

ALLIANZ TURKEY

2020 INTEGRATED REPORT

Allianz

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INTRODUCTION



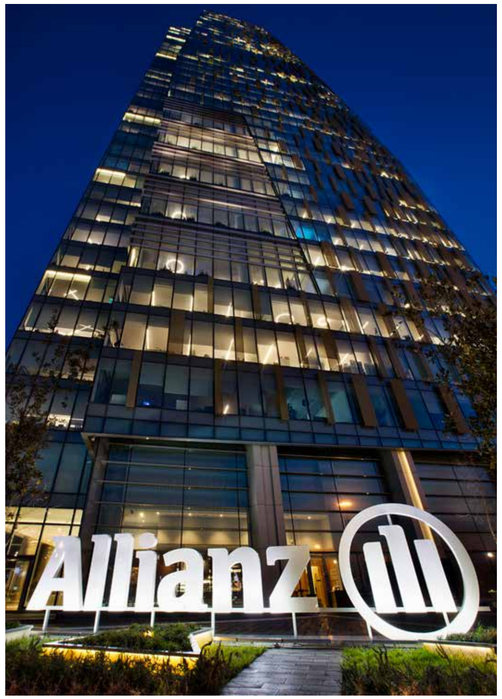
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ABOUT OUR REPORT

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At Allianz Turkey, we remind our customers of our business strategy, which we have determined as being with them at each and every stage of their lives, in line with our motto “We Secure Your Future”. In line with our sustainability strategy motto, “We Secure Your Future, Siding With Good”, we explain how we have implemented a value-creating business model for all our stakeholders in this journey we embarked on to make the lives of our customers easier. With our integrated sustainability reports, we present to our stakeholders the details of these two strategies, which we manage in an integrated manner in all our corporate processes, our value creation process, the risks we face in this process, our main performance areas, and targets.

We shared the Allianz Turkey 2020 Integrated Report, our second integrated report, the consolidated performance of Allianz Sigorta, Allianz Hayat ve Emeklilik, and Allianz Yaşam ve Emeklilik, spanning the period from 1 January 2020 to 31 December 2020, in a manner that complements the annual reports published by these companies.



We have prepared our report in accordance with the International Integrated Reporting Framework proposed by the International Integrated Reporting Council (IIRC) and the GRI Standards: Core option published by the Global Reporting Initiative (GRI) (see GRI Content Index, p. 90).

While creating the contents of the report, we also used GRI Standards Financial Services Sector Supplement and the Sustainability Accounting Standards Board (SASB)’s Insurance Industry Guidelines. Within the scope of this report, which contains our Global Compact Progress Report, we also included our contribution to the United Nations Sustainable Development Goals (SDGs) (see Our Contribution to Sustainable Development Goals, p. 34).

Allianz Turkey Annual Reports are available at **https://www.allianz.com.tr/tr_TR/ hakkimizda/bilgilendirme-ve-raporlar/ faaliyet-raporlari.html** Financial data marked with ✓ in our Sustainable Value Creation Model are received from Allianz Turkey annual reports. You can send any feedback, suggestions, and complaints regarding our report to Allianz Turkey’s Corporate Responsibility and Sustainability Department via **sorumluluk.surdurulebilirlik@allianz.com.tr**

WHAT’S NEW IN THIS REPORT?

The key performance indicators in our 2020 Integrated Report have been subject to limited assurance (see Independent Auditor’s Report, p. 96). In our 2020 Integrated Report, we shared our new sustainability strategy, which we determined in 2019, as well as our value creation process for all our stakeholders, and our stakeholders’ expectations from us in more detail. We reviewed and revised our integrated sustainability model. In order to establish the connection between our business strategy and our sustainability strategy more clearly, we have included the budget we allocated for the main performance areas in our report. In the report, we included our sustainability governance structure that was changed in 2020. Another new feature in 2020 was that we included stakeholder views on Allianz Turkey’s sustainability vision in the report.

Thus, we aimed that our report had a structure revealing our vision and goals for the future. In the report, we also created a section where we included the practices we have developed for our employees, customers, agencies, and society during the COVID-19 pandemic. Unlike other years, we have included some of our practices from the current year in our report.

In our report, we continue to share the pioneering sustainable value we create in our processes as a company. Moreover, we highlighted and shared our applications, products, and services that we have implemented as a financial institution to realize a greater transformation.

You can follow our applications, products, and services that contribute to this transformation with the icon on the side throughout the report.

A FINANCIAL INSTITUTION

GOOD ENVIRONMENT

Tapping into our sustainable products and services, we continue to contribute to combating climate change and a carbon economy, while exercising utmost care to minimize our own environmental impacts.

According to the base year 2019:

We reduced our building-based power consumption per employee by **29.2%.**

We reduced the amount of waste per employee by **73.2%.**

We reduced the greenhouse gas emissions per employee by **37.7%.**

We reduced our water consumption per employee by **32.3%.**

We reduced our paper consumption per employee by **37.9%.**

We reduced our paper consumption per policy issued by **37.5%.**

With our wind turbine investment, the percentage of power produced from renewable sources in energy consumption became **1.5%.**

We donated our electronic waste to TEGV's **"Donate Don't Dump"** campaign by performing digital cleanup on World Cleanup Day.

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GOOD SOCIETY

In 2020, the YouTube Channel of Allianz Motto Music was watched for about **1.6 million hours,** while reaching **15.1 million** unique views.

21 Allianz Turkey employees performed digital volunteering. As part of the program, we reached **1,153 children from 21 provinces** in 2020.

We have **reduced customer complaints by 33%** since 2016.

The number of visitors **reached more than 2,000 people** in two years.

In 2020, we performed a total of **1.026 hours** of volunteering activities.

Almost 1,000 people were offered hands-on training on earthquakes and fire at Allianz Teknik.

As Allianz Turkey Corporate Running team, we collected donations of a total amount of **128,610 TL** on behalf of many non-governmental organizations in the 15th International Runtalya Marathon and the 42nd Istanbul Virtual Marathon.

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GOOD INSTITUTION

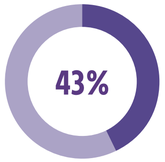


Female employees in our total workforce accounted for: **59%.**



98% of our customer communication takes place in a digital environment.

We provided **124,829-person*hours** of training to our employees.



Female employees among executives accounted for: **43%.**



The number of our teams working agile increased to **43.**



With our Healthcare Hotline Dr. Allianz Sağlık, we provided services to a total of **77,000 customers/ insurance holders**.



The number of downloads for our mobile app My Allianz was **769 thousand.**



The number of new business ideas submitted to the Internal Entrepreneurship Program was **116**.



We are the **market leader** in all areas in the Net Promoter Score.



The total amount of our risk management support became **TRY 366,386.**

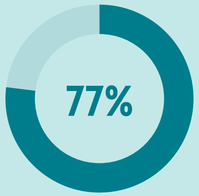


We generated a revenue of more than **TRY 71 million** from sustainable solutions.





Our Employee Loyalty Index Score was 90%.



Our Work Well Index score was 77%.



Our Performance Culture Index score was 85%.

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Allianz Group AT A GLANCE



ALLIANZ GROUP IN FIGURES

With over 100 million customers worldwide, Allianz Group is one of the largest and most reputable financial groups in the world. Allianz delivers an extensive range of products and services to its customers. Allianz Group strives to be a dependable, profitable, and sustainable corporation that benefits all of its stakeholders.



Oliver Bäte
CEO
Allianz SE

100+ million customers

We operate in **70+** countries

EUR 140 billion in total revenue

150 thousand+ employees

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CORPORATE STRATEGY

Allianz Group aims to position itself as one of the world's most trusted financial service providers and a global sustainability leader. The Group aims to be recognized by all its stakeholders as a financially stable, responsible and trustworthy company that embraces sustainable business models. Our purpose 'We secure your future' serves as a corporate value that shapes each and every activity we carry out.



To reach these goals, Allianz Group focuses on the axes of **"Outperform", "Transform"** and **"Rebalance"**.

Outperform: Allianz Group aims to outperform its competitors in terms of growth and profitability, as well as customer and employee satisfaction.

Transform: Allianz Group renders its products and the company simpler, more agile and more efficient through digitalization, artificial intelligence and big data analytics.

Rebalance: Allianz Group rebalances its portfolio towards profitable and fastgrowing segments. Allianz updated its corporate strategy in 2019, and it includes ambitious targets for the 2019 – 2021 period. Allianz's current transformation strategy, The Renewal Agenda 1.0, was further developed in 2019 and updated as "Simplicity wins – Renewal Agenda 2.0".

	RENEWAL AGENDA 1.0	RENEWAL AGENDA 2.0
Authentic Customer Centricity	Customer-centric culture	Clearly-explained products and services, leading in loyalty
Digital DNA	Infrastructure consolidation, online accessible products and customer experience improvement	Multi-channel access
Technical Excellence	Portfolio optimization	Data-driven product and service development and pricing
Areas of Growth	Rebalancing	Systematic rebalancing
New Performance Culture	Culture of collaboration	Working with the best talents, a digital, simple and agile organization

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SUSTAINABILITY STRATEGY

Allianz Group's 2025 ambition is to move Allianz from being a leading company in its own right to being a sustainability shaper of our industry and beyond. This is closely linked to it's purpose, 'We secure your future'. The Group will deliver it's ambition by fully integrating environmental (E), social (S) and governance (G) aspects into how it run it's organization and business segments – Asset Management, P&C insurance, L&H insurance and Proprietary Investments.



E: LOW-CARBON ECONOMY CLIMATE CHANGE AND DECARBONIZATION

Allianz Group will rigorously pursue decarbonization and net zero emissions at least in line with science-based targets. The Group do this for it's own organization through greenhouse gas (GHG) reductions targets. Allianz Group does it through it's businesses using the roles as an insurer, investor and asset manager to help manage the risks arising from climate change and to promote the low-carbon economy. Throughout 2020, the Group worked on setting a CO_2 reduction target for a subset of it's investment portfolio. This target was announced in early 2021. We continue to broaden it's impact through engaging in alliances with the public and private sectors.

S: SOCIETAL IMPACT

Allianz Group will use the roles as an employer, insurer, investor, and corporate citizen to contribute to more inclusive and stronger societies. As an employer, the Group thanks it's employees for continuing to serve it's clients during the COVID-19 crisis – including during national lockdown periods and while working from home. Allianz Group passed this test with improved customer satisfaction (NPS) and improved employee satisfaction (IMIX) scores. The Group deliver it's societal impact on next generations through Allianz's Corporate Citizenship strategy which promotes social inclusion of children and young people worldwide.

G: ESG GOVERNANCE

Allianz Group will continue to integrate top class principles in how it runs it's organization and how it conducts it's business, shaping sustainability regulations and reporting frameworks through external contributions and commitments. The Group believes in increased transparency on sustainability matters and, at the start of 2021, Allianz Group committed to use the World Economic Forum (WEF) Stakeholder Capitalism Metrics. Managing material ESG risks and seizing opportunities is fundamental to it's strategy while at the same time embedding compliance, responsible sales, transparency, data protection and privacy across it's operations. The Allianz ESG approach ensures ESG integration in all insurance business and investments of proprietary assets

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AT A GLANCE

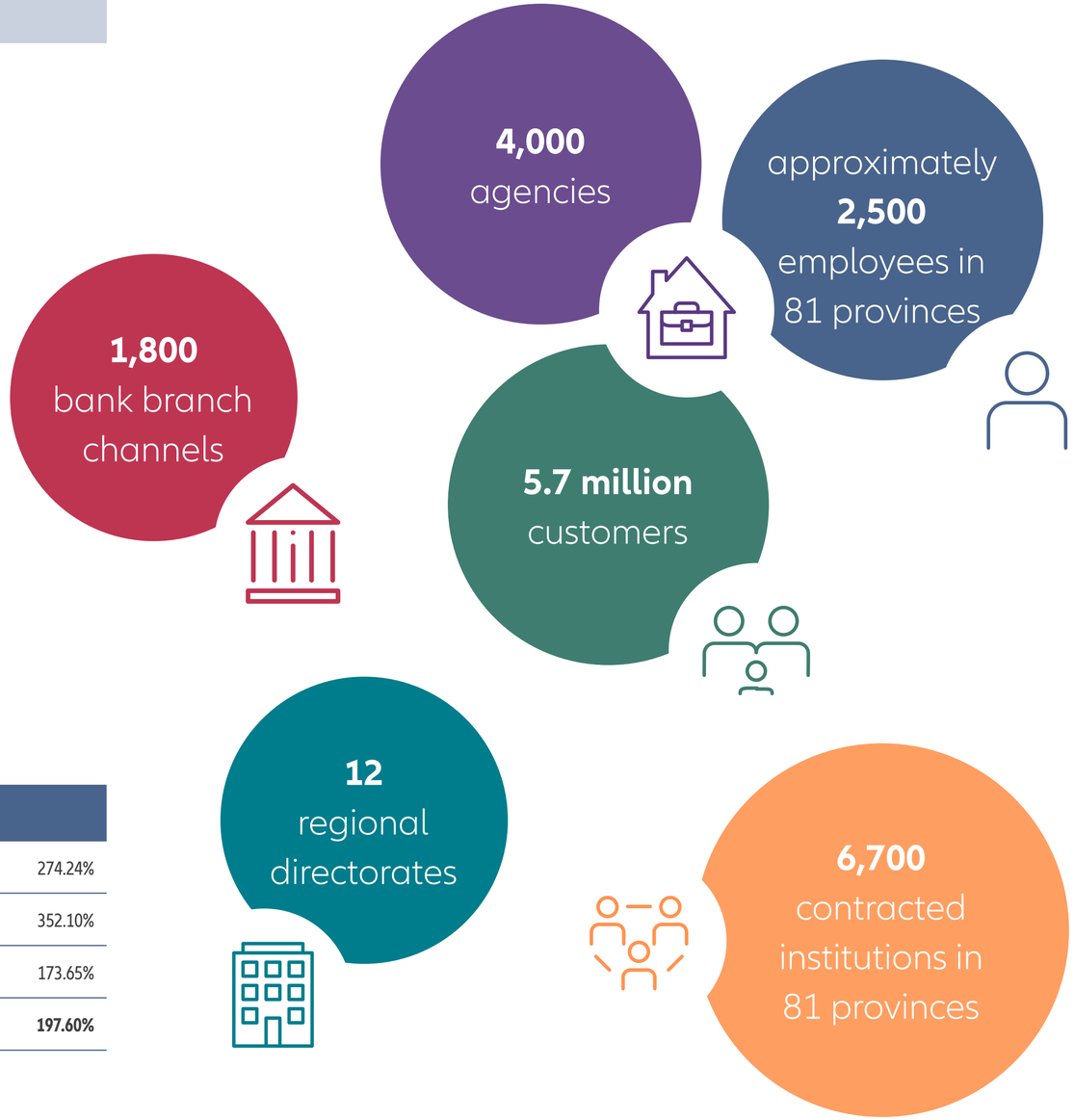


ALLIANZ GROUP IN FIGURES

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We are Turkey's leading insurance and pension company. We serve 5.7 million customers in 81 provinces with more than 6,700 employees, 12 regional directorates, 4,000 agencies, 1,800 bank branch channels, and 6,700 contracted institutions

We operate with the companies Allianz Sigorta, which operates under Allianz Turkey in the field of elementary insurances, as well as Allianz Hayat ve Emeklilik and Allianz Yaşam ve Emeklilik, which operate in the branches of life insurances and pension.



SIZE OF ASSETS	
AZHE	5,695,817,157
AZYE	25,171,348,232
AZS	13,156,615,894
Total	**44,023,781,283**

CAPITAL ADEQUACY	
AZHE	274.24%
AZYE	352.10%
AZS	173.65%
Consolidated	**197.60%**

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MESSAGE FROM OUR CEO 102-14



In order to create holistic value, we both transform ourselves as an organization and contribute to the shaping of our ecosystem as a financial institution.

Dear Stakeholders,

The global COVID-19 pandemic, which left its mark on the year we left behind, undoubtedly deeply affected several areas from business processes to social life, from technology to education, from health to commerce. The pandemic, which affected the whole world, prompted both institutions and individuals to take quick steps in search of new solutions. In this process, we have experienced how important it is to act together and create holistic value. While the efforts for tackling the pandemic continued, environmental disasters caused by the climate crisis did not fall off the agenda. In such a period, when we, as the world, are at a crossroads, we now have to take much bolder decisions. Either we will continue as has been the case so far and face environmental, social, and economic risks, or we will devote ourselves to a good environment, the well-being of society, and a better institution.

As Allianz Turkey, our decision is very clear. As an organization that exists to make sure all its stakeholders continuously feel the impact of our motto, "We Secure Your Future", we have been structurally working for our world and society, which are our most important stakeholders, since 2016. We make sustainability our top priority in every aspect, and we know that we can realize our growth and value creation potential only by this way. In order to create holistic value, we both transform ourselves as an organization and contribute to the shaping of our ecosystem as a financial institution.

With our first integrated report, non-financial data of which have been independently audited, we are proud of being still a pioneer in this field.

As the first step towards our sustainability journey, in 2016, we became the first company in the industry to address this matter with a dedicated team, establish a committee, draw up a strategy roadmap, and embark on operating in line with that strategy. Driven by our goal of transforming our business from good to excellent, we shared our activities each year through our annual reports and GRI-based sustainability reports.

When we come to 2020, we have begun a new phase where we will also contribute to the transformation of the ecosystem. In addition to bringing our sustainability committee to the level of the executive board and updating our strategy, we published the GRI-based Allianz Turkey 2019 Integrated Report, breaking new ground among companies that are not open to investment and in our industry. Now, with our second GRI-based integrated report, we are proud of being the first and still the only one in this field. With the Allianz Turkey 2020 Integrated Report, non-financial data of which have been also independently audited, we share not only our past but also our future in a transparent manner.

We are a huge family with 5.7 million customers, 2,500 employees, 4 thousand agencies, and 6,700 contracted institutions in 81 provinces. As an institution that holds a premium production value of TRY 14.8 billion, assets worth TRY 44 billion, and a capital adequacy ratio of 197.6%, we undertake numerous value-adding projects and applications. We are excited to have started to contribute to the transformation of our ecosystem as well as transforming ourselves by considering sustainability as a long-term business strategy that we integrate into all business processes.

We continue to combat the climate crisis to limit global warming to 1.5 degrees and ensure a fair transition to a low-carbon future.

As a financial institution, we aim to create a shareable value with all our stakeholders for a good environment. We manage the risks posed by climate change and insure business models that serve the low carbon economy. We took a vital step in these areas in 2018 by deciding to terminate the extension of our coal business policy worth TRY 17.5 million, which was due for renewal; we continued this practice in 2019 and 2020, as well. The total revenue we obtained from our sustainable solutions that support renewable

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energy and aim to prevent environmental pollution has reached TRY 71 million.

In our operations, we use the minimum amount of natural resources and reduce our environmental footprint. According to our 2020 data, we have reduced our paper consumption per policy by 37.5%, our carbon emission per capita by 37.3%, our energy consumption per capita by 29.2%, and our waste consumption by 73.2% since last year. We decided to reduce our flights by 50% compared to 2019, with the aim of preserving our travel rates, which decreased with the pandemic, during the normalization process. When we reach 2023, we aim to use 100% renewable energy sources in our operations and to reduce our greenhouse gas emissions by 33% until 2025.

We work for the benefit of society and make investments that create value for future generations.

We make human-oriented investments that create value for future generations for the benefit of society. In cooperation with the Aegean Modern Education Foundation, the Koruncuk Foundation, and the Educational Volunteers Foundation of Turkey, we have moved our social responsibility program Allianz Motto Movement, which contributes to the healthy growth of children through movement and sports, to digital platforms during the pandemic period when the fields were closed; we reached out 3,000 children from 21 provinces in 3 years with our 16-week training program.

Launched to provide professional risk consultancy services aimed at the mitigation and prevention of earthquake and fire risks, the Allianz Teknik Earthquake and Fire Test and Training Center was visited by more than 2000 people since 2019.

We believe that the arts play a major role in strengthening cultural bonds in society. We are among the supporters of Istanbul Modern and the Istanbul Biennial, held by the Istanbul Foundation for Culture and Arts, of which we are a member of the board of trustees. We continue to support the Music for Peace Foundation, the Ayvalık International Music Academy, the Turkish National Youth Philharmonic Orchestra, and the young artist Kaan Baysal. Since 2015, we have been feeding our YouTube channel Allianz Motto Music, which was watched for about 1.6 million hours and reached 15.1 million unique views this year, with original content about art. We also bring art together with our colleagues through the Allianz Turkey Collection and Sanat@Allianz platform.

We are happy to devote more than a thousand hours to our corporate volunteering activities, which have been mostly moved to digital in 2020. We performed digital volunteering within the scope of the Allianz Motto Movement; we supported World Cleanup Day by collecting electronic waste and doing digital cleanup; as the Allianz Turkey Corporate Running Team, which consists of our colleagues and agencies, the amount of donations we collected in the charity races reached almost TRY 550 thousand at the end of 4 years.

During the fight against COVID-19, together with Lokman Hekim Health Foundation, we implemented the "Be The Air" project and offered the healthcare professionals who could not go their homes the opportunity to stay in hotels that were hired near busy hospitals so that they could rest. We provided scholarships to 12 children through the Turkish Education Foundation's Loyalty to Corona Heroes Fund.

We transform to be a better institution.

We constantly transform ourselves to become a better institution. We attach importance to business ethics and implement an active risk management system. With the importance of being a part of global and local solidarity networks since 2016, we are a signatory to the United Nations Global Compact and Women's Empowerment Principles. In 2020 as part of the 75th anniversary of the United Nations, we signed the CEO Statement for Renewed Global Cooperation initiated by the United Nations Global Compact. With our Diversity Team, we continued to strive to be an institution without discrimination in the light of our human rights policy.

As part of the agile transformation, we increased the number of our agile teams from 30 to 43. Besides the measures that we took during the pandemic, being in constant contact with our colleagues and providing them with accurate and transparent information were among our priorities. We increased our Work Well Index score from 67% to 77%, our Performance Culture Index score from 76% to 85%, and our Employee Loyalty Index score from 83% to 90%. With Allianz Turkey Academy, we offered 125 thousand hours of training to our colleagues and 15 thousand hours of training to our 4,000 business partners.

During the pandemic, we focused on developing solutions for the needs of our stakeholders that may arise in this period. We have improved our Healthcare Hotline Dr. Allianz Sağlık, where we, with our team of doctors and nurses, offer 24/7 free medical consultation services to our healthcare customers; we provided support to almost 77 thousand customers. We became the industry leader in all areas in Net Promoter Score. We provided risk management support of about TRY 370,000. As an institution that performs 98% of our communication with our customers through the digital environment, we increased the total number of downloads of our My Allianz mobile app reached to 2 million 340 thousand. Perhaps most importantly, as Turkey's leader in health insurance, we could say "We Secure Your Future" to our 1.5 million health insurance holders by covering both COVID-19 and future epidemics under the policy.

With our integrated report, which has undergone an independent external audit, we share all of our works that came to the fore in 2020, the effects of COVID-19, the feedback we received from our stakeholders, the details of our responses and actions in an integrated manner with our sustainability strategy and the value we created.

As Allianz Turkey, we take every step with full awareness of our responsibility of leaving a better world behind for the future. We would like to thank each and every stakeholder, particularly our colleagues, who supported us in our efforts to prepare our report.

Kind regards,

Tolga Gürkan
CEO

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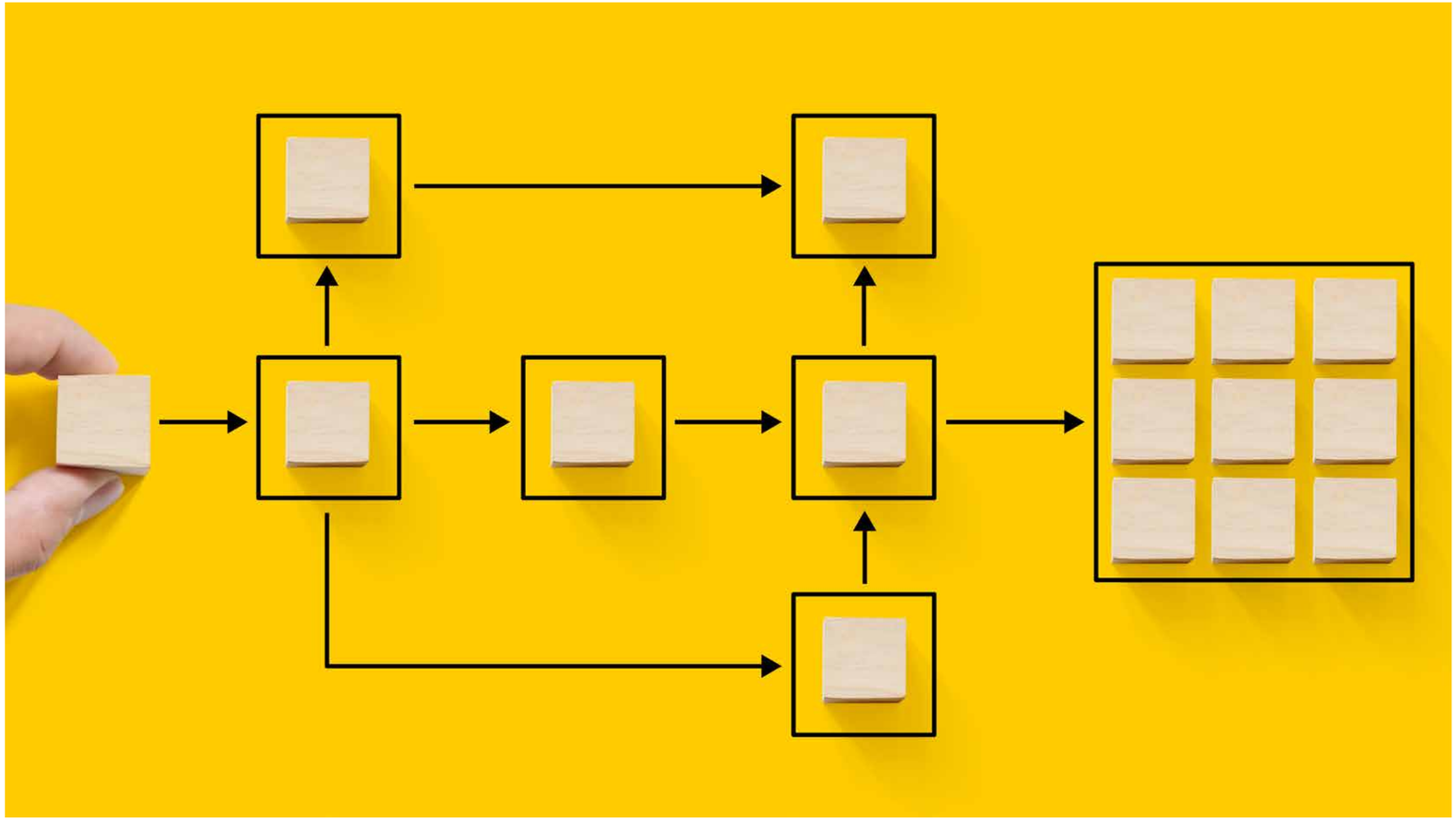
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BUSINESS MODEL

The Allianz Group has been protecting its customers and helping them realize their dreams for 130 years.

We offer our customers a broad portfolio of insurance and pension products that protect them from risks. Our products include motor insurance, health insurance, private pension plans, home and workplace insurance, and life insurance. We offer our products and services to our customers through our 3 companies operating in Turkey: Allianz Sigorta, which operates in elementary insurance; Allianz Hayat ve Emeklilik and Allianz Yaşam ve Emeklilik, which operate in life insurance and pension branches.

You can visit **www.allianz.com.tr** for details of our products and services.



ENVIRONMENT IN WHICH WE OPERATE, OUR RISKS AND OPPORTUNITIES

102-11, 102-15

The year 2020 has been a period of significant developments in many aspects. Many developments such as the COVID-19 Pandemic, the economic recession due to the pandemic, Britain's exit from the European Union, and the presidential election in the United States shaped both the economy and daily life. The great change that the world has been going through also changes the global risk rankings.

Risk management is the basis of our work in the insurance industry. Therefore, in this industry, we consider the possible risks by a long-term foresight and we are always prepared for the measures to be taken before the risk occurs.



COVID-19 Pandemic and Epidemics:
The COVID-19 pandemic has dominated the world agenda in an unprecedented way in recent history. The pandemic is the first interconnected global event to shake the global economy to such a degree. The pandemic, which revealed the vulnerabilities of the global economy, also led to the understanding of the limits of global supply chains.

Production has come to a standstill in some industries, which has once again revealed the necessity of an active risk management approach in business continuity.

The effects of the pandemic were also felt in the insurance industry. Face-to-face communication, which decreased due to the closures, was replaced by digital channels. Customer preferences and behaviors have changed in this process. Closure decisions and disruptions in supply chains have caused many of our customers to experience financial challenges. The prevalence of remote working has created new product needs.

At Allianz, we have established teams to quickly respond to the demands of our customers through digital channels.

You can read the solutions we have developed for our customers, business partners and employees during the pandemic in our **customers** and **supply chain** sections, and the works we have done for our society in the **social solidarity** section.

