pension took significant steps in 2024 to ensure customer satisfaction and retention. Through a dedicated service model for the Diamond and Sapphire segments, the Company managed **76%** of the total fund size and aimed to deepen engagement with customers in these segments while providing financial advisory services.

In 2024, the Company worked on two critical analytical models, launching the Contribution Amount Change Model, and the Future Customer Value Segmentation Trend Model, which identifies customers financially similar to the Company's current upper-segment clients.

Garanti BBVA Pension developed a more comprehensive action plan to measure the effectiveness of email communications. The Company also designed action plans to update communication plans and enhance their impact starting from 2025. Moreover, there is ongoing work on various models, including the PPS for children purchasing tendency model and the Supplementary Health Insurance purchasing tendency model with planning underway for their use in the near future.

The Company launched a new project to enable customers with Private Pension Contracts to continue contributing to their savings without disruption and without losing their payment habits, and to increase the number of contracts with regular contributions. The project was first launched for sales made through field sales teams and voice-based sales channels, and was later expanded to include PPS for children and PPS sales via digital channels.

Through a dedicated service model for the Diamond and Sapphire segments, the Company managed **76%** of the total fund size and aimed to deepen engagement with customers in these segments while providing financial advisory services.

For all PPS contracts eligible for state contribution, the Company started to calculate the contributions paid and to be paid within the relevant year to determine the additional contribution amounts needed for customers to benefit from the maximum state contribution.

As part of the Financial Advisory service, Garanti BBVA Pension contacted 66% of customers more than 37 times on average in the last 12 months regarding various topics. In 2024, over **160 million** emails and more than **5.8 million** SMS messages were sent to customers to facilitate their journeys involving various products and services. Moreover, the Company delivered approximately **24.8 million** mobile notifications via the Garanti BBVA Pension Mobile app in 2024. Particularly for Fund Coach recommendations and Customer Satisfaction surveys, approximately **415,000** outbound calls were made to customers in 2024 via the Interactive Voice Notification (IVN) system.

CUSTOMER-CENTERED PROJECTS

Garanti BBVA Pension aims to offer the best solutions for its customers guided by its core value "Customer Comes First." The Company aims to ensure that customers receive

fast and seamless service and to make them feel secure with Garanti BBVA Pension. In line with this approach, the Company designs the customer experience from the outside in and continuously improves its systems and processes by regularly monitoring customer needs and feedback.

Customer Contact Center

Increasing productivity without compromising quality and customer satisfaction while always focusing on customers is a core value of the Contact Center.

By analyzing customer responses during inbound and outbound calls to and from Garanti BBVA Pension, customer communication is now carried out based on individual needs and requests, rather than using a standard communication plan. This approach ensures more efficient management of service resources and aims to elevate customer satisfaction with communication tailored to customer demands. With expert, satisfaction-oriented customer representatives, the Customer Contact Center handled approximately **3 million** calls in 2024. Thanks to self-service features provided by the voice guidance system, nearly half of these calls were resolved without the need to connect with a representative. Technological advancements and effective human resource management contributed to high efficiency in call response rates and service levels throughout 2024.

The Automatic PPS Line, which serves the authorized representatives of companies included in the Auto Enrolment System, handled nearly 55,000 calls, and 65% of customers completed their transactions 24/7 through self-service features without speaking to a representative. Moreover, the Corporate Customer Services unit fulfilled approximately 21,000 customer requests in 2024.

CUSTOMER SERVICES

Garanti BBVA Pension closely monitors all communication channels and reaches out to customers in the shortest time possible regarding their feedback, dissatisfaction, inquiries, and transaction requests to offer alternative solutions.

The Company fulfilled approximately **62,753** customer requests as part of Customer Services in 2024, and resolved incoming requests within a maximum of 2 business days. In addition, complaints and requests submitted through social media and digital channels were resolved in an average of 30 minutes.

Providing support services to Garanti BBVA branches, the Pension Help Desk Team continued to serve with a **93%** service level and a **98%** call response rate in 2024. The Company improved the quality of support provided to Garanti BBVA employees, thus enhancing customer satisfaction as well as internal customer satisfaction

PRIVATE CUSTOMER RELATIONS

Garanti BBVA Pension offers Personalized Financial Advisory services to customers with a certain level of savings in the PPS to offer tailored solutions for their needs and expectations. To this end, Financial Advisors, who regularly receive professional training, provide services in portfolio management and fund advisory while offering support to help customers care for their health and loved ones. Financial Advisors also proactively reach out to customers at regular intervals without waiting for incoming requests to review fund returns and investment preferences together, helping them manage their savings. Customers can also contact their Financial Advisor via a dedicated service line for all questions or issues related to PPS, PPS for Children, Return of Premium Life Insurance, Supplementary Health Insurance, and Fund Advisory.

Providing financial advisory services to over **100,000** customers, the Private Customer Relations unit conducted **nearly 400,000** consultations in 2024. Following these engagements covering information sharing, product presentations, and customer requests, the upper segment fund size increased from TL 62 billion at the beginning of the year to TL 103 billion.

In 2024, the inbound and outbound Financial Advisor teams were brought together under the same roof. Thus,

customers calling their Financial Advisors can directly speak with their assigned advisors to convey their requests. This improvement led to a significant increase in customer satisfaction.

CUSTOMER ASSET MANAGEMENT

Customer Asset Management aims to positively impact the efficiency of high-potential customers, primarily through Private Banking branches. To this end, the unit participates in meetings organized by field sales teams and voice sales channels, significantly contributing to the generation of additional contribution payments. In 2024, the unit accounted for 24% of the Company's total monetary production.

QUALITY ASSESSMENT

Garanti BBVA Pension reviews processes and makes the necessary system improvements to ensure that clear and accurate information is provided and that customer requests are addressed quickly and precisely in every customer interaction conducted by the Customer Contact Center, Private Customer Relations Management, Customer Services, and sales units. Predefined scripts, shaped by experience and tailored to needs, are used to communicate the most accurate and up-to-date information to customers. As part of the quality assessment efforts, the Company monitors and evaluates calls in terms of customer-focused approach and information accuracy. Feedback gathered from the quality assessments is used to improve future customer experiences.

CLAIMS PROCESSING

As a result of the Company's ongoing efforts to enhance customer satisfaction and service quality, a priority for Garanti BBVA Pension, the Company launched the Automatic Payment Project in 2022 to streamline claims processes. Innovative improvements were implemented to expedite the evaluation of death benefit claims. In 2024, 83% of loss payee payments related to death benefit claims

were completed on the same day the request was received. The average completion time for evaluating recorded death benefit claims in 2024 realized as 3.3 days.

In 2024, Garanti BBVA Pension made a total of **TL 553 million** in claim payments for **41,881** claim files, fulfilling its mission to provide financial reassurance during difficult times for its customers or their loved ones.

Claim payments play a critical role in securing customer satisfaction and trust. Credit Life Insurance claims accounted for TL 453 million, representing 83% of all claim payments. For Non-Credit Life Insurance, the Company paid out a total of TL 77 million, with approximately TL 43 million related to the Return of Premium Life Insurance product. The claim payments are a strong indicator of the assurance offered to customers and underscore the importance of insurance services.

MEASURING EXPERIENCES

Garanti BBVA Pension prioritizes optimizing the experience at every customer touchpoint, better understanding customers, delivering the most accurate solutions, and providing consistently positive experiences. In addition to monitoring the overall Net Promoter Score (NPS), the Company has measured the NPS at key touchpoints since 2017. The results of these measurements are regularly analyzed, and necessary actions are taken to improve the experience.

In 2024, the Company continued to increase its Net Promoter Score. Action plans developed by Customer Committees, focusing on customer expectations, improving broken touchpoints, and implementing customer-oriented projects and innovations, contributed significantly to this improvement.

Communication Activities

In 2024, Garanti BBVA Pension adopted a customer-focused strategy, improved products and services that provide value to customers, and enhanced its digitalization processes with the goal of reaching wider audiences in the fields of pension and life insurance. The Company introduced a wide range of PPS, Supplementary Health Insurance, and Life Insurance products and services to its customers.

One of the Company's top priorities is the "PPS for Children" plan. Emphasizing the importance of including children in the PPS and helping them begin saving from an early age, the Company organized various campaigns and prioritized PPS for Children in its communications to raise awareness.

To ensure easier and quicker access to Life Insurance products, the Company offered these products through digital sales channels and increased its communications efforts around the benefits of Life Insurance.

Moreover, the Company continued to provide Financial Advisory services to its upper-segment customers to support them on matters such as savings, health, and fund management. Always helping customers reach their goals and dreams in a meaningful savings journey, Garanti BBVA Pension continued to promote the advantages of its Live Healthy program, launched to enable customers to start taking better care of themselves and their loved ones today.

The Company has effectively used the power of the digital world in its communication activities to reach its target audience. Throughout the year, Garanti BBVA Pension leveraged digital channels such as email, mobile notifications, SMS, and dynamic offer management (DOM)

The Company has effectively used the power of the digital world in its communication activities to reach its target audience.

to directly communicate with customers and launched exclusive campaigns with fast and easy online PPS enrollment options. These campaigns reached a wide customer base and gave thousands of customers the chance to win various prizes through prize draws.

To promote its campaigns, products, and services, strengthen brand image, and reach more customers, the Company adopted a multi-channel advertising strategy, placing ads across platforms tailored to its target audience, including radio, outdoor media, magazines, digital platforms, and social media.

In 2024, Garanti BBVA Pension took another step forward in its innovative approach to life insurance by launching the Critical Illness Insurance for Women product through digital channels. To make the product more accessible to customers, a launch campaign was launched during the Breast Cancer Awareness Month. As part of the launch, the campaign was promoted on digital platforms to reach a wider audience, supported by radio broadcasts, key visual materials, a digital brochure, and special gift vouchers were offered to customers who purchased the product during October. In addition to the campaign, the Company also continued to deliver on its goal of encouraging the effective

use of life insurance products by offering a free annual mammography and dental care package to all policyholders. Creating a privileged world for our customers that enables them and their loved ones to live life to the fullest in a healthy and meaningful way, the Company sponsored Brand Week, one of the world's leading events where top names in branding, marketing, communication, technology, and thought leadership come together, with its "Live Healthy" service to promote the Live Healthy service to a wider audience, enhance the visibility of the brand and introduce the "Good Life" world of the brand to the guests. Throughout the event, the Company shared small yet meaningful tips for self-care with participants through activities promoting a healthy lifestyle and surprises from the gift wheel.

With the theme "Explore, Get Inspired, Share," the Company also came together with hundreds of customers at the "Live Healthy Festival" held at Salt Galata, one of Istanbul's historical venues. During the festival, expert trainers held various workshops and talks to raise awareness about healthy living among Garanti BBVA Pension customers. The experience spaces featured a wide range of workshops including yoga, meditation, art, and aromatherapy.

In 2024, Garanti BBVA Pension took another step forward in its innovative approach to life insurance by launching the Critical Illness Insurance for Women product through digital channels.

Developments Related to Funds

PERFORMANCE OF OUR FUNDS

As of the end of 2024, the total fund size of Garanti BBVA Pension funds reached **TL 167.1 billion***, with **TL 156.3 billion** in Voluntary PPS and **TL 10.8 billion** in Auto Enrolment System (AES), marking a 66.99% increase in total fund size compared to the end of 2023. At year-end, the weighted average return of Voluntary PPS funds was 49.48%, while the weighted average return of AES funds during the same period stood at 45.78%.

As of year-end 2024, the Money Market Pension Mutual Fund (PMF) ranked as the third-best performing third-tier fund with a return of 60.64%. The Stock Group PMF delivered the second-highest return at 57.37%, followed by the Dynamic Variable Group PMF, which ranked third with a return of 57.33%.

* Prepared based on Rasyonet data as of December 31, 2024.

FUND COACH

As part of the Fund Coach service, Garanti BBVA Pension maintained regular monthly communication with customers, providing updates to help them actively manage their funds in line with market conditions. In 2024, a total of 13.2 million emails, 3.1 million SMS messages, 13.4 million mobile notifications, and 178,000 interactions via IVN channels were delivered to 980,000 customers. As a result, approximately 416,000 fund allocation changes were made by customers, helping them manage their savings more effectively. Thanks to these communication efforts, the number of customers enrolled in the Fund Coach service reached **218,000** with **56,000** new participants in 2024.

The number of customers enrolled in the Fund Coach service reached 218,000, with 56,000 new participants in 2024.

The Fund Coach offered participants seven fund allocation change recommendations during 2024, thus bringing annual returns for interest-bearing recommendations varying between 42% and 60%, depending on different risk and age groups.

AUTOMATIC FUND COACH

Launched in October 2022, the Automatic Fund Coach service enables participants to transfer their fund preference and allocation change rights, benefiting automatically from fund allocation recommendations aligned with market dynamics and their risk profiles. In 2024, the fund volume managed by the Automatic Fund Coach grew by **102%** compared to the previous year, reaching **TL 12.8 billion**. During the same period, the number of contracts where participants transferred their fund allocation change rights to the Automatic Fund Coach exceeded 100,000, showing a 45% increase. As of December 2024, the Automatic Fund Coach manages 9% of the total pension funds.

PERFORMANCE SYSTEM

In line with the Capital Markets Board's resolution titled "Procedures and Principles Regarding the Measurement and Evaluation of the Performance of Pension Mutual Funds, and Incentives and Measures Applicable to

Portfolio Managers" Garanti BBVA Pension established the Performance System on January 1, 2020. With this system, the Company started to closely monitor fund returns, and thereby the performance of portfolio management companies. Fund performance is tracked using two different methods, one for funds that are part of a benchmark group, and another for those that are not.

For funds included in a benchmark group, performance is evaluated based on thresholds determined using the group's simple average return and standard deviation while for funds not included in a benchmark group, performance is assessed based on threshold values and comparison criteria.

According to the 2024 results, marking the fifth year of the Annual Monitoring System, four funds were categorized as "relatively successful," while no funds were categorized as "relatively underperforming."

PRIVATE PENSION FUND TRADING PLATFORM (BEFAS)

A total of 27 funds are available on the BEFAS platform. According to the status report dated December 31, 2024, the three most preferred cross-company funds on the BEFAS platform are:

1. STOCK PMF
2. NEW TECHNOLOGIES STOCK PMF
3. GOLD PARTICIPATION PMF

DEVELOPMENTS RELATED TO FUNDS:

1. Amendment Decisions Taken in 2024 to Be Implemented in 2025

- The title of Garanti Emeklilik ve Hayat A.Ş. Metaverse and New Technologies Stock Pension Mutual Fund was changed to Garanti Emeklilik ve Hayat A.Ş. New Technologies Stock Pension Mutual Fund as of January 2, 2025.

2. 2025 Benchmark Changes

As of January 2, 2025,

- The benchmark for Garanti Emeklilik ve Hayat A.Ş. New Technologies Stock Pension Mutual Fund has been changed to 45% Russell 1000 Technology RIC 22.5/45 Capped Total Return Index + 35% BIST Technology Weighted-Capped Return Index + 10% BIST Communication Return Index + 10% BIST-KYD Repo (Gross) Index,
- The threshold value for Garanti Emeklilik ve Hayat A.Ş. Absolute Return-Oriented Variable Pension Mutual Fund has been changed to the BIST-KYD Repo (Gross) Index.

Digital Transformation

In 2024, Garanti BBVA Pension focused all its efforts on digitalization with the aim of making customers' lives easier and supporting them at every step of their journey with the Company. In line with one of its main goals in 2024, the Company increased the volume of digital channels, thus achieving an increase of **42%** in the number of active mobile users.

The Company maintained its mobile-first approach throughout the year, continuing to redesign its in-app experiences based on current user experience trends. Believing that a good experience is strengthened by solid infrastructure, the Company began to redesign the digital experience in both mobile and web channels while initiating infrastructure improvement efforts. In 2025, Garanti BBVA Pension aims to fully renew both its mobile and internet platforms.

The Company also achieved its digital targets for the year in Private Pension.

- A brand-new structure was introduced that allows upper segment customers to easily contact their personal financial advisors through the Garanti BBVA Pension

Mobile app. The number of end-to-end digital private pension contracts reached nearly 165,000 this year. Moreover, the Company increased the share of digital PPS sales in total sales by 15% year-over-year, reaching 60%. The Company aims to further increase this share in 2025.

In line with one of its main goals in 2024, the Company increased the volume of digital channels, thus achieving an increase of 42% in the number of active mobile users.

On the life insurance side, Garanti BBVA Pension focused on moving key strategic initiatives to digital channels and prepared action plans to enable the end-to-end digital launch of life insurance products.

- In line with the Company's digitalization vision for life insurance sales, customers were provided with easy access to Credit Card Payment Assurance and Critical Illness Insurance for Women products via the Garanti BBVA Mobile app. The Critical Illness Insurance for Women product was added to the app in September 2024.
- The Company plans to launch Critical Illness Insurance for Men and similar new life insurance products via fully digital platforms starting in early 2025.

Project Management

Thanks to the rapid rise of digital transformation and technology, Garanti BBVA Pension is committed to generate higher-volume sales in the corporate world, offer more personalized and cost-effective solutions to customers, and build long-term relationships.

In 2024, Garanti BBVA Pension continued to work on moving its technological infrastructure, which receives a significant portion of annual efforts, into open-source environments. Combining flexibility and adaptability, this structure also contributes to sustainable growth, one of the company's most important values, enables more efficient use of resources, offers faster innovation opportunities, and helps reduce environmental impact.

In 2024, Garanti BBVA Pension remained committed to being easily accessible to both internal and external customers through the use of technology, and to providing uninterrupted service to customers across all channels. Particularly in 2024, a year marked by a high volume of regulatory projects related to individual pensions, the Company successfully implemented more than 100 projects that directly touch customers' lives.

As part of compliance with the new accounting standard IFRS 17, the Company completed its accounting and actuarial efforts in 2024. Integrated with the main insurance system, data warehouse, accounting system, and other systems, this system will, once operational, ensure all processes function in compliance with this standard.

In 2024, two significant regulatory projects in the private pension business line were implemented. The first is the Temlik (Assignment) project, which enables pension savings to be used as collateral for loans and which covers not only pension companies but also banks willing to provide loans.

In 2024, a year marked by a high volume of regulatory projects related to individual pensions, Garanti BBVA Pension successfully implemented more than 100 projects that directly touch customers' lives.

Another key legal project is the Partial Payment (Kismen Ödeme) initiative. Launched in the final quarter, the project enables customers who meet certain conditions such as marriage, natural disasters, or home purchases, to withdraw part of their savings without terminating their contracts entirely.

The Private Pension plan module was redesigned with a new open-system infrastructure in line with modern technology. In 2024, the Company started to gradually transition some of the plans to this new system. By 2025, the transition will be complete, and outdated technologies that consume excess resources will be fully replaced.

The Company also began transforming the Group Life module into an open system last year. In the final quarter, the zero-sales process was launched into production. As a continuation of this process, the new-technology screens related to group life transactions also became operational in May. The transformation of these processes, which were previously time-consuming and impacting many users, has significantly improved efficiency both in terms of time and user experience.

Live Healthy

Launched in 2022, the Live Healthy program aims to help customers take better care of themselves and their loved ones starting today. As part of the program, Garanti BBVA Pension continues to offer its customers various benefits across multiple categories from free app subscriptions to handicrafts, children's activities to trips, dietitian services to pet care.

The Live Healthy program continues to grow with 40,000 participating customers to date.

In 2024, the Company expanded the range of special events and benefits offered under the "good life" theme of the program and hosted in-person events to create opportunities for customers to connect. The "Live Healthy Festival" held at Salt Galata and the "Outdoor Yoga" series, organized for the first time in 2024, received great interest and positive feedback from participants.

Since its launch in September 2022, nearly **40,000** customers have participated in the program. In 2025, the Company aims to further diversify its services and partnerships, and to bring even more benefits to its customers through new physical events both in Istanbul and other cities.

Social Investments and Sustainability

Driven by its sense of responsibility toward society and its shareholders, Garanti BBVA Pension supports the happy futures of its customers and employees, guides them along the way, adds value to their lives, and ensures they feel a sense of assurance.

In line with its corporate values, the Company aims to make a positive impact on individuals, companies, and society. While offering the best service to its customers, the Company also remains committed to addressing the needs of the community. The Company contributes to social development by designing projects in areas such as sustainability, education, and social responsibility. In fulfilling its social responsibilities, Garanti BBVA Pension not only focuses on financial success but also pays close attention to contributing to the well-being of the society. To this end, the Company strategically plans social investment programs to create social value.

In 2024, Garanti BBVA Pension made a donation to the Teachers Academy Foundation (ÖRAV), which works to empower educators to make a lasting difference in the lives of children, on behalf of all young customers who started a PPS plan for their children. Through this donation, the Foundation reached 440 teachers, helping approximately 11,000 students access quality education.

In August 2024, the Company collaborated with the Make-A-Wish Türkiye to realize the dreams of children battling life-threatening illnesses. Donations were made to the foundation on behalf of customers to celebrate the birthdays of young Private Pension System participants under the age of 18.

Since its establishment, Garanti BBVA Pension has carried out initiatives to create a legacy for the future, guided by its “Essential Values” and in full compliance with the Corporate Governance Principles, which are at the heart of its business processes.

With this collaboration, the Company was recognized with the Champion of Dreams Award at the award ceremony organized by Make-A-Wish Türkiye.

In line with the principles of its main shareholder Garanti BBVA, the Company embraces the vision of becoming the best “Pension and Life Insurance Company” in Europe, as well as the core corporate responsibility of contributing to society, the economy, and the environment, aligned with universally accepted values. Garanti BBVA Pension is a party to various international principles, acknowledging the importance of committed efforts in areas such as human rights, employee rights, environmental responsibility, and the fight against corruption together with its customers and all stakeholders. Through its pioneering work, the Company aims to inspire its industry.

Since its establishment, Garanti BBVA Pension has carried out initiatives to create a legacy for the future, guided by its “Essential Values” and in full compliance with the Corporate Governance Principles, which are at the heart of its business processes. Garanti BBVA Pension believes that the heartfelt contributions of every member of the Garanti BBVA

Pension family play a vital role in achieving environmental, economic, and social sustainability for the future of Turkey. The Company actively supports every sustainability initiative in this direction.

The Company's sustainability practices and activities are based on the following fundamental principles:

- Principles such as integrity, equality, reliability, transparency, open communication, honesty, ethical behavior, and strict adherence to the law are at the core of all business processes at Garanti BBVA Pension and are fully embraced and practiced by all employees,
- In making decisions across environmental, social, and economic domains, international standards are taken as the benchmark, and all risks and opportunities are approached with care and diligence,
- Garanti BBVA Pension acknowledges its responsibility toward the environment and prioritizes environmental sustainability among its core focus areas,
- The Company is committed to Investing in People with the goal of passing on its human-centered corporate culture to future generations,
- Employee satisfaction is monitored regularly, and a fair compensation and benefits system is provided for all levels of seniority,
- The Company adopts an effective management model to improve and implement internal sustainability practices,
- Garanti BBVA Pension actively supports sustainability initiatives and carries out activities that aim to inspire its industry.

In fulfilling its social responsibilities, Garanti BBVA Pension not only focuses on financial success but also pays close attention to contributing to the well-being of the society.



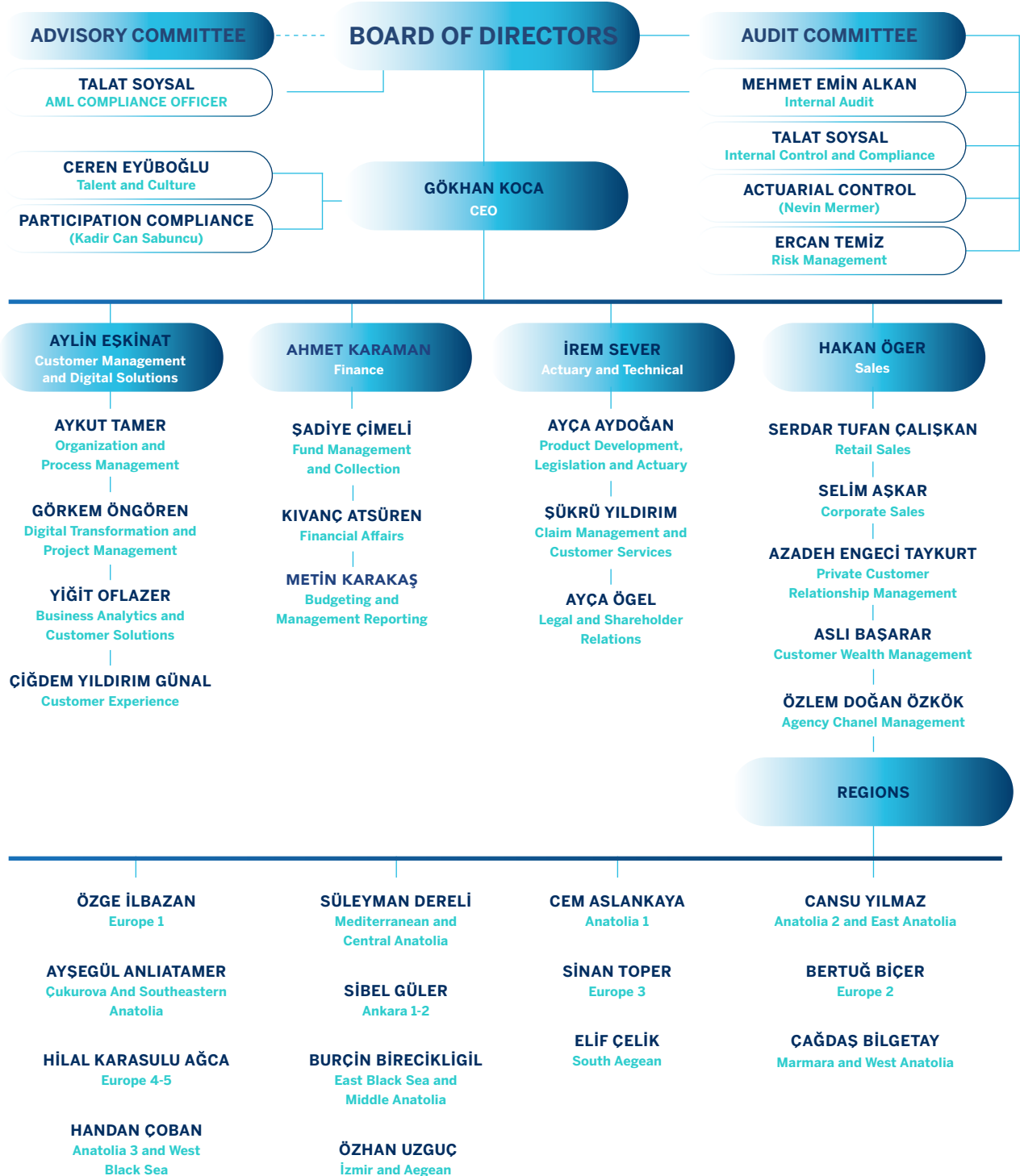
CREDIT CARD PAYMENT
ASSURANCE WITH
ONE TOUCH

Pushing its innovative approach in life insurance further, the Garanti BBVA Pension introduced the **Credit Card Payment Assurance** product, offering financial security and credit card payment in the face of unexpected events such as unemployment, accidents, or disability. In July, to streamline the process, the product was also made available through Garanti BBVA Mobile.



You can scan the QR code for detailed information about the Credit Card Payment Assurance with One Touch.

Organizational Chart



Board of Directors

MAHMET AKTEN CHAIRMAN

Mahmut Akten started his career in 1999 in the USA. After having served in various positions in the Finance and Treasury departments of a global construction materials company, in 2006, he joined McKinsey & Co, management consulting firm. Between 2006 and 2012, he worked Boston and Istanbul offices. Mahmut Akten, joined Garanti BBVA on July 1, 2012 as the director responsible for Mass Retail Banking. On January 17, 2017, Mr. Akten was appointed Executive Vice President responsible for Retail Banking, leading Retail Banking Marketing, Mass Banking Marketing, Affluent Banking Marketing and Consumer Finance. Also, Mr. Akten has served as a Member of the Board of Directors of Garanti BBVA Mortgage, Garanti BBVA Romania, Garanti BBVA Securities, Garanti BBVA Payment Systems, and Garanti BBVA Pension and Life. On June 1, 2022, he was appointed as the Executive Vice President responsible for Corporate Banking, Global Markets, Cash Management and Financial Institutions, Corporate and Investment Banking Strategy, Analysis and Coordination, Investment Banking and Finance, and Sustainable Finance.

As of August 2024, Mahmut Akten has been appointed as the CEO of Garanti BBVA and Country Manager of BBVA in Turkey. Akten is also the Chairman of the Board of Directors at Garanti BBVA International, Garanti BBVA Securities, Garanti BBVA Pension and Life, Garanti BBVA Factoring, Garanti BBVA Leasing, Garanti BBVA Fleet, Garanti BBVA Payment Systems, Garanti BBVA Crypto, Garanti BBVA Payment and E-Money, Garanti BBVA Financial Technologies, Garanti Bank S.A (Romania) Board Member and Trustee of the Teachers Academy Foundation.

With an undergraduate degree from Boğaziçi University in Electrical and Electronics Engineering and graduate degree in Business Administration from Carnegie Mellon University, Akten has 25 years of experience in banking and business administration.

CEREN ACER KEZİK VICE PRESIDENT

Ceren Acer Kezik started her career in 2005 in a global management consultancy firm. She mainly worked in banking, telecommunications, retail and private equity sectors along marketing, strategy and new business development functions. She joined Garanti BBVA in 2012 as the Manager of Retail Mass Segment. In 2016, she was appointed as the head of SME Micro segment business unit. Since 2017 she was also held responsible for Retail Mass Banking under Retail Banking business line. On June 1 2022, she was appointed Executive Vice President responsible for Retail Banking, leading Retail Banking, Mass and Micro Banking, Affluent Banking, Housing Finance, Payment Systems, Customer Solutions and Customer Communication Center. In addition, Mrs. Kezik serves as a Member of the Board of Garanti BBVA Payment Systems, Garanti Kültür, Garanti BBVA Pension and Life, and Trustee of the Teachers Academy Foundation (ÖRAV).

Ceren Acer Kezik who has an undergraduate degree from Bilkent University in Industrial Engineering and a graduate degree in Business Administration from Harvard University, has 19 years of experience in banking and business administration.

AVNİ AYDIN DÜREN
BOARD MEMBER

Aydın Düren served as an associate, partner and managing partner for over 18 years at international private law firms in New York, London and Istanbul. Mr. Düren joined Garanti BBVA on February 1, 2009 as Executive Vice President in charge of Legal Services and Collections. On June 17, 2020 he was appointed as a Board Member and since his appointment as an Audit Committee Member he is deemed as an Independent Board Member of Garanti BBVA in accordance with the relevant regulations of the Capital Markets Board of Türkiye. Since June 2015, serving as the Corporate Secretary of the Bank, Mr. Düren is also the Member of the Board of Directors, responsible for legal services. Furthermore, Mr. Düren is Board Member of Garanti BBVA Payment Systems, Garanti Mortgage, Garanti Kültür, Garanti BBVA Financial Technologies, Garanti BBVA International, Garanti BBVA Pension and Life, Garanti BBVA Securities, and Trustees of the Teachers Academy Foundation (ÖRAV).

Mr. Düren who graduated from the Faculty of Law at Istanbul University and earned his graduate degree on International Law from the American University, Washington College of Law, has 33 years of work experience in banking and business administration.

AYDIN GÜLER
BOARD MEMBER

Aydın Güler joined Garanti BBVA Fund Management Department in 1990. After working at different Head Office departments for 10 years, in 2000 he was appointed as Risk Management and Management Reporting Senior Vice President. Mr. Güler, who served as the Financial Planning & Analysis Department Senior Vice President between 2001-2013, was appointed as the Coordinator of the Department in 2013. On December 21, 2015, Mr. Güler was appointed as Executive Vice President responsible for Finance and Treasury. Mr. Güler's areas of responsibility are Investor Relations, Financial Management, Cost Management and Efficiency, Financial Data, Performance Management and Budget Planning, Financial Reporting and Accounting, Tax Management, Assets & Liabilities Management, Financial Projects, Finance Risk and Controls, Purchasing, Credit Cards and Member Merchant Coordination. Mr. Güler also serves as a Member of the Board of Directors of Garanti BBVA Fleet, Garanti BBVA Leasing, Garanti Payment Systems, Garanti Kültür, Garanti BBVA Financial Technologies, Garanti BBVA Pension and Life, Garanti BBVA Factoring, Garanti BBVA Securities, Garanti BBVA Pension and Assistance Fund and Trustees of the Teachers Academy Foundation (ÖRAV).

Mr. Güler, who graduated from Istanbul Technical University Department of Mechanical Engineering, has 34 years of experience in banking and business administration.

**ROBERT OTTO
BOARD MEMBER**

Robert Otto began his career in finance at ING Group in 1992, and continued his career at ING Group between 1992 and 2008, serving as Regional Manager, Secretary General, Vice President of Marketing, Senior Vice President of Sales and Sales Support, Director of Marketing, General Manager of Sales and Marketing, and General Manager of ING Insurance and Postbank Insurance. After his two-year term as the CEO of OHRA, he continued his career serving as the Director of the Commercial Department at Delta Lloyd NV between 2010 and 2013. Otto joined Achmea in the middle of 2013 as the Head of Non-life Insurance Branch. Since 2015, Otto has been a Member of the Board of Directors at Achmea. At the same time, Otto is the Chair of the Board of Directors for Eureka Sigorta and Interamerican Greece, and the Chair of the Supervisory Board for Achmea Australia and Inshared.

Mr. Otto who graduated from the Leiden University Law School, has 32 years of work experience in banking and business administration.

**JAIME NICOLAS LAZARO RUIZ
BOARD MEMBER**

He began his financial career in 1995 as Private Banking Advisor at Casa de Bolsa BBVA and, in 2002, he continued his career at Asset Management BBVA as Deputy Director of Specialized Portfolio Management. He has served as Corporate and Institutional Portfolio Management Director 2004 - 2008, Fixed Income and Derivatives Director 2008 - 2010, as well as CIO (Chief Investment Officer) Asset Management Mexico from 2010 to 2012. From 2013 to 2022 he was CEO at BBVA Asset Management in Mexico. He currently is the Global Head of Asset Management & Global Wealth at BBVA and president of CFA Society Mexico.

SİBEL KAYA
BOARD MEMBER

Sibel Kaya started her career in 1997 as a Management Trainee at GarantiBBVA. She held managerial positions in the Commercial Banking department between 1998-2005, Branch Manager and Commercial Branch Manager in various branches between 2005-2016, Aegean Region Manager between 2016- 2018 and Human Resources Director between 2018-2021. Sibel Kaya, who was appointed as the Executive Vice President responsible for at Garanti BBVA Small and Medium Enterprises (SME) Banking on February 2, 2021, is responsible for SME Banking Marketing and SME Banking Field and Performance Management. Additionally, she holds positions as the Vice Chairman of the Board of Directors at Garanti BBVA Payment Systems, and serves as a member of the Board of Directors at Garanti BBVA Pension and Life, Garanti BBVA Leasing, Garanti BBVA Fleet, Garanti BBVA Factoring, Garanti Kültür and Garanti BBVA Pension and Assistance Fund and Member of the Board of Trustees of the Teacher Academy Foundation (ÖRAV).

Mrs. Kaya graduated from Middle East Technical University, Faculty of Architecture, Department of City and Regional Planning and has a Master Degree in Business Administration (MBA) at Istanbul Bilgi University. She has 27 years of experience in banking and business administration GarantiBBVA.

CEMAL ONARAN
BOARD MEMBER

Cemal Onaran started his career as Assistant Auditor in Garanti BBVA at the Audit Committee in 1990. Between years 2000- 2007, he worked as the Regional Manager in various regions of Garanti BBVA in Istanbul. After the establishment of Garanti BBVA Mortgage in October 2007, he was appointed General Manager of Garanti BBVA Mortgage. After having served as the General Manager of Garanti BBVA Pension, since 2012, and Executive Vice President of Garanti BBVA responsible of SME Banking since January 17, 2017, Mr. Onaran was appointed as the Executive Vice President responsible from Commercial Banking as of February 2021. Mr. Onaran's areas of responsibility are Commercial Banking Anatolian Marketing and Commercial Banking Istanbul Marketing. Onaran also serves as a Board Member at Garanti BBVA Romania, Garanti BBVA Payment Systems, Garanti BBVA Leasing, Garanti BBVA Factoring, Garanti BBVA Fleet, Garanti BBVA Retirement and Assistance Fund Foundation, and as a Member of the Board of Directors and Board of Trustees of the Teachers Academy Foundation.

Mr. Onaran graduated from Middle East Technical University with a degree in Public Administration in 1990 and has 34 years of experience in banking and business administration.

OSMAN BAHRİ TURGUT
BOARD MEMBER

Osman Bahri Turgut graduated from the Department of Economics of Marmara University in 1990. He started his career at GARANTİ BBVA as an assistant auditor and throughout his career at the Bank, he worked as Branch Manager, Assistant Director of the Internal Audit Department, Commercial Loans Department Manager, Internal Control Unit Manager and Head of Internal Audit and Control. He currently serves as the Director of Internal Audit Department of Garanti BBVA. He also acts as a Board and Audit Committee Member at Garanti BBVA Leasing and Garanti BBVA Fleet Management; a Board and Corporate Governance Committee Member at Garanti BBVA Factoring; a Board Member at Garanti Bank Pension Fund Foundation; an Audit Committee Member at Garanti BBVA Leasing SA, Garanti BBVA Consumer Finance SA and Garanti BBVA Payment Systems; an Audit Committee and Board of Trustees Member at Teachers Academy Foundation (ÖRAV); a Chairman of the Board at The Institute of Internal Auditing Turkey (TİDE) and an Audit Committee Member at WWF Turkey – World Wildlife Fund.

