



FINANCIAL SERVICES DAY

5 October 2020

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AGENDA

- Sabancı Holding
- Financial Services Group
- Property & Casualty (Aksigorta)
- Life & Pension (AvivaSA)
- Q&A

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Barış Oran, CFO
Sabancı Holding

Creating Market Leaders in Large and Growing Business Areas

**Our companies are market leaders
in critical areas within their
respective sectors.**



Banking & Financial Services

Leading player in Turkey



Energy & Utilities

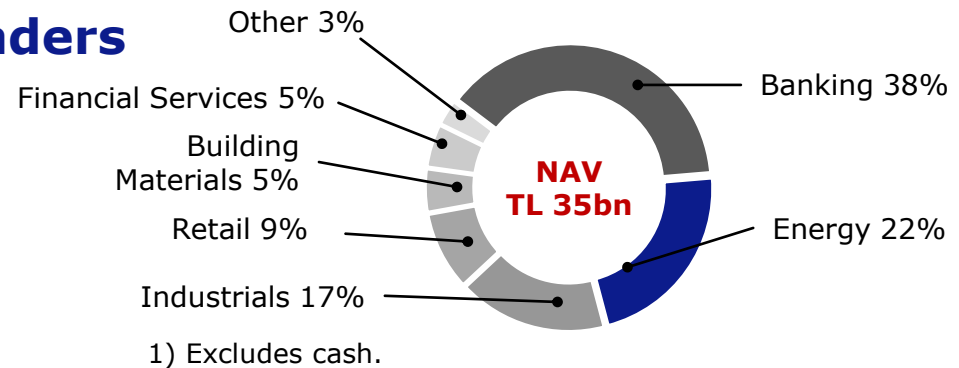
The industry pioneer in upstream / downstream
electricity markets



Industrials (Reinforcement & Building Materials)

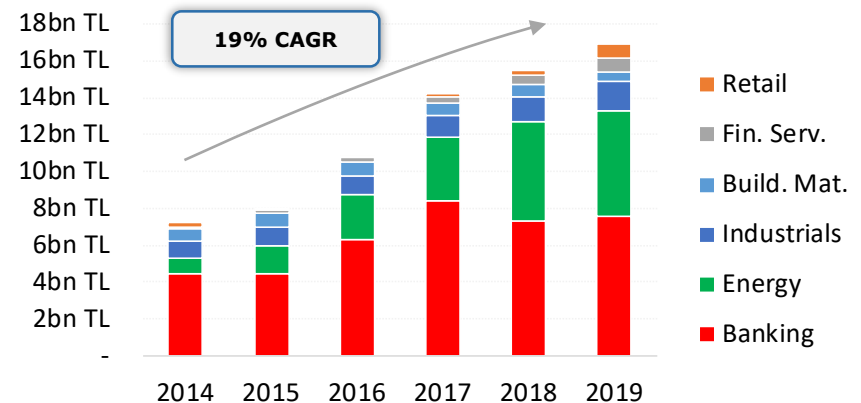
Innovative culture / global leader in international
markets and Turkey

Diversified Businesses (June-2020)¹



Track Record of Real Growth (Above Inflation + GDP Growth of Turkey)²

Combined EBITDA¹

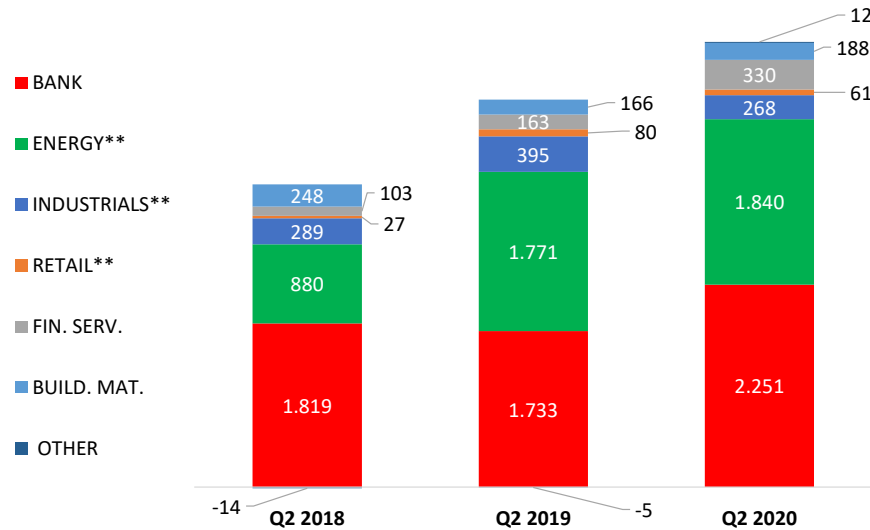


1) Total EBITDA before consolidation adjustments. Excludes one-offs₃

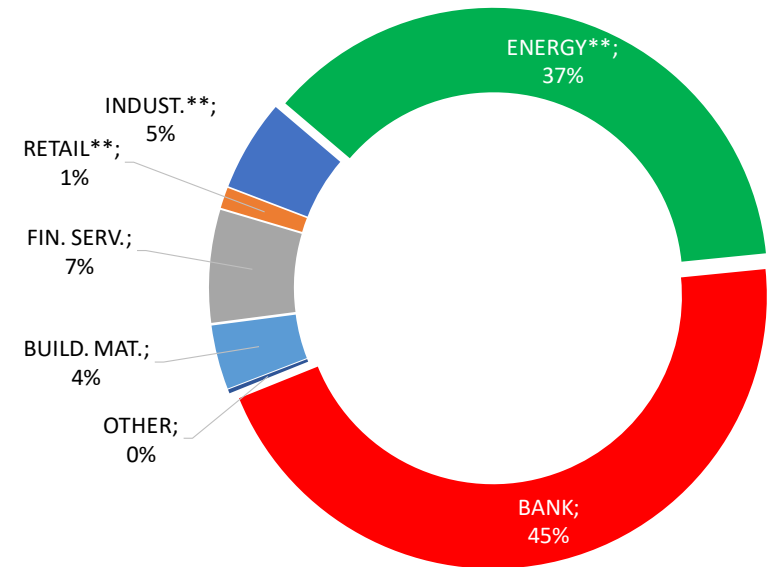
2) 2014-2019 Avg. Inflation: 11%

Financial Services Continuously Contributing to Profitability

Combined EBITDA¹ (m TL)



Combined EBITDA¹ Breakdown (Q2 2020)



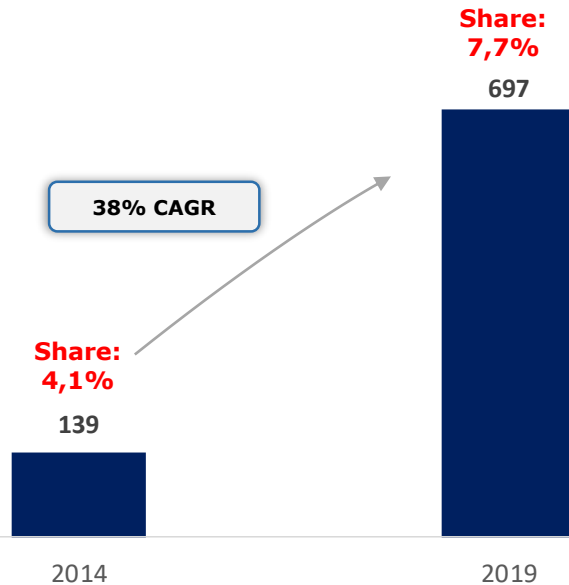
1) Total EBITDA before consolidation adjustments. Excludes one-offs.

2) **Excludes divested businesses in industrials, IFRS16 impact in retail, and IFRIC adjustment in energy.

Share of Financial Services Increases

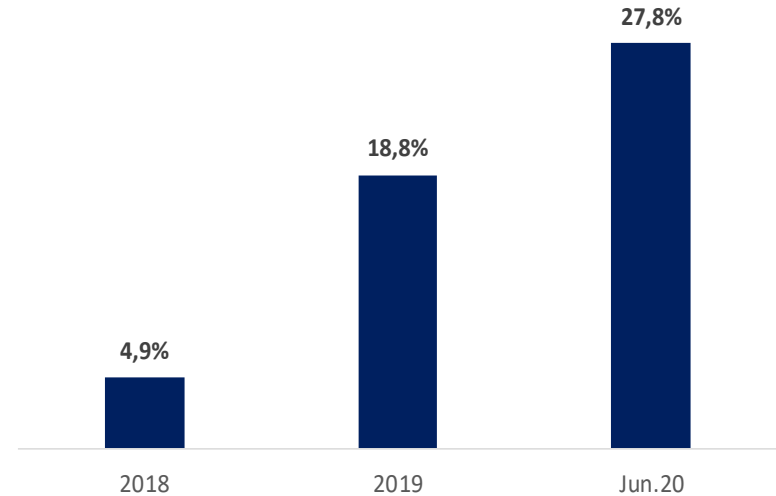
Share of Financial Services Increasing in Non-bank Combined EBITDA

Financial Services SBU Combined EBITDA (m TL)



Significant Share in Dividend Stream

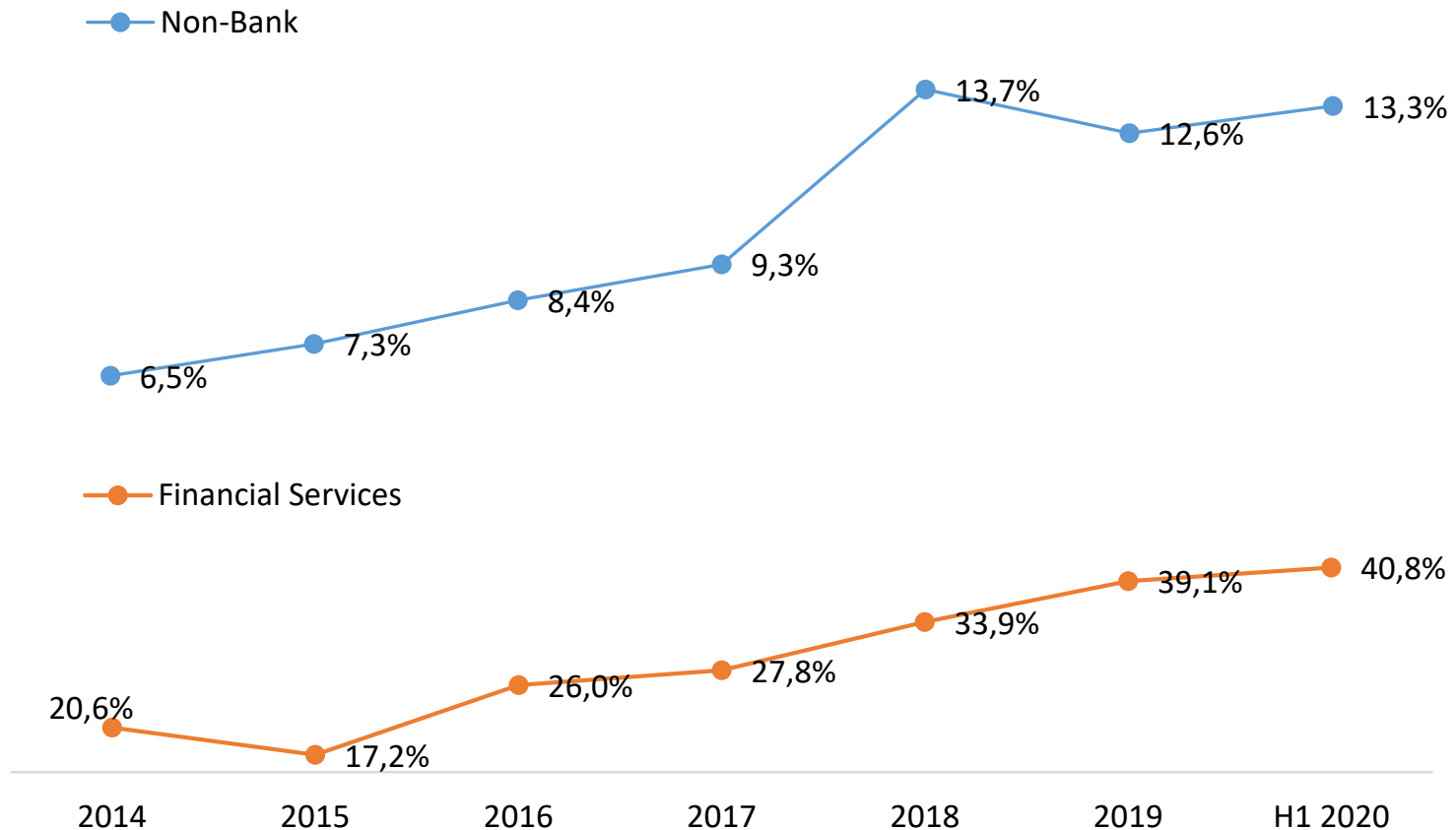
Financial Services SBU Dividend Share in Group's Dividend Income (%)



Financial Services Has Been Significant Contributor of ROE Improvement

Leading the Group's ROE¹ Improvement

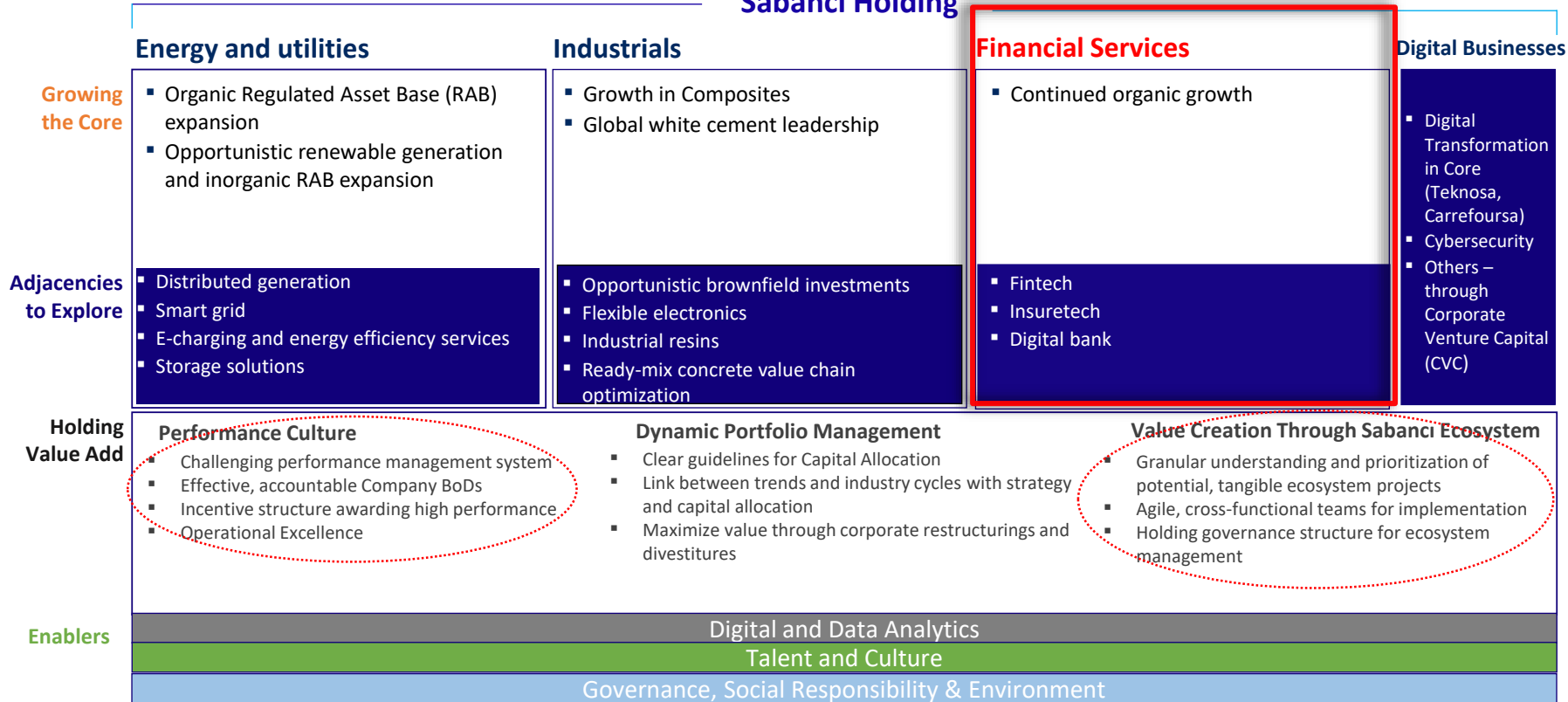
ROE (%)¹



1) Excludes one-offs.