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Financial Recession: The slowdown in the global economy, which marked the last decade, caused the biggest global recession after the 1929 crisis, with the effect of the pandemic. The International Monetary Fund (IMF), in its "World Economic Outlook" report, stated its projection for the global growth in 2020 as -4.4%. It is projected that developed economies will shrink by 5.8% and emerging economies by 3.3% in 2020.*

Global debt in 2020 is estimated to be at the level of USD 277 trillion. This threatens global economic prosperity. The unemployment wave caused by the pandemic, increasing political tensions, decreasing investments, and decreasing confidence in economic systems all over the world are among the indicators that this situation will continue in the short and medium terms. Financial crises and unemployment are fueling social unrest.

Allianz Turkey's risk management strategy and internal control systems have been established to minimize the possible negative effects of risks on financial performance. Various measurement, limitation, monitoring, and reporting methods are determined in accordance with each risk type, and the results of the evaluation are regularly discussed at the Risk Committee. Also, the Board of Directors reviews investment policies at least once a year and takes decisions on general policies.

As Allianz Turkey, we contribute to the welfare of the society with social responsibility investments. We contribute to the construction of a more inclusive society with our programs to empower future generations by focusing on children and youth (see Good Society, pp. 46-55)

Combating Climate Change and Natural Disasters: Although the pandemic causes a decrease in global emissions, the negative effects of climate change continue to be observed.

The World Economic Forum's Global Risk Report 2021 lists natural disasters as the third most likely risk to occur in the next 2 years. The Allianz Risk Barometer, on the other hand, shows natural disasters as the sixth most important risk affecting the business world all over the world. According to this report, financial losses due to natural disasters have increased 15 folds in the last decade, reaching USD 175 billion in 2020.



The year 2020 was a period when "megafires" in Australia and California and several tropical storms have become the topics on the world agenda. In Turkey, 2020 was recorded as the year in which the highest number of extreme weather events were seen in history. Heavy rain, flood, storm, and hail adversely affected life in many regions. Elazig, Malatya, and Izmir earthquakes caused loss of life and property.

At Allianz, we carry out studies to minimize the effects of natural disasters both for our own operations and for society. Each year, we arrange Business Continuity Drills to test our action plans against potential natural disaster cases. Allianz Teknik provides information, applied online training, and consultancy on testing and engineering services against earthquake and fire hazards faced by Turkey, aiming to raise individual, corporate, and social awareness of the risks.

Climate Action is among the Sustainable Development Goals, constituting a material topic in our sustainability strategy. In order to prevent climate change, we take important steps, such as terminating coal-related activities, releasing green products that promote renewable energy, and minimizing the natural resources that we use in our operations.

* IMF, "World Economic Outlook, October 2020: A Long and Difficult Ascent," October 2020, 2020, www.imf.org/en/Publications/WEO/Issues/2020/09/30/world-economicoutlook-october-2020

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Cyber security: Smart technologies make very important contributions to the well-being and health of humanity, but they also bring many undesirable security problems to them. It is estimated that the cost of cybercrime to the global economy in 2020 is USD 600 trillion.* With the increasing digitalization due to pandemic conditions, cyber attacks against institutions, ransom demands, and interruptions in business continuity increase each passing day. Theft or loss of corporate information results in loss of money and reputation and legal sanctions. Companies that follow state-of-the-art technologies in the field of cyber security and build trust among stakeholders attain a significant competitive advantage.

As Allianz, we strive to be a "truly digital" company. Therefore, we aim to enhance our service quality for customers, facilitate access to insurance services, and improve the customer experience. We follow a three-stage risk prevention method to eliminate the risks posed by digitalization:

1- We closely monitor and manage our cyber risks as part of our risk management activities.

2- We scan each and every system and process through continuous penetration tests.

3- We update our employees and perform simulation activities to raise employee awareness of cyber security.



Access to Healthcare Services: Of course, the healthcare industry is one of the areas where the effects of the pandemic are most clearly observed. The rapidly increasing number of cases caused capacity shortages in the healthcare system. Access to treatment and vaccines has become a hotly debated topic all over the world. Moreover, the anti-vaccination movement, increased AMR incidents due to overuse of antibiotics, greater levels of obesity and similar diseases due to changing life conditions result, mental health disorders, a decline in water and clean air resources due to climate change are serious obstacles that are causing a setback in humankind's achievements in the field of health. As human life prolongs, diseases evolve and become chronic, which significantly pressures healthcare systems. Innovations such as artificial intelligence and personalized gene therapy bring about important risks and opportunities in the field of health.

At Allianz, we believe that a healthy society is the building block of a healthy economy. With a customer-oriented approach also during the pandemic, we have ensured that the treatment costs of the COVID-19 cases are covered by the policy. We support preventive healthcare solutions through our practices including our Breast Cancer Information and Mammography Reminder Project, Diabetes Support Project, and Secure Home Service. We provide 24/7 access to healthcare services through Healthcare Hotline Dr. Allianz.

Compliance with Changing Regulations: It is estimated that data security and sustainability issues will be the main focus of global regulations in 2020 and beyond. Discussions about how personal data should be used to determine the competitive advantage in the big data economy, which is defined as the economy of the 21st century. The EU, China, and many large industrial regions have been signing regulations that support a freer and greener economy. While institutions that do not start the compliance process early may experience significant market losses, countless job opportunities arise for those who prepare early.

Allianz Turkey utilizes an active and effective system to follow regulations. The Risk and Compliance Departments operate to manage regulatory risks and develop controls so as to ensure compliance with regulations, and to ensure all relevant departments take the necessary measures. The Regulatory Compliance Committee was established to monitor regulatory changes, identify the impact of changes on the company and industry, coordinate the actions to be taken, ensure that the new regulations are communicated to the right departments and committees within the company, and ultimately ensure implementation and compliance, identify the risks, follow the actions to take, support consistency and unity in the eye of regulatory/administrative institutions, and serve as a proactive guide for regulatory changes that may affect the company's operations and the industry.

* McAfee Economic impact of Cybercrime. https://www.mcafee.com/enterprise/en-us/assets/executive-summaries/es-economic-impact-cybercrime.pdf

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Allianz

MESSAGE FROM OUR ESG LEADER



With our first integrated report, which has undergone an independent external audit, we are able to analyze our past much more confidently and make bolder promises for the future.

Dear Stakeholders,

In our sustainability journey that we embarked on in 2016 as the leader of the insurance industry, we began to pronounce all our work, which we have implemented, to the public annually through our GRI-based sustainability report with the understanding of "what cannot be measured cannot be managed".

Last year, as a member of the executive board of Integrated Reporting Network Turkey (ERTA), we published the Allianz Turkey 2019 Integrated Report in line with the GRI Standards, as well as integrated reporting requirements. By achieving a first among companies that are not open to investment, we have taken a pioneering step that we hope will inspire all industries in measurement, reporting, and improvement actions, which have become even more important with the European Green Deal.

Today, with the Allianz Turkey 2020 Integrated Report, we are going one step further in this journey. With our first integrated report, which has undergone an independent external audit, we are able to analyze our past much more confidently and make bolder promises for the future. We aim to go beyond pioneering our environment by transforming ourselves and to contribute to the transformation of our ecosystem as a financial institution.

Also, with our sustainable value creation model, which we have implemented by bringing our motto "We Secure Your Future", which is our purpose of existence, to the environmental, social, and governance layers of sustainability, with our sustainability committee, which we brought to the executive board level, with our GRI based integrated report that has undergone an independent external audit, we expand our focus areas on creating "good environment, good society, and good institution" and integrate them further by our business strategy.

We support the fight against climate change and a low carbon economy for a good environment, and we continue to invest in future generations for the good of society. In order to become a better institution, we focus on business ethics, transparent and agile governance, sustainable solutions,

ESG integration and risk management along with our business strategy.

By focusing on these priority areas, we aim to make every effort we put forth to serve the sustainable development goals of the United Nations titled "Climate Action", "Decent Work and Economic Growth", "Gender Equality", "Quality Education", and "Good Health and Wellbeing" and to create value for global solidarity.

As the Corporate Responsibility and Sustainability Team, we would like to thank all our leaders, committee members, and volunteers that took part in our working groups and activities for their support and endeavors on our journey of goodness and all our colleagues for their efforts in embedding sustainability in business processes, and to all our stakeholders who have made it possible for us to contribute to this transformation.

We secure your future, siding with good.

Kind regards,

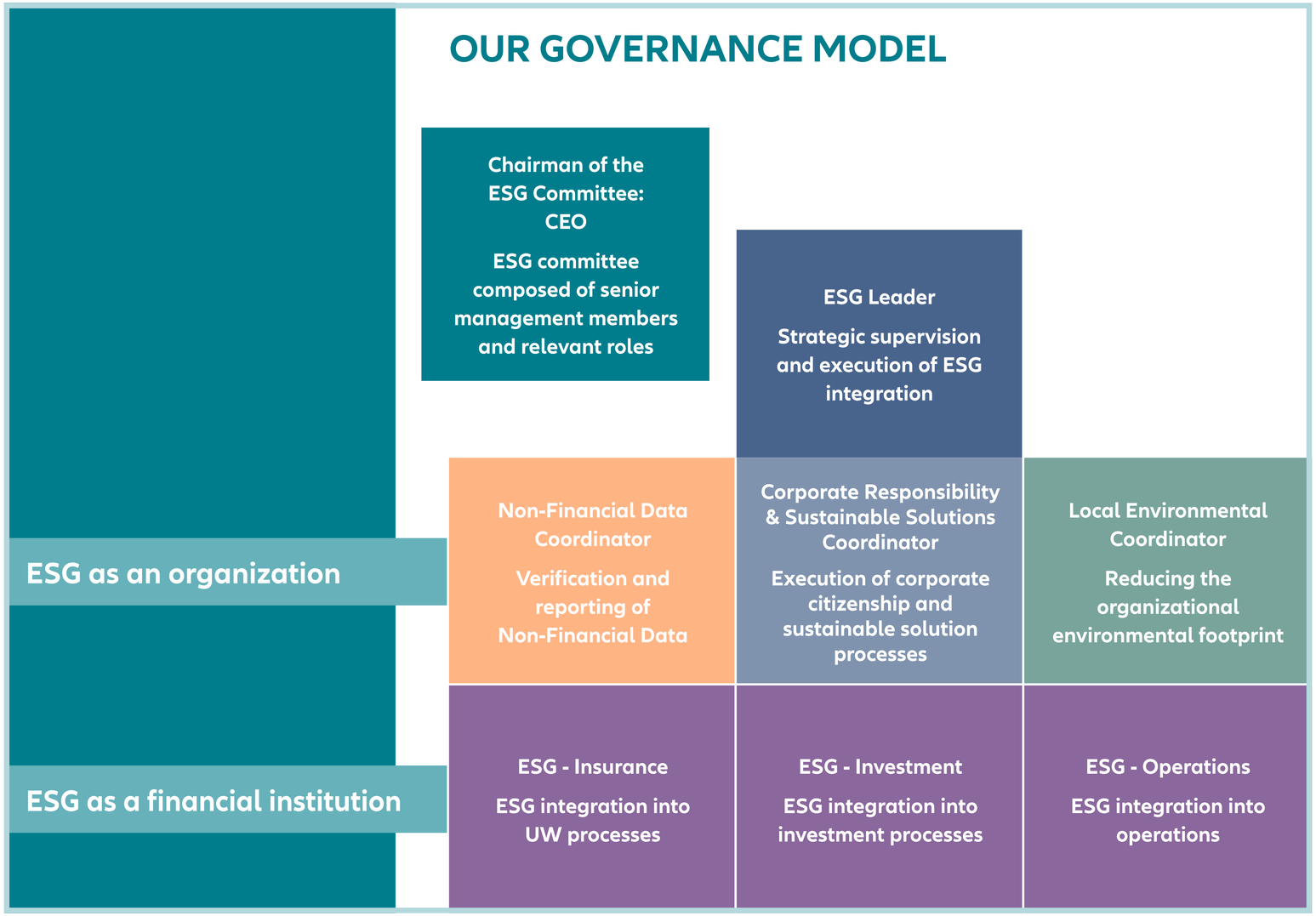
Berna Özdemir
Head of Corporate Communications,
Corporate Responsibility and Sustainability

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OUR SUSTAINABILITY GOVERNANCE STRUCTURE

In 2020, Allianz Group went to a new sustainability governance structure. The newly appointed Chief Sustainability Officer (CSO), who reports directly to the Board of Directors, started to serve as the senior director responsible for the integration of ESG factors into corporate processes, performance monitoring, group-wide alignment, and management of external engagements. In line with this change, we updated our governance structure at Allianz Turkey.

OUR GOVERNANCE MODEL



OUR SUSTAINABILITY COMMITTEE

The Allianz Turkey Sustainability Committee was established in 2016 to integrate sustainability into our business processes, set our goals, and monitor our performance.

Sponsored by the CEO and directly reporting to the Executive Board, our committee is an effective and well-attended organization where all lines of business are actively represented that convenes once a month without exception. In this way, sustainability governance has been delegated to the entire company, not to a single department. With its previous structure, the Sustainability Committee convened 6 times in 2020. The new structure, which was moved to the Executive Board headed by the CEO, became effective in January 2021.

OUR SUSTAINABILITY COMMITTEE		
Tolga Gürkan	Chief Executive Officer	Chairman/VM
Arif Aytekin	General Manager, Deputy CEO	VM
Ersin Pak	Deputy Chief Financial Officer	VM
Fahri Kaan Toker	Chief Operations Officer	VM
İlkay Özel	Chief Human Resources, Agile Office & Operation Support Officer	VM
Öktem Örkün	Non-Motor Insurance Tribe Leader	VM
Berna Özdemir	Head of Corporate Communications, Corporate Responsibility and Sustainability	VM
Burcu Uzunoğlu	Chief Investment Officer	NVM
Kazım Murat Vargün	Financial Reporting, Technical Accounting, Cost Management Director	NVM
Ahu Gün Akkal Ekşi	Risk Management, Internal Control, Compliance Director	NVM
Uğur Çomoğlu	Group Head of Operation Support and Environment and Occupational Health and Safety	NVM
Özlem Mutlu Doğan	Head of Corporate Responsibility and Sustainability	Secretariat/NVM

VM: Voting member

NVM: Non-voting membe

Additional guests

Any member may request the participation of key internal or external stakeholders in the meeting to make presentations and/or share ideas and make suggestions to the Committee while discussing certain issues.

PURPOSE OF THE SUSTAINABILITY COMMITTEE

To decide on the sustainability strategy and actions of Allianz Turkey in line with the company vision and Group principles.

To lead the corporate sustainability principles to be implemented locally.

To follow up the ESG obligations of Allianz Turkey, to review the relevant performance, to draw up a roadmap.

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With its new structure, the Committee is responsible for the following processes:

1. To decide on the formation of the company's ESG strategy, principles, and key actions on sustainability and monitor the development plans within this scope in line with the Allianz Group strategy and AZTR strategic business priorities.
2. To set policies by providing guidance and steering for AZTR's ESG agenda and related activities and to advise the Executive Board on these issues.
3. To monitor, evaluate and supervise AZTR's actions related to its environmental, social, and governance obligations; to supervise AZTR's performance regarding its corporate, environmental, and social obligations.
4. To be responsible for integrating ESG into all business processes and business lines related to organizational, insurance, and investment decisions.
5. To assume responsibility for the departments operating in important ESG issues to inform the committee on the latest developments in ESG actions at regular intervals.
6. To review the risks to the AZTR CS and align with the Risk Committee to ensure that the risks to the CS are properly assessed.
7. To give advice by determining the position to be taken in the face of possible sustainability issues.
8. To review and monitor the Group's mandatory reporting needs.
9. To review the annual AZTR Integrated Report and make recommendations.
10. To identify and approve methods for measuring, evaluating, and verifying AZTR's CS performance and, where necessary, to have independent external assessments for any direct or indirect impacts of AZTR's operations.

The Committee is responsible for integrating ESG into Allianz's all business lines and key processes related to organizational, insurance, and investment decisions. Committee members assume responsibility for specific sustainability issues, and executive departments provide regular updates on sustainability issues. The Committee monitors the ESG and reputation impacts for all stakeholder groups. It sets short, medium, and long-term ESG targets and ensures that performance indicators are aligned with AZSE.

There are 3 teams operating under the Allianz Sustainability Committee: Diversity Team, Environmental Team, and Allianz Paws Team. The teams, established by the membership of our volunteer colleagues, work for the environment, diversity and inclusion, and cats and dogs within Allianz.

The Environmental Team aims to improve the environmental practices of Allianz Turkey in line with a holistic perspective and to raise awareness on this issue within and outside the company. In 2020, 13 volunteers played an active role in the group. Chief Operations Officer became the sponsor of the team. In 2020, 6 sub-working groups were established in the team: Green Homes, ISO 14001, Green Office Regions, Business Plastics Initiative actions, Internal Awareness Raising, Cycling-friendly Allianz. The Green Home, which was launched in 2020, aims to bring the green office to our homes during the COVID-19 pandemic period and conducts awareness-raising works on water, energy, and waste issues. The team convened 7 times in 2020.

Yeşil Ev

The Diversity Team aims to develop good practices, fill gaps, and raise awareness on this issue within and outside the company by considering Allianz Turkey's diversity and inclusion practices in line with a holistic perspective. In 2020, the team, which consisted of 24 members, played a role in generating, researching, and implementing new ideas. In 2020, the Barrier-Free Employee Policy was completed. In cooperation with the Alternative Living Association, disability gap analysis studies were initiated. Recruitment advertisements were revised with a diversity and inclusion approach, diversity and inclusion clauses were added to the procurement procedure, and research was conducted on the accessibility of digital platforms. A total of 6 meetings were held in 2020.

The establishment works of the Allianz Paws Team were completed in 2020, and the team was established in 2021. The team is responsible for working, coordinating, and sharing information on every issue related to the care, nutrition, safety, health checks, treatments, and sharing of love for our pawed friends living in Allianz Turkey's Tower and Campus buildings.

ESG LEADER

The Allianz ESG Leader is responsible for ensuring ESG integration at the strategic level, monitoring, and auditing of the performance. The responsibilities of the ESG Leader include monitoring internal practices, managing corporate engagements, disseminating sustainability developments throughout the company, and ensuring integration with Allianz Global.

OUR ESG POLICY AND PROCEDURES

Human Rights Policy, Environmental Policy, Occupational Health, and Safety Procedure, NGO Cooperation Procedure, Anti-Corruption Standard

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OUR SUSTAINABILITY STRATEGY

"WE SECURE YOUR FUTURE, SIDING WITH GOOD"

We want to be a role model in our industry in terms of the integration of our sustainability focus into all business processes at Allianz.

As a leading insurance company, we manage our sustainability approach within the framework of our proactive risk management approach and analyze the risks of all our activities. We strive to seize potential opportunities while minimizing our negative impacts.

The sustainability strategy that we determined in 2019, "We Secure Your Future, Siding With Good", carries Allianz's corporate strategy, "We Secure Your Future", to environmental, social, and governance dimensions, which are the three main components of sustainability, and it summarizes our key performance indicators in the dimensions of "Good Environment", "Good Society" and "Good Institution", our targets and Sustainable Development Goals to which we contribute.

With the motto of "We Secure Your Future, Siding With Good", we aim to realize a business model that creates value for all our stakeholders while moving us forward as a company. With this strategy, we aimed to present the sustainable value that we aimed to create in the light of Allianz Turkey's business strategies in the 2020-2025 period, to our stakeholders in a simple and intelligible way.

The main purpose of "We Secure Your Future, Siding With Good" is to ensure the integration of our sustainability approach with all our business processes. With our strategy, in which we summarize the principles that we embrace in all our investment and management decisions, and the reflections of these principles on our value creation model, we aimed to explain to all our stakeholders that sustainability is a part of our corporate DNA at Allianz Turkey.

Good Environment

Good Society

Good Institution

Good Environment (E): At Allianz Turkey, we manage the risks posed by climate change and take advantage of the opportunities created by a low-carbon economy.

Good Society (S): We are human-centric corporate citizens who care about future generations.

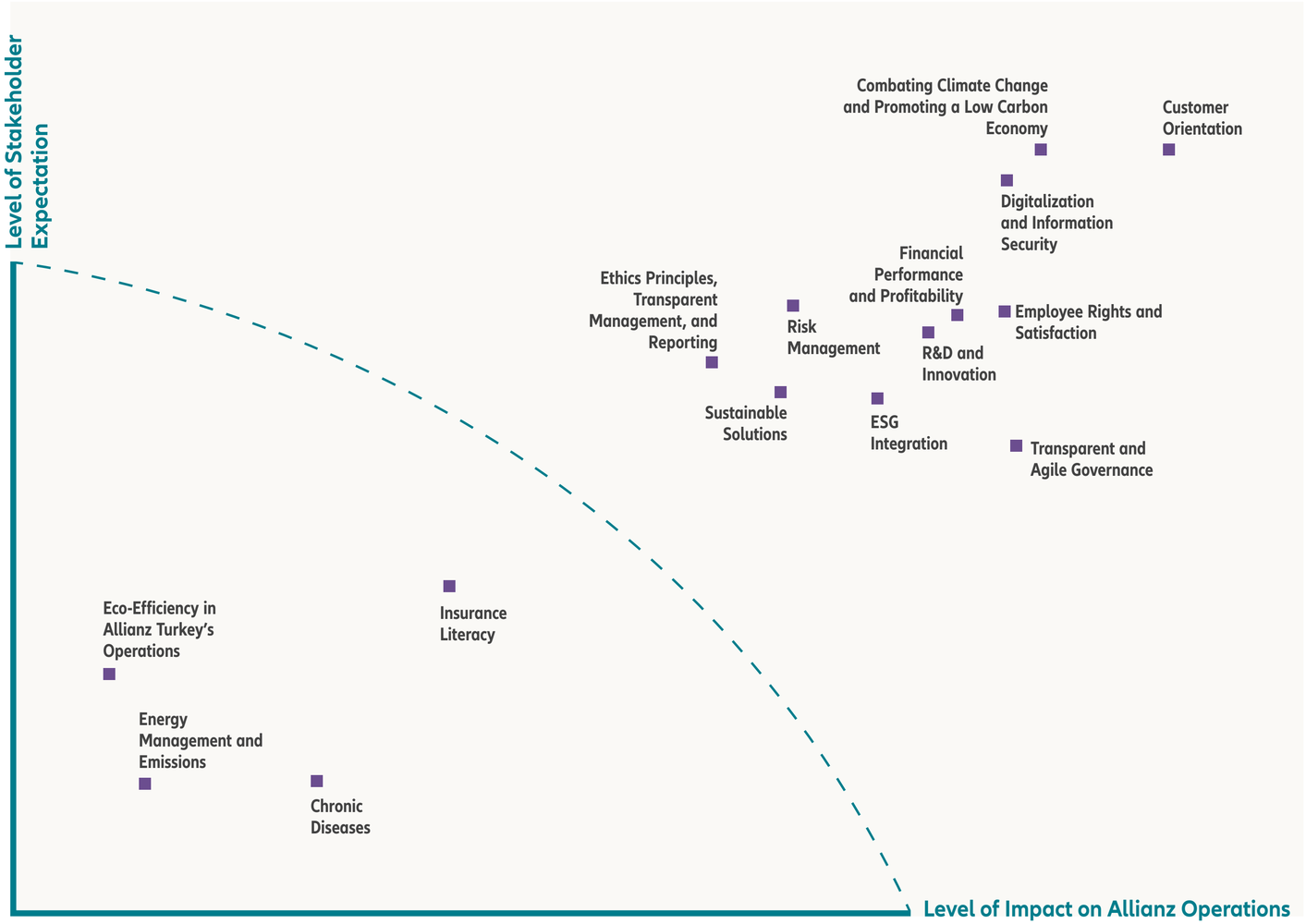
Good Institution (G): We continuously transform ourselves to become a better organization. We attach importance to business ethics and implement an active risk management system. We embed our ESG topics and sustainability priorities in all business processes, allocate resources for sustainable solutions, and develop visionary business strategies.

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OUR MATERIAL TOPICS

102-47

We revised our priorities with the active participation of our internal and external stakeholders in our sustainability strategy development process. Please see page 22 of the **Allianz Turkey 2019 Integrated Report** to find more information about the materiality research we conducted in 2020.



SUSTAINABILITY ASSESSMENT SCORES OF ALLIANZ GLOBAL

- Dow Jones Sustainability Index: 87/100; ranked 4th in the industry.
- MSCI ESG: AAA (rating between AAA-CCC); among the best ones in the industry
- ISS ESG Prime Score; among the most sustainable companies in the industry
- ISS Quality Score; the highest score in environmental and social dimensions
- Vigeo Eiris: 62/100; in the top 5% in the industry
- FTSE4Good; in the top 58% in the industry
- PRI (A+) score; selected to the climate reporting Leaders' Group
- CDP A-
- Sustainalytics leaderboard status
- Listed in the Bloomberg Gender Equality Index
- Refinitiv Diversity and Inclusion Index; ranked 7th
- Financial Times Diversity Leaders; ranked 108th

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STAKEHOLDER ENGAGEMENT

102-12, 102-40, 102-42, 102-43, 102-44

At Allianz, we consider establishing two-way communication with our stakeholders, understanding their opinions, expectations, and suggestions a requirement to be a learning organization. Therefore, we communicate with our stakeholders through various channels. We summarized the problems communicated to us by our stakeholders during the reporting period and the solutions we created for these problems in the following table.

STAKEHOLDER GROUP	COMMUNICATION METHODS	RECOMMENDATION MECHANISMS OF RELATED STAKEHOLDER	PROBLEM/SUGGESTION REPORTED IN 2020	ALLIANZ TURKEY'S RESPONSE
AGENCIES	Phone, e-mail, online meetings (as needed), online agency meeting, corporate volunteering projects (at least 2 projects per year), digital platforms of our agencies (demand management system), social media, corporate website, Allianz Turkey Sustainability Materiality Survey (every 2 years), corporate reputation survey (every 2 years)	e-mail, telephone, meetings with agency associations, online meetings, online agency meetings, digital platforms (demand management system)	Taking action to include COVID-19 in the clauses of health policy and to cover it	By breaking new ground in the industry, our company has covered not only COVID-19 but also all epidemic diseases. Also, by following the applications of the Ministry of Health regarding COVID-19 tests, in case of clinical findings, regardless of whether the test result is positive or negative, the COVID-19 test (PCR) is covered by refunding it.
ACADEMICIANS	Allianz Turkey Academy (as needed), CSR projects (as needed), sustainability consultancy (as needed), Allianz Turkey sustainability materiality survey (every 2 years), corporate reputation survey (every 2 years)	e-mail, telephone, online meetings	Game suggestions by the METU team, the program consultant of the Allianz Motto Movement (AMM), using household materials within the scope of the AMM program due to the restriction of face-to-face education, With the start of distance education, video narration suggestion to make training more intelligible Suggestions for online volunteer training Suggestion for not holding AMM festivals due to pandemic restrictions Suggestion for regular meetings to overcome the challenges in online volunteer training	Playing cards were prepared in accordance with the recommendations of the consultants. Corporate social media was presented through stakeholder NGOs' platforms and internal communication channels. Prepared videos were watched, required arrangements were made, and presented to NGOs to be used in online training. Online volunteer training was carried out in sessions in accordance with the advice of the consultant. AMM festivals were not held during the pandemic period. Regular online meetings were held where consultants and volunteers came together.

STAKEHOLDER GROUP	COMMUNICATION METHODS	RECOMMENDATION MECHANISMS OF RELATED STAKEHOLDER	PROBLEM/SUGGESTION REPORTED IN 2020	ALLIANZ TURKEY'S RESPONSE
BROKERS	Allianz Turkey Sustainability Materiality Survey (every 3 years), corporate reputation survey (every 2 years), online and face-to-face meetings, telephone, e-mail, annual agency/broker meeting (annually), social media, corporate website, 2021 Broker Satisfaction Survey Results, and Actions Taken	e-mail, telephone, online meetings	Quick response to the customer and offer response speed	Action plans were made for 2021 to solve the reported problems.
SUPPLIERS	Online meetings, tenders, Promena, corporate website, audits, e-mail, telephone, Allianz Turkey Sustainability Materiality Survey (every 2 years), corporate reputation survey (every 2 years)	e-mail, telephone	n/a	n/a
RETAIL CUSTOMERS	Customer satisfaction surveys (annually), Allianz Turkey Sustainability Materiality Survey (every 2 years), corporate reputation survey (every 2 years), e-mail notification (as needed), My Allianz mobile application (as needed), corporate website, media advertising promotional campaigns (as needed), social media accounts, annual reports, integrated reports, customer representatives	T/D NPS, Digital NPS, VOC, and ad-hoc surveys	We do not have a service where our customers can make auto damage notifications and follow the process of their damage.	With the implementation of the ClaimX project, our customers have begun to make claim notifications and follow the processes related to their claims via the My Allianz mobile application.
NGOs	CSR projects, corporate volunteering activities, sponsorships, memberships, integrated reports, e-mail, project meetings, sustainability consultancy, cash and in-kind donations, product purchases, Allianz Turkey Sustainability Prioritization Survey, corporate reputation survey, social media, charity runs, special day event collaborations, employee training programs	telephone, e-mail	It has been shared that the events should be moved to the digital platform since the Allianz Motto movement's field activities cannot be held due to the pandemic, and it would be more efficient to give the long volunteer training programs in short videos.	In this regard, quick action was taken, and digital training was started in 2020. In 2021, videos of the volunteer training programs will be prepared. The project started in 2020.
APPRAISERS	Allianz Turkey sustainability materiality survey, corporate reputation survey, e-mail, telephone, online meetings	e-mail, telephone, online meetings	Problems in report writing screens	Improvements were made to simplify the report writing screens.
UNIVERSITY STUDENTS	Internship programs (CAMP, CODEBOOTH, fastest-growing career, etc.), CSR projects, sponsorships, events, insurance courses (Boğaziçi University Insurance Management), Allianz Turkey Sustainability Materiality Survey, corporate reputation survey	e-mail, telephone, social media accounts	n/a	n/a
PRESS	Corporate website, Allianz Turkey Sustainability Materiality Survey, corporate reputation survey, press releases, press conferences, advertisements, commercials, social media accounts, Integrated Reports, special news works, and interviews	e-mail, telephone, press meeting, press conference, interview	n/a	n/a
SERVICES/REPAIR-SHOPS	Allianz Turkey Sustainability Materiality Survey, corporate reputation survey, telephone, e-mail, website, online meetings (as needed)	Telephone, e-mail, website, online meetings (as needed)	In 2020, it was discussed how to take action for our insurance holders who wanted to use the Mini Repair service and could not receive service due to the full closure because of the sensitivity of those days in Turkey due to the COVID-19 pandemic.	By contacting Auto King, our insurance holders who wanted to use the Mini Repair service and could not receive service due to the full lockdown were allowed to receive service in case they applied before the end of the policy period, the Mini Repair period was extended by 2 months even if the policy period was expired (Customer orientation).

