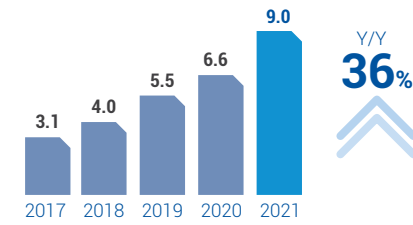
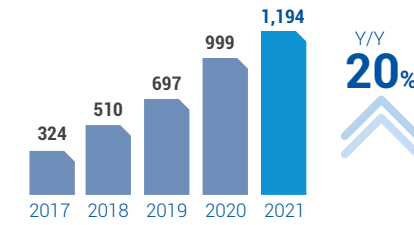


In the new era of market conditions experienced in 2021; "normalization in the pandemic", Sabancı Group's financial services companies continued to provide **best-in-class service experience to their customers while undertaking strategic, innovative and sustainable initiatives.**

Combined Revenue (TL Billion)

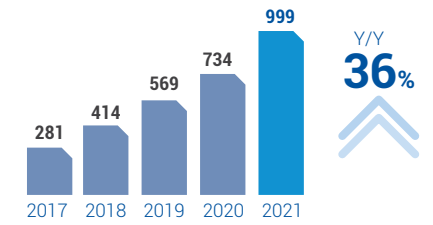


Combined EBITDA* (TL Million)



*Excluding one-off income/expenses

Combined Net Income* (TL Million)



*Excluding one-off income/expenses



Financial Services



Financial Services



Successfully confronting market challenges

Strategic, innovative and sustainable initiatives supported the achievement of remarkable results in market share, transaction volumes and customer numbers.

A strategic move

The key development for the financial services strategic business unit in 2021 was the change in the life and pension business partnership. In May, Ageas - which had already been a shareholder in the non-life business since 2011 - became Sabancı Group's JV partner in the life and pension business as well, paving the way for new synergies going forward. As a result of this new partnership, Sabancı Holding started to fully consolidate its financial services companies, Aksigorta and Ageas, in its financial statements with effect from 1 July 2021.

Significant progress in the life & pension business

In 2021, our life and pension business maintained its leading market position among private sector companies in the pension market and achieved significant progress in the life insurance segment. Our life and pension financial services company, Ageas, is currently positioned as the number one pension & auto-enrollment (among private companies) player in the market with a 17.8% market share, ranking the second in the life and personal accident insurance market (among private companies) with a 11.0% market share.

Significant growth in core market thanks to credit life products

Credit life products, which generate a substantial part of insurance premium production, play a crucial role in building the core business. Perfection in the customer experience

supported by digital processes and the clear focus of the sales teams have delivered successful business outcomes, driving our market share in the credit life segment from 5.1% at the end of 2020 to 8.2% at the end of 2021. Coupled with the significant growth of our standalone and personal accident businesses, our life insurance business achieved a premium growth rate of around 52% year on year far outpacing 21% market growth.

43% growth in pension assets under management

The life and pension business maintained its upward momentum in 2021 with a 43% year on year growth in total pension assets under management (AuM). New regulatory developments, notably the availability of pension products to under age of 18s and the increase in the state contribution from 25% to 30%, also supported the long-term growth prospects.

Growth in direct sales channels

The life and pension business serves 2.4 million customers through an extensive distribution structure, comprised of a bank assurance network which it established with Akbank, the industry's largest direct sales team, an exclusive agency network, corporate projects and telesales.

In order to respond to shifting market and customer dynamics, the life and pension business continued to improve its distribution capabilities in 2021, in particular with the growth of the direct sales channel.

Our life and pension business has also continued to distinguish itself with its services and the personalized experiences offered to customers. Dedicated teams in the call center and sales channels provide valuable information and services to pension customers regarding their savings and investment alternatives while

automated fund management advisory services are provided through our mobile application.

A leading player in the non-life segment

Despite being a challenging year, our non-life financial services company, Aksigorta, succeeded in maintaining its strong position in the sector, by maintaining its number 4 position.

While providing all-inclusive support to its agencies, our non-life business also expanded its distribution network, reaching over 3,500 agencies. A total of 1,469 new agencies have joined the network over the last three years.

33% growth in gross written premiums

Thanks to the vigorous growth and exclusive partnership with Akbank, in 2021, our non-life business generated 32% of total agency Gross Written Premiums (GWP) from 1,469 new agencies included in the network in last three years.

Aksigorta performed a record level growth of 33% in 2021 GWPs on a year over year basis leading to TL 7.0 billion of GWP.

New generation financial services

Aiming to push the limits of insurance and embrace the concept of "New Generation Financial Services", our non-life business implemented new tools for business process automation and undertook significant investments in the analytics field, digitalization, and new technologies.

Aksigorta is one of the leaders in the non-life business sector with best-in-class G&A efficiency, and is currently 3pp better than the market average, which stands at a 20% equivalent Full-time equivalent (FTE) via Robotic Process Automation (RPA) technology. As the pioneer of the robotic technology, our non-life company also introduced Artificial Intelligence applications to the sector.