Mr. Turgut graduated with a Bachelor's degree in Economics from Marmara University in 1990. He has 34 years of professional experience in the fields of banking and business management.

MURAT ATAY
BOARD MEMBER

Murat Atay started his career in 1993 at Garanti BBVA as a corporate and credit analyst. He served as Corporate Branch Manager between 2000- 2009, and between 2009-2012 he was General Manager of Garanti BBVA Romania and also served as Chairman of the Board of Directors at Motoractive, Ralfi and Domenia companies. Between 2012 and 2020, he served as Garanti BBVA Mortgage General Manager, and as of January 2021, he was appointed as the Chief Credit Risk Officer. Atay's responsibilities under credit risk management group include Corporate and Specialty Loans, Commercial Loans under the Credit Risk Management group; Under the Retail and SME Loans Risk Management group, Risk Strategies, Loan Policies Implementation and Analysis, Retail and SME Loans Evaluation, Corporate and Commercial Loans Structuring, Risk Planning, Monitoring and Reporting, Regional Loans Coordination; Risk Projects and Credit Risk Management Advanced Analytics. Atay also serves as the Vice Chairman of the Board of Directors of Garanti BBVA Leasing and Garanti BBVA Factoring, a Member of the Board of Directors of Garanti BBVA Kültür, Garanti BBVA Securities and Garanti BBVA Romania.

Mr. Atay graduated from Middle East Technical University Department of Political Science and Public Administration and earned his master's degree in Accounting from Yeditepe University, and doctoral degree in Banking and Finance from Istanbul Okan University. Murat Atay has 31 years of work experience in banking and business administration.

TUBA KÖSEOĞLU OKÇU
BOARD MEMBER

Tuba Köseoğlu Okçu worked as a simultaneous conference interpreter both in the private sector and in the academia between 1994-1997. As of 1997, she switched to human resources area and pursued her human resources career in the leading institutions of the banking, holding, automotive, pharmaceutical and media industries, being at the top management during the last 17 years of this period. On March 2020, Ms. Tuba Köseoğlu Okçu joined Garanti BBVA as the Talent & Culture Learning Director and as of February 2022, she took the additional responsibility of General Manager at ÖRAV, Teachers Academy Foundation. On September 12, 2022, Ms. Tuba Köseoğlu Okçu was appointed as the Executive Vice President responsible of Talent & Culture. Her areas of responsibility are Talent & Culture Front, Talent Solutions and Compensation Discipline, Talent & Culture Business Execution, Talent & Culture Projects, Talent & Culture Learning, Internal Comm. & Culture and Construction & Premises.

Tuba Köseoğlu Okçu graduated with a Bachelor's degree in Translation and Interpreting Studies from Boğaziçi University in 1994. She has 27 years of professional experience in the fields of education and human resources.

GÖKHAN KOCA
BOARD MEMBER AND GENERAL MANAGER

Gökhan Koca started his career as an inspector at Garanti BBVA in 2000. Between 2006 and 2017, he worked as Assistant General Manager responsible for marketing at Garanti BBVA Mortgage, following responsibilities such as Product and Business Development, Digital Channels and Real Estate Valuation. Between January 2017 and March 2019, he served as SME and Agricultural Banking Director at Garanti BBVA. In March 2019, Mr. Koca was assigned to an international position and worked as the Global Head of SME Banking at BBVA's head office in Madrid. Meanwhile, between November 2019 and February 2021, he served as a Board Member at Holvi, a "fintech" based in Finland. Koca has been the General Manager of Garanti BBVA Emeklilik ve Hayat A.Ş. since December 25, 2024.

Gökhan Koca holds a Bachelor's degree in Civil Engineering from Middle East Technical University and a Master's degree in Business Administration for Executives (MBA) from Boğaziçi University and has more than 20 years of experience in the finance sector.

Board of Directors Meeting Attendance

In 2024, Garanti Emeklilik ve Hayat A.Ş. held 18 Board Meetings and 44 decisions were taken. Two of these meetings were held with the participation of 10 members, 7 meetings were held with 9 members, 6 meetings were held with 8 members, and 3 meetings were held with 7 members.

MEETING DATE	MEETING NO	NO NUMBER OF BOARD MEMBERS	PARTICIPATION
09.01.2024	700	13	9
09.01.2024	701	13	9
22.01.2024	702	13	9
26.01.2024	703	13	8
06.02.2024	704	13	8
06.02.2024	705	13	8
07.02.2024	706	13	10
27.02.2024	707	13	9
27.02.2024	708	13	9
05.04.2024	709	13	9
05.04.2024	710	13	9
05.04.2024	711	13	9
05.04.2024	712	13	9
05.04.2024	713	13	9
05.04.2024	714	13	9
05.04.2024	715	13	9
05.04.2024	716	13	9
05.04.2024	717	13	9
26.04.2024	718	13	9
21.05.2024	719	13	9
23.07.2024	720	13	10
23.07.2024	721	13	10
23.07.2024	722	13	10
23.07.2024	723	13	10
23.07.2024	724	13	10
23.07.2024	725	13	10
23.07.2024	726	13	10
26.07.2024	727	13	7
09.09.2024	728	13	7
17.10.2024	729	12	9
17.10.2024	730	12	9
17.10.2024	731	12	9
17.10.2024	732	12	9
17.10.2024	733	12	9
28.10.2024	734	12	8
11.11.2024	735	12	8
11.11.2024	736	12	8
14.11.2024	737	10	8
09.12.2024	738	9	8
18.12.2024	739	10	7
18.12.2024	740	10	7
18.12.2024	741	10	7
18.12.2024	742	10	7
18.12.2024	743	10	7
21.12.2023	694	13	7
21.12.2023	695	13	7
21.12.2023	696	13	7
21.12.2023	697	13	7
21.12.2023	698	13	7
21.12.2023	699	13	7



4

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5

3

Senior Management

GÖKHAN KOCA BOARD MEMBER/GENERAL MANAGER

1

Gökhan Koca started his career as an inspector at Garanti BBVA in 2000. Between 2006 and 2017, he worked as Assistant General Manager responsible for marketing at Garanti BBVA Mortgage, following responsibilities such as Product and Business Development, Digital Channels and Real Estate Valuation. Between January 2017 and March 2019, he served as SME and Agricultural Banking Director at Garanti BBVA. In March 2019, Mr. Koca was assigned to an international position and worked as the Global Head of SME Banking at BBVA's head office in Madrid. Meanwhile, between November 2019 and February 2021, he served as a Board Member at Holvi, a "fintech" based in Finland. Koca has been the General Manager of Garanti BBVA Emeklilik ve Hayat A.Ş. since December 25, 2024.

Gökhan Koca holds a Bachelor's degree in Civil Engineering from Middle East Technical University and a Master's degree in Business Administration for Executives (MBA) from Boğaziçi University and has more than 20 years of experience in the finance sector.

AHMET KARAMAN EXECUTIVE VICE PRESIDENT

2

Ahmet Karaman began his professional career in 1995 at Türk Dış Ticaret Bankası, where he worked as part of the Change Projects Coordination team. Starting in 2000, he held various positions within the Head Office of Garanti BBVA. In 2005, he was appointed as Manager of the Finance and Management Reporting Department at Garanti BBVA Pension and Life. Mr. Karaman currently serves as Executive Vice President responsible for Fund Management and Collections, Budget and Management Reporting, and Financial Affairs.

Graduated from the Middle East Technical University with a degree in Economics, Karaman has 29 years of experience in the fields of banking and business management.

AYLİN EŞKİNAT EXECUTIVE VICE PRESIDENT

3

Aylin Eşkinat started her business career as Management Trainee at Garanti BBVA in 2002. After serving as director at SME Marketing, Mrs. Eşkinat was appointed as the Manager of Customer Relations Management and Marketing Department at Garanti BBVA Pension in 2009. She continued to work as the Manager of Corporate Communication, Customer Experience and Digital Marketing Department between 2017 and 2020. As of 2021, she is currently serving as Executive Vice President in charge of Customer Experience, Business Analytics and Customer Solutions, Digital Transformation and Project Management and Organization and Process Management.

Graduated from Marmara University Department of Economics; Aylin Eşkinat completed the master degree and doctorate programs in the fields of Production Management and Marketing at Marmara University. She has 22 years of experience in the fields of banking and business management.

HAKAN ÖĞER EXECUTIVE VICE PRESIDENT

4

Hakan Öger started his business career as Management Trainee at Demirbank T.A.Ş. in 1993 and later worked at Polinas Plastik Sanayi A.Ş. and Vestel Elektronik A.Ş. In 1996, he started working in Commercial Banking at Ottoman Bank Head Office. Mr. Öger was appointed as the Branch Manager in 1999. After Ottoman Bank having merged with Garanti Bank at 2001, he continued to work first as a Branch Manager, and then after 2008 as Regional Manager in various branches & regions. In 2018, he became SME Banking Director in responsible for Small Enterprises and than in 2020 , he was appointed as SME Marketing Director. Mr. Öger has been serving as Executive Vice President at Garanti BBVA Pension and Life in charge of Retail Sales, Corporate Sales, Private Customer Relationship Management and Customer Wealth Management Departments since February 1, 2023.

Mr. Öger graduated from Middle East Technical University, Department of Industrial Engineering, earned his MSc in International Finance at Marmara University and his PhD in the field of Business Administration at Celal Bayar University. He has 31 years of experience in the fields of banking and business management.

İREM SEVER EXECUTIVE VICE PRESIDENT

5

İrem Sever started her career as an Actuary Officer at Garanti BBVA Pension and Life in 2007. She served as a Financial Assessment Senior Specialist at Metlife Pension and Life between 2010 and 2014. She worked as an Actuary Supervisor at Garanti BBVA Pension and Life between 2014 and 2021, and as Product Development, Legislation and Actuary Department Manager between 2021 and 2024. Since March 1, 2024, Ms. Sever serves as Executive Vice President in charge of Product Development, Legislation and Actuary, Claim and Customer Services, and Legal and Shareholder Relationships Departments.

İrem Sever, who was graduated from the Mathematics and Statistics Department of Yıldız Technical University, has 17 years of experience in the fields of banking and business management.

Committees and Attendance at Committee Meetings

A - Corporate Governance Committee

The Corporate Governance Committee was established in 2011 in accordance with the Circular on the Corporate Governance Principles for Insurance Companies, Reassurance Companies and Pension Companies issued by the Ministry of Treasury and Finance. The Committee's task is to carry out the necessary actions to ensure compliance with the principles, make recommendations to the Board of Directors to this end, and monitor the Company's compliance with the principles. The committee convened once in 2024 with the participation of all members.

Current Committee Members

Avni Aydın Düren - Board Member - Committee Chair

Osman Bahri Turgut - Board Member - Committee Member

Committee Activities

The main aim of the Committee is to carry out the necessary activities to ensure compliance with the Corporate Governance Principles and to create a general corporate culture in this regard, make recommendations to the Board of Directors, and monitor the Company's compliance with these principles. In this regard, the duties and authorities of the Corporate Governance Committee are defined as follows:

- To ensure that the Company's Corporate Governance Principles are structured according to the principles of equality, transparency, accountability, and responsibility.
- To create the necessary environment for the Board of Directors and executives to carry out their activities in a fair, transparent, accountable, and responsible manner.
- To ensure that the Company conducts its business and operations transparently,

- To protect the rights of stakeholders independently from one another,
- To take into account the Company's ethical values, internal balances, and strategic objectives when determining the remuneration policy,
- To ensure that the Company takes the necessary measures to enable the shareholders to exercise their rights arising from regulations, the Articles of Association, and other internal company regulations,
- To prepare the Corporate Governance Compliance Report* in March every year in accordance with the Circular on Corporate Governance Principles, and to submit the report to the Board of Directors and to the Ministry of Treasury and Finance.

* The Corporate Governance Compliance Report is available at the Corporate Governance section on www.garantibbvaemeklilik.com.tr.

B. Audit Committee

Founded in 2007, the Audit Committee is comprised of two Board Members. The Audit Committee held 4 meetings in 2024. Avni Aydın Düren (Board Member) and Osman Bahri Turgut (Board Member), who do not have executive duties, continue to serve as committee members. The Audit Committee is responsible for monitoring the effectiveness and adequacy of the Company's internal systems to assist the Board of Directors in fulfilling its obligations related to internal system activities.

Key responsibilities of the Audit Committee members are:

- To oversee compliance with internal control regulations set forth in the internal systems regulation and with internal policies and procedures approved by the Board of Directors, and to make recommendations to the Board of Directors regarding necessary measures,

- To approve the annual internal control plans prepared by the internal control unit,
- To determine the scope and duration of engagement with external service providers for outsourced works regarding internal control, risk management, and actuarial functions,
- To evaluate whether the necessary methods, tools, and procedures are in place for identifying, resolving, measuring, monitoring, and controlling the risks the organization is exposed to,
- To make recommendations to the Board of Directors for the effective performance of activities of the Actuarial Control Unit, which reports to the Audit Committee, to ensure the proper functioning of the actuarial function,
- To designate the responsible actuary as defined in the regulation,
- To ensure the establishment of the necessary IT infrastructure and provision of IT support for the development of company statistics, granting access to relevant staff, and enabling accurate calculations,
- To oversee whether the internal audit unit fulfills its responsibilities as defined in the regulation and internal policies,
- To monitor whether the internal audit function adequately covers the organization's current and planned activities as well as the risks arising from such activities, and to review internal regulations related to internal audit that will come into effect upon the approval of the Board of Directors,
- To review the annual internal audit plan prepared by the internal audit unit and submit the plan to the Board of Directors,
- To carry out the necessary preliminary assessments to select rating agencies, independent audit firms, and valuation firms with which the organization will sign

contracts, and to submit the assessments to the Board of Directors in a report,

- To assess the results of the independent audit report, the semi-annual and annual financial statements, and related documents, and to resolve any other issues raised by the independent auditor,
- Considering the materiality level determined by the Board of Directors, to conduct a risk assessment regarding significant outsourced services related to the execution of internal systems functions and to submit this assessment to the Board in the form of a report, and, in the event of outsourcing, to regularly monitor the adequacy of services provided by the support service provider during the contract period.

C. Remuneration Committee

The Remuneration Committee was established in 2013. The Committee convened three times in 2024.

Current Committee Members

Tuba Köseoğlu Okçu - Committee Chair - Board Member

Committee Activities

- To conduct the necessary monitoring and auditing process to ensure that the Company's remuneration policy and practices are in compliance with applicable laws, regulations, and risk management principles,
- To review the Company's remuneration policy at least once a year to ensure its alignment with the laws and regulations in Turkey, as well as market practices, and update it if necessary,
- To monitor the need for updates to policies, procedures, regulations, etc., in the areas under its responsibility, and take action to ensure their relevance.

D. Committee of Early Detection of Risk

• Risk Management

The Committee consists of two non-executive members of the Board of Directors. The Committee of Early Detection of Risk held two meetings in 2024, with full participation from its members.

Current Committee Members

Aydın Güler - Board Member - Committee Chair

Osman Bahri Turgut - Board Member - Committee Member

Committee Activities

Established within the Board of Directors to detect risks that may jeopardize the Company's existence, development, and continuity, the Committee of Early Detection of Risk has the following fundamental responsibilities:

To detect early risks that could jeopardize the Company's existence, development, and continuity,

- To take, implement and report the necessary precautions regarding identified risks,
- To develop the necessary policies for the implementation of Risk Management processes.
- In this regard, the duties and authorities of the Committee of Early Detection of Risk are defined as follows:
- The Committee works on the early identification of risks that could jeopardize the Company's existence, development, and continuity, taking necessary measures regarding identified risks, and managing the risks.

- The Committee provides written recommendations and opinions to the Board of Directors for the creation and development of a Company risk management system that minimizes the impact of risks that could affect shareholders and all stakeholders.

Summary Report of the Board of Directors to the General Assembly Report on Compliance of the Annual Report

GARANTİ EMEKLİLİK VE HAYAT SİGORTA A.Ş. 2024 ANNUAL REPORT

Dear Shareholders,

We sincerely thank each and every one of you for your attendance at the General Assembly convened to review and vote on the accounts and operations results of the 33rd Fiscal Year of Garanti Emeklilik ve Hayat Sigorta Anonim Şirketi.

Our Company's nominal paid-in capital in 2024 stood at TL 500,000,000 while the shareholders' equity figure was TL 6,317,016,105.

The Company generated a net premium production (being the recorded premium minus the reinsurer share) for TL 7,782,531,287 in the life branch.

Our Company's Private Pension fund size grew 69%, from TL 101,187,805,987 at year-end 2023 to TL 170,567,574,157 at year-end 2024.

Achieving many accomplishments in 2024, our Company sustained its lasting growth and attained its objectives.

Dear Shareholders,

Our Company, whose operations are summarized above, generated pre-tax accounting profit of TL 6,293,461,096 in 2024, corresponding to net profit of TL 4,371,480,335 in our Company's financial statements after allowing for Corporate Tax.

We appreciate the interest you have shown in the General Assembly and wish the best for our country and our Company in 2025.

GÖKHAN KOCA

Member of the Board of Directors and General Manager



Talent and Culture

At the heart of Garanti BBVA Pension's Talent and Culture practices lies the goal of building the best and most committed team by attracting the right talent and creating a work culture that develops their abilities to the fullest, unlocks their potential, and prepares them for the future.

By prioritizing the happiness and development of employees, the Company invests in them, providing an equal, fair, transparent work environment that allows employees to showcase their talents, where they can contribute to processes with their ideas, take responsibility, and feel happy as part of a diverse team.

Garanti BBVA Pension strengthens employee experience and invests in initiatives that focus on employee engagement, offering innovative and comprehensive services that meet both customer and employee needs and expectations, all in line with Garanti BBVA's core values of "We Are One Team," "Customer Comes First," and "We Think Big".

As one of the leading companies in the pension and insurance sector, Garanti BBVA Pension has achieved sustainable success in the sector by adopting the Group's Flexible Working Model, considering the changing needs of employees and their happiness since the COVID-19 pandemic.

With internal communication practices tailored to employee needs, Garanti BBVA Pension aims to increase employee engagement and creates a happiness-focused corporate culture rooted in BBVA's values, ensuring employees are well-prepared for future competencies through career and development practices and continuous learning.

WORK-LIFE BALANCE

Garanti BBVA Pension places talent management at the heart of its approach to fostering a diverse and inclusive work environment, while prioritizing the work-life balance of its employees. In 2024, the Company continued to implement a range of practices that support work-life balance, including birthday leave, report card day leave, first day of school leave, bridge leave for combining public holidays, and "Meeting-Free Hours" to help employees better plan their day.

Garanti BBVA Pension has 554 employees as of December 2024.

Garanti BBVA Pension has a total of 14 Regional Directorates: 7 in Istanbul, and 1 each in Adana, Ankara, Antalya, Bursa, Izmir, Kayseri and Denizli.

GARANTI BBVA PENSION DEMOGRAPHIC DATA

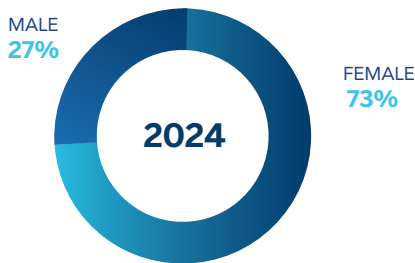
Average Age



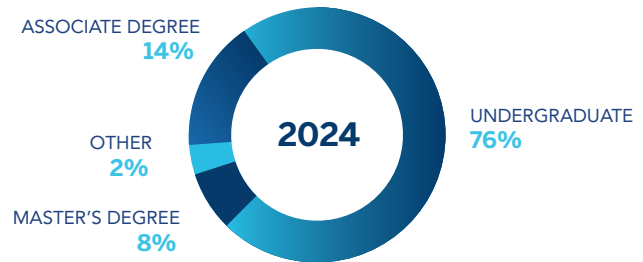
Female Manager Percentage (Manager and Above)



Female-Male Ratio



Educational Background



TALENT AND CULTURE CONSULTING

In line with its Talent and Culture strategies, Garanti BBVA Pension aims to maintain constant communication with employees and to create a work environment where they can share their opinions openly and transparently through Talent and Culture Consulting teams formed to meet the evolving needs of Head Office and Regional teams. To this end, regular employee meetings are held throughout the year with unit and regional employees. The meetings aim to evaluate overall employee satisfaction, gather opinions and suggestions, and report findings to the management to develop practices that enhance employee happiness and engagement.

Recruitment

In its recruitment processes, Garanti BBVA Pension utilizes various competency-based, objective, and position-specific assessment and evaluation methods to place the right person in the right role. While the focus remains on nurturing internal talent within the Group, internal career transitions are prioritized for all open positions.

As part of the “Together for the Future” program launched by Garanti BBVA to support, empower, and employ young people affected by the earthquake disaster in February 2023, eleven first-year and second-year university students began internships in Garanti BBVA Pension’s Head Office units. The internship program continued in 2024.

Moreover, across the Group, the Management Trainee program, designed to train future managers, and the Talent Camp program, offered to university students passing from their third to fourth year, were also actively carried out during the year.

Regular feedback meetings are held with new recruits at specific intervals to support them during their adaptation process, address any challenges they may face, and measure their satisfaction levels.

Career Planning

At Garanti BBVA Pension, the career journeys of all employees are clearly and transparently defined through employee-centered Career Maps. To ensure that the right person is assigned to the right role, the Company uses a range of competency-based, objective, and position-specific assessment and evaluation tools and methods to evaluate and measure employees based on their goal achievement rates, competencies, and performance. Additionally, assessment center practices, fair performance systems, length of service, and the needs of relevant positions play an important role in career planning processes. Under the Career Maps, a total of 106 employees were promoted to higher positions in 2024.

Regional Directors Meeting

In 2024, the first Regional Directors Meeting was held to help Garanti BBVA Pension's Regional Directors know each other better and strengthen team spirit.

INTERNAL COMMUNICATION

In support of the Group's goal of building "the best and most engaged team," Garanti BBVA Pension continued to carry out programs and services aimed at enhancing employee happiness, well-being, and engagement in 2024.

Reward Program

At Garanti BBVA Pension, employees with different roles and responsibilities are rewarded for their dedication and high performance. As part of the Achievement Reward Program, 30 employees were recognized during the first half of 2024.

As of July 2024, the SPOT Awards program was launched across the Group to celebrate and reward employees who make a difference, show appreciation, and document their contributions as part of the corporate memory. Under the SPOT Awards program, a total of 70 employees were rewarded in the second half of the year.

CEO Briefing Broadcasts

The CEO of Garanti BBVA Pension holds regular live broadcasts to share with employees the developments in the industry and the Company, new projects and goals, and expectations for the future.

ONİKİBİR Meetings

Since 2018, Garanti BBVA Pension has been organizing ONİKİBİR Meetings to bring together employees with guest speakers who are experts in various fields and a range of various workshops. ONİKİBİR Meetings continued in 2024 for employees.

I Am the Leader

Garanti BBVA Pension has held the "I Am the Leader" event since 2016. The aim of the event is to bring together the Company's management team with leading figures and speakers in their respective fields while inspiring the Company's leaders and supporting their development. In 2024, the seventh "I Am the Leader" event was held at Garanti BBVA Pendik Campus with the participation of 160 Garanti BBVA Pension leaders.

Employer Branding

As part of its employer brand management efforts, Garanti BBVA Pension plans celebrations for special occasions, motivational events, and the distribution of promotional gifts for all employees to enhance motivation and provide a better employee experience. The Company also offers services such as the Employee Support Program and Online Nutrition Counseling.

The Employee Support Program helps employees overcome challenges they face in their work and personal lives and quickly access accurate and useful information through 24/7 free phone support in areas such as psychological counseling, health, and legal matters.

To support employee wellbeing and welfare, in 2024, across the Group companies, agreements were made with

numerous brands in various sectors from technology and clothing to education and tourism, providing employees with access to quality products and services at more favorable prices.

Employee Experience Surveys

In 2024, Garanti BBVA Pension conducted regular engagement and satisfaction surveys to strengthen its employee-centric culture, create a more efficient working environment, and improve the employee experience.

The Company carried out the Employee Engagement and Experience Survey to collect employee feedback on work-life balance, reward system, performance management, appreciation, training, and development opportunities, as well as the BBVA Group Employee Engagement Survey conducted simultaneously with all BBVA Group companies.

TRAININGS

Garanti BBVA Pension regards its training efforts as an investment tool and organizes all development and learning activities with the vision of ensuring continuous development and the awareness that lifelong learning is one of the key principles of sustainable success. In 2024, the Company continued to offer in-person and online trainings.

With the vision of continuous development for sustainable success, the Company designed orientation programs, online learning modules, individual coaching sessions, and customized training programs tailored to the needs of Head Office and Regional Directorates. Additionally, various trainings were delivered such as Licensing Training for Private Pension Intermediaries, Mandatory Training Program on Participation-Based Insurance, Leadership Development Program, Garanti BBVA Pension Product Trainings, Basic Sales Skills Trainings, On-the-Job Trainings and Catalog Trainings. Licensing training for private pension intermediaries continued in 2024.

Garanti BBVA Pension regards its training efforts as an investment tool and organizes all trainings with the awareness that lifelong learning is one of the key principles of sustainable success.

In 2024, new graduate employees who joined the Company as Management Trainees successfully completed a training program consisting of two modules covering pension and business life, preparing them for their new roles, the sector, and professional life.

Employees continued to participate in the Field and Head Office Talent Development Programs in 2024.

As in previous years, the digital learning platform was also available in 2024. Through this platform, employees can use the points they earn from digital trainings to participate in instructor-led sessions that support their professional and personal development. In addition to priority digital development trainings, employees can also participate in trainings aligned with their preferences.

In 2024, employees continued to benefit from the GETLingo portal, which supports all employees equally in developing their English and Spanish language skills.

Through the “Let’s Talk” live broadcast series, employees came together with experts in various fields, while the “Let’s Talk with Someone Who’s Been There!” sessions were organized to encourage knowledge exchange and peer learning among employees.

REMUNERATION AND SIDE BENEFITS

In addition to monthly salaries, Garanti BBVA Pension offers its employees a comprehensive side benefits package that includes performance-based bonuses, health insurance, meal cards, a company-contributed private pension plan, foreign language and commuting allowances.

The Company's performance evaluation system is designed to observe how each employee contributes to overall organizational performance, while encouraging open communication throughout the process. Built on clear and measurable criteria, the system aims to deliver a transparent, straightforward, and fair assessment. The performance assessment system also provides input for remuneration, rewards, career and training practices. Job descriptions and performance criteria for all positions available in the Company are shared transparently with all employees through internal communication platforms.

To help employees recharge and invest in their personal development, Garanti BBVA Pension offers a Career Break program, enabling employees with a certain length of service to take extended unpaid leave.

In order to ensure that employees can create at home the ergonomic working environment offered in offices, the Company provides ergonomic support to employees and makes an additional payment for internet connection with the Internet Support Package.

At Garanti BBVA Pension, every new employee is automatically enrolled in a company-contributed private pension plan. Within certain limits, the Company matches the employees' contributions with equal organizational contribution.

Employees who certify their foreign language proficiency through internationally recognized exams are eligible for additional language payments with amounts set according to three levels.

The spouses and children under 24 of employees who do not have their own social security or income are covered under the Company's Private Health Insurance plan.



LIVE HEALTHY WITH
ONE TOUCH

Garanti BBVA Pension offers savings and insurance products to secure the futures of its customers, while also supporting their well-being through the **Live Healthy program**, encouraging customers to take care of themselves and their loved ones. Since its launch, tens of thousands of Garanti BBVA Pension customers have enjoyed exclusive benefits from the Live Healthy world. The Live Healthy program features a wide range of content from yoga to fitness, mindfulness to healthy eating, cultural tours to crafts. In 2024, customers participated in free webinars, physical yoga events, the Live Healthy Festival, and brand collaborations that attracted significant interest. Customers are just a tap away from all of these events and benefits, easily accessible through the Live Healthy menu on Garanti BBVA Pension Mobile.



You can scan the QR code for detailed information about the Live Healthy with One Touch.

Information on Financial Structure

As in previous years, Garanti BBVA Pension and Life continued its rapid growth in both assets and profitability in fiscal year 2024. Profit before tax reached TL 6.293.461.096 in 2024. Net profit after tax was TL 4.371.480.335. During the same period, technical profit derived from life and pension activities reached TL 4.212.839.916. Shareholders' equity in 2024 was TL 6.317.016.105. As of December 31, 2024, the Company's total assets grew 69% year-on-year and reached TL 188.191.065.289. The increase in total assets is largely due to private pension activities. The Company recorded a 68% increase in participants' funds year-on-year. The Company's total pension fund size amounted to TL 169.765.850.383.

As of December 31, 2024, the share of cash assets among total assets was 3%. As for the share of financial assets, it is 5%. As of December 31, 2024, the share of the Company's insurance technical reserves in total liabilities stood at 4%. The Company's source of premium income is derived from the life insurance sector; the total earned premium in the fiscal year ending on December 31, 2024 was TL 7.174.052.712.

Assessment of Financial Position, Profitability and Claims Service Capacity

In 2024, the amount of life claims amounting to TL 1.244.298.525 increased by 52% year-on-year. The Company's technical profit was up 96% to TL 4.212.839.916. The Company's technical reserves consist of unearned premium reserve, reserves for outstanding claims, life insurance mathematical reserve, reserve for life insurance profit share, equalization reserve, and reserve for bonus payments and discounts.

In financial statements, the unearned premium reserve is the outstanding part of the premiums which have accrued for the applicable insurance contracts for the next accounting period(s) on a daily basis, remaining after production commissions and after the share of expenses in life insurance as well as the portion allocated to savings, if any.

At the end of each period and year, a reserve for outstanding claims is apportioned for all liabilities concerning unpaid claim files of which the Company has already been notified and that are under review. The reserve for outstanding claims is set according to expert reports or policyholder and expert assessments.

Within this framework, as of December 31, 2024, the change in reserve for outstanding claims stood at TL -1.115.059.652.

The life insurance mathematical reserve comprises the actuarial mathematical reserves and reserves for life insurance profit share, and represents the Company's obligations towards policyholders in the life insurance branch. For variable universal life insurance policies, a reserve for profit share is set aside for the income earned from investments made with premiums written on a collection basis.

Board of Director's Annual Report

BOARD OF DIRECTOR'S SUMMARIZED ANNUAL REPORT

01.01.2024- 31.12.2024 (Pursuant to the circular of the Ministry of Customs and Trade, dated August 28, 2012)

1. GENERAL INFORMATION

Reporting Period: 2024

Trade Name: Garanti Emeklilik ve Hayat A.Ş.

Trade Registry Number: 288647

Central Registration System Number:

0008006750900027

Head Office Address: Nispetiye mahallesi Barbaros Bulvarı

No:96 Çiftçi Towers Kule 1 Beşiktaş – İstanbul

Contact Information

Telephone: 0212 334 70 00

Fax: 0212 334 63 00

E-mail: MusteriHizmetleri@garantibbvaemeklilik.com.tr

A - The Company's Organizational, Capital and Shareholding Structure

Capital and Shareholding Structure

In 2007, Achmea B.V. acquired 15% of the shares of Garanti BBVA Pension and Life for EUR 100 million. There has not been any changes to the shareholding structure of the Company in 2024.

The Company's shareholding structure and capital distribution are shown below.

NAME, SURNAME AND TITLE OF THE SHAREHOLDER	SHARE RATE	NEW SHARE AMOUNT/TL	NEW SHARE QUANTITY
Türkiye Garanti Bankası A.Ş.	84,91%	424.566.290	42.456.629.000
Achmea B.V.	15%	75.000.000	7.500.000.000
Eureko Sigorta A.Ş.	0,09%	433.710	43.371.000
Total		500.000.000	50.000.000.000

B - INFORMATION ON PREFERRED SHARES

The Company does not currently issue preferred shares.

C - INFORMATION ON THE COMPANY'S MANAGEMENT BODY, EXECUTIVE MANAGERS AND SENIOR STAFF

a) The Company's Management Body: The Board of Directors is comprised of 13 Directors, as follows.

Mahmut Akten **Chairman**

Ceren Acer Kezik **Vice Chairman**

Cemal Onaran **Member**

Aydın Güler **Member**

Robert Otto **Member**

Jaime Nicolas Lazaro Ruiz **Member**

Sibel Kaya **Member**

Avni Aydın Düren **Member**

Osman Bahri Turgut **Member**

Tuba Köseoğlu Okçu **Member**

Murat Atay **Member**

Gökhan Koca **Member - General Manager**

b) The Company's Executive Managers:

Gökhan Koca **General Manager**

Ahmet Karaman **Executive Vice President**

İrem Sever **Executive Vice President**

Aylin Eşkinat **Executive Vice President**

Hakan Öger **Executive Vice President**

c) Headcount: 554

d) Within the framework of the permission granted by the General Assembly, Board Members do not transact with the Company, either directly or on behalf of others.

2. REMUNERATION OF BOARD MEMBERS AND EXECUTIVE MANAGERS

Remuneration and other benefits paid by the Company to Board Members and executive managers totaled TL 52,852,513 in 2024.

3. THE COMPANY'S RESEARCH AND DEVELOPMENT ACTIVITIES

The Company did not carry out any research and development activities in 2024.

4. COMPANY OPERATIONS AND RELATED IMPORTANT DEVELOPMENTS

a) The Company did not make any investments or major asset purchases/sales during the reporting period.

b) Garanti BBVA Pension and Life holds a 0.00003% stake worth 1 (one) Turkish lira in its direct subsidiary Garanti BBVA Leasing.

c) The Company has not acquired any of its own shares.

d) The Company has not been subject to private auditing during the activity period.

e) No lawsuits, which might affect the financial position and the activities of the Company, have been filed against the Company during the activity period.

f) There have been no administrative or legal sanctions imposed on the Company or its board members due to illegal practices during the activity period.

g) During the activity period, the Company has reached all of its targets and fulfilled the requirements of all General Assembly resolutions.

h) Information about donations and aids made by the Company throughout the year, as well as about expenditures related to social responsibility initiatives, is as follows:

Garanti BBVA Pension made a total expenditure of TL 1,502,525 in 2024 for donations and aids.

i) Transactions carried out with the parent company and affiliated companies within the Group are ordinary commercial activities. There were neither any transactions made in the interest of the parent company or one of the affiliated companies, with or without the instruction of the parent company, nor any measures taken or refrained from being taken, in this respect.

j) In cases where a legal transaction is made or required, measures are taken or refrained from being taken, based on all facts and conditions known to the Company's Board of Directors at the time, neither due consideration nor taking necessary measures or refraining from taking such measures, that can harm the Company, were required as there have not been any legal transactions.

k) Any potential conflict of interest between the Company and consulting and/or audit firms that provide service to the Company are prevented through agreements.

5. FINANCIAL POSITION

a) The Board of Directors' analysis and assessment of the Company's financial position and activity results, the extent to which planned activities were realized, and the Company's performance against predetermined strategic goals are as follows:

In 2024, Garanti BBVA Pension achieved a profit of TL 6,293,461,096. While the Company's total assets were TL 188,191,065,289 shareholders' equity amounted to TL 6,317,016,105. The Company's fixed assets totaled TL 601,854,544 of which TL 81,605,231 has been allocated for depreciation in 2024.

b) The Company's annual sales, productivity, income generating capacity, profitability and debt-to-equity ratio, in comparison with previous years, as well as information on other matters which might give an idea about the results of the Company's operations, and also expectations for the future, are presented below:

	2020 (TL)	2021 (TL)	2022 (TL)	2023 (TL)	2024 YILI (TL)
Period Profit/(Loss)	610.209.057	831.623.470	1.366.193.457	3.026.872.476	6.293.461.096
Taxes and Legal Obligations for the Period's Profit	138.699.376	220.068.543	356.936.116	876.619.923	1.921.980.761

c) The Board of Directors' assessment on whether the Company suffers from capital loss or insolvency:

The Company shareholders' equity totaled TL 6,317,016,105 and its capital is fully paid.

d) Measures required to improve the Company's financial structure, if any:

The Company has a robust financial structure, therefore there are no measures required to improve its financial structure.

e) Information on the profit distribution policy, or the reason for not distributing profit, if that is the case, and the proposal about how to use the undistributed profit:

In regard to the profit distribution policy, the Board of Directors draws up the profit distribution proposal in accordance with the provisions of the Turkish Commercial Code, Tax Regulations, and the Company's Articles of Association, and then submits it for the approval of the General Assembly. The decisions regarding whether to distribute profit, or when and by which means it will be distributed, are made at the General Assembly, and all announcements are made in accordance with the regulations and within legally prescribed time limits. The Company did not distribute profit in 2020 and transferred the entire profit to the reserves.

f) With the Resolution of the Board of Directors dated 27.02.2024 and the Resolution of the General Assembly dated 29.03.2024, the 2023 profit has been negotiated.

Internal System Units

Internal Audit

The Internal Audit Department carries out the internal audit function to add value to the Company and improve its operations. The internal audit function is designed to provide independent and impartial assurance and advisory services. Furthermore, the design is based on the Regulation on the Internal Systems of Insurance and Reinsurance and Pension Companies, the arrangements issued by the Insurance and Private Pension Regulation and Supervision Agency, the Basel Committee on Banking Supervision, and the guidelines of the Institute of Internal Auditors.