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STAKEHOLDER GROUP	COMMUNICATION METHODS	RECOMMENDATION MECHANISMS OF RELATED STAKEHOLDER	PROBLEM/SUGGESTION REPORTED IN 2020	ALLIANZ TURKEY'S RESPONSE
HOSPITALS	Allianz Turkey Sustainability Materiality Survey, corporate reputation survey, e-mail, telephone, online and face-to-face meetings, institution visits, AZTR institution application website	e-mail, telephone, online and face-to-face meetings, institution visits	Charge request for the expenses for additional protective equipment used within the scope of the COVID-19 pandemic. The unwillingness of the insurance holders to sign official documents due to the risk of infection.	Additional payments were made to institutions for healthcare personnel protective equipment, which was used as a non-standard practice by institution-based agreements. In addition, insured-based signature processes were suspended in order to minimize the risk of infection of our insurance holders during the pandemic.
PHYSICIANS	Allianz Turkey Sustainability Materiality Survey, corporate reputation survey, e-mail, telephone, online and face-to-face meetings, AZTR institution application website	e-mail, telephone, online and face-to-face meetings	The unwillingness of the insurance holders to sign official documents due to the risk of infection.	Insured-based signature processes were suspended in order to minimize the risk of infection of our insurance holders during the pandemic.
PHARMACIES	Allianz Turkey Sustainability Materiality Survey, corporate reputation survey, e-mail, telephone, online and face-to-face meetings, AZTR institution application website	e-mail, telephone, online and face-to-face meetings	The unwillingness of the insurance holders to sign official documents due to the risk of infection.	Insured-based signature processes were suspended in order to minimize the risk of infection of our insurance holders during the pandemic.
BANKS	Allianz Turkey Sustainability Materiality Survey, corporate reputation survey, e-mail, telephone, regular and ad-hoc committees, digital meetings, regular project meetings, status and performance meetings, field/branch and regional visits, annual and periodic sales meetings, (RM summit, award international trips, etc.)	Allianz Turkey Sustainability Materiality Survey, corporate reputation survey, e-mail, telephone, regular and ad-hoc committees, online meetings, regular project meetings, status and performance meetings, field/branch and regional visits, annual and periodic sales meetings, (RM summit), award international trips, etc.)	1- When the loan payback periods were postponed by the government during the pandemic period, the banks postponed the loan payments of their customers and the credit-related insurances were postponed with us. 2- To be able to offer the Complementary Health product to its customers as soon as possible through their own channels (without an Allianz consultant-distance/mobile channels) due to the need during the pandemic period.	1- As Allianz, we have postponed our credit-related insurances as long as the postponed credit period, without asking for an additional premium. 2- We changed our priority in the digitalization map to comply with this recommendation and took quick action.
ALLIANZ TURKEY EMPLOYEES	Chatbot Alli, integrated reports, corporate volunteering, employee engagement survey (AES), Townhalls, SAM meetings, ATA training programs, Allianz Turkey Sustainability Materiality Survey, corporate reputation survey, Allianz Turkey sustainability materiality workshop, committees, sustainability team meetings, Allianz World Run, Allianz Connect Intranet, CEO blog, Here I am at My Desk meetings, internal announcements, My Allianz mobile app, corporate website, department townhalls, sales meeting, "tutkuylayuruyenler" Instagram page, which is only open to employees	Human Resources mailbox, Bi'mola mailbox, "tutkuylayuruyenler" Instagram page, which is only open to employees, BPs, coffee chats with BPs, HR expertise centers, Chatbot Alli, Employee Engagement Survey (AES), local feedback surveys, etc.	Dependence of career opportunities on the immediate manager (career). Not knowing enough about career paths (career). During the pandemic period, children were allowed to go out during working hours (wellbeing).	We have removed the requirement of the manager approval for all in-house open positions. We started a Q-based Career Path Talks Week with HRBPs. Our colleagues can consult about their careers by requesting a one-to-one meeting. We implemented an administrative permit application for our colleagues who are parents so that their children can be with them while they were allowed to go out.

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INSTITUTIONS AND INITIATIVES WE SUPPORT IN THE FIELD OF SUSTAINABILITY

102-13

As Allianz Turkey, we are a member of many non-governmental organizations (NGOs) working in the field of sustainability, and we are a party to voluntary agreements.

United Nations Global Compact (UNGC)

We are the first global insurance and pension institution in Turkey to sign the United Nations Global Compact. We integrate the principles referenced by the Global Compact into all our processes and activities.

Global Compact Women's Empowerment Principles (UNWEPs)

We are a signatory of the Global Compact Women's Empowerment Principles. We strive to empower women in every field.

The United Nation's Sustainable Development Goals

We believe in the power of joint action for sustainable development. We measure and report our contribution to the Sustainable Development Goals.

Business World and Sustainable Development Association (SKD Turkey)

We benefit from our corporate memberships to develop partnerships on sustainability and to become a constantly learning institution.

Integrated Reporting Turkey Network (ERTA)

We believe in the importance of integrating sustainability into all decision-making processes. With our ERTA Executive Board membership, we direct our activities in this field.

Ethics and Reputation Society (TEID)

We are a member of TEID, whose aim is to ensure that the ethical values of the company are adopted by all administrative and commercial functions of the company and to make it a way of doing business.

CEO Statement for Renewed Global Cooperation

By signing the "CEO Statement for Renewed Global Cooperation" initiated by the UN Global Compact as part of the 75th anniversary of the United Nations in 2020, we committed to being involved in global cooperation for a better world.

Business Plastics Initiative

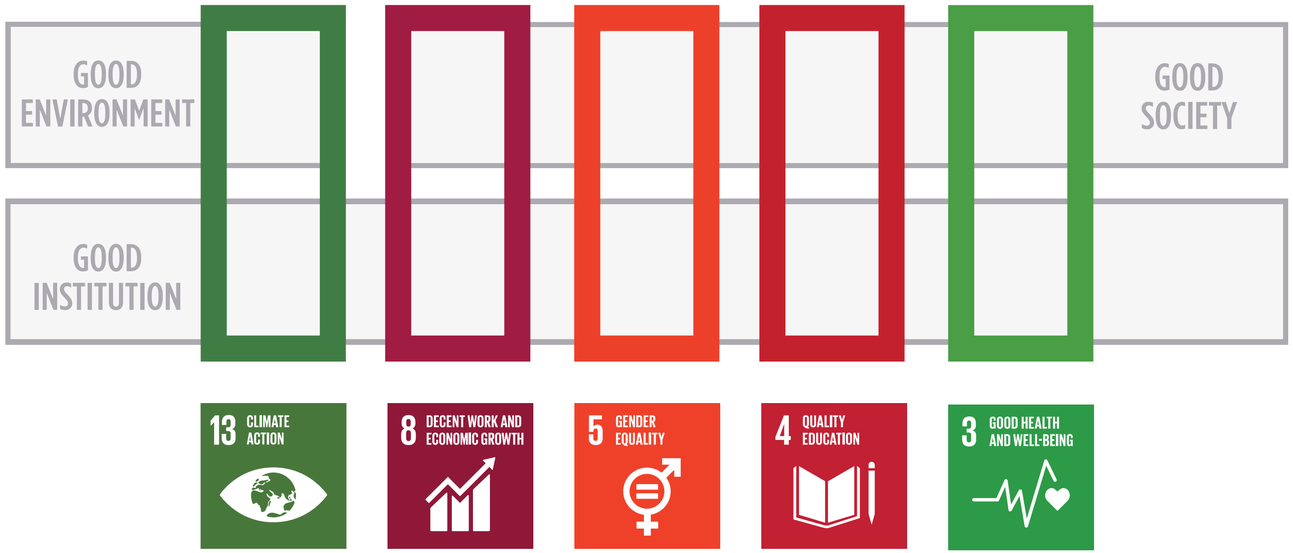
We support the Business Plastics Initiative, which was created in cooperation with Global Compact Turkey, the Business World and Sustainable Development Association, and TÜSİAD to combat plastic pollution. Therefore, we will determine our plastic commitments until 2021 and share them with our stakeholders.

UNGC Young SDG Innovators Program

UN Global Compact's global program Young SDG Entrepreneurs aims to mobilize young professionals working in UN Global Compact member companies to use the Sustainable Development Goals (SDGs) as a driving force while developing new products and services. We encourage our young colleagues to reconsider our current business model and products.

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OUR SUSTAINABLE VALUE CREATION MODEL



We Secure Your Future, Siding With Good.

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OUR CAPITALS

OUR HUMAN CAPITAL
Talented human resources
Attractive employer
Culture of diversity and inclusive
Importance attached to employee communication
Allocating plenty of resources for employee development
High employee loyalty and satisfaction
Social and fringe benefits for employees

OUR FINANCIAL CAPITAL
Wide customer base
Strong capital structure
Permanent investors in Turkey
High brand value

OUR NATURAL CAPITAL
Integrated ESG Management
Continuously improving environmental performance
Promoting a low-carbon economy

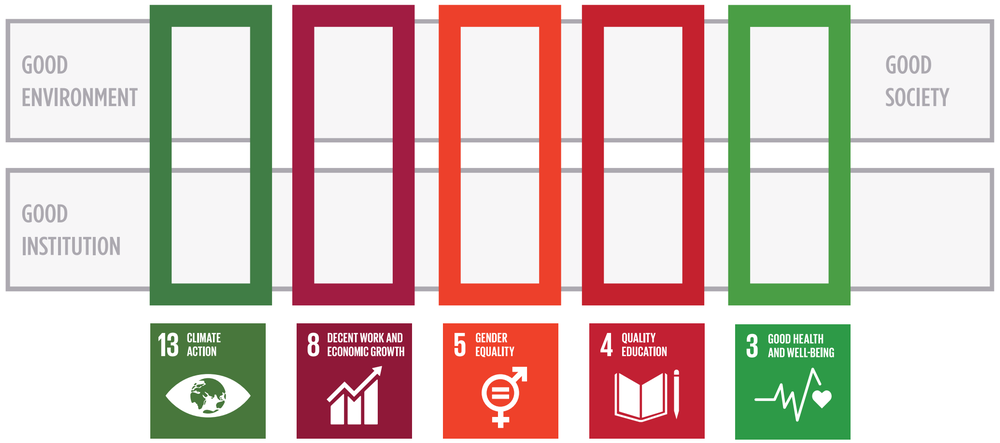
OUR SOCIAL CAPITAL
Trust-based stakeholder relationships
High business ethics approach
Corporate social responsibility programs and projects
Employee volunteerism, initiative membership, collaborations, and participation in working groups

OUR MANUFACTURED CAPITAL
Extensive product and service portfolio
Technical infrastructure securing service quality
Sustainable solutions

OUR INTELLECTUAL CAPITAL
Global know-how
Effective risk management
Investment in innovation and entrepreneurship
Digital solutions

Combating climate change
Promoting a low-carbon economy

Sustainable solutions
Transparent governance
Business ethics
ESG integration and risk management
Business strategy



Focusing on the human aspects
Future generations

BUSINESS STRATEGY

Employee & Culture | Agility | Customer Orientation
Technology & Data Orientation | Productivity | Simplicity

OUR MAIN ACTIVITIES

HEALTH | MOTOR | NON-MOTOR
LIFE | PENSION

THE VALUE WE CREATE

ENVIRONMENTAL

As an organization,

Compared to the base year 2016
58.7% reduction in total paper consumption ✓
40.3% reduction in total electricity consumption ✓
62% reduction in total natural gas consumption ✓
75.6% reduction in total waste amount ✓

As a financial institution,

Since 2018, we have not been financing projects that produce power using coal.

SOCIAL

As an organization,

59% female employees ✓
43% female executives ✓
362 internal instructors ✓
7.5 days of training per employee ✓
Performance Culture Index Score (IMIX): 85 ✓
Work Well Index Score (WWI): 77 ✓
Employee Loyalty Index Score (EEI): 90 ✓
1,026 volunteer hours ✓
1,153 children reached with Allianz Motto Movement ✓
Unique views for Allianz Motto Music's YouTube channel: 15.1 million ✓

As a financial institution,

With Allianz Teknik, more than 3,000 hours of earthquake tests, and more than 100 reaction-to-fire tests

ECONOMIC

As an organization,

TRY 14.8 billion premium production and contribution ✓
Asset size of TRY 44,023,781,283 ✓
Capital adequacy ratio: 197.6% ✓

As a financial institution,

Revenue generated from sustainable solutions: TRY 71 million ✓

OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS



OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

We determined the five Sustainable Development Goals to which we contribute the most with our motto “We Secure Your Future, Siding With Good”.



GOOD HEALTH AND WELL-BEING

Due to the inherent nature of our business, we help our customers protect their health. We support preventive solutions and provide health updates (see Our Customers, p. 70). We look out for our employees’ health and adopt practices that enhance our employees’ health and office ergonomics (see Employee Health and Safety, p. 78). We aim to contribute to the development of children aged 7-12 through exercise and sports with the Allianz Motto Movement (see Allianz Motto Movement, p.53). With the “Give A Breath” project, we allocate single rooms in hotels that are hired near busy hospitals for the healthcare professionals, who work in Istanbul and cannot go to their homes because they provide uninterrupted service due to the coronavirus, so that can rest and stay.



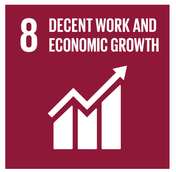
QUALITY EDUCATION

We allocate sources to support the professional and personal development of our employees. We contribute to the accumulation of knowledge on the insurance business in our country through permanent investments such as Allianz Academy (see Allianz Turkey Academy, p.75). We contribute to achieving equality of opportunity in education in our country through our CSR activities in the field of education (see Good Society, pp.48-55).



GENDER EQUALITY

We believe that the equal participation of women in social and economic life will increase social well-being. Thus, we promote gender equality. The rate of our female employees is 59%, while our rate of female executives is 43% (see We Promote Gender Equality for a Good Society, p. 50).



DECENT WORK AND ECONOMIC GROWTH

As one of the largest financial service providers in the world, our core business is to contribute to sustainable economic development. We design all our business processes in a humane manner to generate benefits for all our stakeholders without compromising business ethics.



CLIMATE ACTION

We closely follow the risks and opportunities created by climate change. As an insurance company, we search for ways to protect our customers from such risks. Since 2018, we have not been financing projects that produce power using coal. We develop products and services that facilitate the transition to a low-carbon economy (see Combating Climate Change, p. 39) (see Our Sustainable Solutions, p.65). We implement the Allianz Environmental Management System to reduce the environmental impact of our operations (see Reducing Our Environmental Impact, pp.40-45)

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OUR FOCUS AREAS AND THE SDGS WE CONTRIBUTED TO

		3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	13 CLIMATE ACTION
GOOD ENVIRONMENT	COMBATING CLIMATE CHANGE AND PROMOTING A LOW CARBON ECONOMY					√
GOOD SOCIETY	FOCUSING ON THE HUMAN ASPECT, FUTURE GENERATIONS	√	√	√	√	
GOOD INSTITUTION	CUSTOMER ORIENTATION				√	
	EMPLOYEE RIGHTS AND SATISFACTION	√	√	√	√	
	FINANCIAL PERFORMANCE				√	
	SUSTAINABLE SOLUTIONS	√			√	√
	BUSINESS ETHICS				√	
	ESG INTEGRATION AND RISK MANAGEMENT				√	√
	TRANSPARENT AND AGILE GOVERNANCE				√	
	R&D AND INNOVATION				√	
	DIGITALIZATION AND INFORMATION SECURITY				√	

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OUR SUSTAINABILITY GOALS

OUR ENVIRONMENTAL TARGETS AND PERFORMANCE

Our environmental performance is undertaken by the highest level of our company, and it is among the targets in our CEO's target scorecard. Goals in this context are as follows:

- Reducing greenhouse gas emissions to **2.3 tonnes per employee by 2021.**
- Achieving the target of using **100%** renewable energy **by 2023.**

Along with these targets, our company also has medium-term key performance indicators such as a 33% reduction in greenhouse gas emissions between 2019-2025 and the use of 100% renewable energy in all operations as of 2023.

ENVIRONMENTAL TARGETS	2020 TARGET	2020 PERFORMANCE	2021 TARGET
Total Water Consumption (m^3)	37,150	27,242	27,242
Water Consumption per Capita (lt/employee)	11,056	11,056	12,580
Total Electricity Consumption (kWh)	6,550,000	4,821,805	4,973,350
Total Natural Gas Consumption (kWh)	1,102,769	790,334	790,334
Energy Consumption Per Capita (MJ/employee)	11,490	8,213	8,434
Total CO_2 Emissions (ton)	5,778	4,107	4,520
CO_2 Emission Per Capita (kg/employee)	2,371	1,667	1,840
Total Paper Consumption (kg)	333,750	221,052	230,000
Paper Consumption per Person (kg/employee)	137.5	90	95
Total Waste Quantity (kg)	205,700	62,052	97,300
Waste Quantity per Capita (kg/employee)	85	25.18	40.30
Obtaining ISO14001 Certification	The audit for it began in 2020.		The certificate was received in 2021.
Our regional offices' obtaining the WWF Green Office Diploma	The WWF Green Office Journey for our Regions started before the COVID-19 pandemic but has been suspended.		Our Regions received the WWF Green Office Certification.
Launching a program to reduce footprints of colleagues in their homes	It was developed and launched in 2020.		The program continues in 2021.
Developing a training program to increase environmental awareness among employees and presenting it in the Townhall of at least 1 function	New Target		
To determine the targets of the Business Plastics initiative	New Target		
To increase the proportion of power produced from renewable resources in the power consumption, which was 1.5% in 2020, to 3% by 2022	New Target		

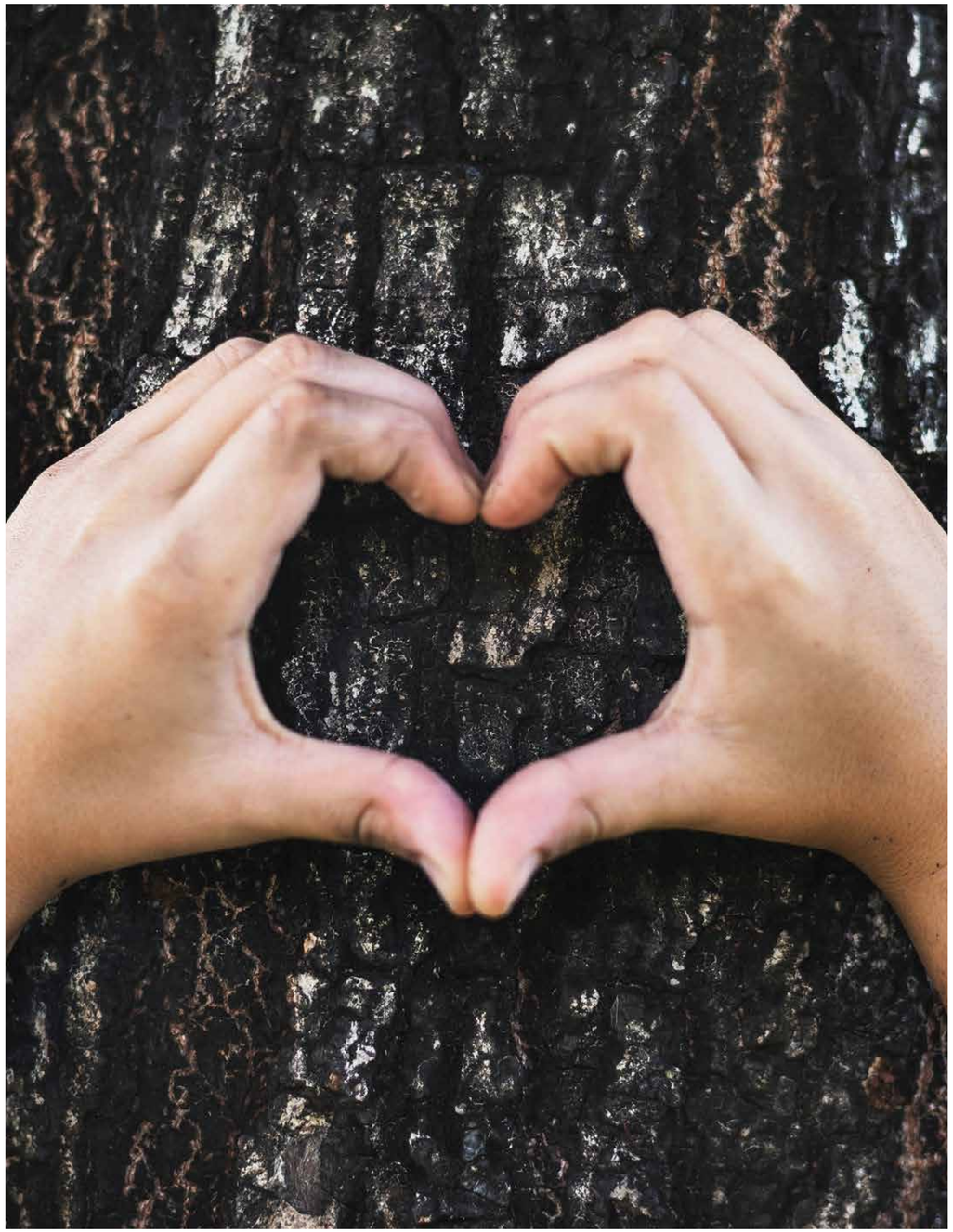
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OUR SOCIAL TARGETS AND PERFORMANCE

2020 TARGET	2020 PERFORMANCE	2021 TARGET
Developing and launching a project that will bring Allianz Teknik and children together	New Target	
Developing the Allianz Turkey scholarship program	New Target	

OUR GOVERNANCE TARGETS AND PERFORMANCE

2020 TARGET	2020 PERFORMANCE	2021 TARGET
Designing a sustainable value creation model	Completed	-
Publication of the first integrated report	Completed	-
Completing the disability gap analysis and determining the actions	It started in 2020. It continues in 2021.	Completing the disability gap analysis and determining the actions
Ensuring that at least 10% of employees receive Gender Equality Training	The works continue within the scope of a new program that started in 2021.	Ensuring that at least 10% of employees receive Gender Equality Training
Modifying the structure of the Allianz Turkey ESG governance to include senior management	New Target	
Publishing the second integrated report that has been externally audited	New Target	
Developing the Allianz Turkey Gender Equality program	New Target	
Publishing the barrier-free employee policy	New Target	
Explaining the ESG governance by attending the Townhall of at least 1 function	New Target	
Establishing the Allianz Paws Team	New Target	



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GOOD ENVIRONMENT



Good environment, for us, means combating climate change and reducing our environmental impact, starting from our operations, in not only the geographies in which we operate, but also around the globe.

13 CLIMATE ACTION

Allianz

OUR FOCUS AREAS		SDG	PERFORMANCE INDICATORS	2019 PERFORMANCE	2020 PERFORMANCE
GOOD ENVIRONMENT	Combating Climate Change and Promoting a Low Carbon Economy		Number of projects/studies supported	1	1
			Total Water Consumption (m^3)	39,627	27,242
			Water consumption per capita (m^3)	16,341	11,056
			Total electricity consumption (kWh)	6,592,821	4,821,805
			Energy consumption per capita (MJ)	11,608	8,213
			Total CO_2 emission (ton)	6,493	4,107
			CO_2 emission per capita (kg)	2,677	1,667
			Total paper consumption (kg)	351,317	221,052
			Paper consumption per person (kg)	145	90
			Total waste quantity (kg)	228,557	62,052
			Waste quantity per capita (kg)	94	25.18
			Paper consumption per policy (kg/1000 policies)	40	25
			The proportion of power produced from renewable sources in total power consumption	0.8%	1.5%

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COMBATING THE CLIMATE CRISIS

The Allianz Group considers climate change as part of its business strategy. As an investor supporting the transition to a zero-carbon economy and a founding member of the Net-Zero Asset Owner Alliance (AOA), Allianz Group aims to be carbon neutral in all its investments by 2050. Also, the Group determines the risks and opportunities within the scope of climate change and implements the related products and services by managing its operations in line with these risks and opportunities. Climate change is an important evaluation criterion in investments and insured projects.

As Allianz Turkey, we have stopped insuring coal-related businesses and not renewing these policies since 2018 in line with the framework of the rules determined in 2015 within the scope of the Allianz Group Climate Change Program. We did not engage in any business in this area during the reporting period.



As Allianz, in line with our approach to climate change, we insure business models that serve the low carbon economy and strive to facilitate the transition to a low carbon economy with the sustainable solutions we produce. We offer an extensive product for renewable energy plants through renewable energy insurance.

- **Renewable Energy Insurance:** We offer an extensive product for renewable energy plants using hydro, wind, and solar energy. We cover building and content damages and profit losses due to such damages resulting from fire, terrorism, and natural disasters.

- **Solar Power Plant Insurance:** We released Roof-Type Solar Power Plant Insurance, Turkey's first individual green insurance product. We developed a new product for Solar Power Plant (SPP) projects involving a roof type for up to 10 kilowatts, which is also supported by the Energy Market Regulatory Authority (EMRA), and the new product insures products against damages to new purchases, outside the warranty scope, for a year.



- **Special Discount on Motor Own Damage Insurance for Fully-Electric Cars:** We offer up to a 20% discount on motor own damage insurance's net premium for fully-electric cars in the category of private vehicles in Turkey.

We try to increase the value we create by informing our customers about possible risks related to climate change. We are planning collaborations with universities, conducting academic studies, and educational activities for youth and children to raise awareness within the scope of combating climate change.

With the awareness of the environmental impacts of our operations, we implement measures to minimize this impact. We aim to supply all of our energy consumption from renewable sources until 2023. We transparently share our energy efficiency and renewable energy investments and projects that we have implemented for this purpose, and the performance results of them, with our stakeholders in our annual integrated report. Our activities in 2020 are available in the We Reduce Our Environmental Impact section.

We aim to reduce greenhouse gas emissions by 33% between 2019-2025 and to use 100% renewable energy in all operations after 2023.

WE REDUCE OUR ENVIRONMENTAL IMPACT

In addition to the products and services we offer, we increase our contribution to the combat against climate change and the low-carbon economy by keeping the environmental footprint of our operations at minimum levels. Within the scope of our environmental management system practices, we determine our impacts with our systematic approach in energy, emission, water, and waste management, implement efficiency studies to keep these impacts at a minimum level and implement projects that increase environmental consciousness and awareness. In the reporting period, we allocated a resource of **TRY 244,600** for the implementations as part of the planning studies we carried out for all these activities. A significant portion of this amount was used for the project of power generation by 4 windmills that we installed in our Allianz Tower building.

Allianz Tower, our headquarters in Istanbul, Allianz Campus, our operation center in Izmir, are both designed as "environmentally- and employee-friendly" buildings, with each detail complying with sustainability principles. Allianz Tower holds LEED Platinum Certification which certifies the highest level granted to green buildings by the US Green Building Council (USGBC). Allianz Tower was granted the certification in the category of BC+C Core and Shell, and it is the first tower in Turkey to be eligible for LEED Platinum Certification. Allianz Tower offices are in the Platinum category, the highest score range in LEED Certification. Allianz Campus holds LEED Gold Certification, which is granted to green buildings by the USGBC.

We have also included our environmentally conscious Allianz employees by getting the WWF Green Office certificate to this environmentalist infrastructure we have. In 2020, we started ISO 14001 certification works to further improve our environmental management system. We aim to obtain this certificate by improving our processes in the first quarter of 2021.

Allianz Tower



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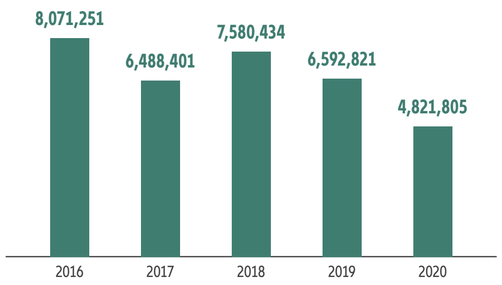
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WE REDUCE OUR CARBON FOOTPRINT THROUGH ENERGY EFFICIENCY STUDIES

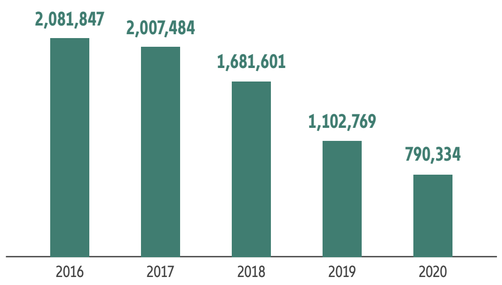
The energy consumption from our activities in the buildings accounts for 72% of our greenhouse gas emissions. In this respect, our most important focus is to provide energy efficiency and to prefer renewable energy sources.