Financial Services is an Important Pillar of Our Strategy




Sabanci Holding



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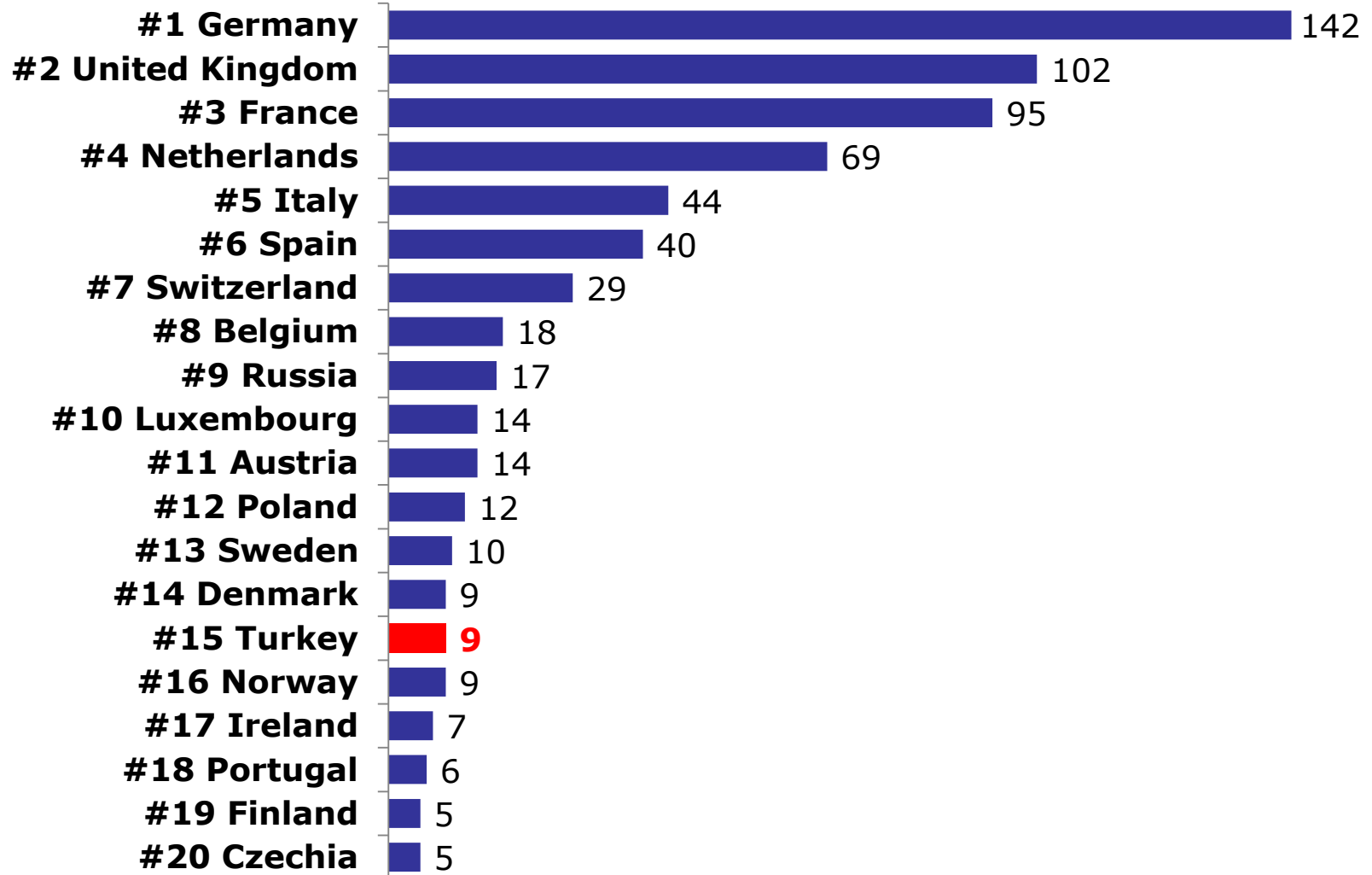
Haluk Dincer, SBU President
Financial Services Group

Sector Has Strong Growth Potential

- Turkey is the 19th largest economy in the world, whereas:
 - 30th in Non-Life insurance
 - 52nd in Life insurance
- TR Non-life premium production/GDP: 1,23% (World: 3,88%)  +0,08pp
- TR Life premium production/GDP: 0,2% (World: 3,35%)  +0,04pp
- TR Pension Funds/GDP: 3% (OECD: 60%)  +0,9pp

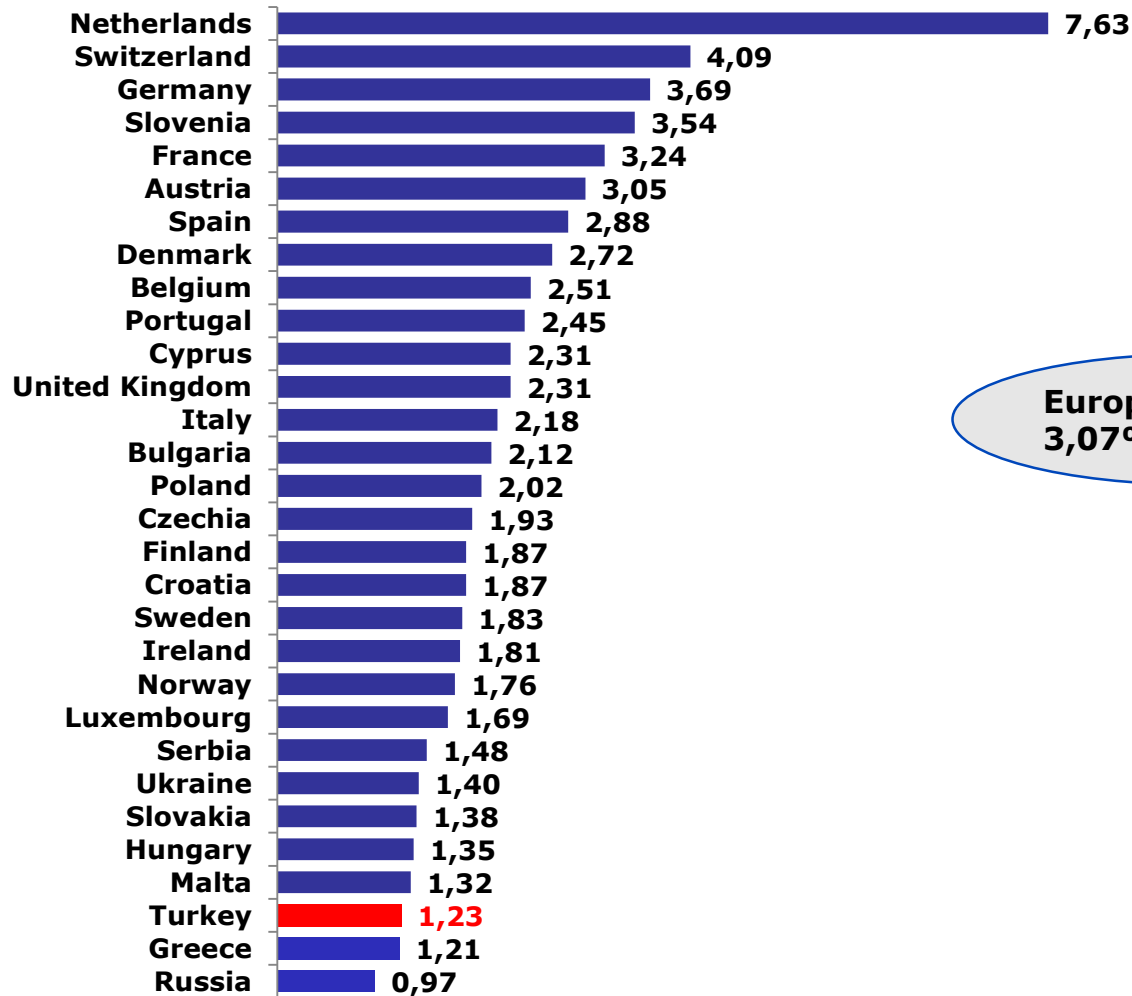
Turkey is the 8th Largest Economy in Europe vs. 15th in Non-Life GWP Production

Non-Life GWP Production in Europe (Bn USD, 2019)



...in an Underpenetrated Non-Life Insurance Market vs. European Countries

Non-Life GWP Production / GDP in Europe (% , 2019)

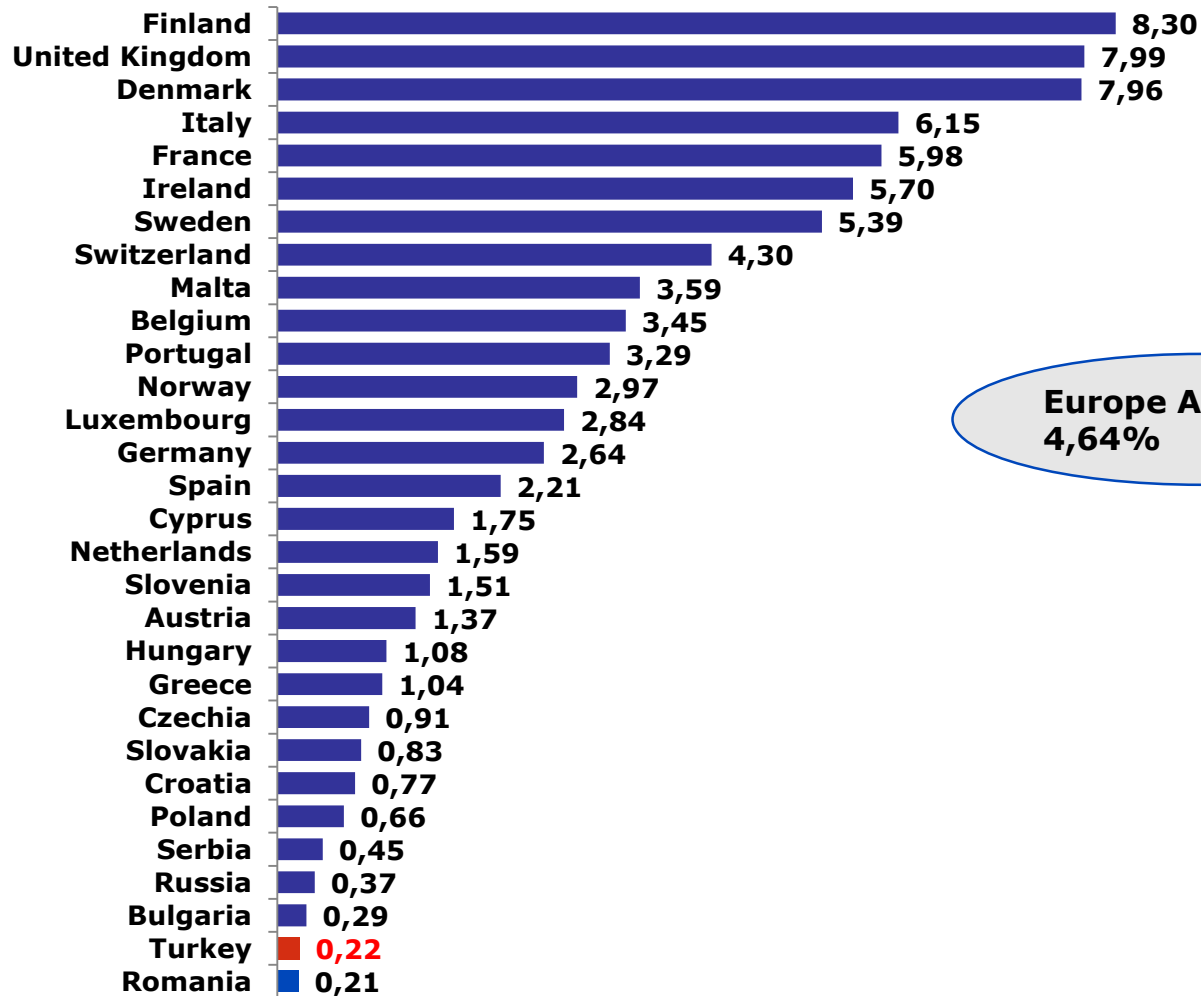


Europe Average:
3,07%

...and again Underpenetrated Life Market

Premium Production/GDP: 0,22%

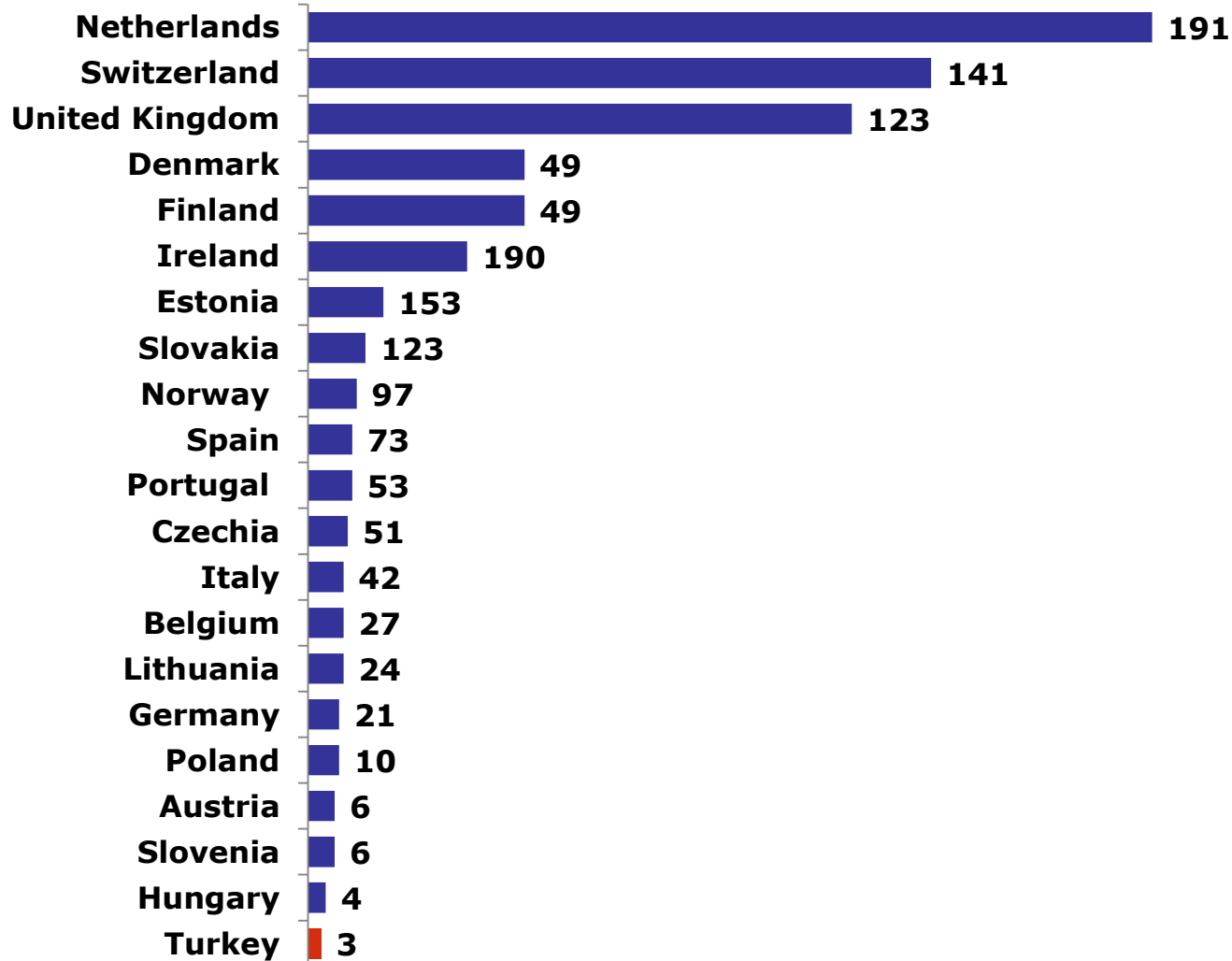
Life GWP Production / GDP in Europe (% , 2019)