The Internal Audit Department evaluates the effectiveness of risk management, control, and governance processes while systematically and structurally working to improve these processes, thus contributing to the Company. The scope of the internal audit function is universal, therefore covering all of the Company's activities and assets, regardless of geographical or functional differences, as well as outsourced services and activities. The Internal Audit Department has unrestricted access to all necessary information to ensure the accurate performance of the functions outlined in the said Regulation, including access to employees, business units, systems, computers, physical records, and files. The Department takes the necessary measures to protect the confidentiality of the information and comply with current data protection and backup rules. The Company defines its internal control structure according to the "Three Lines of Defense Model." In this model, Internal Audit constitutes the third line of defense and evaluates the activities carried out by the first and second lines of defense as the final authority. The tests and verification procedures carried out by the Internal Audit Department do not replace the controls that are defined and must be implemented under the responsibility of the other two lines of defense.

The Internal Audit functions include the following:

- a) Evaluating the effectiveness and efficiency of systems related to internal control, risk management, and management processes and policies defined by the Company.
- b) Evaluating the reliability and integrity of the preparation processes of financial and managerial information presented to senior authorities and management, as well as information provided to regulatory bodies (supervising institutions).
- c) Evaluating capital and liquidity measurement processes.
- d) Evaluating the sustainability of information security systems and asset protection and safety systems to verify data privacy and protection systems.
- e) Evaluating the effectiveness of processes created to comply with internal regulations, especially insurance and pension regulations, and other applicable laws.
- f) Investigating improper behaviors or actions that do not comply with the Company's current policies or the Code of Conduct. Investigations may be initiated at the initiative of the Department following the results of audits or upon requests from departments such as Compliance, Legal, Risk, etc.

To effectively perform the audit function, the Internal Audit Department is provided with access to relevant information. Thus, the Department is informed about important changes in the predetermined strategy, interim decisions taken in business management, features of new products offered to the market, new technological developments, changes within the organization, or changes to internal policies. The Department prepares its activities based on legislation and risk assessments and carries them out within the framework of the internal audit plan approved by the Board of Directors, sharing the results with the Board of Directors through the Audit Committee. In 2024, the Department conducted 12 process-based audits, including 11 General Directorate units, 12 Regional Directorates, MASAK compliance activities, audits on Technology Risk, Focus audits, and various examination and investigation activities on different topics.

Internal Control and Compliance

The internal systems framework ensures the proper conduct of the Company's operations in line with current regulations, management strategies, and policies.

The Internal Control is responsible for establishing and coordinating a sound control environment to ensure that Company activities are carried out regularly, efficiently, effectively and in compliance with applicable legal regulations as well as the Company's management strategies and policies. To this end, all activities carried out in 2024 were executed through central and/or on-site control methods, planned process reviews were conducted, and actions taken in response to internal and external audit reports were regularly monitored.

In 2024, Garanti BBVA Group's three lines of defense structure continued to be successfully implemented in accordance with relevant principles and with the primary aim of strengthening and improving current processes.

The Corporate Assurance Committee under the Internal Control convened three times in 2024. Under the Senior Management's oversight, the Committee regularly monitored projects and other efforts related to seven key areas that significantly impact the Company processes and involve legal compliance obligations. The results of internal control activities, development recommendations, and planned actions were periodically shared with relevant Board Members and Senior Management during meetings of the Audit Committee and the Internal Systems Oversight Committee.

The Company continued to implement the Non-Financial Risk (NFR) Model in 2024. As a key part of the model, Risk and Control Self-Assessments were conducted, enabling the development of the Company's overall risk map and the consolidated monitoring of risk mitigation measures.

The compliance function closely followed regulatory changes in the fields of insurance and private pensions, and made contributions to ongoing project efforts aimed at ensuring full compliance with the relevant legislation. To enhance the effectiveness of the system, the Company also participated in regulatory development activities carried out across the sector.

Compliance risks were assessed for new processes, products, and services, and insights were shared on potential control areas. Among the main focus areas of the compliance activities were the Group Policies of Supplementary Health Insurance and updates to processes stemming from changes in Law No. 6698 on the Protection of Personal Data (KVKK).

In 2024, trainings and awareness-raising activities continued to be offered to strengthen the internal culture of compliance and ethics, and to ensure that all employees embrace and implement the Code of Conduct and related documents. The Ethics Notification Line, a key component of Garanti BBVA Pension's compliance culture, remained active throughout the year to resolve uncertainties that may arise during adherence to policies and procedures.

Efforts related to the processing, protection, and storage of personal data were meticulously continued this year, in full compliance with Law No. 6698 on the Protection of Personal Data (KVKK) and related secondary legislation. The Company participated in project initiatives aimed at improving administrative and technical measures for personal data security and raising awareness on data protection.

As part of investment compliance activities, the Internal Control also monitored the personal investment transactions of employees who may have access to inside information or important information regarding capital markets instruments due to their roles.

Moreover, the Unit also closely followed national and international regulatory changes regarding anti-money laundering and combating the financing of terrorism. Necessary implementation and process changes were made, and the content of Financial Crimes Investigation Board (MASAK) training was updated. Completion and renewal of this training by all employees were closely monitored. In addition to employees, trainings were also organized for agencies and staff of external service providers.

In 2024, the Internal Control carried out, with utmost care, the monitoring and control activities related to anti-money laundering and combating the financing of terrorism. Control

scenarios were updated in line with changing needs, and control activities were executed as planned.

The Company participated in meetings of the MASAK Review and Research Committee, which operates under the Insurance, Reinsurance, and Pension Companies Association of Turkey. To ensure that employees' knowledge remains current and to raise awareness, Compliance and KVKK bulletins continued to be published periodically throughout 2024.

The activities carried out, compliance risk assessments, and improvement suggestions were shared with relevant Board Members and Senior Management during meetings of the Audit Committee, the Code of Conduct Committee, and the Internal Control, Risk Management, and Compliance Committee.

Risk Management

In accordance with the Regulation on Internal Systems in the Insurance and Private Pension Sectors, the Board of Directors is responsible for the establishment, operation, and development of the Risk Management structure, and ensures the effectiveness and adequacy of risk management activities through the Company's Audit Committee. The management and administration of Risk Management activities are carried out by the Risk Management Unit, which functionally and administratively reports to the Audit Committee under the scope of the said Regulation.

The Board of Directors is the ultimate authority responsible for ensuring the effective performance of risk management activities and for the formulation and implementation of risk management policies. In this regard, collaborative efforts with the Garanti BBVA Risk Management Department ensure that the Company's risk management activities are aligned with Group standards and international practices.

To achieve the objectives and strategies set by the Board of Directors, a Risk Appetite Framework was established to define the levels of risk the Company is willing to accept based on its capacity to safely absorb potential risks. With the capital adequacy and profitability indicators defined under the Risk Appetite Framework, risk-based limits and thresholds are regularly monitored. All risk management activities are periodically

reported to various Committees, including the Audit Committee and the Early Detection of Risk Committee, which are composed of Board members, as well as other Committees involving senior management, business units, and internal systems officers.

The Risk Management framework is documented through approved policies, procedures, regulations, and rules at appropriate levels. The objective of the risk management policies is to identify and analyze risks the Company is exposed to, define risk limits and controls, and monitor the risks and the compliance with the defined limits. The Company's risk management strategies, policies, and implementation procedures are reviewed annually in view of current market conditions, regulatory changes, changes in the products and services offered, and the Company's operations.

The Risk Management Unit carries out the identification, measurement, monitoring, and reporting of all risks to which the Company is exposed in compliance with applicable legislation and international standards. The risk management model within the Company is structured as a three lines of defense model. The first line of defense is the management of risks related to the products, operations, processes, and systems by business and support units. The second line of defense covers internal control, risk management, and compliance functions. Finally, The Internal Audit Department constitutes the third line of defense, which independently evaluates the risk management framework and its activities.

Reputational Risk Management

Reputation is considered a high-value asset by the Company and is managed and assessed accordingly. In this regard, the Company avoids any actions or operations that may lead to reputation risk in the eyes of customers, regulatory authorities, and stakeholders. The principles for managing reputational risk are defined under the Reputational Risk Policy, approved by the Board of Directors. The reputational risk is managed based on a set of principles within the Company, which define the roles and responsibilities of all involved parties. The reputational risk management activities focus on providing training and awareness programs for employees, adopting customer-oriented and solution-focused approaches, closely monitoring social media platforms and press channels for matters related to the reputation of the Company, and ensuring

compliance with laws, organizational standards, and Ethics and Integrity principles. A resilience analysis is conducted periodically to assess the adequacy and scope of current preventive measures at the level of identified risk factors.

1. Operational Risk Management

Operational risk refers to the possibility of incurring losses due to human error; inadequate or failed internal processes; inappropriate communication with respect to customers, markets, or institutions; system or communication failures, disruptions, or defects; theft, loss, misuse, or deterioration in the quality of information; internal or external fraud including cyberattack-related fraud; theft or physical damage to assets or persons; legal risks; and external events such as extreme weather, pandemics, disasters, and defective services provided by suppliers. This definition includes legal risk but excludes strategic, business, and reputational risks. In relation to operational risk, activities are monitored under the following headings:

2. Key Risk Indicators

Within the scope of operational risk, 18 Key Risk Indicators have been defined and monitored to track changes in operational risk types and assess the effectiveness of management of such risks. During the reporting period, the current status of these indicators was continuously reported to the Audit Committee, Internal Systems Oversight Committee, and Operational Risk and Internal Control Committee. Although some indicators were exceeded during the period, no major issues were identified. The metrics monitored under Non-Financial Risk Management are reviewed periodically and evaluated within the Company Risk Appetite Framework.

3. Risk and Control Self-Assessment

As part of the Company's Non-Financial Risk Management Model, a Risk and Control Self-Assessment is carried out, where operational risks are identified and measured by taking into account the mitigating effects of existing controls. This assessment enables the tracking of possible vulnerabilities and the necessary corrective actions.

4. Business Continuity Management

The Company's management of extraordinary situations and business continuity is also handled within the Risk Management

function. "The Business Continuity Management" (BCM) plan has been approved by the Board of Directors. In addition to keeping the current plan updated, the Company carries out periodic tests and drills with relevant units to ensure that critical processes, backup systems, and alternative work methods are ready for use when necessary. In 2024, all tests and drills were executed as planned. All BCM-related scenarios, team structures, and training activities were completed, documented, and shared with employees.

5. Insurance and Pension Risk Acceptance Management

The Insurance and Pension Risk Acceptance Committee established within the Company is responsible for identifying all potential risks at their source that may arise from new initiatives, and for coordinating the processes for designing the necessary controls and measures to mitigate identified risks. The Committee also aims to evaluate new business/products/services, outsourcing, third-party relationships, insurance of operational risks, process transformation, and companies undergoing technological changes.

The first and second lines of defense identify risks that may be encountered due to new initiatives (such as new business/products/services, outsourcing, third-party relationships, insurance of operational risks, process transformation, and technological changes), and establish an effective control environment and necessary measures to mitigate these risks. New initiatives may only be implemented upon the approval of the Insurance and Pension Risk Acceptance Committee following these evaluations.

The effective operation of the risk and control framework of initiatives approved and implemented by the Committee, as well as customer complaints, operational risk losses, and findings related to internal/external audits, are also monitored by the Committee.

Within this scope, the Risk Management Unit conducts the necessary risk assessments in relation to the activities carried out under the Insurance and Pension Risk Acceptance Committee and also serves as the Committee Secretariat.

6. Outsourcing

Outsourced services related to the Company's operations are also a component of Risk Management, and an evaluation, decision-making, and monitoring process is established in accordance with documents prepared for Outsourcing Management. Moreover, service procurements that fall under the definition of support services, as specified in the Regulation on Insurance Support Services, are evaluated by all responsible parties in line with the applicable regulations. The Risk Management Unit prepares and submits annual reports to the regulatory authority and the Board of Directors. Currently, the Company outsources support services in the following areas: call center services, treatment and assistance services, and technical review and control services in policy issuance and in the processes of claim adjustment and payment.

Financial Risk Management

The Company is exposed to the following risks arising from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
 - o Exchange rate risk
 - o Interest rate risk
 - o Spread Risk
 - o Fund Price Risk

1. Credit Risk

"Credit risk" is defined as the risk arising from the counterparty's potential failure to fulfill its obligations as defined in an agreed contract. The main balance sheet items through which the Company is exposed to credit risk are as follows:

- Banks
- Other cash and cash equivalents (excluding physical cash)
- Financial assets held for trading
- Financial investments with risks on life policy holders
- Premium receivables from insured persons
- Receivables from agencies
- Receivables from private pension mutual funds and participants
- Receivables from reinsurers regarding commissions and paid claims
- Reinsurance share of insurance liabilities

- Receivables from related parties
- Other receivables
- Prepaid taxes and funds

In Credit Risk management, risk is mitigated by complying with the limits set by legislation and the counterparty (bank) and issuer limits defined in the Company's asset investment policy.

In the case of derivative transactions, if the counterparty fails to fulfill its obligations, counterparty credit risk arises. On the other hand, the most common method used in insurance risk management is entering into reinsurance contracts. However, transferring insurance risk via a reinsurance contract does not relieve the Company of its primary obligation as the original insurer, thereby giving rise to credit risk for the Company. If the reinsurer fails to pay the claim, the Company remains liable to the policyholder. Therefore, to manage potential credit risk arising from reinsurers, the Company evaluates the reliability and financial condition of the reinsurer prior to annual contract agreements and regularly measures risk to ensure compliance with limits set for each reinsurer.

The Company cancels insurance premiums that are overdue and remain uncollected for a certain period, and deducts them from written premiums and premium receivables.

2) Liquidity Risk

Liquidity risk refers to the risk of the Company being unable and/or having a difficulty to meet its financial obligations in a timely manner due to the absence of cash on hand or incoming cash flows of sufficient quality and quantity to fully and promptly meet cash outflows, resulting from fluctuations in cash flows. Liquidity risk may also arise from difficulties in liquidating assets at any given time, which may negatively affect the selling price of these assets.

To protect the Company against this risk, maturity matching between assets and liabilities is observed, and liquid assets are maintained to fully cover any potential liquidity needs. Liquidity management aims to prevent irregularities in cash flows and mismatches in maturities. Liquidity risk stress test analysis is conducted regularly, based on crisis scenarios. Additionally, despite the implementation of standard management measures, a Liquidity Contingency Plan (LCP) has been

prepared to address liquidity risks that may arise during crisis situations.

3. Market Risk

Market risk refers to the potential loss in investment value due to adverse movements and fluctuations in market risk factors such as interest rates, exchange rates, credit spreads, and fund prices. Market risk can affect both the Company's income and the value of its financial instruments. The goal of market risk management is to control the amount of market risk within acceptable parameters while optimizing risk-adjusted returns.

Within the scope of the Company's operations, market risk is primarily observed as structural interest rate risk. In this regard, economic capital is regularly calculated and measured, and compliance with defined limits is monitored.

a) Economic Capital

All balance sheet items of the Company are included in the calculation, considering the aforementioned risk factors. The resulting metric value is monitored for compliance with the defined limit.

Credit Spread Risk

Credit spread risk is calculated to assess the impact of valuation differences arising from credit spread movements in fixed-income instruments used for managing balance sheet interest rate and liquidity risks on shareholders' equity.

Exchange Rate Risk

Insurance operations carried out in foreign currency expose the Company to currency risk. Measurements related to this risk item are made by considering the Company's net foreign currency position on its balance sheet (the difference between the market value of foreign currency assets and liabilities) and the volatility of exchange rates.

Foreign exchange gains and losses arising from foreign currency transactions are recorded in the accounting period in which the transaction takes place. At the end of each period, balances of foreign currency-denominated assets and liabilities are revalued using end-of-period exchange rates and converted into TL. The resulting exchange differences are recorded as foreign exchange gains or losses.

Foreign currency transactions are recorded based on the exchange rates in effect on the transaction date. As of the balance sheet date, foreign currency-denominated assets and liabilities are valued using the Central Bank of the Republic of Turkey's (CBRT) foreign exchange buying rates dated December 31, 2024. Only life mathematical reserves and policy loans are valued using the CBRT effective selling rates, as specified on the policies.

Interest Rate Risk

The trading portfolio of financial assets may be exposed to risk due to fluctuations in the market prices of related securities caused by changes in interest rates. The primary risk faced by non-trading portfolios arises from fluctuations in future cash flows and potential losses due to decreases in the fair value of financial assets resulting from changes in market interest rates.

Fund Price Risk

Investments in financial instruments such as stocks and mutual funds are subject to market risk due to adverse price changes and volatility in the value of these instruments. The potential impact of price volatility of these financial assets on the Company's balance sheet is also taken into account in risk assessments.

b) Sensitivity of Financial Instruments to Interest Rates

The income statement's sensitivity to interest rates reflects the impact of interest rate changes, as of December 31, 2024, on the fair values of financial assets classified as at fair value through profit or loss, as well as on the net interest income from variable-rate, non-trading financial assets and liabilities. The sensitivity of equity to interest rates is calculated based on the assumed changes in interest rates and their impact on the fair value of available-for-sale financial assets in the portfolio as of December 31, 2024. This analysis assumes that all other variables, especially foreign exchange rates, remain constant.

Insurance Risk Management

Underwriting Risk

Underwriting risk refers to the possibility of unexpected losses arising from deviations in the number, amount, or timing of insurance claims from what was initially projected. Therefore, premiums must be appropriately set and capable of covering unexpected claims. Underwriting risk is regularly

measured using economic capital calculations. Additionally, the risk-adjusted technical margin is another indicator used by the Company to monitor the capability of its premium production to cover claims experience. This indicator is based on subtracting both paid claims and economic capital holding costs from earned premiums. The risk-adjusted technical margin is monitored in accordance with predefined warning levels. Moreover, the risks associated with new insurance products are evaluated by the Insurance and Pension Risk Acceptance Committee before the products are launched.

CAPITAL MANAGEMENT

The Company's main capital management policies are:

- To comply with the capital adequacy requirements set by the Insurance and Private Pension Regulation and Supervision Agency (SEDDK),
- To ensure the Company's continuity and to provide sustainable returns to shareholders and stakeholders,
- To price insurance policies in proportion to the level of assumed insurance risk to deliver adequate returns to shareholders.

In addition to measuring capital adequacy in line with legal regulations, the Company also conducts capital adequacy measurements based on internal methods defined in the risk management policies to establish a prudent risk management framework.

Actuarial Control

In accordance with the Regulation on Internal Systems in the Insurance and Private Pension Sectors, the actuarial control function, which reports to the audit committee, carries out the oversight and reporting of the Company's actuarial activities.

The actuarial control and reporting activities include:

- To verify the compliance of premiums determined in the product pricing policy with legislation and actual claim frequencies, to assess the adequacy of these prices to cover future claims, and to make recommendations when necessary,
- To monitor the adequacy, reliability, and relevance of data used in estimating technical provisions, to take corrective

actions when needed, to determine applicable policies in case data is insufficient or unreliable, and to coordinate with relevant units,

- To track and report claim/premium and cancellation ratios that affect the technical profitability and pricing of products, and to make necessary recommendations based on findings,
- To provide opinions on the actuarial adequacy of reinsurance agreements and presenting reinsurance technical results,
- To inform senior management about the capital requirements related to product development, and
- To report the results of the activities to the Company's Senior Management and Audit Committee in accordance with the timelines set forth by the legislation.

In 2024, the Actuarial Control function regularly reported the results of the actuarial activities to senior management and the audit committee as part of the Internal Systems Regulation. Moreover, regular reports were submitted in accordance with the Company's periodic reporting obligations to the Insurance and Private Pension Regulation and Supervision Agency (SEDDK).

Participation Compliance

In accordance with SEDDK's Regulation on Insurance and Private Pension Activities within the Framework of Participation Principles, which came into effect in June 2021, and related circulars, Garanti Emeklilik ve Hayat A.Ş. is classified as a "Company offering participation-based products" due to its role as the founder of private pension mutual funds managed under participation principles. To ensure the compliance of its operations with participation principles, the Company conducts periodic meetings with its in-house Advisory Committee, and offers products and services and implement participation pension plans, additional benefits, and associated forms, contracts, and disclosure documents only upon the Committee's approval. The Advisory Committee also supervises transactions related to incoming and outgoing payments, as well as investment products to be included in the portfolios of participation-based private pension mutual funds. The Company's participation-based private pension activities are audited by Yeditepe Bağımsız Denetim ve YMM A.Ş. in accordance with the regulatory framework.

Board of Directors Commitment Report

Garanti Pension and Life INC. 01.01.2024 – 31.12.2024

Belongs to the Period Board of Directors Commitment Report

REPORT DATE: 28.01.2025

It is the report issued by the Garanti Pension and Life Inc. Board of Directors in accordance with the first paragraph of Article 199 of the Turkish Commercial Code No. 6102 regarding the relations with the dominant and affiliated companies:

a) The Legal Transactions of the Garanti Pension and Life Inc. with Dominant Company, the Company Affiliated with the Dominant Company, with the Direction of the Dominant Company, and All Other Measures Taken or Avoided for the Benefit of the Dominant Company or a Subordinate Company in the Past Activity Year:

Transactions carried out with the dominant and affiliated companies within the group of companies are ordinary commercial activities, and there is no transaction made or avoided for the benefit of the dominant company or one of its affiliates or in that framework there are no measure taken or avoided within direction of the dominant company.

b) Garanti Pension and Life Inc. when the Legal Action is Taken or the Precaution Taken or Avoided According to the Situations and Conditions Known to Them, Whether An Appropriate Action Is Provided In Each Legal Transaction and Whether the Measure Taken or Avoided Will Cause Company Loss, If the Company Has Been Damaged, Whether This Is Equalized or Not:

Within this framework, commercial relations were made with the Dominant Company and the Affiliated Companies within the scope of Private Pension and Life Insurance. Apart from this, Garanti Pension and Life Inc. obtained some of the necessary goods and services (for leasing, local expense sharing and similar expenditure items) from the Dominant Company and the Affiliated Companies in order to continue its commercial activities. As a result of these transactions, there was no negative legal process and no action was taken. As a result; Due to these transactions, an appropriate acquisition has been achieved. No loss occurred due to reasons such as taking or avoiding measure.

Mahmut AKTEN

Yönetim Kurulu Başkanı

Ceren Acer KEZİK

Yönetim Kurulu Üyesi

Gökhan KOCA

Yönetim Kurulu Üyesi

The Study of Corporate Governance Compliance Principles

THE STUDY OF CORPORATE GOVERNANCE COMPLIANCE PRINCIPLES

Corporate Governance Compliance Rating studies have been conducted by our Company along with Kobirate International Credit Rating and Corporate Governance Services Inc. The corporate governance compliance rating of our company is concluded with an examination of 350 criteria defined in the rating methodology prepared for Non-BIST companies.

	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023	2023 – 2024	2024 - 2025
Shareholders	9.72	9.72	9.72	9.73	9.81	9.81
Public Disclosure and Transparency	9.73	9.73	9.73	9.73	9.73	9.73
Stakeholders	9.55	9.60	9.80	9.80	9.80	9.92
Board of Directors	9.59	9.62	9.70	9.77	9.77	9.77
Corporate Governance Compliance	9.65	9.67	9.73	9.75	9.77	9.79

The rating study has been carried out under the headings of Shareholders, Public Disclosure and Transparency, Stakeholders, and Board of Directors, and the Corporate Governance Compliance Rating of Garanti BBVA Emeklilik ve Hayat A.Ş. has been set at 9,79 which is valid between the dates of 26.12.2024 and 26.12.2025.

This result implies that Garanti BBVA Pension and Life Inc. has achieved considerable harmonization with the Corporate Governance Principles published by the Capital Markets Board and the circular of corporate governance principles in insurance companies of the Undersecretariat of Treasury. Our company's internal control systems are established and working, all risks that may arise for our company are determined and actively controlled, shareholders' rights are fairly observed, public disclosure and transparency activities are of the highest order. The rights of stakeholders are fairly observed, and the structure and working conditions of the board are found to be in full compliance with corporate governance principles.

In 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024 our company received first prize in the non-public companies category. Results for 2024 have not yet been announced as of the report date. The leading financial and industrial organizations of our country participate in the award organization where corporate governance rating scores of companies, which are included or not included in the Borsa Istanbul Corporate Governance Index, and the score of non-governmental organizations are evaluated.

SHAREHOLDING STRUCTURE OF GARANTİ BANK A.Ş.

SHAREHOLDERS	NOMINAL (TL)	SHARE (%)
BBVA (Banco Bilbao Vizcaya Argentaria, S.A.)	3.610.895.890,19	85,97
Others	589.104.109,81	14,03
Grand Total	4.200.000.000,00	100

Information regarding the Board of Directors and the committees established within the Board is provided below.

BOARD OF DIRECTORS

NAME / SURNAME	TITLE	EXECUTIVE / NON-EXECUTIVE
Mahmut AKTEN	Chair	Non-Executive
Ceren ACER KEZİK	Vice Chair	Non-Executive
Aydın GÜLER	Member	Non-Executive
Aydın DÜREN	Member	Non-Executive
Robert OTTO	Member	Non-Executive
Jaime Nicolas LAZARO RUIZ	Member	Non-Executive
Sibel KAYA	Member	Non-Executive
Osman Bahri TURGUT	Member	Non-Executive
Cemal ONARAN	Member	Non-Executive
Murat ATAY	Member	Non-Executive
Tuba KÖSEOĞLU OKÇU	Member	Non-Executive
Gökhan KOCA	Member and General Manager	Executive

CORPORATE GOVERNANCE COMMITTEE

NAME / SURNAME	TITLE	EXECUTIVE / NON-EXECUTIVE
Avni Aydın DÜREN	Chair	Non-Executive
Osman Bahri TURGUT	Member	Non-Executive

AUDIT COMMITTEE

NAME / SURNAME	TITLE	EXECUTIVE / NON-EXECUTIVE
Avni Aydın DÜREN	Chair	Non-Executive
Osman Bahri TURGUT	Member	Non-Executive

REMUNERATION COMMITTEE

NAME / SURNAME	TITLE	EXECUTIVE / NON-EXECUTIVE
Tuba KÖSEOĞLU OKÇU	Member	Non-Executive

EARLY DETECTION OF RISK COMMITTEE

NAME / SURNAME	TITLE	EXECUTIVE / NON-EXECUTIVE
Aydın GÜLER	Chair	Non-Executive
Osman Bahri TURGUT	Member	Non-Executive
Beyza YAPICI	Attending Member	Non-Executive

Summary of Five-Year Financial Information

FINANCIAL INDICATORS	2020		2021		2022		2023		2024	
	(TL Thousand)	(USD Thousand)	(TL Thousand)	(USD Thousand)	(TL Thousand)	(USD Thousand)	(TL Thousand)	(USD Thousand)	(TL Thousand)	(USD Thousand)
PPS Fund Size	23,494,931	3,200,726	33,089,670	2,549,772	58,164,875	3,110,704	101,187,806	3,437,296	170,567,574	4,842,464
Technical Provisions	864,552	117,778	1,405,366	108,293	2,323,712	124,274	4,259,382	144,689	7,770,872	220,617
Paid-in Capital	503,084	68,535	503,084	38,766	503,084	26,905	503,084	17,089	503,084	14,283
Shareholders' Equity	1,110,383	151,268	1,407,782	108,479	2,014,917	107,759	3,522,457	119,656	6,317,016	179,342
Total Assets	26,527,395	3,613,840	36,421,455	2,806,508	63,447,768	3,393,237	111,433,077	3,785,322	188,191,065	5,342,801
Generated Premium in Life Branch (net)	1,025,326	139,681	1,330,041	102,488	2,247,864	120,218	4,042,077	137,307	7,782,531	220,948
Technical Revenue Expense Balance	494,771	67,403	638,019	49,163	1,047,256	56,008	2,154,855	73,199	4,212,840	119,604
Non-technical Revenue	115,438	15,726	193,604	14,918	319,137	17,068	872,017	29,622	2,080,621	59,069
Pre-tax Profit /Loss	610,209	83,129	831,623	64,082	1,366,193	73,065	3,026,872	102,821	6,293,461	178,673
Net Profit	471,510	64,234	611,555	47,124	1,009,257	53,976	2,150,253	73,043	4,371,480	124,108
Average Return on Assets	2.03%	2.03%	2.07%	2.07%	2.11%	2.11%	2.53%	2.53%	2.86%	2.86%
Average Return on Equity	46.55%	46.55%	52.59%	52.59%	64.85%	64.85%	87.91%	87.91%	101.67%	101.67%

EXCHANGE RATES	(MBDA)	
31.12.2020	1 USD	7.3405
31.12.2021	1 USD	12.9775
31.12.2022	1 USD	18.6983
31.12.2023	1 USD	29.4382
31.12.2024	1 USD	35.2233



Güney Bağımsız Denetim ve SMMM A.Ş.
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Mersis No: 0-4350-3032-6000017

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Garanti Hayat ve Emeklilik Anonim Şirketi

A) INDEPENDENT AUDIT OF FINANCIAL STATEMENTS

1) OPINION

We have audited the financial statements of Garanti Hayat ve Emeklilik Anonim Şirketi ("the Company"), which comprise the statement of financial position as at December 31, 2024 and the statement of profit or loss, statement of changes in equity, statement of cash flows and statement of profit distribution for the year ended at the same date, 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 December 31, 2024 and its financial performance, cash flows and profit distribution for the year then ended in accordance with the "Insurance Accounting and Financial Reporting Legislation" which includes the accounting and financial reporting regulations in force as per the insurance legislation and Turkish Financial Reporting Standards for the matters not regulated by these regulations.

2) BASIS FOR OPINION

We conducted our audit in accordance with Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (POA) that are part of the Turkish Auditing Standards. Our responsibilities under those Standards are described in detail in the Independent Auditor's Responsibilities for the Independent Audit of the Financial Statements section of our report. We 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 regulations issued by POA that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and regulations. We believe that the audit evidence we have obtained during our audit is sufficient and appropriate to provide a basis for our opinion.

3) KEY AUDIT MATTERS

Key audit matters are those issues that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Key audit issues were 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 those issues.



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KEY AUDIT MATTERS	HOW THE KEY AUDIT MATTERS ADDRESSED IN THE AUDIT
<p>ESTIMATES AND ASSUMPTIONS USED IN THE CALCULATION OF INSURANCE CONTRACT LIABILITIES</p> <p>As of December 31, 2024, the Company's total technical provisions amounted to TL 7.770.871.564 and this amount constitutes 49 percent of the Company's total liabilities excluding "Liabilities from Pension Operations" account. The measurement of liabilities related to insurance contracts involves significant estimates and assumptions about the outcome of an uncertain future event, including the benefits guaranteed to policyholders, and, in general, the total ultimate value of long-term liabilities.</p> <p>Liabilities related to life insurance contracts consist of actuarial mathematical reserves calculated according to the formulas and principles specified in the approved technical principles of the tariffs related to the contracts and the amount including the guaranteed portion limited to the technical interest income calculated according to the profit share distribution system specified in the approved profit share technical principles for the contracts in which the Company is committed to pay dividends and the accumulated profit share provisions of previous years.</p> <p>The accounting policies and actuarial assumptions used for these insurance contract liabilities are disclosed in Notes 2 and 17. Insurance contract liabilities are considered as a key audit matter due to their materiality to the financial statements and the significant estimation uncertainties involved.</p>	<p>The audit procedures applied regarding the subject explained above were carried out together with the actuary auditor who is a part of our audit team, and we obtained audit evidence about the manually calculated components of the insurance contract liabilities, as well as the key controls on the calculation methods used by the Company's actuaries; The reconciliation of the calculation data regarding the Company's insurance contract obligations with the system and other source data has been tested by us; Tariffs and profit share provisions, which are the components of life group insurance contract liabilities, were tested by us using the sampling method over the calculation data, and the compatibility of the explanatory information regarding insurance contract liabilities with the accounting and reporting regulations in force in accordance with the insurance legislation was examined by us.</p>



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4) RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Insurance Accounting and Financial Reporting Legislation and for such internal control as management determines is 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) RESPONSIBILITIES OF THE INDEPENDENT AUDITOR FOR THE INDEPENDENT AUDIT OF THE FINANCIAL STATEMENTS

In an audit, we, the independent auditors, are responsible for the following:

Our objective 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the 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 audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also consider:

- Identify and assess the risks of material misstatement of 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 due to fraud is higher than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or violation of internal control.)
- Obtain an understanding of 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 used by management and the reasonableness of accounting estimates and related disclosures.
- Conclude on 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 report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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B) REPORT ON OTHER OBLIGATIONS ARISING FROM LEGISLATION

1) In accordance with paragraph 4 of Article 402 of the TCC, nothing has come to our attention that may cause us to believe that the Company's bookkeeping activities for the period January 1 - December 31, 2024 are not in compliance with TCC and provisions of the Company's articles of association in relation to financial reporting.

2) Pursuant to subparagraph 4 of Article 402 of the TCC, the Board of Directors provided us with the necessary explanations and requested documents within the scope of audit.