We attach importance to the effective use of automation systems such as the use of outdoor fresh air, zone management, time clock function, user-sensitive motion or temperature sensors in our buildings with LEED certification and smart automation systems. We adopt the principle that significant energy consumers such as air-conditioning systems and elevators are included in the preventive maintenance plan, and that they operate properly and consume low energy. Thanks to the technology investments and improvements that will ensure energy efficiency in this context, our electricity consumption, which was 8.1 million kWh in 2016, decreased by 40.3% to 4.8 million kWh in 2020. Even though there was an increase in total electricity consumption that year with the activation of our İzmir Campus in 2018, we reduced the effect of İzmir to zero by reducing the consumption value of the previous year thanks to our energy efficiency activities. We obtained savings by consuming 3,249,446 kWh less electricity in 2020 compared to 2016. Compared to the previous reporting period, the amount of this savings is 1,771,016 kWh.

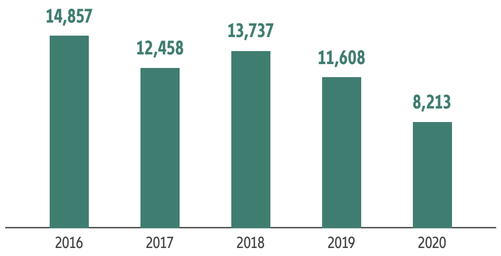
Electricity Consumption (kWh)



Natural Gas Consumption (kWh)



Energy Consumption per Person
(MJ/Number of Employees)



Thanks to our efficiency activities on environmental issues and the increase in our environmental awareness, the quantity of our greenhouse gas emissions, which was 8,485 tons in 2016 decreased by 51,6% to a total of 4,107 tons in 2020. At the end of four years, we achieved reaching 4,378 tons less greenhouse gas level. Compared to the previous year, the percentage of this decline is 36.7% with the decrease in consumption due to the pandemic. We aim to further reduce our greenhouse gas emissions with the efficiency that will be provided by the new hybrid working model that we will begin to use in 2021.

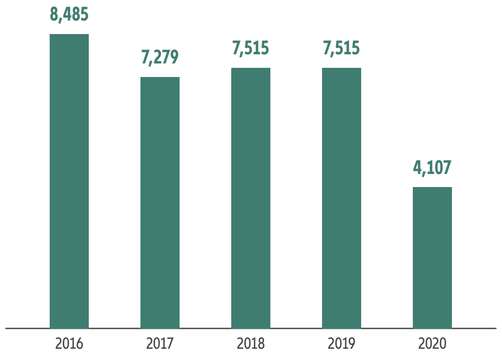
We aim to increase the proportion of our renewable energy source to 90% in 2022 and to 100% in 2023. Therefore, it will be our priority to choose a power supply with International Renewable Energy Certificate (I-REC) in 2021. In addition to the solar power investment we made in our Campus building in 2018 to provide a renewable power source, we activated 4 vertical windmills in 2020 by our Allianz Tower windmill project, which we started in 2019, and produced 15,900 kWh of power in 2020. Thus, we increased the proportion of renewable energy in our total electricity consumption to 1.5%. We aim to continue our investments in placing panels that will produce solar power in suitable areas of our building in 2021 and to increase this proportion to 3% in 2022.



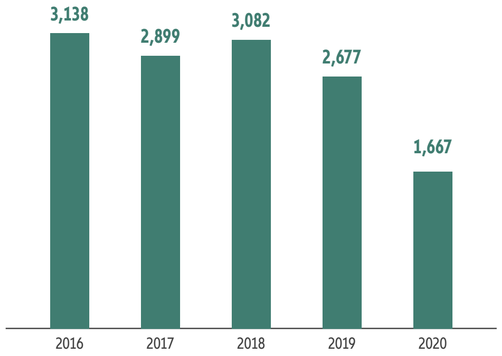
In addition to the efficiency projects and awareness studies we carry out in our buildings, we prefer to reduce our long and short air travels by choosing online meetings and making technological investments in this area. During the pandemic period, we received many benefits from these investments. With the closure of air travel due to pandemic measures, our air travels decreased by 76% in 2020 compared to the previous year. By increasing the number of hybrid vehicles in our vehicle fleet to 23, we increased the proportion of hybrid vehicles in the total fleet to 7%. Preferring new technological vehicle models with low gr/CO_2 consumption levels in our vehicle purchases is among our decision criteria. Moreover, we encourage the use of bicycles and we have set up a repair station in the bicycle parking areas in our Tower and Campus parking areas.



tCO_2e Emission (Ton)



CO_2 Emission per Capita (Kg)



Thanks to our new work model built on flexibility, efficiency, well-being, and sustainability considering the feedback we received from our colleagues, we both reduce the time spent in traffic and reduce our carbon footprint by eliminating the need for daily travel.



WE STRIVE TO BECOME A PAPERLESS OFFICE

We manage our operations in line with our goal of becoming a "Paperless Office". In line with this goal, we identify areas of improvement and implement projects that reduce paper use. 100% of the paper we use is FSC certified. Starting from 2018, we terminated disposable paper cup use in the meeting rooms at all our locations. In 2020, which is the reporting period, we transferred 98% of incoming documents to digital media.

Compared to 2016, the base year, we reduced our total paper consumption by 58.7%, our paper consumption per capita by 58.5%, and our paper consumption per policy issued by 47.9%.

Our total paper consumption, which was 535 tons in 2016, decreased by 58.7% to 221 tons in 2020. The reason for this is our ongoing "Paperless Office" project that supports digital transformation in all our business units. It is our priority to reduce our brochures, etc., and to prefer different and more environmentally friendly products. Our Paperless Office perspective will continue in 2021 with the "Digital Delivery" project.

Our Human Resources Academy training unit will continue to move its programs to digital environments, and steps are planned towards becoming a Green Academy with practices such as "grab your pen and notebook", "digital nameplate", and special environmental training programs for the families of our employees.

Examples of Our Paperless Office Practices

- Use of digital screens in bathrooms
- Use of string tie envelopes in internal circulation
- Digital procurement processes: Promena
- Revoking flexible work forms, transition to a digital platform
- Terminating the use of blue files which contained the policies
- Awareness stickers
- Digitalization of instructions through campus security checklists
- Migrating Sodexo technical checklists to the electronic environment
- Removal of promotional books
- Replacing the valet firm's parking voucher with an electronic counterpart

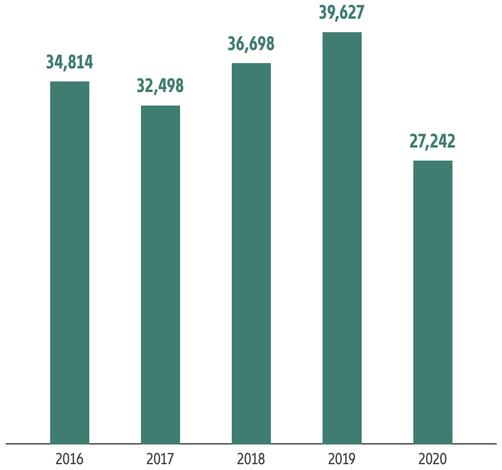
OUR WASTE AND WATER MANAGEMENT

In line with our aim to minimize our footprint by reducing the environmental impact of our offices, we implement efficiency projects in the field of efficient use of natural resources and waste management.

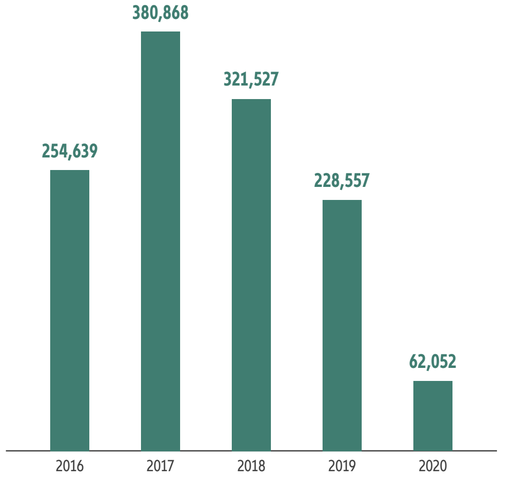
In order to reduce our water consumption, we aimed to increase the awareness level of our employees by increasing the green office information labels before the pandemic. During the pandemic, we started to consider the maintenance and water consumption of our devices in technical areas in detail. We have made an investment plan to collect rainwater and use it in landscaping and technical areas, and we plan to activate the system in 2021 to significantly save on our common water consumption. During the reporting period, our water consumption decreased by 21.7% compared to 2016. Comparing this figure with the previous reporting period, the decrease corresponds to 31.3%. The most important reason for this decrease in water consumption is the efficiency studies carried out and the effect of the pandemic.

We began to calculate our environmental footprint twice a year instead of once a year to better identify the environmental improvement areas.

Water Consumption (m^3)



Total Waste Amount (Ton)





Önce sen kapat, hayır sen kapaaat.

Bir musluktan dakikada ortalama 14 litre su akıyor. Suyu verimli kullanarak su israfını azaltabilirsin.

#birliktemümkün





The quantity of our total waste, which was 254 tons in 2016, decreased by 75.7% to 62 tons in 2020. The fact that our offices were not fully used due to the pandemic has an important role in the 75.7% decrease in our waste consumption in 2020 compared to the previous year.

Besides this effect, the renewal of the waste bins in our offices 3 months before the pandemic, efforts to reduce disposable products in cooperation with our suppliers and employees, increasing the number of products such as teacups and spoons to reduce the use of disposable products, preferring rechargeable batteries to prevent battery waste, and terminating the use of plastic bag packaging in our product and marketing brochures have a great impact on achieving this decrease.

In addition to all these practices, we stated that we support the "Business Plastics Initiative" platform in the reporting period and created a list of action commitments that will reduce the quantity of plastic waste until 2023. We aim to fulfill these actions starting from 2021.



WE RAISE ENVIRONMENTAL AWARENESS THROUGH OUR ACTIVITIES

During the reporting period, our employees both performed digital cleaning on World Cleanup Day and donated their electronic wastes to the TEGV's "Donate, Not Dump" campaign. Thus, they contributed to the education of children by participating in world cleanup day.

As part of the 13th "Earth Hour" event, which was held during the reporting period, Allianz Tower, the first LEED Platinum Certified tower in Turkey, and Allianz Campus turned off its lights for the fourth time for an hour. Our employees also participated in the event from their homes and shared their photos in the digital environment.

Eco-friendly mesh shopping bags produced by the handiwork of women were given to all our colleagues on March 8, International Women's Day in cooperation with the Foundation for the Support of Women's Work (FSWW). We aimed to raise awareness about environmental issues as well as gender equality by giving messages that grocery shopping is not a responsibility unique to women.

816 saplings were planted within the scope of afforestation activities carried out during the reporting period.

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GOOD SOCIETY



As a corporate citizen, the Allianz family aims to contribute to the sustainable development, goodness, and prosperity of the society that we live in. To this end, we make value-creating investments for future generations with a focus on good society.



GOOD SOCIETY

OUR FOCUS AREAS	SDG	PERFORMANCE INDICATORS	2020 PERFORMANCE
Focusing on the Human Aspect, Future Generations	   	Number of children reached through Allianz Motto Movement	1,153
		Number of volunteers reached through Allianz Motto Movement	70
		Number of Allianz Teknik visitors	More than 2,000
		Number of trainees at Allianz Teknik	About 1000
		Watch time for the YouTube Channel of Allianz Motto Music	1.6 million hours
		Unique views for Allianz Motto Music YouTube channel	15.1 million
		Annual total hours of volunteering	1,026
		Number of young people reached for internship programs	46

There can be no sustainable development without a prosperous society. At Allianz, we implement social projects that are human-centric, consider the welfare of society, and create value for future generations. By taking measures in the shadow of the COVID-19 pandemic, we continued our investments that added well-being to society.

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WE MAKE RESPONSIBLE INVESTMENTS

We create added value by making responsible investments in society. We share the responsible investment approach of Allianz Group, a signatory of the UN Principles for Responsible Investment, and we observe the ESG criteria we have established in all our investments.

ALLIANZ TEKNİK

Allianz Teknik, which started its operations in 2019, has the privilege of being the third test center of the Allianz Group and the first test center in the world to serve in the earthquake and fire fields in the group. As the first Earthquake and Fire Testing and Training Center in Turkey, Allianz Teknik complies with international accreditation standards and performs tests of this scale.

At Allianz Turkey, we aim to increase the risk awareness of individuals and institutions through the activities carried out at Allianz Teknik, testing and engineering services for earthquake and fire disasters, online applied training programs, and consultancy services.

Being the only facility with the best accuracy in earthquake testing, Allianz Teknik also provides services to different branches of activity such as automotive and transportation, and it allows conducting many, which could not be conducted domestically before, in our country. Thus, it contributes to the national economy and creates added value.



In the center, which was launched with an investment of TRY 30 million at the Beykoz Campus of Turkish-German University, we carry out many collaborations with stakeholders to increase social risk awareness. We provide professional consultancy services for the industry and carry out academic studies with universities. In 2021, we plan to start the risk awareness project for children at Allianz Teknik.

In 2020, we continued our activities in the center by taking measures in line with the hygiene and operation rules. More than 2,000 guests have visited Allianz Teknik since its opening in 2019. With a maximum capacity of more than 3,000 hours of earthquake testing and the capability of conducting more than



100 fire reaction tests, the fire and earthquake laboratories conducted vehicle seat tests for 374 hours, earthquake tests for 24 hours, fire reaction tests for 8 hours. While 46 hours of applied training were held at Allianz Teknik, 125 hours of consultancy service were provided. More than 1,000 people from over 20 institutions and organizations were trained.

What Does Allianz Teknik Contain?

- Simulator for earthquake experience in Applied Earthquake Training Center
- Outdoor Fire Extinguishing-Hydrant Toy for kids
- A route to explain structural earthquake faults to university students so they can better learn how to design earthquake resistant buildings
- Earthquake Occurrence (Fault Rupture), Toys related to Liquefaction Risk and Oscillation
- Training programs for visitors and participants of all ages

ALLIANZ CAMPUS

Allianz Campus, which was opened in the Aegean Region in 2018, has become an important employment center with an employment capacity of 1,100 people in the region. Allianz Campus, which was realized with an investment of EUR 27 million, was built in accordance with the sustainability principles of Allianz Turkey. Therefore, it stands out as an environmentally- and employee-friendly building that utilizes renewable energy sources. The facility, which is built on an area of 17 decares, also has the distinction of being a smart building with a LEED Certification, like Allianz Tower.





ALLIANZ CAMPUS IN 2020

ALLIANZ CAMPUS STARTS BLOSSOMING

Customer Complaints
33% ▼
(since 2016)

Realization Rate of Contributions
13% ▲
(External call teams, per employee, based on Istanbul)

Agency Satisfaction
4.18% ▲

BES (Private Pension System) Sales Contribution Generation
32% ▲
(Per employee)

Call Center Customer Satisfaction
4.33 ▲
(out of 5)

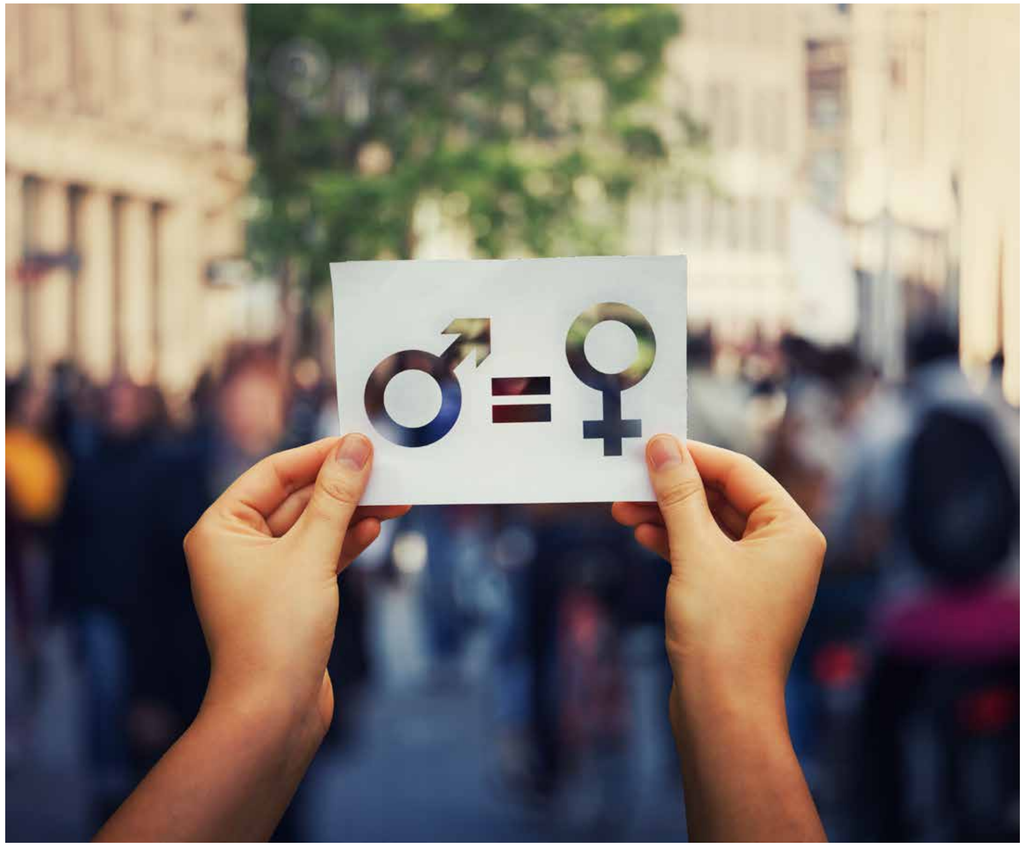
757 Employment

Allianz Kampüs

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WE PROMOTE GENDER EQUALITY

We are proud to be the first insurance company in our country to sign the United Nations Women's Empowerment Principles. At Allianz Turkey, we promote initiatives and collaborations aimed at women's empowerment in the society and business world. With the female employment rate of 59% and the projects we develop, we assume the leadership role in society and the industry on gender equality. As part of Allianz Turkey's gender equality efforts in 2020:



- On March 8, 2020, International Women's Day, as part of our cooperation with the Foundation for the Support of Women's Work (FSWW), we gave out eco-friendly mesh shopping bags by the handiwork of women to all our colleagues. With these bags, we aimed to raise awareness about gender equality by giving messages that grocery shopping is not a responsibility unique to women.
- We supported the "Light a Firefly, Light the Darkness" campaign launched by the United Nations Women's Unit (UN Women) as part of the 25 November International Day for the Elimination of Violence Against Women.



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WE SUPPORT ART

We adopt that support to art and artists is one of the building blocks in the development of society. As Allianz Turkey, we showed the value we attach to art in our country also in 2020.



SUPPORT FOR CONTEMPORARY ART AND PERFORMING ARTS WITH SANAT@ALLIANZ (ART@ALLIANZ)

- We continued to cooperate with Istanbul Foundation for Culture and Arts (IKSV) and Zorlu Performing Arts throughout the year.
- Under the name of Allianz Turkey Collection, we featured Turkey's new generation artists at Allianz Tower, Allianz Campus, and Allianz Teknik and continued to add new works to the collection.
- We continued to be a member of the board of trustees of the Istanbul Foundation for Culture and Arts in 2020 as well.
- With the assurance and support of Allianze, we continued to protect Istanbul Modern, the first modern and contemporary art museum in Turkey, and the works in it.
- We continued to cooperate with DasDas throughout the year.

ALLIANZ MOTTO MUSIC

With Allianz Motto Music, the first corporate YouTuber in Turkey, we offer free-of-charge Turkish content for everyone who wishes to access music. The Allianz Motto Music channel, which was launched in 2015for connecting society more closely with culture and art, reached 1.6 million hours of watch time in 2020. The average viewing time of the channel, which reached 15.1 million unique views, increased to 6.12 minutes. A total of 182 videos with 11 different concepts were shared with the audience. The channel, which added 6 new programs in 2020, has 309,383 followers.

NUMBER OF FOLLOWERS IN 2020

YOUTUBE **309,383**

INSTAGRAM **43,550**

SPOTIFY **3,599**

FACEBOOK **125,797**

OUR PROGRAMS BROADCAST IN 2020

- Bi' Bakıp Çıkıcam (Popping In)
- Guitar Vlogs with Nurkan Renda
- The Producer
- Hayal Et (Imagine) with Kaan Bağcı
- Noktalı Virgül (Semicolon) with Yekta Kopan
- Hayat Bana Güzel (Life is Good to Me) with Şenay Akkurt
- Yılanlar Yarışıyor (Snakes Compete)
- Merak Ediyorum (I Wonder) with Sevim Gözay,
- Motto Good Game with PintiPanda
- Son 'Ki Üç Kayıt (3-2-1 Action) with Gökhan Türkmen
- Dejavu with Coşkun Aral



WE CREATE VALUE FOR FUTURE GENERATIONS

We believe that the condition of being a good and inclusive society is only possible with competent and leading youth who shape our future. In this context, we target young people and children in our social responsibility projects to add value to their lives and society.

SUPPORT FOR YOUNG MUSICIANS

We continue sponsorship and support activities to involve young talents in the world of music and to contribute to the future of prospective musicians. We maintained our corporate support for the Music for Peace Foundation in 2020, as well. The Foundation, which aims to provide tuition-free musical education to as many children as possible and to spread the voice of peace through music, has enabled thousands of children with limited opportunities to involve in the arts.

We have been supporting the Turkish National Youth Philharmonic Orchestra, founded by Cem Mansur in 2007, since 2014. Consisting of young musicians between the ages of 16 and 22, the orchestra performs in Turkey and abroad under the supervision of the best instructors in their field.

We continued to support the musical education of the young pianist Kaan Baysal, the first and only musician from Turkey to become eligible to take part in the Allianz Junior Music Camp.









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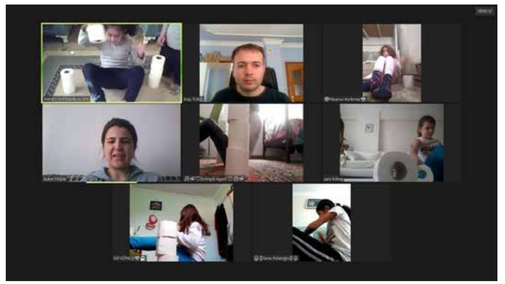
ALLIANZ MOTTO MOVEMENT

We moved our corporate social responsibility program, which was launched in 2018 and aims to contribute to the growth and development of children aged between 7-12 through movement and sports, to digital platforms in 2020 due to COVID-19. The training program, which was prepared under the consultancy of the team led by Prof. Dr. Mustafa Levent İnce, an academician of METU Physical Education and Sports Department, is implemented on the digital platforms of TEGV and EÇEV through volunteers.

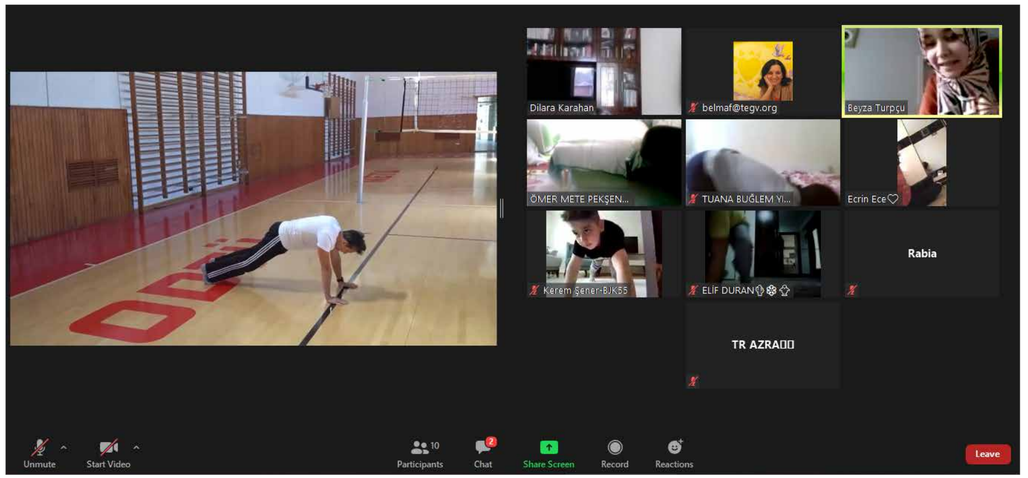
Thanks to digital platforms, we reached a total of 1,153 children through TEGV and EÇEV workshops and weekday events. With the addition of new provinces during the distance education period, the number of provinces affected increased to 21. Also, we delivered Allianz Motto Movement content to 80,000 children from 25 provinces living in areas with limited internet and computer access through TEGV Evde (TEGV at Home) magazine.

Before the pandemic, we physically reached out to 583 children at our 11 activity stations in January, February, and March; in 2020, we contributed to the development of a total of 1,153 children through the digital platform. We have reached approximately 3,000 children since 2018 in the long-term program implemented in cooperation with many of our stakeholders, especially the Educational Volunteers Foundation of Turkey (TEGV), Aegean Modern Education Foundation (EÇEV) and Koruncuk Foundation.









IN 2020:

NUMBER OF CHILDREN REACHED OUT:

1,153

TOTAL NUMBER OF VOLUNTEERS:

70

NUMBER OF ALLIANZ VOLUNTEERS PERFORMING DIGITAL VOLUNTEERING:

21

OUR CORPORATE VOLUNTEERING ACTIVITIES

We encourage our employees to utilize their knowledge and competence to tackle social issues, thus contributing to the building of a good society.

In 2020, we continued to contribute to the solutions of social problems by corporate volunteering activities carried out by Allianz Turkey employees. In 2020, a total of 395 volunteer colleagues took part in projects voluntarily for 1,026 hours.

40 of our colleagues continued their volunteering activities in the sustainability committee, environmental team, and diversity team. We delivered our aid to disaster regions. We supported the education of children.





FESTIVE GIFTS

With the participation of 75 of our colleagues in the "Give a Hand to Make it Festive on Eid Al-Adha" project, we sent festive gifts to girls who received support through the Koruncuk Foundation.

BLOOD DONATION TO TURKISH RED CRESCENT

Allianz Turkey employees donated blood and stem cells to the Turkish Red Crescent at Allianz Tower and Allianz Campus.

AID ACTIVITIES TO EARTHQUAKE REGIONS

During the Elazig and Izmir earthquakes, as an institution and with the support of our 400 employees and agencies, we delivered urgent needs to disaster regions by collaborating with the Turkish Red Crescent. We have supported the students at the school, which was built in Molla Kasım Village after the Van earthquake, throughout the year with educational materials and books contributing to their individual development.

RUN FOR GOODNESS

As Allianz Turkey Corporate Running team, we collected a total of TRY 66,000 donations on behalf of TEGV and TEV. At the 42nd Istanbul Virtual Marathon, we collected a total of TRY 62,610 donations on behalf of EÇEV, Koruncuk Foundation, Lokman Hekim Health Foundation, and TEGV. In the Allianz World Run, Allianz Turkey employees ran 29,207 km in 2020 and finished the event by ranking 20th out of 57 countries/teams. As Allianz Turkey, we donated to the Koruncuk Foundation on behalf of our runners who participated in this charity movement.

SUPPORT FOR WWF EARTH HOUR AND WORLD CLEANUP DAY

Our colleagues supported the WWF Earth Hour event from their homes. Also, our employees both performed digital cleaning on World Cleanup Day and donated their electronic wastes to the TEGV's "Donate, Not Dump" campaign. Thus, they contributed to the education of children by participating in world cleanup day.



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SOCIAL SOLIDARITY



BE THE AIR

During the fight against COVID-19, we focused on producing solutions for the needs of our stakeholders that may arise in this period, together with our special team established within Allianz Turkey and the Lokman Hekim Health Foundation, which operates in the field of health and provides scholarships to the medical doctors of the future. We observed that one of the priority needs identified by the Istanbul Provincial Directorate is the accommodation of healthcare professionals, who could not go to their homes not to pose a risk for their families and loved ones during the peak times of the COVID-19 pandemic. Based on this need, as Allianz Turkey, we implemented the "Be The Air" project as of 2 April 2020, in cooperation with Lokman Hekim Health Foundation and with the support of the Istanbul Provincial Health Directorate. As part of the project, we hired a hotel closest to the busy hospitals and allocated single rooms for healthcare professionals who could not go to their homes on the Anatolian Side of Istanbul, so that they could rest and stay. In line with the directions of the Istanbul Provincial Health Directorate, the "The Bostancı" hotel was allocated to healthcare professionals in the project, which was carried out to meet the needs especially on the Anatolian Side of Istanbul. Between 2 April and 4 June 2020, 80 healthcare professionals benefited from the "Be The Air" Project.