Europe Average:
4,64%

...yet Low Share of Pension AUM Renders Solid Potential for Growth

Pension Funds' Assets (AuM/GDP, %, 2019)



Sector in 2015-2019 Period

- Non-life insurance sector x-5 growth: 18% p.a.
 - 39 players; where top 10 accounts for 65%
 - ~69% of equity is owned by foreigners
- Pension sector AuM x-5 growth: 26% p.a.
 - fully supported by government: 25% contribution; launch of auto-enrolment
 - 17 players; where top 4 accounts for 69%
 - ~58% of equity is owned by foreigners
 - High participant number; ~7million
- Life insurance sector x-5 growth: 32% p.a.
 - aggressive YoY growth in 1H20 thanks to end of lockdown and increased lending:
 - sector 60%; AvivaSA 91%

Future of Turkish Insurance Sector

Key Drivers Take Sector Forward

- Assignments to Insurance Regulation and Supervision Agency (SEDDK) signals ambiguity free legislation and stronger regulation
- Expected regulation on complementary health insurance, will expand the market
- Potential insurance growth, through increased awareness and healthcare expenditures following pandemic
- Accelerating growth of technology; insurtechs, parametrics, digitalization enable more efficient operations and higher profitability
- Future way of work; remote, agile, freelance provide flexibility and quick response ability to changes in market

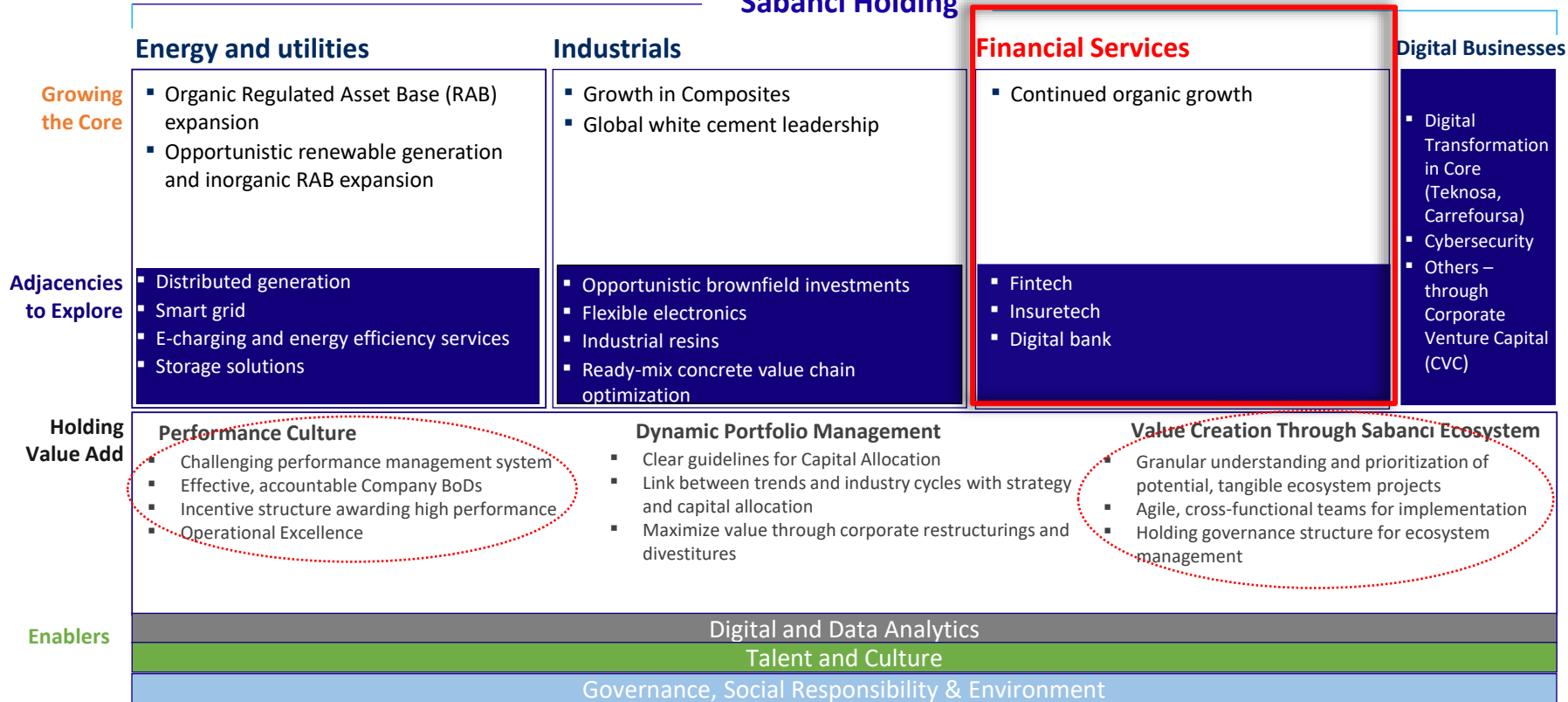
2020-2025 Outlook

- **Non-life** insurance sector x+5 growth: **14% p.a.**
 - Aksigorta plans 18% growth in GWP
 - Target market share: 10%
 - Target RoE: 30%+
- **Pension** sector AuM x+5 growth: **20%+ p.a.**
- **Life** sector GWP x+5 growth: **20%+ p.a.**
 - AvivaSA plans to maintain its leadership position in pension
 - AvivaSA plans to increase its market share in Life market with a GWP growth of 25%+
 - Target growth in Net Profit : 15%
 - Target RoE: 30%+
 - Solid VNB growth

Financial Services in Sabancı Holding

Financial Services is an Important Pillar of Our Strategy

Sabanci Holding



Continued Organic Growth Translates into...

Aksigorta agency portfolio expanded to 3000+ agencies
Aksigorta premium production in new products has reached to 500m TL

GWP/ m TL	2016	2017	2018	2019	CAGR
New Products	0	31,2	223,9	500,1	33%
Total GWP	1.896	2.636	3.417	4.474	
Share of New Products in Total GWP	0%	1%	7%	11%	

■ % of new agencies' production in total agency production:
22% in 2020 H1

AvivaSA launched newly designed Credit Linked Life Product
AvivaSA established its own captive agency for health business

- Kredim G vende Premium Production: **700 m TL** since 2019
- Share in total premium reached to **40%**
- Captive Agency produces **6,5m TL** premium production since 2019

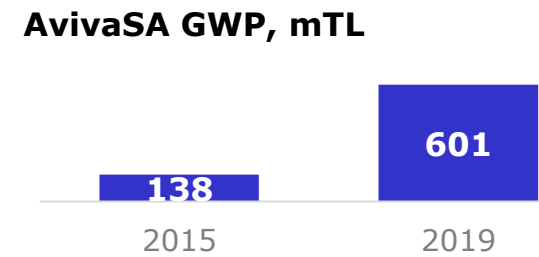
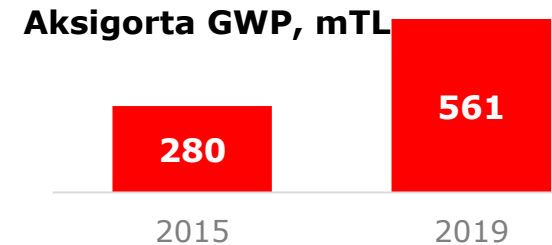
Value Creation Through Sabanci Ecosystem

Strong Collaboration Through Bancassurance

Significant premium production level in bancassurance

Continuous to investments with a joint vision and targets

- Presence in all physical and digital channels
- Effective governance model
- High technology, integrated insurance system
- Segment based, innovative products
- Bank support model for commercial and corporate segments
- Increased focus on analytics and customer experience



Leveraging best-in-class channels of Akbank across all segments

Phygital
Branches

Call
Center

Corporate

5.1 mn Digital
Customers

~18 mn
Customers



Retail

SME

Commercial

Continuous Journey of Digitalization

Customers are at the heart of Aksigorta's digital transformation

Digitize the Core

- End to end segment based customer journey designation onboarded for retail products leveraging analytics and digital.

Robotics Transformation Program

- Using Robotics Process Automation (RPA) technology to automate well defined processes

Agile Way of Working

- Self managed teams are empowered and trained to work with agile principles.
- ~6 agile teams in place running continuous sprints and delivering with a minimum viable product approach.

ADA Program

- ADA, Aksigorta Digital Assistant, first digital assistant with AI in sector
- We embed new human skills to ADA by using next generation technologies. (AI, RPA, Chatbot) step by step.
- Focus on processes touch on customers or agencies/bank with high transaction volume

Digital Products & Services

- Whatsapp channel is utilized as a communication channel.
- Smart applications developed for customers, agencies and sales force management enabling to scale our business.

Digital Mirror

- Creating Digital Twins of insurance processes to improve process productivity and efficiency by solving identified pain points of processes
- Solve these pain points by using new Technologies, lean processes or re-organization.
- Designing digital dashboards enabling real time monitoring of process transaction levels to monitor and proactively take optimization actions.



Continuous Journey of Digitalization

AvivaSA received 4 awards as a result of its efforts on digital transformation

Being in a unique with FonPro, "Avivasa Mobile" deemed worthy of the bronze award in the "Financial Services" category of the "Stevie Awards" and received the "Most Customer-Centric Life Insurance Company" in "International Finance Awards"



AvivaSA Bi'Tikla

Online Sales application

- Paperless method of sales
- Minimizes the use of environmental resources
- Significantly reduced the use of paper in policy transactions.

AvivaSA Mobile

- App's user-friendly and practical interface enables customers to quickly and efficiently manage PPS (Private Pension System) and Life Insurance transactions via AvivaSA Mobile

FonPro

- FonPro digital fund advisor, enables users to easily guide their customers' savings by offering the most appropriate fund distribution according to their risk profiles
- Only available on AvivaSA Mobile
- Suggests the PPS (Private Pension System) funds most suitable for the customer's profile
- Offers up-to-date financial analysis
- Leads the industry as a digital fund consultant

AvivaSA Bi'dolu

- Exclusive shopping platform,
- Protecting the future of its customers while enhancing their enjoyment of life with its products
- Helps customers save money by offering thousands of products, services and experiential packages at advantageous prices



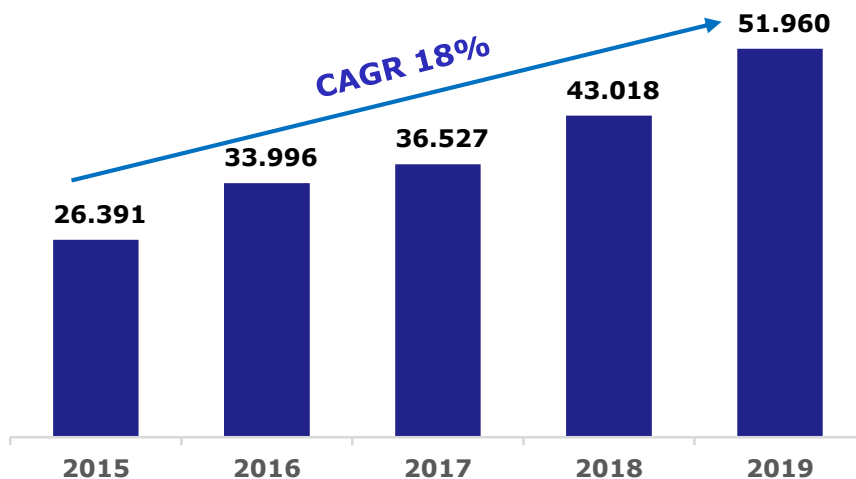
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Uğur Gülen, CEO
Aksigorta

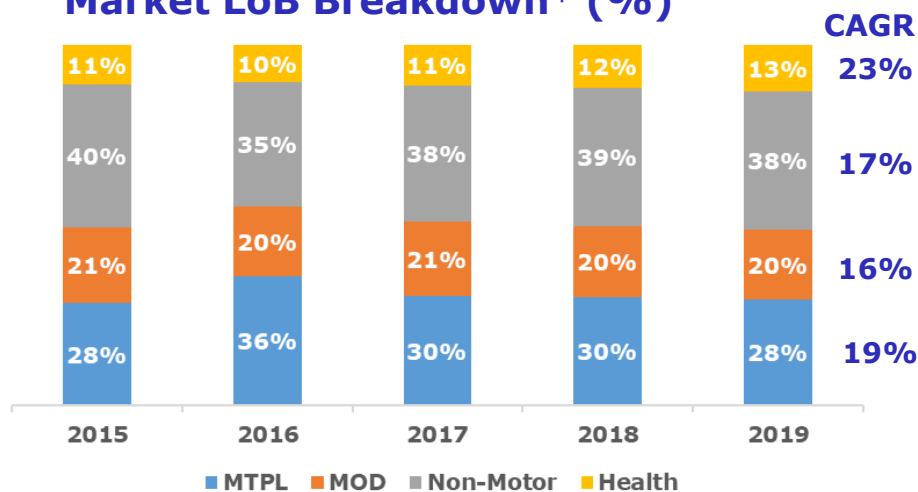
Key Trends in the Market

Market Growth

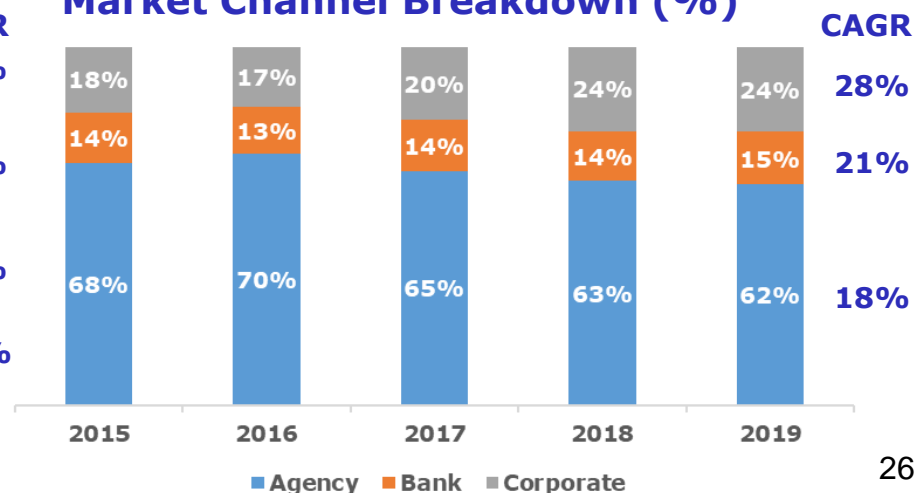
Market GWP* (TL m)



Market LoB Breakdown* (%)



Market Channel Breakdown (%)



Key Trends in The Market Are...

