

2024

TURKISH CATASTROPHE INSURANCE POOL

ANNUAL

REPORT

 türk reasürans


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AFET
SİGORTALARI
KURUMU

INTRODUCTION

In an effort to raise awareness about earthquakes and the Compulsory Earthquake Insurance (CEI), the TCIP Truck is touring Türkiye, meeting with citizens at 34 different locations across 26 provinces. Serving as a mobile office during times of disaster to provide policyholders with rapid service in the field, the TCIP Truck also stands out with its educational activities aimed at increasing earthquake awareness.

As part of the TCIP Truck initiative, various events are organized to answer questions about the CEI, raise public awareness about earthquake preparedness, and boost the insurance penetration rate. These activities include a virtual reality earthquake simulation, informative content on precautionary measures to take during an earthquake, engaging competitions with prizes to raise awareness, and interviews with citizens. With the ultimate goal of meeting citizens in all 81 provinces of Türkiye, TCIP continues its efforts with determination to achieve 100% penetration.

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BALIKESİR

ÇANAKKALE

** The cities listed were visited between December 4–9, 2023, as part of the TCIP Truck Project.*

MESSAGE FROM THE CHAIRWOMAN



Dear Stakeholders,

Living under the constant risk of earthquakes in Türkiye, we at the Turkish Catastrophe Insurance Pool (TCIP) remain steadfast in our mission to provide strong financial protection for our citizens. In 2024, we further reinforced our comprehensive preparedness and updated our coverage structure.

The devastating earthquakes that struck Kahramanmaraş and neighboring provinces in 2023 once again highlighted the vital role of TCIP and the pressing need to enhance public awareness of the value of insurance coverage. Our swift response in the aftermath and our ability to deliver timely compensation clearly demonstrated the robustness of our claims-paying capacity and the effectiveness of our proactive planning.

As of 2024, the number of insured residences across the country has reached 11.2 million, with a penetration rate of 56%. Our primary goal as an institution is to ensure that all residences within the scope of coverage are secured by Compulsory Earthquake Insurance, before our country and citizens experience further painful losses. We will maintain and further our efforts toward this goal in the coming years.

The year 2024 was also shaped by the effects of global inflation, which was felt in Türkiye as it was around the world. In light of these conditions, we at TCIP decided to revise the coverage limits of Compulsory Earthquake Insurance. With the adjustments made to the tariff, the unit square meter value used to calculate the insurance amount was increased from TRY 3,016 to TRY 6,000 for reinforced concrete structures, and from TRY 2,080 to TRY 4,000 for other types of

structures. The maximum compensation amount per dwelling was raised from TRY 640,000 to TRY 1,272,000.

Moreover, a new inflation protection measure was introduced for policies issued after January 1, 2024. Thus, coverage amounts are automatically increased every month based on the inflation rate. As of December 31, 2024, the updated maximum compensation amount has reached TRY 1,636,177.

Since our establishment, our top priority has been to help policyholders return to normal life as quickly as possible following an earthquake. At TCIP, we continue to strengthen and refine our processes by drawing on the knowledge and experience we have gained over the years. The major disaster of 2023 and the lessons learned in its aftermath once again underscored the importance of fast, direct, and effective communication with citizens in the wake of a catastrophe. One of the most significant initiatives we launched in light of this awareness was the TCIP Regional Liaison Offices project. The locations of these offices were selected in consultation with academic experts, with careful consideration of both disaster preparedness and post-disaster response dynamics. In this context, our first Regional Liaison Office was inaugurated in Gaziantep in December 2024. In the coming years, we plan to open additional offices across other regions to further enhance our capacity for rapid, on-the-ground response and to strengthen our operational presence in the field.

To better address the growing risks of climate change-induced disasters with a more inclusive coverage structure, we plan to launch the Compulsory Disaster Insurance (CDI) system. Expected to come into effect in 2025, this new system will extend the coverage beyond earthquakes to include other natural disasters such as volcanic eruptions, floods or overflows, landslides, hailstorms, storms, avalanches, and forest fires. As a result, coverage against all natural disaster risks will be offered under a single insurance policy.

Fully aware of the reality and risks of earthquakes, we remain committed to raising public awareness and expanding our outreach by emphasizing the critical protection that insurance coverage provides against such threats.

In addition to all these efforts, we view technology not merely as a tool but as a key to accessibility. With this perspective, we are planning to launch the TCIP mobile application in 2025, enabling policyholders to manage many processes directly from their own devices with ease. Through the application, policyholders will be able to file claim notifications, track the progress of their claims files in real time, view policy documents, and make necessary updates swiftly.

At the core of all our efforts lies our commitment to provide the fastest possible support after disasters and to ensure the most comprehensive preparedness beforehand. Guided by this sense of responsibility, we will continue to develop new projects, enhance our technological infrastructure, and elevate public awareness.

I would like to extend my sincere gratitude to our valued stakeholders for their unwavering support throughout this journey, to our leaders for their guidance, and to all my colleagues whose contributions strengthen TCIP's institutional foundation. I reaffirm our commitment to advancing this vital mission with the same dedication and resolve.

Sincerely,

Emine Feray SEZGİN

Chairwoman of the Board of Directors of TCIP

MESSAGE FROM THE CEO

OF TÜRK REASÜRANS A.Ş., THE TECHNICAL OPERATOR



Dear Stakeholders,

As Türk Reasürans, the technical operator of the Turkish Catastrophe Insurance Pool (TCIP) since 2020, we remain firmly committed to strengthening its financial and operational capacity. In 2024, we implemented key transformational initiatives in this direction and further enhanced TCIP's institutional resilience.

Recognizing that earthquakes affect not only physical structures but also economic stability and social continuity, we have shaped every step we take around the goal of providing sustainable financial protection for our citizens.

To this end:

- We increased TCIP's fund size from TRY 10.5 billion at the time of handover to TRY 23.5 billion within just two and a half years. Although this amount declined to TRY 12.6 billion by the end of 2023 due to the February 6 earthquakes, it rebounded to TRY 15.7 billion as of June 30, 2024.
- We expanded TCIP's claims payment capacity from TRY 25 billion to TRY 355 billion and established a financial structure capable of providing coverage for two separate earthquakes occurring within the same year.
- We upgraded TCIP's technological infrastructure to ensure uninterrupted service at the moment of an earthquake.
- We modernized the claim notification systems, enabling them to receive an unlimited number of claims and process up to 96,000 claim files simultaneously within 24 hours.

- On November 22, 2022, we inaugurated the TCIP Disaster Management Center in Ankara.
- We relocated the Primary Data Center to the Ankara region, which is considered to have lower seismic risk, while maintaining the backup center in Istanbul.
- We developed CATMOD, a catastrophe modeling tool that is the first of its kind in Türkiye and only the third of its kind globally. This system incorporates Türkiye's unique building inventory and local conditions, enabling us to accurately estimate both potential compensation amounts and the required protection levels.

THE KAHRAMANMARAŞ EARTHQUAKES AND CRISIS MANAGEMENT

Following the devastating earthquakes centered in Kahramanmaraş in 2023, we swiftly activated our crisis management plans, leveraging our robust financial and operational infrastructure. Compensation payments began in less than 24 hours after the initial shock, and the entire payment process was completed within six months. A substantial portion of these payments was covered through the global reinsurance structure established via international agreements, helping to alleviate the financial burden on both the insurance sector and the wider economy.

As of December 31, 2024, we had processed 628,491 claims files and disbursed a total of TRY 39.2 billion in compensation. In comparison, only TRY 1.5 billion had been paid across 114,000 files from TCIP's establishment in 2000 through the end of 2022. The successful execution of such a high volume of payments in a short period following a disaster that impacted 11 provinces is the clearest demonstration of our systemic transformation and operational strength.

After a year in which we devoted all our efforts to healing the wounds left by the 2023 earthquakes.

In 2024, leveraging the insights gained from this challenging experience, our Institution identified new strategic directions and initiated the implementation of key projects, marking a significant phase of progress and transformation.

In 2024, leveraging the insights gained from this challenging experience, our institution identified new strategic priorities and initiated the implementation of key projects, marking a significant phase of progress and transformation. The experience clearly demonstrated the importance of having a rapid on-the-ground presence in the aftermath of an earthquake. In response, we launched the TCIP Regional Liaison Offices project to strengthen our regional disaster response capacity. The first office was established in Gaziantep in December 2024. This infrastructure, which will be expanded across Türkiye, is designed to enable faster response during disasters and claims processes, while also fostering stronger cooperation with local governments to support more effective public awareness initiatives.

COMPULSORY DISASTER INSURANCE AND EXPANDED COVERAGE VISION

As part of our goal to achieve 100% insurance penetration, we have reached the final stage

of our efforts to transform the Compulsory Earthquake Insurance into a Compulsory Disaster Insurance scheme to provide our citizens with comprehensive financial protection not only against earthquakes, but also against all natural disasters. This integrated insurance model, designed to include other natural disasters such as floods and landslides, aims to ensure that our citizens are protected against disaster risks under a single policy. By expanding the scope of insurance-based protection in disaster management, this new model will contribute to building a more resilient system.

We believe that raising public awareness is just as critical as building robust technical infrastructure in preparing for disasters, and we continue to develop a variety of initiatives in this area. In 2024, we launched the “TCIP Truck on the Road” project to emphasize the importance of Compulsory Earthquake Insurance across all segments of society. As part of this initiative, we visited 26 cities and directly engaged with thousands of citizens throughout the year. Through interactive events and face-to-face dialogue, we addressed questions about earthquake insurance and contributed to broader awareness-building efforts. With this project, our goal is not only to engage communities in times of disaster, but also to reach every corner of Türkiye throughout the year and to remind citizens that disasters are a part of life and that preparedness begins with awareness.

Another key social responsibility initiative we undertook in this context was the “TCIP Earthquake-Resistant Building Design Competition,” organized for future civil engineers and architects. Aimed at emphasizing the importance of earthquake engineering, the competition seeks to strengthen the technical competencies

The fact that over 11.3 million residences in Türkiye are covered by TCIP and that the insurance penetration rate has reached 56% is a concrete indicator of the effectiveness of our efforts.

of university students while raising their professional awareness.

The seventh edition of the competition was held in Gaziantep, one of the provinces impacted by the Kahramanmaraş earthquakes. The eighth edition of this now established event will take place in Istanbul between May 14 and 16, 2025.

DIGITALIZATION AND PROCESS IMPROVEMENTS

Throughout 2024, we took many important steps to strengthen our institutional infrastructure and accelerate our digital transformation processes. With the newly introduced tariff adjustments, an inflation clause was added to policies, and the maximum coverage amount was increased to TRY 1,636,177. To ensure faster communication with policyholders following disasters, we enabled contact information updates through the e-Government portal. Additionally, we introduced a square meter verification feature in the policy issuance system to minimize data entry errors.

Further enhancements to our complaint management system infrastructure, the introduction of secure access protocols to strengthen data security, and the separation of institutional and company-level operations have all reinforced our commitment to operational excellence. In addition, as part of the infrastructure preparations for the upcoming Compulsory Disaster Insurance (CDI), CDI integration has been completed within the TCIP policy issuance system, and testing has commenced on the new claims application.

Moreover, our efforts continue decisively on several integration projects such as integration of the NVI-MAKS and building data services, and the alignment of the National Damage Assessment Mobile Application with the Ministry of Environment, Urbanization and Climate Change, the Disaster and Emergency Management Authority (AFAD), and the Disaster Management and Decision Support System (AYDES). Additionally, we put great attention to the development of the TCIP Mobile application, which will enable policyholders to manage their processes easily and quickly via their own devices.

OUR VISION FOR THE FUTURE

The fact that over 11.3 million residences in Türkiye are covered by TCIP and that the insurance penetration rate has reached 56% is a concrete indicator of the effectiveness of our efforts.

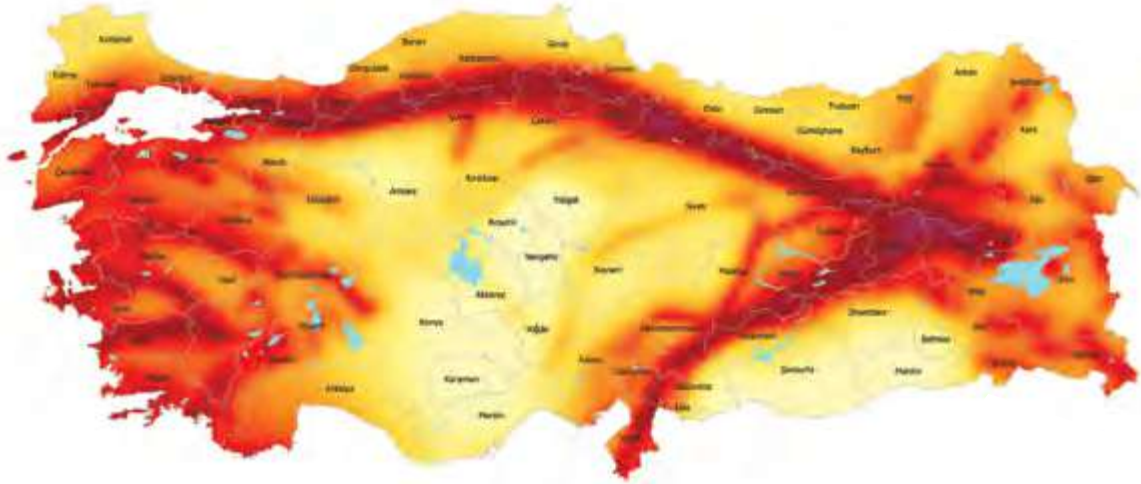
We firmly believe that we will achieve our goal of 100% penetration through ongoing public awareness and education efforts. The strong connection we have built with our citizens reinforces not only the achievements to date but also our shared values and long-term vision for the future. We look to the future with confidence, moving forward with determination toward building a more inclusive, more resilient, and more conscious insurance system.

Sincerely,

Selva Eren

General Manager of Türk Reasürans A.Ş.

ABOUT TCIP



1.1 ESTABLISHMENT AND PURPOSE OF THE TCIP

Following the Marmara Earthquake on August 17, 1999, which caused great loss of life and property, the government took many measures to minimize the damages earthquakes may cause. One of the most significant measures introduced was the regulation on Compulsory Earthquake Insurance (CEI). Established with the Decree Law No. 587, the Turkish Catastrophe Insurance Pool (TCIP) has been providing CEI coverage for residential buildings since September 27, 2000. It gained a more robust legal framework with the Catastrophe Insurances Law No. 6305, which entered into force on August 18, 2012.

TCIP is an “insurance pool” with governmental status that was established to offer CEI coverage. TCIP –a non-profit organization– has a unique organizational structure based on cooperation between the public and private sectors.

Embracing the approach “Earthquakes happen, life goes on”, the goal of the TCIP is to ensure that citizens can safely resume their lives after an earthquake. With the CEI, it provides financial coverage to policyholders against earthquakes and earthquake-induced fire, explosions, landslides, and tsunami risks. Whether the building is totally or only partially damaged, the TCIP provides prompt compensation for the damage and ensures that life returns to normal.

The TCIP aims to make it easier for everyone to have this assurance through its low premium costs, while expanding its distribution network consisting of insurance companies, their affiliated agencies, and the bank branches it works with across the country.

CEI is a social responsibility for all of us!

TCIP also supports its insurance activities with public awareness-raising activities, and underlines that, above all, CEI is a social responsibility for all of us.

The fact that earthquakes have been the most common type of disaster in Türkiye over the last 60 years is not unexpected for a country almost entirely located in an earthquake zone. Moreover, due to its very nature, earthquakes are disasters that can not only devastate the region they occur in, but also cause economic hardship for the country as a whole.

While providing coverage for individual residences, CEI also creates an assurance pool for our country. This financial pool, whose size has become especially important following earthquakes, also serves as a guarantee for CEI policyholders who suffer from earthquakes that occur all around the country.

The system has performed remarkably well and has been cited by international organizations as a model for other countries.

The state and the insurance sector cooperated to establish the system in order to meet needs promptly and most effectively. Its purposes can be summarized as follows:

- To insure all covered residential properties against earthquakes, at affordable premium rates,
- To ensure risk sharing throughout the country,
- To distribute the financial burden of earthquake damages in Türkiye through insurance, international reinsurance, and capital markets, To reduce the financial burden the state would face as a result of earthquakes, especially for reconstruction of houses for those who lost their homes in an earthquake,
- To avoid the need for additional taxes on citizens due to the fiscal burden borne by the state,

Since September 27, 2000, TCIP has been providing CEI for residential properties. With the enactment of Law No. 6305 on Catastrophe Insurance on August 18, 2012, TCIP was granted a more robust legal framework.

- To use the insurance system as an incentive for the construction of safe buildings,
- To ensure the accumulation of long-term financial resources to cover earthquake damages,
- To contribute to the development of insurance and awareness of social solidarity in society.

1.1 ORGANIZATIONAL STRUCTURE OF TCIP

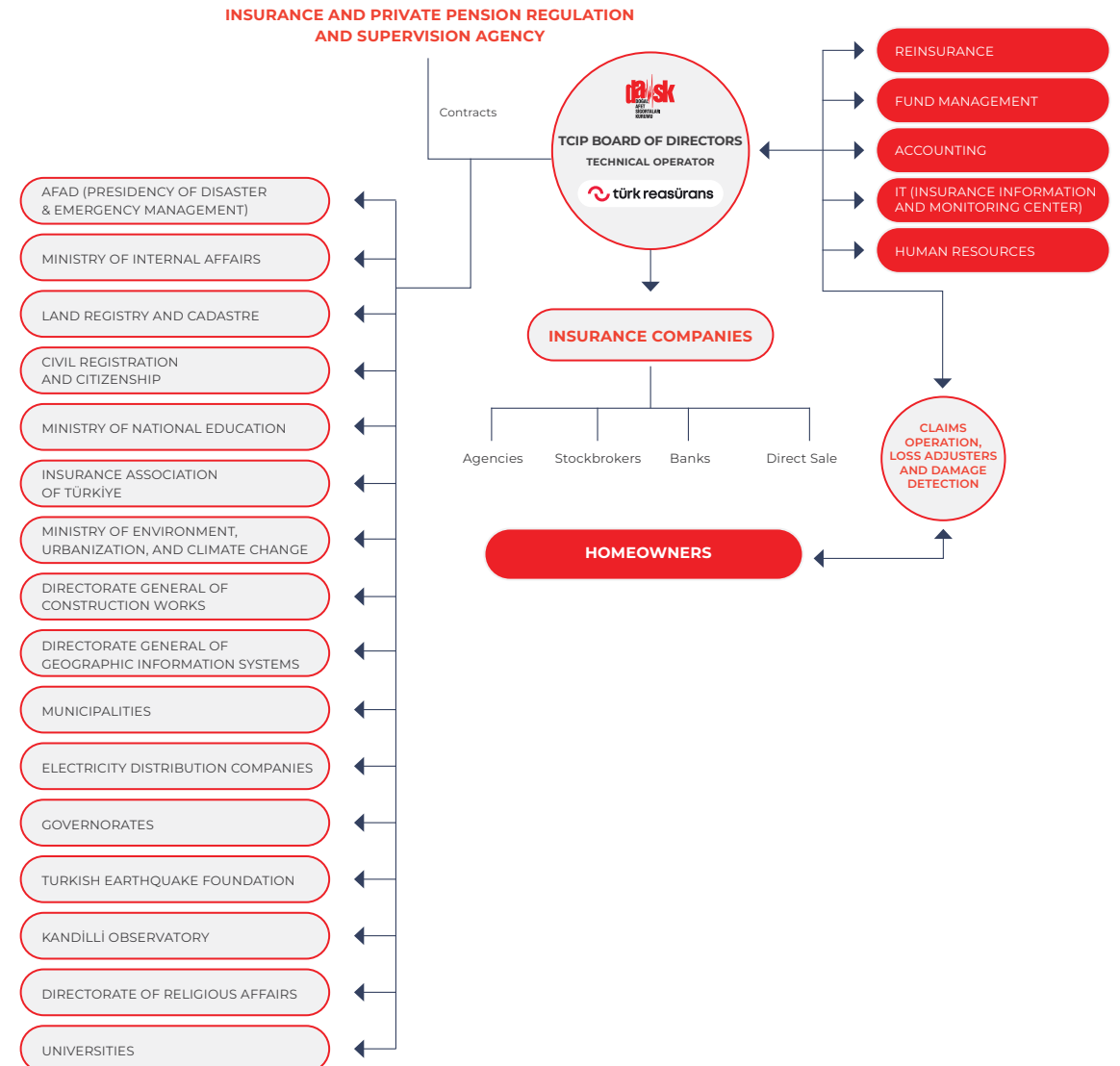
The structure and functioning of the TCIP is one of the best examples of public and private sector cooperation. The technical and operational activities of the institution are carried out by an insurance or reinsurance company appointed by the Ministry of Treasury and Finance for 5-year periods. The insurance coverage is provided by the institution, but CEI is offered to homeowners by insurance companies. As such, the TCIP has created an effective working arrangement by combining the advantages of the public and private sectors.

Today, the TCIP continues to work hard both to ensure that existing policies are renewed, and to bring uninsured homeowners into the system. The TCIP not only manages policy production to ensure sustainable CEI growth, but also continues to conduct important promotional and social responsibility projects to raise awareness about earthquakes and insurance.

Technically, the TCIP is an insurance pool, which does not require a physical organization to carry out its operations. Instead, all work is outsourced to increase efficiency and to minimize costs. The general organizational structure of the Institution is as follows.

TCIP is one of the best examples of public and private sector cooperation in terms of its structure and functioning, and international organizations have taken notice.

TCIP ORGANIZATIONAL CHART



1.3 BOARD OF DIRECTORS

The TCIP is managed by a Board of Directors consisting of seven members, including a chairwoman. The members of the Board of Directors are senior public officials (5), a private sector representative (1) and a university representative (1) all of whom are specialized in different fields.

The TCIP Board of Directors is composed for representation to relevant parties and to ensure the successful execution of the CEI program.

As such, the Board of Directors is comprised of the following representatives from various institutions and organizations:

Name	Role	Organization and Title
EMİNE FERAY SEZGİN	Chairwoman	Republic of Türkiye Insurance and Private Pension Regulation and Supervision Agency/ Vice President
OKAY MEMİŞ	Member	Republic of Türkiye Ministry of Interior Disaster and Emergency Management Authority/ Presidency
ENDER KURTULAN	Member	Capital Markets Board/Vice President
YAVUZ ERDAL KAYAPINAR	Member	Republic of Türkiye Ministry of Environment and Urbanization Directorate General for Infrastructure and Urban Transformation Services/General Manager
ÖZGÜR OBALI	Member	Insurance Association of Türkiye/ Secretary General
SELVA EREN	Member	Türk Reasürans A.Ş. /General Manager
PROF. DR. ALPER İLKI	Member	ITU Faculty of Civil Engineering

1.4 TECHNICAL OPERATOR

The TCIP's technical and operational services are outsourced. Pursuant to Article 6 of Law No. 6305 on Catastrophe Insurance, a service contract is signed between the Ministry of Treasury and Finance and the company chosen for this purpose for a maximum period of five years and is renewed according to the same procedure. In this context, Türk Reasürans A.Ş. was appointed to be the Technical Operator for the 5-year period between August 8, 2020 and 2025.

The Technical Operator is responsible for the execution of the TCIP's technical and operational affairs within the framework of the principles set out in the regulations and the service contract, as well as the Board of Directors' decisions.

PRIMARY DUTIES OF THE TECHNICAL OPERATOR

- To carry out any necessary administrative and operational work with all relevant stakeholders for the collection of premiums, loss assessment, and payment of claims,
- To implement risk transfer and reinsurance plans,
- To invest the Institution's assets within the framework of the principles and constraints set, to handle relations with portfolio management companies working with the TCIP, and to keep the Board of Directors informed about the activities of the portfolio management companies,
- To track and keep accounts of the revenues and expenditures and all Institution accounts and transactions in dedicated and separate accounts,
- To conduct public relations, promotion, and education campaigns,
- To carry out any required correspondence with other persons, institutions, and organizations on behalf of the Institution, to store information/ documents appropriately, and to purchase goods and services that need to be outsourced in relation to Institution affairs,

Starting on 08.08.2020, Türk Reasürans A.Ş. was appointed to be the technical operator for the technical and operational affairs of the TCIP.

- To prepare the studies, briefings, and reports requested by the Ministry of Treasury and Finance and Insurance and Private Pension Regulation and Supervision Authority (IPRSA).

The primary objective of Türk Reasürans A.Ş.'s activities as the Technical Operator of DASK is to increase insurance penetration on one hand, and to optimize claims operations on the other. Therefore, the TCIP is currently in the process of establishing the necessary structure for work by using state-of-the-art technologies in all Institution operations to create an infrastructure that will enable the TCIP to provide effective claims services in the event of a major earthquake, and instituting reinsurance programs to ensure that sufficient financial resources will quickly be at the Institution's disposal in such a case. In all these operations, the Institution is always guided by the principles of social responsibility.

Türk Reasürans is committed to carrying forward the service flag it has taken over in the TCIP, which is a highly successful model among similar organizations around the world. In this context, the Company has set its priorities to increase

the loss payment capacity of the pool and, most importantly, to increase the penetration ratio from the current 58% level to 100% so that there are no uninsured households. The first phase of the action plan developed by Türk Reasürans as part of its TCIP mission has been to increase the institution's loss payment capacity. In order to be prepared for the worst case scenario, Türk Reasürans prepared for an earthquake in the region, and structured its treaties in line with its efforts to find the optimal solution with the combination of TCIP's existing resources and the reinsurance protection to be provided. As a result of these efforts, the TCIP's total claims payment capacity has increased from TRY 280 billion to approximately TRY 355 billion through excess of loss reinsurance treaties and funds, including structured reinsurance solutions.

The other main target for the further development of the TCIP is a 100% insurance penetration, which can only be achieved through the joint efforts and cooperation of the TCIP, the Technical Operator, the regulatory authority IPRSA, and other insurance companies as well as brokers, and most importantly, by raising citizens' awareness about insurance.

TCIP's total claims payment capacity has increased from TRY 280 billion to approximately TRY 355 billion.

1.5 COMPULSORY EARTHQUAKE INSURANCE

1.5.1 SCOPE

In a broad sense, CEI is an insurance system developed for dwellings within municipal boundaries.

Law No. 6305 on Catastrophe Insurance and the secondary regulations based on this law provide a clear definition of the buildings covered by this insurance.

Buildings within Scope of Cover:

- Private buildings constructed as dwellings on real estates registered in the title deed registry,
- Independent sections within the scope of Condominium Law No. 634,
- Independent sections within these buildings, used for commercial, office, and similar purposes,
- Dwellings built by the state or with loans provided by the state in response to natural disasters.

Buildings that meet the conditions above, for which a condominium easement has been established, buildings that have not yet been classified in the title deed registry and instead appear as "land etc." in the title deed registry, and cooperative houses for which title deed assignment has not yet been made are also required to have a CEI.

Houses that do not yet have an independent title deed can be insured based on the declaration of the insured and the information pertaining to the land title deed.

Buildings out Scope of Cover:

- Buildings constructed by the permanent residents of and those registered in a village, in and around the residence areas of the villages as well as in the hamlets of the villages,
- Buildings used completely for commercial or industrial purposes,
- Buildings and independent sections which are subject to Public Housing Law no. 2946, dated

As of the end of 2024, all non-life insurance companies operating in Türkiye and their 17,000 agencies provide the TCIP-CEI easily throughout the country.