Measurement and Evaluation: In order to understand whether the anxiety level of healthcare professionals has decreased and their motivation has increased, we have arranged a notebook where they can express themselves. We communicated one-on-one through Lokman Hekim Health Foundation and received verbal feedback. Using the measurement and evaluation tools, we observed that we reduced the anxiety level of our healthcare professionals, who were targeted in the project, and provided the motivation and comfort they needed.

LOYALTY TO CORONA HEROES

As part of the "Loyalty to Corona Heroes Fund", which was implemented by the Turkish Education Foundation (TEV) to allocate scholarships particularly to the children of the health professionals who died during the coronavirus (COVID-19) pandemic and the children of all individuals who were infected by the coronavirus and died during the pandemic, we provided educational scholarships to 12 children.



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GOOD INSTITUTION



At Allianz, we always look for ways to become a better institution every day. Therefore, we strive to increase the satisfaction of our employees, to become a simpler and more agile company, to strengthen our risk management, to improve our ESG integration practices, and to review our products and services in the light of our sustainability principles.



		2019 PERFORMANCE	2020 PERFORMANCE
CUSTOMER ORIENTATION	Market positions – Elementary Life/Health	Elementary: Market level, Healthcare: Market level, Life/ Pension: Market leader	Elementary: Market leader, Health: Market leader, Life/ Pension: Market leader
	The number of the customers	5.5 million	5.7 million
	Number of agencies	3,900	4,000
	Risk management investment support amount (TRY)	437,619	366,386
EMPLOYEE RIGHTS AND SATISFACTION	Rate of participation in employee loyalty survey (%)	97	98
	Employee Loyalty Index score (%)	83	90
	Work Well Index score	67	77
	Performance Culture Index score (%)	76	85
	Number of employees who received Gender Equality Training	13	A training program was created for all employees in 2021.
	Allianz Academy total training hours	131,092	124,829
	Occupational health and safety training hours	1,176	1,592
	Female employee rate	59%	59%
	Female executive rate	43%	43%
	Return-to-work rate of female employees after maternal leave	92%	92%
FINANCIAL PERFORMANCE	Size of assets (TRY)	39,568,617,917	44,023,781,283
	Capital adequacy ratio	203.9%	197.60%
	Premium production and contribution	TRY 10.5 billion	TRY 14.8 billion

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		2019 PERFORMANCE	2020 PERFORMANCE
SUSTAINABLE SOLUTIONS	Revenue generated from Sustainable Solutions	TRY 75 million	TRY 71 million
	Number of sustainable solutions	6	6
BUSINESS ETHICS	Code of conduct training hours	2,135	108
	Number of resolved reports submitted to SpeakUp platform	96	55
	Number of people who received anti-corruption training	650	108
ESG INTEGRATION AND RISK MANAGEMENT	Number of topics submitted to ESG and Reputation offices	10	14
	Number of internal audits	27	47
TRANSPARENT AND AGILE GOVERNANCE	Agile transformation rate	15%	16%
	Publication of integrated report	Published in November 2020	Published
R&D AND INNOVATION	Number of new business ideas submitted to the Internal Entrepreneurship Program	103	116
DIGITALIZATION AND DATA SECURITY	Rate of customer communication in the digital environment (%)	98%	98%
	Number of downloads for My Allianz mobile app	553,000	769,000
	Penalties charged for breach of data security	0	0

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OUR CORPORATE STRATEGY

At Allianz, we have determined the strategic goal that will steer us into the future as "siding with our customers throughout their lives with our pioneering services and superior customer experience, while serving as Turkey's number one insurance company with a sustainable and profitable growth performance".

Within the scope of our strategy, we determined the following areas as our strategical priorities: "agility", "productivity", "simplicity", "customer orientation", "technology and data focus", and "employee and culture". By matching our sustainability strategy "We Secure Your Future, Siding With Good" with the focus areas of our corporate strategy, we ensured the integration of our sustainability strategy into our business strategy.

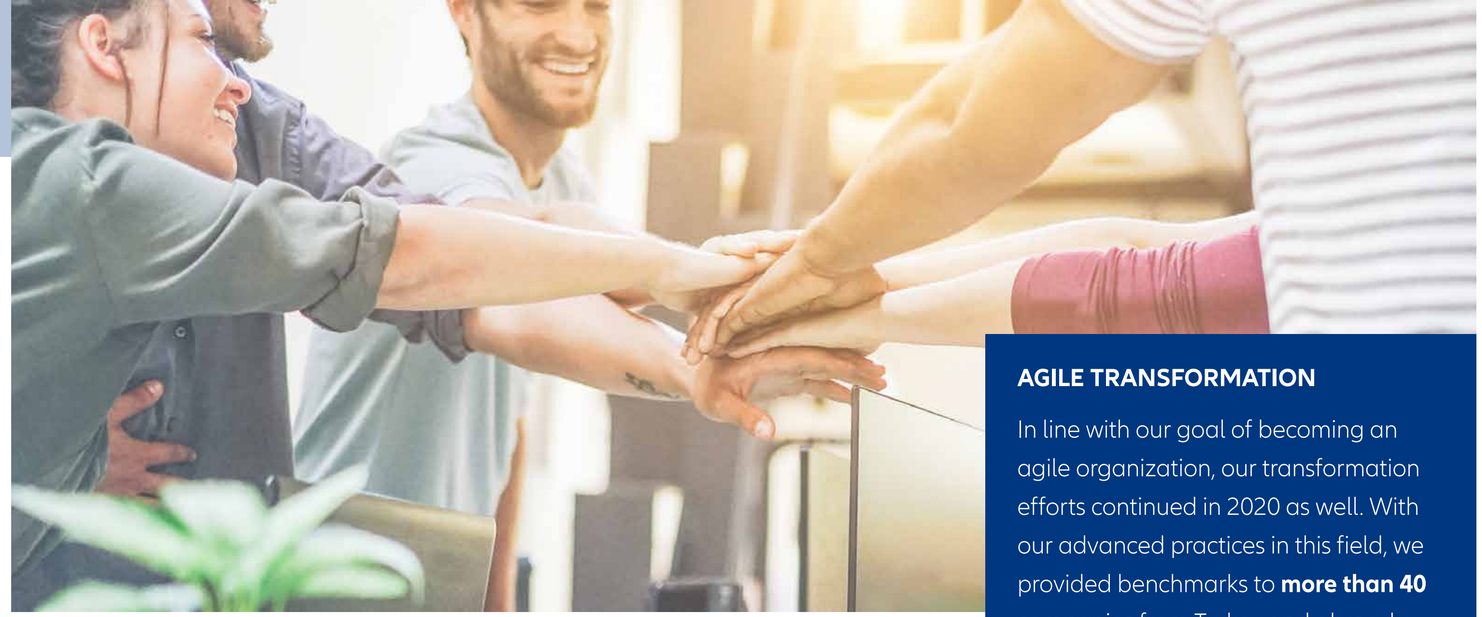


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TRANSPARENT AND AGILE GOVERNANCE



Allianz Turkey has been among the most preferred insurance companies in the industry with the highest loyalty score for many years. Our customers trust us because we are an agile company with a highly ethical nature. We continuously revise our organizational structure and strive to enhance customer satisfaction to be worthy of this trust.

With the Agile Business Method that we started at Allianz, we shifted from a function-based structure to a business-driven structure. With this method, our employees with different fields of expertise work together and become part of the solution with broad powers.

We observe that the Agile Business Method improves both employee and customer satisfaction.

We aim to become an institution that is easy to work with by simplifying our business processes and product designs, thus ensuring our financial sustainability.

We reinforce our agile management approach with our rooted corporate management approach.

We revise our processes to become an inclusive, transparent, and accountable company where all relevant stakeholders are informed in a timely manner.

Detailed information on our Corporate Governance practices is available **in the section of the annual report**.

AGILE TRANSFORMATION

In line with our goal of becoming an agile organization, our transformation efforts continued in 2020 as well. With our advanced practices in this field, we provided benchmarks to **more than 40** companies from Turkey and abroad.

- What is our agile transformation rate?
  Current: **16%**
  Current (except for site): **26%**
  2023 after planning: **64%**
  2023 after planning
  (except for site) **100%**
- How many teams working agile?
  43
- How many colleagues do we have in agile transformation teams?
  386
- How many hours of training did these people receive in total?
  A total of **380 hours** of training was carried out (81 training programs)
- How many agile coaches do we have?
  10

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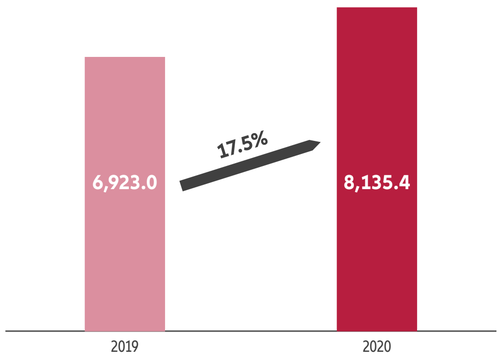
SUSTAINABLE FINANCIAL PERFORMANCE

Being a profitable company is a prerequisite for creating sustainable value. We strive to achieve our profitability target not with a short-term perspective, but through a long-term approach that we win together with all our business partners. We aim to improve our productivity, reduce our costs, provide a competitive advantage, and keep customer satisfaction high using fast and simple processes.

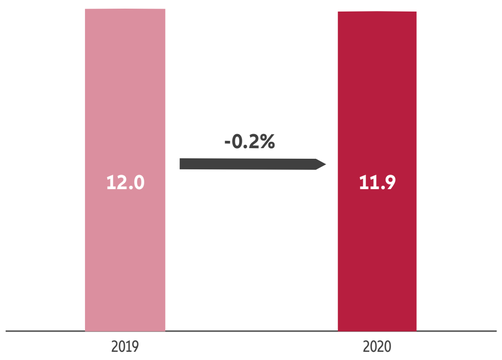
(THOUSAND TRY)	2015*	2016*	2017	2018	2019	2020
Premium	4,050,873	5,775,138	5,134,074	5,809,796	6,922,967	8.135,361
Damages Incurred (Reinsurer Share Deducted)	-2,157,338	-2,936,763	-3,376,998	-3,418,172	-3,756,930	-4,465,855
Profit Before Tax	258,216	537,257	757,315	673,236	1,004,631	1,187,579
Profit After Tax	233,323	470,716	573,986	562,589	727,095	895,912
Technical Provisions	3,141.178	4,490,137	4,754,664	5,448,330	6,506,053	8,271,742
Paid-in Capita	647,643	647,643	647,643	647,643	647,643	647,643
Equity	1,559,032	1,894,929	2,267,040	2,487,314	3,232,939	3,699,330
Total Assets	5,491,021	7,350,287	7,652,756	8,686,255	10,679,672	13,156,616

*As per the "Circular No. 2017/7 On Amending the Circular No. 2016/22 on Discounting Net Cash Flows from Provisions for Outstanding Claims", our company discounted the provisions for outstanding claims in the branches of Land Vehicles Liability and General Liabilities and recalculated the financial data for the years 2016 and 2015.

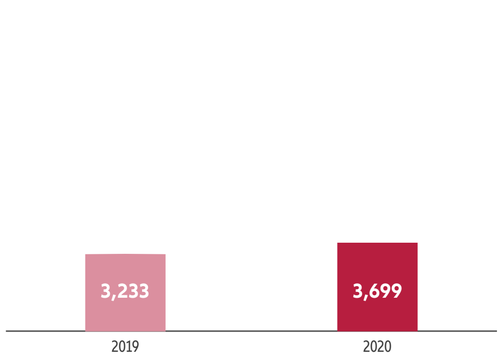
Premium Production (million TRY)



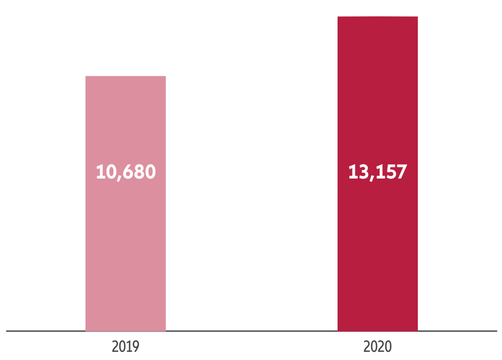
Market Share (%)



Equities (million TRY)



Size of Assets (million TRY)



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OUR BUSINESS ETHICS APPROACH

102-16, 102-17

Allianz Group operates in line with the highest business ethics standards all over the world. All Allianz employees are obliged to comply with the Allianz Code of Conduct for Business Ethics and Compliance.

Within the scope of Compliance Programs, we offer "Confidential Reporting", where our employees can report improper business processes. Using this opportunity, employees can anonymously report unethical incidents, bribery, fraud, and abuse cases they encounter in business processes through the Confidential Reporting Line. In non-anonymous notifications, the confidentiality of the reporters is protected with the assurance of senior management and the Compliance Department under the Anti-Retaliation Policy.

55 NOTIFICATIONS

WERE SUBMITTED TO SPEAK UP LINE AND RESOLVED IN 2020.

We organize training programs to ensure the dissemination of the Code of Conduct within the organization. We provide in-class compliance training to all our newly-recruited colleagues as part of their orientation. The training content also includes detailed information on our anti-corruption policy.

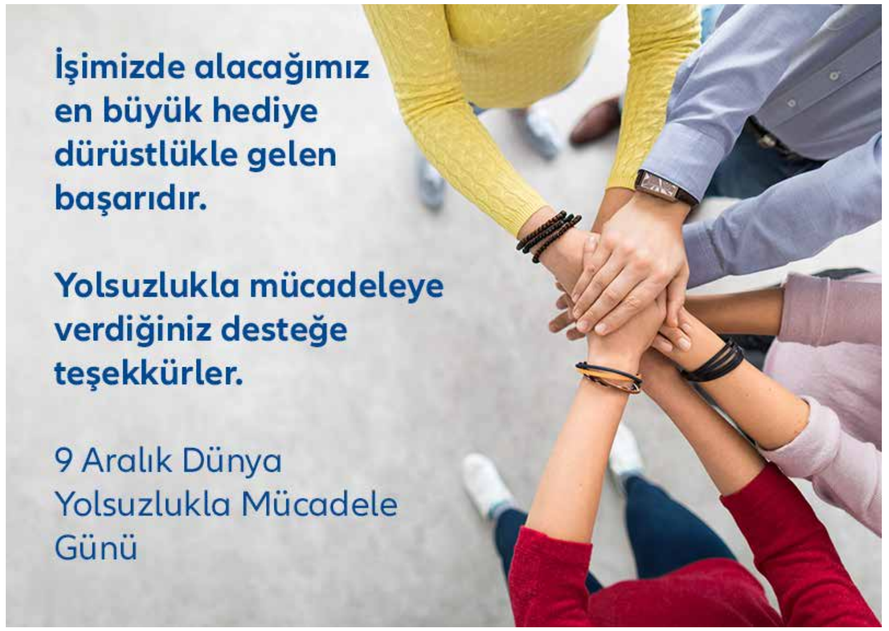
WE REACHED

108 PEOPLE

THROUGH THESE TRAINING SESSIONS IN 2020.

As part of our Anti-Corruption Program, which we carry out within the scope of our Anti-Corruption Policy and which is also followed by Allianz SE, we provide regular training sessions to our employees and agencies. We periodically check the accounting and ledger records. We periodically check our suppliers, agencies, and brokers, both before and during the business relationship, within the framework of certain risk indicators.

We benefit from the knowledge and experience of other institutions and non-governmental organizations to improve our practices in the field of ethics. We are a member of the Ethics and Reputation Society.



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OUR ACTIVE RISK MANAGEMENT

102-11

Due to the nature of our business, we have an active risk management system. We use international risk management principles in risk management processes. The Risk Committee, which convenes at least four times a year, is the highest authority holder in terms of risk at Allianz Turkey.

Our risk management approach comprises three main areas: Risk Management and Internal Control, Reputational Risk Management, and Business Continuity Management.

At Allianz Turkey, we implement the Reputational Risk and Issues Management Standards created by Allianz Group. The crisis communication plan and the action plans designed for different risk groups are updated within the framework of these standards. The reputation research which is conducted by an independent research company annually under the coordination of the Corporate Communication, Corporate Responsibility and Sustainability Function is important for understanding reputational risks.

The activities of the Internal Audit Department are gathered under three key groups: audit, examination, and investigation. The Internal Audit Department carries out an annual risk assessment on the audit universe by taking into consideration the results regarding the company's risks and previous audits at the end of the year. The audit universe consists of 81 audit areas under five key activity groups. Each activity area is assessed within the scope of natural risks and remaining risks in terms of dimensions such as market risk, credit risk, business building risk, operational risk, reputational risk, liquidity risk, and strategic risk.

Annual and five-year audit plans are created and submitted to the Board of Directors for approval. In addition to the audits determined in the annual internal audit plan, examination, investigation and/or consultancy activities, and the potential incidents of misconduct required by the Executive Team are included in the scope of the audit year.

The reports prepared as part of internal audit activities are submitted to the Board of Directors, and the actions to be taken are decided according to the results of the report. The Internal Audit Department periodically monitors the actions to be taken as per the findings of the reports in the follow-up process and reports the results of monitoring to the Board of Directors. In 2020, 47 audits, examinations, and investigations were carried out.

Detailed information on the risk management model applied at Allianz Turkey and our performance are available in our annual reports.



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OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) APPROACH



E = ENVIRONMENT
GOOD ENVIRONMENT

S = SOCIETY
GOOD SOCIETY

G = GOVERNANCE
GOOD INSTITUTION

The ESG risk management, which covers all non-financial issues that affect and are affected by our activities, is one of the priority issues of our industry. Failure to manage ESG risks well may result in financial, operational, and reputational risks.

Allianz manages ESG risks within the framework of an extensive and strict standard, and it contributes significantly to global initiatives in this area. The Group is among the signatories of the United Nations Environment Program Finance Initiative (UNEP FI) Principles for Sustainable Insurance (PSI). Established to set an industrial standard for ESG integration, the Group functions with an understanding that promotes multistakeholder participation. The Allianz ESG Integration Framework is the main guideline that shapes our ESG approach and helps us assess ESG risks at Allianz Turkey.

The Framework is a comprehensive guide encompassing our principles regarding the role and responsibility definitions relating to ESG, our ESG approach, directives with regards to ESG-risky sectors, our ESG scoring approach, our exclusion policies, Allianz Group legal persons, and our external partners. In 2020, 14 transactions were submitted to the ESG and reputational risk offices for approval.

SENSITIVE BUSINESS AREAS

Allianz Group has identified 13 sensitive business areas that may pose a high ESG risk and impact society negatively. We thoroughly examine each and every transaction in line with our ESG approach.

If a request for proposal is received regarding any of the sensitive business areas, the issue is escalated to the Corporate Communication, Corporate Responsibility and Sustainability Function and Risk Department. If the issue needs to be escalated to the decision-making mechanisms of Allianz Group, it is referred to the Group ESG Office.

Group ESG Office decides either to escalate the issue to the Global Risk Department or to require a local Department to resolve the issue. ESG scans are conducted by taking as a basis the guidelines that cover significant information that needs to be considered for each sensitive business area and that are based on international standards and best practices. If we detect that risks are not properly handled or managed, we request from the other party to take measures aimed at mitigating ESG risks.

Since 2018, we have not been financing projects that produce power using coal.

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OUR SUSTAINABLE SOLUTIONS

Allianz Group introduces new products and services under the title "sustainable solutions" every year Such products or services must meet two core criteria to be classified as a Sustainable Solution: creating a solution that focuses on climate change issues; offering an insurance or support service that improves the lives of disadvantaged groups.

IN 2020, ALLIANZ GROUP GENERATED A REVENUE OF

EUR 1.88 BILLION

FROM

232

SUSTAINABLE SOLUTIONS.

In line with the strategy of Allianz Group, we introduce a new Sustainable Solution each year in Turkey, and we create a shared value for all of our stakeholders at Allianz Turkey. We generated revenue of TRY 71 million from sustainable solutions in 2020.

OUR SUSTAINABLE SOLUTIONS

Renewable Energy Insurance: We provide an extensive product for renewable energy plants using hydro-, wind and solar energy. We cover building and content damages and profit losses due to damages resulting from fire, theft, terrorism, and natural disasters.

Marine Pollution Liability Insurance for Coastal Facilities: We cover the cleaning costs and damages for the transport and elimination of collected waste that are required per legal liability and that arise out of marine pollution due to oil or other harmful substances.

Special Discount on Motor Own Damage Insurance for Fully-Electric Cars: We offer up to a 20% discount on motor own damage insurance's net premium for fully-electric cars in the category of private vehicle in Turkey.

Mammography Right: We remind our customers with women's health insurance about the mammography rights under the coverage and adopt a preventive healthcare approach.

Sustainable Life Fund: By utilizing the Sustainable Life Fund, our personal pension customers are able to invest in the Sustainability Index under the Istanbul Stock Exchange and international sustainability products.

Solar Power Plant Insurance: We released Roof-Type Solar Power Plant Insurance, Turkey's first individual green insurance product. We developed a new product for Solar Power Plant (SPP) projects involving a roof type for up to 10 kilowatts, which is also supported by the Energy Market Regulatory Authority (EMRA), and the new product provides insurance to the products against damages to new purchases, outside the warranty scope, for a year.

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OUR INNOVATION ACTIONS

Within the scope of the “Simplicity Transformation” program, our healthcare products, auto-, and nonauto products were simplified and made more intelligible in line with customer expectations, thus smooth and rapid processes were put into use. With the redesigned product structure and interfaces, we achieved an ultimate-level experience for both customers and sales channels.

With the “Pricing Module” project, a more flexible and faster structure was adopted in the traffic insurance pricing process, thus achieving significant operational productivity.

In elementary and health branches, the processes of production, provision, and damage were improved in terms of process automation and productivity. With the renewed interactive voice response system on the call center, and consultation service via video and messaging in the health branch, our customers have been made to feel that we are there for them whenever they need it.

At the Global Top Ranking Performers Awards held by Contact Center World, the most prestigious event in its field in the world, we won the “Best use of Self-service Technology” award for our “SmartIVR” project, which is a product of our simplicity strategy, and we won the “Best use of Social Media in the Contact Center” award for our complaint management in the EMEA Region.

Embracing the “Best use of Artificial Intelligence” award at the Sardis Awards after the IDC CIO Awards, ARCHIE, our digital damage manager, our most comprehensive artificial intelligence program we have ever used, will take our company one step further in technological leadership and effective customer experience.



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INNOVATION OFFICE

Allianz Turkey Innovation Office continues to work with the vision of being the most innovative insurance company that puts innovation at the center of its business practices, where it putting creative and innovative ideas into practice is natural and easy.

As Allianz Turkey, we established the innovation office to make entrepreneurship and innovation a part of the corporate culture by breaking new ground in the industry. The main mission of the innovation office is primarily to support the transformation of the corporate culture in an innovation-oriented way and to strengthen the company in becoming an organization that creates change. Another significant part of the mission is to lead the industry and finance in the innovation and entrepreneurship ecosystem and to direct the developments in this field by effectively using the power of the Allianz Group.

With the Allianz Turkey Innovation Office, we aimed to implement projects that will meet the needs of new generation insurance, activate the entrepreneurial potential within the company, and ensure that entrepreneurship and innovation are a part of the day-to-day business by collaborating with entrepreneurs outside the company. The Innovation Office continues to manage the issues of internal entrepreneurship programs, external initiatives, integration with innovative business models, cooperation with universities, dissemination of internal entrepreneurial culture, and integration with the Allianz Group.

INTERNAL ENTREPRENEURSHIP PROGRAM

The "Internal Entrepreneurship Program" was designed as a process whereby employees can implement ideas and transform them into a business model, rather than a platform for merely exchanging ideas. In 2020, we completed the fourth program, which was implemented to incorporate the innovative ideas and suggestions of the employees into the system. After the announcement of the fourth term of the internal entrepreneurship program, we received about 130 entrepreneurial ideas from our employees. As a result of the evaluation of these applications, two of the projects were selected, and the MVP process was started with startup collaborations. In addition to the "Internal Entrepreneurship Program", we held entrepreneurship and innovation workshops with our internal teams in 2020, enabling the teams to come up with new business models by their entrepreneurial methodologies.

EXTERNAL ENTREPRENEURSHIP PROGRAM

Within the scope of our External Entrepreneurship Programs, we have progressed with the aim of pioneering open insurance by making our APIs available within the framework of cooperation with external stakeholders, supporting external entrepreneurs, transferring the innovation strength of the external entrepreneurship ecosystem to our company, and incorporating projects that benefit society in our corporation. We also aim to enhance the popularity of insurance across the entrepreneurship ecosystem, ingrain the true definition of insurance technologies in people's minds and attract new ideas and entrepreneurs to this area.

In addition to our membership to Turkish Industry and Business Association (TÜSİAD)'s Entrepreneurship & Youth Round Table, Young People with Potential (Bu Gençlikte İŞ Var!) event, we participated in the KWORKS COVID-19 Ekspres Platform and were among the companies that provided the most support to startups in the categories of "Financial Continuity" and "Continuity of Employment and Remote Working Technologies". In 2020, we were among the stakeholders of the ITU Çekirdek Insurtech Program, a program that will strengthen the entrepreneurship ecosystem of ITU Çekirdek in the area of insurance and increase the insurance awareness of entrepreneurs and thus the number of insurtechs.



HackZone OPEN INSURANCE

With the "HackZone Open Insurance" program implemented by our Innovation Office and Information Technologies teams, the 'FIRST' PoC focused innovation program in the Turkish Insurance Industry was held between 20 October - 15 December 2020. 80 applications from 25 countries were received for the program, which aimed to increase cooperation between the startup ecosystem and Allianz and to develop innovative business models. In the program, the startups experienced design and coding-oriented applications with access to application interface programs during a 10-day marathon; also, they were provided with mentoring opportunities exceeding 100 hours by 32 mentors. The minimum viable products (MVP) developed in the program were evaluated by a large team of juries from inside and outside Allianz, and 4 startups were awarded a total of TRY 110,000.

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DIGITALIZATION AND INFORMATION SECURITY

Allianz Turkey has planned its activities by focusing on simplicity, productivity, customer, and technology & data on its way to become a “truly digital” insurance company that places the human aspect at the core of its business. Therefore, it continues to carry out its operations at full speed by making the most efficient use of the change brought about by digitalization both in its business processes and in its products and services.

Since consumers can access products and services more quickly and easily thanks to digital technology and digital marketing in the developing world, we have established a digital-oriented team (Digital Tribe) within the framework of a new organization to meet the needs and demands of customers in the digital environment.

In addition to developing, adding new features, and improving My Allianz Mobile Application and Online Transactions Center, as well as our website and other digital assets, where our customers can easily access the information and services they need, we continue to work intensively with the aim of reaching different target audiences and creating knowledge on this subject with pioneering digital partnerships in the industry.

The year 2020 has been a year in which e-commerce has increased particularly under pandemic conditions. With its projects in this area, Allianz implemented developments in three branches aiming at customers, distribution channels, and employees in a parallel manner.

98% of our customer communication takes place in a digital environment.

USE OF WEBCHAT

119,759

USE OF CHATBOT

56,272

NUMBER OF DOWNLOADS FOR OUR MOBILE APP IN 2020

769,000

(TOTAL NUMBER OF DOWNLOADS: 2,334,627)

NUMBER OF WEBSITE VISITORS

9,917,450



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As part of our “Digital Transformation Program”, we have added new features to the My Allianz mobile application and online customer portal. Digitalization of tow truck requests, replacement vehicle requests, and repair follow-up processes in the motor insurance branch, and group health insurance collection processes in the health branch provided a better experience and operational productivity for our customers.

With our “Voice of the Customer” project, we conducted surveys at many points where our customers contact Allianz, from sales to damage claims, to identify areas of improvement and take actions to increase customer satisfaction.

Thanks to the revisions made on the policy issuance, the policy contents were made more intelligible and an environmentally friendly and sustainable approach was followed by reducing the reduced number of pages.

During the reporting period, we continued to communicate with our agents via the DigitALL platform. Phoenix platform, our Auto Enrolment System, continues to facilitate the lives of our customers.

The Allianz Group Information Security Framework (GISF) is our Information Security management framework that we are obliged to comply with and which is subject to the regular group and local audits. We also comply with the following standards:



Allianz Group Information Technology and Information Security Policy, Allianz Functional Rules for Information Security, Allianz Information Security Implementation Guidance, Payment Card Industry-Data Security Standard (PCI-DSS), and Control Objectives of Information Technologies (COBIT).

While technological measures are taken against changing and developing cyber threats in accordance with the Allianz Group standards, the human and process aspects are not ignored. We raise users’ awareness of phishing attacks by sending phishing campaign e-mails at least four times a year. We provide “Information Security Awareness” training programs to our newly recruited employees. In addition, with the Agency Information Security Principles document that we have prepared to increase the Information Security awareness of our agencies, we regularly provide awareness training programs for our agency users.

MOTOR BRANCH PRODUCTION AUTOMATION RATE

97%

HEALTH PROVISION AUTOMATION RATE

79%

NUMBER OF DOWNLOADS FOR MY ALLIANZ

769 THOUSAND

IVR OKS REQUEST

84,584

USE OF WEBCHAT

119,759

USE OF CHATBOT

56,272

PERCENTAGE OF THE DIGITALIZATION OF INCOMING DOCUMENTS

98%

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OUR CUSTOMERS



At Allianz, we aim to maximize customer satisfaction while introducing products and services tailored to meet changing needs. As part of our 2019 efforts, we focused on solution suggestions by addressing each individual process in the customer life cycle and undertook enhancements to create a positive impact on customer experience.