Increased Focus on Healthcare Industry

Older population, increased longevity, Covid-19 caused awareness, effect of technologic developments on healthcare

Usage of Data Analytics

Gather, combine and analyse large amount of internal & external data

Changing Customer Preferences

Customers are importing experience from other industries 'easiness, simplicity, convenience' via usage of mobile

Digitization of traditional channels and shift to «low touch economy»

Increase productivity and satisfaction through process automation and digital support tools

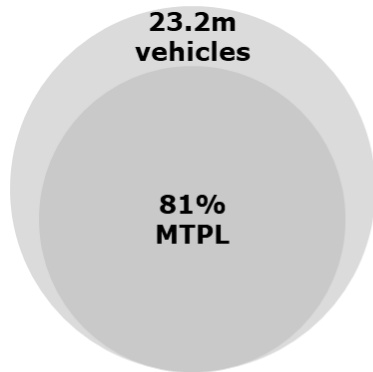
Integration of insurance to 'ecosystems'

Insurance bundled with Other transactions across industries (e.g: ticket purchase, banking, travel sites, telecom)

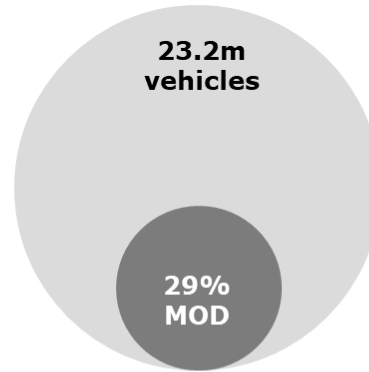
New Categories of Insurance

Cyber-security, identity theft, autonomous vehicle insurances etc. offering insurance with value adding services

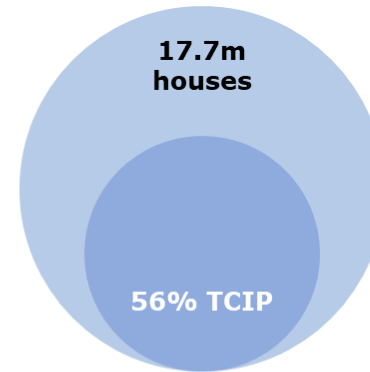
Penetration Development is Correlated with Several Attributes



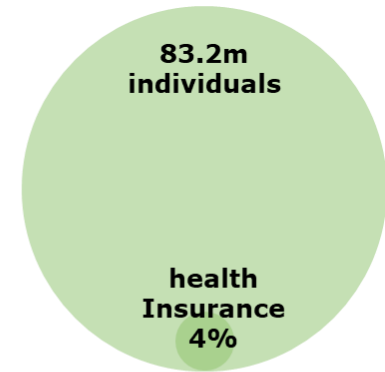
Number of total vehicles	↑
Number of vehicles per person	↑
Claims cost per GDP	↑
Fraud	↓



GDP per capita	↑
Average vehicle age	↓
Frequency of claims	↑
Vehicle prices	↑



GDP per capita	↑
Number of offices and houses	↑
Crime rate	↑
Labor force participation	↑



GDP per capita	↑
Total health expenditure	↑
Public share	↓

↑ Direct proportion
↓ Inverse proportion

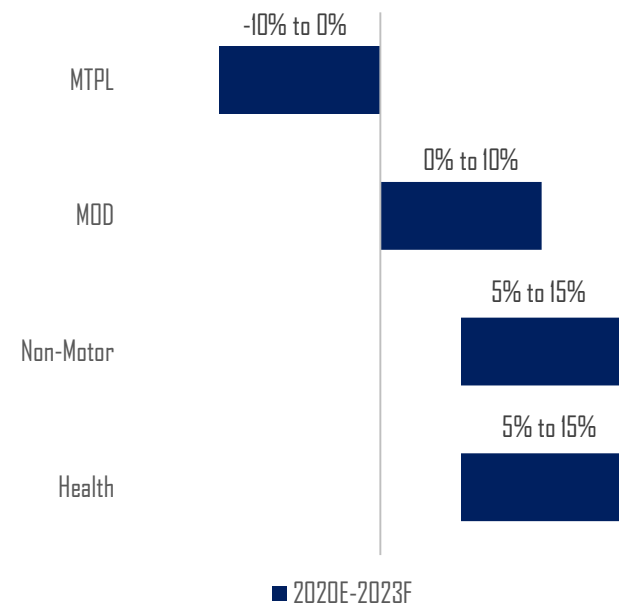
Non-Motor and Health Products are Leading both Growth and Profitability in the Market

Line of Businesses (LoBs)

Growth (CAGR)

LoB	CAGR '20E-'23F	Inflation
MTPL	12%	9%
MOD	10%	
Non-Motor	15%	
Health	18%	
Total	14%	

Profitability (UW margin)



Key growth assumptions

- **MTPL:** Price increase in line with inflation (price is capped by regulation)
- **MOD:** Growth driven by new car sales and fleets
- **Non-motor:** Major growth driver of the market is commercial businesses
- **Health:** Medical inflation and expansion of complementary health supports growth

Covid-19 Impact

- The Covid-19 is a **systematic risk** that is unavoidable
- **Cash flows:** Due to slowing down in mobility, trade and economic activities we foresee that the cash flows will be the biggest challenge in the coming periods. We don't see any risk in our business since:
 - 63% of our receivables have a credit card collateral,
 - 5% of our receivables are collected via bank accounts,
 - 10% of our receivables has other collaterals (such as letter of credit, cash etc.) provided by agencies
 - Our bad debt ratio is less than 0,02%
- **Asset devaluations:** Equity markets decreased by 30-40% all over the world. Weight of equities in our investment portfolio was limited at 6%
- **Business continuity** is also another risk we all face today. Thanks to our last 10 years of investment in IT; 100% of our teams work home office very efficiently
- **Health:** Underwriting result in health business is not affected by Covid-19 due to full reinsurance
- **Economic slowdown:** New business sales get hurt but we do not foresee a major decline in our renewals
- **Decline in claim frequency:** Slowdown in mobility (curfews, lockdowns) leads to lower claim frequency in Motor

Risks and Opportunities

Risks

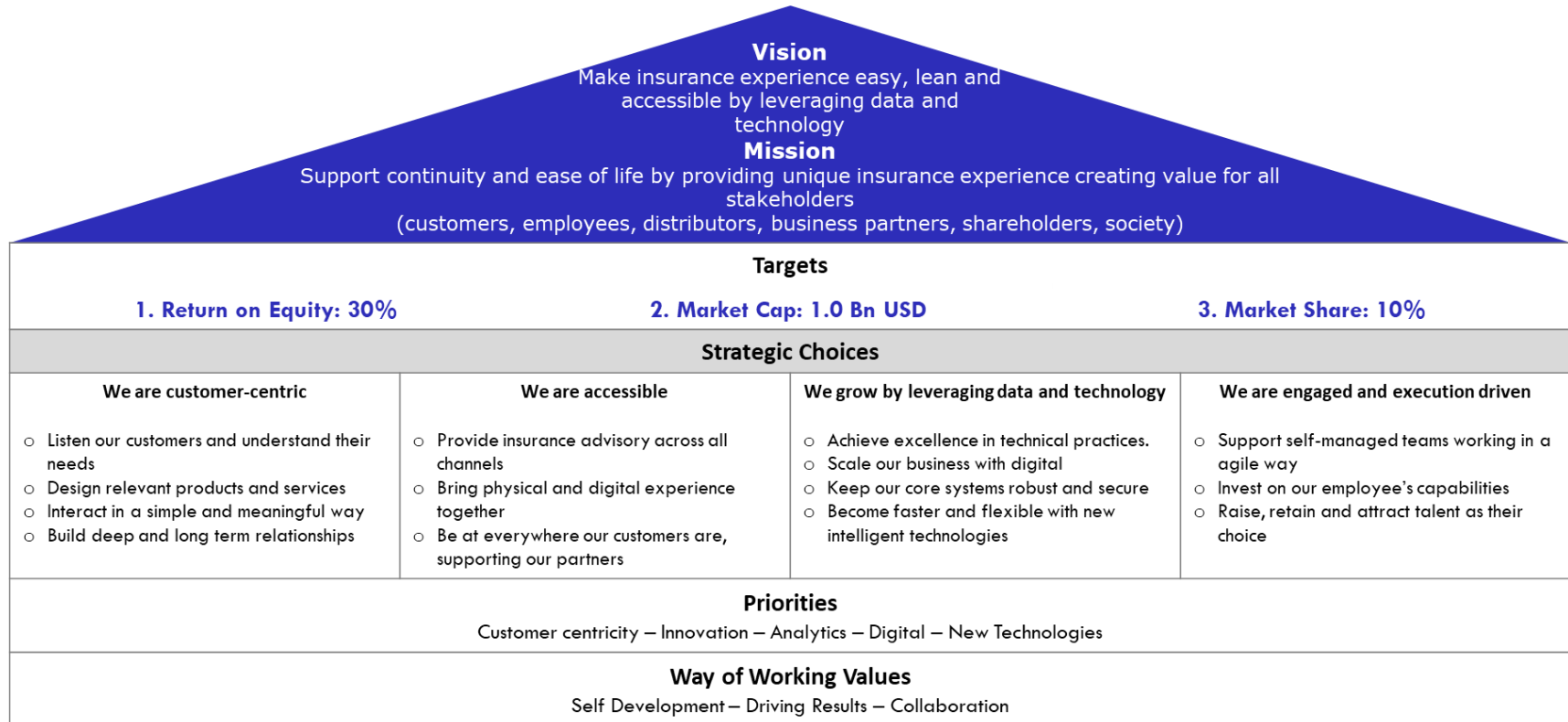
- **Covid-19 related risks:**
 - Increase in medical malpractice claims, due to assignment of all branch doctors as pandemic doctors
 - Price war in motor LoBs
- **Slowdown in economic activity**
- **Volatility in FX rates, pricing risk**
- **Increase in fraud**
- **Cash problems, collection issues**
- **Continuously changing regulations**
 - 30% of the market is coming from mandatory products; changes in regulation and government's policy have direct impact

Opportunities

- **Covid-19 related opportunities:**
 - Record low claim frequency levels – improved UWM
 - Home office – could be a new approach after Covid-19 as well – leading to g&a saving
- **Increase in interest rates**
- **Efficient cost management**
- **Low insurance awareness**
- **Income distribution equality will lead to increased asset ownership and thus market potential**

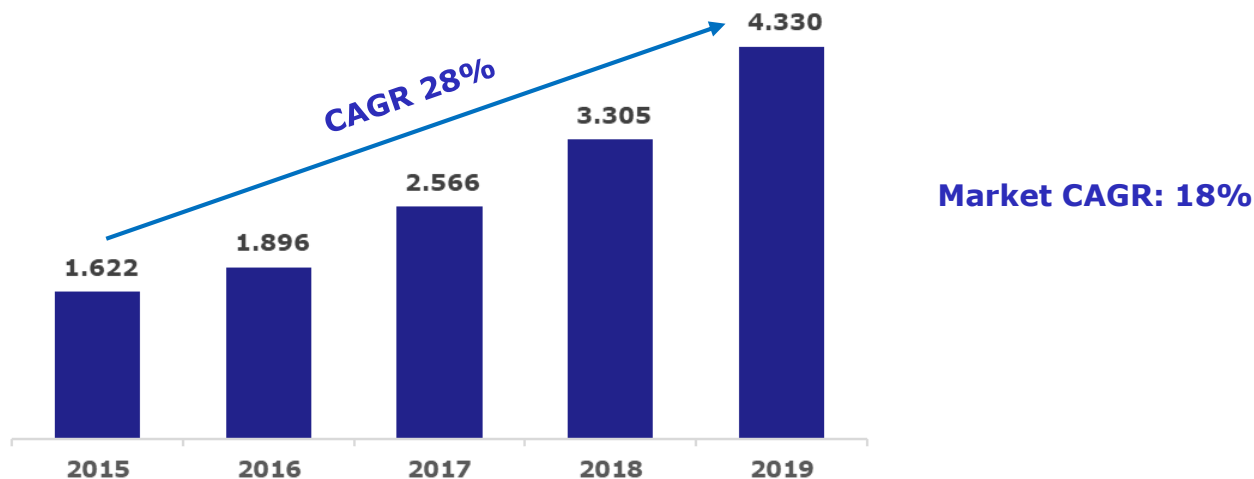
Company Overview and Strategy

Aksigorta Strategy House



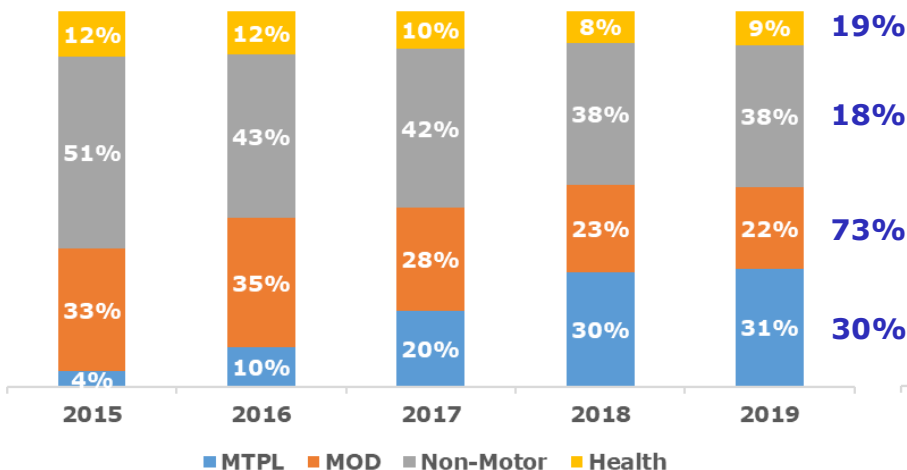
Aksigorta Performance over 5 Years

Aksigorta GWP* (TL m)



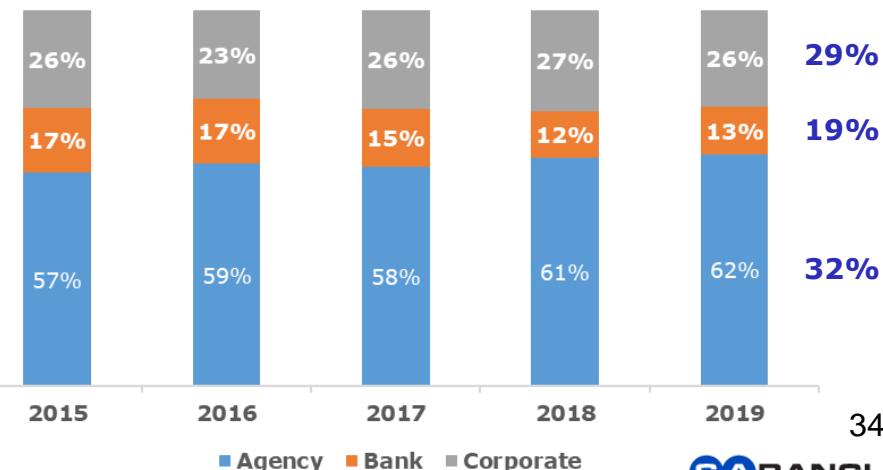
Aksigorta LoB Breakdown* (%)

CAGR



Aksigorta Channel Breakdown (%)

CAGR



Aksigorta is Well Positioned in the Market Both in Terms of Topline and Profitability

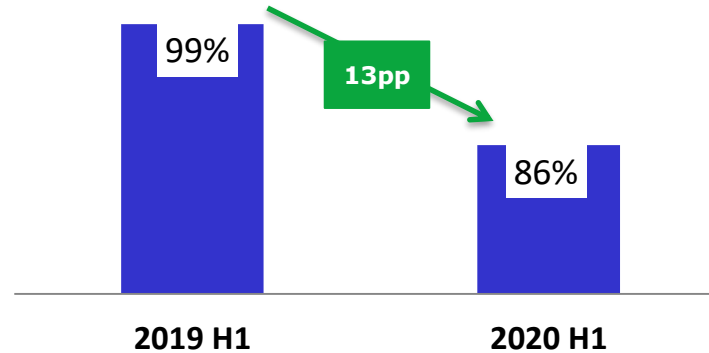
- **#3** in the sector with proactive market share management based on profitability
- **UW margin** is above the market (Aksigorta: 7% vs. market: 4%)
 - Motor (6% vs. -2%)
 - Non-motor margin (7% vs. 10%)
 - Health margin (13% vs. 10%)
- **UW result** showed 76% YoY growth in 2019 and reached 278m TL
 - UWR market share is higher than GWP market share (14.4% vs. 8.3%)
- **Financial income**
 - Financial yield is above the market (20.2% vs. 17.7%)
 - Lower AuM vs. main competitors driven by higher dividend payout performance
- Better than the market **G&A / GWP (4.6% vs. 7.5%)**
 - Average # of FTEs is lower than 2015 level (664 vs. 678)
 - With an almost tripled GWP in 2019 vs. 2015, # of FTEs in claim handling declined by 17 whereas IT team increased by 32 – we invest in technology
 - Use of technology - minimizing operational cost with RPA and AI
 - Virtual workforce corresponding to ~101FTE is in place
- **RoE** is almost double of the market (45% vs. 23%)
- Employee engagement score is 74%
 - #1 in Aon Hewitt «Best Place to Work» in 2019 and 2018
- Agency engagement – Agency NPS score +51 (above main competitors)
- Customer NPS Score 43% vs market average of 32%