September 9, 1983, or which are used as public service buildings,

- Buildings without a construction project, or which no engineering analysis been conducted,
- Buildings which are constructed in breach of the applicable regulations and the project, so as to have a detrimental effect on the structural system,
- Buildings for which the relevant government authorities issued a destruction order, and buildings which are uninhabitable, and which are left poorly maintained, desolate, and derelict.

CEI policies are issued on behalf of the TCIP through authorized insurance companies and their agents. Currently 40 authorized insurance companies and their agents issue CEI policies on behalf of the TCIP. In addition, the Institution continues to provide information on renewals in order to eliminate renewal losses due to follow up lapses.

1.5.2 CHECKPOINTS

Electricity and Water Utility Subscriptions

As per Article 11 of Law No. 6305 on Catastrophe Insurance, "The existence of Compulsory Earthquake Insurance shall be checked by the relevant institution during water and electricity utility subscriptions for the buildings and independent sections covered by Compulsory Earthquake Insurance." Starting on August 18, 2012, all electricity and water utilities started to check for Compulsory Earthquake Insurance during subscription procedures.

In order to make it easier for institutions to make these checks, the information was made available to be checked electronically.

Title Deed Registry Procedures

Since 2000, title deed registry offices have required that houses be insured during official transactions such as sales and mortgages. This matter is further stipulated in Article 11 of Law No. 6305.

In order to make procedures more convenient for citizens and to make it easier for the title registry offices to check this, online integration has been established within institutions.

Housing Loans

Pursuant to Article 13 of Insurance Law No. 5684, Article 24 of the Regulation on the Working Principles of the Natural Catastrophe Insurance Pool, Article 5 of the Regulation on the Implementation Principles of Insurances Linked with Personal Loans, and Article 7 of the Compulsory Earthquake Insurance Tariff and Instructions, Compulsory Earthquake Insurance is required in connection with housing loans

In order to increase the number of people with Compulsory Earthquake Insurance, effective checkpoints are being established to ensure insurance coverage during electricity and water utility subscriptions, title deed transactions, and house loan applications.

extended by banks. If Compulsory Earthquake Insurance has not been purchased by the borrower of the housing loan, the bank granting the loan should inform the insured and procure the insurance. In the event of the insured's failure to renew the policy during the term of the loan, the bank is obliged to inform the insured and ensure the renewal of the relevant policy.

1.5.3 AUTHORIZED INSURANCE COMPANIES

CEI policies are issued on behalf of and for the account of TCIP by the 39 authorized insurance companies listed below and their agents.

Authorized Insurance Companies

ACN TURK SİGORTA A.Ş.	HEPİYİ SİGORTA A.Ş.
AK SİGORTA A.Ş.	KORU SİGORTA A.Ş.
ALLIANZ SİGORTA A.Ş.	MAGDEBURGER SİGORTA A.Ş.
ANA SİGORTA A.Ş.	MAPFRE SİGORTA A.Ş.
ANADOLU SİGORTA	NEOVA KATILIM SİGORTA A.Ş.
ANKARA SİGORTA A.Ş.	ORIENT SİGORTA A.Ş.
AREX SİGORTA A.Ş.	PRİVE SİGORTA A.Ş.
AVEON GLOBAL SİGORTA A.Ş.	QUICK SİGORTA A.Ş.
AXA SİGORTA A.Ş.	RAY SİGORTA A.Ş.
BEREKET SİGORTA A.Ş.	S.S. ATLAS SİGORTA KOOPERATİFİ
CORPUS SİGORTA A.Ş.	SOMPO SİGORTA A.Ş.
DOĞA SİGORTA A.Ş.	ŞEKER SİGORTA A.Ş.
EMAA SİGORTA A.Ş.	TURKCELL DİJİTAL SİGORTA A.Ş.
ETHİCA SİGORTA A.Ş.	TÜRK NİPPON SİGORTA A.Ş.
EUREKO SİGORTA A.Ş.	TÜRKİYE KATILIM SİGORTA A.Ş.
FİBA SİGORTA	TÜRKİYE SİGORTA A.Ş.
GENERALİ SİGORTA A.Ş.	UNICO SİGORTA A.Ş.
GIG SİGORTA A.Ş.	VHV ALLGEMEINE SİGORTA ANONİM ŞİRKETİ
HDI KATILIM SİGORTA A.Ş.	ZURICH SİGORTA A.Ş.
HDI SİGORTA A.Ş.	

39 Authorized Insurance Companies & 17,000 agents.

MILESTONES OF TCIP

2000 TCIP WAS ESTABLISHED

- TCIP was established with the Decree Law no. 587 dated 27 September 2000.
- The first Compulsory Earthquake Insurance policy was issued on September 27, 2000.

2010 REINSURANCE PROTECTION

- TCIP's ability to pay in single damage reached TRY 5 billion with its own resources and reinsurance protection.
- TCIP carried out PR works to increase its recognition with Advertising Campaigns.

2011 VAN EARTHQUAKE

- 31 earthquakes occurred including the Van earthquakes with magnitudes of 7.2 and 5.6 on October 23 and November 09, 2011, following the Kütahya earthquake with a magnitude of 5.9 on May 19, 2011.
- Insurance penetration rate was increased by 12.5% across Türkiye in 2011.
- Renewal reminder calls started.

2012 NEW LAW

- TCIP gained a more legal framework with the Disaster Insurance Law no. 6305 that entered into force on 18 August 2012.
- Compulsory Earthquake Insurance (CEI) controls started during subscription processes at Electricity and Water Administrations.
- The apartment discount was removed with the new tariff, and gradual renewal discount and construction year discount started to be implemented.
- TCIP call center Alo TCIP 125 entered into service for both daily operations and great disasters.
- TCIP's website was renewed.
- TCIP started to send SMS to the policyholders during policy production and cancellation transactions.
- TCIP participated in the Global Earthquake Modelling project.

2013 UAVT PROJECT

- TCIP started the Address Code application in full compliance with National Address Database (UAVT) in all CEI policies issued from March 1, 2013. Thus, it became the pioneer for the "Address Code" perception throughout the country.
- CONTROL POINTS - System integration with the land registry offices was ensured for efficiency in title deed controls. Integrations were also made with electricity and water administrations.
- TCIP also started to use costeffective alternative risk transfer tools in addition to CAT-BOND Reinsurance opportunities.

2014 REAL ORTOPHOTO PROJECT

- TCIP gave significant support to the orthophoto project for the entire country, carried out by the Ministry of Environment and Urbanization.
- TCIP central reporting infrastructure was created.
- TCIP signboards were sent to agencies to increase awareness.
- The Renewal Campaign for Agencies aimed to maintain the CEI portfolio with renewals.

2015 DISASTER MANAGEMENT PROJECT

- Disaster Management Project
- IIC transfer
- ARYS Map-based disaster support structure was created.
- TCIP created a mobile application to carry out the expertise process online on iPad/tablet computer for the first time in the world.

2016 TCIP MOBILE PROJECT

- With the TCIP Web Portal, a transparent structure was created to monitor claims files by opening an instant claims file on the website.
- The first claims file was opened through our new claims application, and information flow with mobile was ensured instantly.
- New advertising and PR agencies of TCIP were determined.

2017 WE INCREASED OUR ABILITY TO PAY

- TCIP's ability to pay in a single damage reached TRY 17 billion with its own resources and reinsurance protection.
- In addition to the gradual renewal discount and the construction year discount, 20% Building Discount started to be implemented in case all the residences in the building/building complex are insured by the building/ building complex management.
- Renewal reminder calls started with interactive voice response (IVR-IVN).
- Works for the Electronic Archive Project started.

2018 IVR PROJECT

- The Disaster Call Center was activated.
- Policy inquiry and claims file inquiry started through IVR (interactive voice response) on TCIP Call Center Alo TCIP 125.
- CEI Tariff Renewal Project started due to the changed Türkiye Earthquake Hazard Map.
- Cooperation with the Ministry of National Education started within the scope of the "Trust is Our Priority, Assurance is Our Responsibility" Project.
- Integration works for Post-Earthquake Damage Detection cooperation started with the Ministry of Environment and Urbanization.
- From now on, it will be possible to monitor claim files and make claims notices through the E-Government Gateway.
- TCIP Social Stakeholder Analysis and s-consequently Public opinion research were carried out in order to expand the communication targets.

2019 NEW TARIFF

- TCIP's ability to pay in a single damage reached TRY 22 billion with its own resources and reinsurance protection.
- CEI Tariff Renewal Project was completed according to the changed Türkiye Earthquake Hazard Map.

2020 CHANGE OF TECHNICAL OPERATOR

- With the expiry of Eureka Sigorta A.Ş.'s Technical Operator agreement, this role was transferred to Türk Reasürans A.Ş. as of 08.08. 2020 by the Ministry of Treasury and Finance of the Republic of Türkiye, which is responsible for the supervision and control of TCIP.
- With the Compulsory Earthquake Insurance Tariff and Instructions published on the Official Gazette on 01.01.2020, a new risk-based pricing methodology was introduced according to the New Türkiye Seismic Hazard Map data. Number of floors, year of construction and building style parameters were updated with this information.
- TCIP's ability to pay in a single damage reached TRY 46 billion with its own resources and reinsurance protection.
- The number of policies exceeded 10 million.

2021 COMPULSORY EARTHQUAKE INSURANCE MOBILIZATION YEAR

- Agency Incentive Campaign was held.
- Tariff works were carried out for 2021. Due to the pandemic and its negative effects, 10% discount was implemented on all policies in order not to reflect the premium difference to policyholders.
- TCIP's ability to pay in a single damage reached TRY 46 billion with its own resources and reinsurance protection.
- The number of policies exceeded 10.5 million.
- Works started for the establishment of the Ankara Emergency Management Center.

2022 INTRODUCTION OF COMPULSORY DISASTER INSURANCE

- Works were initiated for transforming Compulsory Earthquake Insurance into Compulsory Disaster Insurance to cover floods, landslides, and other natural disasters.
- As of 1 June 2022, works for participation insurance were completed and policy production started.
- TCIP Ankara Emergency Management Center was opened.
- TCIP Mobile Earthquake Truck became operational.
- The obligation of printing on TCIP policy papers physically was removed, and companies were provided the convenience of printing on their own policy papers/A4 papers.
- TCIP's ability to pay in a single damage reached 100 billion TRY with its own resources and reinsurance protection.
- The number of policies exceeded 10.9 million.
- 23 November 2022, Düzce-Gölyaka Earthquake.

2023 COMPULSORY EARTHQUAKE INSURANCE TARIFF

- On 28.12.2023, the Compulsory Earthquake Insurance Tariff and Instructions were published, increasing the unit value figures per square meter to TRY 6,000 for reinforced concrete and TRY 4,000 for other building types. In addition, inflation protection for policies was introduced.
- Along with the changes in tariffs, SMS reminders were sent repeatedly to all existing policyholders recommending they increase their coverage and take advantage of the inflation protection.
- To avoid interruptions in policy renewals due to the Kahramanmaraş earthquakes, policies were renewed automatically, with premium collection postponed for two months.
- To prevent citizens from suffering difficulties during electricity and water utility subscriptions and title deed registry transactions in the wake of the Kahramanmaraş earthquakes, exemptions were granted from policy inquiries at the relevant checkpoints.
- To prevent the insurance coverage of moderately and severely damaged houses, damage assessments by the Ministry of Environment, Urbanization, and Climate Change were obtained and damaged buildings were blocked from policy production in the system.
- Compulsory Catastrophe Insurance tariff changes were completed, and system improvements were made and opened to testing by companies.
- The general terms and conditions for Compulsory Catastrophe Insurance, and the relevant legislation and tariffs were drafted and presented to insurance companies for comments.
- Efforts began to establish TCIP regional offices in designated areas, and future plans include supervising and operating agencies and checkpoints through these offices.
- A bilateral protocol was signed with the Association of Insurance Companies of the Turkish Republic of Northern Cyprus and steps were taken to set up a similar institutional structure in Cyprus.
- Infrastructure was developed to add sqm checks to the policy issuance process through cooperation with the General Directorate of Population and Citizenship Affairs.
- A project was launched with e-Government to enable citizens to update their contact information with TCIP.
- The number of policies now exceeds 11.6 million.
- TCIP's claim payment capacity in response to a single event reached TRY 280 billion based on its own assets and reinsurance protection.

2024 COMPULSORY DISASTER INSURANCE

- On December 28, 2023, following the publication of the updated Compulsory Earthquake Insurance Tariff and Guidelines, unit prices and maximum coverage amounts have been adjusted monthly based on the inflation rate.
- Draft versions of the Compulsory Disaster Insurance Law, General Conditions, and Tariff have been prepared.
- Work on the Compulsory Disaster Insurance tariffs has been completed, along with system development and testing by insurance companies.
- In order to manage natural disaster risks across Türkiye, increase insurance penetration, and enhance public awareness, the first Regional Liaison Office was opened in Gaziantep on December 9, 2024 with ongoing efforts to establish additional physical offices in other designated provinces.
- Physical visits were conducted to approximately 2,500 sales channels across the country in 2024. Additionally, land registry, electricity, and water administration offices in all provinces were visited to improve oversight and carry out awareness-raising activities.
- Thanks to visits to production and control points and centralized reporting efforts, improper insurance practices and/or fraud have been prevented.
- The scope work for the mobile damage assessment application and the new claims system has been completed. System development efforts are ongoing.
- In collaboration with the Directorate General of Civil Registration and Citizenship Affairs, a square meter verification feature was added to the new policy issuance process for structures built after 2014.
- A joint project with the E-Government portal was completed and launched, enabling citizens to update their contact information easily.
- The number of active policies has exceeded 11.3 million.
- TCIP's payment capacity for a single catastrophic event, combining its own resources and reinsurance coverage, has reached TRY 355 billion.
- Development work has been completed to enable insurance companies to use a shared policy issuance service.
- System development has begun to allow for a maximum of three endorsements per policy period in cases of policyholder/insured party changes.
- System-wide work started to introduce duplication checks into the policy renewal process.
- The 17th Meeting of the World Forum of Catastrophe Programs (WFCP) was hosted by TCIP in Istanbul on September 18–20, with participation from 20 members representing 12 countries.
- TCIP participated in the Insurance Fair and Congress, held at the Antalya Nest Congress Center on October 3–5, 2024, which brought together all stakeholders in the insurance ecosystem.
- Under the framework of a mutual goodwill protocol signed with the Turkish Republic of Northern Cyprus Insurance Companies Association, informational meetings were held with regulatory authorities regarding the potential implementation of Compulsory Earthquake Insurance in the TRNC.

MANİSA

TCIP IN NUMBERS

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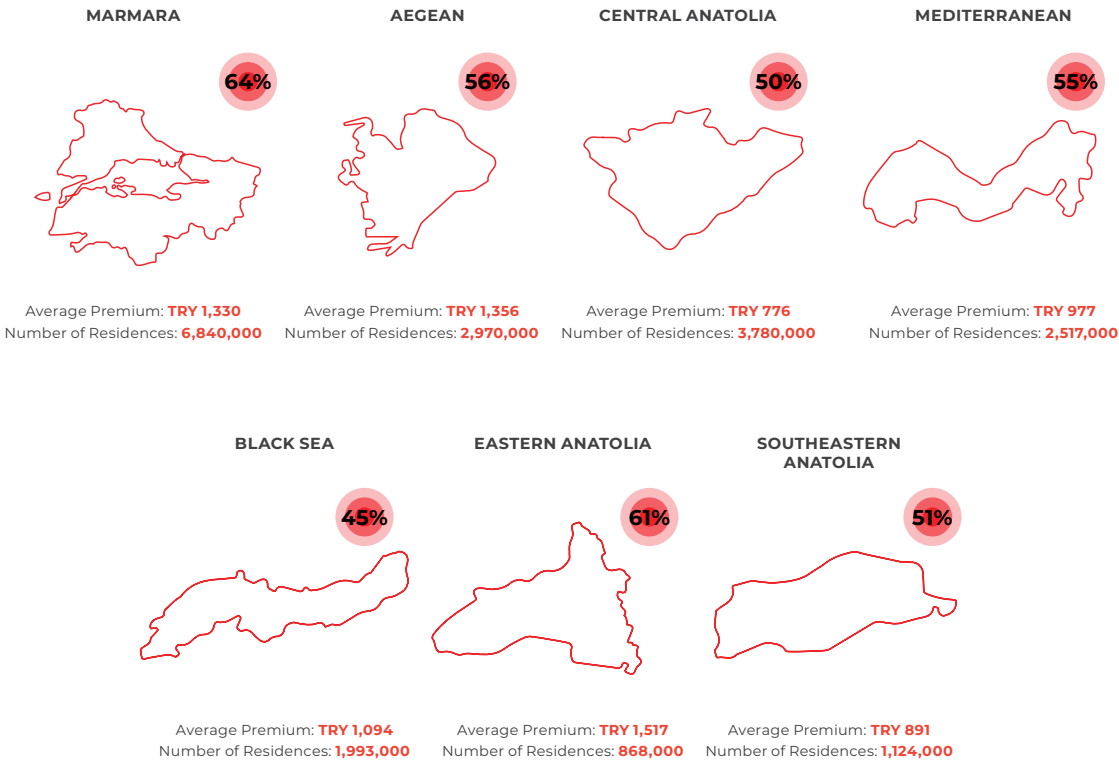
MUĞLA

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** The cities listed were visited between
December 10–15, 2023, as part of the TCIP Truck Project.*

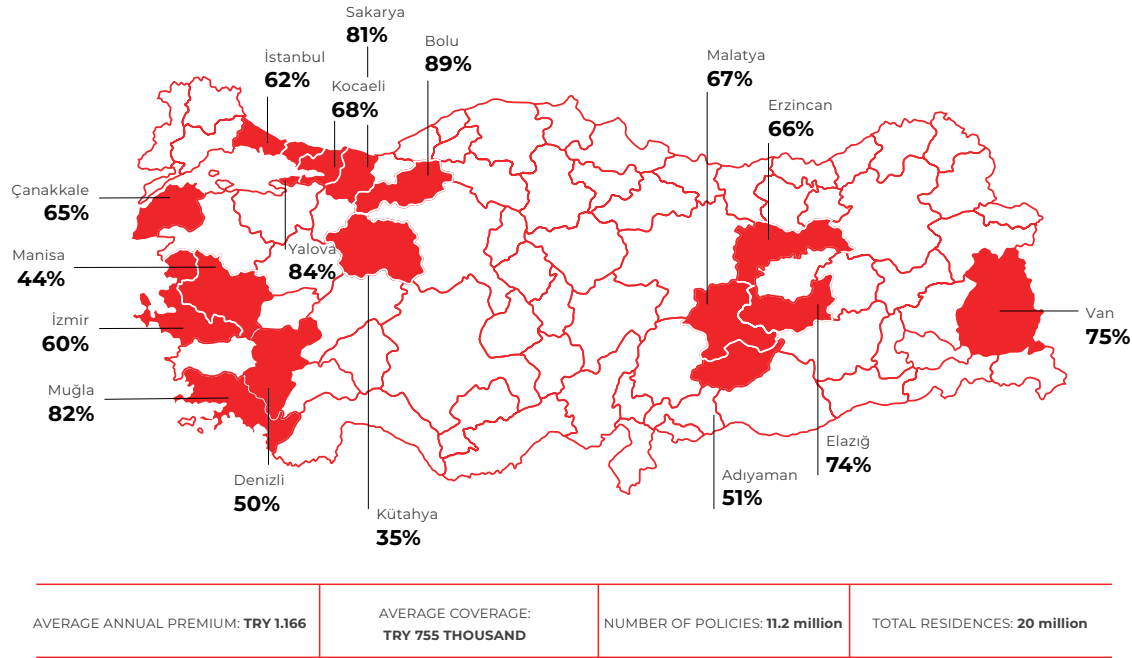
TCIP IN NUMBERS

2.1 PENETRATION RATE BY GEOGRAPHICAL REGIONS



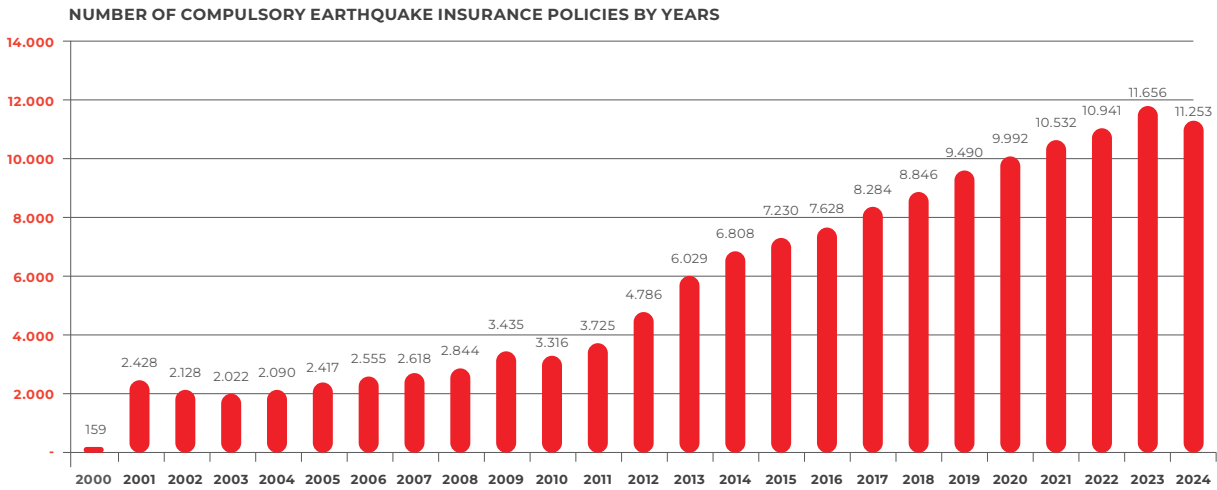
AVERAGE ANNUAL PREMIUM:	TRY 1.166
AVERAGE COVERAGE:	TRY 755 thousand
NUMBER OF POLICIES:	11.2 million
TOTAL RESIDENCES:	20 million

2.2 PENETRATION RATE IN SOME LARGE PROVINCES



2.3 POLICY PRODUCTION BY YEAR

In 2024, the number of policies reached 11.2 million, and the rate of homes covered by Compulsory Earthquake Insurance rose to 56%.



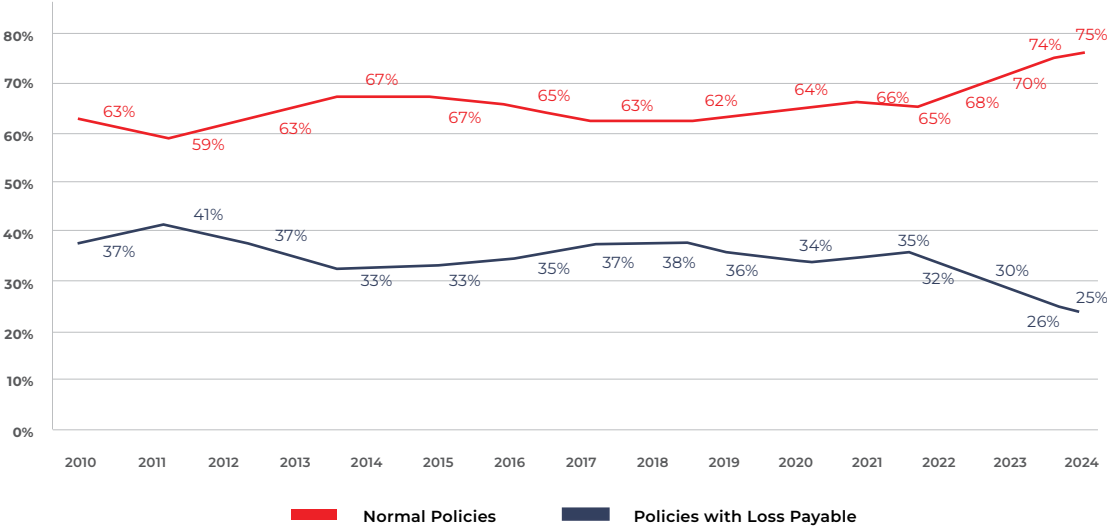
2.4 POLICY PRODUCTION BY YEAR

Number of Policies	Policy Rate (.000)	Number of Policies (%)	Policy Rate (.000 TRY)	Policy Rate (%)
2001	2,428	-	54,526	-
2002	2,128	-12.4	65,756	20.6
2003	2,022	-5.0	85,688	30.3
2004	2,090	3.4	126,216	47.3
2005	2,417	15.6	159,085	26.0
2006	2,555	5.7	205,799	29.4
2007	2,618	2.5	234,615	14.0
2008	2,844	8.6	272,637	16.2
2009	3,435	20.8	322,065	18.1
2010	3,316	-3.5	319,415	-0.8
2011	3,725	12.3	378,782	18.6
2012	4,786	28.5	509,771	34.6
2013	6,029	26.0	674,134	32.2
2014	6,808	12.9	753,884	11.8
2015	7,230	6.2	786,083	4.3
2016	7,628	5.5	876,159	11.5
2017	8,284	8.6	1,020,146	16.4
2018	8,846	6.8	1,176,970	15.4
2019	9,490	7.3	1,322,662	12.4
2020	9,992	5.3	1,629,512	23.2
2021	10,532	5.4	1,693,204	3.9
2022	10,941	3.9	2,424,342	43.2
2023	11,656	6.5	4,746,966	95.8
2024	11,253	-3.5	13,120,780	176.4