The cap auditor who concluded this audit is Tolga Özdemir.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst&Young Global Limited

Stamp- Signatur



Tolga Özdemir, CPA
Cap Auditor
28 January 2025
İstanbul, Turkey

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ
FINANCIAL REPORT THE FISCAL YEAR ENDING
DECEMBER31, 2024



Mahmut AKTEN
Chairman of the Board of Directors



Avni Aydın DÜREN
Audit Committee Member



Osman Bahri TURGUT
Audit Committee Member



Gökhan KOCA
General Manager



Ahmet KARAMAN
Deputy General Manager



Kıvanç ATSÜREN
Financial Affairs Unit Manager



Nevin MERMER
Authorized Actuary -
Registry No: 84

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

ASSETS			
	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 31 DECEMBER 2024	PREVIOUS PERIOD 31 DECEMBER 2023
I- CURRENT ASSETS			
A- Cash and Cash Equivalents	14	5.081.185.066	4.087.572.184
1- Cash		-	-
2- Cheques Received		-	-
3- Banks	14	3.603.308.072	3.333.397.288
4- Cheques Given and Payment Orders		-	-
5- Bank Guaranteed Credit Card Receivables (Less than 3 months)	14,45	1.477.876.994	754.149.696
6- Other Cash and Cash Equivalents		-	25.200
B- Financial Assets and Investments with Risks on Policy Holders	11	10.163.414.330	4.883.956.263
1- Financial Assets Available for Sale	11	3.127.747.160	1.856.041.407
2- Financial Assets Held to Maturity		-	-
3- Financial Assets Held for Trading	11	6.881.498.426	2.900.488.404
4- Loans		-	-
5- Provision for Loans		-	-
6- Financial Investments with Risks on Life Policy Holders	11	154.168.744	127.426.452
7- Company Share		-	-
8- Provision for Impairment of Financial Assets		-	-
C- Receivables from Main Operations	12	171.363.225.289	101.620.428.865
1- Receivables from Insurance Operations	12	599.946.149	286.200.690
2- Provision for Receivables from Insurance Operations	12	(151.643)	(310.598)
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited for Insurance & Reinsurance Companies		-	-
6- Loans to Policyholders	2,8,4,2,12	1.164.885	1.603.114
7- Provision for Loans to Policyholders		-	-
8- Receivables from Private Pension Operations	12,18	170.762.265.898	101.332.935.659
9- Doubtful Receivables from Main Operations		-	-
10- Provisions for Doubtful Receivables from Main Operations		-	-
D- Due from Related Parties	12	-	37.597
1- Receivables s from Shareholders		-	-
2- Receivables from Affiliates		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Joint Ventures		-	-
5- Receivables from Personnel	12	-	37.597
6- Receivables from Other Related Parties		-	-
7- Discount on Receivables Due from Related Parties		-	-
8- Doubtful Receivables Due from Related Parties		-	-
9- Provisions for Doubtful Receivables Due from Related Parties		-	-
E- Other Receivables	12	333.598	687.599
1- Lease Receivables		-	-
2- Unearned Lease Interest Income		-	-
3- Deposits and Guarantees Given	12	243.595	243.595
4- Other Receivables	12	90.003	444.004
5- Discount on Other Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provisions for Other Doubtful Receivables		-	-
F- Prepaid Expenses and Income Accruals		1.239.102.916	675.478.938
1- Deferred Acquisition Costs	17	1.195.757.162	672.593.972
2- Accrued Interest and Rent Income		-	-
3- Income Accruals	12	33.978.809	-
4- Other Expenses for Future Months		9.366.945	2.884.966
G- Other Current Assets		50.000	15.000
1- Inventories in Need for the Next Months		-	-
2- Prepaid Taxes and Funds		-	-
3- Deferred Tax Assets		-	-
4- Business Advances		50.000	15.000
5- Advances Given to Personnel		-	-
6- Count and Delivery Shortages		-	-
7- Other Miscellaneous Current Assets		-	-
8- Provision for Other Current Assets		-	-
I- Total Current Assets		187.847.311.199	111.268.176.446

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 31 DECEMBER 2024	PREVIOUS PERIOD 31 DECEMBER 2023
II- NON CURRENT ASSETS			
A- Receivables from Main Operations		-	-
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- Cash Deposited for Insurance & Reinsurance Companies		-	-
6- Loans to Policyholders		-	-
7- Provision for Loans to Policyholders		-	-
8- Receivables from Private Pension Operations		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations		-	-
B- Receivables from Related Parties		-	-
1- Receivables from Shareholders		-	-
2- Receivables from Affiliates		-	-
3- Receivables from Subsidiaries		-	-
4- Receivables from Joint Ventures		-	-
5- Receivables from Personnel		-	-
6- Receivables from Other Related Parties		-	-
7- Discount on Receivables Due from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provisions for Doubtful Receivables from Related Parties		-	-
C- Other Receivables		-	-
1- Financial Leasing Receivables		-	-
2- Unearned Financial Leasing Interest Income		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables		-	-
5- Discount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provisions for Other Doubtful Receivables		-	-
D- Financial Assets		-	-
1- Investments In Associates		-	-
2- Affiliates		-	-
3- Capital Commitments to Affiliates		-	-
4- Subsidiaries		-	-
5- Capital Commitments to Subsidiaries		-	-
6- Joint Ventures		-	-
7- Capital Commitments to Joint Ventures		-	-
8- Financial Assets and Investments with Risks on Life Policy Holders		-	-
9- Other Financial Assets		-	-
10- Diminution in Value of Financial Assets		-	-
E- Tangible Assets	6	32.524.221	13.951.443
1- Investment Properties		-	-
2- Diminution in Value for Investment Properties (-)		-	-
3- Owner Occupied Properties		-	-
4- Machinery and Equipment		-	-
5- Furniture and Fixtures	6	14.483.296	14.483.296
6- Vehicles		-	-
7- Other Tangible Assets (Including Leasehold Improvements)	6	453.474	453.474
8- Leased Tangible Assets	6	40.400.906	24.654.696
9- Accumulated Depreciation	6	(22.813.455)	(25.640.023)
10- Advances Paid for Tangible Assets (Including Construction In Progress)		-	-
F- Intangible Assets	8	201.105.025	79.888.693
1- Rights	8	334.371	334.371
2- Goodwill		-	-
3- Establishment Costs		-	-
4- Research and Development Expenses		-	-
5- Other Intangible Assets	8	546.182.497	358.499.564
6- Accumulated Amortization	8	(345.411.843)	(278.945.242)
7- Advances Regarding Intangible Assets		-	-
G- Prepaid Expenses and Income Accruals		-	-
1- Deferred Acquisition Costs		-	-
2- Income Accruals		-	-
3- Other Expenses for next years		-	-
H- Other Non-current Assets	21	110.124.844	71.060.258
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Inventories for next years		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets	21	110.124.844	71.060.258
6- Other Miscellaneous Non-current Assets		-	-
7- Other Non-current Assets Amortization		-	-
8- Provision for Other Non-current Assets		-	-
II- Total Non-current Assets		343.754.090	164.900.394
Total Assets (I + II)		188.191.065.289	111.433.076.840

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

LIABILITIES			
		INDEPENDENTLY AUDITED	
	FOOTNOTE	CURRENT PERIOD 31 DECEMBER 2024	PREVIOUS PERIOD 31 DECEMBER 2023
III- SHORT TERM LIABILITIES			
A- Financial Borrowings	20	14.885.284	24.880.556
1- Borrowings from Financial Institutions		-	-
2- Finance Lease Payables	20	24.054.501	14.081.060
3- Deferred Finance Lease Borrowing Costs	20	(9.169.217)	(863.312)
4- Current Portion of Long Term Borrowings		-	-
5- Principal, Installments and Interests on Issued Bills (Bonds)		-	-
6- Other Issued Financial Assets		-	-
7- Value Differences on Issued Financial Assets		-	-
8- Other Financial Borrowings (Liabilities)	13	-	11.662.808
B- Payables from Main Operations	19	172.508.345.220	102.607.350.024
1- Payables from Insurance Activities	19	269.634.658	120.197.459
2- Payables from Reinsurance Activities		-	-
3- Warehouses Received from Insurance and Reinsurance Companies		-	-
4- Debts from Retirement Activities	18,19	172.238.710.562	102.487.152.565
5- Payables from Other Main Activities		-	-
6- Payables from Other Main Operations Rediscount of Debt Securities		-	-
C-Payables to Related Parties		372.267	656.035
1- Payables to Partners		-	-
2- Payables to Affiliates		-	-
3- Payables to Subsidiaries		-	-
4- Payables to Joint Ventures		-	-
5- Payables to Personnel	45	372.267	656.035
6- Payables to Other Related Parties		-	-
D- Other Payables	19	18.554.268	96.057.368
1- Deposits and Guarantees Received		-	-
2- Payables to SSI for Treatment Expenses		-	-
3- Other Miscellaneous Debts	19,45	18.554.268	96.057.368
4- Rediscount of Other Miscellaneous Payables		-	-
E- Insurance Technical Provisions	17	1.927.192.694	1.116.961.032
1- Provision for Unearned Premiums - Net	17	1.279.546.421	671.068.699
2- Provision for Continuing Risks - Net		-	-
3- Mathematical Equivalents - Net	17	310.205.205	223.326.870
4- Provision for Outstanding Compensation - Net	17	337.441.068	222.565.463
5- Provision for Bonuses and Discounts - Net		-	-
6- Other Technical Provisions - Net		-	-
F- Taxes Payable and Other Similar Liabilities and Provisions	35	720.121.725	406.973.308
1- Taxes and Funds Payable		128.876.471	71.573.781
2- Social Security Deductions Payable		13.922.503	14.067.671
3- Overdue, Deferred or Installed Tax and Other		-	-
4- Other Taxes and Similar Liabilities Payable		-	-
5- Period Profit Tax and Other Legal Liability Provisions	35	1.921.980.761	889.481.348
6- Prepaid Taxes and Other Liabilities of the Profit for the Period	35	(1.344.658.010)	(568.149.492)
7- Provisions for Other Taxes and Similar Liabilities		-	-
G- Provisions for Other Risks	23	19.292.264	11.853.816
1- Provision for Severance Pay		-	-
2- Provision for Social Aid Fund Asset Deficits		-	-
3- Provision for Cost Expenses	23	19.292.264	11.853.816
H- Income and Expense Accruals for Future Months	19	742.700.075	452.024.026
1- Deferred Commission Income	10,19	482.123.393	306.748.492
2- Expense Accruals	19	260.576.682	145.275.534
3- Other Income for Future Years		-	-
I- Other Short-Term Liabilities		-	-
1- Deferred Tax Liability		-	-
2- Count and Delivery Surplus		-	-
3- Other Miscellaneous Short-Term Liabilities		-	-
III - Total Short-Term Liabilities		175.951.463.797	104.716.756.165

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

IV- LONG-TERM LIABILITIES	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 31 DECEMBER 2024	PREVIOUS PERIOD 31 DECEMBER 2023
A- Financial Borrowings	20	15.860.242	340.017
1- Payables to Credit Institutions		-	-
2- Payables from Financial Leasing Transactions	20	18.531.624	344.920
3- Deferred Leasing Borrowing Costs	20	(2.671.382)	(4.903)
4- Issued Bonds		-	-
5- Other Financial Assets Issued		-	-
6- Other Financial Assets Issue Difference		-	-
7- Other Financial Borrowings (Liabilities)		-	-
B- Payables from Main Operations		-	-
1- Payables from Insurance Activities		-	-
2- Payables from Reinsurance Activities		-	-
3- Warehouses Received from Insurance and Reinsurance Companies		-	-
4- Payables from Retirement Activities		-	-
5- Payables from Other Main Activities		-	-
6- Payables from Other Main Operations Rediscount of Debt Securities		-	-
C- Payables to Related Parties		-	-
1- Payables to Partners		-	-
2- Payables to Affiliates		-	-
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 SSI for Treatment Expenses		-	-
3- Other Miscellaneous Debts		-	-
4- Rediscount of Other Miscellaneous Payables		-	-
E- Insurance Technical Provisions	17	5.843.678.870	3.142.421.221
1- Provision for Unearned Premiums - Net		-	-
2- Provision for Continuing Risks - Net		-	-
3- Mathematical Equivalents - Net	17	5.755.829.740	3.079.447.806
4- Provision for Outstanding Compensation - Net		-	-
5- Provision for Bonuses and Discounts - Net		-	-
6- Other Technical Provisions - Net	17	87.849.130	62.973.415
F- Other Liabilities and Provisions	23	3.819.440	3.413.386
1- Other Obligations Payable		-	-
2- Overdue, Deferred or Installed Tax and Other		-	-
3- Other Provisions for Debts and Expenses	23	3.819.440	3.413.386
G- Provisions for Other Risks	23	59.226.835	47.689.270
1- Provision for Severance Pay	23	59.226.835	47.689.270
2- Provision for Social Aid Fund Asset Deficits		-	-
H- Income and Expense Accruals for Future Years		-	-
1- Deferred Commission Income		-	-
2- Expense Accruals		-	-
3- Other Income for Future Months		-	-
I- Other Long-Term Liabilities		-	-
1- Deferred Tax Liability		-	-
2- Other Miscellaneous Long-Term Liabilities		-	-
IV- Total Long-Term Liabilities		5.922.585.387	3.193.863.894

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

EQUITY			
V- EQUITY	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 31 DECEMBER 2024	PREVIOUS PERIOD 31 DECEMBER 2023
A- Paid Capital		503.084.445	503.084.445
1- (Nominal) Capital	2.13.15	500.000.000	500.000.000
2- Unpaid Capital		-	-
3- Capital Adjustment Positive Differences		3.084.445	3.084.445
4- Capital Adjustment Negative Differences		-	-
5- Registered Expected Capital		-	-
B- Capital Reserves		-	-
1- Stock Issue Premiums		-	-
2- Stock Cancellation Profits		-	-
3- Sales Profits to be Added to the Capital		-	-
4- Foreign Currency Conversion Differences		-	-
5- Other Capital Reserves		-	-
C- Profit Reserves		1.442.451.325	869.119.783
1- Legal Reserves	15	250.000.000	233.116.097
2- Status Reserves		-	-
3- Extraordinary Reserves	15	1.171.527.122	638.158.472
4- Special Funds (Reserves)		-	-
5- Valuation of Financial Assets	11.15	45.888.035	23.009.273
6- Other Profit Reserves		(24.963.832)	(25.164.059)
D- Previous Years Profits		-	-
1- Previous Years Profits		-	-
E- Previous Years Losses		-	-
1- Previous Years Losses		-	-
F- Net Profit for the Period		4.371.480.335	2.150.252.553
1- Period Net Profit		4.371.480.335	2.150.252.553
2- Period Net Loss		-	-
3- Profit for the Period Not Subject to Distribution		-	-
V- Total Equity		6.317.016.105	3.522.456.781
Total Liabilities (III+IV+V)		188.191.065.289	111.433.076.840

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

I- TECHNICAL SECTION	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 01 JANUARY – 31 DECEMBER 2024	PREVIOUS PERIOD 01 JANUARY – 31 DECEMBER 2023
A- Non-Life Technical Income	5	4.593	3.334
1- Earned Premiums (Deducted Reinsurer Share)	17	4.593	3.334
1.1- Written Premiums (Deducted Reinsurer Share)	17	3.740	4.848
1.1.1- Gross Written Premiums	17	69.192.511	25.575.327
1.1.2- Premiums Transferred to the Reinsurer	17	(69.188.771)	(25.570.479)
1.1.3 Premiums Transferred to SSI (-)		-	-
1.2- Exchange for Unearned Premiums (Deducted Reinsurer Share and Transferred Part)	17	853	(1.514)
1.2.1- Provision for Unearned Premiums	17	(22.390.931)	(9.927.700)
1.2.2- Reinsurer's Share in Unearned Premiums	17	22.391.784	9.926.186
1.2.3 SSI Share (+/-) for Unearned Premiums		-	-
1.3- Change for Continuing Risks (Deducted Reinsurer Share and Transferred Part)		-	-
1.3.1- Provision for Ongoing Risks		-	-
1.3.2- Reinsurer's Share Against Continuing Risks		-	-
2- Investment Revenues Transferred from Non-Technical Section		-	-
3- Other Technical Income (Deducted Reinsurer Share)		-	-
3.1- Gross Other Technical Income		-	-
3.2- Reinsurer's Share in Gross Other Technical Income		-	-
4- Accrued Subrogation and Salvage Income (+)		-	-
B- Non-Life Technical Expenses	5	(45.562.584)	(14.366.512)
1- Realized Compensations (Deducted Reinsurer Share)		184.047	(337.643)
1.1- Indemnities Paid (Deducted Reinsurer Share)		-	-
1.1.1- Gross Payments		(32.638.796)	(9.300.763)
1.1.2- Reinsurer's Share in Compensation Paid		32.638.796	9.300.763
1.2- Exchange for Outstanding Compensation (Deducted Reinsurer Share and Transferred Part)		184.047	(337.643)
1.2.1- Provision for Outstanding Compensation		(1.438.951)	(1.599.729)
1.2.2- Reinsurer's Share for Outstanding Compensation		1.622.998	1.262.086
2- Exchange for Bonuses and Discounts (Deducted Reinsurer Share and Transferred Part)		-	-
2.1- Provision for Bonuses and Discounts		-	-
2.2- Reinsurer's Share in Exchange for Bonuses and Discounts		-	-
3- Change in Other Technical Provisions (Deducted Reinsurer Share and Transferred Part)		-	-
4- Operating Expenses	32	(45.746.631)	(14.028.869)
5- Change in Mathematical Provisions (Deducted Reinsurer Share and Transferred Part) (+/-)		-	-
5.1- Mathematical Provisions		-	-
5.2- Reinsurer Share in Mathematical Provisions (+)		-	-
6- Other Technical Expenses (-)		-	-
6.1- Gross Other Technical Expenses (-)		-	-
6.2- Reinsurer's Share in Gross Other Technical Expenses (+)		-	-

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

I- TECHNICAL SECTION	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 01 JANUARY – 31 DECEMBER 2024	PREVIOUS PERIOD 01 JANUARY – 31 DECEMBER 2023
C- Technical Section Balance- Non-Life (A – B)	5	(45.557.991)	(14.363.178)
D- Life Technical Income	5	8.795.954.609	4.951.648.118
1- Earned Premiums (Deducted Reinsurer Share)	17	7.174.052.712	3.870.680.109
1.1- Written Premiums (Deducted Reinsurer's Share)	17	7.782.531.287	4.042.076.724
1.1.1- Gross Written Premiums	17	9.598.497.234	5.151.923.254
1.1.2- Premiums Transferred to the Reinsurer	10,17	(1.815.965.947)	(1.109.846.530)
1.2- Exchange for Unearned Premiums (Deducted Reinsurer Share and Transferred Part)	17	(608.478.575)	(171.396.615)
1.2.1- Provision for Unearned Premiums	17	(928.262.892)	(552.078.646)
1.2.2- Reinsurer's Share in Unearned Premiums	10,17	319.784.317	380.682.031
1.3- Change for Continuing Risks (Deducted Reinsurer Share and Transferred Part)		-	-
1.3.1- Provision for Ongoing Risks		-	-
1.3.2- Reinsurer's Share Against Continuing Risks		-	-
2- Life Branch Investment Income	2.26	1.621.832.606	1.080.901.286
3- Unrealized Profits on Investments		-	-
4- Other Technical Income (Deducted Reinsurer Share)		69.291	66.723
4.1- Gross Other Technical Income (+/-)		69.291	66.723
4.2- Reinsurer's Share in Gross Other Technical Income (+)		-	-
5- Accrued Recourse Income (+)		-	-
E - Life Technical Expense	5	(5.143.472.382)	(3.111.362.750)
1- Realized Compensations (Deducted Reinsurer Share)	17	(1.244.298.525)	(817.596.852)
1.1- Indemnities Paid (Deducted Reinsurer Share)	17	(1.129.238.873)	(756.061.533)
1.1.1- Gross Payments	17	(1.298.124.862)	(862.022.552)
1.1.2- Reinsurer's Share in Compensation Paid	10,17	168.885.989	105.961.019
1.2- Exchange for Outstanding Compensation (Deducted Reinsurer Share and Transferred Part)	17	(115.059.652)	(61.535.319)
1.2.1- Provision for Outstanding Compensation	17	(292.167.942)	(141.009.101)
1.2.2- Reinsurer's Share for Outstanding Compensation	10,17	177.108.290	79.473.782
2- Exchange for Bonuses and Discounts (Deducted Reinsurer Share and Transferred Part)		-	-
2.1- Provision for Bonuses and Discounts		-	-
2.2- Reinsurer's Share in Exchange for Bonuses and Discounts		-	-
3- Change in Mathematical Provisions (Deducted Reinsurer Share and Transferred Part)(+/-)	17	(2.762.339.570)	(1.685.215.044)
3.1- Mathematical Provisions (-)	17	(2.762.339.570)	(1.685.215.044)
3.1.1- Actuarial Mathematical Provision (+/-)	17	(2.762.339.570)	(1.685.215.044)
3.1.2- Provision for Dividend (Compensation for Policies whose Investment Risk Belongs to Policy Holders)		-	-
3.2- Reinsurer Share in Exchange for Life Mathematics (+)		-	-
4- Change in Other Technical Provisions (Deducted Reinsurer Share and Transferred Part) (+/-)	17	(24.875.715)	(14.233.814)
5- Operating Expenses	32	(1.111.958.572)	(594.317.040)
6- Investment Expenses		-	-
7- Unrealized Losses on Investments		-	-
8- Investment Revenues Transferred to Non-Technical Department		-	-
F- Technical Section Balance- Life (D - E)	5	3.652.482.227	1.840.285.368
G- Pension Technical Income	5,25	2.720.430.367	1.454.711.211
1- Fund Operation Revenues		1.939.978.374	1.091.987.303
2- Administrative Expense Deduction		550.402.902	267.662.375
3- Entry Fee Revenues		230.049.091	95.039.625
4- Administrative Expense Deduction in Case of Suspension		-	21.908
5- Special Service Expense Deduction		-	-
6- Capital Allocation Advance Value Increase Income		-	-
7- Other Technical Income		-	-
H- Pension Technical Expense	5	(2.114.514.687)	(1.125.777.906)
1- Fund Operation Expenses		(337.341.773)	(242.015.860)
2- Capital Allocation Advances Value Impairment Expenses		-	-
3- Operating Expenses	32	(1.551.876.785)	(734.166.597)
4- Other Technical Expenses		(225.296.129)	(149.595.449)
I- Technical Section Balance- Pension (G - H)	5	605.915.680	328.933.305

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

II- NON-TECHNICAL SECTION	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 01 JANUARY – 31 DECEMBER 2024	PREVIOUS PERIOD 01 JANUARY – 31 DECEMBER 2023
C- Technical Section Balance- Non-Life (A-B)	5	(45.557.991)	(14.363.178)
F- Technical Section Balance- Life (D-E)		3.652.482.227	1.840.285.368
I - Technical Section Balance - Pension (G-H)		605.915.680	328.933.305
J- General Technical Part Balance (C+F+I)		4.212.839.916	2.154.855.495
K- Investment Income	5	2.407.234.321	1.076.976.998
1- Income from Financial Investments	4.2	1.508.785.608	838.584.274
2- Profits from Cashing in Financial Investments		-	-
3- Valuation of Financial Investments	4.2	788.324.600	163.391.643
4- Exchange Profits	4.2	1.869.426	-
5- Income from Affiliates		-	-
6- Income from Subsidiaries and Joint Ventures		-	-
7- Income from Property, Plant, Equipment		-	-
8- Income from Derivative Products	2.10	108.254.687	75.001.081
9- Other Investments		-	-
10- Investment Income Transferred from Life Technical Department		-	-
L- Investment Expenses		(340.920.071)	(182.469.305)
1- Investment Management Expenses - Including Interest	4.2	(2.657.678)	(2.220.304)
2- Investments Decreases in Value	4.2	(24.012.122)	-
3- Losses as a result of the conversion of investments into cash	4.2	(50.074.459)	(51.517.278)
4- Investment Incomes Transferred to Non-Life Technical Department		-	-
5- Losses Due to Derivative Products	2.10	(31.007.428)	(16.653.488)
6- Exchange Losses	4.2	-	(4.589.194)
7- Depreciation and Amortization Expenses	6, 8	(81.605.231)	(43.049.051)
8- Other Investment Expenses	4.2	(151.563.153)	(64.439.990)
M- Income and Profits and Expenses and Losses from Other Operations and Extraordinary Operations		14.306.930	(22.490.712)
1- Provisions Account	47	(16.108.124)	(18.732.925)
2- Rediscount Account	47	(18.697.816)	(10.092.211)
3- Special Insurance Account		-	-
4- Inflation Adjustment Calculation		-	-
5- Deferred Tax Asset Account	21, 35	48.955.582	5.936.083
6- Deferred Tax Liability Expense		-	-
7- Other Income and Profits		1.741.719	1.394.895
8- Other Expenses and Losses		(1.584.431)	(996.554)
9- Previous Year Income and Profits		-	-
10- Previous Year Expenses and Losses		-	-
N- Period Net Profit or Loss		4.371.480.335	2.150.252.553
1- Period Profit and Loss		6.293.461.096	3.026.872.476
2- Period Profit Tax and Other Legal Liability Provisions	35	(1.921.980.761)	(876.619.923)
3- Period Net Profit or Loss		4.371.480.335	2.150.252.553
4- Inflation Adjustment Calculation		-	-

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ
Statement of Changes in Shareholders' Equity
for the Fiscal Period Ended on 31 December 2024

INDEPENDENTLY AUDITED PREVIOUS PERIOD STATEMENT OF CHANGES IN EQUITY – 31 DECEMBER 2023										
FOOT- NOTE	CAPITAL	COMPA- NY'S OWN STOCKS	VALUE INCREASE IN ASSETS	EQUITY INFLATION ADJUSTMENT DIFFERENCES	LEGAL STATUTORY RESERVES	OTHER RESERVES AND RETAINED EARNINGS	NET PROFIT (LOSS) FOR THE PERIOD	PREVIOUS YEARS' PROFITS / LOSSES	TOTAL	
I - Balance at the Beginning of the Period (1 January 2023)	15	500.000.000	-	6.232.317	3.084.445	-	145.153.230	-	351.190.122	2.014.917.455
A- Capital increase	-	-	-	-	-	-	-	-	-	-
B- Own stocks purchased by the business	-	-	-	-	-	-	-	-	-	-
C- Gains and losses not included in the income statement	23	-	-	-	-	(9.490.183)	-	-	-	(9.490.183)
D- Value increase / (decrease) in assets	11	-	-	16.776.956	-	-	-	-	-	16.776.956
E- Currency translation differences	-	-	-	-	-	-	-	-	-	-
F- Other gains and losses	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-
H- Period net profit	-	-	-	-	-	-	2.150.252.553	-	2.150.252.553	-
I-Dividend Distributed	2.23	-	-	-	-	-	(650.000.000)	-	(650.000.000)	-
J-Transfer	-	-	-	-	87.962.867	271.294.474	(359.257.341)	-	-	-
II- Period End Balance (31 December 2023) (I+ A+B+C+D+E+F+G+H+I+J)	15	500.000.000	-	23.009.273	3.084.445	-	233.116.097	-	612.994.413	3.522.456.781

INDEPENDENTLY AUDITED PREVIOUS PERIOD STATEMENT OF CHANGES IN EQUITY – 31 DECEMBER 2024										
FOOT- NOTE	CAPITAL	COMPA- NY'S OWN STOCKS	VALUE INCREASE IN ASSETS	EQUITY INFLATION ADJUSTMENT DIFFERENCES	LEGAL STATUTORY RESERVES	OTHER RESERVES AND RETAINED EARNINGS	NET PROFIT (LOSS) FOR THE PERIOD	PREVIOUS YEARS' PROFITS / LOSSES	TOTAL	
I - Balance at the Beginning of the Period (1 January 2024)	15	500.000.000	-	23.009.273	3.084.445	-	233.116.097	-	612.994.413	3.522.456.781
A- Capital increase	-	-	-	-	-	-	-	-	-	-
B- Own stocks purchased by the business	-	-	-	-	-	-	-	-	-	-
C- Gains and losses not included in the income statement	23	-	-	-	-	200.227	-	-	-	200.227
D- Value increase / (decrease) in assets	11	-	22.878.762	-	-	-	-	-	-	22.878.762
E- Currency translation differences	-	-	-	-	-	-	-	-	-	-
F- Other gains and losses	-	-	-	-	-	-	-	-	-	-
G- Inflation adjustment differences	-	-	-	-	-	-	-	-	-	-
H- Period net profit	-	-	-	-	-	-	4.371.480.335	-	4.371.480.335	-
I-Dividend Distributed	2.23	-	-	-	16.883.903	-	(1.600.000.000)	-	(1.600.000.000)	-
J-Transfer	-	-	-	-	533.368.650	(550.252.553)	-	-	-	-
II- Period End Balance (31 December 2024) (I+ A+B+C+D+E+F+G+H+I+J)	15	500.000.000	-	45.888.035	3.084.445	-	250.000.000	-	1.146.563.290	6.317.016.105

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 01 JANUARY – 31 DECEMBER 2024	PREVIOUS PERIOD 01 JANUARY – 31 DECEMBER 2023
A. Cash flows from operating activities			
1. Cash inflows from insurance activities		11.407.489.681	5.324.712.498
2. Cash inflows from reinsurance activities		-	-
3. Cash inflows from retirement activities		2.720.430.367	1.454.711.211
4. Cash outflow due to insurance activities		(4.939.899.347)	(2.490.649.085)
5. Cash outflow due to reinsurance activities		-	-
6. Cash out due to retirement activities		(1.792.286.929)	(476.724.924)
7. Cash generated as a result of operating activities (A1+A2+A3-A4-A5-A6)		7.395.733.772	3.812.049.700
8. Interest payments		-	-
9. Income tax payments	35	(1.653.128.441)	(678.339.741)
10. Other cash inflows		112.145.613	81.839.357
11. Other cash outflows		(46.377.754)	(27.639.466)
12. Net cash from operating activities		5.808.373.190	3.187.909.850
B. Cash flows from investing activities			
1. Sale of tangible assets		-	144.015
2. Acquisition of tangible assets	6,8	(187.682.933)	(74.989.387)
3. Acquisition of financial assets	11	(10.416.860.897)	(5.658.688.741)
4. Sale of financial assets	11	5.474.173.776	3.027.432.672
5. Interests received		2.200.566.884	838.584.274
6. Dividends received		-	-
7. Other cash inflows		106.102.824	71.344.458
8. Other cash outflows		(214.006.356)	(97.481.916)
9. Net cash from investing activities		(3.037.706.702)	(1.893.654.625)
C. Cash flows from financing activities			
1. Issuance of stocks		-	-
2. Cash inflows/(outflows)/cash flows related to loans		-	-
3. Financial leasing debts payments		(15.746.210)	(20.510.221)
4. Dividends paid	15	(1.600.000.000)	(650.000.000)
5. Other cash inflows		-	-
6. Other cash outflows		-	-
7. Net cash from financing activities		(1.615.746.210)	(670.510.221)
D. Effect of foreign exchange differences on cash and cash equivalents		4.021.289	3.530.944
E. Net increase in cash and cash equivalents (A12+B9+C7+D)		1.158.941.567	627.275.948
F. Cash and cash equivalents at the beginning of the period	14	2.937.672.684	2.310.396.736
G. Cash and cash equivalents at the end of the period (E+F)	14	4.096.614.251	2.937.672.684

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Balance Sheet As at 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

	FOOTNOTE	INDEPENDENTLY AUDITED	
		CURRENT PERIOD 31 DECEMBER 2024*	CURRENT PERIOD 31 DECEMBER 2023**
I. DISTRIBUTION OF PERIOD PROFIT			
1.1. PERIOD PROFIT		6.293.461.096	3.026.872.476
1.2. TAXES AND LEGAL OBLIGATIONS TO BE PAID		(1.921.980.761)	(876.619.923)
1.2.1. Corporate Tax (Income Tax)		(1.921.980.761)	(876.619.923)
1.2.2. Income Tax Deduction		-	-
1.2.3. Other Taxes and Legal Obligations		-	-
A NET PROFIT FOR THE PERIOD (1.1 – 1.2)		4.371.480.335	2.150.252.553
1.3. LOSS FROM PREVIOUS PERIODS (-)		-	-
1.4. FIRST TYPE LEGAL RESERVS		-	-
1.5. LEGAL FUNDS THAT MUST BE LEFT IN THE COMPANY AND SAVED (-)		-	-
B DISTRIBUTABLE NET PROFIT FOR THE PERIOD [(A - (1.3 + 1.4 + 1.5)]		4.371.480.335	2.150.252.553
1.6. FIRST DIVIDEND TO PARTNERS (-)		-	(1.600.000.000)
1.6.1. To Shareholders		-	(1.600.000.000)
1.6.2. To Holders of Privileged Shares		-	-
1.6.3. To Holders of Participation Shares		-	-
1.6.4. To Holders of Black Participated Bond		-	-
1.6.5. To Holders of Profit and Loss Sharing Certificate		-	-
1.7. DIVIDEND TO PERSONNEL (-)		-	-
1.8. DIVIDENDS TO FOUNDERS (-)		-	-
1.9. DIVIDEND TO THE BOARD OF DIRECTORS (-)		-	-
1.10. SECOND DIVIDEND TO PARTNERS (-)		-	-
1.10.1. To Shareholders		-	-
1.10.2. To Holders of Privileged Shares		-	-
1.10.3. To Holders of Participation Shares		-	-
1.10.4. To Holders of Black Participated Bond		-	-
1.10.5. To Holders of Profit and Loss Sharing Certificate		-	-
1.11. SECOND SERIES LEGAL RESERVE FUNDS (-)		-	(16.883.903)-
1.12. STATUS RESERVES (-)		-	-
1.13. EXTRAORDINARY RESERVES		-	(533.368.650)-
1.14. OTHER RESERVES SPECIAL FUNDS		-	-
1.15. DISTRIBUTION FROM RESERVES		-	-
II. DISTRIBUTED RESERVES		-	-
2.1. SECOND SERIES LEGAL RESERVES (-)		-	-
2.2. SHARE TO PARTNERS (-)		-	-
2.3. To Shareholders		-	-
2.3.1. To Holders of Privileged Shares		-	-
2.3.2. To Holders of Participation Shares		-	-
2.3.3. To Holders of Black Participated Bond		-	-
2.3.4. To Holders of Profit and Loss Sharing Certificate		-	-
2.3.5. SHARE TO PERSONNEL (-)		-	-
2.4. SHARE TO THE BOARD OF DIRECTORS (-)		-	-
2.5. SHARE TO THE BOARD OF DIRECTORS (-) SHARE TO THE BOARD OF DIRECTORS (-)		-	-
III. EARNINGS PER SHARE		0,087	0,043
3.1. TO SHAREHOLDERS		874%	430%
3.2. TO SHAREHOLDERS (%)		-	-
3.3. TO HOLDERS OF PRIVILEGED SHARES		-	-
3.4. TO HOLDERS OF PRIVILEGED SHARES (%)		-	-
IV. DIVIDEND PER SHARE		-	-
4.1. TO SHAREHOLDERS		-	0,032
4.2. TO SHAREHOLDERS (%)		-	3,20%
4.3. TO HOLDERS OF PRIVILEGED SHARES		-	-
4.4. TO HOLDERS OF PRIVILEGED SHARES (%)		-	-

(*) "As the Ordinary General Assembly Meeting of the Company has not yet been held as of the date of these financial statements, only the distributable profit amount is stated in the profit distribution table for 2024.

(**)2023 figures, Profit Distribution Table have been filled in based on the general assembly decision.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

1 GENERAL INFORMATION

1.1 NAME OF THE PARENT COMPANY AND LAST OWNER OF THE GROUP

As of December 31, 2024, the shareholder having direct or indirect control over the share capital of Garanti Emeklilik ve Hayat Anonim Şirketi ("the Company") is Türkiye Garanti Bankası A.Ş. with 84,91% shareholding. Another shareholder having significant influence over the management of the Company is Achmea BV, a Dutch company, with a shareholding of 15,00%.

1.2 THE COMPANY'S ADDRESS AND LEGAL STRUCTURE AND ADDRESS OF ITS REGISTERED COUNTRY AND REGISTERED OFFICE (OR, IF THE COMPANY'S ADDRESS IS DIFFERENT FROM ITS REGISTERED OFFICE, THE ORIGINAL LOCATION WHERE THE COMPANY'S ACTUAL OPERATIONS ARE PERFORMED)

The Company was registered in Turkey in 1992 and is a joint stock company established in accordance with the Turkish Commercial Code ("TCC"). The Company operates at Nispetiye Mahallesi, Barbaros Bulvarı, No: 96 Çiftçi Towers Kule 1, 34340 Beşiktaş/İstanbul.

1.3 ACTUAL FIELD OF ACTIVITY OF THE COMPANY

The Company was established on July 24, 1992 under the name of "AGF Garanti Hayat Sigorta Anonim Şirketi" with an initial capital of TL 10.000 and the Company's title was changed to "Garanti Hayat Sigorta Anonim Şirketi" on May 18, 1999.

The Company's application dated November 14, 2002 for conversion from a life insurance company to a pension company in accordance with the Provisional Article 1, paragraph 2 of the Individual Pension Savings and Investment System Law numbered 4632 published in the Official Gazette dated April 7, 2001 and numbered 4366 was approved on December 18, 2002. The Company's name was first changed to "Garanti Emeklilik Anonim Şirketi" as published in the Turkish Trade Registry Gazette dated January 15, 2003 and then to "Garanti Emeklilik ve Hayat Anonim Şirketi" as published on March 25, 2003.

The economic purpose of the Company is to make contracts for individual pension and life insurance and to operate in the branches related to these matters. As of July 1, 2006, the Company started to operate in personal accident branch in accordance with its articles of association.

As of December 31, 2024, the Company has a total of thirty-six pension investment funds (December 31, 2023: Thirty-six pension investment funds).

Within the framework of the Pension Mutual Fund Portfolio Management Agreements signed between the parties, thirty-six Pension Mutual Funds are managed by Garanti Portföy Yönetimi A.Ş.

1.4 EXPLANATION OF THE NATURE OF THE ORGANIZATION'S ACTIVITIES AND MAIN AREAS OF WORK

The Company, which operates in accordance with the Insurance Law No. 5684 ("Insurance Law") published in the Official Gazette No. 26552 dated June 14, 2007 and the Individual Pension Savings and Investment System Law No. 4632 ("Individual Pension Law") published in the Official Gazette No. 4366 dated April 7, 2001 and amended by Law No. 6327 to be effective from January 1, 2013 and other applicable regulations and directives, signs policies/contracts in life, personal accident, retirement and health branches as of December 31, 2024.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024
(Currency: Expressed in Turkish Lira (TL.))

1 GENERAL INFORMATION (CONTINUED)**1.5 AVERAGE NUMBER OF PERSONNEL WORKING DURING THE YEAR BY CATEGORY**

The average number of personnel working during the period by category is as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
Senior management personnel	5	5
Other personnel	549	516
Total	554	521

1.6 REMUNERATION AND SIMILAR BENEFITS PROVIDED TO KEY MANAGEMENT

As of December 31, 2024, total amount of salaries and similar benefits provided to top management such as chairman and members of the board of directors, general manager, deputy general managers is TL 52.852.513 (December 31, 2023: TL 25.747.942).

1.7 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

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" dated January 4, 2008 issued by the Republic of Turkey Ministry of Treasury and Finance, expenses that are documented to be incurred for non-life, life or private pension branches and there is no doubt that they belong to these branches are transferred directly to the related branch. The technical segment operating expenses other than these expenses are determined in accordance with the "Circular on Amendments to 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" dated August 9, 2010 and numbered 2010/9 issued by the Republic of Turkey Ministry of Treasury and Finance to be effective from January 1, 2011. Accordingly, the operating expenses of the technical department, which cannot be directly allocated to the related branch, are allocated primarily to the pension and insurance departments in proportion to the average number of pension contracts and policies issued in the last three years, in accordance with the aforementioned Circular. Expenses allocated to the insurance segment are allocated to the life and non-life segments according to the average of the three ratios calculated by the ratio of the number of policies, gross written premiums and number of claim notifications to the total number of policies, gross written premiums and number of claim notifications for each segment in the last three years.

All income derived from the investment of assets held by the Company to cover non-life technical provisions is transferred from the non-technical segment to the technical segment.

Income from assets invested against mathematical and profit share reserves is retained in the technical segment, and the amounts other than these amounts are transferred to the non-technical segment.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024
(Currency: Expressed in Turkish Lira (TL.))

1 GENERAL INFORMATION (CONTINUED)**1.8 STAND-ALONE OR CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying financial statements include the financial information of the Company only and as explained in more detail in Note 2.2, consolidated financial statements have not been prepared as of December 31, 2024.

1.9 NAME OR OTHER IDENTIFYING INFORMATION OF THE REPORTING ENTITY AND ANY CHANGES IN THIS INFORMATION SINCE THE PREVIOUS BALANCE SHEET DATE

Trade Title of the Company : Garanti Emeklilik ve Hayat Anonim Şirketi
Address of the Company's Head Office : Nispetiye Mahallesi, Barbaros Bulvarı, No: 96 Çiftçi Towers Kule 1, 34340 Beşiktaş/İstanbul
Company's Electronic Website Address : www.garantibbvaemeklilik.com.tr
There has been no change in the information presented above since the end of the previous reporting period.

1.10 SUBSEQUENT EVENTS

Explanations on events after the balance sheet date are presented in detail in the note "46 – Events after the balance sheet date".

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 BASIS OF PREPARATION****2.1.1 Basis of preparation of financial statements and information about the specific accounting policies used**

The Company maintains its books of account and prepares its financial statements in accordance with the Turkish Financial Reporting Standards ("TFRS") and other accounting and financial reporting principles, statements and guidance (collectively "the Reporting Standards") in accordance with the "Communiqué Related to the Financial Reporting of Insurance, Reinsurance and Individual Pension Companies" promulgated by the Republic of Turkey Ministry of Treasury and Finance based on Article 18 of the Insurance Law and Article 11 of the Individual Pension Law.

Article 4 of the aforementioned regulation states that the procedures and principles regarding insurance contracts, accounting and financial statements of subsidiaries, joint ventures and affiliates, publicly announced financial statements and related explanations and footnotes will be determined by communiqués to be issued by the Republic of Turkey Ministry of Treasury and Finance.