Note: All figures are 2019 FY, UW margin is calculated as Net UWR / Gross Earned Premium

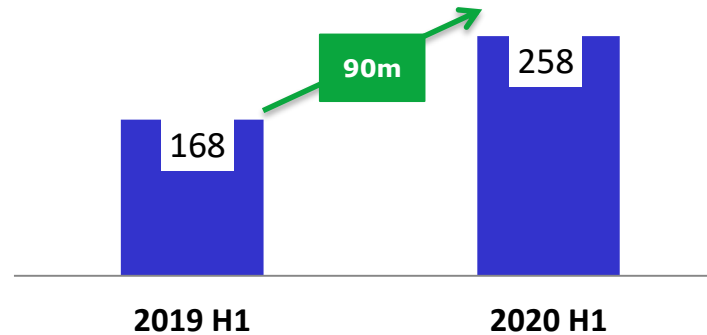
Financial Highlights

Excellent Performance in 2020

Combined Ratio

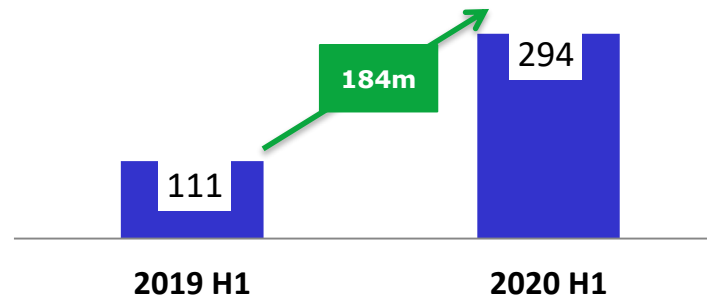


Net Income (m TL)



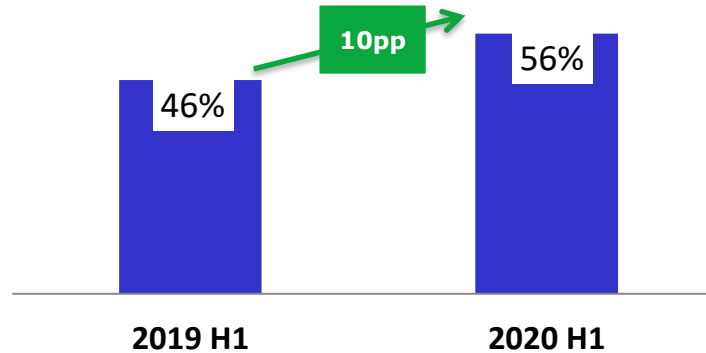
■ Aksigorta net income increased by 54% YoY in 20'H1

UW Result (m TL)

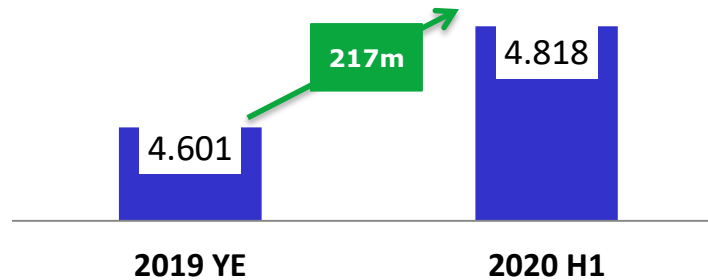


Excellent Performance in 2020

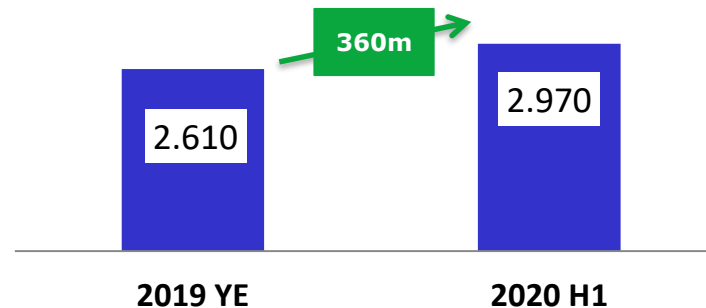
RoE



Total Assets



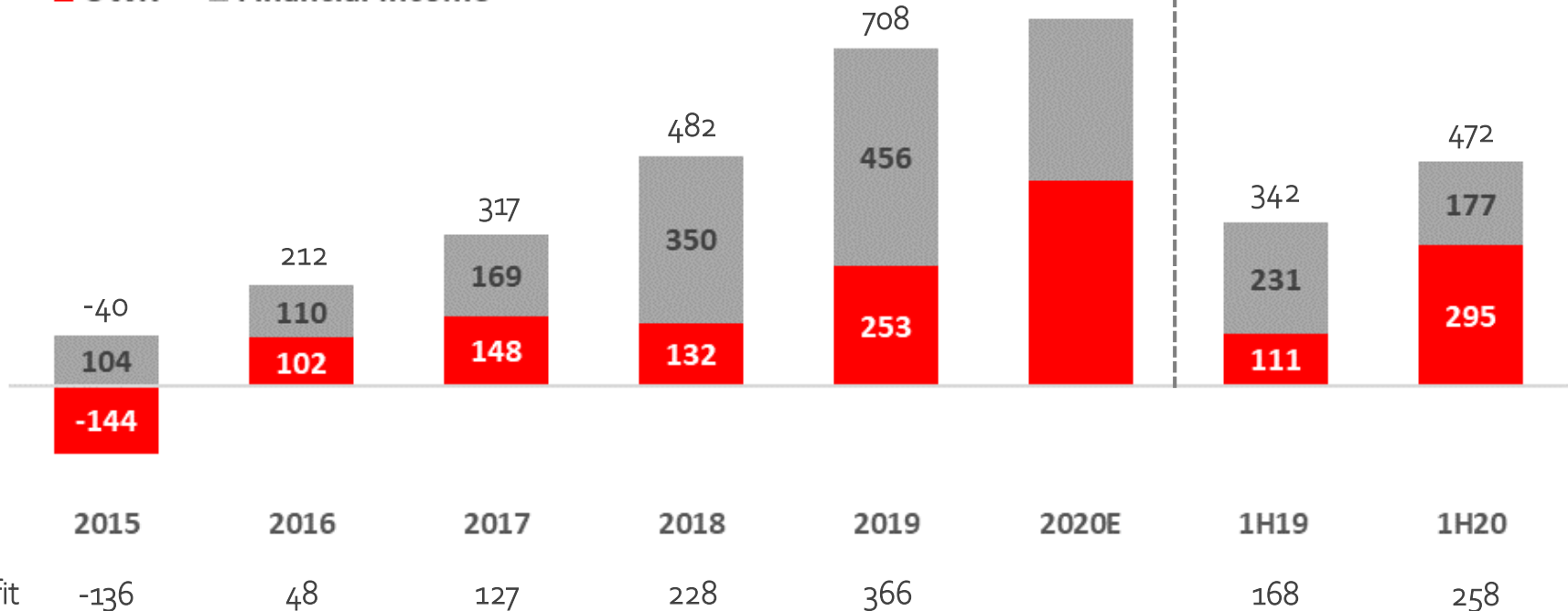
AuM (m TL)



- AuM increased by 360m TL in 6 months despite of 202m TL dividend payment

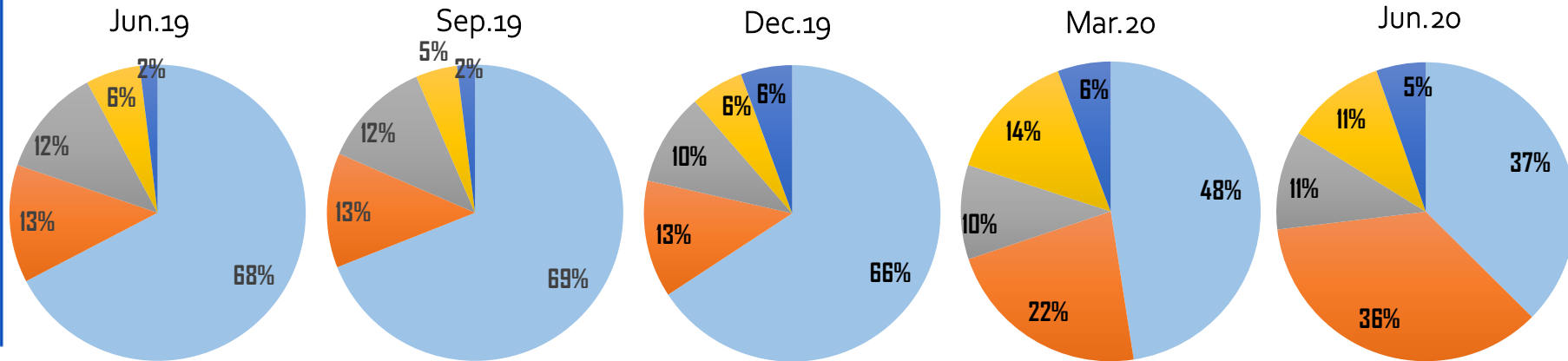
Financial Income and UWR Balance Out Each Other Assuring Sustainable Income Growth

■ UWR ■ Financial Income



Investment Portfolio: As of June 2020, AuM Has Reached TL 3,0b with a 35% YoY Growth

Time Deposit Corporate Bond Eurobond Government Bond Equities



AuM	2,201m TL	2,450m TL	2,610m TL	2,580m TL	2,970m TL
Avr. yield*	24%	24%	19%	10%	13%
Quarterly financial income**	109m TL	110m TL	120m TL	87m TL	101m TL

(*): Yield figures are annualized and net of BITT (BSMV)

(**): Financial income includes FX gain / loss

2020 Year-End Guidance



15%-25% growth in GWP



0-10% growth in Net Profit



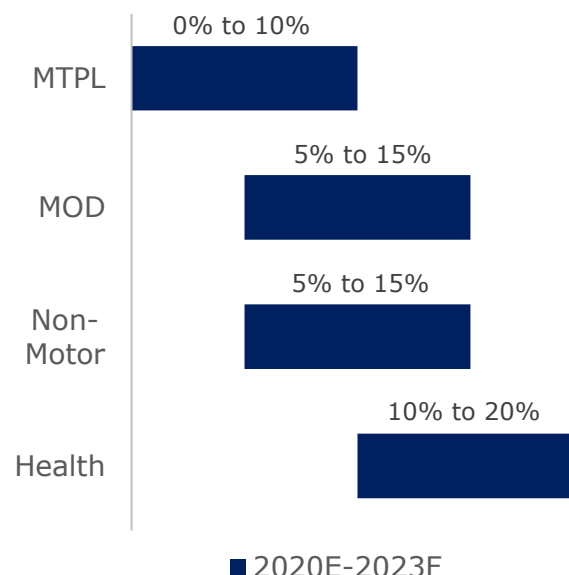
Aksigorta Long Term Objectives

Line of Businesses (LoBs)

Growth (CAGR)

LoB	CAGR '20E-'23F	Market
MTPL	Market growth +4/5pp	12%
MOD		10%
Non-Motor		15%
Health		18%
Total		14%

Profitability (UW margin)



- Overgrowing the market by **4-5pp** leading to **3.0pp market share gain**
- **Return yield:** +200bps over short term TL deposit yield
- **Dividend payout:** not less than 50% in line with our official policy; where capital adequacy ratio is at least 115% - **#11 in dividend payout and #4 in dividend yield among BIST-100 (in 2019)**
- **RoE > 40%** - **#2 in RoE ranking among BIST-100 (in 1H20)**

Why Invest in Aksigorta?

Why Invest in Aksigorta?

1. Strong partnership b/w Sabancı – Ageas
2. High performance focused leadership team
3. Superior distribution power and customer base
4. World-class use of technology
5. Strong track record

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Firat Kuruca, CEO
AvivaSA

Key Trends in the Market

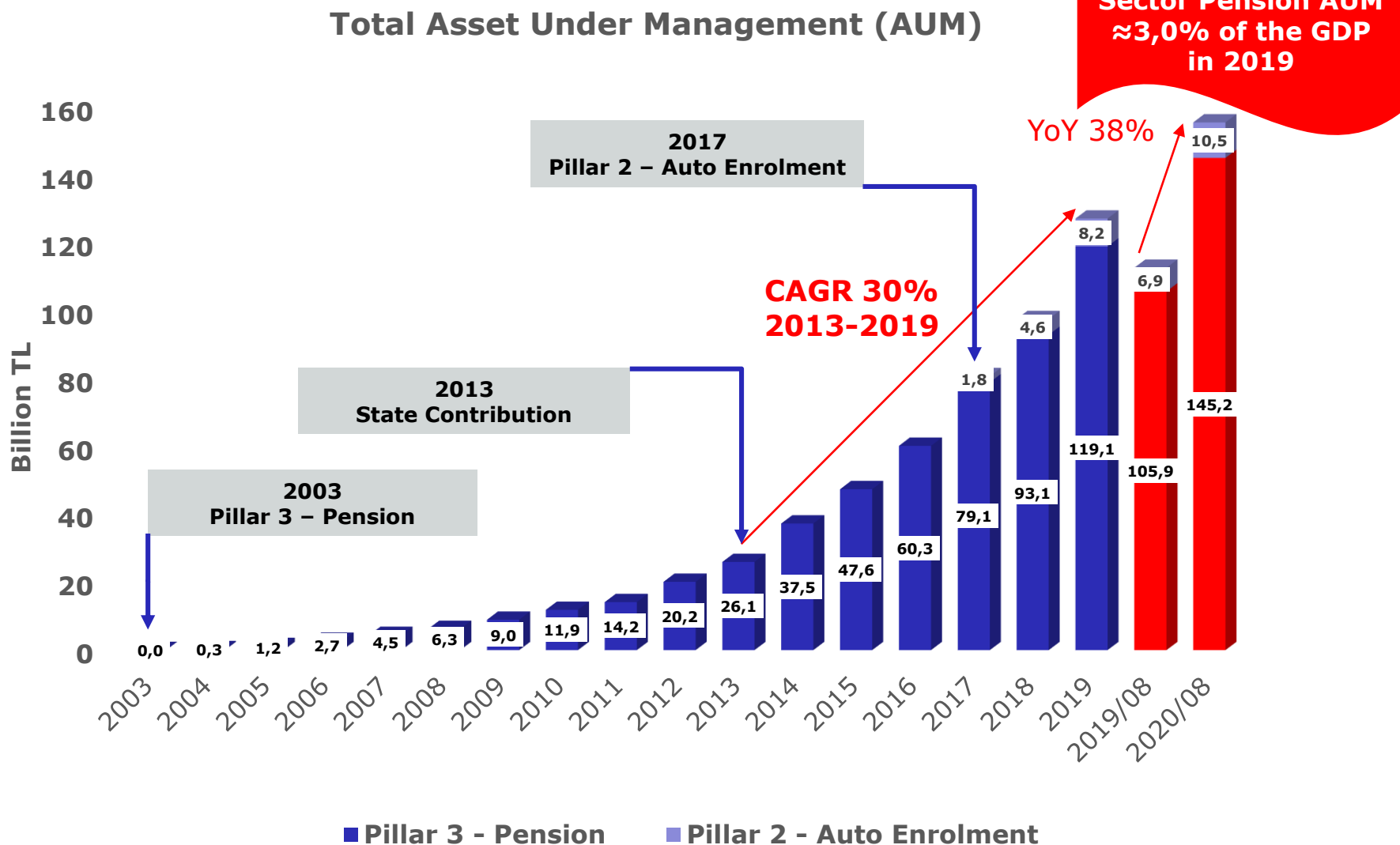
Pension – Sustainable Growth and Scale Ambitions