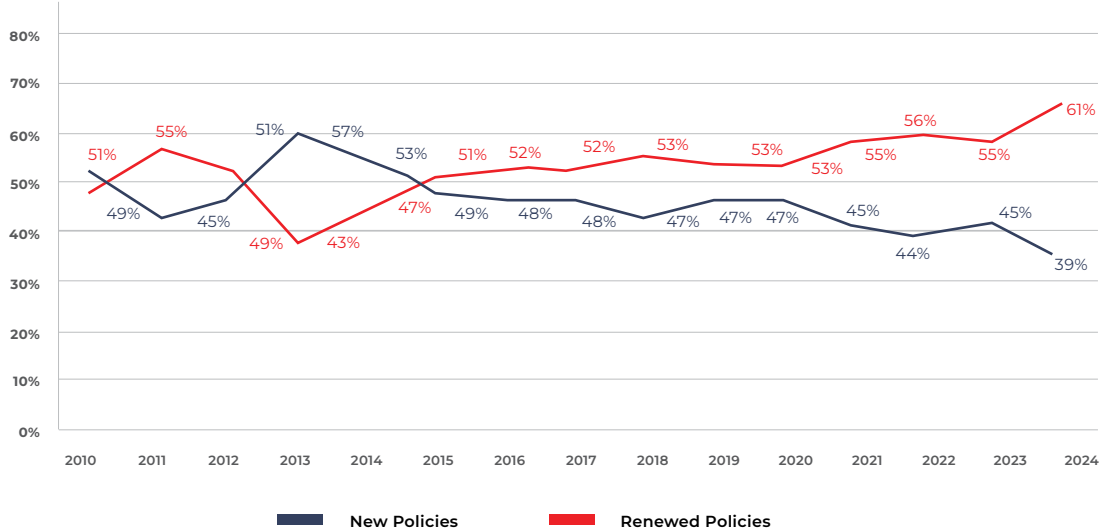
2.5 POLICY PRODUCTION BY COMPANY

2023			2024		
PRODUCTION BY COMPANIES	Number of Policies	Policy Rate	Number of Policies	Policy Rate	Policy Increase %
ACN TURK SİGORTA A.Ş.	51,469	0.4	83,604	0.7	62.4
AK SİGORTA A.Ş.	1,185,468	10.2	1,153,051	10.2	-2.7
ALLIANZ SİGORTA A.Ş.	864,234	7.4	758,850	6.7	-12.2
ANA SİGORTA A.Ş.	85,291	0.7	93,280	0.8	9.4
ANADOLU SİGORTA A.Ş.	1,042,431	8.9	979,270	8.7	-6.1
ANKARA SİGORTA A.Ş.	366,828	3.1	418,702	3.7	14.1
AREX SİGORTA A.Ş.	2,063	0.0	700	0.0	-66.1
AVEON GLOBAL SİGORTA A.Ş.	28,962	0.2	29,654	0.3	2.4
AXA SİGORTA A.Ş.	768,747	6.6	767,291	6.8	-0.2
BEREKET SİGORTA A.Ş.	182,742	1.6	173,569	1.5	-5.0
CORPUS SİGORTA A.Ş.	20,086	0.2	25,201	0.2	25.5
DOĞA SİGORTA A.Ş.	425,615	3.7	457,659	4.1	7.5
EMAA SİGORTA A.Ş.	36	0.0	5,619	0.0	-
ETHİCA SİGORTA A.Ş.	334,781	2.9	413,265	3.7	23.4
EUREKO SİGORTA A.Ş.	383,287	3.3	374,636	3.3	-2.3
FİBA SİGORTA A.Ş.	4,814	0.0	29,252	0.3	507.6
GENERALİ SİGORTA A.Ş.	59,083	0.5	54,575	0.5	-7.6
GİG SİGORTA A.Ş.	31,065	0.3	32,557	0.3	4.8
GRI SİGORTA A.Ş.	64,416	0.6	0	0.0	-
GROUPAMA SİGORTA A.Ş.	84,710	0.7	-1	0.0	-
HDI KATILIM SİGORTA A.Ş.	30,713	0.3	28,650	0.3	-6.7
HDI SİGORTA A.Ş.	673,506	5.8	711,494	6.3	5.6
HEPİYİ SİGORTA A.Ş.	22	0.0	2,850	0.0	-
KORU SİGORTA A.Ş.	189,903	1.6	279,647	2.5	47.3
MAGDEBURGER SİGORTA A.Ş.	23,931	0.2	40,736	0.4	70.2
MAPFRE SİGORTA A.Ş.	172,639	1.5	151,701	1.3	-12.1
NEOVA KATILIM SİGORTA A.Ş.	415,825	3.6	410,558	3.6	-1.3
ORİENT SİGORTA A.Ş.	10,708	0.1	8,340	0.1	-22.1
PRİVE SİGORTA A.Ş.	1,169	0.0	2,199	0.0	88.1
QUICK SİGORTA A.Ş.	140,144	1.2	183,383	1.6	30.9
RAY SİGORTA A.Ş.	406,260	3.5	499,678	4.4	23.0
S.S. ATLAS SİGORTA KOOPERATİFİ A.Ş.	6,665	0.1	6,884	0.1	3.3
SOMPO SİGORTA A.Ş.	304,101	2.6	195,628	1.7	-35.7
TURKCELL DİJİTAL SİGORTA A.Ş.	0	0.0	180	0.0	-
TÜRK NİPPON SİGORTA A.Ş.	63,236	0.5	45,239	0.4	-28.5
TÜRKİYE KATILIM SİGORTA A.Ş.	32,574	0.3	63,089	0.6	93.7
TÜRKİYE SİGORTA A.Ş.	2,969,784	25.5	2,500,629	22.2	-15.8
UNICO SİGORTA A.Ş.	100,655	0.9	154,355	1.4	53.4
VHV ALLGEMEINE SİGORTA A.Ş.	305	0.0	2,743	0.0	799.3
ZÜRİCH SİGORTA A.Ş.	86,411	0.7	78,479	0.7	-9.2
ŞEKER SİGORTA A.Ş.	41,566	0.4	36,017	0.3	-13.3
Total	11,656,245	100.0	11,253,213	100.0	-3.5

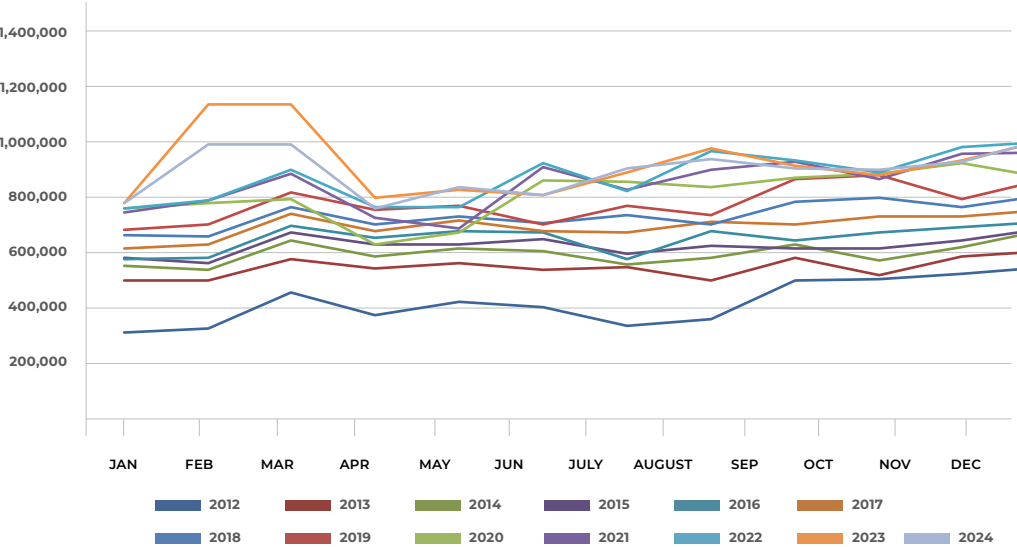
2.7 NUMBER OF LOSS PAYEE POLICIES



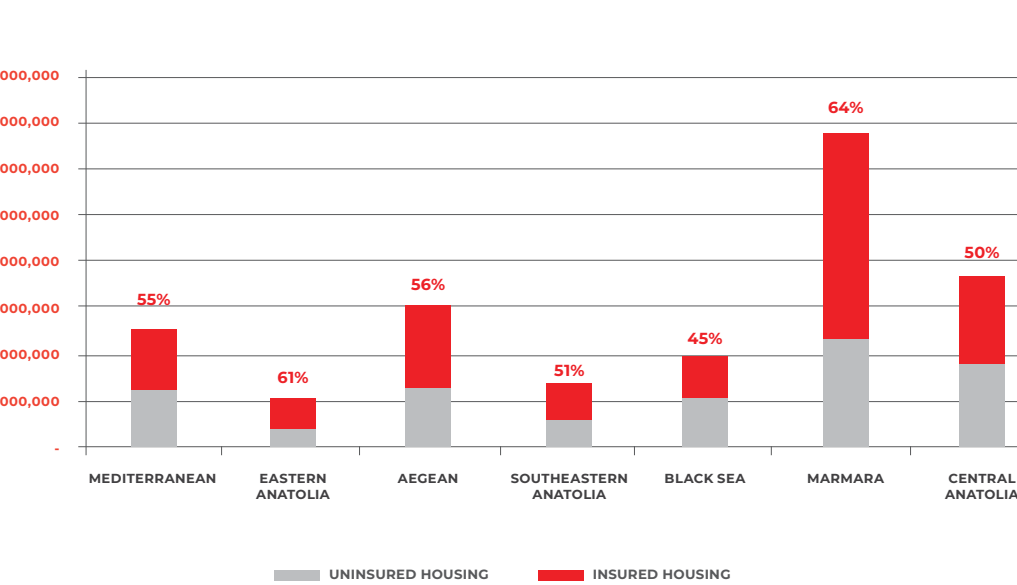
2.8 NEW POLICY & RENEWED POLICY



2.8 POLICY PRODUCTION BY MONTH



2.9 PENETRATION RATES BY REGION

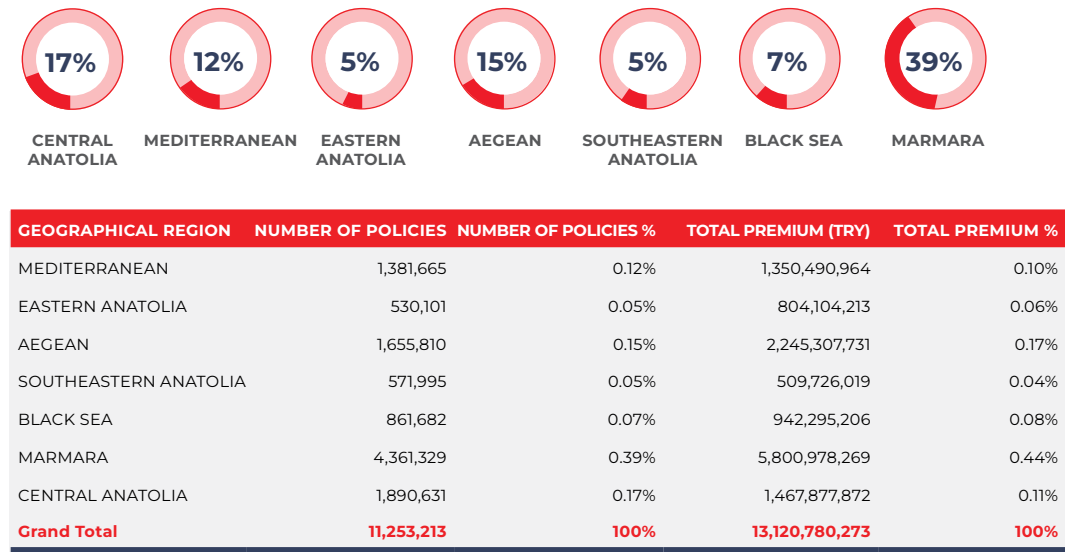


2.10 PENETRATION RATES BY PROVINCE

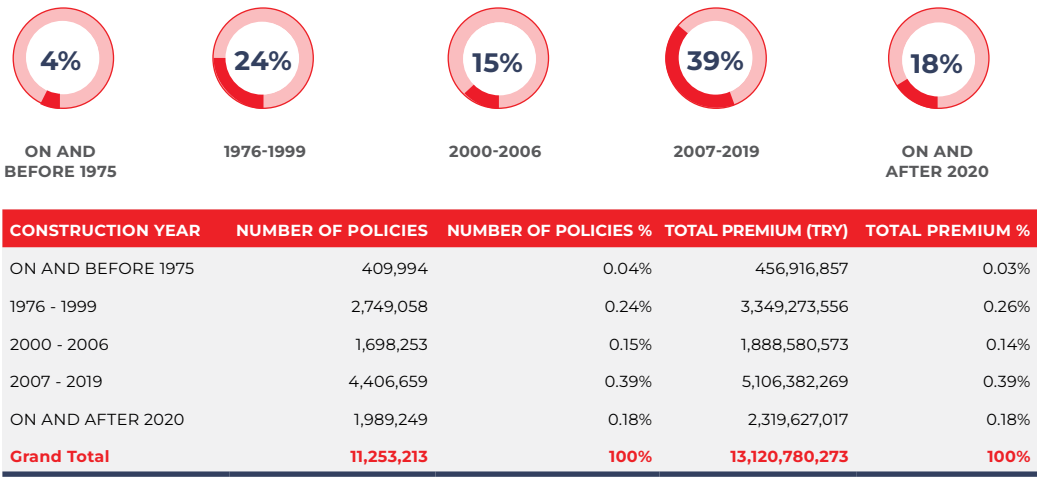
	Total Residences	Insured Residences	Total Premium (TRY)	Penetration Rate (%)
ADANA	479,000	268,529	260,839,123	56
ADIYAMAN	89,000	45,361	65,097,129	51
AFYONKARAHİSAR	191,000	75,273	81,428,093	39
AKSARAY	103,000	49,614	21,611,920	48
AMASYA	83,000	37,926	54,895,260	46
ANKARA	1,719,000	929,909	797,587,825	54
ANTALYA	713,000	412,737	394,587,419	58
ARDAHAN	9,000	5,482	5,839,414	61
ARTVİN	36,000	16,168	8,543,569	45
AYDIN	328,000	196,851	266,226,016	60
AĞRI	45,000	20,607	23,207,365	46
BALIKESİR	377,000	236,708	284,774,370	63
BARTIN	38,000	21,312	16,697,500	56
BATMAN	64,000	26,466	19,730,921	41
BAYBURT	15,000	5,032	5,882,271	34
BOLU	71,000	63,384	96,544,525	89
BURDUR	71,000	28,765	31,502,008	41
BURSA	754,000	436,904	611,066,933	58
BİLECİK	60,000	28,177	27,712,846	47
BİNGÖL	39,000	32,670	57,669,005	84
BİTLİS	41,000	19,010	25,568,239	46
DENİZLİ	288,000	143,828	214,587,725	50
DÜZCE	82,000	72,104	104,877,926	88
DIYARBAKIR	231,000	91,102	88,141,933	39
EDİRNE	111,000	64,048	62,685,781	58
ELAZIĞ	135,000	99,528	179,888,847	74
ERZURUM	130,000	54,179	85,974,701	42
ERZİNCAN	56,000	37,148	56,251,466	66
ESKİŞEHİR	274,000	165,714	177,250,470	60
GAZİANTEP	339,000	237,512	221,928,018	70
GÜMÜŞHANE	31,000	9,549	7,692,104	31
GİRESUN	112,000	46,907	37,685,815	42
HAKKARİ	24,000	12,247	12,989,911	51
HATAY	315,000	140,784	196,138,152	45
ISPARTA	136,000	50,821	56,923,864	37
İÇDİR	25,000	12,146	12,891,396	49
KAHRAMANMARAŞ	210,000	125,424	166,224,323	60
KARABÜK	68,000	29,409	30,481,416	43
KARAMAN	65,000	29,563	12,478,537	45
KARS	38,000	18,604	15,243,381	49
KASTAMONU	86,000	40,395	43,270,065	47

	Total Residences	Insured Residences	Total Premium (TRY)	Penetration Rate (%)
KAYSERİ	376,000	218,169	154,102,187	58
KIRIKKALE	88,000	30,943	20,436,889	35
KIRKLARELİ	102,000	55,527	47,933,549	54
KIRŞEHİR	71,000	31,401	13,758,146	44
KOCAELİ	481,000	327,947	488,931,444	68
KONYA	584,000	240,479	120,760,718	41
KÜTAHYA	175,000	61,764	71,685,564	35
KİLİS	25,000	14,955	13,967,775	60
MALATYA	188,000	126,700	205,089,377	67
MANİSA	353,000	155,664	209,904,320	44
MARDİN	105,000	45,494	21,962,781	43
MERSİN	492,000	290,595	158,006,091	59
MUĞLA	271,000	222,350	258,263,722	82
MUŞ	34,000	16,616	25,259,825	49
NEVŞEHİR	84,000	33,060	14,292,312	39
NİÇDE	102,000	40,956	19,013,173	40
ORDU	187,000	87,041	81,207,633	47
OSMANİYE	101,000	62,975	84,651,179	62
RİZE	81,000	27,097	22,608,252	33
SAKARYA	240,000	193,401	269,796,154	81
SAMSUN	329,000	125,575	155,166,623	38
SİNOP	53,000	21,889	18,430,262	41
SİVAS	152,000	59,413	68,461,087	39
SİİRT	39,000	12,161	10,640,300	31
TEKİRDAĞ	318,000	252,368	276,927,427	79
TOKAT	139,000	54,820	76,981,360	39
TRABZON	232,000	88,555	60,904,212	38
TUNCELİ	19,000	11,201	15,520,594	59
UŞAK	99,000	39,367	46,876,206	40
VAN	85,000	63,956	82,632,042	75
YALOVA	93,000	77,674	116,585,460	84
YOZGAT	110,000	42,511	24,643,308	39
ZONGULDAK	147,000	59,257	53,178,440	40
ÇANAKKALE	151,000	97,728	124,024,809	65
ÇANKIRI	52,000	18,897	23,480,141	36
ÇORUM	143,000	55,222	67,189,896	39
İSTANBUL	4,153,000	2,591,941	3,492,307,733	62
İZMİR	1,265,000	760,712	1,096,332,819	60
ŞANLIURFA	198,000	89,315	60,157,998	45
ŞİRNAK	34,000	9,620	8,090,881	28
TOTAL	20,032,000	11,253,213	13,120,780,273	56

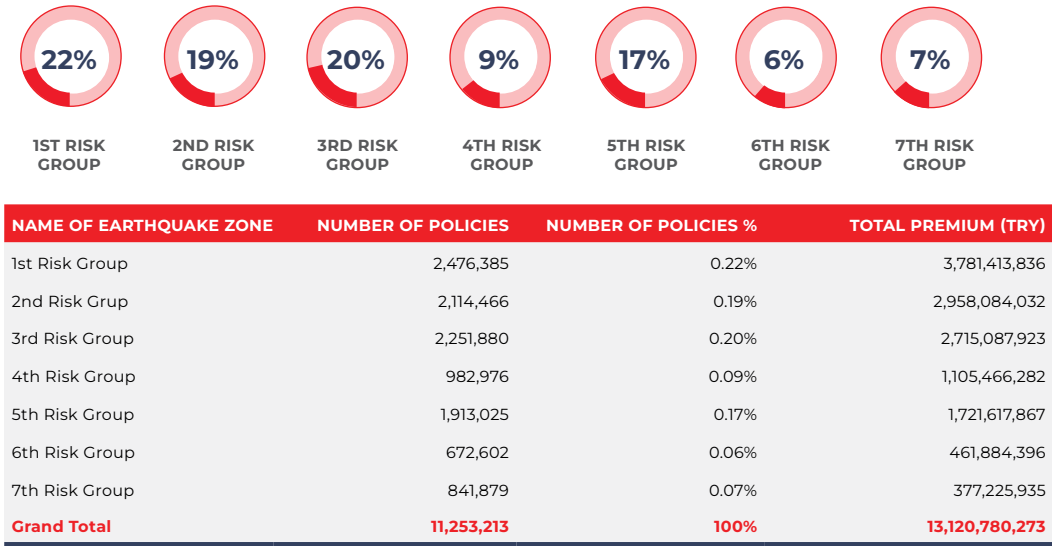
2.12 POLICY DISTRIBUTION BY REGION



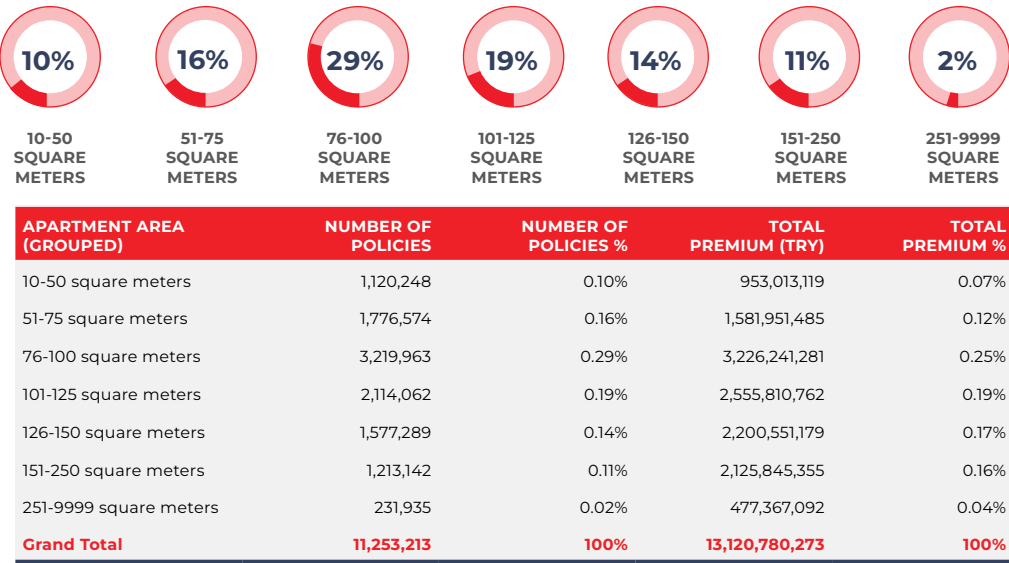
2.14 DISTRIBUTION OF POLICIES BY CONSTRUCTION YEAR



2.13 POLICY DISTRIBUTION BY RISK GROUPS



2.15 DISTRIBUTION OF POLICIES BY BUILDING SURFACE AREA





İZMİR

TARIFF

İZMİR/ÇEŞME

İZMİR/SEFERİHİSAR

• TARIFF AND INSURANCE 2024

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** The cities listed were visited between July 16–23, 2024, as part of the TCIP Truck Project.*

TARIFF

3.1 TARIFF AND INSURANCE 2024

Policyholders who renew their insurance regularly and on time benefit from special discounts and pay lower premiums.

INSURANCE TARIFF AND PREMIUM CALCULATION

The premium to be paid is calculated by applying the following tariff according to the determined insurance value, risk group, and construction type. In any case, the minimum premium amount is TRY 1,259, TRY 1,118, TRY 951, TRY 891, TRY 670, TRY 476 and TRY 324, respectively, from the first to the seventh group according to the earthquake risk zone.

Compulsory Earthquake Insurance provides coverage up to TRY 1,272 million (TRY 1,636.177 as of 01.12.2024) for residential buildings, making sure your efforts and savings don't vanish.*

EARTHQUAKE TARIFF RATES BY REGION ACCORDING TO BUILDING TYPE (‰)

Building Type	I. Group	II. Group	III. Group	IV. Group	V. Group	VI. Group	VII. Group
Reinforced concrete	2.33	2.07	1.76	1.65	1.24	0.88	0.60
Other	4.10	3.51	3.08	2.88	2.31	1.54	0.90
Unit Square Meter Costs by Building Type Year 2024							
Updated Unit Cost Rates for December 2024							
A- Reinforced concrete	TRY 7,718						
B- Other	TRY 5,145						

*This amount is determined by calculating the reconstruction cost of the house.

EARTHQUAKE TARIFF RATES BY REGION ACCORDING TO BUILDING TYPE (‰)

	01.01.2024	01.02.2024	01.03.2024	01.04.2024	01.05.2024	01.06.2024	01.07.2024	01.08.2024	01.09.2024	01.10.2024	01.11.2024	01.12.2024
Increase in WPI (%)		1.0114	1.0114	1.0374	1.0329	1.036	1.0196	1.0138	1.0194	1.0168	1.0137	1.0129
Reinforced Concrete Unit (TRY)	6,000	6,068	6,320	6,556	6,772	7,015	7,153	7,252	7,392	7,517	7,620	7,718
Other Unit (TRY)	4,000	4,046	4,213	4,371	4,514	4,677	4,769	4,834	4,928	5,011	5,080	5,145
Maximum Coverage Amountn (TRY)	1,272,000	1,286,501	1,339,762	1,389,869	1,435,596	1,487,277	1,516,428	1,537,355	1,567,179	1,593,508	1,615,339	1,636,177

THE INSURED SUM AND THE PREMIUM ARE CALCULATED AS FOLLOWS:

Sum Insured = Gross surface area of the dwelling (sqm) x Unit square meter cost as per type of construction (TRY)

DISCOUNTS AND SURCHARGES

- Policies renewed within 30 days following the policy term end receive a 20% discount based on the tariff rates above.
- For buildings with a construction license date earlier than 2000, the above tariff rate is increased 10%.
- For buildings with 8 or more floors above ground, the tariff rate above increases 10%.
- For buildings with 3 or fewer floors above ground, the tariff rate above is discounted 10%.
- No discount or surcharge apart from the renewal discount shall be applied for other building groups.

DEDUCTIBLE AND INSURANCE PERIOD

For each claim, a deductible of 2% shall apply over the sum insured. The TCIP shall be liable for the portion of claim in excess of the deductible figure thus established. For purposes of deductible assessment, any damage incurred within a given 72-hour window shall be considered a single claim. The insurance period is one year. At the end of the term, the insurance must be renewed.

COMMISSION RATES

Insurance companies authorized to sign CEI contracts on behalf of the Institution are paid a commission of 12.5% for risks located in Istanbul and 17.5% for risks located in other provinces, over the premium figures of the CEI contracts executed by themselves or their agents. For renewal policies, these rates are applied as 15% and 20% respectively.

FACULTATIVE INSURANCE

For a facultative dwelling insurance policy to be issued for independent sections and buildings within the scope of the CEI to include earthquake coverage, the CEI must already be issued for these buildings. However, in the event that the value of the independent sections or buildings where CEI is executed is higher than the sum insured as calculated according to the principles specified in the tariff, facultative earthquake insurance can be provided by the insurance companies for the portion exceeding the said sum insured, provided that the CEI is executed.

AYDIN/KUŞADASI

PARTICIPATION INSURANCE

MUĞLA/MİLAS/BODRUM

MUĞLA/MARMARİS

• PARTICIPATION INSURANCE

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** The cities listed were visited between July 24-29, 2024, as part of the TCIP Truck Project.*

PARTICIPATION INSURANCE

TCIP launched its participation insurance activities in June 2021, in accordance with the principles set forth in the "Regulation on Insurance and Private Pension Activities within the Framework of Participation Principles" published in the Official Gazette dated December 19, 2020 and numbered 31339 and the "Circular on Participation-Based Insurance and Private Pension Activities" dated April 1, 2021 and numbered 2021/3.

As its participation insurance model, TCIP has adopted the Participation Insurance Türkiye Model, which is grounded in the applicable legal framework and supervised by an Advisory Committee. Under this model, only risks and matters deemed permissible under Islamic law are covered, and financial assets are managed in accordance with participation principles.

In this context, the Opinion of Compliance with Participation Principles, the Participation Insurance Authorization Certificate, and the Reinsurance Authorization Certificates have been obtained, which are publicly available on TCIP's website.

MATTERS CONCERNING THE PARTICIPATION COMPLIANCE OFFICER

TCIP has appointed a compliance officer responsible for fulfilling the duties and responsibilities of the participation compliance unit.

MATTERS CONCERNING THE ADVISORY COMMITTEE AND COMMITTEE MEETINGS

The agreement was renewed for one year between TCIP and the Islamic Economic

TCIP launched its participation insurance activities in June 2021.

Research Foundation (İktisat Vakfı), an institution listed by the Insurance and Private Pension Regulation and Supervision Authority (SEDDK) as authorized to provide external advisory committee services. Within TCIP's organizational structure, the Advisory Committee is linked to the Board of Directors without forming a hierarchical relationship. Advisory committee meetings are held monthly with full attendance of its members. Outside of scheduled meetings, the Advisory Committee is available for consultation as needed.

CERTIFICATION AND INTERNAL AWARENESS OF PARTICIPATION PRINCIPLES

Personnel involved in participation-related functions at TCIP have completed the "Mandatory Training Program on Participation-Based Insurance and Private Pension System (PPS)" delivered by the Insurance Training Center (SEGEM), and have received their certificates.

In addition, annual renewal training programs organized by the relevant institution are followed to maintain the validity of these certifications.

MATTERS CONCERNING INTERNAL AUDITING AND REPORTING ON PARTICIPATION

The 2024 Internal Audit Report on Participation will include findings and evaluations regarding the criteria outlined in the participation audit guide as well as assessments on the alignment of internal processes with decisions made by the Advisory Committee and their compliance with participation principles.

Accordingly, the internal audit plan for 2024 has been prepared.

MATTERS CONCERNING PRODUCTS AND DISCLOSURE FORMS

The participation-based pool was initiated with policies issued on or after June 1, 2021. Only premiums collected through companies engaged exclusively in participation insurance (Neova Katılım Sigorta A.Ş., Bereket Sigorta A.Ş., HDI Katılım Sigorta A.Ş., and Türkiye Katılım Sigorta A.Ş.) are recognized as participation-based premiums.