In line with the concept of "New Generation Financial Services", our non-life business established innovative collaborations and took significant steps towards integration into different ecosystems such as telco-insurance with Vodafone and "Fiat Connect Casco" with Tofaş / Fiat.

In life and pension business, Ageas continuously invests on digital and analytics aiming to generate financial benefit from retention and growth of the customer base.

Ageas's mobile application is the market leader with 4.6 Appstore rating and offers best-in-class user experience and proved its success with a number of international awards and customer satisfaction scores.

Financial Services

Our two financial services companies, Ageasa and Aksigorta, seek new opportunities in digital platforms and ecosystems.



Digital

The Aksigorta Digital Assistant (ADA) is now three years old and successfully performing 4 million transactions per year. In addition to starting providing voice support to Aksigorta's customers in the call center, ADA handles 50% of contact center customers over the voice system.

within the scope of our corporate social responsibility project, "At All Ages", which addresses a wide range of the age-related issues faced by individuals and society.

The non-life and the life and pensions sector looking forward

In the near future positive influence of regulatory changes will be observed in the life and pension business. Changes create new opportunities to attract saving through increasing the benefits and enabling the pension system to new segments.

The problem of underinsurance is expected to come to the fore with the rise in insurance costs and the need for protection. An expansion of regulations in motor insurance will impact costs and lead to an increase in capital requirements.

The increased importance of well-being also improved insurance awareness in health branch and will likely drive health insurance premiums in the sector. The impact of climate change and increasing natural disasters on the portfolio will increase.

With strategic collaborations and digitalization becoming the primary focus for market players while producing smart efficiency solutions, infrastructures are expected to be set up to tackle any disruptive transformation. In this case, the technological workforce will become even more important.

In line with these developments, the bancassurance channel is expected to undergo a digital transformation, where currently majority of purchases are carried out from the bank branches, into a digital environment.

Innovative new generation solutions in our life and pension business, specifically digital fund management consultancy FonPro; artificial intelligence based retention engine; paperless sales with biometric digital signature differentiates us from the competition.

Driving our financial services companies to their full potential with a focus on sustainability and digitalization

Our financial services companies aim to become the leading new generation service providers by acting as multi-line insurers, working to the strategic priorities of strengthening their market leader positions with profitable growth driven by a customer-centric approach.

Prioritized synergy areas to bear fruit from 2022

Our two financial services companies, Ageasa and Aksigorta, seek new

opportunities in digital platforms and ecosystems.

The new partnership with Ageas in the Sabancı Group life business in 2021 has enabled a more joined-up strategic approach in the financial services segment. In this respect, Sabancı Group financial services companies have started to work on prioritized areas of synergy, which leverage all distribution channels under a unified customer-centric approach and share talent and best practices for various functions, a strategy that will start to bear fruit from 2022 onwards.

Raising the level of good sustainability practices

Another focus area of non-life and life and pension business for the near future will be to pioneer sustainability in the Turkish insurance market. Ageasa and Aksigorta aims to raise the level of "good sustainability practices" over a three-year roadmap. Aksigorta plans to

be included in the BIST Sustainability Index. Both financial services companies also have set a target of net-zero emissions by 2050.

Steps to grow and protect the core

With the aim of protecting and grow the core, the Sabancı Group's financial services companies continue to extend their coverage and grow while improving efficiency in their current distribution channels across the country. The companies are focused on the digitalization of bancassurance to increase penetration in Akbank's sales channels. To achieve commercial excellence, the companies are constantly renewing themselves to adapt to the constantly changing market conditions while building a healthy balance between market share and profitability.

Transforming for growth

Our non-life company continues to develop new products dedicated to meeting changing customer needs, such as complementary health insurance, complementary traffic insurance, damage protection for electronic equipment and insurance for pets. Consequently, the company continues to invest in IT and cyber security to accelerate the digitalization of processes, thus further increasing its efficiency. The company aims to proceed on a productive and steady process to improve customer and stakeholder experience. Our non-life company is reconfiguring the health insurance business to handle future growth.

The company is focused on developing strategic alliances and pressing ahead on open insurance investments as a part of its transformation journey. The company creates new generation insurance by cooperating with other

brand ecosystems and collaborating with them on many projects.

Our aim for the life and pension business segment in 2022 is to maintain our strong presence in the private pension market and expand our life insurance business even further. In order to achieve this, our life and pension business plans to enrich its product range and services through customer-oriented and innovative solutions, both for pensions and life insurance.

In addition to providing financial assurance to customers, our life and pension business will also develop innovative business models and projects for sustainable growth. Parallel with the changes in global demographics, Turkey's elderly population is growing rapidly with a lack of qualified services for an ageing population necessitating new initiatives, services and products. The problems faced by senior citizens also come