Pension System		
Pillar I Social Security	Pillar II Auto Enrolment (2017)	Pillar III Pension (2003)
Defined Benefit State Subsidized	Defined Contribution State Supported	Defined Contribution State Supported
Mandatory	Semi-Mandatory (enter mandatory / stay voluntary)	Voluntary
Covering Basic Needs for Retirement and Health	Saving and Improving Life Standard for Retirement	Saving and Improving Life Standard for Retirement
Admin by government	- Admin by Pension Companies - Asset management by Asset Management Companies	- Admin by Pension Companies - Asset management by Asset Management Companies

New Topics

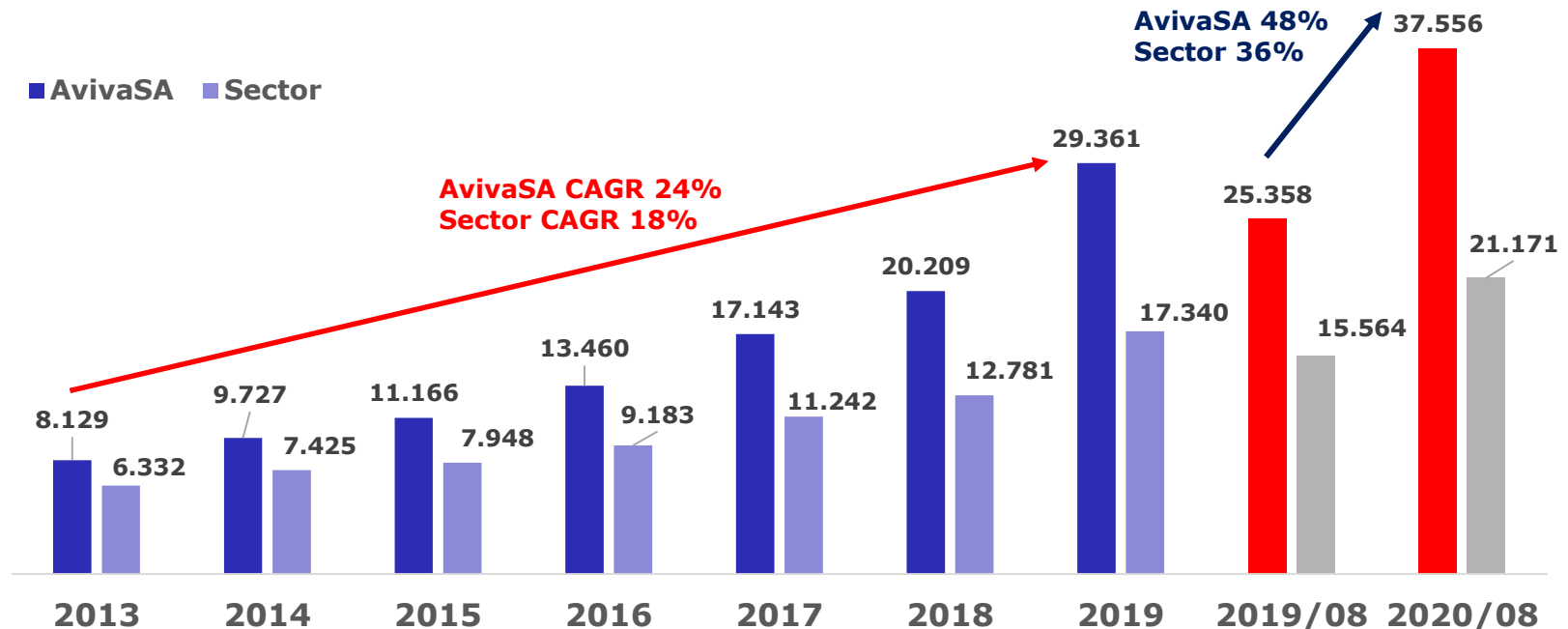
- **Severance Payment**
- **Pension for people younger than 18 years old**

Pension: Strong Growth Potential Market



Pension: Strong Growth Potential Market

Average AUM / Participant (Pension Pillar3)

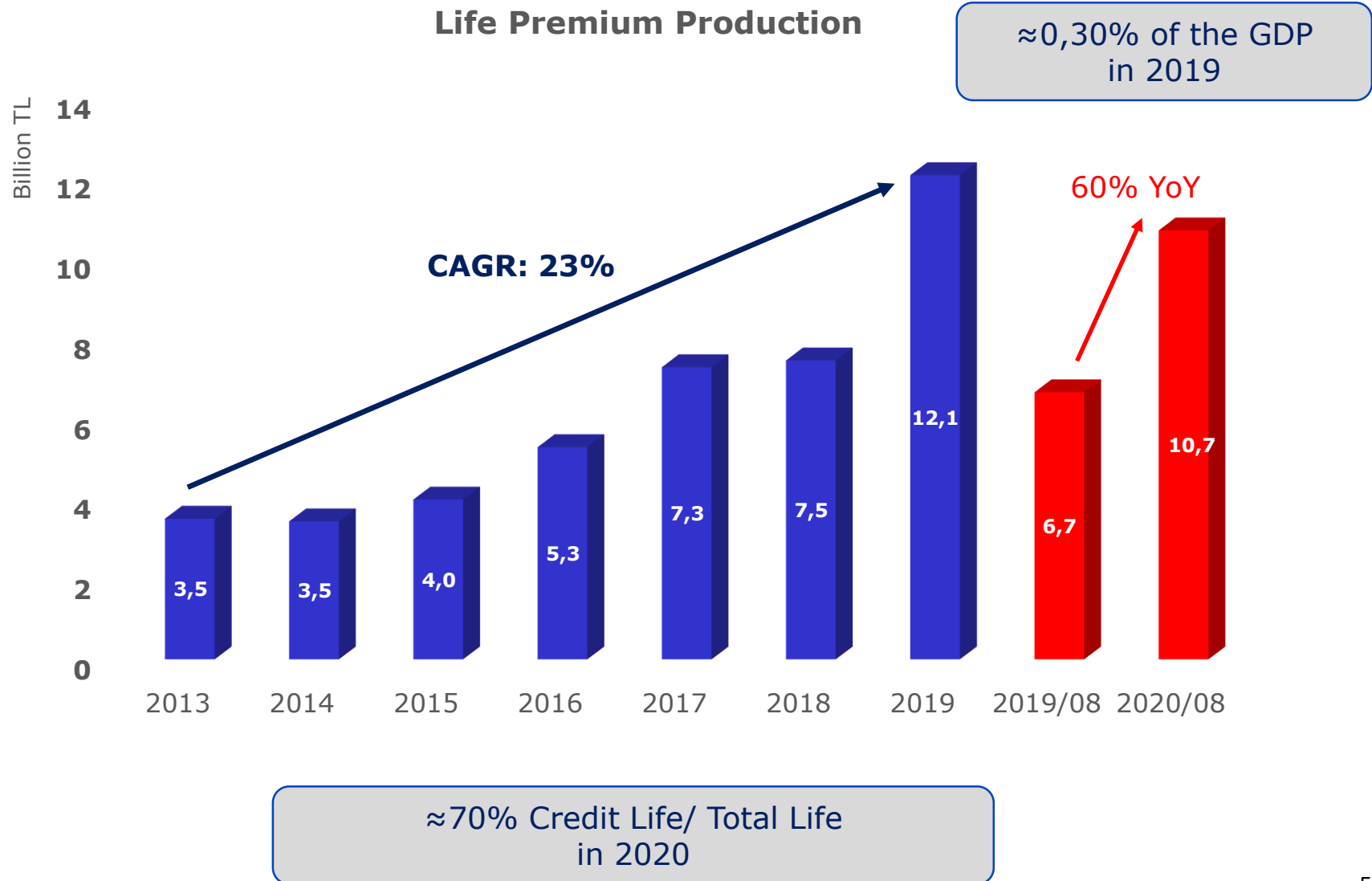


Expected Regulation Changes

Regulatory changes in Pension in order to transform the Auto Enrolment into Complementary Pension

TEFAS – Turkey Electronic Fund Transaction Platform

Life : Low Penetrated Market



Company Overview and Strategy

Market Presence

**# 1 in
Private Pensions
in terms of AuM
excluding state**

With 18.6% market
share in AuM
27,0 bTL

	Company	August 2020		YoY %
		AuM mTL	Market Share	
1	Turkiye	27.014	18,6%	40%
2	AvivaSA	26.992	18,6%	36%
3	Anadolu	26.819	18,5%	37%
4	Allianz	24.270	16,7%	41%
5	Garanti	20.775	14,3%	36%
6	NN	5.389	3,7%	41%
7	BNP Paribas	3.550	2,4%	33%

**# 1 in
of AE private
employees
excluding state**

With 16.1% market
share in participants
805 k

	Company	August 2020		YoY %
		Private Employees	Market Share	
1	Turkiye	1.126.948	22,5%	12%
2	AvivaSA	805.208	16,1%	17%
3	Garanti	781.413	15,6%	22%
4	Anadolu	739.993	14,8%	21%
5	Allianz	508.097	10,2%	20%
6	Katılım	264.526	5,3%	15%
7	NN	205.991	4,1%	13%

**# 1 in
Standalone Life
Premiums**

With 18.8% market
share in GWP 369 mTL

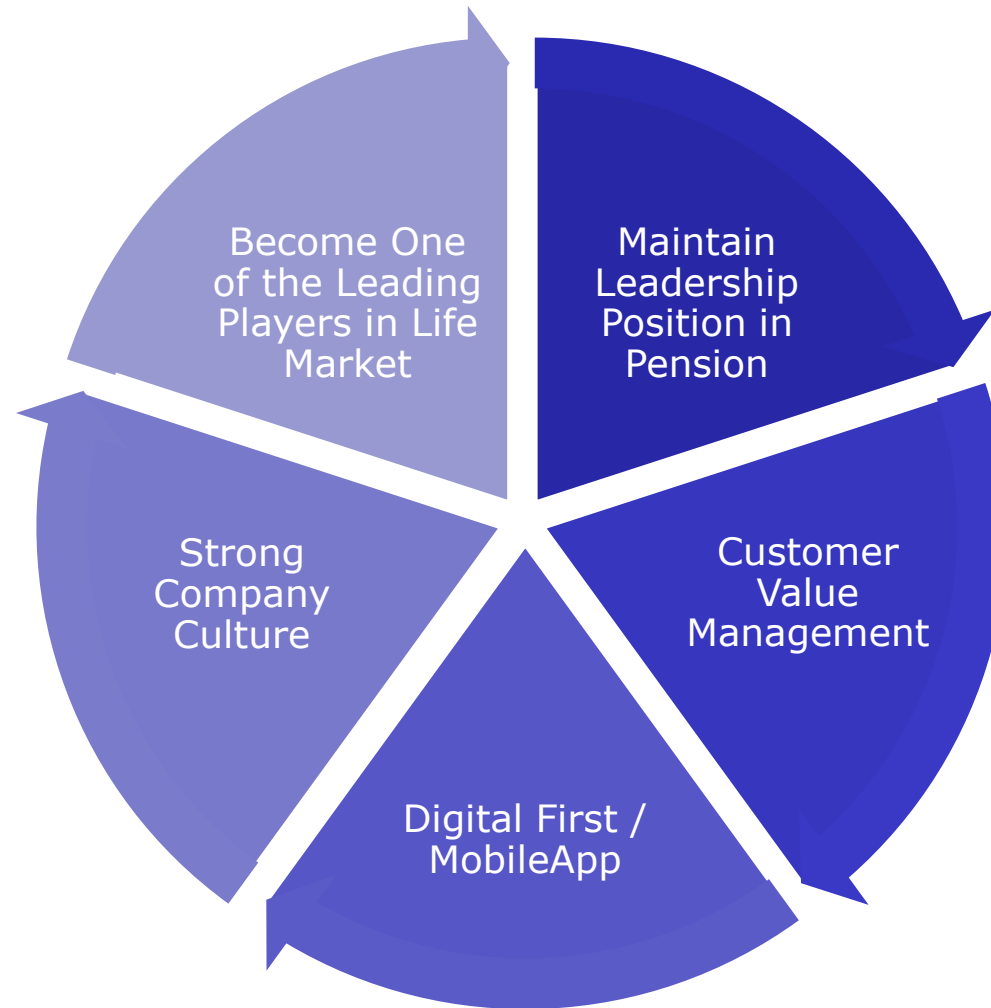
	Company	June 2020		YoY %
		GWP mTL	Market Share	
1	AVIVASA	369	18,8%	39%
2	TURKIYE	313	16,0%	10%
3	AEGON	298	15,2%	64%
4	ANADOLU	276	14,1%	104%
5	METLIFE	179	9,1%	4%
6	ALLIANZ	150	7,7%	8%
7	BNP PARIBAS	101	5,2%	37%

**# 7 in
Credit Linked
Premiums**

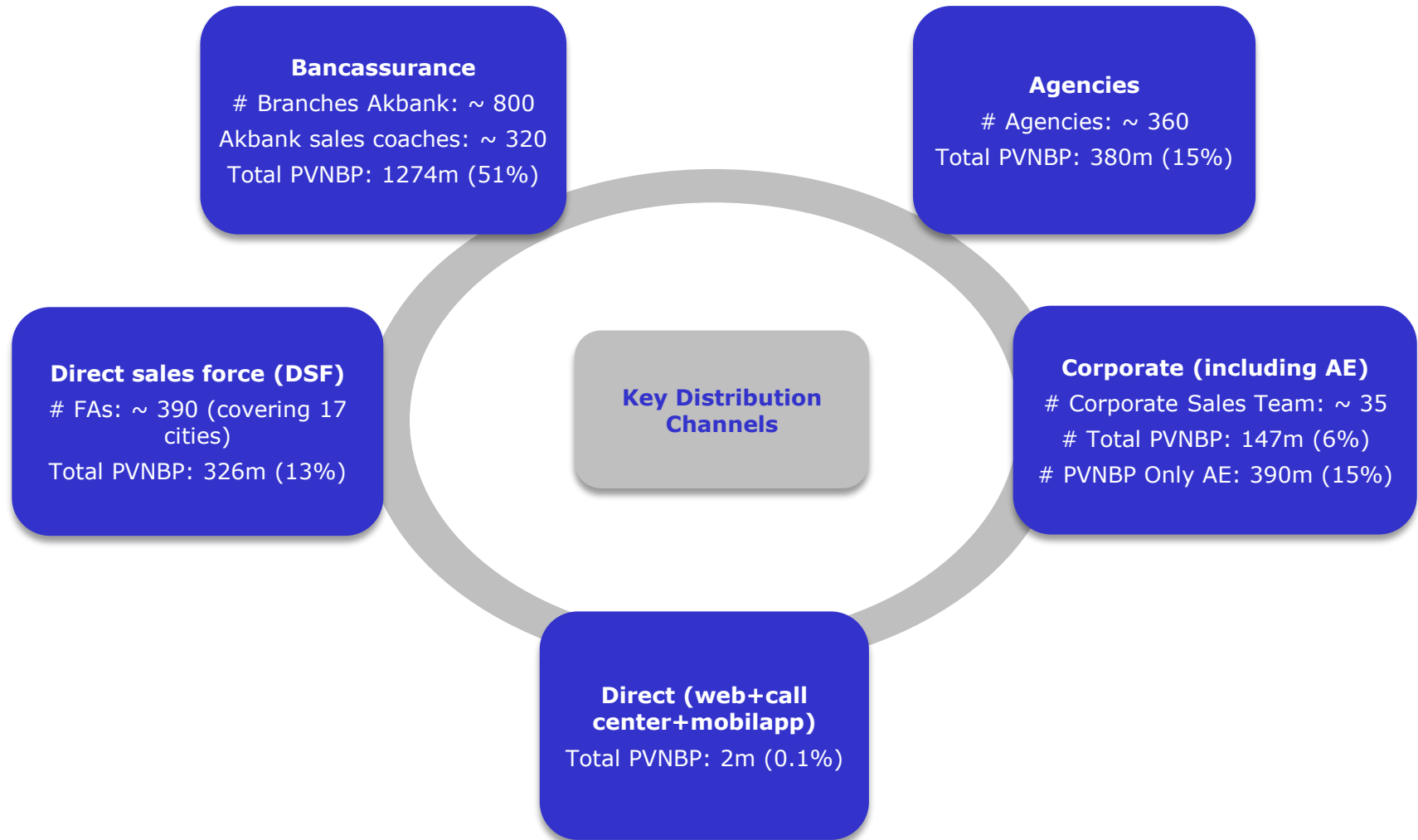
With 5.2% market share
in GWP 284 mTL

	Company	June 2020		YoY %
		GWP mTL	Market Share	
1	TURKIYE	1879	34,4%	34%
2	METLIFE	688	12,6%	74%
3	ALLIANZ	594	10,9%	96%
4	ANADOLU	583	10,7%	149%
5	GARANTI	528	9,7%	141%
6	CIGNA FINANS	412	7,6%	91%
7	AVIVASA	284	5,2%	190%