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

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.1.2 Other accounting policies appropriate for the understanding of the financial statements****Restatement of financial statements in hyperinflationary periods**

TAS 29 “Financial Reporting in Hyperinflationary Economies” requires entities whose functional currency is the currency of a hyperinflationary economy to report their financial statements in terms of the purchasing power of money at the end of the reporting period. Based on the announcement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities that apply Turkish Financial Reporting Standards (TFRS) are required to present their financial statements for the annual reporting period ending on or after December 31, 2023, adjusted for the effects of inflation in accordance with the accounting principles in “TAS 29 Financial Reporting in Hyperinflationary Economies”. In the same statement, it is stated that institutions or organizations authorized to regulate and supervise in their fields may determine different transition dates for the application of inflation accounting, and in this context, according to the circular issued by the Insurance and Private Pension Regulatory and Supervisory Board (SEDDK); it has been decided not to apply inflation accounting in 2025 by insurance, reinsurance and pension companies.

Therefore, “TAS 29 Financial Reporting in Hyperinflationary Economies” has not been applied and inflation adjustment has not been made in the financial statements dated December 31, 2024.

According to the circular issued by SEDDK, the Company will start to apply “TAS 29 Financial Reporting Standard in Hyperinflationary Economies” in its financial statements as of January 1, 2026.

Other accounting policies

Information on other accounting policies is disclosed above in the section “2.1.1 - Basis of preparation of financial statements and information on specific accounting policies used” and in the following sections of this report, each under its own heading.

2.1.3 Functional and presentation currency

The accompanying financial statements are presented in TL, which is the functional and presentation currency of the Company.

2.1.4 Rounding of amounts presented in the financial statements

Financial information presented in TL is rounded to the nearest whole TL.

2.1.5 Basis of measurement used in preparing the financial statements

The financial statements have been prepared on the historical cost basis, except for the financial assets held for trading in the Company's own portfolio and available-for-sale financial assets and financial assets classified as available-for-sale financial assets within financial assets at risk of life policyholders, which are measured at fair value if reliable measurement is possible.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 BASIS OF PREPARATION (CONTINUED)

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*.

The Company has preferred to present its bank deposits with maturities longer than three months, which were accounted under cash and cash equivalents in the previous periods, under financial assets held to maturity in the current period and has adjusted the prior year financial statements accordingly.

2.2 CONSOLIDATION

Since the Company has no subsidiaries or affiliates as of the balance sheet date, consolidated financial statements have not been prepared.

2.3 SEGMENT REPORTING

A segment is a distinguishable component of the Company that is engaged in the production of goods or services (operating segments) or an economic environment in which the risks and rewards of ownership of the goods and services are identifiable from those of other segments (geographical segment). Since the main geographical area in which the Company operates is Turkey, geographical segment reporting is not presented and segment reporting is presented in Note 5.

2.4 FOREIGN CURRENCY PROVISIONS

Transactions are recorded in TL, which is the functional currency of the Company. Monetary assets and liabilities denominated in foreign currencies are translated into TL at the exchange rates prevailing at the balance sheet date and the resulting translation differences are recognized net of any resulting exchange differences and recognized as foreign exchange gains or foreign exchange losses in the accompanying financial statements, depending on whether the result is positive or negative.

2.5 TANGIBLE FIXED ASSETS

Tangible assets are carried at cost less accumulated depreciation and impairment losses, if any.

Gains and losses on disposals of tangible assets are calculated as the difference between the net disposal proceeds and the net book value of the related tangible asset and recognized in the income statement of the related period.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.5 TANGIBLE FIXED ASSETS (CONTINUED)**

Expenditure on repairs and maintenance of tangible assets is recognized as an expense. There are no pledges, mortgages and similar encumbrances on tangible 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.

Prior to January 1, 2004, depreciation of tangible assets acquired before January 1, 2004 is calculated by using the accelerated depreciation method over their cost values, whereas the straight-line depreciation method is used for the assets acquired after January 1, 2004.

The rates used for depreciation of tangible assets and the estimated useful lives are as follows:

TANGIBLE FIXED ASSETS	ESTIMATED ECONOMIC LIVES (YEARS)	DEPRECIATION RATIO (%)
Furniture and fixture	3-10	10-33
Other tangible assets (including leasehold improvements)	5-20	5-20
Tangible assets acquired through finance leasing	4	25

2.6 INVESTMENT PROPERTIES

The Company does not have any real estate held for investment purposes.

2.7 INTANGIBLE FIXED ASSETS

The Company's intangible assets consist of software programs. Intangible assets are recognized at cost in accordance with TAS 38 - Accounting for Intangible Assets.

The Company amortizes intangible assets over their cost values using the straight-line method over their useful lives at rates between 10% and 50%.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.8 FINANCIAL ASSETS****Classification and measurement**

Financial assets represent cash and cash equivalents, contractual rights to receive cash or another financial asset from a counterparty or to exchange financial instruments, or equity instruments of a counterparty.

Financial assets are classified into four categories: financial assets held for trading, held-to-maturity financial assets, available-for-sale financial assets and loans and receivables.

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Financial assets held for trading are measured at fair value and gains or losses arising from the measurement are recognized in the income statement. Interest income earned during the holding period of trading securities and the difference between the acquisition cost and the fair value of the related securities are recognized as interest income in the income statement and any gain or loss arising on the disposal of such financial assets before their maturity is recognized as trading income/expense.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are originated by providing money, goods or services to the debtor. In the financial statements of the Company, loans and receivables are recognized at amortized cost using the effective interest method, less any provision for impairment, if any, if the receivable is non-interest bearing, or at amortized cost using the effective interest method if the receivable is interest bearing.

Held-to-maturity financial assets are financial assets, other than loans and receivables, which are acquired with the intention of holding until maturity, for which the conditions necessary to hold to maturity, including funding ability, are met, and which have fixed or determinable payments and fixed maturities.

Held-to-maturity financial assets are initially recognized at amortized cost using the effective interest method, less provision for impairment, if any.

Available-for-sale financial assets consist of loans and receivables, held-to-maturity investments and financial assets other than those held for trading.

Quoted equity instruments and certain debt securities held by the Company that are traded in an active market are classified as available-for-sale financial assets and are stated at fair value. The Company has unquoted equity investments that are not traded in an active market but are classified as available-for-sale financial assets and are carried at cost since their fair values cannot be reliably measured. Gains and losses arising from changes in fair value are recognized in other income, except for impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognized in the income statement and accumulated in the financial assets revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the revaluation reserve is reclassified to the income statement.

Purchases and sales of marketable securities are recognized on the date of delivery.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.8 FINANCIAL ASSETS (CONTINUED)****Specific Instruments**

Loans represent the amount of money lent by the Company to life insurance policyholders who have made premium payments for a period of time specified in the technical principles regarding the approved life insurance tariffs (according to the General Terms and Conditions of Life Insurance, this period is minimum 3 years) in return for the return of the life insurance policy within a certain ratio of the amounts in the subscription table of the relevant tariff. As of December 31, 2024, the total amount of the Company's loans to policyholders is TL 1.164.885 (December 31, 2023: TL 1.603.114).

Financial investments at risk of life policyholders consist of financial assets acquired by the Company on the amounts invested on behalf of life policyholders. Financial assets whose risks are borne by the life policyholders can be classified as financial assets held for trading, available-for-sale and held-to-maturity, provided that they do not create a situation against the rights and interests of the policyholders, and are valued in accordance with the above principles.

In the event that these investments are classified as available-for-sale financial assets, 5% of the difference between the fair value of the related financial assets and the amortized cost calculated according to the effective interest method is recognized under equity and 95% of the difference belonging to the policyholders is recognized under Insurance Technical Provisions - Life Mathematical Provision account. As of December 31, 2024, 95% of the valuation differences amounting to TL 6.474.305 (December 31, 2023: TL 5.553.606), which does not belong to the Company, is recognized under life mathematical provisions.

Receivables from pension operations consist of capital advances to pension investment funds, fund operating expense deductions from funds, entrance fees to the pension system and receivables from the custodian company. The Company monitors fund operating expense deduction receivables from funds under the account of fund operating expense deduction receivables from funds, which arise from the management of funds and cannot be collected on the same day. Advances allocated to the pension investment funds established by the Company are followed under the account of capital advances to pension investment funds. Fund-based receivables from the custodian company on behalf of the participants are classified under receivables from the custodian company. This amount is also presented as payables to participants for the funds sold under the individual pension system payables item.

De-recognition

Financial assets are derecognized when the Company loses control of the contractual rights to those assets. This occurs when these rights are realized, expire or are surrendered.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.9 IMPAIRMENT ON ASSETS****Impairment on financial assets**

A financial asset or a group of financial assets is impaired and an impairment loss is recognized if, and only if, there is objective evidence that one or more loss events have occurred since the initial recognition of the asset and that the loss event has had an impact on the estimated future cash flows of the financial asset or group of financial assets that can be estimated reliably. At each balance sheet date, the Company assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Receivables from main operations are presented in the financial statements at their net amounts after deducting the specific provisions set aside against the risk of non-collection. In the event that there is a situation indicating that the receivables from main operations will not be collected as a result of regular examinations, a specific provision is set aside for receivables up to the amount that can be collected.

The recoverable amount of an equity instrument is its fair value. The recoverable amount of debt instruments measured at fair value is the present value of estimated future cash flows discounted to their present value using quoted market interest rates.

An impairment loss is reversed if an event occurring after the impairment loss was recognized objectively indicates that the impairment loss should be reversed. Impairment losses on financial assets measured at amortized cost and debt securities classified as available-for-sale are reversed through profit or loss. The reversal of impairment losses on financial assets classified as available-for-sale financial assets, which consist of equity instruments, is recognized directly in equity.

Impairment of fixed assets

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the related asset in accordance with TAS 36 - Impairment of Assets and recognizes an impairment loss if the recoverable amount is less than the carrying amount of the related asset.

2.10 DERIVATIVE FINANCIAL INSTRUMENTS

As of 31 December 2024, the Company has Eurobond transaction collateral amounting to TL 2.212.014.434 classified under financial assets held for trading. As of December 31, 2024, the Company has TL 108.254.687 income and TL 31.007.428 expense due to forward foreign exchange contracts (December 31, 2023: TL 75.001.081 income and TL 16.653.488 expense). The Company has recognized derivative transactions in accordance with TAS 39 - Financial Instruments: Recognition and Measurement. Subsequent to initial recognition, derivative transactions are measured at fair value and recognized in the balance sheet under "Income Accruals" or "Other financial liabilities" depending on whether the value is positive or negative. Changes in the fair value of derivative financial instruments as a result of the measurement are recognized in the statement of income.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.11 OFFSETTING FINANCIAL ASSETS**

Financial assets and liabilities are offset and the net amount is reported in the financial statements when the Company has 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.

Income and expenses are presented on a net basis only to the extent permitted by the Reporting Standards or for gains and losses arising from similar transactions, such as the Company's purchase and sale transactions.

2.12 CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, "cash and cash equivalents" are defined as cash on hand, cheques received, other cash and cash equivalents, demand deposits, time deposits at banks with original maturities of three months or less and investments in marketable securities.

2.13 CAPITAL

As of December 31, 2024 and December 31, 2023, the controlling shareholder of the Company is Türkiye Garanti Bankası A.Ş. ("Garanti Bankası") with 84,91% shareholding. Another shareholder having significant influence over the management of the Company is Dutch Achmea BV ("Achmea") with a shareholding of 15,00%.

As of December 31, 2024 and December 31, 2023, the share capital and ownership structure of the Company are as follows:

	31 DECEMBER 2024		31 DECEMBER 2023	
	SHARE AMOUNT (TL)	SHARE RATIO (%)	SHARE AMOUNT (TL)	SHARE RATIO (%)
Türkiye Garanti Bankası A.Ş.	424.566.290	84,91	424.566.290	84,91
Achmea BV	75.000.000	15,00	75.000.000	15,00
Eureko Sigorta AŞ.	433.710	0,09	433.710	0,09
Paid-in Capital	500.000.000	100,00	500.000.000	100,00

Privileges on common shares representing share capital: None.

Registered capital system in the Company: None.

Repurchased own shares by the Company: None.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.14 INSURANCE AND INVESTMENT CONTRACTS - CLASSIFICATION**

Contracts in which the Company accepts a significant insurance risk by agreeing to indemnify the policyholder in the event of the occurrence of a predefined uncertain future event (the event covered by insurance) that causes the policyholder to be adversely affected are classified as insurance contracts. Insurance risk includes risks other than financial risk. All premiums received under insurance contracts are recognized as income under premiums written account.

Investment contracts are contracts that provide for payment based solely on changes in one or more of the following variables: interest rates, prices of financial instruments, commodity prices, foreign exchange rates, interest rate or price indices, credit ratings or credit indices or other variables, where the variable is a non-financial variable that is not specific to a party to the contract.

The Company's saving life products and private pension contracts are classified as investment contracts in accordance with the above definition. In saving life products, all of the premiums received from policyholders are recognized as income in accordance with the current regulations, and the portion of the premium directed to savings on behalf of the policyholder is expensed by showing as a liability under the life mathematical provisions account in the financial statements. Contributions collected from private pension contracts are recognized as a liability under payables to participants and the same amount is recognized as a receivable under receivables from Custodian Company.

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 contractual total benefits;
- (ii) the amount and timing of which are contractually at the discretion of the issuer; and
- (iii) Contractually based on:
 - (1) The performance of a particular pool of contracts or a particular type of contract;
 - (2) Realized and/or unrealized investment income of a particular pool of assets held by the issuer; or;
 - (3) The profit or loss of the contract issuer, fund or other entity.

As of the balance sheet date, the Company has no insurance or investment contracts with discretionary participation feature.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 INVESTMENT CONTRACTS WITHOUT DISCRETIONARY PARTICIPATION FEATURE

In the Company's saving life insurance products, if the rate of return to be obtained as a result of the investment of the policyholders' savings is below the "technical interest", the difference is covered by the Company, and if it is above, the difference is distributed to the policyholders as profit share in addition to the guarantee element. However, the Company classifies these contracts as investment contracts without discretionary participation feature due to the existence of certain contractual and competitive restrictions on their use.

In these products, all returns obtained as a result of the investment of savings are recognized in the income statement or equity accounts in accordance with the accounting policies mentioned above, and in return, the entire contract is recognized as a liability in the life mathematical provision.

2.17 PAYABLES

Financial liabilities; refers to liabilities resulting from transactions that require the issuance of cash or another financial asset to another entity. Financial liabilities are presented with their discounted values in the Company's financial statements. A financial liability is derecognized when it is extinguished.

Payables from pension activities consist of payables to participants, participants' temporary accounts, and payables to pension agencies. The payables to participants is the account in which the contribution of participants that transferred to investments on behalf of private pension contract owners and income from these investments are recorded. The temporary account of participants includes the contributions of participants that have not yet been transferred to the investment. This account also includes the entrance fee deducted portion of the participants' fund amounts, obtained from the fund share sales occur in the case of system leaves. This account consists of the amounts of participants that will be transferred to other private pension companies or participants' own accounts. This account means Company's liabilities to private pension agencies in return of their services.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.18 TAXES****Corporate Tax**

Corporate tax rate in Turkey is 25%. Corporate tax is payable at a rate applicable to the net income of the corporation after adjusting for certain disallowable expenses and deducting certain exemptions and allowances for tax purposes. If no profit is distributed, no further tax is payable.

On July 5, 2023, amendments were made to the Corporate Tax Law No. 5520 with the Law proposed to the Grand National Assembly of Turkey and published in the Official Gazette dated July 15, 2023. Accordingly, starting from the declarations to be submitted as of October 1, 2023, the corporate tax rate has been increased from 25% to 30% for banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, provided that they do not exceed 5 years. Declarations and related accounting records can be reviewed 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 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 exempt 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.

75% of the gains arising from the sale of participation shares in the assets of the corporations for at least two full years, founders' shares, redeemed shares, preemptive rights and participation shares of investment funds that constitute a source of exempt income within the scope of subparagraph (a) of this paragraph are exempt from corporate tax.

With the amendment, corporate tax exemption will not be applied on the gains arising from the sale of immovable properties to be acquired by corporations after July 15, 2024, the effective date of the Law.

Taxpayers will be able to benefit from the pre-amendment provisions of subparagraph (e) of the first paragraph of Article 5 of Law No. 5520 for immovable properties that were in the assets of institutions before July 15, 2023, the date of entry into force of Law No. 7456, however, for the sales of the immovable properties included in the assets of the corporations before July 15, 2024, the exemption rate applied as 50% based on the subparagraph (e) of the first paragraph of Article 5 of the Corporate Tax Law will be applied as 25% as of July 15, 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.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.18 TAXES (CONTINUED)****CORPORATE TAX (CONTINUED)**

In Turkey, there is no such practice as 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 inspection authorities may examine 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 per the Article 17 of the Omnibus Law published in the Official Gazette dated December 28, 2023, Banks, companies within the scope of the Law on Financial Leasing, Factoring, Financing and Savings Finance Companies, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies will apply inflation accounting in accordance with the Tax Procedure Law as of 31 December 2024, and the profit / loss difference arising from the inflation adjustment made in the 2024 and 2025 accounting periods, including the temporary tax periods, will not be taken into account in the determination of the tax base.

Income tax withholding

There is a withholding tax liability on dividend distributions and this withholding tax liability is accrued in the period in which the dividend payment is made. With the Presidential Decree No. 7343 published in the Official Gazette No. 32241 dated July, 7.2023 and numbered 32241, a regulation has been made regarding the withholding tax at the rate of 0% on the amounts considered as distributed dividends only for the own shares acquired by full taxpayer capital companies whose shares are traded in Borsa Istanbul.

Accordingly, the practice of 0% withholding tax on the amounts considered as distributed dividends in relation to the own shares or partnership shares acquired by capital companies other than full taxpayer capital companies whose shares are traded on Borsa Istanbul has been terminated. These companies will be subject to withholding tax at the rate of 15% on the amounts considered as distributed dividends in relation to their own shares or partnership interests acquired.

In the application of withholding tax rates for profit distributions to non-resident corporations and real persons, the withholding tax rates in the relevant Double Tax Treaty Agreements are also taken into consideration. The capitalization of retained earnings is not considered as profit distribution and therefore is not subject to withholding tax.

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, and is accounted for using the liability method 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 liabilities are offset and the net amount reported in the financial statements if, and only if, the Company has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax asset and liability relate to income taxes levied by the same taxation authority on the same taxable entity.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.18 TAXES (CONTINUED)****DEFERRED TAX (CONTINUED)**

If the gains or losses arising from the valuation of the related financial assets are recognized in the income statement, the related current period corporate tax or deferred tax income or expense is also recognized in the income statement. If the gains or losses arising from the valuation of the related financial assets are recognized directly in equity, the related tax effects are also recognized directly in equity.

As of December 31, 2024, a tax rate of 30% is used for temporary differences (December 31, 2023: 30%).

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 a legally unacceptable expense for corporate tax purposes.

2.19 EMPLOYEE BENEFITS**Provision for severance pay**

completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing one year of service. The amount payable consists of one month's salary limited to a maximum of TL 41.828 for each year of service as of December 31, 2024 (December 31, 2023: TL 23.490).

TAS 19 - Turkish Accounting Standard for Employee Benefits requires actuarial methods to be used in the calculation of provision for employment termination benefits. As at 31 December 2024 and 31 December 2023, the actuarial assumptions used are as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
Interest Rate	26,30%	21,94%
Expected Rate of Salary/Limit Increase	26,30%	50% for 2024; 23.44% for next
Discount Rate	31,02%	25,60%

Other employee benefits

The Company recognizes a provision in its financial statements in accordance with TAS 19 for the undiscounted amounts that employees are entitled to in return for their services rendered during an accounting period and that are expected to be paid in the future periods.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

A provision is recognized when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the balance sheet date based on management's best estimate of the expenditure required to settle the obligation and discounted to present value where the effect is material. When the amount of the obligation cannot be measured reliably enough and there is no possibility of an outflow of resources from the Company to settle the obligation, the obligation is considered as "contingent" and disclosed in the Footnotes.

A contingent asset is an asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence in the future of one or more uncertain future events not wholly within the control of the Company. The Company does not recognize contingent assets in the financial statements, but continuously assesses its contingent assets to ensure that events or changes in circumstances are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are included in the financial statements of the period in which the change occurs, and if it has become probable that an inflow of economic benefits will arise, the contingent asset is recognized in the financial statement footnotes.

2.21 REVENUE RECOGNITION**Written premiums**

Written premiums represent the policies issued during the period as well as premiums written in previous years, net of cancellations, taxes and premiums ceded to reinsurers.

Commissions received and paid

Commission expenses paid to intermediaries related to the production of insurance policies and commission income received from reinsurers in return for ceded premiums are reflected in the operating results over the life of the policy by taking into account the deferred commission expenses and deferred commission income accounts, respectively, for the policies produced.

Commission expenses accrued to the intermediaries related to the production of private pension contracts are recognized as an expense in the period in which they are incurred and are accounted under operating expenses account under pension branch technical expenses.

In addition, in life and unemployment branches, income accrual is calculated and recognized for profit commissions corresponding to the relevant period over the earnings of the reinsurer company within the rates determined in the existing agreements. Since these profit commissions are determined based on the Company's past performance and cannot be associated with policies, they are calculated at the end of the period and recognized in the income statement without deferral.

Interest income and expenses

Interest income and expenses are recognized on an accrual basis using the effective interest method. Effective interest is the rate that discounts estimated future cash payments and cash flows through the life of the financial asset or liability to its carrying amount. The effective interest rate is calculated on initial recognition of a financial asset or liability and is not subsequently changed.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.21 REVENUE RECOGNITION (CONTINUED)**

The effective interest rate calculation includes discounts and premiums, fees and commissions paid or received, and transaction costs that are an integral part of the effective interest rate. Transaction costs are additional costs directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Trading income/expense

Trading income/expense includes gains and losses on the disposal of financial assets at fair value through profit or loss and available-for-sale financial assets. Trading income and trading expense are presented in the accompanying financial statements under "Gains on liquidation of financial investments" and "Losses on liquidation of investments", respectively.

Dividend

Dividend income is recognized when the right to receive the related dividend arises.

Income from pension operations

The fund operating expense deduction, which is for the management and representation of the funds and the equipment, personnel and accounting services allocated to the funds, is recorded as income in the Company's accounts and is allocated between the Company and the fund manager portfolio management companies within the framework of the rates within the agreement. All of these fees are recognized in the "Fund operating income" account as fund operating expense deduction in the Company's pension branch technical income and the portion belonging to the manager is recognized in the "Fund operating expenses" account as the amount paid for fund management in the Company's pension branch technical expenses.

As of January 1, 2016, the deduction amounts and collection processes have been changed in accordance with the "Regulation on the Amendment of the Regulation on Individual Pension System". For contracts entered into force before January 1, 2016,

-For contracts that have completed 5 years from the effective date, no further deductions will be made as of this date, even if defined.

- For contracts that have not completed 5 years from the effective date, if there is a deduction above the annual upper limit, no further deduction will be made until the anniversary date, and if there is a deduction above the 5-year upper limit, no further deduction will be made as of this date.

For contracts entered into force after January 1, 2016, no entrance fee is deducted from the contributions or savings made by the participants to the individual pension account.

For five years from the effective date of the relevant contract, an administrative expense deduction is made on the contributions or savings made by the participants to the individual pension account, provided that it does not exceed eight and a half percent of the monthly gross minimum wage amount valid in the first six months of the relevant year for each year, and is followed under the administrative expense deduction account. Before 5 years, if the contract is exited from the system or transferred to another company, the management expense deduction amounts corresponding to the period until the end of the 5th year of the relevant contract and not collected by the company until the date of exit are taken from the accumulation of the contract at the time of exit or transfer.

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(Currency: Expressed in Turkish Lira (TL.))

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.21 REVENUE RECOGNITION (CONTINUED)**

As of January 22, 2022, with the Law on the Amendment of the Individual Pension Savings and Investment System Law and Certain Laws and the Decree Law No. 375, which was published and entered into force on January 22, 2022, all participants who pay contributions to an individual or group individual pension contract, who are citizens of the Republic of Turkey and hold a blue card (except for participants whose payer is their employer) can benefit from state contribution within the specified limit. Provided that the contribution amount paid on behalf of the participant is limited to the total amount of the gross minimum wage for the relevant year, 30% of it is calculated as state contribution.

2.22 LEASING TRANSACTIONS

Lease agreements have a maximum term of 5 years. Property, plant and equipment acquired under finance leases are recognized as assets in the balance sheet and as liabilities under finance leases. The amounts recognized as assets and liabilities in the balance sheet are determined on the basis of the lower of the fair value of the assets and the present value of the lease payments, and the finance costs arising from the lease are spread over the lease period at a constant interest rate.

Assets held under leases are carried at net realizable value if the carrying amount of the leased asset exceeds its estimated recoverable amount less any impairment in value and the expected future benefits from the leased asset. Depreciation is charged on leased assets on the same basis as for property, plant and equipment.

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 re-measured by increasing the carrying amount to reflect the interest on the lease liability, decreasing the carrying amount to reflect the lease payments made, reflecting any reassessments and amendments to the lease, 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 re-measured to reflect changes in the lease payments. The re-measured 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 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 liabilities arising from a change in an index used to determine future lease payments or 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 re-measured at the date of the modification by discounting the revised lease payments at a revised discount rate. The revised discount rate is determined as the alternative borrowing interest rate at the date of the amendment. For changes that reduce the scope of the lease, the carrying amount of the right-of-use

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.22 LEASING TRANSACTIONS (CONTINUED)**

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.

2.23 DIVIDEND DISTRIBUTION

On March 29, 2024, dividend distribution was made in accordance with the decision taken at the Company's Ordinary General Assembly Meeting.

The dividend payment of TL 1.600.000.000, which was decided to be distributed to shareholders with the General Assembly decision dated March 29, 2024, was realized on April 29, 2024.

2.24 RESERVE FOR UNEARNED PREMIUMS

In accordance with the "Communiqué on Technical Reserves for Insurance, Reinsurance and Individual Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves" ("Communiqué on Technical Reserves"), reserve for unearned premiums represents the portion of gross premiums written for insurance contracts in force that will be carried forward to the following accounting period or periods on a daily basis without any commission or other deduction.

Unearned premiums reserve is calculated for the portion of the gross premiums written for personal accident, annual life insurances and annually renewed life insurances with a term exceeding one year, remaining after deducting the portion allocated to accumulation, if any.

In accordance with the "Sector Announcement on the Implementation of the Legislation Regarding Technical Reserves" dated July 17, 2012 and numbered 28356 published by the Republic of Turkey Ministry of Treasury and Finance, during the calculation of the reserve for unearned premiums, the starting day and the ending day of the insurance coverage are considered as half a day and the calculation is made accordingly.

2.25 RESERVE FOR UNEXPIRED RISK

In accordance with the Communiqué on Technical Reserves, companies are required to perform an adequacy test at each accounting period, covering the last 12 months, for the probability that the claims and compensations that may arise from the insurance contracts in force will exceed the unearned premium reserves set aside for the related contracts. This test is performed by multiplying the net unearned premium reserves by the expected net loss ratio. Expected net loss ratio is calculated by dividing incurred losses (outstanding claims and compensations, net + paid claims and compensations, net - outstanding claims and compensations carried forward, net) by earned premiums (premiums written, net + reserve for unearned premiums carried forward, net - reserve for unearned premiums, net). In the calculation of earned premiums, unearned premiums carried forward and commissions paid to intermediaries and deferred portion of commissions received from reinsurers, which are shown net in the unearned premiums reserve of the related period, are not taken into consideration.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.25 RESERVE FOR UNEXPIRED RISK (CONTINUED)**

If the expected loss ratio for each branch is above 95%, the amount calculated by multiplying the ratio exceeding 95% by the net unearned premiums reserve is recognized as net unexpired risk reserve (DERK) and the amount calculated by multiplying the ratio exceeding 95% by the gross unearned premiums reserve is recognized as gross unexpired risk reserve in the financial statements. As a result of the related test, as of December 31, 2024 and December 31, 2023, the Company has no unexpired risk reserve.

According to the "Sector Announcement on the Calculation of Provision for Unexpired Risks" numbered 2016/1 and "Circular on the Implementation Principles of Some Articles of the Annuity Insurance Regulation" numbered 2015/30 of the Turkey Ministry of Treasury and Finance, in the calculation of the provision for unexpired risks, in order to eliminate the misleading effect of the changed outstanding claims reserve calculation method, it is stated that the outstanding claims reserve of the previous period should also be calculated with the new method and the rates determined by the company within the scope of the general number 2014/16 for the outstanding claims reserve in the current period should also be used in the calculation of the outstanding claims reserve in the previous period.

In addition, the "Circular on Discounting of Net Cash Flows Arising from Provision for Outstanding Claims" dated June 10, 2016 and numbered 2016/22 provides companies with the right to discount net cash flows arising from provisions for outstanding claims. Since discounting is stated as an accounting policy change in the related circular, if discounting is applied, it is necessary to apply discounting to the amount of outstanding claims reserve carried forward used in the provision for unexpired risks account.

2.26 PROVISION FOR OUTSTANDING CLAIMS

Provision for outstanding claims is recognized for claims that have been accrued and computationally determined but not actually paid in the current or prior periods or, if such amount cannot be calculated, for estimated amounts and for incurred but not reported claims.

During the calculation of the accrued and calculated provision for outstanding claims, all expenses required for the finalization of the claim files, including calculated or estimated expert, expert witness, consultant, litigation and communication expenses, are taken into consideration.

The Company opens a file by accruing outstanding claims with the first claim notification. However, except for the ones at the litigation stage, the Company updates the outstanding claims files that remain in the review status as of the end of each accounting period due to the insufficiency of the information obtained for the completion of the claim assessment and makes a discount for the excess provisions. For this reduction, the payment rates obtained as a result of actuarial calculation based on the statistics of previous years are used on the basis of each coverage.

On November 10, 2021, with the Communiqué Amending the Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves, the fourteenth paragraph of Article 7 of the Communiqué on Technical Reserves has been amended and a period of 6 months has been stipulated from the date of creation of the outstanding claim record for the determination of whether the claim is within the scope of the guarantee and therefore for the application of the outstanding claim file discount made by the Company. The Company applies discount for the outstanding claims files opened for death guarantees for the files at least 6 months after the outstanding record was created as of the end of the accounting period.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 PROVISION FOR OUTSTANDING CLAIMS (CONTINUED)

The provisions set aside for claims and insurance claims that do not fall within the scope of the Regulation on Money Not requested by the Beneficiaries within the Scope of Insurances Subject to Private Law Provisions published in the Official Gazette dated October 8, 2013 and numbered 28789 are removed from the provision for outstanding claims and transferred to the assurance account following the expiration of the statute of limitations.

The Company provides additional outstanding claims reserve for IBNR and claims as of the balance sheet date, the application principles of which are determined within the framework of the "Circular on Provision for Outstanding Claims" dated December 5, 2014 and numbered 2014/16 ("Circular") and related regulations effective from January 1, 2015 for the life branch. With the Circular, "Circular on Calculation Principles of Provision for Incurred but Not Reported Outstanding Claims in Life Branch" numbered 2010/14 is abolished.

In the Circular, it is stated that the selection of the data to be used, correction procedures, selection of the most appropriate method and development factors and intervention to the development factors will be made by the company actuary using actuarial methods, and information on the calculation details should be included in the actuarial report.

According to the Circular numbered 2016/22 "Circular on Discounting of Net Flows Arising from Provision for Outstanding Claims" published on June 10, 2016 and entered into force on June 30, 2016, the Company has not applied discounting in life and non-life outstanding claims provisions.

In non-life branches, IBNR calculation will be made by using one of the 6 different actuarial chain ladder methods ("ACLM") stipulated in the Circular. The calculation is based on incurred claims, but the calculation can also be based on paid claims. IBNR calculation can also be made by other methods to be determined by the companies, provided that it has an actuarial basis and is more than the amount found by using the actuarial chain ladder methods mentioned above. If excess provision is set aside, explanations regarding the provision should be included in the financial statement Footnotes and actuarial report. ACML calculations are made on a gross basis and net amounts are determined depending on the Company's reinsurance agreements in force or related reinsurance agreements. In the calculation of incurred but not reported claims for the related year in the life branch, the weighted average ratio obtained by dividing the incurred but not reported claims for the previous years by the annual average coverage for the previous year is taken into consideration and the amount of incurred but not reported claims for the current year is calculated by multiplying the calculated weighted average ratio by the annual average coverage amount as of the current year.

The Company does not allocate outstanding claims reserve for incurred but not reported claims since there are not sufficient number of claims files in the personal accident branch.

Accordingly, as of December 31, 2024, the Company has provided net outstanding claims reserve amounting to TL 69.295.562 (December 31, 2023: TL 55.272.323) for incurred but not reported claims for life branch.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.27 MATHEMATICAL PROVISIONS

In accordance with the Communiqué on Technical Reserves, companies operating in life and non-life branches are required to set aside adequate mathematical reserves on an actuarial basis to cover their liabilities to policyholders and beneficiaries for life, health and personal accident insurance contracts with a term of more than one year. Mathematical reserves consist of actuarial mathematical reserves and profit share reserves.

Actuarial mathematical reserves are calculated in accordance with the formulas and principles specified in the approved technical basis of the tariffs for life insurance policies with a term of more than one year, as the difference between the present value of the future obligations of the Company and the present value of the future premiums to be paid by the policyholder (prospective method). Actuarial mathematical reserves for life insurances where accumulation premiums are also received consist of the total of the remaining portion of the premiums to accumulation.

In accordance with the third paragraph of Article 4 of the Circular No. 2022/8 on Mathematical Reserves Calculation, the Company calculated the mortality experience realized in its portfolio and found that this experience was more favorable as a result of comparison with the life tables based on its tariffs. Therefore, the Company expects a mortality profit and has not reflected the mortality experience in the calculation of mathematical provisions.

Provision for dividends consists of the income from the assets in which the provisions set aside for the liabilities to policyholders and beneficiaries for the policies in which the Company is committed to pay dividends are invested, the amount including the guaranteed portion, limited to the technical interest income calculated according to the dividend distribution system specified in the approved dividend technical principles, and the accumulated dividend provisions of previous years.

The valuation method used in the calculation of profit share in profit sharing life insurance is the same as the valuation principles for the portfolio in which the assets in which the provisions set aside for the Company's obligations to the beneficiaries are invested are included in the financial statements within the framework of the principles stated in Note 2.8 - Financial assets above.

In 2021, the Company switched to the practice of refunding the intermediary commission and expense share included in the tariff premium together with actuarial mathematical reserves in case of early withdrawal (subscription) in risk life insurance products with a duration of more than one year. With the approach that the insurer has a liability in the event of resignation, the Company has estimated the risk resignation amounts to be realized from the actuarial mathematical reserves of the risk life insurance policies with a duration of more than one year as of the accounting date by using the past statistics and calculated the intermediary commission and expense share amount calculated by using the information in the tariffs over the amount found and added it to the actuarial mathematical provision. The calculated intermediary commission and expense share amounts are recognized in the deferred commission and deferred production expense account.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.28 BALANCING PROVISION**

According to Article 9 of the Communiqué Amending the Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves, published in the Official Gazette dated July 28, 2010 and numbered 27655, companies are required to set aside equalization reserves for credit and earthquake guarantees given in all branches, including additional guarantees, in order to balance the fluctuations in claim rates that may occur in the following accounting periods and to cover catastrophic risks.

It is also calculated at the rate of 12% of the earthquake and credit net premiums corresponding to each year. In the calculation of net premium, amounts paid for non-proportional reinsurance treaties are considered as ceded premium. For non-proportional reinsurance treaties covering more than one branch, the portion of the ceded premium amount corresponding to earthquake and credit branches is determined by taking into account the weight of these branches in the Total premium amount, unless another calculation method is stipulated by the company. Provisioning is continued until 150% of the highest amount of net premiums written in the last five financial years is reached. If, after the end of the fifth year, the provision amount is lower than the provision amount in the previous year's balance sheet, the difference is recognized in other profit reserves under shareholders' equity. This amount transferred to shareholders' equity may be held as a reserve, subject to capital increase or used for indemnity payments. Companies will use their own statistical data in the calculation of the equalization reserve for life insurance policies where death benefits are provided. Companies that do not have the data set to make the necessary calculation will accept 11% of net death premiums as earthquake premiums and allocate a provision of 12% of these amounts. If an earthquake occurs or a technical loss is realized in the related financial year in the credit branch, the provisions set aside for credit and earthquake guarantees can be used for indemnity payments. In the event of a loss, amounts attributable to the reinsurer and amounts below the deductible limit specified in the contract cannot be deducted from equalization reserves.

According to the Circular No. 2010/1 on the Use of Equalization Reserve and Additional Explanations on Certain Circulars, it is possible to use the equalization reserve set aside for earthquake indemnities in compensation payments made due to earthquake. In addition, it is also possible to deduct the outstanding claims reserve set aside based on evidence such as loss adjuster's report or documents to be obtained from official institutions in case of a disaster from the equalization reserve. However, such deduction cannot be made from the equalization reserve set aside for the current year.

In addition, realized earthquake loss amounts should be recorded to the related technical expense accounts in the income statement, and the portion to be covered from equalization reserve should be debited to equalization reserve balance sheet account and credited to change in other technical reserves account. On the other hand, it is possible to exclude from the calculation of incurred but not reported outstanding claims the portion of earthquake losses paid from equalization reserve in the periods subject to the calculation of incurred but not reported outstanding claims.