TCIP has added explanatory notes to policies issued through the system, indicating that the products and services were provided in accordance with participation principles. The term "Participation" has been included in the titles of all policies issued under this model. Additionally, policyholders are directed to the Information and Warning Form and provided with access to detailed information on participation insurance through the website www.dask.gov.tr.

The website also features details of Advisory Committee members, the Committee's opinion of compliance regarding whether products, services, and financial operations are conducted

Premiums from policies issued by insurance companies and intermediaries engaged in participation insurance are reported through the system each month following the close of the accounting period.

in line with participation principles, and relevant legislation on Participation Insurance. Furthermore, monthly reports are submitted to the Insurance Association of Türkiye.

POLICY PRODUCTION AND PREMIUM COLLECTION

Premiums from policies issued by insurance companies and intermediaries engaged in participation insurance are reported through the system each month following the close of the accounting period. Each month, a cover letter and account summary are prepared, and the policy premiums produced are reported to the insurance companies engaged in participation insurance. These companies are then requested to transfer the final amounts to the pre-established Participation Pool accounts. The relevant amounts are monitored through current accounts opened specifically for companies engaged in participation insurance activities.

As of 31.12.2024, details regarding policy and premium production of Participation Insurance Companies can be described as follows:

NUMBER OF POLICIES	BEREKET SİGORTA A.Ş.	HDI KATILIM SİGORTA A.Ş.	NEOVA KATILIM SİGORTA A.Ş.	TÜRKİYE KATILIM SİGORTA A.Ş.	TOTAL
Jan.24	12,822	1,745	30,616	1,597	46,780
Feb.24	16,837	2,006	40,736	1,412	60,991
March.24	16,574	3,249	37,446	2,222	59,491
Apr.24	11,463	3,014	24,761	2,191	41,429
May.24	13,193	1,818	30,920	3,304	49,235
June.24	12,930	2,532	31,886	5,000	52,348
Jul.24	15,144	3,455	34,869	6,682	60,150
Aug.24	15,356	4,309	36,080	8,587	64,332
Sep.24	13,911	2,700	34,120	8,692	59,423
Oct.24	13,834	1,505	34,720	7,356	57,415
Nov.24	16,181	1,134	36,096	6,975	60,386
Dec.24	15,324	1,183	38,308	9,071	63,886
Total 2024	173,569	28,650	410,558	63,089	675,866

POLICY PREMIUM (TRY)	BEREKET SİGORTA A.Ş. (TRY)	HDI KATILIM SİGORTA A.Ş. (TRY)	NEOVA KATILIM SİGORTA A.Ş. (TRY)	TÜRKİYE KATILIM SİGORTA A.Ş. (TRY)	TOTAL (TRY)
Jan.24	21,933,348	2,700,451	33,321,064	3,117,358	61,072,222
Feb.24	17,913,013	2,188,394	40,920,948	1,579,681	62,602,036
March.24	18,453,891	3,654,449	38,232,779	2,472,489	62,813,607
Apr.24	12,974,350	3,416,675	26,076,331	2,421,936	44,889,292
May.24	15,098,772	2,118,546	33,310,700	3,692,975	54,220,992
June.24	15,514,069	2,977,318	35,972,451	5,729,904	60,193,742
Jul.24	18,404,524	4,095,086	39,264,745	7,914,102	69,678,456
Aug.24	18,797,905	5,057,021	40,680,009	10,178,806	74,713,741
Sep.24	17,375,030	3,468,962	39,042,963	10,511,325	70,398,279
Oct.24	17,906,992	2,001,442	41,049,688	9,415,398	70,373,519
Nov.24	21,294,007	1,556,461	43,592,564	8,899,723	75,342,754
Dec.24	19,877,698	1,586,020	47,034,674	11,394,299	79,892,690
Total 2024	215,543,599	34,820,823	458,498,915	77,327,992	786,191,330

MATTERS CONCERNING MANAGEMENT OF FUNDS AND POOL ACCOUNTS

Policy premiums received from companies operating on a participation basis are managed by TCIP through separate funds, pools, or accounts, in accordance with participation principles. Monthly account summaries of companies conducting participation insurance activities are maintained as separate records.

In managing the fees for products and services sold through participation-based companies, TCIP adheres to participation principles in the selection and evaluation of investment assets, as

well as in cash management processes. During the relevant period, financial assets received from participation-based companies were placed into participation accounts with varying maturities.

All necessary measures have been taken to prevent any intermingling of inflows and outflows to and from funds, pools or accounts related to participation insurance with those of non-participation activities. Separate accounting records have been established specifically for participation insurance operations.

CLAIM PROCEDURES

The separation applied during the issuance of policies under participation insurance is also implemented in claim system reporting and general control steps.

The processing of claim files arising from these policies follows the same procedures as conventional claims, including claims files creation, appointment of loss adjusters and the expert review process, claim investigations, submission of missing documents, and claim closure/payment processes.

Claim payments are made from a dedicated pool that collects premium amounts from participation insurance policies. Payments are made via bank transfer to the policyholder's IBAN and name.

At the end of each month and year, transaction-level reconciliations are conducted on each account.

MATTERS CONCERNING REINSURANCE ACTIVITIES

According to the Advisory Committee's opinion based on Islamic legal principles regarding reinsurance practices under participation insurance, the Turkish Catastrophe Insurance Pool (TCIP) is permitted to operate as follows: "TCIP must first seek to work with Participation Reinsurance companies, provided such companies exist and can meet the need. If Participation Reinsurance companies are unable to adequately cover the potential risks of the Participation Pool, due to capacity limitations or pricing constraints, then TCIP may work with national and domestic reinsurance companies. If this also proves unfeasible, then, under the principle of necessity, TCIP may engage with other Reinsurance companies. Such operation complies with the Participation Insurance principles."

REINSURANCE SHARES	CONVENTIONAL	PARTICIPATION
REINSURANCE COSTS	94%	6%
BROKER COSTS	94%	6%

In 2024, due to the low volume of collected participation funds, the limited number and capacity of participation reinsurance companies, and the absence of similar structures in the surrounding geographic region, TCIP was unable to secure a dedicated participation reinsurance protection that would offer optimal benefit and meet the needs of its participation portfolio. However, a cost-based allocation was made in the reinsurance structure, with 94% designated as conventional and 6% as participation-based, as shown in the table above.

To manage the risks of the TCIP Participation Pool, the 2024–2025 TCIP reinsurance program was completed through a combination of international reinsurance companies and national and domestic insurance and reinsurance companies.

01.01.2024 - 31.12.2024 DISCLOSURE ON PARTICIPATION INSURANCE

NUMBER OF COMPANIES OPERATING ON A PARTICIPATION BASIS	4
COMPANIES OPERATING ON A PARTICIPATION BASIS	Neova Katılım Sigorta A.Ş., Bereket Sigorta A.Ş., Türkiye Katılım Sigorta A.Ş., HDİ Katılım Sigorta A.Ş.
TCIP FUND VOLUME	TRY 16.2 billion
PARTICIPATION FUND VOLUME	TRY 401,944,699
SHARE OF PARTICIPATION FUND	2.48%
TOTAL NUMBER OF POLICIES IN THE RELEVANT PERIOD	11,253,213
NUMBER OF PARTICIPATION POLICIES IN THE RELEVANT PERIOD	675,866
SHARE OF PARTICIPATION POLICIES	6.1%
TOTAL POLICY PREMIUM IN THE RELEVANT PERIOD	TRY 13,120,780,273
PARTICIPATION POLICY PREMIUM IN THE RELEVANT PERIOD	TRY 786,191,330
SHARE OF PARTICIPATION POLICY PREMIUM	6%
NUMBER OF STAFF IN THE PARTICIPATION COMPLIANCE UNIT	1
NUMBER OF ADVISORY COMMITTEE MEMBERS	4
FILES WITH CLAIM PAYMENTS	6,296
TOTAL AMOUNT OF CLAIM PAYMENTS	TRY 290,251,230.84

MUĞLA/DATÇA

REINSURANCE COVERAGE

MUĞLA/FETHİYE

ANTALYA

• REINSURANCE COVERAGE

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** The cities listed were visited between August 1–4, 2024, as part of the TCIP Truck Project.*

REINSURANCE COVERAGE

Since its establishment, TCIP has prioritized the following key considerations in developing its claim payment capacity and reinsurance program:

- Supporting the growth of institutional resources,
- Establishing a high-quality and reliable panel of reinsurers,
- Ensuring diversification of coverage types, and
- Accurately identifying the potential claim burden of the portfolio and securing the necessary protections accordingly.

The Kahramanmaraş Earthquakes provided a painful but clear demonstration of the importance of these criteria. For the first time in TCIP's history, "Excess of Loss" reinsurance agreements were triggered following the earthquakes, providing a significant source of funds for claim payments. As of November 2024, TCIP had made approximately TRY 39.2 billion in claim payments to its policyholders in response to these earthquakes. The rapid response of reinsurers included in the placement was instrumental in enabling such a large amount to be paid in a record time of about six months. In this regard, TCIP passed a critical test with notable success, and the adequacy of its reinsurance placement, the responsiveness of its reinsurers, and the preparedness and sufficiency of its internal funds for potential future earthquakes were all proven effective following two disasters of unprecedented magnitude, referred to by many as the catastrophe of the century.

TCIP's total claims payment capacity, consisting of institutional funds and reinsurance coverage, is approximately TRY 355 billion.

REINSURANCE PROTECTION RENEWED

Despite the significant losses borne by reinsurers after the earthquakes, TCIP successfully renewed its reinsurance agreements for the 2024–2025 period, continuing its efforts to maintain coverage diversity and cost efficiency.

The 2024 reinsurance program was renewed in consideration of both cumulative risk increases and post-earthquake cost escalations, and tailored to the specific characteristics of the current portfolio. TCIP's total claim payment capacity has reached approximately TRY 355 billion, supported by a combination of internal funds and excess of loss reinsurance agreements, which include structured reinsurance solutions. The Institution regularly monitors liabilities arising from its policies and establishes reinsurance protection accordingly, using reliable earthquake loss modeling results.

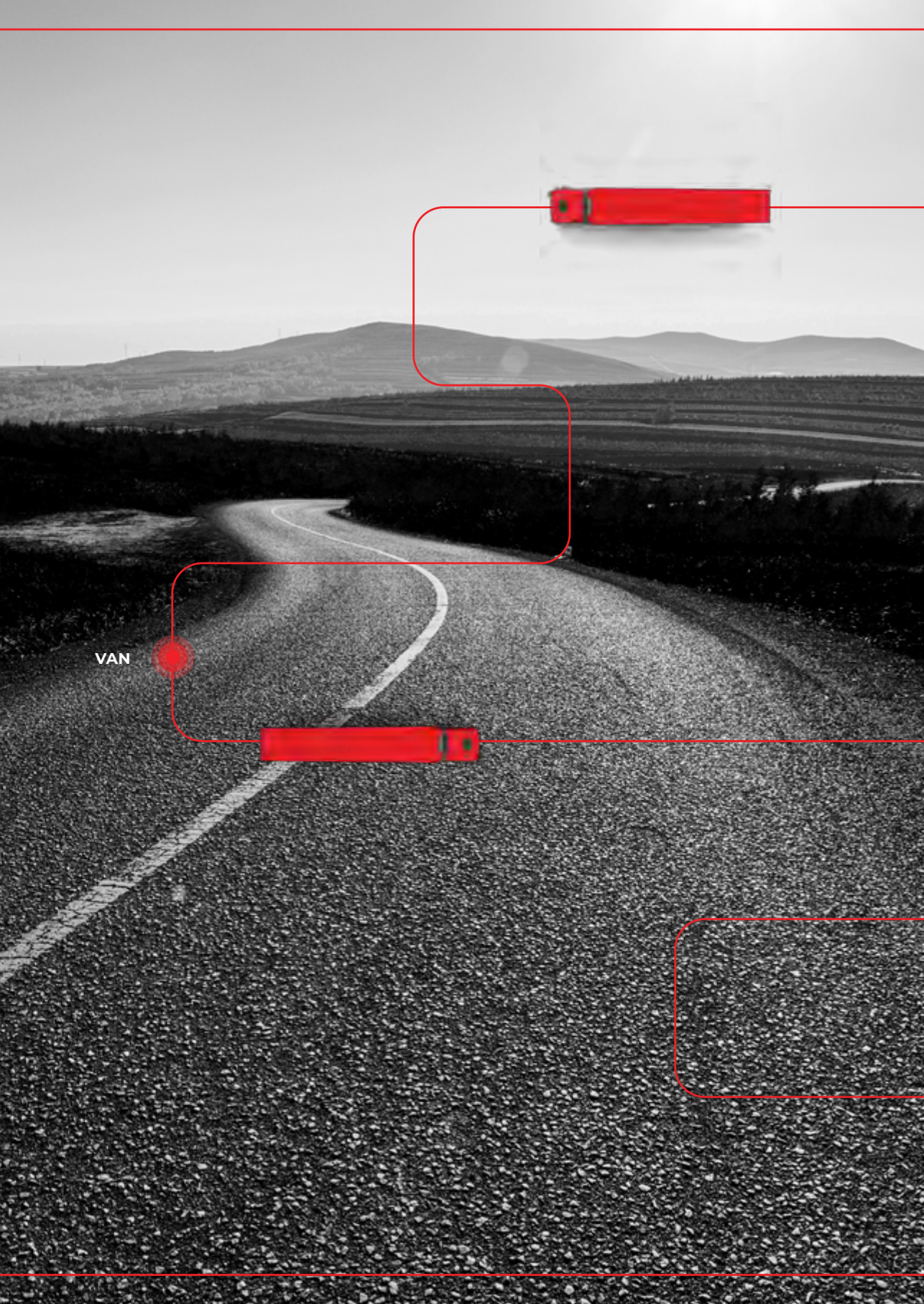
While the growing need for additional capacity is largely met through traditional reinsurance markets, TCIP continues to explore capital market instruments, particularly catastrophe bonds, to address its future needs. TCIP remains committed to diversifying the types and sources of its financial instruments by region, market, and product category, in order to strengthen its claim payment capability. In doing so, the Institution also strives to integrate alternative risk transfer instruments into its program in a competitive and strategic manner, ensuring that such efforts do not negatively impact the traditional reinsurance capacity allocated to Türkiye's earthquake risk.

THE GROWING NEED FOR ALTERNATIVE REINSURANCE MARKETS

Amid rising global inflation and interest rates, the cost of traditional reinsurance continues to climb. In response, TCIP is actively assessing the potential of alternative reinsurance markets, including the use of Catastrophe Bonds and similar instruments.

Given current global and domestic economic conditions, it is expected that the demand for such solutions will continue to rise in both Türkiye and around the world. TCIP closely monitors structured reinsurance solutions and, when appropriate, evaluates their potential to expand market supply, meet its growing capacity needs, and achieve optimum cost efficiency.

Following the Kahramanmaraş Earthquakes, TCIP paid approximately TRY 39.2 billion in claims payment to its policyholders as of November 2024.



VAN

HAKKARİ

FUND MANAGEMENT

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** The cities listed were visited between
October 14–19, 2024, as part of the TCIP Truck Project.*

FUND MANAGEMENT

6.1 GENERAL

A LONG-TERM, STABLE GROWTH-ORIENTED
FUND MANAGEMENT APPROACH:

The total value of TCIP's financial portfolio reached TRY 16.220 billion as of December 31, 2024, marking an increase of TRY 3.568 billion compared to TRY 12.652 billion at the beginning of the year. TCIP Participation Insurance, which was introduced into the TCIP portfolio on September 1, 2021, accounted for TRY 402 million as of December 31, 2024, representing 2.48% of the total portfolio value.

In 2023, the funds of the Institution were managed by decisions made by the TCIP Board of Directors as it has been in previous periods, as per:

- 1. LAW REGULATING PUBLIC FINANCE AND DEBT MANAGEMENT [No.: 28622 Thursday, April 18, 2013]
- 2. Additional Article 1 of the REGULATION ON THE OPERATING PROCEDURES AND PRINCIPLES OF THE BOARD OF DIRECTORS OF THE TURKISH CATASTROPHE INSURANCE POOL (TCIP) [O.G. Date: Wednesday, 15/08/2012, Issue: 28385]
- 3. Regulation on Insurance and Private Pension Operations within the Framework of Participation Principles published in the Official Gazette dated 19.12.2020 numbered 31339. The Participation Basis is managed within the scope of Circular No. 2021/3 on Insurance and Private Pension Operations.

The fund size increased 28% compared to the previous year, to TRY 16.219.547.951 as of 31.12.2024.

The TCIP Financial portfolio is directly managed by the TCIP Technical Operator in accordance with the relevant articles of the above- mentioned legislation, in line with the principles of:

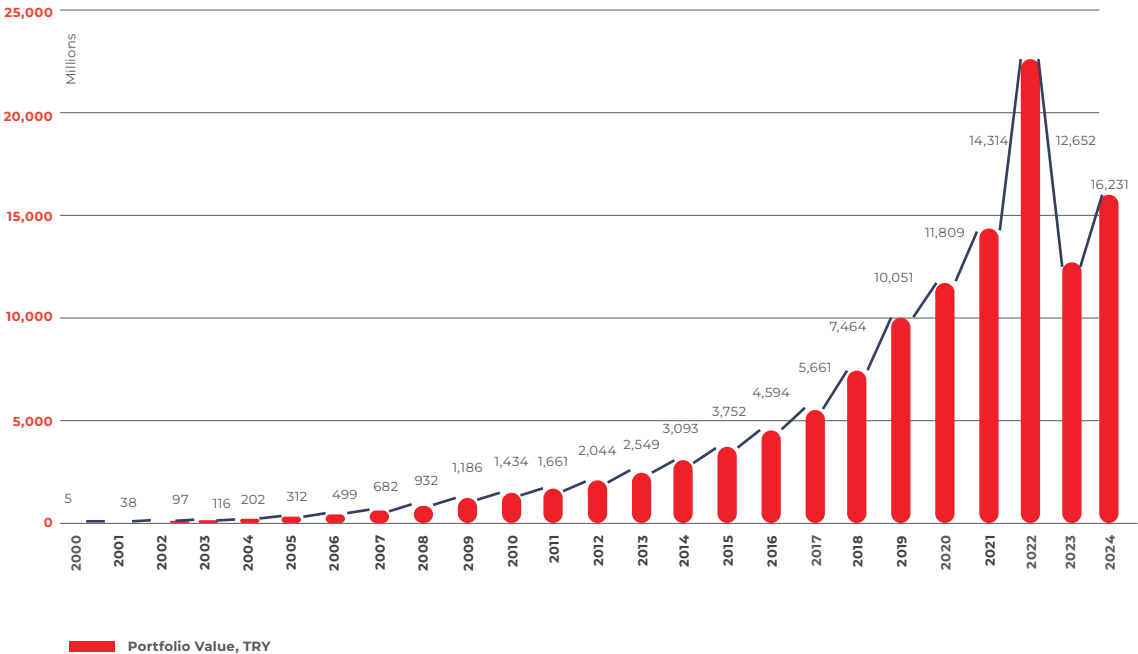
- 1. "Diversification of risk"
- 2. "Protection of assets"

The fund size increased 28% compared to the previous year, to TRY 16.219.547.951 as of 31.12.2024.

INVESTMENT EARNINGS DEVELOPMENT: As of year-to-date, financial income increased by TRY 2.460 billion from private sector bonds and government securities; by TRY 1.203 billion from deposits and stock exchange money markets; by TRY 413 million from mutual funds; by TRY 295 million from equities; and by TRY 424 thousand from repos. After deducting TRY 282 million in withholding tax and adding TRY 226 million in foreign exchange gains, the net financial investment income amounted to TRY 4.316 billion.

DEVELOPMENT OF PARTICIPATION
INVESTMENT EARNINGS: Participation funds amounted to TRY 82,792 million as of 31.12.2022 and TRY 402 million as of 31.12.2024. Income from exclusively participation investments, amounted to TRY 51.048 million.

2000-2024 TCIP FUND VALUE



DISTRIBUTION OF FUNDS BY TYPE OF INVESTMENT INSTRUMENTS, 2000–2024

YEAR	PORTFOLIO VALUE TRY	DEPOSITS AND MONEY MARKET	%	FIXED INCOME SECURITIES	%	OTHER	%
2000	5,215,999	1,633,640	31%	3,569,688	68%	12,671	0%
2001	38,222,985	32,080,730	84%	6,030,809	16%	111,446	0%
2002	97,331,470	70,079,665	212%	26,252,898	27%	998,907	1%
2003	116,025,753	63,373,633	55%	51,084,849	44%	1,567,271	1%
2004	202,232,650	80,940,497	40%	115,483,686	57%	5,808,467	3%
2005	311,559,315	206,235,410	66%	104,244,548	33%	1,079,358	0%
2006	499,463,532	409,962,055	82%	89,500,583	18%	893	0%
2007	681,508,659	579,947,288	85%	98,265,366	14%	3,296,005	0%
2008	931,934,659	842,084,206	90%	84,764,350	9%	5,086,103	1%
2009	1,186,378,964	944,737,214	80%	237,600,393	20%	4,041,356	0%
2010	1,433,659,436	1,179,029,221	82%	250,382,589	17%	4,247,626	0%
2011	1,660,681,919	1,552,648,290	93%	96,291,663	6%	11,741,967	1%
2012	2,044,378,962	1,893,441,852	93%	81,516,910	4%	69,420,198	3%
2013	2,548,632,255	2,322,418,804	91%	183,633,422	7%	42,580,029	2%
2014	3,092,692,979	2,031,866,840	66%	633,645,708	20%	427,180,431	14%
2015	3,751,625,078	3,077,840,374	82%	668,974,812	18%	4,809,892	0%
2016	4,593,502,668	2,025,336,271	44%	1,360,355,203	30%	1,207,811,194	26%
2017	5,661,382,923	1,039,402,024	18%	4,599,576,786	81%	22,404,113	0%
2018	7,463,751,074	2,146,588,505	29%	5,079,590,224	68%	237,572,345	3%
2019	10,050,691,831	981,608,086	10%	8,787,108,185	87%	281,975,561	3%
2020	11,808,563,159	1,018,987,231	9%	10,110,425,561	86%	679,150,367	6%
2021	14,313,604,636	1,787,646,076	12%	11,581,476,363	81%	944,482,198	7%
2022	22,734,415,493	1,669,069,563	7%	20,084,950,220	88%	980,395,710	4%
2023	12,651,999,390	5,768,933,150	46%	6,738,152,054	53%	144,914,186	1%
2024	16,231,351,546	4,196,057,636	26%	3,851,443,143	24%	8,183,850,767	50%

6.2 GENERAL FUND MANAGEMENT
PHILOSOPHY OF THE INSTITUTION

- As in previous years, the key elements have primarily been liquidity, high returns, and ensuring the security of the principal,
- Achieving steady, permanent growth in fund size by adhering to risk levels determined by accurately interpreting information, accurate timing, and effective decision-making processes,
- Developing new innovative, pioneering products that increase returns in line with the economic conjuncture, organizational culture, and structure.
- Investing participation investments in instruments approved by the Advisory Committee, taking into account the regulations of the Insurance and Private Pension Regulatory and Supervisory Authority (IPRSA) and the Public Treasurer Regulation.
- The Institution manages the financial assets from companies operating on a participation basis through separate funds, pools, or accounts, within the framework of participation principles. Monthly account statements of companies engaged in Participation Insurance activities are kept separately.
- To manage fees for products and services sold through companies operating on a participation basis, the Agency acts within the framework of participation principles in the selection and use of assets to be invested and in cash management. For the relevant period, financial assets received from companies operating on participation basis were invested in participation accounts with varying maturities.
- Payments made for products and services sold through companies operating on a participation basis, and other financial activities in this context, are carried out within the framework of participation principles. Necessary measures have been taken to ensure that the transfers into and out of funds, pools, or accounts related to participation insurance are not mixed with funds, pools, and accounts that don't belong to participation insurance.

TCIP's core fund management philosophy prioritizes the security of principal, liquidity, and a reasonable return relative to risk.

6.2.1 FUND MANAGEMENT COMMITTEES

The Investment Committee was established in 2011 to manage the growing fund more actively and effectively, and it continued to do so in 2024.

The Investment Committee is responsible for preparing the annual “Investment Plan”, monitoring the markets in relation to the purchase and sale of investment instruments in accordance with the investment plan approved by the Board of Directors, foreign currency purchases and sales, and participation in government securities auctions and all similar transactions, as well as negotiating with other financial institutions and performing all operational procedures. It also evaluates the performance of the Technical Operator and portfolio management companies against the benchmark specified in the annual investment plan. This committee evaluates the data, benchmark change requests, and strategy changes of asset management companies.

The Investment Committee oversees the implementation of the annual Investment Plan, takes the necessary management decisions based on developments during the year, and monitors the investment process and operations.

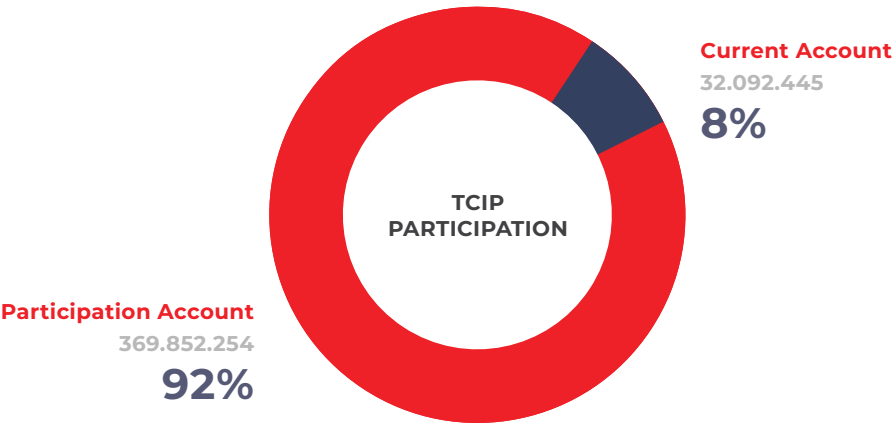
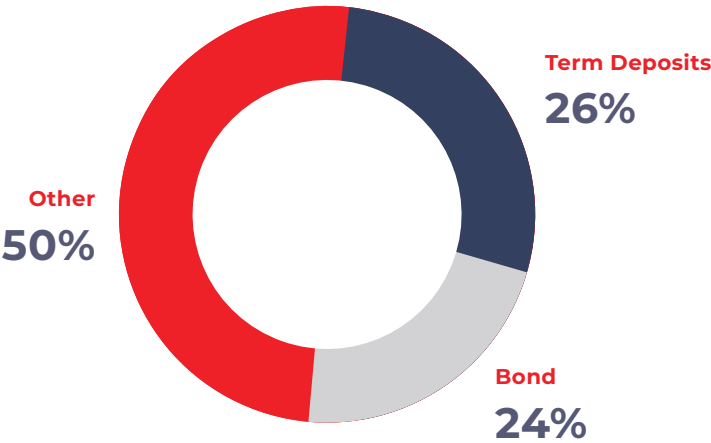
Among the main responsibilities of the Investment Committee are making managerial decisions in response to developments throughout the year and overseeing and evaluating the overall investment process and operations.