Top Business Priorities



Solid Sales Culture through a Multidistribution Platform



Historical Track Record of Value Creation

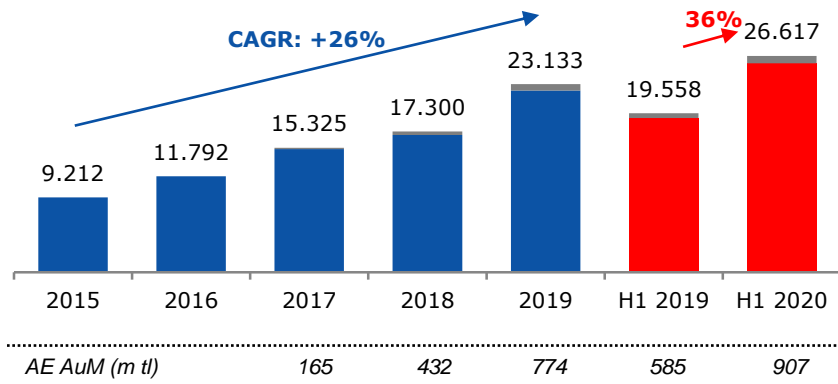
	2015	2016	2017	2018	2019	CAGR 2015- 19	2019 H1	2020 H1	YoY 2019- 20
Pension AUM (inc AE)	9.2 bTL	11.8 bTL	15.3 bTL	17.3 bTL	23.1 bTL	26%	19.6 bTL	26.6 bTL	36%
Total GWP (Life+PA)	240 mTL	317 mTL	471 mTL	565 mTL	988 mTL	42%	369 mTL	657 mTL	78%
Total Technical Profit (*)	251 mTL	290 mTL	385 mTL	484 mTL	564 mTL	22%	268 mTL	327 mTL	22%
Expense Ratio ⁽¹⁾ (*)	55,4%	47,3%	45,0%	41,3%	43,0%	12 pts	43,0%	45,5%	2,5 pts
Profit for the Period (IFRS) (*)	66 mTL	110 mTL	153 mTL	213 mTL	258 mTL	41%	123 mTL	131 mTL	6%
ROE (IFRS) (*)	18,9%	27,5%	30,5%	35,0%	34,3%	15 pts	41,3%	35,4%	-5,9 pts
Profit for the Period (SFRS)	18 mTL	63 mTL	102 mTL	191 mTL	215 mTL	86%	113 mTL	119 mTL	5%
Dividend Payout / Proposal	31 mTL	22 mTL	48 mTL	100 mTL	160 mTL	51%	60 mTL	100 mTL	67%

(*) All figures are restated

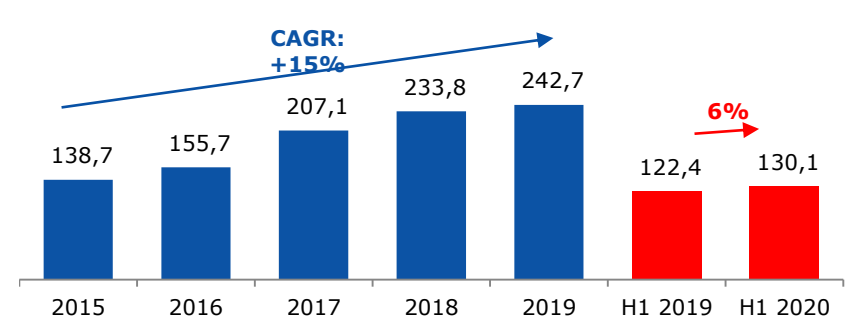
Pension*

Sustainable Growth and Scale Ambitions

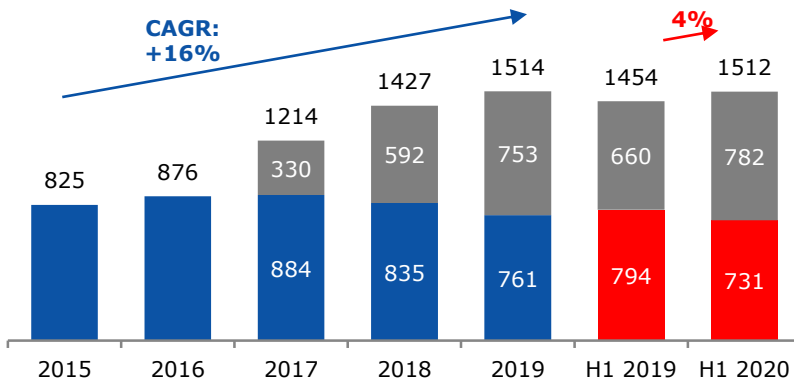
Pensions AUM including State Contribution (mTL)



Technical Profit (mTL)



Number of Participants (x1000)



Market Share Of AvivaSA % (in terms of AUM) Inc. AE

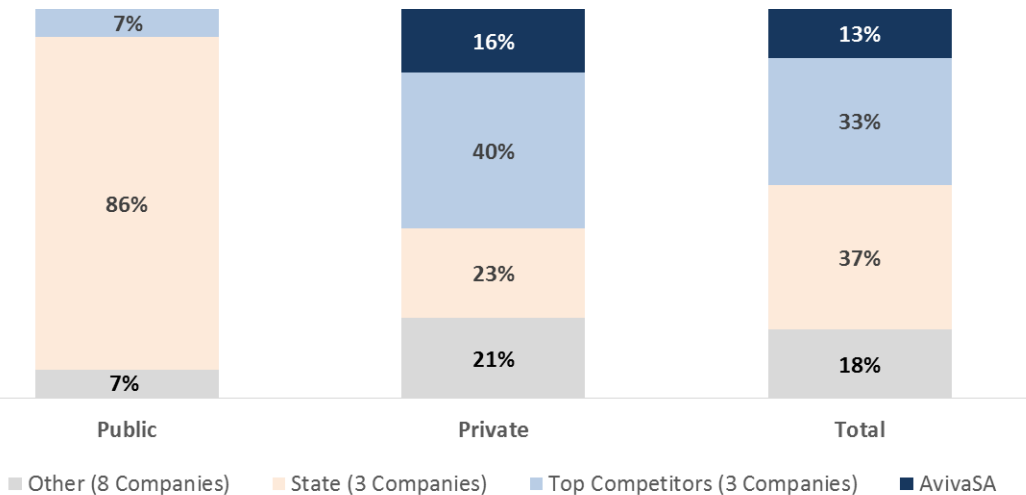
	2015	2016	2017	2018	2019	H1 2019	H1 2020
Pension	19,2	19,4	19,5	19,2	18,8	19,0	18,6
AE	-	-	9,2	9,4	9,4	9,2	9,2
Total	-	-	19,2	18,7	18,2	18,4	18,0

Average Monthly Contribution Size / Policy (TL) Exc. AE

2015	2016	2017	2018	2019	H1 2019	H1 2020
261	288	259	337	473	461	640

Leader in the Private Employees in Auto Enrolment Market

Market Shares
(Σ of Rounds 1-6)
Number of Participants

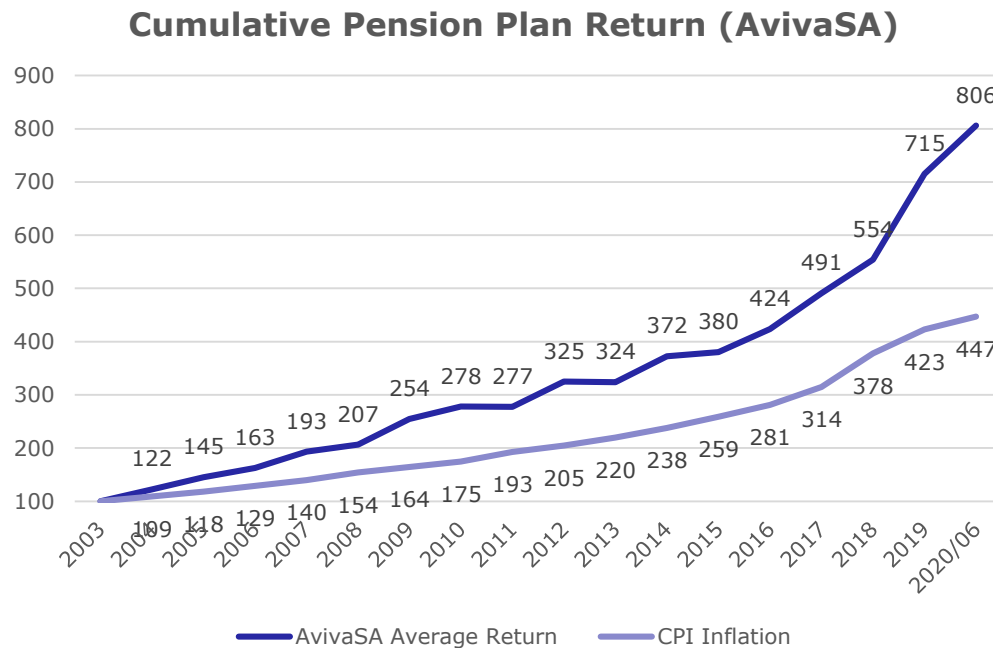


Results and Lessons Learned So Far

- ✓ More fragmented than regular pensions
- ✓ Servicing capability is very important
- ✓ Banks play a key role: AvivaSA achieved its targets mainly utilizing Akbank potential
- ✓ Cannibalization on private pension system was lower than expected
- ✓ Average opt-out ratio ~70% in the market

Strong Return Performance in Pension (customer)

as of 30.06.2020	YTD	Last 1 Years	Last 2 Years	Last 3 Years	Last 5 Years	Last 10 Years
AvivaSA Plan	12,77	28,96	62,11	74,41	113,44	206,19
CPI	5,75	12,62	30,33	50,38	79,51	163,13

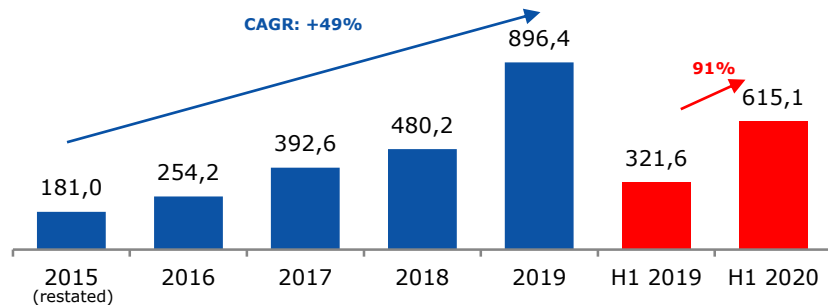


	Avivasa Average Plan Return	CPI	Real Return
2004	22,36	9,35	13,01
2005	18,63	7,72	10,91
2006	12,12	9,65	2,46
2007	18,68	8,39	10,30
2008	7,03	10,06	-3,04
2009	23,08	6,53	16,55
2010	9,31	6,40	2,91
2011	-0,30	10,45	-10,74
2012	17,11	6,16	10,95
2013	-0,27	7,40	-7,67
2014	14,92	8,17	6,75
2015	2,12	8,81	-6,69
2016	11,48	8,53	2,95
2017	15,82	11,92	3,90
2018	12,94	20,30	-7,36
2019	29,03	11,84	17,19
2020 / 06	12,77	5,75	7,02
Average	13,34	9,26	4,08
Median	12,94	8,53	3,90

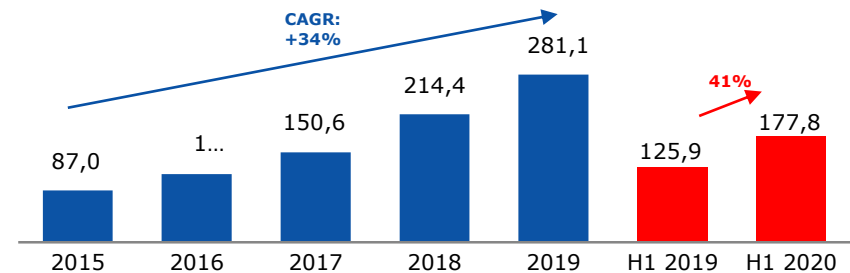
Life Protection

Sustainable and Resilient Growth Model Fueled by Bancassurance

GWP (mTL)



Technical Profit (mTL, %)*



Claims and Commission Ratios (%)

(Excluding Life Savings)

	2015	2016	2017	2018	2019	H1 2019	H1 2020
Claims Ratio*	22,3%	20,4%	13,3%	9,8%	7,1%	10,4%	13,3%
Comm. Ratio**	17,3%	17,1%	23,9%	22,3%	30,3%	21,7%	26,1%

* Total Claims (exc. Surrender) / NEP

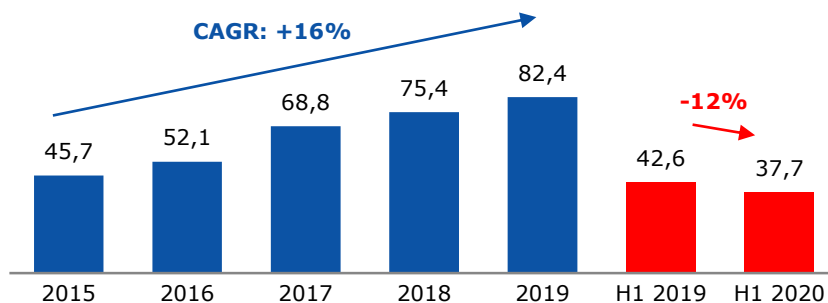
** Commission expenses net of income / NEP

New Credit Life product «Kredim Güvende» has been launched in 2019 May. Total GWP is 268 mTL in H1 2020 (27 mTL in H1 2019) and technical profit is 84 mTL in H1 2020 (2 mTL in H1 2019)

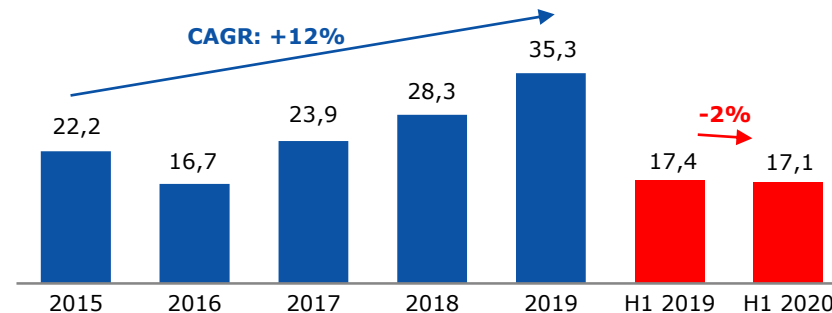
Personal Accident

A Complementary Profit Pool for the Group

GWP (mTL)



Technical Profit (mTL)



Claims & Commission Ratio (%)