Customer Loyalty Program: In September 2019, we revised the ruleset of the Customer Loyalty Program and added new benefits to the program. While we had mostly provided services on damage claims in the Customer Loyalty Program, we focused on adding lifestyle services that our customers can benefit from in their daily lives to the program in 2020. As part of the Customer Loyalty Program, we began to donate to Haytap's Retired Animals Farm on behalf of our customers who first benefited from our pet services, and to the Lokman Hekim Health Foundation's "Raise Doctor Project" on behalf of our customers who benefited from our other services in the program. In addition to various services in the program, pet service, car wash service, Storytel subscription service specific to the COVID-19 period were added to the program.

Allianz Pension World: "Allianz Pension World", which we launched to facilitate the lives and increase the comfort of our Private Pension customers, continued to grow with new privileges in the reporting period. We added gift cards, free car wash service, Storytel audiobook membership, and VIP transfer service to the privileges of "Allianz Pension World", which already included dozens of different conveniences such as free complementary health insurance, travel health insurance, culture and art events, check-up, eye and dental health examination, combi boiler and air conditioner maintenance.

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Private Customer Advisor: Thanks to the one-on-one meetings with our customers and our private customer advisors, who are experienced in financial markets, which is unique in the industry, we prepare our customers for the pension system by providing information about the markets and pension funds as well as fund returns far above the sector. Also, we serve to increase the financial literacy of our customers.

In the reporting period, we also made significant improvements in the Customer Contact and journey. While designing digitalized communication with more frequent and simpler processes, we provided our customers with access to information about their pension contracts themselves.

In 2020, extensive studies were carried out to increase customer satisfaction. As part of the "Allianz should Apologize" project, we try to compensate for the negative situation by sending flowers to our customers who have a negative experience. One of the most important developments in the field of customer satisfaction in 2020 is the implementation of the Voice of the Customer (VOC) project. We began to measure the instant satisfaction of our customers and to receive their feedback instantly and transparently in sales points in August and in all points of contact as of December.

As of September 2020, we began to analyze the pain points obtained with the Voice of the Customer project and to develop actions that will increase customer satisfaction.

	ELEMENTARY	HEALTH	LIFE/ PENSION
2020	Market leader (15.9)	Market leader (37.4)	Market leader (10.9)
2019	At the market level (11.1)	At the market level (30.1)	Market leader (14.1)
2018	Above the market	Market leader	Market leader

Education Insurance with Payout: With Education Insurance with Payout, our customers can secure the future of their children by paying the entire insurance premium at once or in installments within the first year, and they can get back the total premium amount they paid if no loss of life occurs at the end of the insurance period. At the same time, they can benefit from the advantages of Domestic and International Education Consultancy depending on the amount of coverage they have determined.

With our preventive solutions, we continued to side with our customers and the entire society in 2020.



Mammography Reminders: Due to the pandemic, we have suspended some of our applications. In this process, we stopped our mammography reminders in order not to send our insurance holders to hospitals. We will continue the reminder activities by digital notifications after the pandemic.

Diabetes Support Project: We care about our insurance holders diagnosed with chronic diseases and diabetes. Through our diabetes support project, we perform routine medical examinations of our insurance holders in our private contracted organizations or by visiting them in their houses, free of charge In addition, we reimburse them for their strip and lancet expenses, and we deliver a glucometer to those who need it. We provide 24/7 consultancy services to our insurance holders through our Healthcare Hotline Dr. Allianz Sağlık. With the Diabetes Healthy Life Package, we started our free-of-charge nutrition and dietetics support, which marks the most important stage in diabetes control, to our insurance holders.

Diabetes Healthy Life Package includes 4 sessions with an internist, 6 sessions with a nutrition and dietetic specialist, and 3 sessions with a psychologist for motivation, with face-to-face or online options. 63% of our policyholders within the scope of the project benefited from the package and 1,516 interviews have been made so far.

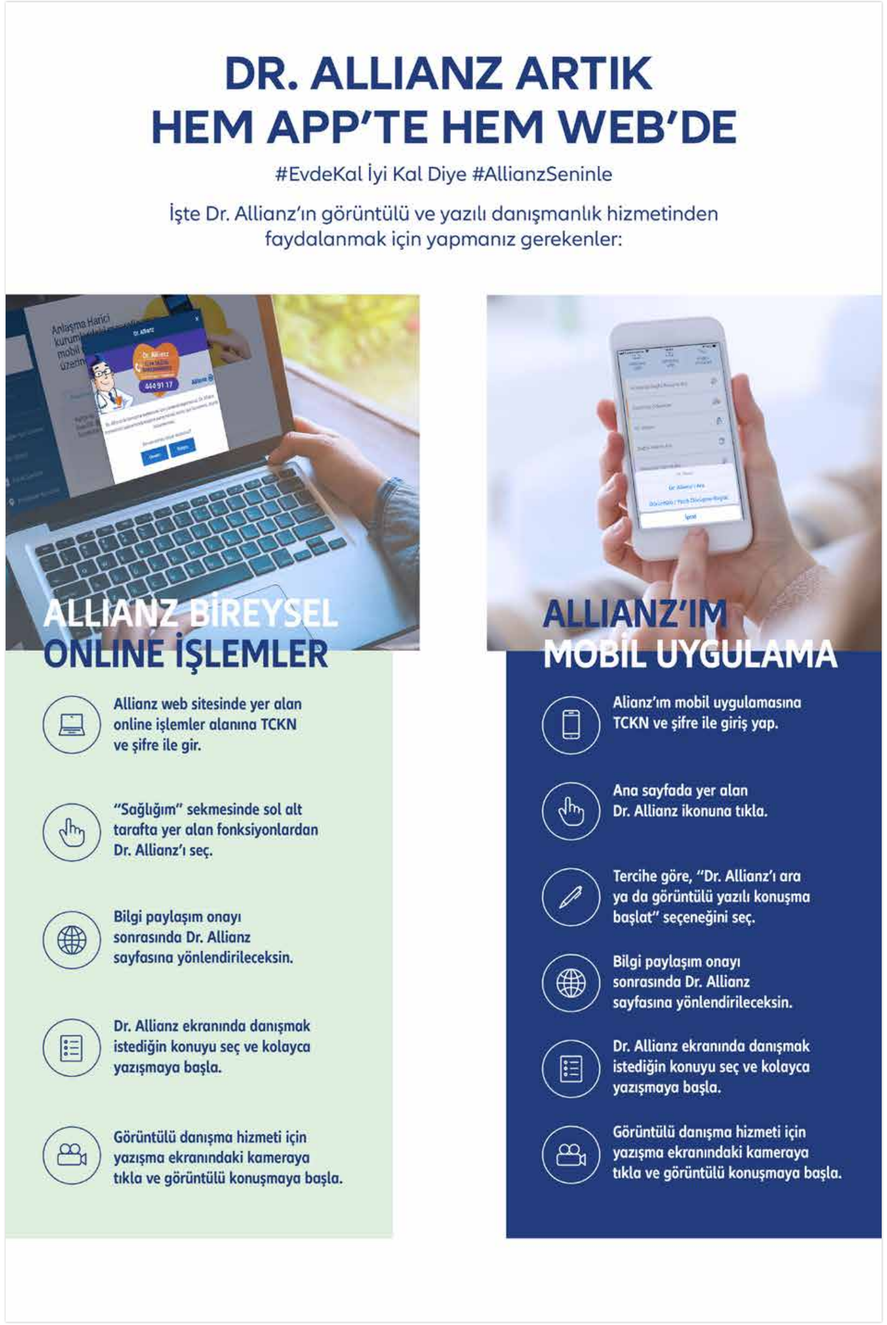
New Application: Meeting with the Specialist Doctor. It is a health consultancy service provided free of charge to all insurance holders after setting an appointment with our contracted specialist physicians from 10 different branches (Dermatologist, Pediatrician, Internist, General Surgery Specialist, Pulmonologist, Ophthalmologist, Obstetrician and Gynecologist, Otorhinolaryngologist, Cardiologist, Orthopedist) by calling Dr. Allianz Hotline (444 91 17) and having a video call from the relevant specialist at the appointment time. A total of 7,300 interviews were conducted with specialist physicians in 2020.



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Dr. Allianz: Our healthcare hotline Dr. Allianz continues to be there for our insurance holders with a team of physicians and nurses who are accessible 24/7. Our insurance holders can access consultancy and support in medical areas by calling our hotline any time they need advice from a healthcare professional; also, they can learn about home care suggestions and receive information on the nearby contracted institutions or physicians. We started providing advice through video calls and text messages thanks to the digital enhancements that we had aimed for in 2020. All our insurance holders can benefit from health consultancy service 24/7 free of charge, either through the My Allianz mobile application or the Allianz website. In 2020, we provided audio/video/text message support to a total of 77,000 insurance holders.





Secure Home: In order to prevent home accidents, falls, and related injuries of our insurance holders, we conduct a free-of-charge risk assessment and supply and assemble four pieces of protective equipment in their homes; also, we reduced the age limit to 65 in our service. The rate of falling of people over the age of 65 is 30%, and 20% of such falls result in serious injuries. We had to stop our home visits due to the pandemic, but we will continue our service after the pandemic. Our target in 2021 is to produce preventive solutions to prevent home accidents for children.

COVID-19 Patients: In order to be with them in their challenging processes, we provide a free-of-charge online psychological support service to our insurance holders due to COVID-19 by making an appointment.

Dört Mevsim (Four Seasons) Magazine: The magazine, which features health-oriented and pandemic-specific content in 2020, aims to support our customers' health, to provide them with up-to-date and useful information, to offer healthy lifestyle suggestions, to announce Allianz services, and to contribute to customer satisfaction. The magazine reaches approximately 450 thousand people every year.



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COVID-19

In 2020, when the COVID-19 pandemic took place, we continued to carry out our operations at full speed to keep our customers' satisfaction at the highest level considering the needs for this special period in our products and services.



WE SECURE YOUR FUTURE BY AN EASIER BUSINESS PROCESS

In this period, when the whole world has been going through a sensitive period, some updates we made to facilitate our business processes:

Health Insurance Actions

- We also cover the expenses of health insurance holders for all epidemic diseases.
- We started providing video call consultancy service with our specialist physicians in our contracted institutions.
- Relevant documents started to be received via e-mail instead of wet signed Application and Information Form requested in Individual Health production processes. •
- The original payment limit for non-invoice expenses was increased from TRY 1,000 to TRY 5,000 for compensation payments paid later.
- Text messaging and video call healthcare consultancy service started through our Healthcare Hotline Dr. Allianz.
- Approved and reported drug expiration dates for chronic drug uses have been extended.
- It was ensured that the direct production authorization was not closed because of the failure to submit the health insurance Application and Information Forms to the company.
- Our pediatric nurse service for new mothers started to be provided through online platforms.
- Check-Up Coverage Validity Period has been extended.

Non-Motor Insurance Actions

- Travel health policies are extended for those who could not return from abroad.
- Temporary remote support is provided for the institutional fire inspection process and determination of risk acceptance criteria.
- For the previously shared conditional works, support will be provided by making a job-based review during the renewal.
- Invoiced claim payment limit was increased from TRY 2,000 to TRY 5,000.
- In cases where damage adjusters cannot inspect fire damages, photos and invoices can be used to finalize claim files.
- My Home Mini Repair service time was extended.
- Personal Assurance mini check-up and dental health package assistance service time has been extended.

Pension and Life Insurance Actions

- Automatic Cancellation processes in life policies were temporarily suspended.
- It was temporarily approved to receive Life and Pension production documents via e-mail, and the submission period of the documents to the company was extended.
- Information was given that epidemics are covered by life policies.
- Customers were informed of economic developments.
- January-March 2020 Life insurance overseas campaign period was extended.

Motor Insurance Actions

- In cases where the loss adjusters could not see the damage, the postpaid method of payment considering the photographs and statements became widespread.
- The upper limit of transactions for visually confirmed damages was removed.
- Customers who do not use the Mini Repair service within the policy term can benefit from the mini repair service for up to 2 months if they apply before the policy expires.
- Installments of the Traffic Policy payments were updated.
- The duration of the Auto King mini repair service was extended.
- Motor and traffic insurance prices were updated.

Exceptional Case Actions

- An additional period of 2 months was given to the Private Pension and Life Advance Award protocols.
- Elementary insurance protocols were exempted from the first 2 quarter targets.
- The opportunity to change addresses was provided for sending printed documents and consumables.
- My Agency special commission payments were brought forward.

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EMPLOYEE RIGHTS AND SATISFACTION

102-12

We believe that social diversity will enrich the corporate culture and contribute to our corporate success. We allow our employees to express themselves in the most proper way by opening up space for their individual differences.

We adopt the Allianz Diversity and Inclusion strategy as a guide in social equality and inclusion under the responsibility of the Allianz Global Inclusion Council, with the strategy being reported to the Allianz Board of Directors. Consistent with the Allianz Business Ethics and Compliance Code of Conduct, we have a zero-tolerance policy for all kinds of discrimination as per the Allianz Turkey Human Rights Policy.

Our Diversity Working Group carries out social diversity and inclusion activities at Allianz Turkey. A total of 24 volunteers from different departments take part in the Committee, which reports to the Sustainability Committee.

In our corporate culture, where diversity is built, the material topics include gender equality, disabled employees, LGBTI, race, religion, national diversity, and age differences.

Two members from our Executive Board serve as a cosponsor for the Working Group to ensure the adoption of gender equality by our senior management team.

As Allianz Turkey, we are the first signatory of the United Nations Global Compact (UNGC) and the United Nations Women's Empowerment Principles (WEPs) in the industry. We take part in the Turkey-based sub-working groups of WEPs As part of our UNWEPS efforts, we cooperated with the Foundation for the Support of Women's Work (FSWW) in 2020. On March 8, International Women's Day, we gave eco-friendly mesh shopping bags produced by the handiwork of women to all our colleagues, giving messages that grocery shopping is not a responsibility unique to women. We aimed to raise awareness by giving messages about gender equality.



We hold seminars and face-to-face training programs for our senior management and employees to raise awareness on gender equality. We do not limit the gender equality issue only with our Human Resources processes. We expand gender equality practices with a holistic perspective in our supply chain as well.

Utilizing the WEPs Gender Gap Analysis Tool, we scrutinized our company's gender quality practices in all areas. This analysis allowed us to see our best practices and areas of improvement. We started to take action towards the gaps identified by this analysis. Within this scope, Executive Team members received Gender Equality training, paternal leave was extended to ten days, and a gender-neutral CV without photograph practice was adopted.

Female employees account for 59% of our total workforce. There are 2 female members among our executives. We have been increasing the ratio of female employees in our intermediary management positions We are among the countries with a good ratio of female employees across the Allianz Group.

We show the same sensitivity we show towards female employees for disabled employees and disadvantaged groups as well. We prioritize disabled and disadvantaged groups for vacant positions within the company in line with our understanding of inclusiveness.

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ALLIANZ TURKEY ACADEMY

With the training programs we have structured under the umbrella of Allianz Turkey Academy, we aim to enable our employees to develop their talents and demonstrate their potential and creativity. Our employee development practices, which we adopt as a priority in our business and manage in line with the understanding of lifelong learning, prepare our employees for the business world of the future.

At Allianz Turkey Academy, we adopt a learning mentality for our entire ecosystem. We offer a variety of continuous learning and development solutions to support the development of our employees and business partners from good to excellent. We design the training programs offered at the academy by evaluating both the individual needs of the employees and the corporate strategies. Thus, we strengthen individual performance and corporate performance simultaneously.

We offer all our employees special development programs for each function that will support their professional development in the development journeys that all our employees are involved in with the orientation program after their recruitment in line with the My Career Path processes, which they can follow through the HR system. In this context, we prepared the training programs of the Development Program on Information Technologies, Development Program on Finance, and Development Program on Marketing. We offer the KAP Development Program, which consists of various individual development solutions that they can participate in, in accordance with the Individual Development Plans they follow through the HR system.

We have been implementing the Our Passion Customers, Agile Development Program, and 4 Seasons Leadership programs, which we aim to develop and transform as an organization.



We offer AllLead, AllLeadPlus, and Shining Star leadership development programs to our leaders, and we offer various development programs and solutions such as Mini MBA as part of the ADP Development Program to our leaders in our talent pool, and the experts who will ve the leaders in the future.

For those who volunteer for the internal training process among our employees, we contribute to their career enrichment with the A2A Internal Trainer Development Program.

We also provide AKUT Development Program and SRS (Swap-Shadowing-Rotation)



opportunities to provide career enrichment.

With FamiLearn, which contributes not only to the development of our employees but also to their family members, we offer various solutions to support the development of their spouses and children.

We train our colleagues who aim to open an agency through the GO Development Program that we designed to support these career movements.

We consider universities as an important element of our ecosystem. Therefore, in addition to our Allianz Turkey Risk Engineering course at Bahçeşehir University and Insurance Management course at Boğaziçi University, we support young talents to join us or to prepare them for the direction they want to continue their careers in the industry through development programs such as Orientation, CodeBooth, and DatAction that we provide for our high school and university student interns.

Allianz Turkey Academy in 2020

124,829
HOURS OF TRAINING

1,546
FACE-TO-FACE AND ONLINE IN-CLASS TRAINING

20,426
ARTICLE, BOOK, VIDEO TRAINING

793
DIGITALIZATION TRAINING

Within the scope of the performance management process, the targets of all employees having an administrative position are determined at the beginning of the year. Individual target evaluation and feedback meetings are held twice a year, in the middle of the year and at the end of the year. Evaluation processes of sales staff with monthly targets are carried out on a monthly basis, and a general evaluation and feedback meeting are held at the end of the year. In 2020, the percentage of employees who were given feedback within the scope of performance evaluation was 100%.

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Allianz Turkey Mentoring Program

In 2020, we have enriched our mentoring process, which has contributed greatly to our organization since 2016, with "peer-level mentoring" to support different perspectives and "reverse mentoring" to strengthen intergenerational communication, and we provided broader development support by expanding our mentor and mentee pools. In the BOND Mentorship Program with its new name, we match our mentees with our mentors who are suitable for their individual development areas and who are experienced in this field, we recommend 3-10 interviews according to the process, and we progress by supporting both our mentors and our mentees with training programs and workshops. With the BOND Mentorship Program, we provided a total development volume of 1,110 hours with 167 mentors in 2020.



Allianz Discovery Program

With the Allianz Discovery Program (ADP), we discover our talents at Allianz Turkey. We offer leadership and technical development training programs to our employees selected for the program, which is conducted every two years. Besides, participants are offered opportunities to develop their sphere of influence and increase their recognition within the organization. The 3rd term of the ADP started in 2020. Our digital launch event was held with our friends selected for the ADP, where all the opportunities awaiting them during their two-year journey of discovery were explained. Individual development planning meetings were held, mentor matches were made, and the mentoring process was started. We conducted online meetings and held events to get to know each other closely. In addition to these activities, they, with a sense of social responsibility, voluntarily participated in various workshops, as well as workshops we held on various subjects. As part of development opportunities, many special training programs were held for ADPs by Allianz Turkey Academy (ATA).

OPPORTUNITIES OFFERED TO EMPLOYEES

We believe that happy and productive employees are those who are satisfied with their work environment and are satisfied with their jobs. Accordingly, we offer our employees a flexible and democratic working environment that supports change. We take steps to strengthen the motivation and commitment of our employees.

We offer Group Health Insurance, Group Life Insurance, Group Pension Plan, LongTerm Stock Investment options to all our full-time employees to help them invest in their health and future.

We care about women taking an active role in business life. We carry out activities that will facilitate the professional life of our female employees, and we try to help them establish a balance between their private life and professional life. Thanks to practices such as lactation rooms and free psychological support, the ratio of female employees returning to work after giving birth is quite high. 97% of female employees who took maternity leave in 2020 returned to their jobs.

Allianz Turkey's New Working Model

With the pandemic process, the "flexible working model" came to the fore in the continuity of business life. We received the opinions of our colleagues during this process. With the feedback we received from our employees, we took a "flexible" step into the business life of the future. Accordingly, we have developed our New Working Model. We conducted workshops with our colleagues at Allianz Turkey by taking into account the needs that arose in the work-from-home model, which we switched to after the first case in our country. In this regard, a survey was conducted with the participation of more than 9,500 global employees in the Allianz Group. We built the new model, which we shaped by considering the results of the studies we carried out with colleagues, their demands, and feedbacks one by one, on the basis of "flexibility", "productivity", "well-being, and sustainability". We expanded the scope of the flexible working model and increased our flexible working days.

Bi'mola (A Break)

We have a social activities club called Bi'mola (A Break), which we have established to allow our colleagues to take a relaxing period after their high working tempo. During our stay at home, we offered and continue to offer digital activity suggestions to our colleagues as part of Bi'mola.

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Driven by our employees' passion for the arts, we started the photography, theater, and dance clubs. Theatrical performances, photography exhibitions, and dance performances were held by these clubs in 2020. Revenues obtained from the photography exhibition were donated to the Music for Peace Foundation.

INTERNAL COMMUNICATION

We consider continuous and healthy communication with employees as one of our material topics. We measure employee engagement and loyalty through the Employee Loyalty Survey that is conducted globally. The results of the survey are an important guide for our human resources practices.

EMPLOYEE LOYALTY INDEX SCORE-EEI IN 2020

90%

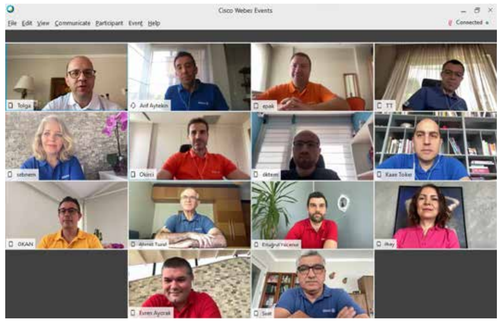
We consider employee performance together with corporate performance. In our journey towards achieving our corporate goals, we aim to enable our employees to demonstrate their own potential and talents. We monitor our score on the Performance Culture Index that was created by Allianz Group.

PERFORMANCE CULTURE INDEX SCORE-IMIX IN 2020

85%

Channels of Communication with Employees

As part of the CEO Townhall Meetings, we share Allianz Turkey's position in the industry, the projects implemented, our achievements, and future goals with all our employees. In 2020, three CEO Townhall meetings were held, one as a physical meeting and two as online meetings. About 1,900 employees accessed each of them.



Allianz Connect Intranet is a communication platform that is a part of the entire global community and can be accessed by 2,500 Allianz Turkey employees.

As part of the "I'm Here at My Desk" meetings, Webex sessions where each of our senior management members meets with the employees one-on-one, 100 of our colleagues had one-on-one meetings with the senior management in 2020.

In 2020, a total of 40 CEO Blogs were shared with the employees by the CEO.

In 2020, as part of the social activity club "bi'mola" (a break), 25 activities were held in categories such as entertainment, travel, and sports.

ATTRACTIVE EMPLOYER

We care about making Allianz Turkey an attractive employer for potential employees. We carry out various activities to become a trusted, strong, and attractive employer brand In this way, we communicate closely with our potential candidates and directly promote our corporate culture.

We develop strategies to boost brand awareness among university students for attracting young talents. We establish collaborations with student clubs and career centers. We contacted 5,211 participants within the scope of 12 events we held at 8 different universities in 2020.

K.A.M.P.
Keşfet. Araştır. Merak et. Paylaş.

K.A.M.P. 2020

With K.A.M.P., the internship program for university students, we provide young people with the opportunity to meet with experienced professionals, socialize, and share their ideas in the pleasant working environment of Allianz and to improve themselves via specially prepared training programs. At the K.A.M.P., the students gain new knowledge through Allianz's in-class and online training sessions and have the opportunity to demonstrate their differences by sharing their ideas with research presentations. At K.A.M.P., which offers the opportunity to experience the business at the coalface, we also provide career guidance to young people. As part of the C.A.M.P., we offered internship opportunities to 31 students, included 4 students in the long-term internship program, and recruited 1 student as an employee in 2020. In addition, one of our interns was accepted as a short-term intern within the scope of the Internship Campaign held by the Presidency of the Turkish Republic.

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CodeBooth 2020

As Allianz Turkey, we received 2,500 applications in 2020 within the scope of CodeBooth, the information technologies program launched last year for high-potential candidates whose passion is software. After the program, in which we aimed to bring future software developers to the industry, we included 10 successful young talents in the long-term internship program. Our interns will work actively 3 days a week for 6 months and will be included in the training program prepared by the Academy. One of our interns was recruited as an employee.

Fastest Career

With the motto "Everything good lasts short!", in the days when we need to #StayAtHome (#EvdeKal) to protect our health, we started our 10-minute internship program that brings Allianz executives and young talents together through mobile platforms and allows them to benefit from our executives' experiences. Within the scope of the program, we received 7,000 applications and brought together 5,576 young talents with our executives. Two of the interviewed young talents were recruited as an eömployee, and two young talents have begun a long-term internship program.

CULTURAL EXCHANGE ACTIVITIES IN 2020

We initiated the Cultural Exchange Program to render our cultural exchange efforts more systematic. As part of the program, we conducted the Organizational Health Index survey in February 2019. After the analysis of the survey, we determined the development areas for Allianz Turkey. According to the results of all these studies, we, as the Human Resources department, started the journey of cultural transformation to support agile transformation with feedback and comments from the field, and we established an agile team consisting of members from different functions. The agile team determined the focus areas in Allianz Turkey through workshops, working group meetings, benchmark interviews, and one-on-one meetings. In 2020, we launched our cultural transformation program internally. In this context, we matched our relevant focus areas with all Human Resources processes, and we began to implement the transformation process following a long-term communication plan. We aim to ensure that all our colleagues adapt to the Allianz culture and to include colleagues who are compatible with this culture.



EMPLOYEE HEALTH AND SAFETY

We provide our employees with a healthy and safe work environment. Occupational health and safety rules of the highest standards are applied in all Allianz offices. In addition to our employees, we make sure that the employees of the subcontractors act in accordance with these rules.

In order to increase the awareness of our employees on occupational health and safety (OHS), we organize OHS training programs and implement various practices so that they can lead a more conscious and healthy life.

OHS Councils operate with the participation of employee representatives and volunteering members in two locations where more than 50 people work in Allianz Turkey. We have a total of 31 employee representatives serving on these councils. We hold OHS Council meetings twice a year one at the Allianz Tower and the other at the Allianz Campus.

In 2020,

1,592 HOURS OHS TRAINING

8 SITE OBSERVATION REPORTS

95% ACTION



We have an OHS department established to strengthen the OHS culture. The responsibilities of this department include carrying out OHS activities in our locations, ensuring legal compliance in this field, ensuring coordination among OHS councils in the relevant location, and carrying out audits and improvements.

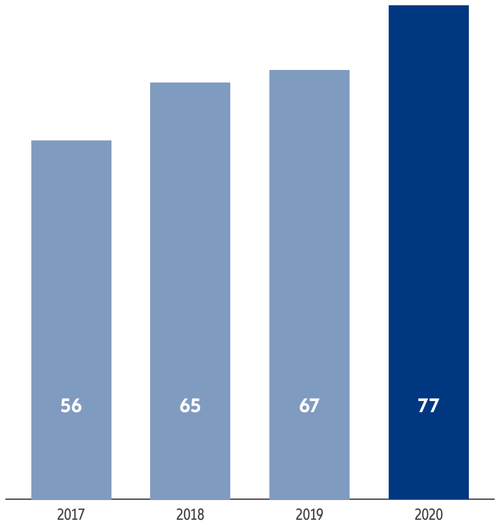
We contribute to the improvement of the health and prosperity of our employees as much as their safety. With the awareness of the effects of stress on human health, we organize various training programs to help our employees overcome work-related stress.

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WORK WELL INDEX

The Work Well Program, which was applied across Allianz Global with an aim to contribute to the well-being of Allianz employees, continued in 2020 as well. As part of the program, which was carried out in cooperation with the University of Dusseldorf, we take actions that will make Allianz employees happier and Allianz a more productive and healthier workplace. We use the Work Well Index (WWI) to measure the effectiveness of the program. The Index helps measure the social and physical well-being of the employees. According to the results of the index in 2020, we achieved a 10% improvement in happiness and well-being compared to 2019.

Our Work Well Index (WWI-%)





As of 18 March 2020, our offices were closed due to the pandemic, and all necessary measures were taken before July when the return to work started on a voluntary basis. With the approval of the consultant company regarding the adequacy of the measures taken, our offices were opened for a short time.

We organize various events with e-mail, internal announcement areas, digital training and information, collective training, and seminars. In case our employees, who are evaluated according to their physical and working conditions, encounter risks, relevant persons are also informed. During the pandemic period when we worked remotely, we carried out awareness activities such as preventing home accidents, ergonomics at home, what to do before, during, and after the earthquake.



COVID-19

The process we have experienced in the last year has brought many changes from our working system to our habits. In this period when extraordinary decisions were taken, being in constant communication with our employees and providing them with accurate and transparent information were among our priorities, in addition to the measures we took. We shared the feeling that Allianz Turkey always stands by its employees through various practices.



As part of our employee support program, in cooperation with Avita, we provided online and telephone counseling services to provide psychological support to our employees and their families. We have added online seminars to our support program in order to reduce the anxiety of our employees and enable them to get through the process more easily. We have determined communication channels for our employees' notifications regarding the problems they may experience while working remotely.