6.2.2 INVESTMENT STRATEGIES TO PRESERVE HIGH PORTFOLIO VALUE

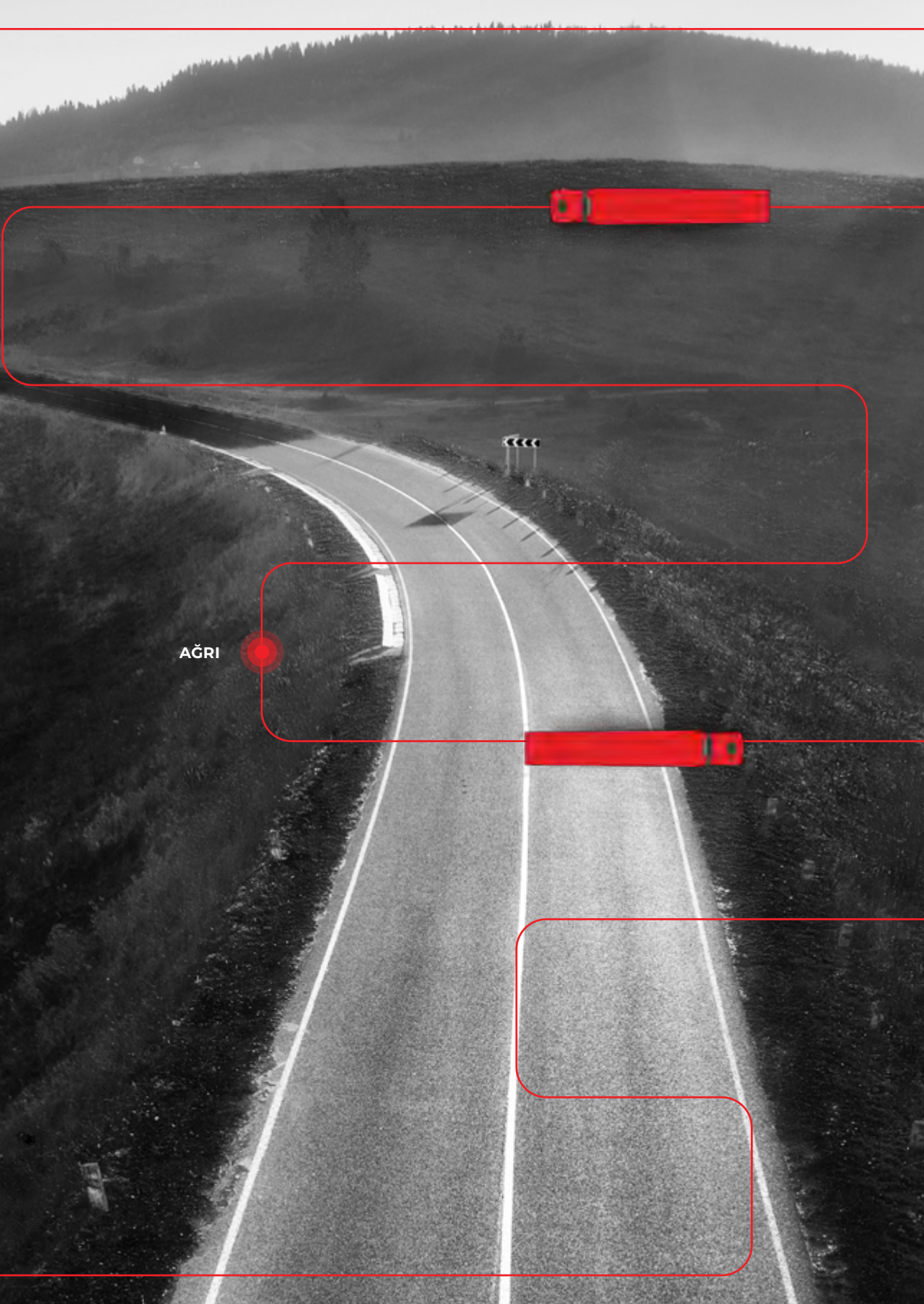
The Investment Committee closely monitors money and capital markets and seeks to achieve optimal returns based on the level of risk taken, by diversifying the types and maturities of investments, all within acceptable risk limits.

In line with the Investment Strategy established at the beginning of 2024, the distribution of the fund by type of investment has been shaped primarily by market conditions. The portfolio has included time deposits, government bonds, mutual funds, equities, money market instruments, and, to a limited extent, foreign currency time deposits based on liability structure.

For the year 2024, participation funds have been invested through participation accounts.



TCIP	PARTICIPATION	%	CURRENT ACCOUNT	%
2021	29,377,725	100%	66	0%
2022	79,844,514	96%	2,947,633	4%
2023	8,352,587	33%	16,917,020	67%
2024	369,852,254	92%	32,092,445	8%



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CLAIMS MANAGEMENT

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** The cities listed were visited between October 20-25, 2024, as part of the TCIP Truck Project.*

CLAIMS MANAGEMENT

CLAIMS PAYMENTS IN 2024

Since its establishment, the TCIP has paid TRY 41.589 billion in losses for a total of 681,888 claims related to 1,130 earthquakes that caused damage.

01.01.2024- 31.12.2024 (CLAIMS NOTIFICATION DATE)

Total number of claim notifications: 47,173
Number of files concluded: 37,651
Number of claims paid: 23,989
Total amount of claims payments: TRY 446,723,809

CLAIMS PAYMENTS BY YEAR (31.12.2024)			
YEAR	NUMBER OF EARTHQUAKES	NUMBER OF FILES	PAYMENT (TRY)
2000	1	6	23,022
2001	17	336	126,052
2002	21	1,558	2,292,146
2003	20	2,504	5,203,990
2004	31	587	768,927
2005	41	3,489	8,134,352
2006	23	500	1,303,673
2007	42	997	1,492,767
2008	45	496	2,060,526
2009	37	268	525,174
2010	37	461	936,100
2011	42	7,936	146,285,153
2012	56	1,667	5,969,731
2013	23	174	964,858
2014	37	831	4,802,426
2015	33	299	991,201
2016	27	204	895,661
2017	45	2,051	9,198,891
2018	54	246	1,192,874
2019	93	9,471	87,400,423
2020	164	59,857	1,060,031,399
2021	108	2,758	37,537,755
2022	106	19,587	213,844,837
2023	18	541,616	39,590,667,523
2024	9	23,989	446,723,809
TOTAL	1,130	681,888	41,589,308,439

PAYMENTS MADE FOR EARTHQUAKES IN 2024

In 2024, a total of TRY 446,723,809 in claims payments was made for 23,989 claims files resulting from nine damage-causing earthquakes across the country.

DAMAGE-CAUSING EARTHQUAKES IN THE LAST TWO YEARS

FEBRUARY 6, 2023 – 7.7 MAGNITUDE KAHRAMANMARAŞ-PAZARCIK EARTHQUAKE / FEBRUARY 6, 2023 – 7.6 MAGNITUDE KAHRAMANMARAŞ-ELBISTAN EARTHQUAKE

Following the Kahramanmaraş Earthquakes, a total of 628,578 claims files were opened. By the end of 2024, 611,669 of these were concluded.

As of December 31, 2024, the operational summary for the Kahramanmaraş Earthquakes is as follows:
Total number of claims notifications: 628,491
Number of provinces where claims were received: 38
Number of claims paid: 523,285
Total amount of claim payments: TRY 39,207,987,688

- The Kahramanmaraş Earthquakes represent the most significant damage-causing disaster since the establishment of TCIP.
- Immediately after the earthquakes, full-scale operations were launched at the **TCIP Ankara Disaster Management Center (OYM)**, with the participation of teams from Istanbul. TCIP management also arrived in the disaster zone on the same day.

- Claims payments began within the first **24 hours following the earthquakes**. A total of 482,325 files were processed and paid within just four months.
- Beginning on the day of the disaster, coordination efforts were initiated with key institutions including the Ministry of Environment, Urbanization and Climate Change, the Insurance and Private Pension Regulation and Supervision Authority (SEDDK), the Banking Regulation and Supervision Agency (BRSA), the General Directorate of Land Registry and Cadastre (TKGM), the Directorate General of Civil Registration and Citizenship Affairs, and the Insurance Adjusters Executive Committee (SEİK) of the Union of Chambers and Commodity Exchanges of Türkiye (TOBB).
- To support uninterrupted access and timely processing of claims, the TCIP Hotline (125), IVR system, E-Government, and www.dask.gov.tr were all activated to operate 24/7. Over 600,000 claim notifications were successfully processed via these channels.
- Regarding the damaged buildings, damage assessments and claim payments were based on loss adjuster evaluations as well as determinations made by the Ministry of Environment, Urbanization and Climate Change. TCIP systems were updated to enable automatic data matching.
- A training program was launched for both existing and newly appointed loss adjusters. Introductory and renewal trainings were held as part of this effort. In addition, under the Consultant Adjuster model, additional expert staff were trained to guide adjusters in using the TCIP Mobile Application more effectively and were assigned to support the Kahramanmaraş operation.

- Data from the Spatial Address Registration System (MAKS), obtained from the Directorate General of Civil Registration and Citizenship Affairs under the Ministry of Interior, was integrated into TCIP systems. This integration enabled high-accuracy matching between Compulsory Earthquake Insurance policies and the damage assessments provided by the Ministry. Further, building coordinates and high-resolution satellite imagery captured after the earthquake were used to identify destroyed buildings on digital maps and support operational planning.
- With the integration of title deed records for provinces under the State of Emergency, obtained from the General Directorate of Land Registry and Cadastre, automatic determination of entitlement became possible, which was followed by the activation of automated claim payment procedures.
- To provide financial support to citizens, advance payments were made based on claims files.
- Additional actions were taken to notify policyholders and obtain feedback. Moreover, e-Government and GSM operators were used to deliver necessary messages.
- When claims payments had been transferred to banks but the required payment password had not been accessed, services were made available via e-Government to help beneficiaries retrieve passwords.
- Due to the high volume of applications, a new service called “My Message to TCIP” was launched on www.dask.gov.tr, allowing citizens to easily send their requests, complaints, or suggestions.
- Thanks to rapid planning, decision-making, and operational execution that began on the very day of the earthquakes, a significant portion of the Kahramanmaraş claims operation was completed within six months.

Distribution of Kahramanmaraş Earthquake claims payments by insurance company that issued the policy:

COMPANY	CLAIMS FILES	CLAIMS PAID (TRY)
TÜRKİYE SİGORTA A.Ş.	170,458	12,853,477,403
AK SİGORTA A.Ş.	52,354	3,850,158,151
ALLIANZ SİGORTA A.Ş.	34,387	2,678,954,346
ANADOLU SİGORTA	32,018	2,674,161,976
NEOVA KATILIM SİGORTA A.Ş.	26,144	1,951,567,916
DOĞA SİGORTA A.Ş.	26,675	1,835,429,648
RAY SİGORTA A.Ş.	19,607	1,492,151,370
ANKARA SİGORTA A.Ş.	17,754	1,327,994,607
HDI SİGORTA A.Ş.	15,374	1,201,187,849
EUREKO SİGORTA A.Ş.	14,647	1,072,135,828
BEREKET SİGORTA A.Ş.	13,759	1,043,527,731
ETHİCA SİGORTA A.Ş.	13,343	952,202,459
AXA SİGORTA A.Ş.	11,180	876,839,798
QUICK SİGORTA A.Ş.	11,386	802,341,695
GROUPAMA SİGORTA A.Ş.	9,687	736,865,302
SOMPO SİGORTA A.Ş.	9,352	692,920,226
KORU SİGORTA A.Ş.	9,203	657,078,877
MAPFRE SİGORTA A.Ş.	8,130	567,008,493
UNICO SİGORTA A.Ş.	4,909	377,159,156
ZÜRICH SİGORTA A.Ş.	4,222	338,422,674
ŞEKER SİGORTA A.Ş.	2,461	163,700,927
TÜRK NİPPON SİGORTA A.Ş.	2,691	155,895,218
GIG SİGORTA A.Ş.	1,970	153,362,614
ANA SİGORTA A.Ş.	2,224	149,365,071
GRI SİGORTA A.Ş.	2,203	122,781,034
CORPUS SİGORTA A.Ş.	1,537	93,646,609
GENERALİ SİGORTA A.Ş.	1,234	81,402,462
MAGDEBURGER SİGORTA A.Ş.	967	72,895,064
AVEON GLOBAL SİGORTA A.Ş.	1,141	72,637,278
ACN TURK SİGORTA A.Ş.	782	67,519,182
ORİENT SİGORTA A.Ş.	1,012	57,572,929
HDI KATILIM SİGORTA A.Ş.	123	14,358,943
S.S. ATLAS SİGORTA KOOPERATİFİ	205	12,594,378
PRİVE SİGORTA A.Ş.	105	5,045,001
AREX SİGORTA A.Ş.	61	3,488,640
TÜRKİYE KATILIM SİGORTA A.Ş.	10	1,459,248
TOTAL	523,285	39,207,987,688

Distribution of claim payments by province:

PROVINCE	CLAIMS FILES	CLAIMS PAID (TRY)
HATAY	87,016	10,662,024,286
MALATYA	75,220	7,918,235,152
KAHRAMANMARAŞ	79,562	5,829,435,424
GAZİANTEP	78,483	3,732,256,874
ADIYAMAN	30,784	3,227,608,396
OSMANİYE	26,873	1,791,585,173
ŞANLIURFA	41,894	1,673,368,809
ADANA	41,719	1,631,846,654
ELAZIĞ	21,561	1,240,521,178
DİYARBAKIR	18,017	802,339,872
KAYSERİ	10,785	339,565,585
KİLİS	5,212	165,906,762
MERSİN	2,441	52,097,901
NİĞDE	782	44,163,135
BİNGÖL	391	22,966,205
SİVAS	558	21,750,915
BATMAN	548	18,655,816
MARDİN	498	16,182,788
SİİRT	333	4,908,389
AKSARAY	74	2,441,534
TUNCELİ	57	2,320,500
DIĞER	477	7,806,343
TOTAL	523,285	39,207,987,688

OCTOBER 16, 2024 – 5.9 MAGNITUDE MALATYA-KALE EARTHQUAKE

• Following the 5.9 magnitude earthquake that struck Kale, Malatya on October 16, 2024, a total of 35,799 claim files were opened. As of the end of 2024, 28,958 of these files were concluded, with approximately TRY 300 million in claims payments disbursed.

The operational details of the October 16, 2024 Kale/Malatya earthquake as of December 31, 2024 are as follows:

Total number of claim notifications: 35,799
Number of provinces where claims were received: 8
- Malatya 21,682
- Elazığ 12,023
Total amount of claim payments; TRY 300,777,083

• The earthquake centered in Kale/Malatya on October 16, 2024 was felt in surrounding provinces, especially Malatya and Elazığ. Immediately after the event, TCIP teams launched a structured operational plan and began issuing claim payments within the first 48 hours.

- Inter-institutional coordination was initiated, and communication was established with the Ministry of Environment, Urbanization and Climate Change and regional loss adjusters to obtain initial assessments on the general damage situation. In parallel, TCIP coordinated with the Insurance Adjusters Executive Committee (SEİK) to initiate adjuster assignments and promptly began damage assessment activities.
- The earthquake-prone nature of the region contributed to a higher number of claims files in the region. In evaluating both new and previous damage, loss adjuster assessments and TCIP internal evaluations were conducted with heightened diligence.
- The Disaster Call Center was activated, and trained teams stationed in Ankara and Kars were deployed to respond to incoming calls.
- As with previous events, claim notifications were received through the TCIP Hotline (125) and IVR (Interactive Voice Response) system, with 40% of notifications submitted via IVR.
- Moreover, under an agreement reached with the Banking Regulation and Supervision Agency (BRSA), for dwellings with active mortgages or annotations on title records, claim payments below a certain threshold were paid directly to the beneficiaries.

7.1 LOSS ADJUSTER RESOURCES

Since its establishment, TCIP has prioritized loss adjuster training and increasing the number of loss adjusters to ensure that damage assessments are conducted accurately and promptly. Following the launch of TCIP’s new claims system and the mobile damage assessment application in 2016, a total of 316 loss adjusters have received introductory and renewal training aligned with the new procedures as of December 31, 2024.

Currently, damage assessments are still carried out by licensed insurance adjusters who operate in the Turkish insurance sector and are authorized in the fields of “Fire, Natural Disaster,

Accident and Theft”, as well as Engineering, all under assignment from TCIP.

In collaboration with the Ministry of Environment, Urbanization and Climate Change, TCIP Mobile Loss Adjustment Training and Earthquake Damage Assessment Training sessions have been held periodically to establish a shared methodology. TCIP places importance on ensuring that the maximum possible number of insurance adjusters are actively involved in field operations during earthquake events, to gain practical experience.

Under the Disaster Management Project, and recognizing that the existing number of loss adjusters may not be sufficient in the event of a major earthquake, TCIP has been working to increase the pool of adjusters. In this context, plans have been made to address the quantity and qualification levels of loss adjusters based on different earthquake scenarios and their expected damage levels.

TCIP also foresees that in large-scale disasters, the high volume of damage assessments could be managed through joint projects with other institutions. In addition to insurance adjusters, civil engineers and architects working within local administrations may also serve as a resource for damage assessment. To support this need, a protocol was signed with the Ministry of Environment, Urbanization and Climate Change to utilize ministry personnel, and related preparatory work was initiated. Due to the major earthquakes of 2023, this project was temporarily suspended, but consensus was reached with the Ministry to resume the initiative after the emergency period. Within the scope of the 2024 plan, it was aimed that both the Ministry and TCIP use a shared methodology for damage assessment, with results to be mutually applicable. Accordingly, technical software development for this implementation was initiated. Software development on

TCIP's side has begun, and the Ministry has commenced discussions with vendors for their corresponding software solution.

7.2 DISASTER MANAGEMENT

7.3 COMPULSORY DISASTER INSURANCE INITIATIVES

In the summer of 2021, successive floods, landslides, and forest fires in different regions of Türkiye, exacerbated by global warming and climate change, led to the initiation of efforts to transform the Compulsory Earthquake Insurance (CEI) into a Compulsory Disaster Insurance (CDI).

The impacts of climate change have been increasingly felt in Türkiye, especially in summer 2021, when the Black Sea region was severely affected by floods, landslides, and forest fires, followed by widespread forest fires in the Aegean and Mediterranean regions.

The increasing impact of these climate-related disasters made it necessary to prioritize efforts to include multiple types of natural disasters within the scope of compulsory insurance. As part of this initiative, a team of academics specializing in related fields was assembled. This team developed a roadmap and methodology for the preparation of tariffs for flood and landslide risks, the most frequent and economically impactful disaster types, along with data requirements and potential institutional sources for acquiring this data.

For flood tariffs, the Flood Risk Management Plans prepared for 23 out of 25 basins across Türkiye by the General Directorate of Water Management (SYGM) under the Ministry of Agriculture and Forestry were used, including maps on floodwater heights. For landslide tariffs, AFAD's Landslide Sensitivity maps and Landslide Inventory maps were utilized.

To ensure faster integration with the CEI policy production system, it was decided that the tariff work would be carried out at the neighborhood scale. Potential flood damage to residential buildings was estimated based on projected flood depths for events with return periods of 50, 100, and 500 years. Neighborhood-level pure premiums (i.e., annual average loss ratios), which form the basis for the tariff structure and pricing, were calculated. Similarly, for the landslide tariff, pure premiums were calculated for each neighborhood using landslide inventory and susceptibility maps, along with probabilistic modeling approaches.

Using the CEI building inventory, shared building typologies were developed to be used for both tariffs, and financial loss estimates were calculated based on the CEI portfolio. Following the calculation of pure premiums, actuarial studies were conducted to determine the final tariff prices, and a risk categorization was also created for each neighborhood in Türkiye, covering both flood and landslide risks. The tariff structure and tariff premiums were finalized through additional work on product design and claims processes.

Due to ongoing studies on the Marmara and Meriç-Ergene Basins, which together are home to approximately 40% of Türkiye's population and a significant share of its building stock, Flood Depth and Flood Extent Maps could not yet be obtained from the General Directorate of Water Management (SYGM). To complete the nationwide flood tariff, a second project was launched to rapidly identify flood-prone areas and calculate flood depth data for the Marmara and Meriç-Ergene basins.

As of early 2023, significant progress had been made in shaping the coverage structure and regulatory framework of the Compulsory Disaster Insurance (CDI). While work continued

on the claims management software and Policy/Production systems, the legislative process also approached finalization. However, following the Kahramanmaraş earthquakes of February 6, 2023, which became the country's top priority, including for TCIP and all other relevant institutions, the pace of CDI development was temporarily impacted.

Once the intensity of post-earthquake operations subsided, the second project resumed, resulting in the identification of flood extent zones and corresponding flood depths for the Marmara and Meriç-Ergene basins. The completion of the second project made it possible to calculate neighborhood-level pure premiums in these basins and thereby finalize tariff pricing. During this period, revisions and refinements were also made to the landslide tariff, and both tariffs were brought to their final form.

At the end of 2023, the Insurance and Private Pension Regulation and Supervision Authority (SEDDBK) completed its evaluation of the Compulsory Disaster Insurance coverage structure and regulatory framework, and opened the General Terms and tariff of CDI for consultation with the insurance sector and public institutions. In the first half of 2024, necessary adjustments were made to the legislation and tariff based on feedback received from the sector and public institutions, while the development of the production and claims management systems also continued in parallel. In 2024, all work related to the Natural Disaster Insurance Law No. 6305, the CDI General Terms, and the CDI Tariff was completed, and the launch of the CDI now awaits the issuance of the relevant legal regulation.

7.4 WORLD FORUM OF CATASTROPHE PROGRAMS (WFCP) MEETING (WORLD FORUM OF CATASTROPHE PROGRAMS – WFCP)

The World Forum of Catastrophe Programs (WFCP) is a voluntary platform established in 2006 following a meeting of senior executives from various national catastrophe insurance programs during the Centennial Conference of the San Francisco Earthquake. The Forum was created to facilitate the voluntary exchange of ideas, expertise, and best practices among government-established or government-supported insurance programs covering natural disasters.

Public sponsorship for these programs varies significantly, involving both state-owned and private entities operating at national, subnational, or even supranational levels. This diversity is also reflected in the scope of risks covered (from single peril to multi-peril), the roles assumed (as insurer or reinsurer), and the types of coverage provided (residential, commercial, industrial property, personal injury, etc.).

From September 18 to 20, 2024, the **Turkish Catastrophe Insurance Pool (TCIP)** hosted the 17th WFCP meeting in Istanbul for the first time, following many years of membership in the Forum. The event was attended by senior executives and experts from member institutions including: Australian Reinsurance Pool Corporation (Australia), Danish Natural Hazards Council (Denmark), Caisse Centrale de Réassurance (France), Flood Re (United Kingdom), Consorcio de Compensación de Seguros (Spain), Association of Public Insurers for Real Estate and Swiss Earthquake Pool (Switzerland), National Catastrophe Insurance of Iceland (Iceland), Norwegian Natural Perils Pool (Norway), PAID Romania (Romania), Taiwan Residential Earthquake Insurance Fund (Taiwan), and Natural Hazards Commission (New Zealand).

Observer guests also joined from Earthquake Damage Organisation (Switzerland) and Public Safety Canada.

Representing TCIP at the event were the technical operator Türk Reasürans and T-Rupt Teknoloji. Their executives engaged with representatives of member institutions, strengthening inter-institutional dialogue and exchanging information on practices in catastrophe insurance both in Türkiye and in other participating countries.

Climate change continues to increase disaster risks globally, creating significant challenges. During the Forum, members shared information on innovations and changes in catastrophe insurance structures for earthquakes and climate-related events, as well as on various loss experiences, claim management strategies, and developed solutions. TCIP contributed to the discussions by sharing its pioneering practices in claim assessment during the Kahramanmaraş Earthquake, efforts to transition into broader disaster insurance, and details on the upcoming scope of the new coverage.

These exchanges provided valuable opportunities to develop more effective and innovative catastrophe insurance solutions.

7.5 MEETING WITH UZBEKISTAN AND KAZAKHSTAN DELEGATIONS ORGANIZED IN COLLABORATION WITH THE WORLD BANK

On October 9, 2024, the Turkish Catastrophe Insurance Pool (TCIP) held a meeting in Istanbul with delegations from Kazakhstan and Uzbekistan, in collaboration with the World Bank. The purpose of the meeting was to share TCIP's experience in catastrophe insurance and to provide insights on disaster risk management to the visiting delegations from Uzbekistan and Kazakhstan.

The meeting began with an overview of TCIP's founding purpose and the operation of the disaster insurance system in Türkiye, emphasizing the role of Compulsory Earthquake Insurance in increasing penetration rates.

Considering Türkiye's high seismic risk, the financial sustainability of the insurance system is supported through public-private partnerships and secured by an extensive reinsurance network.

Participants were also provided with detailed information on the insurance products offered by TCIP and ongoing efforts to expand coverage. Alongside earthquake insurance, presentations covered the new disaster insurance product that includes risks such as flood, landslide, storm, avalanche, hail, and forest fire. Criteria used in premium calculations and pricing policies were also shared.

Within the scope of reinsurance strategies and risk management policies, information was given on collaborations with international reinsurance markets and risk transfer mechanisms.

Regarding post-disaster damage assessment and evaluation technologies, the representatives of TCIP presented information on the active use of mobile loss assessment systems and Geographic Information Systems (GIS), drawing on examples from the Kahramanmaraş earthquake operation.

It was emphasized that the decision-making systems integrate multiple data sources to accelerate claim payment processes and create decision support mechanisms for risk analysis.

The manager of T-Rupt Teknoloji also participated in the meeting and provided

information on the company's work in catastrophic earthquake risk modeling. This presentation enabled the Kazakh and Uzbek delegations to gain insights into modeling techniques used to estimate the potential economic impact of large-scale earthquakes. The importance of pre- and post-disaster preparedness, including the ability to estimate potential economic losses in advance, was highlighted. Advanced data analysis methods used in this field were also introduced.

In the final session, it was emphasized that TCIP's experience in catastrophe insurance could serve as a significant model for Kazakhstan and Uzbekistan. The successful implementation and ongoing development of the Compulsory Earthquake Insurance system in Türkiye were highlighted as valuable references for countries facing similar risks. TCIP will continue its efforts to raise awareness of catastrophe insurance on a regional scale.

7.6 DISASTER CALL CENTER

One of the most significant examples of TCIP's approach to creating alternative resources for disaster periods is the Disaster Call Center project. This project introduces an innovative model that allows the call center operations, normally carried out with a relatively small number of personnel during regular operations, to be scaled up to 550 staff within a few weeks, in response to an unforeseen earthquake in terms of time, location, or magnitude.

Within the scope of the model, developments under the Disaster Risk Management System project were utilized to outline the overall process. Following this step, the potential call volume that a major Istanbul earthquake could generate for TCIP was calculated, and the call center capacity required to handle such volume was determined. Following the calculation of the needed capacity, all relevant elements such as location, infrastructure, training, and

sustainability of operations were assessed comprehensively to ensure that the projected scale could be achieved within the required timeframe.