Equalization provisions are presented in "other technical provisions" account under non-current liabilities in the accompanying financial statements.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.29 RELATED PARTIES**

For the purpose of the financial statements, a party is related to the Company if one of the following criteria exists:

- (a) The party in question, directly or indirectly through one or more intermediaries:
- Controls, is controlled by, or is under common control with, the Company (including parent, subsidiaries and fellow subsidiaries);
 - Has an interest in the Company that gives it significant influence over the Company; or
 - Has joint control over the Company;
- (b) The party is an associate of the Company;
- (c) The party is a joint venture in which the Company is a venture partner;
- (d) The party is a member of the key management personnel of the Company or its parent;
- (e) The party is a close family member of any individual referred to in (a) or (d);
- (f) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e);
- (g) The party has a post-employment benefit plan for the benefit of employees of the entity or of an entity that is a related party of the entity.

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

In the ordinary course of business, an entity may enter into certain business relationships with related parties.

2.30 EARNINGS PER SHARE

In accordance with TAS 33 "Earnings per Share", companies whose shares are not traded on a stock exchange are not required to disclose earnings per share. Since the Company's shares are not traded on the stock exchange, earnings/loss per share have not been calculated in the accompanying financial statements.

2.31 EVENTS AFTER THE REPORTING PERIOD

Subsequent events that provide additional information about the Company's financial position at the reporting date (i.e. events occurring after the reporting date that require adjustments) are reflected in the financial statements. Significant events that occur after the reporting period and do not require an adjustment are disclosed in the Footnotes (Note 46).

2.32 NEW AND REVISED STANDARDS AND INTERPRETATIONS

The accounting policies adopted in preparation of the financial statements for the year ended as of December 31, 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 January 1, 2024. The effects of these standards and interpretations on the financial position and performance of the Company are disclosed in the related paragraphs.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.32 NEW AND REVISED STANDARDS AND INTERPRETATIONS (CONTINUED)****i) New standards, amendments and interpretations effective as of January 1,****2024 Amendments to TAS 1– Classification of liabilities as short and long term**

In March 2020 and January 2023, POA issued amendments to TAS 1 to clarify the basis for classifying liabilities as current and non-current. According to the amendments made in January 2023, if an entity's right to defer payment of a liability depends on its ability to comply with the terms of a loan agreement at a date subsequent to the reporting period, the entity has the right to defer payment of that liability at the end of the reporting period (even if it does not comply with the terms at the end of the reporting period). When a liability under a loan agreement is classified as non-current and the entity's right to defer payment depends on the entity's ability to comply with the terms of the loan agreement 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 amendments did not have a significant impact on the financial position or performance of the Company.

Amendments to TFRS 16– Lease obligations on sale and leaseback transactions

In January 2023, POA issued amendments to IFRS 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 IFRS 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 IAS 8 to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

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

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.32 NEW AND REVISED STANDARDS AND INTERPRETATIONS (CONTINUED)****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 arrangements are defined as arrangements 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 arrangements, 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 IFRS 7, supplier financing arrangements are examples of other factors that may need to be disclosed.

The amendments 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 Footnotes, after 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 the effective date of the amendments to TFRS 10 and TAS 28 indefinitely, subject to the outcome 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

In February 2019, POA issued TFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 introduces a model that both measures insurance contract liabilities at their current balance sheet value and recognizes profit over the period in which the services are provided. Some changes in estimates of future cash flows and risk adjustment are also recognized over the period in which the services are provided. Entities may choose to recognize the effects of changes in discount rates in profit or loss or other comprehensive income. The standard includes specific guidance for the measurement and presentation of insurance contracts with participation features. In addition, according to the amendments issued by POA in December 2021, entities have the transition option to "reconcile classifications" to address potential accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented when TFRS 17 is first applied.

With the announcement made by POA, the mandatory effective date of the Standard has been postponed to accounting periods beginning on or after January 1, 2026 for the following entities:

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.32 NEW AND REVISED STANDARDS AND INTERPRETATIONS (CONTINUED)****ii) Standards issued but not yet effective and not early adopted (continued)**

- Insurance, reinsurance and pension companies.
- Banks having partnerships/investments in insurance, reinsurance companies and pension companies.
- Other companies that have partnerships/investments in insurance, reinsurance and pension companies.

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– Non-convertibility

In May 2024, POA issued amendments to TAS 21. The amendments clarify how to assess whether a currency is not convertible and how to determine the exchange rate when a currency is not convertible. According to the amendments, when estimating the exchange rate because a currency is not convertible, information that enables users of financial statements to understand how the non-convertibility of a 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 provided in the notes. When the amendments are applied, comparative information is not restated.

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

iii) Amendments effective from the time of publication**Amendments to TAS 12– International Tax Reform - Second Pillar 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 is applied are effective upon issuance of the amendments.

The amendments 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. 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 election to derecognize financial liabilities settled by electronic payment systems before the date of delivery if certain conditions are met. The amendment also 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-recallable assets and contractually interconnected

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.32 NEW AND REVISED STANDARDS AND INTERPRETATIONS (CONTINUED)****iv) Amendments issued by the International Accounting Standards Board (IASB) but not issued by POA (continued)**

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

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 wording 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 is amended to clarify that when a lease liability is extinguished for a 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 - Identifying the “de facto agent”: Amendments to IFRS 10 to remove inconsistencies in paragraphs.
- IAS 7 Statement of Cash Flows - Cost method: The wording in the Standard has been deleted following the removal of “cost method” in previous amendments.

The Company is in the process of assessing the impact of the amendment on 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 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.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.32 NEW AND REVISED STANDARDS AND INTERPRETATIONS (CONTINUED)****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) entity that prepares consolidated financial statements in accordance with IFRSs that are publicly available may elect to apply IFRS 19.

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

3 SIGNIFICANT ACCOUNTING ESTIMATES AND PROVISIONS

The notes given in this section are provided in addition to the explanations given in the notes "4.1 - Management of insurance risk" and "4.2 - Management of financial risk".

The preparation of financial statements requires management to make estimates and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from current estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in subsequent periods affected.

In particular, information about the significant estimation uncertainties and critical judgments that have the most significant effect on the amounts presented in the accompanying financial statements are disclosed in the notes below:

Note 4.1 - Insurance risk management
 Note 4.2 - Financial risk management
 Note 6 - Property, plant and equipment
 Note 8 - Intangible assets
 Note 10 - Reinsurance assets/liabilities
 Note 11 - Financial assets
 Note 12 - Loans and receivables
 Note 14 - Cash and cash equivalents
 Note 17 - Insurance liabilities and reinsurance assets
 Note 17 - Deferred production commissions
 Note 18 - Investment contract liabilities
 Note 18 - Receivables from private pension operations
 Note 21 - Deferred taxes
 Note 23 - Provisions for other liabilities and expenses

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT**4.1 MANAGEMENT OF INSURANCE RISK****Pricing policies**

The Company's pricing principles and policies are as follows;

- i) When determining risk premiums, the amount of expected claims is taken into consideration and premium limits are set accordingly.
- ii) It is ensured that the relevant units of the Company work together and in coordination in pricing studies, which are a part of the product development process, by continuously considering customer needs and competitive conditions.
- iii) It is aimed to ensure product profitability and continuity.
- iv) The pricing figures are compared with those of competitors as well as with examples from abroad.

When the product distribution of the Company's premium production is analyzed, it is seen that the weight of cumulative and annual life insurances in premium production has decreased in the last year, while the share of long-term life insurances has increased. High profitability, which is taken into consideration in product pricing, will provide a protective effect for the future of the Company.

CSO-58, SM-53, CSO-80 and CSO-2001 mortality tables are used in the pricing of the Company's life insurance products.

The table below shows the number and amount of collaterals given by the Company according to the types of collaterals. The Company management believes that there is an adequate distribution in terms of number and amount.

	31 DECEMBER 2024		31 DECEMBER 2023	
	COLLATERAL AMOUNT (TL)	QUANTITY	COLLATERAL AMOUNT (TL)	QUANTITY
Death Assurance	484.700.692.665	4.096.717	282.833.338.819	4.351.932
Disability due to accident	325.509.750.847	3.980.472	197.945.163.512	4.236.336
Disability due to illness	255.512.400.715	3.675.173	172.266.252.241	3.857.729
Critical illness	6.083.142.746	27.107	717.179.013	10.699
Death due to accident	2.002.942.733	2.801	697.850.418	2.426
Treatment costs due to accident	454.299.894	91.025	321.870.454	80.525
Involuntary unemployment	340.989.200	72.912	321.909.823	80.561
Unemployment/Daily hospital benefit	9.029.354.200	1.673.104	4.517.761.507	1.525.048
Permanent disability benefit	14.756.565.767	87.198	1.631.609.955	24.309
Unemployment/ Temporary disability benefit	7.804.450	16.314	20.750	83

The Company takes care to spread risk over a broad base in small amounts.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.1 MANAGEMENT OF INSURANCE RISK (CONTINUED)****Risk assessment policies**

The medical risk assessment tool used by the leading reinsurer is utilized in the risk assessment process. Every year, check-up limits are reviewed and revised according to past statistics. In addition to this assessment, "Medical" risk assessment is performed by the Company doctor, "Morale" risk assessment is performed by the risk assessment staff and sales teams, and "Financial" risk assessment is performed for both credit life insurances for bank loans and individual applications, albeit few in number.

Medical risk assessment

As the first step of risk assessment, customers are requested to have a check-up under conditions determined according to the life insurance coverage amounts, and in this way, information is obtained about the health status of the customers. In this context, the first assessment is made by the Company doctor and medical evaluation. Actions are taken according to the results agreed with the reinsurers, and applications involving medical risks are rejected.

Moral risk assessment

In the second step, information such as gender, living conditions, place of residence and occupation is obtained from customers. In this process, the sales teams are asked to support the suspicious situations and to observe the suspicious situations again.

Financial risk assessment

In the third step, it is investigated whether the amount of life insurance coverage requested by the customers and their annual income and/or loan amount should be compatible with each other. Since the majority of the Company's portfolio consists of risks arising from bank products, the amount of guarantees provided is matched with the bank risks. The fact that the first financial analysis in credit insurance is made by the bank and the loan can be granted ensures the completion of an important analysis for the Company.

Operational risk management

The Company has established an information system relationship with T. Garanti Bankası A.Ş., the Company's main distribution channel, and all application and policy issuance transactions are carried out through this information system. During the indemnity payment process, all documents tracked by the electronic archiving system are preserved in their originals and subsequent follow-ups are carried out through information systems.

Reinsurance policy

The Company reinsures only risk guarantees (death and additional guarantees) in life insurance. Due to the high technical profitability of life insurance tariffs with risk elements, the maximum retention amount determined by actuarial calculations each year is retained by the Company and the portion above this amount is ceded through surplus reinsurance agreements. On the other hand, attention is paid to retain more limited ratios and amounts of retentions on risk coverages that are more uncertain for the Company (e.g. hazardous diseases coverage, etc.).

In addition to the existing treaties, catastrophe excess of loss reinsurance contracts are entered into each year to protect the Company's retained risk in the event of major natural disasters such as earthquakes, floods, etc. or events such as traffic accidents in public transportation vehicles or terrorist attacks, in the most appropriate manner for the portfolio structure.

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4.1 MANAGEMENT OF INSURANCE RISK (CONTINUED)**Reinsurance companies**

Considering the current and changing product structure of the Company, the Company works with reinsurance companies in order to provide reinsurance assurance for life insurance and personal accident insurance branches and other additional guarantees provided under these branches in order to protect its financial structure and professional risk sharing. The reinsurance agreements concluded within this scope increase the Company's capacity and flexibility in accepting business, and by working with more than one reinsurance company, the risk is spread to different reinsurers. At the same time, it is aimed to serve customers with different product structures by working with different reinsurers.

The following criteria are given importance when selecting reinsurance companies with which to enter into joint ventures.

- i) Financial strength,
- ii) Long-term approach in business relationships,
- iii) Competitive premium prices and different product combinations,
- iv) Collateral-based risk capacity facility provided to the Company,
- v) Opportunities and trainings provided to the Company and its employees on risk assessment, information on new developments in the sector, product development, etc.,

The performance of the purchased service is evaluated with the criteria of whether the balances arising from reinsurance transactions are paid on time and in full, the capacity provided in facultative business, speed in operational reinsurance transactions, and expertise in risk assessments, technical knowledge and market information. In case of inadequate performance, a decision is made to purchase services from alternative reinsurance companies.

The leading reinsurer in reinsurance contracts for life insurance is Swiss Reinsurance Company, headquartered in Zurich. The other reinsurer that follows the lead reinsurer in the reinsurance agreement is Milli Reinsurance.

In addition, the Company continued to have quota share reinsurance treaty agreements with BNP Paribas Cardif Hayat Sigorta A.Ş. ("Cardif") reinsurance company with 100% reinsurance cession in unemployment insurance in 2024. The latest credit ratings of these companies are shown in the table below:

REINSURER	RATING	STANDARD & POORS			AM BEST	
		OUTLOOK	DATE	RATING	OUTLOOK	DATE
Munich-Re	AA	Stable	26.07.2024	A+	Stable	07.12.2017
Swiss Re	AA-	Stable	07.11.2024	A+	Stable	26.10.2024
RGA	AA-	Stable	31.12.2023	A+	Stable	31.12.2023
Bnp Paribas Cardif	A+	Stable	24.04.2023	AA-	Stable	16.10.2024
Axa France Vie	AA-	Stable	18.09.2024	A+	Stable	02.10.2024
Milli Re	B	Stable	05.11.2024	C+	Stable	06.11.2024

(*) Since BNP Paribas Cardif and Financial Insurance Co. do not have an A.M.Best rating, the Fitch rating is written.

The ratings of the companies provide information on monitoring the financial structure of the companies, thus enabling monitoring of the sustainability of the long-term business relationship, and are used in the determination of the minimum capital required under the regulations on the financial structure and capital adequacy of insurance, reinsurance and pension companies.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT****Introduction and overview**

This note presents information about the Company's exposure to each of the following risks, the Company's policies, procedures and objectives for managing and measuring risk, and information about capital management. The Company is exposed to the following risks arising from the use of financial instruments:

- credit risk
- liquidity risk
- market risk

The Board of Directors has full responsibility for the establishment and oversight of the risk management structure. The Board of Directors ensures the effectiveness of the risk management system through the Company's internal audit department.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to determine risk limits and controls, and to monitor risks and compliance with the limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the products and services offered. The Company aims to develop a disciplined and constructive control environment where all employees understand their duties and responsibilities through training and management standards and procedures.

Credit risk

Credit risk is simply defined as the probability that a counterparty will default on its obligations in accordance with the terms of an agreed contract. The main balance sheet items that the Company is exposed to credit risk are as follows:

- Banks
- Other cash and cash equivalents
- Available-for-sale financial assets
- Financial investments whose risk belongs to life policyholders
- Premium receivables from insured persons
- Receivables from agencies
- Receivables from pension investment funds and participants related to private pension operations
- Receivables from reinsurers related to commissions and claims paid
- Reinsurance shares arising from insurance liabilities
- Due from related parties
- Other receivables

The Company's financial assets subject to credit risk mainly represent Eurobonds and private sector bonds issued by the Government of the Republic of Turkey and time and demand deposits held at banks and other financial institutions located in Turkey and these receivables are not considered to have high credit risk.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)**

The most common method of managing insurance risk is to enter into reinsurance contracts. However, the transfer of insurance risk through a reinsurance contract does not eliminate the Company's liability as the initial insurer. If the reinsurance company does not pay the claim, the Company's liability to the policyholder continues and the Company assesses the reliability of the reinsurance company by examining the financial position of the reinsurance company prior to the annual contract.

The carrying amounts of assets subject to credit risk are shown in the table below.

	31 DECEMBER 2024	31 DECEMBER 2023
Cash and cash equivalents (Note 14)	5,081,185,066	4,087,572,184
Financial assets and financial investments with risks held by policyholders (Note 11)	10,163,414,330	4,883,956,263
Receivables from main operations (Note 12)	171,363,225,289	101,620,428,865
Reinsurer share in provision for outstanding claims (Note 10), (Note 17)	313,541,044	134,809,756
Due from related parties (Note 12)	-	37,597
Income Accruals	33,978,809	-
Other receivables (Note 12)	333,598	687,599
Total	186,955,678,136	110,727,492,264

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)****Credit risk (continued)**

As at 31 December 2024 and 31 December 2023, the aging of receivables from operating activities is as follows:

	31 DECEMBER 2024		31 DECEMBER 2023	
	GROSS AMOUNT	PROVISION (*)	GROSS AMOUNT	PROVISION (*)
Receivables not overdue**	171.360.268.694	-	101.594.009.458	-
Receivables 0-30 days overdue	6.665.340	-	28.083.884	-
Receivables 31-60 days overdue	3.661.140	-	4.716.461	-
Receivables 61-180 days overdue	3.202.276	-	3.510.854	-
Receivables 181-365 days overdue	3.395.900	-	1.985.311	-
Receivables overdue more than 1 year	-	-	1.983.022	-
Total	171.377.193.350	(13.968.061)	101.634.288.990	(13.860.125)

(*)Provision for uncollected entrance fees and other receivables from pension operations amounting to TL 13.816.418 (December 31, 2023: TL 12.442.307) is presented net under "Receivables from pension operations" in the accompanying financial statements. The Company cancels insurance premiums that are overdue and uncollected for a certain period of time and deducts them from premiums written and premium receivables.

(**)TL 170.567.574.157 of this amount belongs to pension funds (31 December 2023: TL 101.187.805.987)

The Company provides provision for overdue amounts of entrance fee receivables, which are accrued at the time of entry and will be collected in installments up to a maximum of 12 months.

The movement of the provision for receivables from insurance and pension operations during the period is as follows:

	1 JANUARY – 31 DECEMBER 2024	1 JANUARY – 31 DECEMBER 2023
Provision for receivables from insurance and pension operations at the beginning of the period	(13.860.125)	(99.847.196)
Provision for impairment (allocated) / reversed during the period	(107.936)	80.901.047
Provision for receivables from insurance and pension operations at the end of the period	13.968.061	(18.946.149)

Liquidity risk

Liquidity risk is the risk that the Company will have difficulty in meeting its obligations arising from its monetary liabilities.

Management of liquidity risk

In order to protect against liquidity risk, maturity matching between assets and liabilities is ensured and liquid assets are maintained in order to ensure that liquidity needs that may arise are fully met.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)****Liquidity risk(continued)**

The remaining maturities of monetary assets and liabilities are as follows:

31 DECEMBER 2024	CARRYING VALUE	UNALLOCATED	NO MATURITY	UP TO 1 MONTH	1 TO 3 MONTH	3 TO 6 MONTH	6 TO 12 MONTH	MORE THAN 1 YEAR
Cash and cash equivalents	5.081.185.066	-	183.915.146	1.829.326.667	3.067.943.253	-	-	-
Financial assets and financial investments with risks on policyholders	10.163.414.330	3.371.541	-	99.247.615	2.304.198.648	734.410.774	4.681.470.012	2.340.715.740
Receivables from main operations	171.363.225.289	170.748.449.480	-	134.325.856	267.410.599	119.928.819	93.110.535	-
Due from related parties	-	-	-	-	-	-	-	-
Other receivables	333.598	-	-	333.598	-	-	-	-
Deferred expenses and income accruals	1.239.102.916	-	-	155.010.814	270.265.308	350.438.995	269.965.661	193.422.138
Other current assets	50.000	-	-	-	50.000	-	-	-
Deposits and guarantees given	-	-	-	-	-	-	-	-
Total assets	187.847.311.199	170.751.821.021	183.915.146	2.218.244.550	5.909.867.808	1.204.778.588	5.044.546.208	2.534.137.878
Financial liabilities	44.686.699	-	-	2.207.845	4.256.955	5.810.866	11.778.834	20.632.199
Payables arising from main operations	172.508.345.220	170.567.574.157	-	1.737.644.283	212.574.198	(9.836.437)	389.019	-
Due to related parties	372.267	-	-	372.267	-	-	-	-
Other liabilities	18.554.268	-	-	18.554.268	-	-	-	-
Insurance technical provisions (*)	337.441.068	337.441.068	-	-	-	-	-	-
Provisions for taxes and other similar obligations	720.121.726	-	-	720.121.726	-	-	-	-
Provisions for other risks	82.338.539	-	-	-	-	-	19.292.264	63.046.275
Deferred expenses and income accruals	742.700.074	260.576.682	-	72.417.251	127.457.974	148.963.712	133.284.455	-
Total liabilities	174.454.559.861	171.165.591.907	-	2.551.317.640	344.289.127	144.938.141	164.744.572	83.678.474

(*) Provision for outstanding claims is presented in the unallocated column in the table above. Unearned Premium reserve, mathematical reserve and equalization provision are not included.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)****Liquidity risk (continued)**

31 DECEMBER 2023	CARRYING VALUE	UNALLOCATED	NO MATURITY	UP TO 1 MONTH	1 TO 3 MONTH	3 TO 6 MONTH	6 TO 12 MONTH	MORE THAN 1 YEAR
Cash and cash equivalents	4.087.572.184	509.467.874	2.961.221.449	616.882.861	-	-	-	-
Financial assets and financial investments with risks on policyholders	4.883.956.263	3.163.211	-	-	254.356.962	3.114.545.583	20.788.945	1.491.101.562
Receivables from main operations	101.620.428.865	101.319.386.131	-	79.263.264	157.754.220	39.655.022	24.370.228	-
Due from related parties	37.597	-	-	37.597	-	-	-	-
Other receivables	687.599	-	-	687.599	-	-	-	-
Deferred expenses and income accruals	675.478.938	-	-	80.728.554	143.119.334	167.904.868	162.933.699	120.792.483
Other current assets	15.000	-	-	-	15.000	-	-	-
Deposits and guarantees given	-	-	-	-	-	-	-	-
Total assets	111.268.176.446	101.832.017.216	2.961.221.449	777.599.875	555.245.516	3.322.105.473	208.092.872	1.611.894.045
Financial liabilities	26.800.517	-	-	1.235.741	2.471.482	15.370.031	7.378.343	344.920
Payables arising from main operations	102.607.350.024	101.486.692.856	-	1.028.183.589	104.563.642	(10.386.499)	(1.703.564)	-
Due to related parties	656.035	-	-	656.035	-	-	-	-
Other liabilities	96.057.368	-	-	96.057.368	-	-	-	-
Insurance technical provisions (*)	222.565.463	222.565.463	-	-	-	-	-	-
Provisions for taxes and other similar obligations	406.973.308	-	-	406.973.308	-	-	-	-
Provisions for other risks	62.956.472	-	-	-	-	-	11.853.816	51.102.656
Deferred expenses and income accruals	452.024.026	145.275.534	-	44.663.218	79.573.142	95.384.342	87.127.790	-
Total liabilities	103.875.383.213	101.854.533.853	-	1.577.769.259	186.608.266	100.367.874	104.656.385	51.447.576

(*) Provision for outstanding claims is presented in the unallocated column in the table above. Unearned Premium reserve, mathematical reserve and equalization provision are not included.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)****Market risk**

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Company's income or the value of financial instruments held by it. The objective of market risk management is to control the amount of market risk within acceptable parameters by optimizing the return on risk.

Exchange rate risk

The Company is exposed to foreign exchange risk through its foreign currency denominated operations.

Foreign exchange gains and losses arising from foreign currency transactions are recognized in the period in which the transaction occurs. At the end of each period, assets and liabilities denominated in foreign currencies are translated into TL at period-end exchange rates and the resulting exchange differences are recognized as foreign exchange gains or losses.

Details of the Company's exposure to foreign currency risk are given in the table below:

31 DECEMBER 2024	USD DOLLAR	EURO	OTHER	TOTAL
Cash and cash equivalents	151.766.285	162.092	-	151.928.377
Financial assets and financial investments with risks on policyholders	4.242.289.573	9.592.145	-	4.251.881.718
Receivables from main operations	74.478.278	151.385	-	74.629.663
Total foreign currency denominated assets	4.468.534.136	9.905.622	-	4.478.439.758
Payables arising from main operations	(36.234.101)	(289.008)	-	(36.523.109)
Insurance technical provisions	(4.355.136.614)	(836.658)	-	(4.355.973.272)
Investment contract liabilities	(77.500.964)	(3.078.978)	-	(80.579.942)
Total foreign currency denominated liabilities	(4.468.871.679)	(4.204.644)	-	(4.473.076.323)
Balance sheet position	(337.543)	5.700.978	-	5.363.435
31 DECEMBER 2023	USD DOLLAR	EURO	OTHER	TOTAL
Cash and cash equivalents	126.134.956	36.653	-	126.171.6099
Financial assets and financial investments with risks	2.224.192.558	8.543.429	-	2.232.735.987
Receivables from main operations	50.671.537	48.990	-	50.720.527
Total foreign currency denominated assets	2.400.999.051	8.629.072	-	2.409.628.123
Payables arising from main operations	(3.305.824)	(21.281)	-	(3.327.105)
Insurance technical provisions	(319.908.005)	(2.771.732)	-	(322.679.737)
Investment contract liabilities	(35.250.722)	(2.026.249)	-	(37.276.971)
Total foreign currency denominated liabilities	(2.275.758.079)	(6.846.671)	-	(2.282.604.750)
Balance sheet position	125.240.972	1.782.401	-	127.023.373

TL equivalents of the related foreign currency amounts are shown in order to evaluate the above table.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)****Market risk (continued)**Exchange rate risk (continued)

In accordance with TAS 21, The Effects of Changes in Foreign Exchange Rates, transactions in foreign currencies (currencies other than TL) are recorded at the rates prevailing on the dates of the transactions.

The exchange rates used in the translation of foreign currency balances as of the balance sheet date are as follows:

31 DECEMBER 2024	US DOLLAR	EURO
Foreign currency rate used in conversion of balance sheet items	35,2233	36,7429
Foreign currency rates used in calculation of life mathematical provision and loans to the policyholders	35,3397	36,8643
31 DECEMBER 2023	US DOLLAR	EURO
Foreign currency rate used in conversion of balance sheet items	29,4382	32,5739
Foreign currency rates used in calculation of life mathematical provision and loans to the policyholders	29,5355	32,6815

Exposure to currency risk

If TL loses 10 percent of its value against the following currencies, the increases and decreases that will occur in equity and income statement (excluding tax effects) for the accounting periods ending on December 31, 2024 and December 31, 2023 are shown in the table below. This analysis has been prepared assuming that all other variables, especially interest rates, remain constant. If TL appreciates by 10 percent against the relevant currencies, the effect will be the same amount but in the opposite direction.

	31 DECEMBER 2024		31 DECEMBER 2023	
	INCOME STATEMENT	EQUITY (*)	INCOME STATEMENT	EQUITY (*)
USD Dollar	(703.090)	(33.755)	11.906.154	12.524.097
Euro	569.575	570.098	178.907	178.240
Total, Net	(133.515)	536.343	12.085.061	12.702.337

(*)Equity effect also includes income statement effect due to 10% depreciation of TL against related foreign currencies.

Exposure to interest rate risk

The principle risk to trading portfolios are exposed is the risk of fluctuations in the fair values of financial instruments because of a change in market interest rate. The principal risk to which non- trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instrument because of a change in market interest rates.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)****Market risk (continued)**Exposure to interest rate risk (continued)

As of balance sheet date; the interest rate profile of the Company's interest earning financial assets and interest bearing financial liabilities are detailed below:

	31 DECEMBER 2024	31 DECEMBER 2023
Banks (time deposit) (Note 14)	3.419.392.925	2.823.954.616
Financial investments with risks on policyholders – Available for sale financial assets – Eurobonds (Note 11)	154.168.744	127.426.452
Loans to the policyholders (Note 12)	1.164.885	1.603.114
Available for sale financial assets	3.124.375.619	1.852.878.196
Financial liabilities (Note 20)	30.745.526	13.557.765

(*)Shares amounting to TL 3.371.541 are not included (31 December 2023: TL 3.163.211).

Interest rate sensitivity of financial instruments

The interest rate sensitivity of the income statement is the effect of a hypothetical change in interest rates on the fair value of financial assets at fair value through profit or loss and net interest income of non-trading financial assets and liabilities at floating interest rates for the periods ending 31 December 2024 and 31 December 2023. The interest rate sensitivity of equity is calculated by taking into account the change in the fair value of available-for-sale financial assets in the portfolio for the accounting periods ending on December 31, 2024 and December 31, 2023 as a result of the assumed change in interest rates. This analysis assumes that other variables, in particular foreign exchange rates, remain constant. The impact of changes in interest rates on the income statement and equity for the periods presented below is presented without taking into account the tax effects of the related gains and losses.

31 DECEMBER 2024	STATEMENT OF INCOME		EQUITY (*)	
	100 BP INCREASE	100 BP DECREASE	100 BP INCREASE	100 BP DECREASE
Financial assets held for trading	(43.081.981)	44.395.801	(43.081.981)	44.395.801
Available for sale financial assets	-	-	(102.340.648)	109.755.323
Financial investments with risks on policyholders (Available for sale financial assets)	-	-	(128.061)	134.830
Total, Net	(43.081.981)	44.395.801	(145.550.690)	154.285.954

31 DECEMBER 2023	STATEMENT OF INCOME		EQUITY (*)	
	100 BP INCREASE	100 BP DECREASE	100 BP INCREASE	100 BP DECREASE
Financial assets held for trading	(10.662.418)	10.852.990	(10.662.418)	10.852.990
Available for sale financial assets	-	-	(51.013.418)	54.683.386
Financial investments with risks on policyholders (Available for sale financial assets)	-	-	(154.841)	162.921
Total, Net	(10.662.418)	10.852.990	(61.830.677)	65.699.297

(*)Equity effect also includes 100 base point (bp) effect of increase and decrease in interest rates on profit or loss.

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)****Market risk (continued)**Fair value information

The estimated fair values of financial instruments are determined using available market data and, where available, appropriate valuation methodologies. The Company has classified its marketable securities as held for trading or available-for-sale financial assets and measured the related financial assets based on quoted market prices at the end of the period.

The Company management estimates that the fair values of other financial assets and liabilities are not materially different from their carrying values.

Classification related to fair value measurement

"IFRS 7 - Financial Instruments: Disclosures" requires financial instruments measured at fair value in the financial statements to be classified and presented in an order that reflects the significance of the inputs used to determine fair value. This classification is based primarily on whether the inputs are observable or not. Observable inputs represent the use of market data obtained from independent sources; unobservable inputs represent the use of the Company's estimates and assumptions. Such a distinction generally results in the following classifications.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);

Level 3: Data that are not based on observable market data for the asset or liability (unobservable data).

Classification requires the use of observable market data where available. As of December 31, 2024, the Company does not have any held-to-maturity financial assets in its investment portfolio. In this context, the fair value classification of financial assets and liabilities measured at fair value is as follows:

31 DECEMBER 2024				
FINANCIAL ASSETS:	1. LEVEL	2. LEVEL	3. LEVEL	TOTAL
Financial investments held for trading purpose (Note 11)	2.316.755.415	4.564.743.011	-	6.881.498.426
Financial investments with risks on policyholders classified as available for sale (Note 11)	154.168.744	-	-	154.168.744
Available for sale financial assets (Note 11)	3.127.747.160	-	-	3.127.747.160
Total financial assets	5.598.671.319	4.564.743.011	-	10.163.414.330

31 DECEMBER 2023				
FINANCIAL ASSETS:	1. LEVEL	2. LEVEL	3. LEVEL	TOTAL
Financial investments held for trading purpose (Note 11)	1.320.961.310	1.579.527.094	-	2.900.488.404
Financial investments with risks on policyholders classified as available for sale (Note 11)	127.426.452	-	-	127.426.452
Available for sale financial assets (Note 11)	1.383.160.512	-	472.880.895	1.856.041.407
Total financial assets	2.831.548.274	1.579.527.094	472.880.895	4.883.956.263

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTINUED)**4.2 FINANCIAL RISK MANAGEMENT (CONTINUED)****Capital management**

The Company's main capital management policies are as follows:

- To comply with the capital adequacy requirements set by the Insurance and Private Pension Regulation and Supervision Agency,
- To ensure the continuity of the Company and provide continuous returns to shareholders and stakeholders,
- Ensuring adequate returns to shareholders by determining the pricing of insurance policies in proportion to the level of insurance risk taken.

In accordance with the "Regulation on Measurement and Assessment of Capital Adequacy of Insurance, Reinsurance and Pension Companies" published in the Official Gazette No. 26761 dated January 19, 2008 by the Republic of Turkey Ministry of Treasury and Finance, the required amount of shareholders' equity as of June 30, 2024 is determined as TL 1.108.815.287. As of June 30, 2024, the Company's equity subject to capital adequacy is TL 3.903.560.984 (equalization provision is added to the equity subject to capital adequacy), which is above the required equity amount calculated in accordance with the regulation.

Gains and losses on financial assets

FINANCIAL GAINS AND LOSSES RECOGNIZED IN THE STATEMENT OF INCOME:	1 JANUARY – 31 DECEMBER 2024	1 JANUARY – 31 DECEMBER 2023
Interest income from bank deposits	2.759.054.057	1.105.045.305
Income accrual and valuation differences of financial assets	672.636.643	410.577.632
Income from investment fund participation certificates	37.351.831	-
Gains on disposal of financial assets	-	90.518
Foreign exchange gains (***)	529.225.862	624.199.587
Investment income (*)	3.998.268.393	2.139.913.042
Loss on disposal of financial assets	(50.074.460)	(51.517.278)
Expenses from VOB transactions	(24.221.016)	(3.277.440)
Foreign exchange losses (***)	-	-
Other	(154.220.830)	(66.660.294)
Investment expenses (**)	(228.516.306)	(121.455.012)
Financial gains and losses recognized in the income statement, net	3.769.752.087	2.018.458.030

FINANCIAL GAINS AND LOSSES RECOGNIZED UNDER EQUITY:	31 DECEMBER 2024	31 DECEMBER 2023
Valuation differences on financial assets	32.683.946	24.560.634
Deferred tax effect (Note 21)	(9.805.184)	(7.783.678)

(*) Investment income includes life branch investment income.

(**) Amortization expenses are not included in investment expenses.

(***) "Foreign exchange gains and losses shown in "life branch investment income" and "life branch investment expense" are included net.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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5 SEGMENT REPORTING

Reporting by segments is presented according to the Company's field of activity and geographical segments. The basic segment reporting basis of the Company is based on the field of activity.

The related assets and liabilities by branches and operation results are prepared according to the accounting interpretations explained under "Summary of Significant Accounting Policies".

Geographical segment reporting

Since Turkey is the main geographical region in which the company operates, reporting according to geographical segments is not presented.

Activity segment

1 JANUARY – 31 DECEMBER 2024	LIFE	NON-LIFE	PENSION	OTHER/ UNALLOCATED	TOTAL
CONTINUING OPERATIONS					
Technical income	8.795.954.609	4.593	2.720.430.367	-	11.516.389.569
Technical expense	(5.143.472.382)	(45.562.584)	(2.114.514.687)	-	(7.303.549.653)
Other gains and losses, total	-	-	-	2.080.621.180	2.080.621.180
Segment profit from ongoing operations	3.652.482.227	(45.557.991)	605.915.680	2.080.621.180	6.293.461.096
Profit before taxes	3.652.482.227	(45.557.991)	605.915.680	2.080.621.180	6.293.461.096
Income tax expense	-	-	-	(1.921.980.761)	(1.921.980.761)
Net Profit for the period (loss)	3.652.482.227	(45.557.991)	605.915.680	158.640.419	4.371.480.335

Other segment information:

Amortization expense (Note 6)	-	-	-	15.138.630	15.138.630
Depreciation expense (Note 8)	-	-	-	66.466.601	66.466.601

31 DECEMBER 2024	LIFE	NON-LIFE	PENSION	UNALLOCATED	TOTAL
Available for sale financial assets	-	-	3.371.541	3.124.375.619	3.127.747.160
Receivables from main operations	600.959.391	-	170.762.265.898	-	171.363.225.289
Tangible and intangible assets	-	-	-	233.629.246	233.629.246
Deferred production expenses	1.195.757.162	-	-	-	1.195.757.162
Other assets	154.168.744	-	-	12.116.537.688	12.270.706.432
Total assets	1.950.885.297	-	170.765.637.439	15.474.542.553	188.191.065.289
Insurance contract technical provisions	7.770.873.410	(1.846)	-	-	7.770.871.564
Other liabilities	751.758.051	-	172.238.710.562	1.112.709.007	174.103.177.620
Shareholders' equity	-	-	-	6.317.016.105	6.317.016.105
Total liabilities	8.522.631.461	(1.846)	172.238.710.562	7.429.725.112	188.191.065.289

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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5 SEGMENT REPORTING (CONTINUED)

1 JANUARY – 31 DECEMBER 2023	LIFE	NON-LIFE	PENSION	OTHER / UNALLOCATED	TOTAL
CONTINUING OPERATIONS					
Technical income	4.951.648.118	3.334	1.454.711.211	-	6.406.362.663
Technical expense	(3.111.362.750)	(14.366.512)	(1.125.777.906)	-	(4.251.507.168)
Other gains and losses, total	-	-	-	872.016.981	872.016.981
Segment profit from ongoing operations	1.840.285.368	(14.363.178)	328.933.305	872.016.981	3.026.872.476
Profit before taxes	1.840.285.368	(14.363.178)	328.933.305	872.016.981	3.026.872.476
Provision for corporate tax on profit for the period	-	-	-	(876.619.923)	(876.619.923)
Net Profit (loss) for the period	1.840.285.368	(14.363.178)	328.933.305	(4.602.942)	2.150.252.553

Other segment information:

Amortization expense (Note 8)	-	-	-	9.439.496	9.439.496
Depreciation expense (Note 6)	-	-	-	33.609.555	33.609.555

31 DECEMBER 2023	LIFE	NON-LIFE	PENSION	UNALLOCATED	TOTAL
Available for sale financial assets	-	-	3.163.211	1.852.878.196	1.856.041.407
Receivables from main operations	287.493.206	-	101.332.935.659	-	101.620.428.865
Tangible and intangible assets	-	-	-	93.840.136	93.840.136
Deferred production expenses	672.593.972	-	-	-	672.593.972
Other assets	127.426.452	-	-	7.062.746.008	7.190.172.460
Total assets	1.087.513.630	-	101.336.098.870	9.009.464.340	111.433.076.840
Insurance contract technical provisions	4.259.384.952	(2.699)	-	-	4.259.382.253
Other liabilities	426.945.951	-	102.487.152.565	737.139.290	103.651.237.806
Shareholders' equity	-	-	-	3.522.456.781	3.522.456.781
Total liabilities	4.686.330.903	(2.699)	102.487.152.565	4.259.596.071	111.433.076.840

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6 TANGIBLE FIXED ASSETS

Movements in tangible assets in the period from 1 January to 31 December 2024 are as follows:

	1 JANUARY 2024	INFLOWS	OUTFLOWS	31 DECEMBER 2024
COST:				
Furniture and fixtures	14.483.296	-	-	14.483.296
Other tangible assets (including leasehold improvements)	453.474	-	-	453.474
Tangible assets acquired through leasing	1.294.391	-	-	1.294.391
Right of use assets (*)	23.360.305	34.666.067	(18.919.857)	39.106.515
	39.591.466	34.666.067	(18.919.857)	55.337.676
ACCUMULATED DEPRECIATION:				
Furniture and fixtures	(14.430.079)	(50.917)	-	(14.480.996)
Other tangible assets (including leasehold improvements)	(231.241)	(48.606)	-	(279.847)
Tangible assets acquired through leasing	(1.294.391)	-	-	(1.294.391)
Right of use assets (*)	(9.684.312)	(15.039.107)	17.965.198	(6.758.221)
	(25.640.023)	(15.138.630)	17.965.198	(22.813.455)
Net book value	13.951.443			32.524.221

Movements of tangible assets between January 1 and December 31, 2023 are as follows:

	1 JANUARY 2023	INFLOWS	OUTFLOWS	31 DECEMBER 2023
COST:				
Furniture and fixtures	14.603.457	75.081	(195.242)	14.483.296
Other tangible assets (including leasehold improvements)	453.474	-	-	453.474
Tangible assets acquired through leasing	1.294.391	-	-	1.294.391
Right of use assets (*)	2.850.083	22.633.009	(2.122.787)	23.360.305
	19.201.405	22.708.090	(2.318.029)	39.591.466
ACCUMULATED DEPRECIATION:				
Furniture and fixtures	(14.473.111)	(133.874)	176.906	(14.430.079)
Other tangible assets (including leasehold improvements)	(182.635)	(48.606)	-	(231.241)
Tangible assets acquired through leasing	(1.294.391)	-	-	(1.294.391)
Right of use assets (*)	(2.550.083)	(9.257.016)	2.122.787	(9.684.312)
	(18.500.220)	(9.439.496)	2.299.693	(25.640.023)
Net book value	701.185			13.951.443

(*)Right of use assets comprises from recognition of real estate lease payments under TFRS 16 accounting treatments. Please see note 20 for explanations in detail.