Employee Support Practices during the Pandemic Period

During the festive holiday, we sent a holiday gift together with the hygiene kit to the homes of all our colleagues.

We sent our birthday gifts to homes.

The New Year's Eve Event, which was organized at the end of the year, was held online, and we sent a New Year's gift to all employees' homes.

We organized events with many non-governmental organizations for "goodness" and to spread the culture of cooperation within the company.

During the pandemic period, we conducted an annual leave campaign and bridge leave applications so that they can spare more time for themselves and their families.

In addition to the additional 5 days of leave that we offered in addition to birthday leave and paternity leave, we have offered one hour of administrative leave on weekdays, which they could use when there were curfews during the pandemic period.

Within the scope of "Advantages World", we contacted leading large brands and made special discount agreements for our employees.

We offered our colleagues the opportunity to purchase office chairs in order to provide an ergonomic working environment at home.

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Add +1 Value / Thank You

With the increasing importance of digitalization during the pandemic period, we have implemented the "Add +1 Value / Thank You" practice in order to enable our colleagues to thank each other easily.

Tutkuyla Yürüyenler (Walking with Passion)

With the Instagram account "Tutkuyla Yürüyenler" (Walking with Passion), which is available locally during the pandemic process only open to Allianz Turkey employees, and only open to Allianz Turkey employees, we have created a sincere platform where we can communicate with all employees and view interactive posts. On this platform, we held meetings with executives, special day celebrations, games, and competitions as well as necessary activities to be constantly in touch through various "bi'mola" (a break) suggestions and to act with an approach of having one heart even if we are far away.

Happy Employee Ambassadors

Through our Happy Employee Ambassadors, who are volunteers from every function, we have shared activities and exchanges that increase motivation, depending on the wishes and needs of each team.

Mental Health Program

We have implemented the Mental Health Program to support the psychological state of our employees during the pandemic period. In order to help our employees reduce their anxiety, we have established a hotline that they can call whenever they need it.

Sports Support for Employees

We carried out a series of activities in order to protect the physical health of our employees during the pandemic period when the movement area and opportunities were greatly restricted. Live sports lessons were held on our secret Instagram page @ tutkuyulayuruyenler.



The Allianz Home Run event, initiated by the Allianz Group, was held by our colleagues who want to add sports to their days spent at home. As part of this event, premium memberships of various sports applications were offered to Allianz employees free of charge.

As the Allianz Turkey team, we participated in the Allianz World Run for the 5th time. During the three-month event, employees had the opportunity to compete in different sports branches such as yoga, pilates, and zumba, in addition to walking and running.



TRAINING PROGRAMS IN PANDEMIC PERIOD

During the pandemic period, we continued to support the personal and professional development of our employees. We offered a variety of proactive development solutions by anticipating needs for development. We shared a new digital development resource with all our employees every day to support the period of time spent at home with development.

At the beginning of the pandemic period, we conducted online training on ergonomics at home.

During our stay at home, Allianz Turkey Academy organized training and workshop sessions within the scope of the FamiLearn Development Program, which consists of various development solutions that our colleagues and their families can participate in. With this program, we aimed to contribute to the communication and relations of the employees at home.

We aimed to support awareness in this area by including various reports, articles, and book summaries focused on the COVID-19 disease. In this context, we have prepared the Communication Plans of Brands Report for the COVID-19 Period, and the pocketbook of "Buyology for a Coronavirus World".

We held seminars on the changes and trends caused by COVID-19, such as the Post-COVID-19 World Economy, the Post-COVID-19 Entrepreneurship in the Digitalized World. We participated in the "Resilience for Leaders" seminar series led by the Allianz Group.

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SUPPLY CHAIN

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We aim to continuously improve the value we create by extending our sustainability approach, values, and principles in our supply chain.

"Allianz Business Partner Code of Conduct" is Allianz Turkey's main guide in supply chain management. We have begun to have our critical suppliers sign the "Business Partner Code of Conduct" since the beginning of 2019. Before critical procurements, sustainability and environmental commitments are obtained from our suppliers, with whom we have the Business Partner Code of Conduct signed. Allianz Turkey Procurement Procedure states that all purchases will be made by considering the total cost of ownership, and in case of equality, the seller with a more sustainable footprint will be preferred.

Allianz Turkey Procurement Department started routine supplier visits in 2019. Our purpose in these visits is to observe the business processes of the companies that provide goods/services and to convey our recommendations on the issues that we consider improvement areas. In the supplier visits performed within this scope, we have not observed any non-compliance since the publication of the "Allianz Business Partner Code of Conduct".

Our Procurement Policy that we planned to publish in 2020 also highlights specific behaviors and attitudes regarding compliance and sustainability among our supplier selection criteria.

In the reporting period, within the scope of "Agency Development Journey", we provided opportunities for technical training sessions that could make a difference in the work of our agency employees and competency training that could contribute to their personal development; the trainees had the option to complete these training programs either in-class or online. In this context, our agency employees received training at 5 different levels during this fun, dynamic, and enjoyable development journey and earned the level badges of Compatible, Relevant, Knowledgeable, Experienced, and Competent. They also got the behavior badges assigned to the tasks they completed within the levels. Within the scope of the pandemic period;

- By revoking the rule that the users could not pass to the second level without getting the first level badge defined in the Agency Development Journey system, we provided access to second level digital product and interface training sessions for all agencies.
- We held a Corona Awareness Seminar with Ateş Kara in order to talk about the measures to be taken during the pandemic period and to spend this period in the healthiest way possible.
- We held seminars to contribute to the distance sales competencies of our agencies and to improve their competencies.

  * Change Management for Agencies

  * Customer Relationship Management in a crisis environment

  * Influence and Persuasion

  * Selling the Invisible

  * Agency Business and Future Outlook

- We held two KVKK (Law on the Protection of Personal Data) and Information Security Seminars in order to use customer data correctly in the remote working process and to raise awareness of information security.
- We played three games on Allianz Gamification Platform AllGame: Basic Insurance Game, Corona Awareness Game, and Digital Reference Flow Game.
- We planned interface training programs based on the Sales Portal interface transitions within the scope of the Life & Private Pension branch.
- With the Allianz Private Client Advisors team, we held up-to-date Fund Information training periodically.
- We have planned training programs on Life Insurance with Payout, Modular Health Insurance, and Complementary Health Insurance for the needs of the region.

In the reporting period

WE PROVIDED A TOTAL OF 14,883 HOURS OF TRAINING TO 3,979 AGENCY EMPLOYEES.

SUPPORT ACTIONS WE IMPLEMENTED FOR OUR AGENCIES DURING THE COVID-19 PANDEMIC PERIOD

- We allowed them to receive the required documents for production in the Health and Life branch via e-mail.
- My Agency special commission payments were brought forward.
- We extended the agency statement dates for February and March.
- We made advance payments for commissions to support our agencies financially.
- We temporarily extended the production protocol control periods in non-life branches.
- We gave an additional period of 2 months to the Private Pension and Life advance award protocols.
- We paid the points accumulated in Allianz Plus to our agents as an additional commission.

DigitAll®

The number of users of the online DigitALL self-service platform, which we developed to reduce the operational burden of our agencies and increase their productivity, and to carry out all work through a single platform, reached 23,221.

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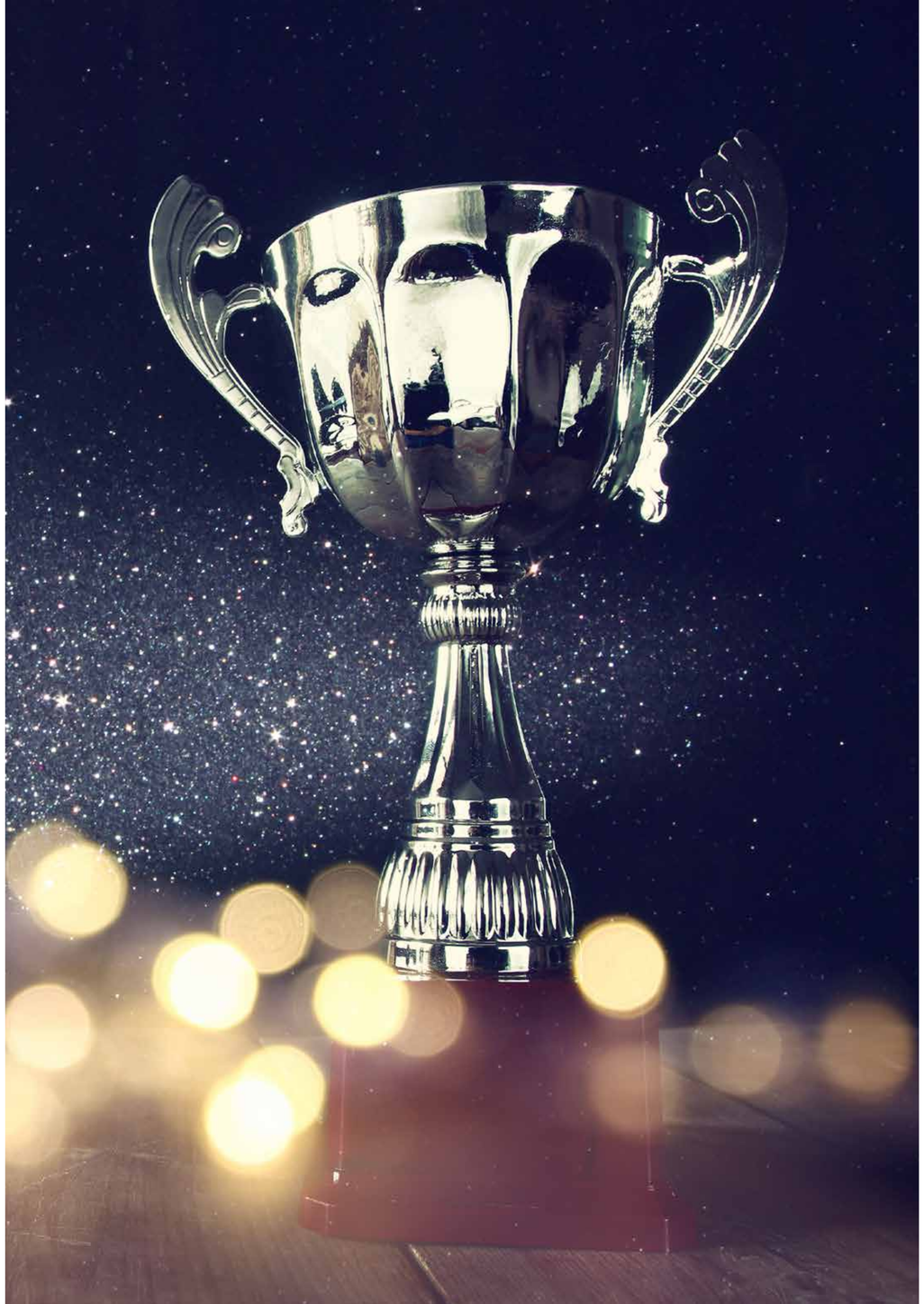
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AWARDS

OUR AWARDS IN 2020

Allianz Turkey
Eligibility for the title "The Best Insurance Company of Turkey" as part of the "Best of Turkey" list by Capital Magazine, for 6 consecutive years,
Eligibility for the title "The Best Life Insurance & Pension Company of Turkey" as part of the "Best of Turkey" list by Capital Magazine, for 3 consecutive years,
Among "Top 100 Brands with the Best Company Culture" in Fast Company "Culture 100" list
Ranking the 26th company in terms of the female/male employee ratio of the companies according to the results of Capital's "Women Friendly Companies" survey,
"The 39th Most Valuable Brand in the World" according to the Interbrand Best Global Brands Ranking
Winner of the Best Use of Self-Service Technology in the EMEA Region at the Contact Center World Awards
Winner of the Best Use of Social Media in the EMEA Region at the Contact Center World Awards
Ranking the Second Company with "Archie" in the category of Change Management at IDC CIO Awards
Ranking the Third Company with the "Dr. Allianz Digital Health" in the category of Customer Experience at IDC CIO Awards
Winner of the Best Use of Artificial Intelligence Award for "Archie" at Sardis Awards
Winner of the Collaboration - B2B award for Allianz Teknik at the Sustainable Business Awards
Winner of the Platinum Award in the category of the "Healthy Individuals" for the "Allianz Motto Movement" at the Corporate Social Responsibility Summit Sustainable Development Goals Awards
Winner of the "Insurance Company with Best Use of Technology" award at the Webrazzi Awards
Allianz Advertising Campaigns
Winner of the Best Film Grand Prize for "Yanlarında Ol Diye" (Just to Stand by Them) at Felis Awards
Winner of the award in the category of "Financial Services" for "Yanlarında Ol Diye" (Just to Stand by Them) at Felis Awards
Winner of the Bronze Award in the category of "Financial Advertising" for "Yanlarında Ol Diye" (Just to Stand by Them) at New York Festival Advertising Awards
Winner of the Bronze Award for "Yanlarında Ol Diye" (Just to Stand by Them) at Cresta Awards
Winner of the Best Advertising Film Award for "Yanlarında Ol Diye" (Just to Stand by Them) at Sardis Awards
Winner of the Silver Effie Award in the category of "Insurance Services" for "Yanlarında Ol Diye" (Just to Stand by Them) at Effie Awards
Allianz Motto Music
Winner of the Gold Stevie Award in the category of "Marketing Campaign of the Year" at Stevie Awards
Winner of the Bronze Stevie Award in the category of "Community Interaction" at Stevie Awards
Winner of the Bronze Stevie Award in the category of "Community Communication" at Stevie Awards
Winner of the Most Original Content Production Award at Sardis Awards
Winner of the Best Social Media Team Award at The Hammers Awards
Winner of the Best Content Marketing Team Award at The Hammers Awards



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UNITED NATIONS GLOBAL COMPACT 2020 COMMUNICATION ON PROGRESS

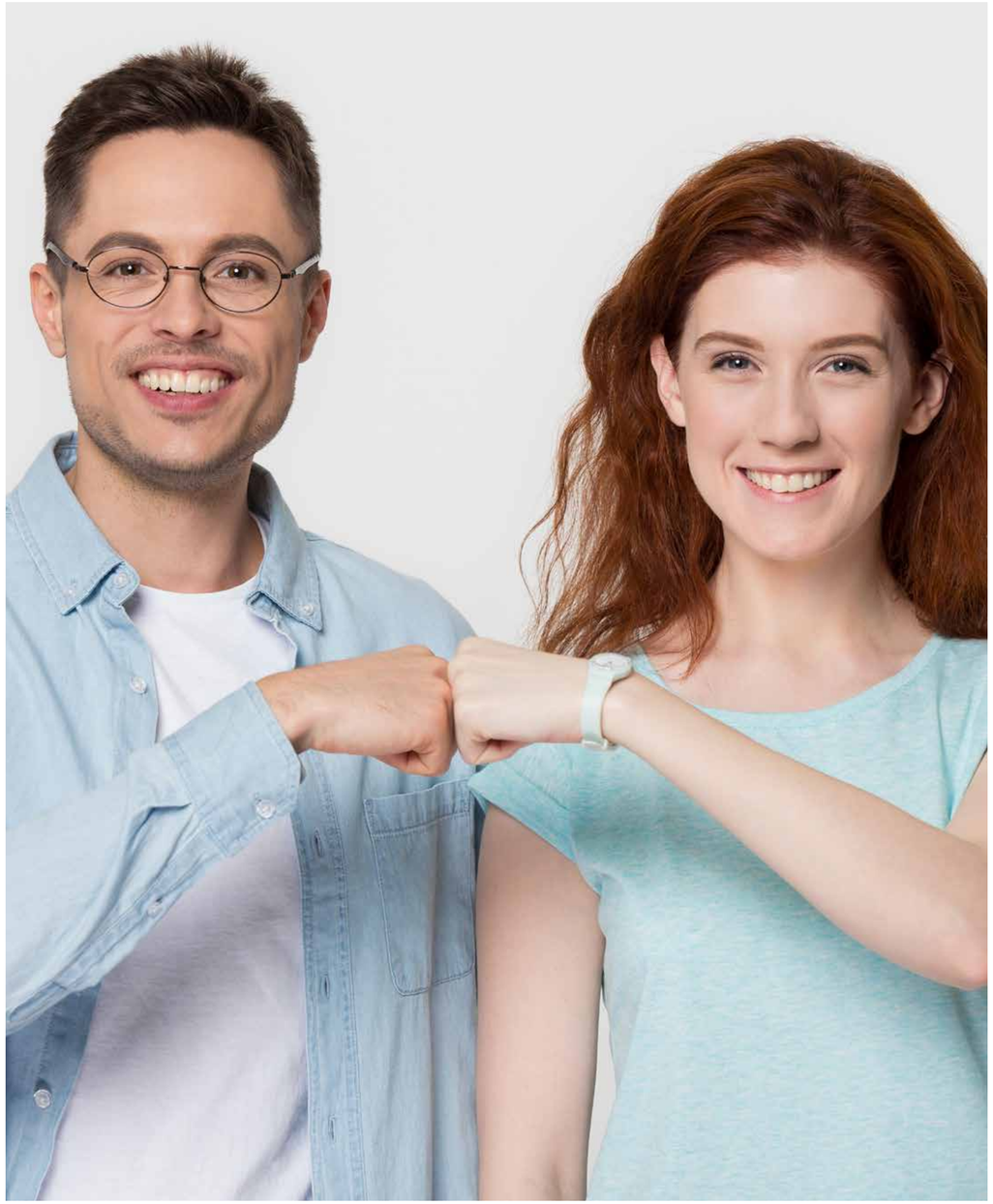
PRINCIPLE	ALLIANZ TURKEY'S APPROACH	SECTION WITH RELEVANT INFORMATION
Human Rights	Allianz seeks to ensure full compliance with national and international norms regulating human rights, specifically the Universal Declaration of Human Rights of the UN.	Good Institution, Employee Rights and Satisfaction, Our Supply Chain
Working Conditions	Allianz Turkey upholds its employees' freedom of association and recognizes their right to collective bargaining. Allianz Turkey adopts a zero-tolerance policy for child labor, forced and involuntary labor under any circumstances. It offers a working environment that ensures social justice for each and every employee and stakeholder.	Good Institution, Employee Rights and Satisfaction, Our Supply Chain
Protection of the Environment	Allianz Turkey meticulously observes the environmental impact of its operations and investments. To this end, it develops projects and practices in accordance with international standards, thus going beyond legal regulations.	Our ESG Approach, Good Environment
Anti-Bribery and Anti-Corruption	Allianz Turkey extends full, genuine, and active support to combating corruption in line with the relevant legislation and corporate policies.	Good Institution, Our Business Ethics Approach



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UNITED NATIONS WOMEN'S EMPOWERMENT PRINCIPLES REPORT 2020

PRINCIPLE	SECTION WITH RELEVANT PERFORMANCE
Principle 1: Establish high-level corporate leadership for gender equality	Message from our CEO
Principle 2: Treat all women and men fairly at work – respect and support for human rights and nondiscrimination, promoting such principles	Employee Rights and Satisfaction
Principle 3: Ensure the health, safety, and well-being of all female and male employees	Employee Rights and Satisfaction
Principle 4: Promote education, training, and professional development for women	Employee Rights and Satisfaction
Principle 5: Implement enterprise development, supply chain, and marketing practices that empower women rights and satisfaction practices	Employee Rights and Satisfaction
Principle 6: Promotion of equality through community initiatives and advocacy	We Support Gender Equality
Principle 7: Measuring and publicly reporting on progress to achieve gender equality	Our Contribution to Sustainable Development Goals

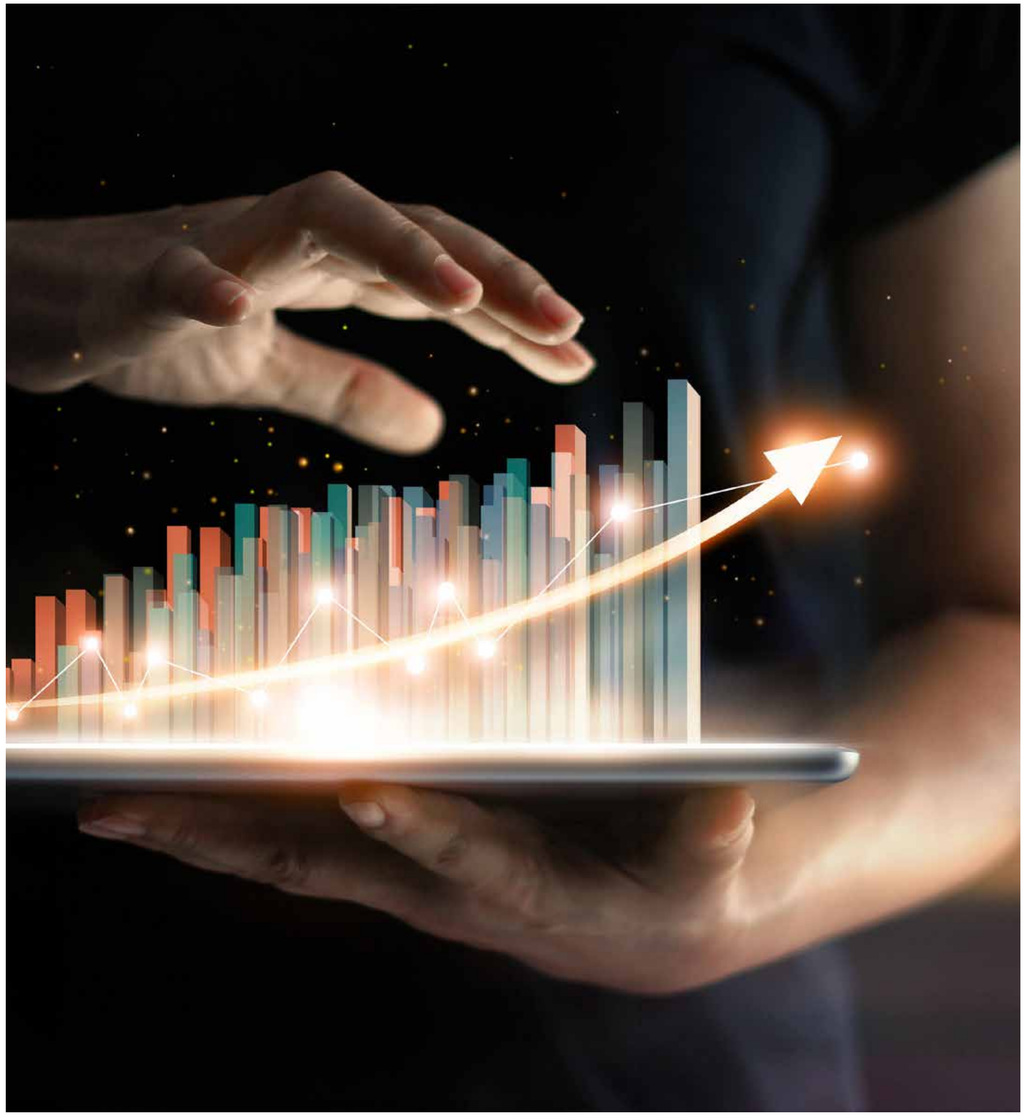


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PERFORMANCE INDICATORS TABLES

FINANCIALS	2020
Net profit (TRY)	1,346,350,911
Total size of assets	44,023,781,283
Total capital adequacy	197.60%
Total contribution + premium production	14.8 billion
Value distributed to customers (Gross indemnities paid for insurance (TRY))	4.4 billion
Amount paid to shareholders (TRY)	361 million
Resource transferred to distribution channels (TRY)	1.7 billion
Employee wages and fringe benefits (TRY)	502 million
Taxes and similar charges paid to the government	1.3 billion
Donation, corporate responsibility, social investment, and CSR project expenses (TRY)	6.3 million
Gross indemnities paid for insurance (TRY) (Value distributed to customers)	4.4 billion
Budget allocated for Digitalization and Information Security (TRY)	24.6 million
Budget allocated for employee training (TRY)	5.4 million
Revenue generated from Sustainable Solutions (TRY)	71 million
Budget allocated for R&D and Innovation (TRY)	113 million
Revenue from products supporting the Green Economy (TRY)	71 million
Budget allocated for Agile Transformation (TRY)	345,041
Budget allocated for employee health and safety and COVID-19 measures (TRY)	5.4 million
Budget allocated for environmental investments (consulting, certification, training, etc.) (TRY)	270 thousand



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SOCIAL PERFORMANCE INDICATORS

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EMPLOYEE DEMOGRAPHICS	2018	2019	2020
By Gender			
Female	1,459	1,437	1,442
Male	967	997	999
By Age Group			
Number of employees aged 18-24	122	81	48
Number of employees aged 25-34	1,333	1,328	1,315
Number of employees aged 35-44	803	844	875
Number of employees aged 45-54	159	175	194
Number of employees aged 55-64	9	6	9
Number of employees aged 65 and above	0	0	0

EXECUTIVE TEAM DEMOGRAPHICS	2018	2019	2020
By Gender			
Female	10	11	
Male	19	2	
By Age Group			
Number of senior executives aged 35-44	16	4	5
Number of senior executives aged 45-54	11	7	7
Number of senior executives aged 55-64	2	2	1

EMPLOYEES RECRUITED AND RESIGNERS BY AGE GROUP AND GENDER	2018	2019	2020
Total number of female employees recruited	259	163	117
Total number of male employees recruited	183	163	82
Number of employees recruited at the age 18-24	119	24	13
Number of employees recruited at the age 25-34	292	257	162
Number of employees recruited at the age 35-44	31	41	23
Number of employees recruited at the age 45-54	0	4	1
Number of employees recruited at the age 65 and above	0	0	0
Total number of female resigners	349	185	113
Total number of male resigners	161	133	87
Number of resigners aged 18-24	29	4	1
Number of resigners aged 25-34	287	193	118
Number of resigners aged 35-44	157	91	54
Number of resigners aged 45-54	36	27	26
Number of resigners aged 55-64	0	3	1
Number of resigners aged 65 and above	1	0	0

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EMPLOYEES BY EDUCATIONAL BACKGROUND	2018	2019	2020
Primary School	9	7	7
High School, Vocational High School	111	105	95
Associate Degree	312	301	292
University	1,775	1,797	1,801
Master's Degree	216	221	243
PhD	3	3	3
EMPLOYEE DEVELOPMENT	**2018**	**2019**	**2020**
Employee Training Programs - Number of Trainees (person)			
Executive team	-	245	1,314
Management team	-	4,184	19,695
Specialist	-	15,549	41,163
Total number of male employees	-	8,015	25,303
Total number of female employees	-	13,354	36,869
Employee Training-Total Hours (person*hour)			
Executive team	764	1,664	2,781
Management team	40,330	36,412	43,309
Specialist	126,412	71,165	78,685
Total number of male employees	67,120	56,718	52,212
Total number of female employees	100,386	74,185	72,617
Outsource Employee Trainings-Total Hours (person*hour)			
Female	1,107	82	130
Male	1,631	107	166
MATERNITY LEAVE	**2018**	**2019**	**2020**
Number of female employees who took a maternity leave	137	97	62
Number of male employees who took a paternity leave	32	45	49
Number of female employees who returned from maternity leave	137	89	60
Number of male employees who returned from paternity leave	32	43	49
Percentage of female employees who returned to work after maternity leave	100%	92%	97%
Percentage of male employees who returned to work after paternity leave	100%	96%	100%

OCCUPATIONAL HEALTH AND SAFETY*	2018	2019	2020
Number of Occupational Accidents			
Female 35	9	4	4
Male 13	1	0	0
Number of Days of Absence	42		
Female	42	0	0
Male	0	0	0
Number of Near Miss Incidents	8	4	4
Female	5	2	2
Male	3	2	2
Number of Deaths Due to Work-Related Accidents			
Female	0	0	0
Male	0	0	0
Occupational Health and Safety Training Sessions for Employees			
Total hours of OHS training given to employees	4,584		1,592
Total hours of OHS training given to interns	59	112	112
Total number of employees attending the OHS training programs	612	147	199

* OHS data covers workers that are directly employed. Such data does not include outsourced firms.