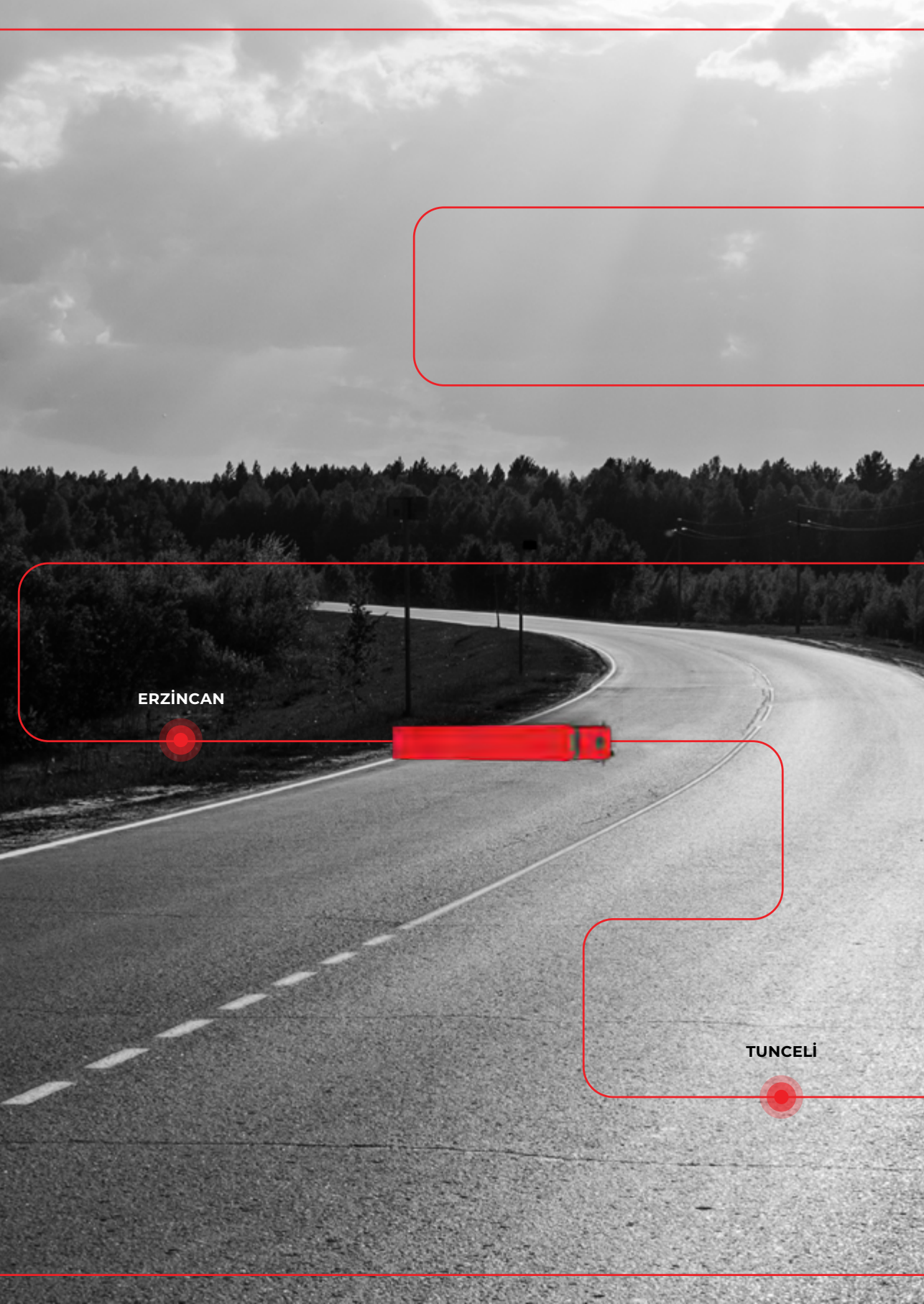
Contract negotiations with the company Pusula began at the end of 2023, and the call center officially began operations from its Ankara location on January 1, 2024.

In addition to the existing team, 550 customer representatives assigned to work at the Adıyaman, Ankara, Kars, and Van locations received onboarding training.

The IVR (Interactive Voice Response) system, which is part of TCIP's daily operations, also went live on January 1, 2024.

In 2024, audits were conducted across three locations to assess the readiness of Disaster Call Center personnel for a potential large-scale Istanbul earthquake.

In response to two major earthquakes during the year, the call center was activated with 52 staff for the 5.2 Malatya / Battalgazi earthquake, and 67 staff for the 5.9 Malatya/Kale earthquake on October 16, 2024.



ERZURUM

TCIP INFORMATION TECHNOLOGIES AND INFRASTRUCTURE MANAGEMENT

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ERZİNCAN

TUNCELİ

** The cities listed were visited between October 26-31, 2024, as part of the TCIP Truck Project.*

TCIP INFORMATION TECHNOLOGIES AND INFRASTRUCTURE MANAGEMENT

8.1 TCIP STRUCTURE WITHIN THE INSURANCE INFORMATION AND MONITORING CENTER (IIMC)

Since 2015, the Insurance Information and Monitoring Center (IIMC) has been responsible for managing the Information Technology (IT) assets and processes of the Turkish Catastrophe Insurance Pool (TCIP).

IIMC provides support for a wide range of functions related to TCIP's IT system, including software development, procurement and management of third-party service application licenses, contract tracking, vendor management, hardware, hosting services, IT operations (maintenance, repair, backup, and updates), information security infrastructure, network and system administration, website development and maintenance, addressing requests and resolving issues from insurance companies, emergency center management, and other IT-related activities.

8.2 PROJECTS

The following projects and enhancements were implemented in 2024:

8.2.1 INCLUSION OF FLOOD AND OTHER NATURAL DISASTERS UNDER TCIP COVERAGE

According to the 2025–2027 Medium-Term Program, the transition from the Compulsory Earthquake Insurance (CEI) to the Compulsory

Disaster Insurance (CDI) is expected to take effect in the first quarter of 2025.

With this project, the Turkish Catastrophe Insurance Pool (TCIP) aims to expand the scope of CEI policies and introduce CDI as a comprehensive disaster insurance product designed to protect citizens against losses resulting from all types of natural disasters and to alleviate the financial burden on the public sector.

As part of the project, system infrastructure preparations and updates to web services supporting both CEI and CDI products were completed and made ready for use as of July 1, 2024.

Insurance companies have completed their integration work, and production processes for the existing CEI product continue through the updated web services.

Once the legislative amendments regarding CDI are published in the Official Gazette, TCIP units will define the tariffs, enabling the new product to become active.

8.2.2 TCIP INSTITUTIONAL AND COMPANY INTERNET SERVICE SEPARATION PROJECT

Until recently, all TCIP stakeholders (insurance companies, public institutions, electricity and

water utilities, etc.) accessed policy transactions and queries through a single online service within the TCIP system.

As part of ongoing modernization efforts, the TCIP Production Service, comprising 155 functions, was segmented based on authorization, service groups, and stakeholder needs. Actively used functions were migrated to newly established services. This restructuring enabled TCIP's service infrastructure to be offered in a more customized, flexible, and secure manner.

The new service architecture developed under the project was adopted by all stakeholders, and unused functions were removed from the production software project.

As a result, TCIP's services have become more streamlined, up-to-date, and efficient.

The project was completed in the third quarter of 2024.

8.2.3 TCIP ONLINE APPLICATION AND INTERNET SERVICE DOMAIN NAME CHANGE PROJECT

Previously, all TCIP applications operated under a single domain name within the TCIP system infrastructure.

This project redefined the access points (domain names) of online services and the TCIP

System infrastructure preparations and updates to web services supporting both CEI and CDI products were completed and made ready for use as of July 1, 2024.

online application by separating them from other websites sharing the same domain. This transition improved infrastructure compliance with security protocols.

The new access addresses defined under the project were adopted by all stakeholders.

The project was completed in the third quarter of 2024.

8.2.4 NEW TCIP INFLATION TARIFF PROJECT

According to Article 13 of Law No. 6305 on Catastrophe Insurance, the Compulsory Earthquake Insurance Tariff and Instructions Communiqué is updated annually.

The Official Gazette dated 28 December 2023 and numbered 32413 published the

“Communiqué on Amendments to the Compulsory Earthquake Insurance Tariff and Instruction Communiqué,” which stipulates that premiums and coverages shall be updated monthly based on inflation, and that changes in the unit square meter value used in the insurance amount calculation shall be automatically shared with insurance companies by the Insurance Information and Monitoring Center (IIMC).

This project created the infrastructure to adjust the insurance value and maximum insurable amount for a residence based on the Domestic Producer Price Index (PPI, 2003=100 base year) announced by the Turkish Statistical Institute in the previous month. Development of online services for the automatic sharing of these values with insurance companies was initiated.

The project was completed in the first quarter of 2024.

8.2.5 INTEGRATION OF THE SPATIAL ADDRESS REGISTRATION SYSTEM (MAKS) BUILDING SERVICE INTO THE TCIP PRODUCTION SYSTEM
To prevent under- or over-insurance caused by inaccurate square meter declarations in policies, integration was established with the Spatial Address Registration System (MAKS) structure inquiry service of the Directorate General of Civil Registration and Citizenship Affairs (NVI).

This integration enabled effective monitoring of square meter declarations during policy issuance, renewal, and endorsement processes.

The project was completed in the first quarter of 2024.

8.2.6 E-GOVERNMENT TCIP CONTACT INFORMATION UPDATE SERVICE
A new e-Government service was launched allowing policyholders to verify and update the contact number information associated with their TCIP policies.

This new service became operational through the e-Government gateway in the first quarter of 2024.

8.2.7 REGIONAL MANAGEMENT OF TCIP POLICY ISSUANCE
The recording of buildings with urban transformation-related damage into the TCIP production system was completed by the end of the second quarter of 2023.

In addition to this effort, and based on data provided by the Ministry of Environment, Urbanization and Climate Change, a flexible structure was developed to enable authorized TCIP users to manage policy issuance, whether new or renewal, by province, district, neighborhood, and street.

The project was completed in the first quarter of 2024.

8.2.8 RENEWAL OF THE TCIP CLAIM APPLICATION
The project aims to improve the effectiveness, speed, and user-friendliness of TCIP's claim processes, including claim notification, claim management, damage assessment, and compensation payment, thereby enhancing operational efficiency and customer satisfaction.

Development work on a comprehensive, integrated claims system was initiated in 2024, with project completion targeted for 2025.

8.2.9 TCIP FLEXIBLE PAYMENT PLAN STRUCTURE PROJECT
Payment plan infrastructure work was initiated to enable the use of flexible payment methods in TCIP policy production. Accordingly, policies will be issued in line with the payment plans and terms to be determined by TCIP.

Infrastructure development and service integration efforts began in the last quarter of 2024 and are scheduled for completion in 2025.

8.2.10 TCIP STANDARD POLICY PRINTING PROJECT
A standardization initiative was launched to ensure consistency in the content and layout of TCIP policy printouts. As part of the project, online services are being developed to offer easy access and integration with the standard policy format.

Standard templates aligned with TCIP's corporate identity have been defined for policy printouts, and insurance companies along with other stakeholders are expected to use these standardized formats.

The design of the policy printout template and development of related services began in the last quarter of 2024 and are expected to conclude in 2025.

8.2.11 TCIP POLICY PRODUCTION APPLICATION TEST AUTOMATION DEVELOPMENT
To improve software quality assurance in TCIP's production systems and minimize manual testing for faster and more reliable results, efforts were initiated to develop test automation infrastructure.

The work began in the last quarter of 2024 and is targeted for completion in 2025.

8.2.12 TCIP MOBILE APPLICATION
A mobile application development project was launched to enable faster, easier, and more efficient tracking of TCIP policy production and claim processes. The project aims to digitize all workflows through a user-friendly interface and integrated infrastructure.

To enhance customer satisfaction and improve complaint handling processes, a new initiative was launched to accept complaints via the TCIP website and streamline resolution workflows.

Project development began in 2024 and is expected to be completed in 2025.

TCIP COMPLAINT MANAGEMENT SYSTEM PROJECT
The project aims to enable the submission to TCIP of any grievances, dissatisfaction, or loss of rights arising from transactions outside the standard processes of policy production, claim, and compensation carried out under the applicable legal framework, and/or from actions by TCIP's contracted partners that violate legislation, implementation principles, general terms, or the rights of policyholders.

To enhance customer satisfaction and improve complaint handling processes, a new initiative was launched to accept complaints via the TCIP website and streamline resolution workflows.

Project development began in 2024 and is expected to be completed in 2025.

8.3 INFORMATION TECHNOLOGIES AND INFRASTRUCTURE MANAGEMENT

8.3.1 VMWARE CLOUD FOUNDATION 5.2.0.0 UPGRADE PROJECT

All VMware Cloud Foundation environments, including those in Istanbul and Ankara, were upgraded to the major version VCF 5.2.0.0, resulting in more modern, secure, and stable virtual systems.

All virtualization layers were also updated to ESXi version 8.0 U3. Regular firmware upgrades were conducted on all HPE Synergy servers. These enhancements significantly improved system performance, security, and stability.

8.3.2 SYSTEM CAPACITY ENHANCEMENT PROJECTS

A comprehensive health scan was conducted on the main data center systems, and architectural adjustments were made based on the findings. Following feasibility studies on the system infrastructure, capacity enhancements were carried out on critical systems identified as necessary. High availability and high performance were achieved in the services provided by TCIP, while information security and ease of management were elevated to the highest level through the use of next-generation hardware and software. The network infrastructure architecture at the main data center was further optimized to prevent potential packet transmission delays at the network layer. All systems underwent major and minor updates, and applications were upgraded to their latest versions. By increasing capacity in the core infrastructure systems, services provided to external parties began to operate with improved performance. Redundancy in central infrastructure systems was maximized, and the continuity of services provided to external parties was elevated to the highest possible level.

8.3.3 NETWORK AND SECURITY INFRASTRUCTURE PROJECTS

In 2024, numerous projects and infrastructure improvements were carried out for the network and security systems at the main data center and the disaster recovery center where TCIP systems are hosted. As a result, all environments hosting TCIP systems were upgraded to advanced technologies and reinforced with a more robust security infrastructure. Moreover, adjustments were made to the architectural structure. The network infrastructure architecture at the main data center was optimized to prevent packet transmission delays at the network layer. Redundancy in central infrastructure systems was maximized, and the continuity of services provided to external parties was elevated to the highest possible level.

Configuration development and implementation efforts were completed for shared network and security systems. Through the annual DDoS protection efforts, continuity in the security of services accessible by external parties has been ensured. Through policy improvements and tightening measures implemented in email security systems, harmful activities that could occur via email have been restricted. Additionally, with the development, enhancement, and reinforcement of policies in Data Loss Prevention (DLP) systems, the security of critical sensitive data and personal data has been ensured. With SOAR integration, automated actions were introduced for blocking harmful IPs/domains within security systems. Periodic health scans and maintenance were carried out on data center network and security systems, and all systems were updated to their latest major and minor versions.

PROJECTS AND INITIATIVES IMPLEMENTED INCLUDE:

• TCIP Disaster Recovery Center Relocation Project:

The disaster recovery center was relocated from Turkcell Ümraniye Dudullu Data Center to Turkcell Kocaeli Gebze Data Center, which holds a TIER 3 certification, is highly earthquake-resistant, and meets high standards in various aspects. The project was fully planned and managed by IIMC personnel.

• TCIP Disaster Recovery Center Network Switch Upgrade Project

Network switch systems at the Gebze Data Center (TCIP ODM) were renewed. As a result, more advanced and higher-capacity switch systems were deployed.

• TCIP Main Data Center DDoS Test

Annual DDoS attack tests conducted by an independent third party confirmed that the DDoS protection systems successfully activate in real time to block external attacks on TCIP systems.

• TCIP Business Continuity (Disaster/ODM) Tests

Business continuity (ODM) tests were conducted on critical TCIP systems to ensure that, in the event of an issue at the main data center, the disaster recovery center can continue service delivery seamlessly.

• TCIP Network Vulnerability Monitoring and Remediation Activities

A full review of the TCIP application inventory was conducted, and measures were taken to address and solve infrastructure vulnerabilities. SSL certificates, application version weaknesses, and SAP vulnerabilities were also included in this effort, aiming to enhance the security maturity of TCIP's application infrastructure.

• Network and Security System Upgrade Activities

Firmware/software upgrade operations were carried out for the shared network and security systems. These upgrades brought the systems

In 2024, numerous projects and infrastructure improvements were carried out for the network and security systems at the main data center and the disaster recovery center where TCIP systems are hosted.

up to date and ensured they operate on stable versions.

• Redundancy Improvements in Network and Security Systems

Redundancy testing was conducted on shared network and security systems and their associated access lines/channels.

• Other Projects and Major Improvements

Performance optimization and security hardening initiatives were successfully completed within the infrastructure.

8.3.4 MICROSOFT SYSTEMS PROJECTS

In 2024, the findings related to Windows Server, MS SQL, and various Microsoft applications identified during internal and external audits were addressed. Moreover, critical monthly patches were regularly applied to existing operating systems to maintain the highest level of security.

In the email systems, the licensing model was changed to allow the creation of more databases, thereby distributing the load across servers and improving performance. Version updates were also implemented for the email application to further enhance security.

The email archiving systems were upgraded to a new version, and the SMTP archiving model was adopted. With the SMTP archiving model, email archiving times have been significantly shortened.

8.3.5 LINUX SYSTEMS AND VIRTUALIZATION PROJECTS

Updates were applied to the RP4VM application, which allows for rapid server migration between the Istanbul and Ankara data centers. Improvements were made to the replication of TCIP's critical servers from Ankara to Istanbul in real time.

Red Hat Linux servers were migrated to the latest Red Hat operating systems, enhancing system stability and security. A critical patch schedule is implemented for these operating systems, applying regular security patches.

Backup software systems were upgraded to the latest versions. The semiannual backup restore and replication tests were successfully completed, with no issues detected.

8.3.6 MSSQL SERVER DATABASE UPDATES

The test and production cluster databases of TCIP operated under IIMC were updated to minor and major versions, reaching version 2022 CU15.

Database support was provided during operating system updates on TCIP's MSSQL servers, ensuring timely implementation of related patches.

8.3.7 ORACLE DATABASE UPDATES

The operating systems of all TCIP Oracle databases operated under IIMC were upgraded to the latest versions of Red Hat Linux and Oracle Linux.

The upgrade process for all Oracle databases to the latest version began in the second quarter

of 2024 and is progressing as planned, with completion expected in the first half of 2025.

8.3.8 TCIP MOBILE APPLICATION

A PostgreSQL test database was set up under IIMC for use with the TCIP mobile application EDİS program.

Production installation is planned following the finalization of the software.

8.3.9 SERVICE CONTROL CENTER ACTIVITIES

The 24/7 monitoring of TCIP systems, applications, and infrastructure continued. Monthly patch management for Windows systems was implemented as a standard practice.

8.3.10 ENTERPRISE SOFTWARE ACTIVITIES

Daily monitoring and periodic deployment activities were conducted for TCIP websites and production environments. Support was provided for infrastructure works carried out on application servers (websites). Process control was performed for the logging of TCIP applications and websites into the ELK system.

Daily monitoring and periodic deployment activities were conducted for TCIP websites and production environments. Patch management and infrastructure support were provided for application servers (TCIP Production WebLogic Environment, Websites, Jira, Electronic Document Management System (EDYS)). Operational configurations were made on the load balancer positioned in front of the applications in line with incoming requests. Request migration and user authorization processes were carried out for the TCIP SAP systems in line with incoming requests. Process optimization, user/authorization management, licensing, and infrastructure support were conducted in the TCIP Jira product. Issues reported throughout the year were analyzed

and resolved. Additionally, within the scope of certificate management, the wildcard TCIP certificate (*.dask.gov.tr) was renewed and implemented.

8.4 INFORMATION SECURITY PROJECTS AND ACTIVITIES

8.4.1 TCIP APPLICATION AND APPLICATION SECURITY TESTS

Penetration tests were conducted on TCIP applications, particularly those accessible online, covering newly developed applications as well as updates to existing ones. The penetration tests performed include the following:

- Penetration test for the Flood and Disaster Project,
- Penetration test for the 4net Vizyoneks Application,
- Penetration tests for improvements made to TCIP applications during the year,
- Penetration tests for TCIP applications as part of the annual Application Security testing plan.

8.4.2 TCIP ONLINE INTERFACE IMPROVEMENT ACTIVITIES

All screens on the online interface of the TCIP application were reviewed to identify non-functional components. A project was initiated to remove screens that are no longer in use and to improve those that are still in use to ensure proper functionality. The objective of this project is to make the TCIP online application more suitable for penetration testing and to enhance its overall functionality.

8.4.3 MONITORING AND REMEDIATION OF TCIP INFRASTRUCTURE VULNERABILITIES

A full review of the TCIP application inventory was conducted, and measures were taken to address and solve infrastructure vulnerabilities. SSL certificates, application version weaknesses, and SAP vulnerabilities were also included in this

effort, aiming to enhance the security maturity of TCIP's application infrastructure.

8.4.4 CYBER SECURITY OPERATIONS CENTER PROJECT

Within the Cyber Security Operations Center, real-time data collection and analysis, incident management, and threat intelligence processes were implemented. TCIP's IT infrastructure is continuously monitored as a critical part of this protection and monitoring framework, and the security of critical systems is ensured. Potential threats are detected using advanced technologies such as SIEM (Security Information and Event Management) and undergo detailed analysis. Incidents are promptly addressed by expert security teams, and when necessary, automated response mechanisms are triggered.

8.4.5 ORACLE AUDIT VAULT INSTALLATION AND INTEGRATION PROJECT

To improve TCIP's information security processes and enable effective monitoring of database activities, Oracle Audit Vault (AV) integration was implemented. AV agents were deployed in the target environments, and log policies focusing on database user activities were defined to facilitate the detection of critical events. Custom alarm mechanisms were developed for scenarios such as suspicious access attempts, sensitive data queries, and anomalous activities. Moreover, automatic notification mechanisms were activated for potential errors or interruptions. Logs and user activities collected centrally were monitored regularly, thereby enhancing operational efficiency and accelerating security processes.

8.4.6 SERVICE MANAGEMENT PRODUCT RENEWAL PROJECT

The Pusula system, a new service management application, was launched to manage requests from institutions served by TCIP. As part of the project, improvements were made

to TCIP's processes, reporting, and service catalogs. Moreover, requests from TCIP are now forwarded to IIMC upon institutional approval. Improvement activities for the system are ongoing.

8.5 ACTIVITIES RELATED TO ISO STANDARDS

8.5.1 ACTIVITIES RELATED TO THE ISO 22301 BUSINESS CONTINUITY MANAGEMENT SYSTEMS (BCMS) AND BUSINESS CONTINUITY TEST

Internal and external audits were conducted within the scope of the BCMS, which was established to ensure the continuity of critical products and services related to TCIP's policy production/inquiry and claim notification technology infrastructures. The audits were successfully completed, and the validity of the BCMS certificate was maintained for 2024.

Moreover, preparations are ongoing to conduct the TCIP Disaster Recovery Center Test in December 2024.

8.5.2 ACTIVITIES RELATED TO THE ISO 27001 INFORMATION SECURITY MANAGEMENT SYSTEMS (ISMS)

Studies continue under ISO 27001 ISMS, which governs the management of information and information assets and ensures the confidentiality, integrity, and availability of information. In 2024, the transition to the ISO 27001:2022 version was successfully completed, and the ISMS certificate was renewed following the conducted audits.

8.5.3 ACTIVITIES RELATED TO THE ISO 20000 IT SERVICE MANAGEMENT SYSTEM (ITSM)

Studies also continue under ISO 20000 ITSM, which ensures that the services provided to internal and external customers are managed

in line with business requirements. The audit conducted in 2024 was successfully completed, and the continuity of the ITSM certificate was maintained.

8.6 OTHER ACTIVITIES

8.6.1 BUSINESS INTELLIGENCE REPORTING

The OBIEE 11g product, used as TCIP's Business Intelligence front-end, was upgraded to the more current OBI OAS 12c version, allowing the use of a more stable, high-performance, and user-friendly interface. Updates were carried out at both the operating system and database levels on all servers that are part of the data warehouse platform.

Business Intelligence services were provided on the TCIP platform, including the generation of new reports based on the projects mentioned above, revisions to models and reports due to newly added data elements in the data structure, and the provision of data warehouse operations.

In addition, a self-service model that can be used via drag-and-drop on OBI was launched and implemented. The model is planned to be enhanced with additional breakdowns as needed.

8.6.2 ACTIVITIES RELATED TO INSURANCE FRAUD BUREAU (IFB)

A notification received by the Center alleged that an agent had committed fraud by issuing unauthorized policy endorsements in the TCIP and fire insurance branches. It was determined that 71 endorsements related to TCIP policies and 1,469 endorsements related to fire home insurance policies had been issued to change the insured party.

Subparagraph (c) of Article 5 of the "Regulation on the Rules and Procedures Regarding Detection, Notification, Recording, and Prevention of Improper Insurance Practices" states:

"c) Improper insurance practices by intermediaries: Improper practices carried out by insurance intermediaries against companies, policyholders, and related parties within the insurance relationship. Activities involving the deliberate input of incorrect key policy information that would clearly be known to reduce the premium due to the company are included in this scope."

In accordance with the aforementioned article of the Regulation on the Rules and Procedures Regarding Detection, Notification, Recording, and Prevention of Improper Insurance Practices, a criminal complaint regarding the findings and the actions of the agent was filed with the Ankara Chief Public Prosecutor's Office on August 8, 2024.

8.6.3 PROCUREMENT AND CONTRACT MANAGEMENT

Under the Protocol on the Transfer and Management of Information Technologies Services signed between the Insurance Information and Monitoring Center (IIMC) and the Turkish Catastrophe Insurance Pool (TCIP), procurement and contract management activities related to IT services are carried out by the IIMC.

In 2024, a total of 16 procurement and contract processes were carried out by the IIMC on behalf of TCIP. Additionally, 9 procurement processes are currently ongoing.

In 2024, a total of 16 procurement and contract processes were carried out by the IIMC on behalf of TCIP.

GAZİANTEP

CORPORATE COMMUNICATION ON SOCIAL MEDIA

KİLİS

ŞANLIURFA

• ESTABLISHING THE INSTITUTION'S GENERAL PUBLIC
RELATIONS AND ADVERTISING STRATEGIES

88

** The cities listed were visited between December 10-15,
2024, as part of the TCIP Truck Project.*

CORPORATE COMMUNICATION ON SOCIAL MEDIA

9.1 ESTABLISHING THE INSTITUTION'S GENERAL PUBLIC RELATIONS AND ADVERTISING STRATEGIES

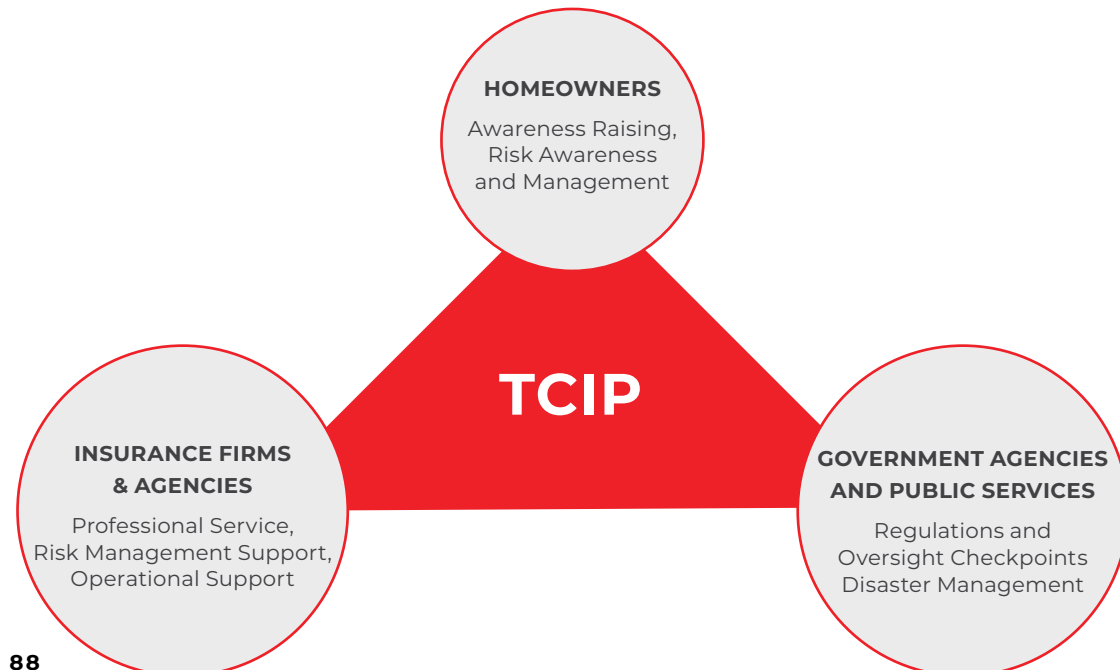
Our Institution organizes public relations, and social responsibility and promotion projects that support the development of awareness about Compulsory Earthquake Insurance and insurance in general, not to mention the adoption of earthquake preparedness, safe living, and earthquake-resistant buildings throughout Türkiye.