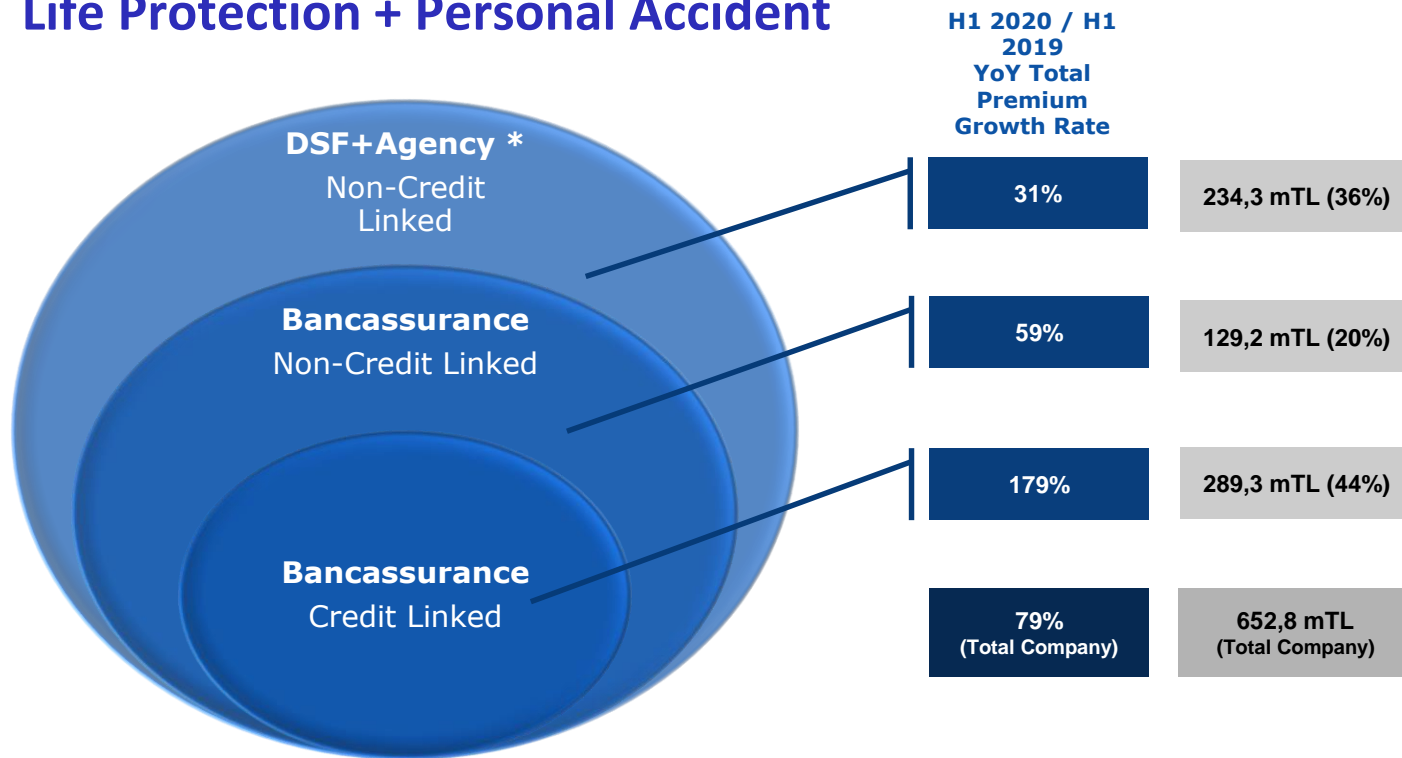
	2015	2016	2017	2018	2019	H1 2019	H1 2020
Claims Ratio	5,1%	19,4%	11,5%	10,7%	5,8%	5,4%	4,8%
Comm Ratio*	46,0%	46,0%	45,6%	48,1%	46,2%	46,1%	48,5%

* Commission Expenses, net of income / NEP

The decrease in technical profit in H1 2020 vs. H1 2019 is mainly due to lower production caused by Covid-19 pandemic slowdown

New Action Plan to Expand

Life Protection + Personal Accident

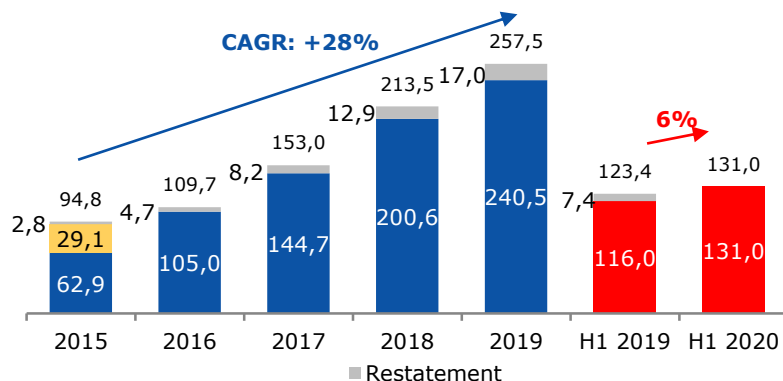


* Including Corporate and Telemarketing (non bancassurance)

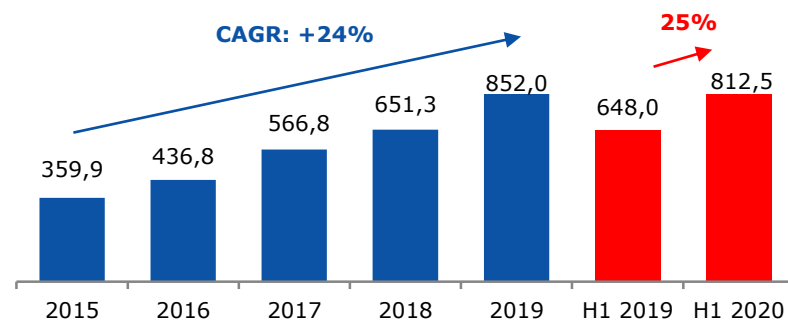
Financial Highlights

A Story of Solid Profitable Growth

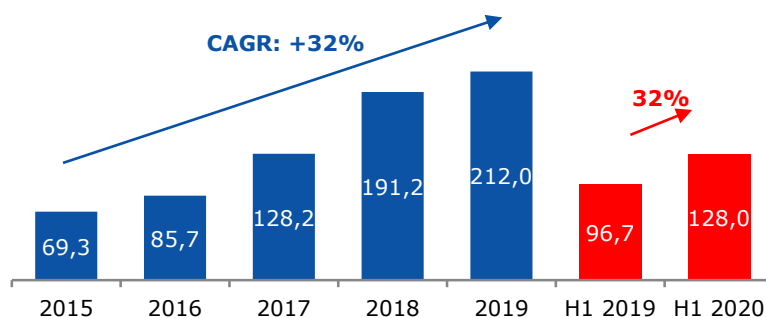
Profit for the Period (mTL)



Shareholders' Equity (mTL)



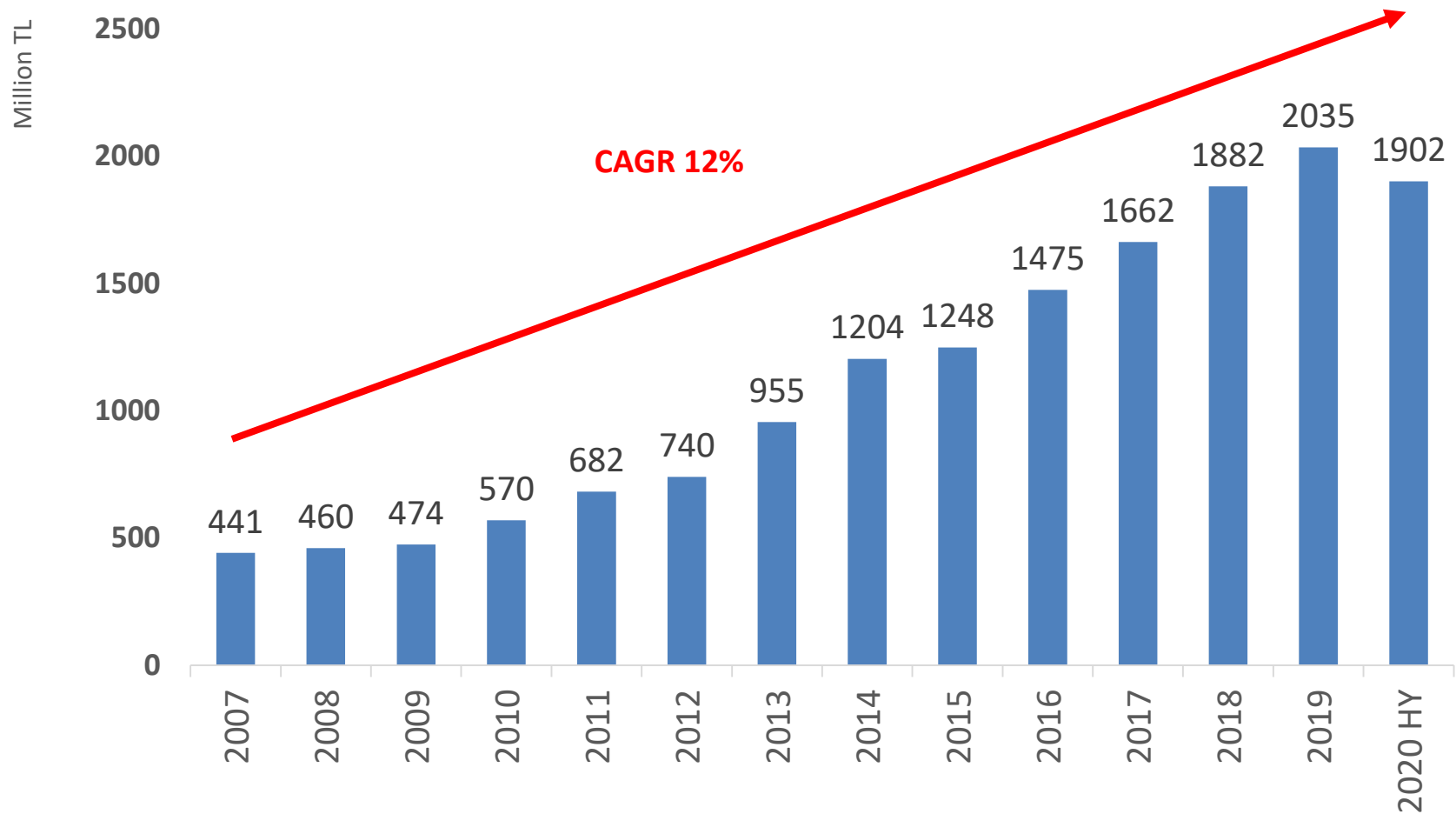
Net Technical Profit for the Period (mTL)



ROE	2015	2016	2017	2018	2019	H1 2019	H1 2020
	19%	28%	30%	35%	34%	43%	35%

- Steady increase in shareholders' equity reflects active management of capitalization to fund business growth
- Capital-light business, which benefits from AvivaSA's measured approach to risk and new product introduction

Proven Track Record of Market Consistent Embedded Value Growth



Why Invest in AvivaSA?

Why Invest in AvivaSA?

1. Strong partnership b/w Sabancı – Aviva
2. #1 player in pension funds: 27bn TL by Sept'20
3. Strong return performance on pension funds: 142% L5Y vs 135% market and 81% CPI
4. Further growth potential with Akbank
5. High level of MCEV (Market Consistent Embedded Value): 1,9bn TL



Thank you

Q&A

APPENDIX

AKSIGORTA

Financial Highlights

Income Statement in SFRS

Profit and loss (m TL)	2Q19	3Q19	4Q19	1Q20	2Q20	6M19	6M20	YoY % change
GWP	1,084	975	1,356	1,234	1,032	2,143	2,266	6
NEP	518	559	601	638	655	1,007	1,293	28
UWR	70	66	76	98	196	111	294	165
Expenses	-51	-52	-57	-57	-61	-106	-118	-11
Financial income	109	110	115	81	96	231	177	-23
PBT	122	118	131	110	222	225	332	48
Net profit	90	91	107	89	169	168	258	54

Balance Sheet in SFRS

Balance sheet (m TL)	2Q19	3Q19	4Q19	1Q20	2Q20	YoY % change
Receivables	1,388	1,281	1,543	1,522	1,417	2
AuM	2,201	2,450	2,610	2,580	2,970	35
Total assets	3,978	4,099	4,601	4,562	4,818	21
Reserves	2,240	2,390	2,612	2,719	2,730	22
Payables	819	699	856	874	877	7
Equity	686	789	899	726	942	37
Total liabilities	3,978	4,099	4,601	4,562	4,818	21
RoE	46%	44%	45%	58%	56%	+10 pp

AVIVASA

Financial Highlights

Summary of P&L from IFRS Segmental Reporting

	2015	2016	2017	2018	2019	CAGR	H1 2019	H1 2020	YoY	Q1 2020	Q2 2020	QoQ
Pension Technical Profit	138,7	155,7	207,1	233,8	242,7	15%	122,4	130,1	6%	66,9	63,2	-6%
Life Protection Technical Profit	87,0	114,4	150,6	214,4	281,1	34%	125,9	177,8	41%	76,8	101,0	32%
Life Savings Technical Profit	2,9	3,6	3,0	7,3	4,7	13%	2,8	2,0	-30%	0,8	1,2	45%
Personal Accident Technical Profit	22,2	16,7	23,9	28,3	35,3	12%	17,4	17,1	-2%	9,7	7,4	-24%
Total Technical Profit	250,8	290,4	384,6	483,7	563,8	22%	268,4	326,9	22%	154,2	172,2	12%
General and Administrative Expenses	-181,5	-204,7	-256,4	-292,6	-351,8	18%	-171,8	-199,0	16%	-102,9	-96,0	-7%
Total Technical Profit after G&A Expenses	69,3	85,7	128,2	191,2	212,0	32%	96,7	128,0	32%	51,3	76,7	50%
Total Investment Income & Other	49,8	52,3	63,3	84,8	121,1	25%	61,6	41,3	-33%	17,1	24,3	42%
Profit Before Taxes	119,1	138,0	191,5	275,9	333,1	29%	158,2	169,3	7%	68,4	101,0	48%
Profit for the Period (Before Write-Off)	94,8	109,7	153,0	213,5	257,5	28%	123,4	131,0	6%	53,0	78,0	47%
One-off Asset Write-Off Effect (net of tax)	-29,1											
Profit for the Period (After Write-Off)	65,7	109,7	153,0	213,5	257,5	41%	123,4	131,0	6%	53,0	78,0	47%

One-off Asset Write-off: An IT project has been started at the end of 2012 in order to standardize all core insurance systems into a single application and integrate this core system with the peripheral systems. Although the project still continues, it has been decided to discontinue the development of the new core insurance application. Instead, current core systems will be modernized with a more agile methodology. Total capitalized costs related with this project was 48.7 Mtl, and TRY 36.3 Mtl of this cost (around 75%) has been written off in accordance with the aforementioned decision.

Summary of P&L from SFRS Reporting

	2015 (restated)	2016	2017	2018	2019	CAGR	H1 2019	H1 2020	YoY	Q1 2020	Q2 2020	QoQ
Pension Technical Profit	-16,0	-13,9	11,9	59,2	49,9	n/a	40,0	30,4	-24%	14,5	15,9	10%
Life Technical Profit	22,1	46,6	57,3	92,2	86,9	41%	35,8	70,7	98%	18,2	52,5	189%
Non-Life Technical Profit	6,4	-3,3	-0,5	0,9	7,1	3%	2,1	3,3	59%	0,9	2,4	171%
Total Technical Profit after G&A Expenses	12,4	29,4	68,7	152,3	143,8	84%	77,9	104,5	34%	33,6	70,9	111%
Total Investment Income & Other	46,9	50,5	57,9	93,3	132,8	30%	66,9	49,0	-27%	20,1	28,9	44%
Profit Before Taxes	59,3	79,9	126,6	245,7	276,7	47%	144,8	153,5	6%	53,7	99,8	86%
Profit for the Period (Before Write-Off)	46,9	63,2	101,7	191,2	214,7	46%	113,5	119,1	5%	41,6	77,5	86%
One-off Asset Write-Off Effect (net of tax)	-29,1											
Profit for the Period (After Write-Off)	17,8	63,2	101,7	191,2	214,7	86%	113,5	119,1	5%	41,6	77,5	86%

One-off Asset Write-off: An IT project has been started at the end of 2012 in order to standardize all core insurance systems into a single application and integrate this core system with the peripheral systems. Although the project still continues, it has been decided to discontinue the development of the new core insurance application. Instead, current core systems will be modernized with a more agile methodology. Total capitalized costs related with this project was 48.7 Mtl, and TRY 36.3 Mtl of this cost (around 75%) has been written off in accordance with the aforementioned decision.