There is no change in depreciation method in the current period.

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7 INVESTMENT PROPERTIES

None.

8 INTANGIBLE FIXED ASSETS

Movements in intangible assets in the period from 1 January to 31 December 2024 are as follows:

	1 JANUARY 2024	INFLOWS	OUTFLOWS	31 DECEMBER 2024
COST:				
Rights	334.371	-	-	334.371
Other intangible assets (*)	358.499.564	187.682.933	-	546.182.497
	358.833.935	187.682.933	-	546.516.868
ACCUMULATED AMORTİZATION:				
Rights	(334.371)	-	-	(334.371)
Other intangible assets (*)	(278.610.871)	(66.466.601)	-	(345.077.472)
	(278.945.242)	(66.466.601)	-	(345.411.843)
Net book value	79.888.693			201.105.025

Movements in intangible assets in the period from 1 January to 31 December 2023 are as follows:

	1 JANUARY 2023	INFLOWS	OUTFLOWS	31 DECEMBER 2023
COST:				
Rights	334.371	-	-	334.371
Other intangible assets (*)	283.585.258	74.914.306	-	358.499.564
	283.919.629	74.914.306	-	358.833.935
ACCUMULATED AMORTİZATION:				
Rights	(334.371)	-	-	(334.371)
Other intangible assets (*)	(245.001.316)	(33.609.555)	-	(278.610.871)
	(245.335.687)	(33.609.555)	-	(278.945.242)
Net book value	38.583.942			79.888.693

(*)Other intangible assets consist of computer software.

9 INVESTMENTS IN AFFILIATES

None.

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10 REINSURANCE ASSETS (LIABILITIES)

Outstanding reinsurance assets and liabilities of the Company, as a ceding company in accordance with the existing reinsurance contracts are as follows:

REINSURANCE ASSETS	31 DECEMBER 2024	31 DECEMBER 2023
Reinsurance share of unearned premiums reserve (Note 17)	946.414.135	604.238.034
Reinsurance share of outstanding claims reserve (Note 17, Note 42)	313.541.044	134.809.756
Receivables from reinsurers (Note 12)	193.856.060	125.992.459
Total	1.453.811.239	865.040.249

Reinsurance liabilities	31 DECEMBER 2024	31 DECEMBER 2023
Deferred commission income (Deferred income) (Note 19)	482.123.393	306.748.492
Payables to the reinsurers related to premiums ceded (Note 19)	96.853.064	48.261.7856
Total	578.976.457	355.010.277

There are no impairment losses recognized for reinsurance assets.

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Ceded premiums to reinsurers during the period (Note 17)	(1.885.154.718)	(1.135.417.009)
Reinsurance share of unearned premiums reserve, at the beginning of the period (Note 17)	(604.238.034)	(213.629.817)
Reinsurance share of unearned premiums reserve, at the end of the period (Note 17)	946.414.135	604.238.034
Ceded premiums to reinsurers (Note 17)	(1.542.978.617)	(744.808.792)
Reinsurance share of claims paid, during the period (Note 17)	201.524.785	115.261.782
Reinsurance share of outstanding claims reserve, at the beginning of the period (Note 17)	(134.809.756)	(54.073.888)
Reinsurance share of outstanding claims reserve, at the end of the period (Note 17)	313.541.044	134.809.756
Reinsurance share of claims incurred (Note 17)	380.256.07	195.997.650
Commission income accrued from reinsurers during period (Note 32)	1.181.869.432	737.432.797
Deferred commission income, at the beginning of the period (Note 19)	309.073.307	51.971.649
Deferred commission income, at the end of the period (Note 19)	(482.123.393)	(306.748.492)
Commission income earned from reinsurers	1.008.819.346	482.655.954
Total, net	(153.903.198)	(66.155.188)

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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11 FINANCIAL ASSETS

As of 31 December 2024 and 31 December 2023, the Company's financial asset portfolio are detailed as follows:

FINANCIAL ASSETS AND FINANCIAL INVESTMENTS WITH RISK ON POLICYHOLDERS	31 DECEMBER 2024	31 DECEMBER 2023
Available for sale financial assets	3.127.747.160	1.856.041.407
Financial assets for trading	6.881.498.426	2.900.488.404
Financial investments with risks on saving life policyholders	154.168.744	127.426.452
Total	10.163.414.330	4.883.956.263

As of 31 December 2024 and 31 December 2023, the Company's available for sale financial assets in its own portfolio are detailed as follows:

	31 DECEMBER 2024		
	COST	FAIR VALUE	CARRYING VALUE
Borrowing instruments:			
Government bonds	930.648.869	1.244.170.445	1.244.170.445
<i>Eurobond</i>	1.748.670.885	1.883.576.715	1.883.576.715
Total financial assets available for sale	2.679.319.754	3.127.747.160	3.127.747.160

	31 DECEMBER 2023		
	COST	FAIR VALUE	CARRYING VALUE
Borrowing instruments:			
Private sector bonds	463.052.500	472.880.895	472.880.895
Government bonds	491.757.636	595.649.077	595.649.077
<i>Eurobond</i>	711.170.198	787.511.435	787.511.435
Total financial assets available for sale	1.665.980.334	1.856.041.407	1.856.041.407

As of 31 December 2024 and 31 December 2023, the details of the Company's financial assets held for trading are as follows:

	31 DECEMBER 2024		
	COST	FAIR VALUE	CARRYING VALUE
<i>Equity shares and other non-fixed income financial assets:</i>			
Eurobond	2.212.014.434	2.316.755.415	2.316.755.415
Deposits with a maturity of more than three months	3.821.545.887	4.564.743.011	4.564.743.011
Total financial assets held for trading	6.033.560.321	6.881.498.426	6.881.498.426

	31 DECEMBER 2023		
	COST	FAIR VALUE	CARRYING VALUE
<i>Equity shares and other non-fixed income financial assets:</i>			
Eurobond	1.294.392.160	1.320.961.310	1.320.961.310
Deposits with a maturity of more than three months	1.517.695.274	1.579.527.094	1.579.527.094
Total financial assets held for trading	2.812.087.434	2.900.488.404	2.900.488.404

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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11 FINANCIAL ASSET (CONTINUED)

As of 31 December 2024 and 31 December 2023, the Company's financial asset portfolio are detailed as follows:

As at 31 December 2024 and 31 December 2023, the details of financial investments held at risk for life policyholders ("RHPSFY") classified as available-for-sale financial assets are as follows:

31 DECEMBER 2024			
	COST	FAIR VALUE	CARRYING VALUE
Debt instruments:			
Eurobonds issued by The Republic of Turkey Government	147.858.163	154.168.744	154.168.744
Financial investments with risks on saving life policyholders	147.858.163	154.168.744	154.168.744

31 DECEMBER 2023			
	COST	FAIR VALUE	CARRYING VALUE
Debt instruments:			
Eurobonds issued by The Republic of Turkey Government	123.870.605	127.426.452	127.426.452
Financial investments with risks on saving life policyholders	123.870.605	127.426.452	127.426.452

All of the Company's debt securities presented in the above tables are traded on stock exchanges.

There are no debt securities issued by the Company during the period or previously issued and redeemed during the period.

Value increases in financial assets recognized under equity in the last three years:

YEAR	CHANGE IN VALUE INCREASE	TOTAL INCREASE IN VALUE
2024	22.878.762	45.888.035
2023	16.776.956	23.009.273
2022	10.402.360	6.232.317

Value increases are reflected by deducting deferred tax effects from the differences between the carrying value of financial assets at the end of the period and the value calculated with the internal rate of return.

Financial assets issued by related parties in the Company's portfolio: 31 December 2024: None. (31 December 2023: 472.880.895 TL).

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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(Currency: Expressed in Turkish Lira (TL.))

11 FINANCIAL ASSET (CONTINUED)

The details of the financial assets given as collateral in favor of the Republic of Turkey Ministry of Treasury and Finance for the insurance operations of the Company are as follows:

31 DECEMBER 2024			
	COST	FAIR VALUE	CARRYING VALUE
Financial investments with risks on saving life policyholders – Eurobonds	147.858.163	154.168.744	154.168.744
Total	147.858.163	154.168.744	154.168.744

31 DECEMBER 2023			
	COST	FAIR VALUE	CARRYING VALUE
Financial investments with risks on saving life policyholders – Eurobonds	123.870.605	127.426.452	127.426.452
Total	123.870.605	127.426.452	127.426.452

The movement of financial assets within the period is as follows:

31 DECEMBER 2024					
	FINANCIAL ASSETS HELD FOR TRADING	FINANCIAL INVESTMENTS WITH RISKS ON SAVING LIFE POLICYHOLDERS	FINANCIAL ASSETS AVAILABLE FOR SALE	TO BE HELD UNTIL MATURITY	TOTAL
Balance at the beginning of the period	2.900.488.404	127.426.452	1.856.041.407	-	4.883.956.263
Unrealized exchange differences on financial assets	(2.348.134)	28.464.926	149.814.892	-	175.931.684
Acquisitions during the period	8.544.370.882	-	1.872.490.015	-	10.416.860.897
Disposals (either sold or settled)	(4.515.371.109)	-	(958.802.667)	-	(5.474.173.776)
Change in the fair values of financial assets	(45.641.617)	(859.672)	(5.413.986)	-	(51.915.275)
Change in the amortized costs of the financial assets	-	(862.962)	213.617.499	-	212.754.537
Balance at the ending of the period	6.881.498.426	154.168.744	3.127.747.160	-	10.163.414.330

31 DECEMBER 2023					
	FINANCIAL ASSETS HELD FOR TRADING	FINANCIAL INVESTMENTS WITH RISKS ON SAVING LIFE POLICYHOLDERS	FINANCIAL ASSETS AVAILABLE FOR SALE	TO BE HELD UNTIL MATURITY	TOTAL
Balance at the beginning of the period	752.684.650	81.051.857	1.216.720.697	-	2.050.457.204
Unrealized exchange differences on financial assets	2.602.517	42.589.396	51.702.187	-	96.894.100
Acquisitions during the period	4.355.411.928	-	1.303.276.813	-	5.658.688.741
Disposals (either sold or settled)	(2.220.031.158)	-	(807.401.514)	-	(3.027.432.672)
Change in the fair values of financial assets	9.820.467	4.492.834	(31.645.537)	-	(17.332.236)
Change in the amortized costs of the financial assets	-	(707.635)	123.388.761	-	122.681.126
Balance at the ending of the period	2.900.488.404	127.426.452	1.856.041.407	-	4.883.956.263

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12 LOAN AND RECEIVABLES

	31 DECEMBER 2024	31 DECEMBER 2023
Receivables from main operations (Note 4.2)	171.363.225.289	101.620.428.865
Receivables from related parties (Note 4.2)	-	37.597
Other receivables (Note 4.2)	333.598	687.599
Non-current receivables (Note 4.2)	-	-
Total	171.363.558.887	101.621.154.061
Short-term receivables	171.363.558.887	101.621.154.061
Mid-term and long-term receivables	-	-
Total	171.363.558.887	101.621.154.061

As at 31 December 2024, the Company's other deferred expenses amounting to TL 9.366.945 (31 December 2023: TL 2.884.966) consist of maintenance, repair, insurance, advertising and other deferred expenses for which the services have not yet been received.

The details of the Company's receivables from main operations as of December 31, 2024 and December 31, 2023 are as follow:

	31 DECEMBER 2024	31 DECEMBER 2023
Receivables from policyholders	406.090.089	160.208.231
Receivables from reinsurance companies (Note 10)	193.856.060	125.992.459
Provisions for receivables from policyholders (Note 4.2)	(151.643)	(310.598)
Total receivables from insurance operations, net	599.794.506	285.890.092
Loans to the policyholders(loan) (Note 4.2)	1.164.885	1.603.114
Receivables from private pension operations (Note 18)	170.776.082.316	101.345.377.966
Provision for receivables from private pension operations (Note 4.2), (Note 18)	(13.816.418)	(12.442.307)
Receivables from main operations	171.363.225.289	101.620.428.865

Provision for both overdue receivables and receivables not overdue yet

- a) Receivables under legal and administrative follow-up (due): None (December 31, 2023: None).
- b) Provision for premium receivables (due): TL 151.643 (December 31, 2023: TL 310.598).
- c) Provision for receivables from pension operations: TL 13.816.418 (31 December 2023: TL 12.442.307).

The Company's receivables and payables from and due to shareholders, associates and subsidiaries are disclosed in Note 45.

Receivables and payables denominated in foreign currencies and foreign currency denominated receivables and payables with no foreign exchange rate guarantee and foreign currency denominated assets and foreign currency conversion rates are disclosed in Note 4.2.

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13 DERIVATIVE FINANCIAL INSTRUMENTS

As of 31 December 2024, the Company has Eurobond transaction collateral amounting to TL 2.212.014.434 classified under financial assets held for trading (31 December 2023: TL 1.320.961.310)

As of 31 December 2024, the Company has a total balance of TL 33.978.809 under income accruals account due to forward foreign exchange contracts (31 December 2023: TL 11.662.808 expense accrual).

31 DECEMBER 2024	SALE CONTRACT AMOUNT (TL)	PURCHASE CONTRACT AMOUNT (USD)	PURCHASE CONTRACT AMOUNT (EUR)	INCOME/(EXPENSE) ACCRUAL
For trading purposes	-	-		
For foreign currency trading purposes	2.212.014.434	62.799.750	-	33.978.809
Total derivative instruments	2.212.014.434	62.799.750	-	33.978.809

31 DECEMBER 2023	SALE CONTRACT AMOUNT (TL)	PURCHASE CONTRACT AMOUNT (USD)	PURCHASE CONTRACT AMOUNT (EUR)	INCOME/(EXPENSE) ACCRUAL
For trading purposes	-	-		
For foreign currency trading purposes	1.320.961.310	44.803.987	-	(11.662.808)
Total derivative instruments	1.320.961.310	44.803.987	-	(11.662.808)

14 CASH AND CASH EQUIVALENTS

As at 31 December 2024 and 31 December 2023, cash and cash equivalents are as follows:

	31 DECEMBER 2024		31 DECEMBER 2023	
	END OF PERIOD	BEGINNING OF PERIOD	END OF PERIOD	BEGINNING OF PERIOD
Banks	3.603.308.072	3.333.397.288	3.333.397.288	2.243.780.952
Bank-guaranteed credit card receivables with a maturity of less than three months	1.477.876.994	754.149.696	754.149.696	376.769.576
Other cash and cash equivalents	-	25.200	25.200	1.800
Cash and cash equivalents in the balance sheet	5.081.185.066	4.087.572.184	4.087.572.184	2.620.552.328

Banks discount for short-term deposits	485.391.662	51.851.548	51.851.548	18.985.777
Blocked amount	(1.469.962.477)	(1.201.751.048)	(1.201.751.048)	(329.141.369)
Total	4.096.614.251	2.937.672.684	2.937.672.684	2.310.396.736

As at 31 December 2024 and 31 December 2023, cash and cash equivalents are as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
Foreign currency denominated bank deposits		
- time deposits	150.976.533	126.122.281
- demand deposits	951.844	49.328
TL bank deposits		
- time deposits	3.268.416.392	2.697.832.335
- demand deposits	182.963.303	509.393.344
Banks	3.603.308.072	3.333.397.288

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14 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

As at 31 December 2024, the amount of bank deposits blocked in favor of Insurance and Private Pension Regulation and Supervision Agency in accordance with the insurance activities of the Company is TL 1.469.962.477 (31 December 2023: TL 1.201.751.048).

Bank deposits at the Company's main shareholder T. Garanti Bankası A.Ş. are disclosed in Note 45.

As at 31 December 2024 and 31 December 2023, the interest rate range of time deposits at banks is as follows:

	31 DECEMBER 2024		31 DECEMBER 2023	
	MATURITY (DAY)	INTEREST RATE (%)	MATURITY (DAY)	INTEREST RATE (%)
TL	4-377	43.5 - 57.00	4-377	38 - 47.00
USD Dollar	4-43	6.701 - 6.842	4-43	0.00 - 7.72

15 EQUITY**Paid in capital**

As at 31 December 2024, the Company's paid-in share capital is TL 500.000.000 (31 December 2023: TL 500.000.000) and the share capital of the Company consists of 50.000.000.000 shares with a nominal value of Kr 1 each. There are no privileges granted to the shares representing the capital. There are no shares of the Company held by the Company or by any of its subsidiaries or associates.

There are no shares in the Company to be issued for the sales of shares to be made in accordance with forward transactions and contracts.

The capital group that has direct or indirect control over the Company's capital is Garanti Bank Group with a share of 84.91%. Another capital group that has significant influence in the management of the Company is Achmea, a Dutch company, with a share of 15.00%.

Dividend distribution

The dividend payment of TL 1.600.000.000, which was decided to be distributed to shareholders with the General Assembly decision dated March 29, 2024, was realized on April 29, 2024.

Legal reserves

The legal reserves consist of 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 share capital. The second legal reserve is appropriated out of statutory profits at the rate of 10% of all dividend distributions exceeding 5% of the Company's share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the Company's share capital; however, they may be used to offset losses in the event that the discretionary reserves are exhausted.

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Legal reserves at the beginning of the period	233.116.097	145.153.230
Reserves during the period	16.883.903	87.962.867
Legal reserves at the end of the period	250.000.000	233.116.097

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15 EQUITY (CONTINUED)

Extraordinary reserves

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Extraordinary reserves at the beginning of the period	638.158.472	366.863.998
Reserves during the period	533.368.650	271.294.474
Extraordinary reserves at the end of the period	1.171.527.122	638.158.472

Revaluation of financial assets

The period income and expenses accrued directly under equity as of balance sheet date is presented below:

REVALUATION OF FINANCIAL ASSETS	31 DECEMBER 2024	31 DECEMBER 2023
The period income and expenses accrued directly under equity as of balance sheet date is presented below	65.554.336	32.870.390
Revaluation of financial assets	(19.666.301)	(9.861.117)
Revaluation of financial assets	45.888.035	23.009.273

16 OTHER RESERVES AND EQUITY COMPONENT OF DPF

As of 31 December 2024, there is not any other reserves presented under equity except for the fair value reserves of available-for-sale financial assets which is presented as “revaluation of financial assets” in the accompanying financial statements. Movement of fair value reserves of available- for-sale financial assets and their related tax effects are presented in Note 15.

The Company recognizes its liability to the policyholders due to the saving life products, classified as investment contracts, under life mathematical provisions. The Company recognizes its own portion for the unrealized gains and losses, recognized due to change in the fair values of available for sale financial assets backing long term investment contracts under equity within ‘revaluation of financial assets’.

17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS

As of 31 December 2024 and 31 December 2023, provisions for technical reserves of the Company are disclosed as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
Unearned premiums reserve, gross	2.225.960.556	1.275.306.733
Unearned premiums reserve, ceded (Note 10)	(946.414.135)	(604.238.034)
Unearned premiums reserve, net	1.279.546.421	671.068.699
Outstanding claims reserve, gross	650.982.112	357.375.219
Outstanding claims reserve, ceded (Note 10, Note 4.2)	(313.541.044)	(134.809.756)
Outstanding claims reserve, net	337.441.068	222.565.463
Life mathematical reserve (shot term and long term)	6.066.034.945	3.302.774.676
Equalization reserve, net	87.849.130	62.973.415
Total insurance technical reserves, net	7.770.871.564	4.259.382.253
Short-term	1.927.192.694	1.116.961.032
Medium and long-term	5.843.678.870	3.142.421.221
Total insurance technical provisions, net	7.770.871.564	4.259.382.253

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS (CONTINUED)

As of 31 December 2024 and 31 December 2023, movements of the insurance liabilities and related reinsurance assets are presented below:

UNEARNED PREMIUMS PROVISION	1 JANUARY – 31 DECEMBER 2024		
	GROSS	REINSURER SHARE	NET
Unearned premiums provision at the beginning of the period	1.275.306.733	(604.238.034)	671.068.699
Premiums written during the period	9.667.689.745	(1.885.154.718)	7.782.535.027
Premiums earned during the period	(8.717.035.922)	1.542.978.617	(7.174.057.305)
Unearned premiums provision at the end of the period	2.225.960.556	(946.414.135)	1.279.546.421

UNEARNED PREMIUMS PROVISION	1 JANUARY – 31 DECEMBER 2023		
	GROSS	REINSURER SHARE	NET
Unearned premiums provision at the beginning of the period	711.206.509	(213.629.817)	497.576.692
Premiums written during the period	5.179.592.459	(1.135.417.009)	4.044.175.450
Premiums earned during the period	(4.615.492.235)	744.808.792	(3.870.683.443)
Unearned premiums provision at the end of the period	1.275.306.733	(604.238.034)	671.068.699

	1 JANUARY – 31 DECEMBER 2024	1 JANUARY – 31 DECEMBER 2023
Balancing provision at the beginning of the period	62.973.415	48.739.601
Increases during the period	24.875.715	14.233.814
Period-end balancing provision	87.849.130	62.973.415

OUTSTANDING CLAIMS PROVISION	1 JANUARY – 31 DECEMBER 2024		
	GROSS	REINSURER SHARE	NET
Outstanding claims provision at the beginning of the period	357.375.219	(134.809.756)	222.565.463
Changes in estimates for claims declared during the period and provision for outstanding claims at the beginning of the period	1.624.370.551	(380.256.073)	1.244.114.478
Paid losses during period	(1.330.763.658)	201.524.785	(1.129.238.873)
Outstanding claims provision at the ending of the period	650.982.112	(313.541.044)	337.441.068

OUTSTANDING CLAIMS PROVISION	1 JANUARY – 31 DECEMBER 2023		
	GROSS	REINSURER SHARE	NET
Outstanding claims provision at the beginning of the period	214.936.641	(54.073.888)	160.862.753
Changes in estimates for claims declared during the period and provision for outstanding claims at the beginning of the period	1.013.761.893	(195.997.650)	817.764.243
Paid losses during period	(871.323.315)	115.261.782	(756.061.533)
Outstanding claims provision at the ending of the period	357.375.219	(134.809.756)	222.565.463

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS (CONTINUED)**Claim development tables**

The basic assumption used in the estimation of provisions for outstanding claims is the Company's past experience on claim developments. The Company's management uses the judgment to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. The sensitivity of certain assumptions like legislative change, uncertainty in the estimation process, etc., is not possible to quantify. Furthermore, because of delays that arise between occurrence of a claim and its subsequent notification and eventual settlement, the outstanding claims reserve is not known with certainty at the balance sheet date. Consequently, the ultimate liabilities will vary as a result of subsequent developments. Differences resulting from reassessment of the ultimate liabilities are recognized in subsequent period financial statements. Development of insurance liabilities enables to measure the performance of the Company in estimation of its ultimate claim losses. The numbers presented on the top of the below tables show the changes in estimations of the Company for the claims in subsequent years after accident years. The numbers presented on the below of the below tables give the reconciliation of total liabilities with outstanding claims reserve presented in the accompanying financial statements.

31 DECEMBER 2024							
ACCIDENT YEAR	2019	2020	2021	2022	2023	2024	TOTAL
Accident year	221.752.910	331.781.870	417.137.980	615.821.550	1.052.091.748	1.274.365.555	3.912.951.613
1 year later	221.228.339	332.680.113	396.325.803	570.728.647	967.337.939	-	2.488.300.841
2 year later	219.316.811	328.834.972	384.302.664	560.543.112	-	-	1.492.997.559
3 year later	226.181.468	329.843.760	385.500.061	-	-	-	941.525.289
4 year later	228.450.897	330.632.742	-	-	-	-	559.083.639
5 year later	243.238.431	-	-	-	-	-	243.238.431
Current estimated of cumulative claims	243.238.431	330.632.742	385.500.061	560.543.112	967.337.939	1.274.365.555	3.761.617.840
Total payments up to date	(229.882.270)	(326.083.896)	(377.669.625)	(526.584.931)	(873.143.436)	(777.271.570)	(3.110.635.728)
Liability recognized in balance sheet	13.356.161	4.548.846	7.830.436	33.958.181	94.194.503	497.093.985	650.982.112
Total outstanding claims provisions, gross in the financial statements							650.982.112

31 DECEMBER 2024							
ACCIDENT YEAR	2019	2020	2021	2022	2023	2024	TOTAL
Accident year	195.115.184	301.690.192	370.345.602	550.978.847	842.946.177	939.673.680	3.200.749.683
1 year later	196.756.888	308.059.429	356.478.185	527.241.601	810.731.687	-	2.199.267.790
2 year later	197.413.336	306.968.958	347.983.282	517.449.707	-	-	1.369.815.283
3 year later	202.967.667	307.738.810	349.862.508	-	-	-	860.568.986
4 year later	204.846.675	308.395.756	-	-	-	-	513.242.431
5 year later	215.432.024	-	-	-	-	-	215.432.024
Current estimated of cumulative claims	215.432.024	308.395.756	349.862.508	517.449.707	810.731.687	939.673.680	3.141.545.363
Total payments up to date	(204.059.146)	(304.864.925)	(343.320.401)	(487.556.344)	(750.362.403)	(713.941.076)	(2.804.104.295)
Liability recognized in balance sheet	11.372.878	3.530.832	6.542.107	29.893.363	60.369.284	225.732.604	337.441.068
Total outstanding claims provisions, gross in the financial statements							337.441.068

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17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS (CONTINUED)**Individual pension (continued)**

ACCIDENT YEAR	31 DECEMBER 2023						
	2018	2019	2020	2021	2022	2023	TOTAL
Accident year	132.204.663	221.752.910	331.781.870	417.137.980	615.821.550	1.054.021.190	2.772.720.163
1 year later	134.612.425	221.228.339	332.680.113	396.325.803	570.728.647	-	1.655.575.327
2 year later	127.908.472	219.316.811	328.834.972	384.302.664	-	-	1.060.362.919
3 year later	128.819.184	226.181.468	329.843.760	-	-	-	684.844.412
4 year later	133.105.207	228.450.897	-	-	-	-	361.556.104
5 year later	149.230.631	-	-	-	-	-	149.230.631
Current estimated of cumulative claims	149.230.631	228.450.897	329.843.760	384.302.664	570.728.647	1.054.021.190	2.716.577.789
Total payments up to date	(136.571.890)	(225.087.057)	(324.686.979)	(353.283.090)	(519.700.945)	(799.872.609)	(2.359.202.570)
Liability recognized in balance sheet	12.658.741	3.363.840	5.156.781	31.019.574	51.027.702	254.148.581	357.375.219
Total outstanding claims provisions, gross in the financial statements							357.375.219

ACCIDENT YEAR	31 DECEMBER 2023						
	2017	2018	2019	2020	2021	2022	TOTAL
Accident year	112.381.245	195.115.184	301.690.192	370.345.602	550.978.847	843.443.281	2.373.954.351
1 year later	112.864.797	196.756.888	308.059.429	356.478.185	527.241.601	-	1.501.400.900
2 year later	108.468.279	197.413.336	306.968.958	347.983.282	-	-	960.833.855
3 year later	110.044.266	202.967.667	307.738.810	-	-	-	620.750.743
4 year later	113.558.603	204.846.675	-	-	-	-	318.405.278
5 year later	124.045.580	-	-	-	-	-	124.045.580
Current estimated of cumulative claims	124.045.580	204.846.675	307.738.810	347.983.282	527.241.601	843.443.281	2.355.299.229
Total payments up to date	(113.906.504)	(201.748.984)	(303.647.539)	(320.598.036)	(484.529.908)	(708.302.795)	(2.132.733.766)
Liability recognized in balance sheet	10.139.076	3.097.691	4.091.271	27.385.246	42.711.693	135.140.486	222.565.463
Total outstanding claims provisions, gross in the financial statements							222.565.463

Total amount of guarantee that should be placed by the Company for life and non-life branches and guarantees placed for the life and non-life branches in respect of related assets

	31 DECEMBER 2024		31 DECEMBER 2023	
	SHOULD BE PLACED (**)	PLACED (*)	SHOULD BE PLACED (**)	PLACED (*)
Life:				
Bank deposits		1.439.068.674		1.174.291.817
Financial assets (*)		5.386.699.773		2.749.753.483
Total	6.541.288.729	6.825.768.447	3.677.731.081	3.924.045.300
Non-life:				
Bank deposits	50.326.830	30.893.803	25.065.863	27.459.231
Total	6.591.615.560	6.856.662.250	3.702.796.944	3.951.504.531

(*) In accordance with Article 6 of the "Communiqué Related to the Financial Structure of Insurance, Reinsurance and Private Pension Companies", government bonds and treasury bills, which are presented in financial assets, are valued with the daily prices announced by the Central Bank of the Republic of Turkey as of 31 December 2024 and 31 December 2023, and if these values are not available, with the stock exchange values and investment fund participation certificates are valued with the announced daily prices.

(**) In accordance with Article 7 of the "Communiqué Related to the Financial Structure of Insurance, Reinsurance and Individual Pension Companies", insurance companies and pension companies operating in life and personal accident branches are obliged to establish their collaterals within two months following the capital adequacy calculation periods. In accordance with the "Regulation on the Measurement and Assessment of Capital Adequacy of Insurance, Reinsurance and Pension Companies", companies prepare the capital adequacy table twice a year, in December and June, and submit it to the Republic of Turkey Ministry of Treasury and Finance within two months.

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17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS (CONTINUED)**Claim development tables (continued)**

The number of life insurance policies of the Company and the number and mathematical reserves of the life insurance policyholders who entered, left and current life insurance policyholders during the period

	1 JANUARY - 31 DECEMBER 2024		1 JANUARY - 31 DECEMBER 2023	
	NUMBER OF POLICYHOLDERS	MATHEMATICAL PROVISIONS	NUMBER OF POLIC HOLDERS	MATHEMATICAL PROVISIONS
Beginning of the year	4.351.932	3.302.774.678	3.850.688	1.614.557.909
Additions during the year	5.453.847	1.965.543.941	4.885.441	1.035.079.038
Disposals during the year	(5.709.062)	(606.718.104)	(4.384.197)	(290.654.857)
Movements during the year (*)	-	1.404.434.430	-	943.792.586
Current	4.096.717	6.066.034.945	4.351.932	3.302.774.676

(*)Increase/Decrease of the reserves are related with currency rates during the year.

Distribution of new life insurance policyholders in terms of numbers and gross and net premiums as individual or group during the period

	31 DECEMBER 2024		31 DECEMBER 2023	
	NUMBER OF CONTRACTS	PREMIUM	NUMBER OF CONTRACTS	PREMIUM
Individual	113	2.716.048	137	2.075.785
Group	5.453.734	11.310.458.972	4.884.874	6.036.655.389
Total	5.453.847	11.313.175.020	4.885.011	6.038.731.173

Distribution of number of contracts, gross and net premiums and mathematical reserves for life insurance policyholders who left the Company's portfolio as individual or group during the period

	31 DECEMBER 2024			31 DECEMBER 2023		
	NUMBER OF CONTRACTS	PREMIUM	MATHEMATICAL RESERVE	NUMBER OF CONTRACTS	PREMIUM	MATHEMATICAL RESERVE
Individual	140	291.452	12.526.777	200	231.331	6.001.088
Group	5.708.922	1.714.364.341	594.191.328	4.383.997	886.572.202	284.653.769
Total	5.709.062	1.714.655.792	606.718.104	4.384.197	886.803.533	290.654.857

Deferred commission expenses

The Company capitalizes the portion of commissions and production costs paid to intermediaries related to the production of annual or shorter term policies and commissions and production costs calculated according to the probability of exit of risk life contracts with a duration of more than one year in the "deferred production expenses" account. As of December 31, 2024, deferred production commissions and deferred expenses amount to TL 852.529.004 and TL 343.228.158 (December 31, 2023: TL 459.294.738 and TL 213.299.234), respectively.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS (CONTINUED)**Claim development tables (continued)**

As of December 31, 2024 and December 31, 2023, the movement of deferred production commissions is as follows:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Deferred commission expenses at the beginning of the period	459.294.738	269.818.622
Commissions accrued during the period	2.253.125.926	1.165.778.206
Paid commissions during the period	(1.859.891.660)	(976.302.090)
Deferred commission expenses at the end of the period	852.529.004	459.294.738

18 INVESTMENT CONTRACT LIABILITIES

The movements of life mathematical reserve for saving life policies as of 31 December 2024 and 31 December 2023 are as follows:

LIFE MATHEMATICAL PROVISION FOR SAVING LIFE POLICIES	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Investment contract liabilities at the beginning of the period (Life-mathematical reserve)	67.174.994	48.438.968
Effect of foreign exchange differences	11.383.775	31.053.809
Written premiums during the period (saving life policies)	1.587.568	1.127.862
Disposals during the period (leaving policyholders)	(607.083)	(21.375.128)
Profit shares	119.990	4.979.029
Changes in the fair values of investments (Note 30)	920.698	2.950.454
Investment contract liabilities at the end of the period	80.579.942	67.174.994

Profit share distribution rates to life policyholders during the period 31 December 2024 and 31 December 2023(gross):

	31 DECEMBER 2024	31 DECEMBER 2023
USD:	8,69%	8,20%
EURO:	4,18%	3,95%

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18 INVESTMENT CONTRACT LIABILITIES (CONTINUED)**Individual pension**

The details of receivables and liabilities from pension operations as of 31 December 2024 and 31 December 2023:

	31 DECEMBER 2024	31 DECEMBER 2023
Receivables from custodian company	170.762.265.898	101.331.828.439
Receivables from participants (entrance fee)	13.816.418	13.549.527
Receivables from pension operations (Note 12)	170.776.082.316	101.345.377.966
Provision for the receivables from participants (Note 4.2), (Note 12)	(13.816.418)	(12.442.307)
Receivables from pension operations (Note 12)	170.762.265.898	101.332.935.659
	31 DECEMBER 2024	31 DECEMBER 2023
Payables to participants	170.567.574.157	101.187.805.987
Participants temporary account	1.592.690.051	960.459.447
Payables to clearing house	14.380.293	10.250.806
Payables to Pension Monitoring Center	5.963.224	3.157.032
Other liabilities	58.102.837	325.479.293
Payables due to pension operations (Note 19)	172.238.710.562	102.487.152.565

Participation pension funds

As at 31 December 2024 and 31 December 2023, income and expenses from participation pension funds are as

	31 DECEMBER 2024		
	FUND TECHNICAL INCOME (*)	FUND TECHNICAL EXPENSE (**)	NET INCOME
	466.409.568	(44.994.721)	421.414.847
Total	466.409.568	(44.994.721)	421.414.847
	31 DECEMBER 2023		
	FUND TECHNICAL INCOME (*)	FUND TECHNICAL EXPENSE (**)	NET INCOME
	303.968.189	(40.601.275)	263.366.914
Total	303.968.189	(40.601.275)	263.366.914

(*)Consists of fund technical income, fund operating income and additional fund operating income.