INCLUSIVE COMMUNICATION EFFORTS INVOLVING ALL STAKEHOLDERS

The TCIP focuses on developing communication projects that raise awareness about earthquakes

and that increase earthquake preparedness throughout the country, addressing a wide range of target groups, including homeowners, insurance companies and intermediaries, primary, high school and university students, public institutions, and local governments.

Insurance companies and their agencies are among the TCIP's most important business partners in regards to expanding Compulsory Earthquake Insurance throughout the country, and they play important roles in the development of pre- and post-disaster services. The TCIP also works very closely with government agencies, thus reaching every corner of the country.



SOCIAL MEDIA IN CORPORATE COMMUNICATIONS

In its communications, the TCIP seeks to appeal to a very wide target audience from different segments of Türkiye, so it takes care to be present on social media in addition to being seen in standard media such as television and newspapers. The Institution closely follows developments and trends on social media, so it can adapt its communications as situations require. Through social media, informative messages about Compulsory Earthquake Insurance as a financial measure, and up-to-date information on current projects are shared with large audiences. By organizing competitions on social media, the Institution aims to increase its interaction with policyholders. The concepts we work on prioritize 360-degree integrity in terms of communication, advertising, social media, and media buying.

On the communication front, goals include:

- Investing in trust and reputation as an organization,
- Strengthening the risk perceptions about the TCIP, and
- Improving continuity and the acquisition of new policyholders.

9.2 ACTIVITIES AND PROJECTS

The activities and projects carried out can be grouped as follows:

9.2.1 PROJECTS AIMED AT IMPROVING RISK PERCEPTION

- TCIP Short Film Competition
- TCIP Truck on the Road Project
- TCIP Earthquake-Resistant Building Design Competition

9.2.1.1 TCIP SHORT FILM COMPETITION

The sixth edition of the TCIP Short Film Competition was held this year under the theme "Before It's Too Late" (Keşke Demeden). The award ceremony, open to the public, took place in Istanbul on October 17, 2024.

In the competition, Ahmet Burak Açıkgöz won first place with his film "Balance" (Denge) while Ali Can Öztürk came in second with "On Time" (Zamanında), and Bayram Orak placed third with "Hope After the Collapse" (Yıkımın Ardından Umut). Ramazan Yakut received the Public Choice Award for his film "Mosaic Life" (Mozaik Yaşam).

The winning entries were selected by a jury composed of Prof. Dr. Mustafa Erdik, Board Member of the Turkish Earthquake Foundation and T-Rupt Technology Inc.; Selva Eren, General Manager of Türk Reasürans; Director İlker Caniklil; Assoc. Prof. Dr. Yüce Sayılğan,

Faculty Member in Film Design and Directing at Marmara University; and Columnist Noyan Doğan.

Competition Awards:

1st Prize: TRY 150,000

2nd Prize: TRY 100,000

3rd Prize: TRY 50,000

Public Choice Special Award: TRY 20,000 gift card

Additionally, the top 10 finalists received technology gift cards.

9.2.1.2 TCIP TRUCK ON THE ROAD PROJECT

Launched in December 2023 to raise awareness about earthquakes and Compulsory Earthquake Insurance, the TCIP Truck reached a broad audience in its first year by visiting 26 provinces and 34 locations across Türkiye.

In addition to providing visitors with essential information about Compulsory Earthquake Insurance, the TCIP Truck offers an immersive virtual earthquake experience using VR technology to effectively demonstrate necessary safety measures. The truck team also organizes prize-winning competitions to reinforce earthquake awareness and conducts interviews with citizens to enhance the outreach efforts. The TCIP Truck continues its journey with the aim of reaching every corner of Türkiye.



Scan the QR code to access videos from different provinces visited by the TCIP Truck during its national tour.

The 8th Earthquake-Resistant Building Design Competition will be held in 2025.

Provinces and Districts Visited:

1. 4-5 December 2023 / Tekirdağ
2. 6-7 December 2023 / Çanakkale
3. 8-9 December 2023 / Balıkesir
4. 10-11 December 2023 / Manisa
5. 12-13 December 2023 / Aydın
6. 14-15 December 2023 / Muğla
7. 16-17 July 2024 / İzmir, Central District
8. 18-19 July 2024 / İzmir, Çeşme
9. 22-23 July 2024 / İzmir, Seferihisar / Sığacık
10. 24-25 July 2024 / Aydın, Kuşadası
11. 26-27 July 2024 / Muğla, Milas
12. 28-29 July 2024 / Muğla, Bodrum
13. 30-31 July 2024 / Muğla, Marmaris
14. 1-2 August 2024 / Muğla, Datça
15. 3-4 August 2024 / Muğla, Fethiye
16. 5-6 August 2024 / Antalya
17. 14-15 October 2024 / Hakkari
18. 16-17 October 2024 / Van
19. 18-19 October 2024 / Bitlis
20. 20-21 October 2024 / Muş
21. 22-23 October 2024 / Ağrı
22. 24-25 October 2024 / Kars
23. 26-27 October 2024 / Erzurum
24. 28 October 2024 / Erzincan
25. 30-31 October 2024 / Tunceli
26. 10-11 December 2024 / Gaziantep
27. 12-13 December 2024 / Kilis
28. 14-15 December 2024 / Şanlıurfa
29. 16-17 December 2024 / Adıyaman
30. 18-19 December 2024 / Diyarbakır
31. 20-21 December 2024 / Mardin
32. 22-23 December 2024 / Şırnak
33. 24-25 December 2024 / Siirt
34. 26-27 December 2024 / Batman

9.2.1.3 TCIP EARTHQUAKE-RESISTANT BUILDING DESIGN COMPETITION

The seventh edition of the Earthquake-Resistant Building Design Competition, first held in 2014 to promote earthquake-resilient construction culture in Türkiye, took place on March 6–7, with the award ceremony held on March 7, 2024.

In addition to the Türk Reasürans Special Award, six special awards were presented. Hacettepe University received the Best Architectural Design Special Award, and Altınbaş University was awarded the Best Earthquake Performance Special Award. Adana Alparslan Türkeş Science and Technology University received the Türk Reasürans Special Award, while Erzurum Technical University was honored with the Best Communication Skills and Presentation Special Award. Sakarya University received the Best Use of Social Media Award. Based on participant votes, the Spirit of the Competition Award was given to Yıldız Technical University, and the Most Creative Project Name Award went to MEF University.

The eighth edition of the competition, scheduled for 2025, was announced on December 10. Applications will remain open until January 31, 2025. This year, participants are expected to design a hotel building planned to be located in the Dinar district of Afyon and to prepare a scale model of the structure.

The grand final will be held on May 14–16, to be followed by the award ceremony on May 16, 2025, in Istanbul.



Scan the QR code to visit the Earthquake-Resistant Building Design Competition website.

Students of the top three university teams will receive the following prizes:

1st Team: TRY 75,000 and a MacBook Pro for each team member

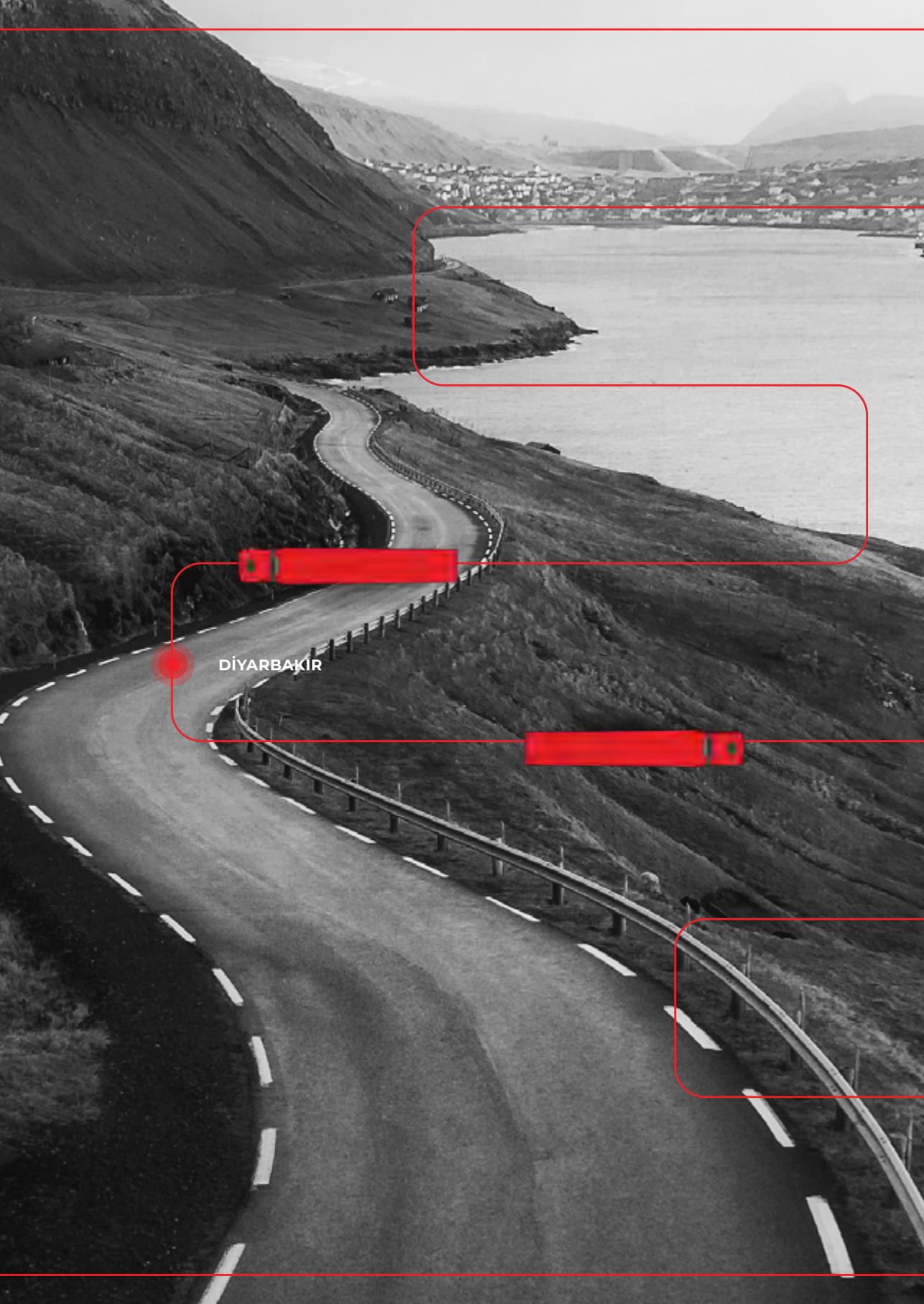
2nd Team: TRY 62,500 and an Apple iPad for each team member

3rd Team: TRY 50,000 and Apple AirPods for each team member

Additionally, academic advisors of the first, second, and third place teams will be awarded an iPad.

Five special awards will also be presented in the competition:

- Türk Reasürans Special Award
- Best Architectural Design Special Award
- Best Earthquake Performance Special Award
- Best Communication Skills and Best Presentation Award
- Best Spirit of the Competition Award



ADİYAMAN

FINANCIAL STATEMENTS

DİYARBAKİR

MARDİN

** The cities listed were visited between December 16-21, 2024, as part of the TCIP Truck Project.*



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BAĞIMSIZ DENETÇİ RAPORU

Doğal Afet Sigortaları Kurumu Genel Kurulu'na

Finansal Tabloların Bağımsız Denetimi

Görüş

Doğal Afet Sigortaları Kurumu'nun ("Kurum") 31 Aralık 2024 tarihli finansal durum tablosu ile aynı tarihte sona eren hesap dönemine ait; kapsamlı gelir tablosu, öz kaynak değişim tablosu ve nakit akış tablosu ile önemli muhasebe politikalarının özeti de dahil olmak üzere finansal tablo dipnotlarından oluşan finansal tablolarını denetlemiştir.

Görüşümüze göre, ilişikteki finansal tablolar, Kurum'un 31 Aralık 2024 tarihi itibarıyla finansal durumunu ve aynı tarihte sona eren hesap dönemine ait finansal performansını ve nakit akışlarını, Türkiye Finansal Raporlama Standartlarına ("TFRS"lere) uygun olarak tüm önemli yönleriyle gerçeğe uygun bir biçimde sunmaktadır.

Görüşün Dayanağı

Yaptığımız bağımsız denetim, Kamu Gözetimi, Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Denetim Standartlarının bir parçası olan Bağımsız Denetim Standartlarına ("BDS"lere) uygun olarak yürütülmüştür. Bu Standartlar kapsamındaki sorumluluklarımız, raporumuzun Bağımsız Denetçinin Finansal Tabloların Bağımsız Denetimine İlişkin Sorumlulukları bölümünde ayrıntılı bir şekilde açıklanmıştır. KGK tarafından yayımlanan Bağımsız Denetçiler için Etik Kurallar ("Etik Kurallar") ile finansal tabloların bağımsız denetimiyle ilgili mevzuatta yer alan etik hükümlere uygun olarak Kurum'dan bağımsız olduğumuzu beyan ederiz. Etik Kurallar ve mevzuat kapsamındaki etige ilişkin diğer sorumluluklar da tarafımızca yerine getirilmiştir. Bağımsız denetim sırasında elde ettiğimiz bağımsız denetim kanıtlarının, görüşümüzün oluşturulması için yeterli ve uygun bir dayanak oluşturduğuna inanıyoruz.



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Kilit Denetim Konuları

Kilit denetim konuları, mesleki muhakememize göre cari döneme ait finansal tabloların bağımsız denetiminde en çok önem arz eden konulardır. Kilit denetim konuları, bir bütün olarak finansal tabloların bağımsız denetimi çerçevesinde ve finansal tablolara ilişkin görüşümüzün oluşturulmasında ele alınmış olup, bu konular hakkında ayrı bir görüş bildirmiyoruz. Tarafımızca aşağıda açıklanan konular kilit denetim konusu olarak belirlenmiş ve raporumuzda bildirilmiştir.

Kilit denetim konusu	Kilit denetim konusunun denetimde nasıl ele alındığı
Gerçekleşmiş ancak rapor edilmemiş tazminat yükümlülüklerinin tahmini	Gerçekleşmiş ancak rapor edilmemiş tazminat bedellerinin tahminine ilişkin denetim prosedürleri, denetim ekibimizin bir parçası olan aktüer denetçi ile birlikte gerçekleştirilmiştir. Bu prosedürler başlıca, Kurum tarafından gerçekleştirilmiş ancak rapor edilmemiş tazminat karşılığı hesaplamasında kullanılan tahmin ve yöntemlerin uygun olup olmadığını değerlendirme amaçlıdır.
Kurum'un 31 Aralık 2024 tarihi itibarıyla teknik karşılıkları toplamı 8.707.708.492 TL olup, bu tutar Kurum'un toplam yükümlülüklerinin yüzde 41'ini oluşturmaktadır. Kurum, sigorta sözleşmelerine ilişkin olarak ileride ödemesi muhtemel muallak hasarlar için net 1.836.012.957 TL karşılık ayırmıştır. Bahse konu muallak hasar karşılık tutarının içinde muhasebeleşen gerçekleşmiş ancak rapor edilmemiş (IBNR) tazminat karşılığının (iskonto öncesi ve reasürör payı sonrası tutarı 631.566.749 TL) hesaplamasında Kurum Yönetimi, Not 2 ve 17'de detaylı olarak açıkladığı, Kurum aktüerinin görüşleri çerçevesinde belirlenen aktüeryal varsayımlar ve en iyi tahmin yöntemlerini kullanmıştır.	Bu kapsamda, gerçekleşmiş dosya muallakları örneklem yoluyla test edilmiş ve analitik incelemeler yapılmıştır. Gerçekleşmiş dosya muallaklarının davalık olan kısmı için Kurum avukatından yazılı olarak teyit mektubu temin edilmiştir. Kurum aktüeri tarafından belirlenen ortalama dosya hasar tutarı ve dosya açılış tutarları değerlendirilmiştir. Gerçekleşmiş ancak rapor edilmemiş tazminat bedellerinin hesaplamasında kullanılan verinin finansal tablolar ile mutabakatı yapılmıştır. Kurum'un her branş için kullanmış olduğu gerçekleşmiş ancak rapor edilmemiş tazminat bedeli hesaplama yönteminin ilgili branş hasar özelliklerine ve Kurum'un hasar geçmişine uygun olup olmadığı değerlendirilmiştir. Kurum tarafından hesaplanan gerçekleşmiş ancak rapor edilmemiş tazminat bedelleri için aktüeryal hesaplamalar yapılarak makul aralık tahminleri belirlenmiş ve Kurum'un muhasebeleştiği tutarlar ile karşılaştırılmıştır. Söz konusu tazminat bedelleri ile ilgili finansal tabloların bir parçası olan dipnotlarda yer alan açıklamaların uygunluğu ve doğruluğu kontrol edilmiştir.

Yönetimin ve Üst Yönetimden Sorumlu Olanların Finansal Tablolara İlişkin Sorumlulukları

Kurum yönetimi, finansal tabloların TFRS'lere uygun olarak hazırlanmasından, gerçeğe uygun bir biçimde sunumundan ve hata veya hile kaynaklı önemli yanlışlık içermeyecek şekilde hazırlanması için gerekli gördüğü iç kontrolden sorumludur.

Finansal tabloları hazırlarken yönetim, Kurum'un sürekliliğini devam ettirme kabiliyetinin değerlendirilmesinden, gerektiğinde süreklilikle ilgili hususları açıklamaktan ve Kurum'u tasfiye etme ya da ticari faaliyeti sona erdirmeye niyeti ya da mecburiyeti bulunmadığı süreç işletmenin sürekliliği esasını kullanmaktan sorumludur.

Üst yönetimden sorumlu olanlar, Kurum'un finansal raporlama sürecinin gözetiminden sorumludur.





Bağımsız Denetçinin Finansal Tabloların Bağımsız Denetimine İlişkin Sorumlulukları

Bir bağımsız denetimde, biz bağımsız denetçilerin sorumlulukları şunlardır:

Amacımız, bir bütün olarak finansal tabloların hata veya hile kaynaklı önemli yanlışlık içerip içermediğine ilişkin makul güvence elde etmek ve görüşümüzü içeren bir bağımsız denetçi raporu düzenlemektir. BDS'lere uygun olarak yürütülen bir bağımsız denetim sonucunda verilen makul güvence; yüksek bir güvence seviyesidir ancak, var olan önemli bir yanlışlığın her zaman tespit edileceğini garanti etmez. Yanlışlıklar hata veya hile kaynaklı olabilir. Yanlışlıkların, tek başına veya toplu olarak, finansal tablo kullanıcılarının bu tablolara istinaden alacakları ekonomik kararları etkilemesi makul ölçüde bekleniyorsa bu yanlışlıklar önemli olarak kabul edilir.

BDS'lere uygun olarak yürütülen bir bağımsız denetimin gereği olarak, bağımsız denetim boyunca mesleki muhakememizi kullanmakta ve mesleki şüpheciliğimizi sürdürmekteyiz. Tarafımızca ayrıca:

- Finansal tablolardaki hata veya hile kaynaklı "önemli yanlışlık" riskleri belirlenmekte ve değerlendirilmekte; bu risklere karşılık veren denetim prosedürleri tasarlanmakta ve uygulanmakta ve görüşümüze dayanak teşkil edecek yeterli ve uygun denetim kanıtı elde edilmektedir. (Hile; muvazaa, sahtekârlık, kasıtlı ihmal, gerçeğe aykırı beyan veya iç kontrol ihlali fiillerini içerebildiğinden, hile kaynaklı önemli bir yanlışlığı tespit edememe riski, hata kaynaklı önemli bir yanlışlığı tespit edememe riskinden yüksektir.)
- Kurum'un iç kontrolünün etkinliğine ilişkin bir görüş bildirmek amacıyla değil ama duruma uygun denetim prosedürlerini tasarlamak amacıyla denetimle ilgili iç kontrol değerlendirilmektedir.
- Yönetim tarafından kullanılan muhasebe politikalarının uygunluğu ile yapılan muhasebe tahminlerinin ve ilgili açıklamaların makul olup olmadığı değerlendirilmektedir.
- Elde edilen denetim kanıtlarına dayanarak, Kurum'un sürekliliğini devam ettirme kabiliyetine ilişkin ciddi şüphe oluşturabilecek olay veya şartlarla ilgili önemli bir belirsizliğin mevcut olup olmadığı hakkında ve yönetimin işletmenin sürekliliği esasını kullanmasının uygunluğu hakkında sonuca varılmaktadır. Önemli bir belirsizliğin mevcut olduğu sonucuna varmamız hâlinde, raporumuzda, finansal tablolardaki ilgili açıklamalara dikkat çekmemiz ya da bu açıklamaların yetersiz olması durumunda olumlu görüş dışında bir görüş vermemiz gerekmektedir. Vardığımız sonuçlar, bağımsız denetçi raporu tarihine kadar elde edilen denetim kanıtlarına dayanmaktadır. Bununla birlikte, gelecekteki olay veya şartlar Kurum'un sürekliliğini sona erdirebilir.
- Finansal tabloların, açıklamalar dâhil olmak üzere, genel sunumu, yapısı ve içeriği ile bu tabloların, temelini oluşturan işlem ve olayları gerçeğe uygun sunumu sağlayacak şekilde yansıtır yansıtmadığı değerlendirilmektedir.

Diğer hususların yanı sıra, denetim sırasında tespit ettiğimiz önemli iç kontrol eksiklikleri dâhil olmak üzere, bağımsız denetimin planlanan kapsamı ve zamanlaması ile önemli denetim bulgularını üst yönetimden sorumlu olanlara bildirmekteyiz.

Bu bağımsız denetimi yürütüp sonuçlandıran sorumlu denetçi Necip Çakmakoglu'dur.

RSM Turkey Uluslararası Bağımsız Denetim A.Ş.

Member of RSM International



Necip Çakmakoglu, SMMM

Sorumlu Denetçi

İstanbul, 5 Mayıs 2025



TURKISH CATASTROPHE INSURANCE POOL

FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

TOGETHER WITH THE

INDEPENDENT AUDITORS’ REPORT

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TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Assets			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
I- Current Assets			
A- Cash and Cash Equivalents	14	4.235.197.211	5.455.922.656
1- Cash		-	-
2- Cheques Received		-	-
3- Banks	14	4.235.197.211	5.455.922.656
4- Cheques Given and Payment Orders		-	-
5- Bank Guaranteed Credit Card Receivables with Maturity Less Than Three Months		-	-
6- Other Cash and Cash Equivalents		-	-
B- Financial Assets and Financial Investments with Risks on Policyholders		11.959.099.661	7.196.153.610
1- Available-for-Sale Financial Assets	11	11.959.099.661	7.196.153.610
2- Held to Maturity Investments		-	-
3- Financial Assets Held for Trading		-	-
4- Loans and Receivables		-	-
5- Provision for Loans and Receivables		-	-
6- Financial Investments with Risks on Saving Life Policyholders		-	-
7- Company's Own Equity Shares		-	-
8- Diminution in Value of Financial Investments		-	-
C- Receivables from Main Operations	4.2 and 12	1.147.101.313	5.336.727.468
1- Receivables from Insurance Operations	4.2 and 12	1.147.101.313	5.336.727.468
2- Provision for Receivables from Insurance Operations		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited to Insurance and Reinsurance Companies		-	-
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders		-	-
8- Receivables from Individual Pension Operations		-	-
9- Doubtful Receivables from Main Operations	4.2 and 12	33.136.555	1.994.780
10- Provision for Doubtful Receivables from Main Operations	4.2 and 12	(33.136.555)	(1.994.780)

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Assets			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
I- Current Assets			
D- Due from Related Parties		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties		-	-
E- Other Receivables		43.511	-
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables	12	43.511	-
5- Rediscount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables		-	-
F- Prepaid Expenses and Accrued Income		8.116.790.588	3.882.341.264
1- Deferred Acquisition Costs	17	8.116.790.588	3.855.061.941
2- Accrued Interest and Rent Income		-	-
3- Accrued Income	4.2 and 12	-	25.003.742
4- Other Prepaid Expenses	4.2 and 12	-	2.275.581
G- Other Current Assets		420.018	420.588
1- Stocks to be Used in the Following Months		-	-
2- Prepaid Taxes and Funds		-	-
3- Deferred Tax Assets		-	-
4- Job Advances	4.2 and 12	420.018	420.588
5- Advances Given to Personnel		-	-
6- Inventory Count Differences		-	-
7- Other Miscellaneous Current Assets		-	-
8- Provision for Other Current Assets		-	-
I- Total Current Assets		25.458.652.302	21.871.565.586

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Assets			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
II- Non-Current Assets			
A- Receivables from Main Operations		-	-
1- Receivables from Insurance Operations		-	-
2- Provision for Receivables from Insurance Operations		-	-
3- Receivables from Reinsurance Operations		-	-
4- Provision for Receivables from Reinsurance Operations		-	-
5- Cash Deposited for Insurance and Reinsurance Companies		-	-
6- Loans to the Policyholders		-	-
7- Provision for Loans to the Policyholders		-	-
8- Receivables from Individual Pension Business		-	-
9- Doubtful Receivables from Main Operations		-	-
10- Provision for Doubtful Receivables from Main Operations		-	-
B- Due from Related Parties		-	-
1- Due from Shareholders		-	-
2- Due from Associates		-	-
3- Due from Subsidiaries		-	-
4- Due from Joint Ventures		-	-
5- Due from Personnel		-	-
6- Due from Other Related Parties		-	-
7- Rediscount on Receivables from Related Parties		-	-
8- Doubtful Receivables from Related Parties		-	-
9- Provision for Doubtful Receivables from Related Parties		-	-
C- Other Receivables		-	-
1- Finance Lease Receivables		-	-
2- Unearned Finance Lease Interest Income		-	-
3- Deposits and Guarantees Given		-	-
4- Other Miscellaneous Receivables		-	-
5- Rediscount on Other Miscellaneous Receivables		-	-
6- Other Doubtful Receivables		-	-
7- Provision for Other Doubtful Receivables		-	-
D- Financial Assets		-	-
1- Investments in Equity Shares		-	-
2- Investments in Associates		-	-
3- Capital Commitments to Associates		-	-
4- Investments in Subsidiaries		-	-
5- Capital Commitments to Subsidiaries		-	-
6- Investments in Joint Ventures		-	-
7- Capital Commitments to Joint Ventures		-	-
8- Financial Assets and Financial Investments with Risks on Policyholders		-	-
9- Other Financial Assets		-	-
10- Impairment in Value of Financial Assets		-	-