OTHER INDICATORS	2018	2019	2020
Performance Culture Index Score (IMIX) (%)	75	76	85
Work Well Index Score (%)	65	67	77
Employee Loyalty Index Score (%)	85	83	90

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ENVIRONMENTAL PERFORMANCE INDICATORS

	2016	2017	2018	2019	2020	CHANGE COMPARED TO 2016 (%)
General Indicators						
Total m^2	36,558	39,256	40,859	39,569	40,319	10,30
Number of employees	2,472	2,490	2,438	2,425	2,464	-0,30
Energy						
Natural Gas Consumption (kWh)	2,081,847	2,007,484	1,681,601	1,102,769	790,334	-62.00
Electricity consumption (kWh)	8,071,251	6,488,401	7,580,434	6,592,821	4,821,805	-40.30
Energy consumption per capita (MJ/ employee)	14,857	12,458	13,737	11,608	8,213	-44.70
Energy consumption per m^2	277.73	216.42	226.68	194.49	166.62	-40.00
Electricity consumption per m^2	220.78	165.28	185.53	166.62	119.59	-45.83
Natural gas consumption per m^2	56.95	51.14	41.16	27.87	19.60	-65.58
Travel						
Vehicle fleet total kilometers	8,452,280	8,161,095	8,358,488	8,049,437	4,688,079	-44.50
Vehicle fleet fuel consumption (lt)	526,136	498,506	480,699	479,201	287,871	-45,30
Total flight kilometers	4,914,845	4,632,748	6,102,906	4,699,528	1.124,810	-77.10
Distance traveled per capita (km)	5,407	5,138	5,932	5,257	2,359	-56.40
Paper Consumption						
Total paper consumption (kg)	535,517	501,665	410,093	351,317	221,052	-58.70
FSC-certified paper consumption (kg)	505,517	453,665	378,640	351,317	221,052	
FSC-certified paper rate (%)	0.94	0.90	0.92	1.00	1.00	
Paper consumption per capita	217.00	201.00	168.20	145,00	90	-58.50
Paper consumption per m^2	14.65	12.78	10.04	8.88	5.48	-62.59

	2016	2017	2018	2019	2020	CHANGE COMPARED TO 2016 (%)
Waste Amount						
Total waste amount (kg)	254,639	344,005	321,527	228,557	62,052	-75.60
Waste management (kg)	123,331	186,071	178,916			
Recycled waste (kg)	131,161	157,877	141,180			
Special waste (kg) (medical and hazardous waste)	57	147	1,431			
Waste amount per capita	103.00	152.96	131.88	94.00	25.18	-75.60
Waste amount per m^2	6.97	8.76	7.87	5.78	1.54	-63.55
Water Consumption						
Water consumption (m^3)	34,814	32,498	36,698	39,627	27,242	-21.70
Water consumption per person	14,083	13,051	15,053	16,341	11,056	-21.50
Water consumption per m^2	0.95	0.83	0.90	1.00	0.68	-28.42
tCO_2e Emission						
tCO_2e emission	8,485	7,279	7,515	6,493	4,107	-51.60
tCO_2e e emission per person	3.43	2.92	3.08	2.68	1.67	-46.90

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GRI CONTENT INDEX

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GRI MATERIALITY DISCLOSURES SERVICE 2021

DISCLOSURES	DESCRIPTIONS AND PAGE NUMBERS
GRI 101: Foundation 2016	
GRI 102: General Disclosures 2016	
Institutional Profile	
102-1	About Our Report (p.4)
102-2	https://www.allianz.com.tr/tr_TR/urunler.html
102-3	Contact (p.98)
102-4	Allianz Sigorta A.Ş. Annual Report 2020 (p.16)
102-5	Allianz Sigorta A.Ş. Annual Report 2020 (p.15)
102-6	Allianz Turkey at a Glance (p.13)
102-7	Allianz Turkey at a Glance (p.13)
102-8	Social Performance Indicators (p.87)
102-9	Supply Chain (p.81)
102-10	There was no significant change in the operational or financial structure of the company and its supply chain.
102-11	Our Active Risk Management (p.63); Environment in Which We Operate, Our Risks and Opportunities (p.17)
102-12	Stakeholder Engagement (p.27); Employee Rights and Satisfaction (p.74)
102-13	Institutions and Initiatives We Support in the Field of Sustainability (p.30)
Strategy	
102-14	Message from Our CEO (p.14)
102-15	Environment in Which We Operate, Our Risks and Opportunities (p.17)
Ethics and Integrity	
102-16	Our Business Ethics Approach (p.62)
102-17	Our Business Ethics Approach (p.62)

DISCLOSURES	DESCRIPTIONS AND PAGE NUMBERS
Governance	
102-18	Allianz Sigorta A.Ş. Annual Report 2020 (p.29)
Stakeholder Engagement	
102-40	Stakeholder Engagement (p.27)
102-41	GRI Content Index: No collective bargaining agreements are available at Allianz Turkey.
102-42	Stakeholder Engagement (p.27)
102-43	Stakeholder Engagement (p.27)
102-44	Stakeholder Engagement (p.27)
Reporting Practices	
102-45	About Our Report (p.4)
102-46	About Our Report (p.4)
102-47	Our Material Topics (p.26)
102-48	GRI Content Index: There is no change.
102-49	About Our Report (p.4)
102-50	About Our Report (p.4)
102-51	https://www.allianz.com.tr/tr_TR/hakkimizda/bilgilendirme-ve-raporlar/entegre-raporlar.html
102-52	Reporting is done annually.
102-53	About Our Report (p.4)
102-54	About Our Report (p.4)
102-55	GRI Content Index (p.90)
102-56	Independent Audit Report (p.94)

For the Materiality Disclosures Service, GRI Services reviewed that the GRI Content Index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. This service was carried out over the Turkish version of the report.

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MATERIAL TOPICS		
STANDARDS	**DISCLOSURES**	**DESCRIPTIONS AND PAGE NUMBERS**
Financial Performance and Profitability		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Sustainable Financial Performance (p.61)
	103-3 Evaluation of the Management Approach	Sustainable Financial Performance (p.61)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Allianz Turkey at a Glance (p.13)
	201-3 Defined benefit plan obligations and other retirement plans	GRI Content Index: Within the scope of the Allianz Turkey Group Retirement Plan, the employer contributes up to a maximum of 8% of the employee's monthly gross salary depending on the amount the employee pays. The progress payment period is 3 years.
	201-4 Financial assistance received from government	GRI Content Index: No financial assistance is received from the government.
Transparent and Agile Governance		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Transparent and Agile Governance (p.60)
	103-3 Evaluation of the Management Approach	Transparent and Agile Governance (p.60)
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Our Active Risk Management (p.63)
	205-2 Communication and training about anti-corruption policies and procedures	Our Business Ethics Approach (p.62)
	205-3 Confirmed incidents of corruption and actions taken	GRI Content Index: There are no confirmed incidents of significant corruption cases during the reporting period.
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	GRI Content Index: No significant legal fines* were paid for non-compliance with social and economic regulations in the reporting period.
Risk Management		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Our Active Risk Management (p.63)
	103-3 Evaluation of the Management Approach	Our Active Risk Management (p.63)
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	We Reduce Our Environmental Impact (p.40)
Combating Climate Change and Promoting a Low Carbon Economy		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Good Environment (p.39); We Reduce Our Environmental Impact (pp.40-41)
	103-3 Evaluation of the Management Approach	Good Environment (p.39); We Reduce Our Environmental Impact (pp.40-41)
GRI 302: Energy 2016	302-1 Energy Consumption within the Organization	We Reduce Our Environmental Impact (p.41); Environmental Performance Indicators (p.89)
	302-3 Energy Intensity	We Reduce Our Environmental Impact (p.41); Environmental Performance Indicators (p.89)
	302-4 Reduction of Energy Consumption	We Reduce Our Environmental Impact (p.41); Environmental Performance Indicators (p.89)
GRI 305: Emission 2016	305-4 Greenhouse Gas Emissions Intensity	Our Environmental Targets and Performance (p.42); Environmental Performance Indicators (p.89)
	305-5 Reduction of Greenhouse Gas Emissions	Our Environmental Targets and Performance (p.42); Environmental Performance Indicators (p.89)

* Significant fine: Fines above TRY 500,000

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STANDARDS	DISCLOSURES	DESCRIPTIONS AND PAGE NUMBERS
GRI 303: Water and Wastewater 2018	303-3 Water withdrawal	Our Sustainability Goals (p.35); Environmental Performance Indicators (p.89)
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Environmental Performance Indicators (p.89)
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	GRI Content Index: During the reporting period, no significant* fine was imposed for non-compliance with environmental legislation.
Employee Rights and Satisfaction		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Employee Rights and Satisfaction (p.74)
	103-3 Evaluation of the Management Approach	Employee Rights and Satisfaction (p.74)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators (p.87)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	GRI Content Index: There is no difference in the benefits provided.
	401-3 Maternity leave	Social Performance Indicators (p.88)
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	GRI Content Index: In Allianz Turkey, dismissals or changes in positions are subject to the relevant provisions specified in the current labor legislation.
GRI 403: Occupational Health and Safety 2018	403-4 Employee engagement, consultation, and communication on OSH	GRI Content Index: We have Occupational Health and Safety Councils in four operating locations where we operate with over 50 people. We have a total of 24 employee representatives assigned to our councils.
	403-9 Work-related injuries	Social Performance Indicators (p.88)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social Performance Indicators (p.88)
	404-2 Talent management and lifelong learning programs	Allianz Turkey Academy (p.75)
	404-3 Percentage of employees receiving regular performance and career development reviews	GRI Content Index: All Allianz employees receive regular performance evaluations.
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	Social Performance Indicators (p.87)
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	GRI Content Index: There were no cases of discrimination in 2020.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	GRI Content Index: To contribute to the effective elimination of child labor, Allianz Turkey prepared the "Supplier Business Principles" document.
GRI 409: Forced and Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	GRI Content Index: To contribute to the effective elimination of forced and compulsory labor, Allianz Turkey prepared the "Supplier Business Principles" document.
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	GRI Content Index: All security personnel in Allianz Turkey operations are trained on issues relating to professional procedures and legal obligations, including human rights.

***** Significant fine: Fines above TRY 500,000

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Customer Orientation		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Our Customers (pp.70-73)
	103-3 Evaluation of the Management Approach	Our Customers (pp.70-73)
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	GRI Content Index: During the reporting period, there were no complaints received regarding a breach of customer information privacy.
	417-3 Incidents of non-compliance concerning marketing communications	GRI Content Index: All of Allianz Turkey's products and services comply with the relevant international and local legal regulations regarding information and labeling procedures. There were no cases of non-compliance.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	GRI Content Index: During the reporting period, there were no cases of non-compliance with the regulations regarding the health and safety effects of the products.
Digitalization and Customer Information Privacy		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25); Digitization and Information Security (p.68)
	103-2 Management Approach and its Components	Digitalization and Information Security (p.68-69)
	103-3 Evaluation of the Management Approach	Digitalization and Information Security (p.68-69)
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI Content Index: During the reporting period, there were no complaints received regarding a breach of customer information privacy.
R&D and Innovation		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Our Innovation Actions (pp.66-67)
	103-3 Evaluation of the Management Approach	Our Innovation Actions (pp.66-67)
Ethics Management		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Our Business Ethics Approach (p.62)
	103-3 Evaluation of the Management Approach	Our Business Ethics Approach (p.62)
Integration of ESG Factors into Business Processes		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Our Environmental, Social, and Governance (ESG) Approach (p.64)
	103-3 Evaluation of the Management Approach	Our Environmental, Social, and Governance (ESG) Approach (p.64)
Transparent Management and Reporting		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Sustainability Strategy (p.11); Transparent and Agile Governance (p.60)
	103-3 Evaluation of the Management Approach	Sustainability Strategy (p.11); Transparent and Agile Governance (p.60)
Sustainable Solutions		
GRI 103: Management Approach 2016	103-1 Description of the Material Topic and its Bindingness	Our Sustainability Strategy (p.25)
	103-2 Management Approach and its Components	Our Sustainable Solutions (p.65)
	103-3 Evaluation of the Management Approach	Our Sustainable Solutions (p.65)

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REPORTING GUIDE

This reporting guide provides information on the data collection and calculation methodologies for the indicators within the scope of the independent audit in the Allianz Turkey 2020 Integrated Report. These indicators include the following consolidated data of Allianz Sigorta, Allianz Hayat ve Emeklilik, and Allianz Yaşam ve Emeklilik (Allianz Turkey): total electricity consumption (kWh), total natural gas consumption (kWh), total waste amount (kg), total paper consumption (kg), reduction in total electricity consumption (%) compared to 2019 base year, reduction in total natural gas consumption (%), reduction in total paper consumption (%), reduction in total waste amount (%), female employee rate (%), female executive rate (%), average annual training days per employee (day), number of internal trainers (person), Performance Culture Index (IMIX) Score (%), Work Well Index (WWI) Score (%), Employee Engagement Index (EEI) Score (%), volunteering hours (hour), number of children reached with Allianz Motto Movement (person), unique views for Allianz Motto Music YouTube channel (number).

It is the responsibility of the administration of Allianz Turkey to ensure that appropriate procedures are implemented to prepare these above-mentioned indicators, in all material respects, in line with the Reporting Guide.

The information contained in this guide covers the years ended 31 December 2019 and 31 December 2020, and the related operations that are the responsibility of the companies of Allianz Sigorta, Allianz Hayat ve Emeklilik, and Allianz Yaşam ve Emeklilik and excludes information about other companies and affiliates of the group.

GENERAL REPORTING PRINCIPLES

The following principles were taken into account in the preparation of this guide document:

- In the preparation of information, emphasizing the fundamental principles of relevance and reliability of the information to the users of the information,
- In reporting information, emphasizing the principles of comparability/consistency of information with other data, including the previous year, and comprehensibility/ transparency that provides clarity to users,

KEY DEFINITIONS AND SCOPE OF THE REPORTING

In line with the purpose of this report, Allianz Turkey makes the following definitions:

INDICATOR	SCOPE
Total electricity consumption (kWh)	It refers to the total electricity consumption (kWh) used for heating, lighting, and other operations that require electricity in all locations where Allianz Turkey has operations (Allianz Tower, Allianz Campus, Allianz Teknik, Regional Offices and Branches) in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020.
Total natural gas consumption (kWh)	It refers to the total natural gas consumption (kWh) used for heating, kitchen, and other operations that require electricity in all locations where Allianz Turkey has operations (Allianz Tower, Allianz Campus, Allianz Teknik, Regional Offices and Branches) in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020.
Total Waste Amount (kg)	It refers to hazardous wastes such as household waste, compost, glass, aluminum, metal, plastic, paper, electronics, battery, medical, waste oil, accumulator, and fluorescent resulting from operations, as well as paper waste that is archived and to be disposed of, in all locations where Allianz Turkey has operations (Allianz Tower, Allianz Campus, Allianz Teknik, Regional Offices and Branches) in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020.
Total paper consumption (kg)	It refers to all kinds of paper consumption used internally and externally for operations in all locations where Allianz Turkey has operations (Allianz Tower, Allianz Campus, Allianz Teknik, Regional Offices and Branches) in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020.
Reduction in total electricity consumption (%), reduction in total natural gas consumption (%), reduction in total paper consumption (%), reduction in total waste amount (%) compared to the base year 2019	It refers to the percentage of decrease in the total electricity consumption, total natural gas consumption, total paper consumption, and total waste amount between 1 January - 31 December 2020 compared to the same consumptions between 1 January - 31 December 2019, which is accepted as the base year by Allianz Turkey.
Female employee rate (%)	It refers to the ratio of female employees in the gender distribution of the total staff of Allianz Turkey in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020. Interns at Allianz Turkey are not included in the scope.

INDICATOR	SCOPE
Female executive rate (%)	It refers to the ratio of female executives in the gender distribution of the total executive staff (CEO, Deputy CEO, Director, General Manager, Deputy General Manager, Group President, Manager, Chairman of the Board, Members of the Board) of Allianz Turkey in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020.
Average training days per employee per year (day)	It refers to the ratio of the total training hours given to the employees by the Allianz Turkey Academy, which is affiliated with Allianz Turkey, to the number of Allianz Turkey staff at the end of the year in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020.
Number of internal trainers (person)	It refers to the number of internal trainers selected from among the volunteer employees at certain periods by the Allianz Turkey Academy, which is affiliated with Allianz Turkey, in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020. The number of internal trainers is recorded cumulatively over the years.
Performance Culture Index (IMIX) Score (%)	It refers to an online survey designed for the corporate culture integration in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020. The survey covers all Allianz Turkey employees, except for those who work as outsourced employees and interns. This indicator shows the score obtained as the result of the survey.
Work Well Index (WWI) Score (%)	It refers to an online survey designed to help measure the social and physical well-being of employees in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020. The survey covers all Allianz Turkey employees, except for those who work as outsourced employees and interns. This indicator shows the score obtained as the result of the survey.
Employee Engagement Index (EEI) Score (%)	It refers to an online survey designed to measure employee loyalty and develop follow-up initiatives to increase employee loyalty and improve overall business performance in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020 All items in the survey are analyzed in 13 dimensions. The survey consists of 61 questions, 58 of which are global questions and 3 of which are local questions. There are 2 open-ended questions. The survey, which is carried out in September-October every year, covers all Allianz Turkey employees, except for those who work as outsourced employees and interns. This indicator shows the score obtained as the result of the survey.
Volunteering hours (hour)	It refers to total hours spent by Allianz Turkey employees (excluding outsource employees and interns) in social responsibility projects they voluntarily participate in or take part in. These hours are determined based on a project and person, it also takes into account the time spent by the people while participating in the projects and other time they spend on this project (transportation, communication, etc.).
Number of children reached with the Allianz Motto Movement (person)	It refers to the number of children reached out through the Non-Governmental Organizations (NGOs) that were cooperated within the scope of the Allianz Motto Movement in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020. The determined number of children is communicated by the cooperating NGOs.
Number of unique views for Allianz Motto Music YouTube channel (number)	It refers to the number of unique views of the Allianz Motto Music YouTube channel in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020. This number is determined by the independent agency with which Allianz Turkey has a contract.
Revenue generated from Sustainable Solutions	It refers to the revenue obtained from Modular Corporate Insurance services for Fully Electric Cars, Roof-Type Solar Power Plants, Marine Pollution Liability for Coastal Facilities, and Renewable Energy, which are determined as a sustainable solution by Allianz Group in the periods between 1 January - 31 December 2019 and between 1 January - 31 December 2020.

4. DATA PREPARATION

Electricity and Natural Gas Consumption

The consumption of buildings where Allianz Turkey has operations is included in the calculations, and the Allianz Group Environmental Reporting Guideline, which is updated every year, is followed as a guide. While the electricity and natural gas consumption data are obtained from the service providers' actual meters and bills for the first 10 months, the estimation method is used by making a monthly seasonal study using the previous consumptions for the last two months. Since these consumptions are reported on the basis of supply, no conversion factor is used.

Waste Amount and Paper Consumption

Wastes related to the operations of the buildings where Allianz Turkey has operations are included in the scope of the calculations of the waste amount, and the Allianz Group Environmental Reporting Guideline, which is updated every year, is followed as a guide. Wastes are recycled or disposed of according to their types. While hazardous wastes and waste oils are registered with the National Waste Transportation Form (UATF), all other wastes including batteries and medical wastes are collected by contracted institutions, and they are recorded. The documents and paper wastes collected from the archive buildings to be destroyed are also included in the calculations of the wastes.

All wastes are recorded and measured monthly according to their types.

Wastes related to the operations of the buildings where Allianz Turkey has operations are included in the scope of the calculations of the paper consumption, and the Allianz Group Environmental Reporting Guideline, which is updated every year, is followed as a guide. Any type of paper (file, form, envelope, brochure, policy paper, etc.) that Allianz Turkey uses internally and externally within the scope of its operations is calculated as the amount of consumption. Consumption is calculated based on the demands entered through the common demand system for the consumption of paper used outside within the scope of operations.

6. RESTATEMENT OF RECONSIDERATION

Measuring and reporting data within the scope of sustainability inevitably involves estimation to some degree. In cases where there is more than a 5% change in data at the company level, reconsideration may be considered.

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INDEPENDENT EXTERNAL AUDIT REPORT

102-56

Sınırlı Güvence Raporu
Allianz Sigorta A.Ş. Yönetim Kurulu'na,

Allianz Sigorta A.Ş. ("Allianz Türkiye" veya "Şirket") Yönetim Kurulu tarafından 31 Aralık 2020 tarihinde sona eren yıl itibariyle hazırlanan Allianz Türkiye'nin Entegre Raporu'nda ("2020 Entegre Raporu") yer alan ve aşağıda listelenmiş Seçilmiş Sürdürülebilirlik Bilgileri ("Seçilmiş Bilgiler") üzerinde bağımsız sınırlı güvence çalışması yürütmek üzere görevlendirilmiş bulunuyoruz.

Seçilmiş Bilgiler

Sınırlı güvence çalışmamıza konu olan ve 2020 Entegre Raporu'nun 32. sayfasında bulunan ve ile işaretlenmiş göstergelerin kapsamı 31 Aralık 2019 ve 31 Aralık 2020 tarihinde sona eren yıllar için aşağıdaki gibidir:

- Toplam elektrik tüketimi (kWh)
- Toplam doğalgaz tüketimi (m3)
- Toplam atık miktarı (kg)
- Toplam kağıt tüketimi (kg)
- 2019 baz yılına göre
  - Toplam Elektrik Tüketiminde Azalma (%)
  - Toplam Doğalgaz Tüketiminde Azalma (%)
  - Toplam Kağıt Tüketiminde Azalma (%)
  - Toplam Atık Miktarında Azalma (%)
- Kadın çalışan oranı (%)
- Kadın yönetici oranı (%)
- Çalışan başına yıllık ortalama eğitim günü (gün)
- İç eğitmen sayısı (kişi)
- Performans Kültürü Endeksi (IMIX) skoru (%)
- İyi Çalışma Endeksi (WWI) skoru (%)
- Çalışan Bağlılığı Endeksi (EEI) skoru (%)
- Gönüllü saati (saat)
- Allianz Motto Hareket ile ulaşılan çocuk sayısı (kişi)
- Allianz Motto Müzik YouTube kanalı tekil görüntülenme sayısı (sayı)

Bağımsız güvence raporumuz yalnızca 31 Aralık 2019 ve 31 Aralık 2020 tarihinde sona eren yıl için düzenlenmiş olup önceki dönemlere ya da 2020 Entegre Raporu'nda ile işaretlenmiş Seçilmiş Bilgiler dışında yer alan diğer bilgilere dayalı herhangi bir işlem uygulanmamış ve bu nedenle herhangi bir sonuç bildirilmemiştir.

Ölçüt

Şirket Seçilmiş Bilgiler'i hazırlarken 2020 Entegre Raporu'nun 94 ve 95. sayfalarında yer alan Allianz Türkiye 2020 Entegre Raporu - Raporlama Kılavuzu ("Raporlama Kılavuzu") bölümündeki prensipleri kullanmıştır.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
BJK Plaza, Süleyman Seba Caddesi No:48 B Blok Kat:9 Akaretler Beşiktaş 34357 İstanbul-Turkey
T: +90 212 326 6060, F: +90 212 326 6050, www.pwc.com.tr Mersis Numaramız: 0-1460-0224-0500015

Şirket'in Sorumlulukları

Şirket, 2020 Entegre Raporu'nun içeriğinden ve Seçilmiş Bilgiler'in Raporlama Kılavuzu'na uygun olarak hazırlanmasından sorumludur. Şirket, Seçilmiş Bilgiler'in hazırlanmasında kullanılan bilgilerin suistimal veya hatadan kaynaklanan hiçbir maddi yanlış beyan içermemesini sağlayacak şekilde iç kontrollerin tasarlanması, uygulanması ve sürdürülmesinden de sorumludur.

Sınırlamalar

Konunun özellikleri ve bu tarz bilgileri belirlemede kullanılan metotlar düşünüldüğünde, finansal olmayan bilgiler finansal bilgilerden daha fazla doğal sınırlamalara tabidir. Bir kurum tarafından ortaya koyulmuş uygulamaların olmaması nedeniyle önemli düzeyde farklı ölçümlerin yapılması ve karşılaştırılabilirliği etkileyebilecek şekilde farklı, fakat kabul edilebilir ölçüm tekniklerinin seçilmesi söz konusu olabilir. Farklı ölçüm tekniklerinin hassaslığı da değişkenlik gösterebilir. Bunun dışında, söz konusu bilgilerin mahiyeti ve bunların tespitinde kullanılan yöntemler, aynı zamanda ölçüm kriterleri ile bunların hassasiyeti zaman içinde farklılık gösterebilmektedir. Bu nedenle, Seçilmiş Bilgiler'in Raporlama Kılavuzu çerçevesinde okunması ve incelenmesi önem arz etmektedir.

Diğer hususların yanı sıra, özellikle karbon emisyonu ile ilgili hesaplamalar konusunda, Raporlama Kılavuzu bölümünde belirtildiği gibi Şirket içinde elde edilen bilgilere ve faktörlere ve/veya bağımsız üçüncü şahıslarca sağlanan bilgilere ve faktörlere bağlıdır. Bu farklı faktörler ve üçüncü taraflarca sağlanan bilgiler çalışmamız kapsamına alınmamıştır.

Bağımsızlık ve Kalite Kontrol

Muhasebe Meslek Mensupları için Uluslararası Etik Standartları Kurulu ("IESBA") tarafından yayımlanan; dürüstlük, tarafsızlık, profesyonel yetkinlik ve gerekli özen gösterilmesi, gizlilik ve profesyonel davranış temel ilkelerini belirleyen IESBA Profesyonel Muhasebeciler için Etik Kurallar'ın bağımsızlık ve diğer etik gerekliliklerine uyum göstermekteyiz.

Kalite Kontrole ilişkin Uluslararası Standart 1'i uygulamakta ve bu doğrultuda ilişkili etik ve profesyonel standartlar ve kanun veya yönetmelik gerekliliklerine uygun belgelendirilmiş politikalar ve süreçleri içeren bir kalite kontrol sistemi muhafaza etmekteyiz.

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Bağımsız Denetçinin Sorumlulukları

Sorumluluğumuz, gerçekleştirdiğimiz sınırlı güvence çalışmasına dayanarak Seçilmiş Bilgiler'in, tüm önemli yönleriyle, Raporlama Kılavuzu'na uygun hazırlanmadığı kanaatine varmamıza sebep olacak herhangi bir hususun dikkatimizi çekip çekmediğine ilişkin bir sonuç bildirmektir. Sınırlı güvence çalışmamız, Uluslararası Denetim ve Güvence Standartları Kurulu tarafından çıkarılmış Uluslararası Güvence Denetimleri Standardı 3000 – "Tarihi Finansal Bilgilerin Bağımsız Denetimi veya Sınırlı Bağımsız Denetimi Dışındaki Diğer Güvence Denetimleri Standardı"na ("ISAE 3000" Revize) ve Uluslararası Güvence Denetimi Standardı 3410 – "Sera Gazı Beyanlarına İlişkin Güvence Denetimleri Standardı"na ("ISAE 3410") uygun olarak gerçekleştirilmiştir.

ISAE 3000 (Revize)'e ve ISAE 3410 standartlarına uygun olarak yürütmüş olduğumuz sınırlı güvencenin kapsamı, makul güvencenin kapsamına kıyasla önemli ölçüde dardır. Bir sınırlı güvence çalışmasında yeterli ve uygun denetim kanıtlarının toplanması kapsamında gerçekleştirilen prosedürlerin niteliği, zamanlaması ve kapsamı makul güvence çalışmalarına oranla çok daha dardır.
Yürütmüş olduğumuz prosedürler profesyonel yargımıza dayanmakta ve araştırmalar, gerçekleştirilen süreçlerin gözlenmesi, belgelerin incelenmesi, analitik prosedürler, ölçüm yöntemlerinin uygunluğunun ve raporlama politikalarının değerlendirilmesi ve altta yatan kayıtların üzerinde mutabakata varılmasından oluşmaktadır.

Yürütmüş olduğumuz sınırlı güvence prosedürleri şunları içermektedir:

- Şirket yönetimi ve ilgili Seçilmiş Bilgiler'den sorumlu kişiler ile görüşmelerde bulunulmuştur.
- Seçilmiş Bilgiler'in toplanması ve raporlanmasına ilişkin süreç anlaşılmıştır. Bu prosedür Seçilmiş Bilgileri yönetmek ve raporlamak için önemli süreç ve kontrollerin değerlendirilmesini içermektedir.
- Seçilmiş Bilgiler'in hazırlanması için kullanılan kaynak veriler değerlendirilmiştir ve seçilen belirli hesaplama örnekleri yeniden yapılmıştır.
- Şirket tarafından hazırlanan Seçilmiş Bilgiler'in derlenmesi ve hazırlanması için örnekleme bazında sınırlı testler gerçekleştirilmiştir.

Raporlanan veriler üzerinden analitik prosedürler uygulanmıştır.

Sınırlı Güvence Sonucu

Prosedürlerimizin ve elde ettiğimiz kanıtların sonucunda, Şirket'in 2020 Entegre Raporu'nda yer alan 31 Aralık 2020 tarihinde sona eren yıl itibariyle Seçilmiş Bilgiler'in, tüm önemli yönleriyle, Raporlama Kılavuzu'na uygun hazırlanmadığına ilişkin herhangi bir hususa rastlanmamıştır.

Bu rapor, sonucu da dahil olmak üzere, Şirket'in sürdürülebilirlik performansı ve faaliyetlerinin raporlamasına yardımcı olmak amacıyla Şirket Yönetim Kurulu için hazırlanmıştır. Şirket Yönetim Kurulu'nun Seçilmiş Bilgiler ile ilgili bir sınırlı bağımsız güvence raporu hazırlatarak konuyla ilgili sorumluluklarını yerine getirdiğini gösterebilmesini sağlamak için bu raporun 31 Aralık 2020 tarihinde sona eren yıl için hazırlanan 2020 Entegre Raporu içinde yer almasına müsaade etmekteyiz. Kanunların izin verdiği ölçüde ve koşulları önceden yazılı onayımız ile açıkça mutabık kalınmış durumlar haricinde, yürütmüş olduğumuz çalışma veya raporumuzla ilgili olarak Allianz Sigorta A.Ş. Yönetim Kurulu ve Allianz Sigorta A.Ş. haricinde hiçbir kişi veya kuruma karşı sorumluluk kabul etmemekteyiz.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Talar Gül, SMMM
Ortak

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www.allianz.com.tr

CONTACT 102-3

Prepared by

Allianz Turkey Corporate Responsibility and Sustainability Department
sorumluluk.surdurulebilirlik@allianz.com.tr

Report Advisor

Kıymet-i Harbiye Yönetim Danışmanlık
www.kiymetiharbiye.com

Design

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www.myra.com.tr

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