(**)Fund technical expense consists of portfolio management company performance fee, fund total expense deduction excess amount, refund amount paid to participants due to fund total expense deduction excess amount and additional benefit amount provided to participants.

The accounting policies applied for participation pension funds are consistent with the accounting policies explained in Footnotes 2.1.1 and 2.1.2. The compliance of the participation pension funds with the participation principles is certified by the Approval Certificate issued by the Advisory Committee specifically for the participation pension fund. Participants are informed about the fund's investment objectives, strategies and risks through fund prospectuses. Based on the fund portfolio value, participation pension funds are managed by the portfolio manager within the minimum and maximum limitations set for the assets and transactions that may be included in the portfolio.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

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18 INVESTMENT CONTRACT LIABILITIES (CONTINUED)**Participation pension funds (continued)**

As at 31 December 2024 and 31 December 2023, the pension investment funds established by the Company and their unit prices are as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
	UNIT PRICES	UNIT PRICES
Katılım Katkı EYF	0,094928	0,067655
Katılım Standart EYF	0,098317	0,070544
Altın Katılım EYF	0,372896	0,243334
Hisse Senedi EYF	1,974977	1,280776
Mutlak Getiri Hedefli Değişken (SM ART) EYF	0,088888	0,057104
Katılım Değişken EYF	0,183134	0,133599
Dinamik Değişken EYF	0,746628	0,482290
Temettü Ödeyen Şirketler Hisse Senedi EYF	0,139155	0,093179
Borçlanma Araçları EYF	0,272677	0,185957
Dış Borçlanma Araçları EYF	0,767678	0,599298
Dinamik Değişken Grup EYF	0,669551	0,425600
Borçlanma Araçları Grup EYF	0,187036	0,126468
Dış Borçlanma Araçları Grup EYF	0,533577	0,417057
Hisse Senedi Grup EYF	0,495604	0,314926
Sürdürülebilirlik Hisse Senedi EYF	0,246173	0,164218
Değişken EYF	0,357234	0,266299
Kira Sertifikaları Katılım EYF	0,117869	0,081272
Katkı EYF	0,074612	0,051223
Para Piyasası EYF	0,224587	0,139843
Üçüncü Değişken EYF	0,201357	0,136550
Standart EYF	0,093601	0,063285
Başlangıç EYF	0,055486	0,034754
Başlangıç Katılım EYF	0,050039	0,031978
Birinci Fon Sepeti EYF	0,040995	0,026184
Karma EYF	0,028894	0,022278
Metaverse Ve Yeni Teknolojiler Hisse Senedi EYF	0,034360	0,023182
OKS Temkinli Değişken EYF	0,074699	0,043215
OKS Temkinli Katılım Değişken EYF	0,042240	0,028578
OKS Dengeli Değişken EYF	0,119935	0,072498
OKS Dengeli Katılım Değişken EYF	0,049833	0,034966
OKS Dinamik Değişken EYF	0,145719	0,091843
OKS Dinamik Katılım Değişken EYF	0,143546	0,093483
OKS Agresif Değişken EYF	0,172106	0,112235
OKS Agresif Katılım Değişken EYF	0,175755	0,117824
OKS Standart EYF	0,072568	0,050856
OKS Katılım Standart EYF	0,068621	0,051259

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18 INVESTMENT CONTRACT LIABILITIES (CONTINUED)**Individual pension (continued)**

As of December 31, 2024 and December 31, 2023, the number and amounts of participation certificates in portfolio and participation certificates in circulation are as follows:

	31 DECEMBER 2024					
	PARTICIPATION CERTIFICATE IN THE CIRCULATION		PARTICIPATION CERTIFICATE IN THE PORTFOLIO		NUMBER OF INVESTORS	PARTICIPATION / NON-PARTICIPATION
	QUANTITY	AMOUNT	QUANTITY	AMOUNT		
Katılım Katkı EYF	45.929.889.768	4.360.048.216	1.454.070.110.232	138.031.967.424	595.615	Participation Pension
Katılım Standart EYF	12.914.618.345	1.269.725.773	1.487.085.381.655	146.205.773.468	51.628	Participation Pension
Altın Katılım EYF	116.353.297.437	43.387.656.920	1.383.646.702.563	515.956.320.799	551.926	Participation Pension
Hisse Senedi EYF	9.207.943.579	18.185.476.278	1.490.792.056.421	2.944.280.023.214	295.259	Non-Participation Pension
İkinci Değişken (SMART) EYF	109.977.151.484	9.775.628.574	1.390.022.848.516	123.556.350.959	453.577	Non-Participation Pension
Katılım Değişken EYF	14.944.288.963	2.736.812.199	1.485.055.711.037	271.964.192.585	62.445	Participation Pension
Dinamik Değişken EYF	4.110.661.428	3.069.136.373	1.495.889.338.572	1.116.872.865.079	64.422	Non-Participation Pension
Temkinli Değişken EYF	9.989.504.576	1.390.088.515	1.490.010.495.424	207.342.410.491	46.345	Non-Participation Pension
Borçlanma Araçları EYF	13.849.642.291	3.776.484.683	1.486.150.357.709	405.239.021.089	243.149	Non-Participation Pension
Dış Borçlanma Araçları EYF	8.070.293.448	6.195.389.959	1.491.929.706.552	1.145.321.613.267	94.670	Non-Participation Pension
Dinamik Değişken Grup EYF	1.163.350.191	778.922.033	1.498.836.649.809	1.003.547.577.716	6.761	Non-Participation Pension
Borçlanma Araçları Grup EYF	3.149.005.359	588.976.077	1.496.850.994.641	279.965.022.634	12.521	Non-Participation Pension
Dış Borçlanma Araçları Grup EYF	2.094.583.496	1.117.622.541	1.497.905.416.504	799.247.878.422	9.305	Non-Participation Pension
Hisse Senedi Grup EYF	8.647.703.212	4.285.833.372	1.491.352.296.788	739.120.163.698	15.750	Non-Participation Pension
Sürdürülebilirlik Hisse Senedi EYF	23.039.989.488	5.671.830.672	1.476.960.010.512	363.587.676.668	169.315	Non-Participation Pension
Değişken EYF	8.848.465.256	3.160.970.446	1.491.151.534.744	532.690.027.363	50.320	Non-Participation Pension
Kamu Borçlanma Araçları EYF	5.698.612.219	671.688.257	1.494.301.387.781	176.131.810.276	30.249	Participation Pension
Katkı EYF	217.073.086.633	16.196.260.431	1.282.926.913.367	95.721.742.860	1.346.652	Non-Participation Pension
Para Piyasası EYF	59.492.541.165	13.361.232.516	1.440.507.458.835	323.519.248.657	316.462	Non-Participation Pension
Üçüncü Değişken EYF	26.528.177.641	5.341.638.582	1.473.471.822.359	296.693.865.735	82.464	Non-Participation Pension
Standart EYF	32.962.086.726	3.085.280.602	1.467.037.913.274	137.316.215.720	221.828	Non-Participation Pension
Başlangıç EYF	15.701.511.844	871.213.975	1.484.298.488.156	82.357.785.914	377.655	Non-Participation Pension
Başlangıç Katılım EYF	12.628.107.495	631.892.601	1.487.371.892.505	74.426.602.129	276.564	Participation Pension
Birinci Fon Sepeti EYF	93.582.346.163	3.836.374.052	1.406.417.653.837	57.656.091.719	86.595	Non-Participation Pension
Karma EYF	20.126.627.188	581.542.939	1.479.873.372.812	42.759.461.234	16.535	Non-Participation Pension
Metaverse Ve Yeni Teknolojiler Hisse Senedi EYF	100.818.783.595	3.464.151.792	1.399.181.216.405	48.075.866.596	147.707	Non-Participation Pension
OKS Temkinli Değişken EYF	3.001.869.579	224.235.162	1.496.998.130.421	111.824.263.344	7.090	Non-Participation Pension
OKS Temkinli Katılım Değişken EYF	1.708.430.426	72.164.342	1.498.291.569.574	63.287.835.899	5.112	Participation Pension
OKS Dengeli Değişken EYF	2.335.428.975	280.100.050	1.497.664.571.025	179.622.400.326	8.992	Non-Participation Pension
OKS Dengeli Katılım Değişken EYF	1.505.149.127	75.006.720	1.498.494.850.873	74.674.493.904	5.761	Participation Pension
OKS Dinamik Değişken EYF	2.782.928.510	405.524.314	1.497.217.071.490	218.172.974.441	10.501	Non-Participation Pension
OKS Dinamik Katılım Değişken EYF	2.466.251.259	354.020.536	1.497.533.748.741	214.964.979.497	13.790	Participation Pension
OKS Agresif Değişken EYF	3.996.041.154	687.741.979	1.496.003.958.846	257.471.257.341	14.177	Non-Participation Pension
OKS Agresif Katılım Değişken EYF	3.469.218.673	609.734.007	1.496.530.781.327	263.022.767.472	18.315	Participation Pension
OKS Standart EYF	53.720.559.522	3.898.410.262	1.446.279.440.478	104.953.606.437	776.813	Non-Participation Pension
OKS Katılım Standart EYF	39.470.120.454	2.708.488.906	1.460.529.879.546	100.223.020.864	618.695	Participation Pension
Total	1.091.358.266.666	167.107.304.656	52.908.641.733.334	13.655.805.175.239	7.104.965	

(*)As of December 31, 2024, there are 7.104.965 investors in the 36 pension investment funds we founded. (December 31, 2023: 6.144.269). There are 2.230.100 investors in the participation pension funds among these funds as of December 31, 2024. (December 31, 2023: 1.890.925).

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18 INVESTMENT CONTRACT LIABILITIES (CONTINUED)**Individual pension (continued)**

	31 DECEMBER 2023					
	PARTICIPATION CERTIFICATE IN THE CIRCULATION		PARTICIPATION CERTIFICATE IN THE PORTFOLIO		NUMBER OF INVESTORS	PARTICIPATION / NON - PARTICIPATION
	QUANTITY	AMOUNT	QUANTITY	AMOUNT		
Katılım Katkı EYF	35.387.371.089	2.394.119.945	1.464.612.628.911	99.088.367.409	473.568	Participation Pension
Katılım Standart EYF	12.031.124.154	848.718.725	1.487.968.875.847	104.967.276.378	45.476	Participation Pension
Altın Katılım EYF	106.949.179.855	26.024.333.206	1.393.050.820.145	338.976.628.269	446.996	Participation Pension
Hisse Senedi EYF	6.215.367.073	7.960.493.404	1.493.784.632.927	1.913.203.507.022	182.963	Non-Participation Pension
Mutlak Getiri Hedefli Değişken (SM ART) EYF	115.219.501.991	6.579.442.219	1.384.780.498.009	79.076.505.558	484.609	Non-Participation Pension
Katılım Değişken EYF	16.478.561.466	2.201.514.822	1.483.521.438.534	198.196.980.667	59.155	Participation Pension
Dinamik Değişken EYF	4.754.880.667	2.293.232.435	1.495.245.119.333	721.141.768.603	65.160	Non-Participation Pension
Temettü Ödeyen Şirketler Hisse Senedi EYF	8.629.047.020	804.047.392	1.491.370.952.980	138.964.454.028	38.105	Non-Participation Pension
Borçlanma Araçları EYF	14.540.953.542	2.703.987.832	1.485.459.046.458	276.231.507.902	190.791	Non-Participation Pension
Dış Borçlanma Araçları EYF	11.746.307.731	7.039.537.940	1.488.253.692.269	891.907.461.269	113.694	Non-Participation Pension
Dinamik Değişken Grup EYF	1.322.282.485	562.763.878	1.498.677.717.515	637.837.236.574	9.355	Non-Participation Pension
Borçlanma Araçları Grup EYF	3.118.284.452	394.363.724	1.496.881.715.548	189.307.636.802	14.807	Non-Participation Pension
Dış Borçlanma Araçları Grup EYF	3.817.030.206	1.591.920.891	1.496.182.969.794	623.993.580.834	12.694	Non-Participation Pension
Hisse Senedi Grup EYF	5.679.451.702	1.788.609.485	1.494.320.548.298	470.600.392.993	13.216	Non-Participation Pension
Sürdürülebilirlik Hisse Senedi EYF	17.311.857.973	2.842.920.139	1.482.688.142.027	243.484.081.307	107.126	Non-Participation Pension
Değişken EYF	14.836.057.338	3.950.827.362	1.485.163.942.662	395.497.672.767	70.482	Non-Participation Pension
Kira Sertifikalı Katılım EYF	4.871.435.235	395.909.168	1.495.128.564.765	121.512.088.716	25.036	Participation Pension
Katki EYF	181.041.622.446	9.273.518.809	1.318.958.377.554	67.561.004.973	1.186.896	Non-Participation Pension
Para Piyasası EYF	21.315.505.933	2.980.817.862	1.478.684.494.067	206.783.675.704	193.834	Non-Participation Pension
Üçüncü Değişken EYF	35.435.508.869	4.838.723.433	1.464.564.491.131	199.986.281.264	121.736	Non-Participation Pension
Standart EYF	38.207.068.461	2.417.924.711	1.461.792.931.539	92.509.565.672	242.705	Non-Participation Pension
Başlangıç EYF	14.592.047.107	507.136.117	1.485.407.952.893	51.623.867.995	384.817	Non-Participation Pension
Başlangıç Katılım EYF	10.324.317.060	330.152.443	1.489.675.682.940	47.636.848.989	280.341	Participation Pension
Birinci Fon Sepeti EYF	99.068.119.563	2.594.010.564	1.400.931.880.437	36.682.000.357	105.858	Non-Participation Pension
Karma EYF	28.560.087.505	636.263.297	1.471.439.912.495	32.780.738.371	17.251	Non-Participation Pension
Metaverse Ve Yeni Teknolojiler Hisse Senedi EYF	30.696.464.456	711.598.557	1.469.303.535.544	34.061.394.561	24.074	Non-Participation Pension
OKS Temkinli Değişken EYF	1.102.897.567	47.662.257	1.498.897.102.433	64.774.838.282	2.945	Non-Participation Pension
OKS Temkinli Katılım Değişken EYF	882.764.674	25.227.638	1.499.117.235.326	42.841.772.351	3.607	Participation Pension
OKS Dengeli Değişken EYF	1.635.495.386	118.569.881	1.498.364.504.614	108.628.429.856	6.144	Non-Participation Pension
OKS Dengeli Katılım Değişken EYF	1.168.228.777	40.848.775	1.498.831.771.223	52.408.151.713	5.151	Participation Pension
OKS Dinamik Değişken EYF	2.314.456.351	212.566.986	1.497.685.543.649	137.551.933.385	8.382	Non-Participation Pension
OKS Dinamik Katılım Değişken EYF	2.051.268.279	191.759.061	1.497.948.731.721	140.032.741.287	11.921	Participation Pension
OKS Agresif Değişken EYF	3.282.658.641	368.430.221	1.496.717.341.359	167.984.070.807	11.139	Non-Participation Pension
OKS Agresif Katılım Değişken EYF	2.908.207.236	342.657.715	1.497.091.792.764	176.393.343.391	16.196	Participation Pension
OKS Standart EYF	46.176.509.421	2.348.371.612	1.453.823.490.579	73.935.647.437	644.561	Non-Participation Pension
OKS Katılım Standart EYF	33.517.804.028	1.718.074.491	1.466.482.195.971	75.170.410.883	523.478	Participation Pension
Total	937.189.725.739	100.081.056.997	53.062.810.274.261	9.253.333.864.376	6.144.269	

(*)As of December 31, 2024, there are 7.104.965 investors in the 36 pension investment funds we founded. (December 31, 2023: 6.144.269). There are 2.230.100 investors in the participation pension funds among these funds as of December 31, 2024. (December 31, 2023: 1.890.925).

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18 INVESTMENT CONTRACT LIABILITIES (CONTINUED)**Individual pension (continued)**

Portfolio amounts in terms of number of new participants, left or cancelled participants, and existing participants for individuals and groups

1 JANUARY – 31 DECEMBER 2024				
	ADDITIONS DURING THE PERIOD	LEFT/CANCELLATIONS DURING THE PERIOD	CURRENT	CURRENT AMOUNT
Individual	284.384	140.246	1.370.425	40.473.793.355
Group	33.469	33.233	225.763	9.012.117.673
Total	317.853	173.479	1.596.188	49.485.911.028

1 JANUARY – 31 DECEMBER 2023				
	ADDITIONS DURING THE PERIOD	LEFT/CANCELLATIONS DURING THE PERIOD	CURRENT	CURRENT AMOUNT
Individual	234.916	134.454	1.220.640	21.469.882.054
Group	28.055	32.988	226.970	5.539.595.602
Total	262.971	167.442	1.447.610	27.009.477.656

Distribution of new participants in terms of their numbers and gross and net contributions for individuals and groups

31 DECEMBER 2024				31 DECEMBER 2023		
	NUMBER OF CONTRACTS	GROSS CONTRIBUTIONS	NET CONTRIBUTION	NUMBER OF CONTRACTS	GROSS CONTRIBUTIONS	NET CONTRIBUTIONS
Individual	284.384	8.811.949.965	8.735.636.655	234.916	3.192.436.197	3.151.490.703
Group	33.469	1.595.800.073	1.594.775.186	28.055	807.779.990	807.567.135
Total	317.853	10.407.750.038	10.330.411.840	262.971	4.000.216.187	3.959.057.837

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

18 INVESTMENT CONTRACT LIABILITIES (CONTINUED)**Individual pension (continued)**

Distribution of new participants in terms of their numbers and gross and net contributions for individuals and groups which were transferred from other insurance companies during the period

	31 DECEMBER 2024			31 DECEMBER 2023		
	NUMBER OF CONTRACTS	GROSS CONTRIBUTIONS	NET CONTRIBUTION	NUMBER OF CONTRACTS	GROSS CONTRIBUTIONS	NET CONTRIBUTIONS
Individual	5.640	2.164.195.049	2.163.775.368	5.804	1.170.921.631	1.170.596.327
Group	3.050	1.136.315.297	1.136.314.873	2.091	383.649.216	383.647.313
Total	8.690	3.300.510.346	3.300.090.241	7.895	1.554.570.847	1.554.243.640

Distribution of individual and group participants and their gross and net contributions which were transferred from life insurance portfolio during the period

None.

Individual and corporate distributions of the number of individual pension participants, who left the Company's portfolio or did not move to another company, and the number of gross and net participation shares, both together

	31 DECEMBER 2024			31 DECEMBER 2023		
	NUMBER OF CONTRACTS	GROSS CONTRIBUTIONS	NET CONTRIBUTION	NUMBER OF CONTRACTS	GROSS CONTRIBUTIONS	NET CONTRIBUTIONS
Individual	140.246	12.909.405.608	11.382.415.780	134.454	7.662.322.862	6.823.247.008
Group	33.233	3.701.803.091	3.335.166.944	32.988	2.082.021.677	1.860.160.290
Total	173.479	16.611.208.699	14.717.582.724	167.442	9.744.344.539	8.683.407.298

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024
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19 TRADE AND OTHER PAYABLES AND DEFERRED INCOME

	31 DECEMBER 2024	31 DECEMBER 2023
Payables due to main operations	172.508.345.220	102.607.350.024
Taxes and other liabilities and provisions	720.121.725	406.973.308
Due to related parties	372.267	656.035
Deferred commission income (Note 10)	482.123.393	306.748.492
Expense accruals (other income for the next months)	260.576.682	145.275.534
Other various payables (*)	18.554.268	96.057.368
Total	173.990.093.555	103.563.060.761
Short term payables	173.990.093.555	103.563.060.761
Total	173.990.093.555	103.563.060.761

(*)As at 31 December 2024 and 31 December 2023, other payables consist of payments to be made for outsourced benefits and services.

As at 31 December 2024 and 31 December 2023, the details of the Company's payables from main operations are as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
Payables to reinsurers (Note 10)	96.853.064	48.261.785
Payables to agencies	172.345.336	71.402.904
Payables to policyholders	436.258	532.770
Total payables due to insurance operations	269.634.658	120.197.459
Payables s due to pension operations (Note 18)	172.238.710.562	102.487.152.565
Payables from main operations	172.508.345.220	102.607.350.024

Total amount of investment incentives, which will be benefited in current and forthcoming periods

None.

20 FINANCIAL LIABILITIES

As of December 31, 2024, the Company has recognized rent amounting to TL 42.586.125 (December 31, 2023: TL 14.425.980) under TFRS 16. TL 11.840.599 (31 December 2023: TL 868.214) is recognized as deferred rent liability in the financial statements.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

21 DEFERRED TAXES

As of 31 December 2024 and 31 December 2023, the detailed analysis of the items resulting deferred tax assets and liabilities are as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
	DEFERRED TAX ASSETS / (LIABILITIES)	DEFERRED TAX ASSETS / (LIABILITIES)
Differences in depreciation methods on tangible and intangible assets between tax regulations and the Reporting Standards	(32.117.288)	(13.919.433)
Provision for impairment in receivables from participants	4.144.925	4.064
Balancing provision	26.354.739	18.892.025
Provision for employment termination benefits and unused vacation pay liability	21.442.354	16.216.225
Personnel performance provision	22.689.498	7.911.965
Contribution bonus, plan bonus provision	16.182.730	19.790.673
Provisions for lawsuits	3.259.207	2.670.716
Marketable Securities Valuation Difference	25.485.622	(12.122.623)
Fund Total Expense Deduction Return Provision	17.064.514	7.809.150
ROP Additional Reserve	-	16.522.401
Other	5.618.543	3.224.301
Deferred tax assets/(liabilities), net	110.124.844	71.060.258

Movement of the deferred tax assets / (liabilities) during the periods ending 31 December 2024 and 31 December 2023 is presented below:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Beginning balance, January 1	71.060.258	67.347.881
Recognized in the income statement (Note 35)	48.955.582	5.936.083
Recognized in the equity (Note 4.2)	(9.890.996)	(2.223.706)
Closing balance as of end of the period	110.124.844	71.060.258

22 RETIREMENT BENEFIT OBLIGATIONS

None.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024
(Currency: Expressed in Turkish Lira (TL.))

23 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

As of 31 December 2024 and 31 December 2023; the details of the provisions for other risks are as follow:

	31 DECEMBER 2024	31 DECEMBER 2023
Provision for unused vacation pay liability (long term)	3.819.440	3.413.386
Provision for unused vacation pay liability (short term)	8.428.239	2.951.428
Provisions for lawsuits	10.864.025	8.902.388
Provisions for costs	23.111.704	15.267.202
Provision for employment termination benefits	59.226.835	47.689.270
Total provisions for other risks	82.338.539	62.956.472

Movement of provision for employment termination benefits during the period is presented below:

	1 JANUARY – 31 DECEMBER 2024	1 JANUARY – 31 DECEMBER 2023
Provision for employment termination benefits at the beginning of the period	47.689.270	34.630.779
Interest cost	12.244.522	4.505.261
Service cost	7.911.164	7.898.998
Payments during the period	(8.332.082)	(14.395.923)
Actuarial loss	(286.039)	15.050.155
Provision for employment termination benefits at the end of the period	59.226.835	47.689.270

24 NET INSURANCE PREMIUM REVENUE

Net insurance premium revenue for life and non-life branches is presented in detailed in the accompanying statement of income.

25 DUES (FEE) INCOME

The Company's contribution income consists of contributions from participants in private pension transactions and pension investment funds, and Company expense deductions from policyholders in cumulative life insurance.

	1 JANUARY – 31 DECEMBER 2024	1 JANUARY – 31 DECEMBER 2023
Fund management fee	1.939.978.374	1.091.987.303
Management fee deduction	550.402.902	267.662.375
Entrance fee	230.049.091	95.039.625
Management fee deduction in case of interruption	-	21.908
Total pension technical income	2.720.430.367	1.454.711.211

Dues and fees received from participants and pension investment funds related to private pension transactions are detailed in the accompanying income statement. As of December 31, 2024, the Company's expense deduction from the accumulation premiums of savings life insurance policyholders amounts to TL 102.058 (December 31, 2023: TL 70.653).

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

26 INVESTMENT INCOME

Presented in Note 4.2 – Financial risk management.

27 NET REALIZED GAINS ON FINANCIAL ASSETS

Presented in Note 4.2 – Financial risk management.

28 NET FAIR VALUE GAINS ON ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Presented in Note 4.2 – Financial risk management.

29 INSURANCE RIGHTS AND CLAIMS

The Company has no branch based subrogation income or expense for the period between 1 January – 31 December 2024 (January, 1 – 31 December 2023: None).

30 INVESTMENT CONTRACTS RIGHTS

As the year ended 31 December 2024 and 31 December 2023, the details of changes in life mathematical provisions recognized in the statement of income and equity from investment contracts are as follows:

	1 JANUARY – 31 DECEMBER 2024	1 JANUARY – 31 DECEMBER 2023
Change in life mathematical provisions for investment contracts recognized in the Statement of income	12.484.250	15.785.572
Changes in shares of policy holders in unrealized gain or loss from available for sale financial asset in which the liabilities arising from investment contract benefits are invested (Note 18)	920.698	2.950.454
Change in life mathematical provisions for investment contracts	13.404.948	18.736.026

31 OTHER MANDATORY EXPENSES

The allocation of the expenses with respect to their nature or function is presented in Note 32 below.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024
(Currency: Expressed in Turkish Lira (TL.))

32 EXPENSES BY NATURE

For the year ended 31 December 2024 and 31 December 2023, the details of operating expenses are as follows:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Commission expenses	(2.445.682.234)	(1.210.107.638)
<i>Commissions to intermediaries accrued during period</i>	<i>(2.969.607.524)</i>	<i>(1.515.995.683)</i>
<i>Change in deferred commission expenses</i>	<i>393.996.366</i>	<i>190.600.969</i>
<i>Deferred commission expenses</i>	<i>129.928.924</i>	<i>115.287.076</i>
Employee benefit expenses (Note 33)	(761.436.066)	(374.469.091)
Commission income from reinsurers	1.008.819.346	482.655.954
<i>Commission income from reinsurers accrued during period (Note 10)</i>	<i>1.181.869.432</i>	<i>737.432.797</i>
<i>Change in deferred commission income</i>	<i>(173.050.086)</i>	<i>(254.776.843)</i>
Information technology expenses	(282.972.566)	(135.874.556)
Office expenses	(81.062.053)	(46.806.653)
Advertisement and public related expenses	(110.744.024)	(34.598.726)
Other expenses	(36.504.391)	(23.311.796)
Total	(2.709.581.988)	(1.342.512.506)

Fees for services received from the independent auditor/independent audit firm:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Expenses related to independent audit services	2.678.002	3.092.946
Total	2.678.002	3.092.946

33 EMPLOYEE BENEFIT EXPENSES

For the year ended 31 December 2024 and 31 December 2023, the details of employee benefit expenses are as follows:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Wages and salaries	(416.628.643)	(212.542.114)
Bonus, premium and commissions	(125.405.436)	(49.240.443)
Employer's share in social security premiums	(83.114.695)	(41.119.294)
Employment termination benefits and unused vacation expenses	(6.100.188)	(4.957.539)
Other benefits	(130.187.104)	(66.609.701)
Total (Note 32)	(761.436.066)	(374.469.091)

34 FINANCIAL COSTS

There are not any finance costs classified either on production costs or tangible assets.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

35 INCOME TAX

Income tax expense in the accompanying financial statements is as follows:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Provision for corporate tax expense	(1.921.980.761)	(876.619.923)
Deferred tax income / (expense)	48.955.582	5.936.083
Total income tax expense presented in the statement of income	(1.873.025.179)	(870.683.840)

As of December 31, 2024 and December 31, 2023, a reconciliation of income tax expense applicable to profit from operating activities before income taxes at the statutory income tax rate to income tax expense at the Company's effective income tax rate is detailed in the table below:

	1 JANUARY - 31 DECEMBER 2024		1 JANUARY - 31 DECEMBER 2023	
Profit before taxes	6.244.505.514	(%)	3.020.936.393	(%)
Tax calculated	(1.873.351.654)	(30,00)	(906.280.918)	(30,00)
(Additions)/discounts, net	326.475	0,01	35.597.078	1,18
Total income tax expense presented in the statement of income	(1.873.025.179)	(29,99)	(870.683.840)	(28,82)

Corporate tax and prepaid taxes are detailed in the table below:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Corporate tax payable	1.909.119.336	876.619.923
Prepaid taxes	(1.344.658.010)	(568.149.492)
Corporate tax payable, net	564.461.326	308.470.431

36 NET EXCHANGE RATE GAINS/LOSSES

Net foreign exchange gains/losses are presented in Note 4.2 – Financial Risk Management.

37 EARNINGS PER SHARE

According to TAS 33 "Earnings per Share", earnings per share of unquoted Companies do not have to disclose earnings per share. As for the Company is not listed, earnings per share is not calculated in the accompanying financial statements.

38 DIVIDENDS PER SHARE

The Company is not a listed entity, hence dividend per share is not presented in the accompanying financial statements.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

39 CASH GENERATED FROM OPERATIONSÇ

The cash flows from operating activities is presented in the accompanying statement of cash flows.

40 CONVERTIBLE BOND

None.

41 REDEEMABLE PREFERENCE SHARES

Esas faaliyetlerden kaynaklanan nakit akımları ilişikteki nakit akış tablolarında gösterilmiştir.

42 RISKS

In the normal course of business, the Company is involved in a number of legal disputes, lawsuits and claims, mainly arising from its insurance operations. These lawsuits are reflected in the financial statements by allocating the necessary provisions in both the provision for outstanding claims and cost expense provisions.

As at December 31, 2024, if all the lawsuits in which the Company is a defendant related to the Company's field of activity are concluded against the Company, the possible liability amount that will arise is gross TL 18.097.801 (December 31, 2023: TL 15.177.745). The Company has recognized a provision amounting to TL 35.913.523 (December 31, 2023: TL 30.674.539) including costs and interest for the lawsuits filed against the Company in the calculation of provision for outstanding claims in the accompanying financial statements.

43 COMMITMENTS

The details of the guarantees given by the Company in life and non-life insurance branches due to its operations are given in Note "17 - Insurance liabilities and reinsurance assets". The total amount of minimum lease payments for leased vehicles is as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
Less than 1 year	23.336.331	15.922.496
More than 1 year less than 5 years	1.811.254	934.777
Total of minimum rent payments	25.147.585	16.857.273

Due to the Company has applied TFRS 16, lease payments under operating leases for rented properties presented in Note 20.

44 BUSINESS MERGERS

None.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

45 RELATED PARTY TRANSACTIONS

T. Garanti Bankası A.Ş. and Achmea BV which have 99.91% in total of outstanding shares of the Company and the groups having direct control over those companies and the affiliates and associates of those groups are defined as related party to the Company.

The related party balances as of 31 December 2024 and 31 December 2023 are as follows:

	31 DECEMBER 2024	31 DECEMBER 2023
Garanti Bankası – Demand Accounts	169.715.108	200.534.083
Garanti Bankası – Bank Deposits and Private Sector Bonds	6.514.173.459	3.201.730.661
Banks	6.683.888.567	3.402.264.744
T.Garanti Bankası A.Ş. – Credit Card Collections	1.477.876.994	754.149.696
Bank Guaranteed Credit Card Receivables with a maturity of less than three months (Note 14)	1.477.876.994	754.149.696
Garanti Faktoring Hizmetleri A.Ş.	-	-
T. Garanti Bankası A.Ş.	1.262	23.100
Garanti Finansal Kiralama A.Ş.	15.952	102
Garanti Portföy Yönetimi A.Ş.	-	-
Garanti Yatırım Menkul Kıymetler A.Ş.	94.326	1.021
Garanti Filo Yönetim Hizmetleri A.Ş.	1.363	-
Receivables from Main Operations	112.903	24.223
T. Garanti Bankası A.Ş. – Commissions Payable Net	184.485.182	74.598.895-
Receivables from Shareholders	184.485.182	74.598.895
Eureko Sigorta A.Ş. – Insurance Policy Premium	-	144.636
T. Garanti Bankası A.Ş.	5.395.401	14.401.523
Garanti Hizmet Yönetimi A.Ş. – Portfolio Management	798.248	492.185
Garanti Ödeme Sistemleri A.Ş.	13.298	13.298
Payables to Shareholders	6.206.947	15.051.642
Garanti Portföy Yönetimi AŞ – Regarding BES funds management	-	74.082.600
Garanti Filo Yönetim Hizmetleri A.Ş. – Automobile Rental Expenses	42.943	387.936
Payables to Other Related Parties	42.943	74.470.536

No guarantees have been taken for the receivables from related parties.

There are no doubtful receivables and payables from shareholders, subsidiaries and joint ventures. There are no liabilities like guarantee, commitment and loan on behalf of shareholders, subsidiaries and associates.

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024
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45 RELATED PARTY TRANSACTIONS (CONTINUED)

The transactions with related parties during the year ended 31 December 2024 and 31 December 2023 are as follows:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
T. Garanti Bankası A.Ş.	77.366.690	39.027.180
Garanti Ödeme Sistemleri A.Ş.	1.129.160	894.150
Garanti Yatırım Menkul Kıymetler A.Ş.	1.474.985	880.207
Garanti Finansal Kiralama A.Ş.	778.308	402.460
Eureko Sigorta A.Ş.	795.652	492.488
Garanti Portföy Yönetimi A.Ş.	465.721	231.265
Garanti Factoring A.Ş.	950.257	-
Other	1.287.168	1.154.900
Written premiums	84.247.941	43.082.650
T. Garanti Bankası A.Ş.	19.543.545	15.803.158
Other	440.000	231.000
Damages paid	19.983.545	16.034.158
T. Garanti Bankası A.Ş. – Interest Income from Bank Deposits	1.970.360.008	782.883.230
Investment income	1.970.360.008	782.883.230
T. Garanti Bankası A.Ş. - Commissions Paid (*)	2.892.220.086	1.472.705.560
T. Garanti Bankası A.Ş. – Rent, Tax and Other Expenses	291.196.513	144.463.631
Eureko Sigorta A.Ş. – Insurance Premiums	515.685	81.560
Garanti Filo Yönetim Hizmetleri A.Ş. – Vehicle Rent	3.687.797	2.814.788
Garanti Portföy Yönetimi A.Ş. – Private Pension funds management fee	46.695.362	83.569.590
Operations expense	3.234.315.443	1.703.635.129

(*)Amounts are demonstrated as gross amounts without deferred commission expenses

GARANTİ EMEKLİLİK VE HAYAT ANONİM ŞİRKETİ

Footnotes to the Financial Statements Prepared as of 31 December 2024

(Currency: Expressed in Turkish Lira (TL.))

46 EVENTS AFTER THE REPORTING PERIOD

None.

47 OTHER**Description and amounts of the items which are higher than 5% of the total assets in the balance sheet or higher than 20% of the total amount of the group including the items phrased with “other” in the accompanying financial statements**

They are presented in the related notes above.

Separate sums of receivables from personnel and payables to personnel, which are included in the "Other receivables" and "Other short-term or long-term payables" account item and exceed one percent of the balance sheet assets

None.

The amounts related to the recourse receivables followed in the off-balance sheet accounts

There are no recourse receivables that are followed in the off-balance sheet accounts.

Real rights on immovable and their values

None.

Explanatory Note for the amounts and nature of previous years' income and losses and of previous years' expenses and losses:

None.

For the period ended 31 December 2024 and 31 December 2023, details of the provision and expenses are as follows:

	1 JANUARY - 31 DECEMBER 2024	1 JANUARY - 31 DECEMBER 2023
Provision for employment termination benefits (Note 23)	(20.155.686)	(12.404.259)
Provision expense for entrance fee receivables (Note 4.2)	(266.891)	(1.948.639)
Provision expense for lawsuits (Note 23)	(1.961.637)	(3.025.642)
Provision expense for unused vacation pay liability (Note 23)	(5.882.865)	(1.080.886)
Provision expense for receivables from main operations (Note 12)	158.955	(273.499)
Other	12.000.000	-
Total provision expenses	(16.108.124)	(18.732.925)

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Region Manager: Sibel Güler

İZMİR AND AEGEAN REGIONAL OFFICE

Telephone: 0232-441-50-22

Fax: 0232-441-58-30

Address: Fevzi Paşa Bulvarı No:1 Kat:2 Konak/İzmir

Region Manager: Özhan Uzgüç

MARMARA AND WESTERN ANATOLIA REGIONAL OFFICE

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Kat:1 Osmangazi, TR-16050 Bursa / Garanti BBVA

Bursa Hizmet Binası

Region Manager: Çağdaş Bilgetay

EASTERN BLACK SEA AND CENTRAL ANATOLIA REGIONAL OFFICE

Telephone: 0352-207-28-00

Fax: 0352-336-93-35

Address: Gevher Nesibe Mah. Tekin Sokak No:4 İmtaş Park

Plaza Kat:7-10-12 Kocasinan / Kayseri

Region Manager: Burçin Birecikligil

ÇUKUROVA AND SOUTHEASTERN ANATOLIA REGIONAL OFFICE

Telephone: 0322-355-10-90

Fax: 0322-352-66-26

Address: Reşatbey Mah. Atatürk Cd. Mimar Semir Rüstem

İş Merkezi No:18 K:2 Seyhan/ Adana

Region Manager: Ayşegül Anlıatamer

SOUTHERN AEGEAN REGIONAL OFFICE

Telephone: 0212-334-77-58

Fax: 0212-334-63-00

Address: Saraylar Mah. Enverpaşa Cad. No:28

Merkezefendi/Denizli

Region Manager: Elif Çelik

Contact

TRADE NAME

Garanti Emeklilik ve Hayat A.Ş.

TRADE REGISTRY NUMBER

288647

HEAD OFFICE

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