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Assets			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
II- Non-Current Assets			
E- Tangible Assets	6	27.611.520	21.452.597
1- Investment Property		-	-
2- Impairment on Investment Property		-	-
3- Owner Occupied Property		-	-
4- Machinery and Equipment's	6	14.388.293	1.458.293
5- Furniture and Fixtures	6	30.642.321	17.596.163
6- Motor Vehicles	6	4.250.689	4.250.689
7- Other Tangible Assets (Including Leasehold Improvements)	6	10.779.467	8.940.467
8- Tangible Assets Acquired Through Finance Leases		-	-
9- Accumulated Depreciation	6	(32.449.250)	(10.793.015)
10- Advances Paid for Tangible Assets (Including Construction in Progress)		-	-
F- Intangible Assets	8	37.482.263	22.583.830
1- Rights	8	24.747.402	24.747.402
2- Goodwill		-	-
3- Pre-operating Expenses		-	-
4- Research and Development Costs		-	-
5- Other Intangible Assets		-	-
6- Accumulated Amortization	8	(19.229.163)	(14.685.021)
7- Advances Paid for Intangible Assets	8	31.964.024	12.521.449
G-Prepaid Expenses and Accrued Income		-	-
1- Deferred Acquisition Costs		-	-
2- Accrued Income		-	-
3- Other Prepaid Expenses		-	-
H-Other Non-Current Assets		-	-
1- Effective Foreign Currency Accounts		-	-
2- Foreign Currency Accounts		-	-
3- Stocks to be Used in the Following Years		-	-
4- Prepaid Taxes and Funds		-	-
5- Deferred Tax Assets		-	-
6- Other Miscellaneous Non-Current Assets		-	-
7- Amortization on Other Non-Current Assets		-	-
8- Provision for Other Non-Current Assets		-	-
II- Total Non-Current Assets		65.093.783	44.036.427
TOTAL ASSETS		25.523.746.085	21.915.602.013

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Liabilities			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
III- Short-Term Liabilities			
A- Financial Liabilities		-	-
1- Borrowings from Financial Institutions		-	-
2- Finance Lease Payables		-	-
3- Deferred Leasing Costs		-	-
4- Current Portion of Long-Term Debts		-	-
5- Principal Instalments and Interests on Bonds Issued		-	-
6- Other Financial Assets Issued		-	-
7- Valuation Differences of Other Financial Assets Issued		-	-
8- Other Financial Liabilities		-	-
B- Payables Arising from Main Operations	19	6.847.904.844	1.952.457.671
1- Payables Arising from Insurance Operations	19 and 4.2	6.719.142.552	1.340.095.165
2- Payables Arising from Reinsurance Operations	19 and 4.2	128.762.292	612.362.506
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Arising from Individual Pension Business		-	-
5- Payables Arising from Other Main Operations		-	-
6- Discount on Payables from Other Main Operations		-	-
C-Due to Related Parties	19 and 45	-	11.817.907
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties	19 and 45	-	11.817.907
D- Other Payables		20.757.473	28.867.985
1- Deposits and Guarantees Received		-	-
2- Payables to Social Security Institution		-	-
3- Other Miscellaneous Payables	19	20.757.473	28.867.985
4- Discount on Other Miscellaneous Payables		-	-

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Liabilities			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
III- Short-Term Liabilities			
E-Insurance Technical Provisions	17	7.507.793.081	6.190.293.390
1- Reserve for Unearned Premiums - Net	17	6.871.695.535	2.351.453.864
2- Reserve for Unexpired Risks- Net		-	-
3- Life Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net	17	636.097.546	3.838.839.526
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net		-	-
F- Provisions for Taxes and Other Similar Obligations	19	10.075.060	6.604.606
1- Taxes and Funds Payable	19	10.075.060	6.604.606
2- Social Security Premiums Payable		-	-
3- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
4- Other Taxes and Similar Payables		-	-
5- Corporate Tax Payable		-	-
6- Prepaid Taxes and Other Liabilities Regarding Current Period Profit		-	-
7- Provisions for Other Taxes and Similar Liabilities		-	-
G- Provisions for Other Risks		-	-
1- Provision for Employee Termination Benefits		-	-
2- Provision for Pension Fund Deficits		-	-
3- Provisions for Costs		-	-
H- Deferred Income and Expense Accruals	19	3.378.508.630	3.168.486.923
1- Deferred Commission Income		-	-
2- Expense Accruals	19	3.378.508.630	3.168.486.923
3- Other Deferred Income		-	-
I- Other Short-Term Liabilities		-	-
1- Deferred Tax Liabilities		-	-
2- Inventory Count Differences		-	-
3- Other Various Short-Term Liabilities		-	-
III – Total Short-Term Liabilities		17.765.039.088	11.358.528.482

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Liabilities			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
IV- Long-Term Liabilities			
A- Financial Liabilities		-	-
1- Borrowings from Financial Institutions		-	-
2- Finance Lease Payables		-	-
3- Deferred Leasing Costs		-	-
4- Bonds Issued		-	-
5- Other Financial Assets Issued		-	-
6- Valuation Differences of Other Financial Assets Issued		-	-
7- Other Financial Liabilities		-	-
B- Payables Arising from Main Operations		-	-
1- Payables Arising from Insurance Operations		-	-
2- Payables Arising from Reinsurance Operations		-	-
3- Cash Deposited by Insurance and Reinsurance Companies		-	-
4- Payables Arising from Individual Pension Business		-	-
5- Payables Arising from Other Operations		-	-
6- Discount on Payables from Other Operations		-	-
C- Due to Related Parties		-	-
1- Due to Shareholders		-	-
2- Due to Associates		-	-
3- Due to Subsidiaries		-	-
4- Due to Joint Ventures		-	-
5- Due to Personnel		-	-
6- Due to Other Related Parties		-	-
D- Other Payables		-	-
1- Deposits and Guarantees Received		-	-
2- Payables to Social Security Institution		-	-
3- Other Miscellaneous Payables		-	-
4- Discount on Other Miscellaneous Payables		-	-

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Liabilities			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
IV- Long-Term Liabilities			
E-Insurance Technical Provisions	17	1.199.915.411	478.743.098
1- Reserve for Unearned Premiums - Net		-	-
2- Reserve for Unexpired Risks - Net		-	-
3- Life Mathematical Provisions - Net		-	-
4- Provision for Outstanding Claims - Net	17	1.199.915.411	478.743.098
5- Provision for Bonus and Discounts - Net		-	-
6- Other Technical Provisions - Net		-	-
F-Other Liabilities and Relevant Accruals		-	-
1- Other Liabilities		-	-
2- Overdue, Deferred or By Instalment Taxes and Other Liabilities		-	-
3- Other Liabilities and Expense Accruals		-	-
G- Provisions for Other Risks		-	-
1- Provisions for Employment Termination Benefits		-	-
2- Provisions for Employee Pension Funds Deficits		-	-
H-Deferred Income and Expense Accruals	19	2.500.000.000	5.000.000.000
1- Deferred Commission Income		-	-
2- Expense Accruals	19	2.500.000.000	5.000.000.000
3- Other Deferred Income		-	-
I- Other Long-Term Liabilities		-	-
1- Deferred Tax Liabilities		-	-
2- Other Long-Term Liabilities		-	-
IV- Total Long-Term Liabilities		3.699.915.411	5.478.743.098

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Shareholder's Equity			
	Notes	Audited Current Period December 31, 2024	Audited Prior Period December 31, 2023
V- Shareholders' Equity			
A- Paid in Capital		-	-
1- (Nominal) Capital		-	-
2- Unpaid Capital		-	-
3- Positive Capital Restatement Differences		-	-
4- Negative Capital Restatement Differences		-	-
5- Unregistered Capital		-	-
B- Capital Reserves		-	-
1- Share Premium		-	-
2- Cancellation Profits of Equity Shares		-	-
3- Profit on Asset Sales That Will Be Transferred to Capital		-	-
4- Currency Translation Adjustments		-	-
5- Other Capital Reserves		-	-
C- Profit Reserves		192.608.861	462.886.505
1- Legal Reserves		-	-
2- Statutory Reserves		-	-
3- Extraordinary Reserves		-	-
4- Special Funds		-	-
5- Revaluation of Financial Assets	11,15	192.608.861	462.886.505
6- Other Profit Reserves		-	-
D- Retained Earnings		4.615.443.928	15.862.966.540
1- Retained Earnings		4.615.443.928	15.862.966.540
E- Accumulated Losses		-	-
1- Accumulated Losses		-	-
F-Net Profit/(Loss) for the Period		(749.261.203)	(11.247.522.612)
1- Net Profit for the Year		-	-
2- Net Loss for the Year		(749.261.203)	(11.247.522.612)
3- Net Profit for the Period not Subject to Distribution		-	-
V- Total Equity		4.058.791.586	5.078.330.433
TOTAL EQUITY AND LIABILITIES		25.523.746.085	21.915.602.013

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

	Notes	Audited Current Period January 1 – December 31, 2024	Audited Prior Period January 1 – December 31, 2023
I-TECHNICAL SECTION			
A- Non-Life Technical Income		3.375.605.367	1.229.600.036
1- Earned Premiums (Net of Reinsurer Share)		3.375.605.367	1.229.600.036
1.1- Written Premiums (Net of Reinsurer Share)		7.895.847.038	2.186.923.675
1.1.1- Written Premiums, gross	17	13.524.059.982	4.978.736.551
1.1.2- Written Premiums, ceded	10,17	(5.628.212.944)	(2.791.812.876)
1.1.3- Premiums Transferred to Social Security Institutions		-	-
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward)	17,29	(4.520.241.671)	(957.323.639)
1.2.1- Reserve for Unearned Premiums, gross	17	(4.520.241.671)	(957.323.639)
1.2.2- Reserve for Unearned Premiums, ceded		-	-
1.2.3 – Reserve for Unearned Premiums, Social Security Institution Share		-	-
1.3- Change in Reserve for Unexpired Risks (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
1.3.1- Reserve for Unexpired Risks, gross		-	-
1.3.2- Reserve for Unexpired Risks, ceded		-	-
2- Investment Income - Transferred from Non-Technical Section		-	-
3- Other Technical Income (Net of Reinsurer Share)		-	-
3.1- Other Technical Income, gross		-	-
3.2- Other Technical Income, ceded		-	-
4- Accrued Salvage and Subrogation Income		-	-
B- Non-Life Technical Expense		(7.930.497.001)	(14.019.383.597)
1- Incurred Losses (Net of Reinsurer Share)	17	(5.630.671.111)	(12.985.746.833)
1.1- Claims Paid (Net of Reinsurer Share)	17,29	(726.925.391)	(9.054.200.740)
1.1.1- Claims Paid, gross	17	(8.938.209.107)	(40.425.067.889)
1.1.2- Claims Paid, ceded	10,17	8.211.283.716	31.370.867.149
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward)	17,29	(4.903.745.720)	(3.931.546.093)
1.2.1- Change in Provisions for Outstanding Claims, gross	17	10.081.418.641	(15.184.290.646)
1.2.2- Change in Provisions for Outstanding Claims, ceded	17	(14.985.164.361)	11.252.744.553
2- Change in Provision for Bonus and Discounts (Net of Reinsurer and Less the Amounts Carried Forward)		-	-
2.1- Provision for Bonus and Discounts, gross		-	-
2.2- Provision for Bonus and Discounts, ceded		-	-
3- Change in Other Technical Reserves (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
4- Operating Expenses	32	(2.299.825.890)	(1.033.636.764)
5- Mathematical Provisions (Net of Reinsurer Share and Less the Amounts Carried Forward)		-	-
C- Net Technical Income-Non-Life (A – B)		(4.554.891.634)	(12.789.783.561)
D- Life Technical Income		-	-
E- Life Technical Expense		-	-
F- Net Technical Income- Life (D – E)		-	-
I - Net Technical Income – Pension Business (G-H)		-	-
J- Total Net Technical Income (C+F+I)		(4.554.891.634)	(12.789.783.561)

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

	Notes	Audited Current Period January 1 – December 31, 2024	Audited Prior Period January 1 – December 31, 2023
II-NON-TECHNICAL SECTION			
K- Investment Income		4.497.280.744	9.795.308.665
1- Income from Financial Assets	4.2	3.456.106.641	7.938.848.138
2- Income from Disposal of Financial Assets	4.2	737.130.225	757.678
3- Valuation of Financial Assets	4.2	-	870.687.344
4- Foreign Exchange Gains	4.2	304.043.878	985.015.505
5- Income from Associates		-	-
6- Income from Subsidiaries and Joint Ventures		-	-
7- Income from Property, Plant and Equipment		-	-
8- Income from Derivative Transactions		-	-
9- Other Investments		-	-
10- Income Transferred from Life Section		-	-
L- Investment Expense		(665.282.322)	(753.203.891)
1- Investment Management Expenses (including interest)	4.2	(281.788.675)	(564.616.641)
2- Diminution in Value of Investments	4.2	(221.159.904)	-
3- Loss from Disposal of Financial Assets		(71.423.110)	-
4- Investment Income Transferred to Non-Life Technical Section		-	-
5- Loss from Derivative Transactions		-	-
6- Foreign Exchange Losses	4.2	(77.348.131)	(179.947.669)
7- Depreciation and Amortisation Expenses	6,8	(13.562.502)	(8.639.581)
8- Other Investment Expenses		-	-
M- Income and Expenses from Other and Extraordinary Operation		(26.367.991)	(7.499.843.825)
1- Provisions	47	(31.141.775)	(7.500.000.000)
2- Rediscounts		-	-
3- Specified Insurance Accounts		-	-
4- Inflation Adjustment Account		-	-
5- Deferred Taxation (Deferred Tax Assets)		-	-
6- Deferred Taxation (Deferred Tax Liabilities)		-	-
7- Other Income		4.773.784	156.175
8- Other Expenses and Losses		-	-
9- Prior Year's Income		-	-
10- Prior Year's Expenses and Losses		-	-
N- Net Profit for the Period		(749.261.203)	(11.247.522.612)
1- Profit for the Period		(749.261.203)	(11.247.522.612)
2- Corporate Tax Provision and Other Fiscal Liabilities		-	-
3- Net Profit for the Period		(749.261.203)	(11.247.522.612)
4- Inflation Adjustment Account		-	-

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

	Notes	Audited Current Period January 1 – December 31, 2024	Audited Prior Period January 1 – December 31, 2023
A. Cash flows from main activities			
1. Cash provided from insurance activities		19.729.075.698	36.622.044.509
2. Cash provided from reinsurance activities		-	612.362.506
3. Cash provided from pension business		-	-
4. Cash used in insurance activities		(14.638.524.543)	(50.838.121.893)
5. Cash used in reinsurance activities		(483.600.214)	-
6. Cash used in pension business		-	-
7. Cash provided from main activities		4.606.950.941	(13.603.714.878)
8. Interest paid		-	-
9. Income taxes paid		-	-
10. Other cash inflows		281.526.577	8.742.146.749
11. Other cash outflows		(2.307.977.746)	(7.525.003.742)
12. Net cash provided from operating activities		2.580.499.772	(12.386.571.871)
B. Cash flows from investing activities			
1. Disposal of tangible assets		-	-
2. Acquisition of tangible assets		(34.619.858)	(15.636.579)
3. Acquisition of financial assets		(30.614.728.174)	(443.508.722)
4. Disposal of financial assets		25.611.118.157	13.950.921.655
5. Interests received		1.154.801.575	877.853.247
6. Dividends received		-	-
7. Other cash inflows		1.982.762.296	2.576.399.594
8. Other cash outflows		(2.931.078.794)	(1.788.585.466)
9. Net cash provided by investing activities		(4.557.352.547)	15.157.443.729
C. Cash used in financing activities			
1. Equity shares issued		-	-
2. Cash provided from loans and borrowings		-	-
3. Finance lease payments		-	-
4. Dividends paid		-	-
5. Other cash inflows		-	-
6. Other cash outflows		-	-
7. Net cash used in financing activities		-	-
D. Impact of currency differences on cash and cash equivalents		803.911.686	757.382.793
E. Net increase/(decrease) in cash and cash equivalents		(1.172.941.089)	3.528.254.651
F. Cash and cash equivalents at the beginning of the period	14	5.361.306.733	1.833.052.082
G. Cash and cash equivalents at the end of the period	14	4.188.365.644	5.361.306.733

TURKISH CATASTROPHE INSURANCE POOL STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Audited Statement of Changes in Equity – December 31, 2023

	Notes	Capital	The business's own stocks	Revaluation of Financial Assets	Equity inflation adjustment differences	Foreign currency exchange differences	Legal reserves	Status reserves	Other reserves and undistributed profits	Net period profit	Profit-losses in past years	Total
I – Balance at the end of the previous year (January 1, 2022)		-	-	5.608.418.850	-	-	-	-	-	2.074.868.559	13.788.097.981	21.471.385.390
A – Capital increase		-	-	-	-	-	-	-	-	-	-	-
1 – In cash		-	-	-	-	-	-	-	-	-	-	-
2 – From reserves		-	-	-	-	-	-	-	-	-	-	-
B – Purchase of own shares		-	-	-	-	-	-	-	-	-	-	-
C – Gains and losses that are not included in the statement of income		-	-	-	-	-	-	-	-	-	-	-
D – Change in the value of financial assets	15	-	-	(5.145.532.345)	-	-	-	-	-	-	-	(5.145.532.345)
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other gains and losses		-	-	-	-	-	-	-	-	-	-	-
G – Inflation adjustment differences		-	-	-	-	-	-	-	-	-	-	-
H – Net profit for the year	15	-	-	-	-	-	-	-	-	(11.247.522.612)	-	(11.247.522.612)
I – Other reserves and transfers from retained earnings		-	-	-	-	-	-	-	-	(2.074.868.559)	2.074.868.559	-
J – Dividends paid		-	-	-	-	-	-	-	-	-	-	-
II- Balance at the end of the period December 31, 2022	15	-	-	462.886.505	-	-	-	-	-	(11.247.522.612)	15.862.966.540	5.078.330.433

Audited Statement of Changes in Equity December 31, 2024

	Notes	Capital	The business's own stocks	Revaluation of Financial Assets	Equity inflation adjustment differences	Foreign currency exchange differences	Legal reserves	Status reserves	Other reserves and undistributed profits	Net period profit	Profit-losses in past years	Total
I – Balance at the end of the previous year – (January 1, 2023)		-	-	462.886.505	-	-	-	-	-	(11.247.522.612)	15.862.966.540	5.078.330.433
A – Capital increase		-	-	-	-	-	-	-	-	-	-	-
1 – In cash		-	-	-	-	-	-	-	-	-	-	-
2 – From reserves		-	-	-	-	-	-	-	-	-	-	-
B – Purchase of own shares		-	-	-	-	-	-	-	-	-	-	-
C – Gains and losses that are not included in the statement of income		-	-	-	-	-	-	-	-	-	-	-
D – Change in the value of financial assets	15	-	-	(270.277.644)	-	-	-	-	-	-	-	(270.277.644)
E – Currency translation adjustments		-	-	-	-	-	-	-	-	-	-	-
F – Other gains and losses		-	-	-	-	-	-	-	-	-	-	-
G – Inflation adjustment differences		-	-	-	-	-	-	-	-	-	-	-
H – Net profit for the year	15	-	-	-	-	-	-	-	-	(749.261.203)	-	(749.261.203)
I – Other reserves and transfers from retained earnings		-	-	-	-	-	-	-	-	11.247.522.612	(11.247.522.612)	-
J – Dividends paid		-	-	-	-	-	-	-	-	-	-	-
II- Balance at the end of the period December 31, 2023	15	-	-	192.608.861	-	-	-	-	-	(749.261.203)	4.615.443.928	4.058.791.586

TURKISH CATASTROPHE INSURANCE POOL STATEMENT OF PROFIT DISTRIBUTION FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

Notes	Audited Current Period December 31, 2024 (*)	Audited Prior Period December 31, 2023 (*)
I. PROFIT DISTRIBUTION	-	-
1.1. CURRENT YEAR PROFIT	-	-
1.2. TAX AND FUNDS PAYABLE	-	-
1.2.1. Corporate Income Tax (Income Tax)	-	-
1.2.2. Income Tax Deduction	-	-
1.2.3. Other Taxes and Duties	-	-
A NET PROFIT (1.1 – 1.2)	-	-
1.3. PREVIOUS PERIOD LOSSES (-)	-	-
1.4. FIRST LEGAL RESERVE	-	-
1.4. STATUTORY FUND (-) (**)	-	-
B NET PROFIT DISTRIBUTION [(A-(1.3 + 1.4 + 1.5))]	-	-
1.6. FIRST DIVIDEND TO SHAREHOLDERS (-)	-	-
1.6.1. Holders of shares	-	-
1.6.2. Holders of Preferred shares	-	-
1.6.3. Holders of Redeemed shares	-	-
1.6.4. Holders of Participation Bond	-	-
1.6.5. Holders of Profit and Loss sharing certificate	-	-
1.7. DIVIDEND TO PERSONNEL (-)	-	-
1.8. DIVIDENDS TO FOUNDERS (-)	-	-
1.9. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
1.10. SECOND DIVIDEND TO SHAREHOLDERS (-)	-	-
1.10.1. Holders of Shares	-	-
1.10.2. Holders of Preferred shares	-	-
1.10.3. Holders of Redeemed shares	-	-
1.10.4. Holders of Participation Bond	-	-
1.10.5. Holders of Profit and Loss sharing certificate	-	-
1.11. SECOND LEGAL RESERVE (-)	-	-
1.12. STATUTORY RESERVES (-)	-	-
1.13. EXTRAORDINARY RESERVES	-	-
1.14. OTHER RESERVES	-	-
1.15. SPECIAL FUNDS	-	-
II. DISTRIBUTION OF RESERVES	-	-
2.1. DISTRIBUTION OF RESERVES	-	-
2.2. SECOND LEGAL RESERVES (-)	-	-
2.3. COMMON SHARES (-)	-	-
2.3.1. Holders of Shares	-	-
2.3.2. Holders of Preferred shares	-	-
2.3.3. Holders of Redeemed shares	-	-
2.3.4. Holders of Participation Bond	-	-
2.3.5. Holders of Profit and Loss sharing certificate	-	-
2.4. DIVIDENDS TO PERSONNEL (-)	-	-
2.5. DIVIDENDS TO BOARD OF DIRECTORS (-)	-	-
III. PROFIT PER SHARE	-	-
3.1. HOLDERS OF SHARES (**)	-	-
3.2. HOLDERS OF SHARES (%)	-	-
3.3. HOLDERS OF PREFERRED SHARES	-	-
3.4. HOLDERS OF PREFERRED SHARES (%)	-	-
IV. DIVIDEND PER SHARE	-	-
4.1. HOLDERS OF SHARES	-	-
4.2. HOLDERS OF SHARES (%)	-	-
4.3. HOLDERS OF PREFERRED SHARES	-	-
4.4. HOLDERS OF PREFERRED SHARES (%)	-	-

(*) TCIP, does not distribute profits.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

1 GENERAL INFORMATION

1.1 Name of the Company

The Turkish Catastrophe Insurance Pool ("TCIP") is responsible for making insurance and performing other duties assigned to it by this Decree Law No. 587, published in the Official Gazette dated 27 December 1999. It was established as a public legal entity of the Ministry. With the Decree Law No. 6305, which came into force after being published in the Official Gazette dated May 18, 2012, the Decree-Law was repealed, the assets and liabilities of the Türkiye Catastrophe Insurance Pool, which was established with the Decree, and all kinds of rights and obligations, no action required.

The execution of the technical and operational activities of TCIP is provided through the use of outsourcing. The task of carrying out the business and transactions of TCIP is carried out by T.C. It was transferred to Eureko Sigorta A.Ş. for a period of 5 years with a contract signed on 8 August 2005 by the Ministry of Treasury and Finance ("Ministry of Treasury and Finance") within the framework of Law No. 6305. As a result of the tender, which was renewed in July 2010 and then in August 2015, Eureko Sigorta A.Ş. was determined as the technical operator again and the relevant contract was signed on 7 August 2015.

Türk Reasürans A.Ş. was appointed as the technical operator for a period of 5 years, with the approval letter of the Ministry of Treasury and Finance dated October 31, 2019 and numbered 454523, replacing Eureko Sigorta A.Ş. The parties changed their duties on the aforementioned date. In line with the principles determined by the technical operator, the Ministry of Treasury and Finance and the decisions taken by the Board of Directors of TCIP, on behalf of and on behalf of TCIP, to carry out the technical and operational works of all insurance activities related to the functioning of TCIP and the compulsory earthquake insurance, to carry out risk transfer and reinsurance plans. It provides services to implement TCIP's resources, to carry out public relations, advertising, promotion and training campaigns, to purchase goods and services from outside in relation to TCIP's business, and to account for the revenue and expenses of TCIP and all account transactions.

1.2 The Company's address and legal structure and address of its registered country and registered office

The address of TCIP's registered office is "İnkılap Mahallesi Dr. Adnan Büyükdeniz Caddesi Ak Ofis No:8/1 Kat:7 34768 Ümraniye, İstanbul".

1.3 Business of the Company

The main activity of TCIP is to make Compulsory Earthquake Insurance in order to cover the material damages incurred by the building owners or usufruct owners due to the loss or damage of the buildings as a result of an earthquake disaster.

TCIP started policy sales on September 27, 2000.

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

1 GENERAL INFORMATION (continued)

1.4 Description of the main operations of TCIP

TCIP, established to provide compulsory earthquake and other natural disaster insurance coverage, operates in accordance with the principles and procedures outlined in the 'Turkish Catastrophe Insurance Pool Working Principles Regulation,' published in the Official Gazette No. 28385, dated August 15, 2012.

The Board of Directors of TCIP consists of seven members in total, including those appointed by the Insurance and Private Pension Regulation and Supervision Agency ("SEDDK"), the Ministry of Environment, Urbanization and Climate Change, the Capital Markets Board, the Insurance Association of Türkiye, the Disaster and Emergency Management Presidency, and the Council of Higher Education, as well as representatives designated by the Technical Operator company.

TCIP and its income are exempt from all kinds of taxes, duties and fees.

TCIP is not subject to the Law No. 3346 on the Regulation of the Audit of Public Economic Enterprises and the Funds by the Turkish Grand National Assembly, the Law on the Court of Accounts No. 6085, the Allowance Law No. 6245, the Public Financial Management and Control Law No. 5018 and the Public Procurement Law No. 4734.

Insurance premium receivables of TCIP are collected in accordance with the provisions of the Law No. 6183 on Collection Procedure of Public Receivables.

The annual accounts, transactions and expenditures of TCIP are audited by SEDDK.

1.5 The average number of the personnel during the year in consideration of their categories:

To ensure the execution of TCIP's business and operations, the Technical Operator assigns a sufficient number of adequately equipped personnel. The salaries of the personnel employed within the Technical Operator for the purpose of carrying out TCIP's activities are provided by the Technical Operator. In this context; the average number of the personnel during the period in terms of categories are as follows:

	December 31, 2024	December 31, 2023
Executive	5	5
Executive assistant	4	3
Expert / Authorized / Other employees	67	44
Total	76	52

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

1 GENERAL INFORMATION (continued)

1.6 Wages and similar benefits provided to the senior management

For the period that ended on December 31, 2024, TL 3.868.286 to the chairwoman and members of the board of directors (December 31, 2023: TL 1.981.603), no wages and similar benefits were provided to senior executives (December 31, 2023: None).

1.7 Keys used in the distribution of investment income and operating expenses (personnel, administrative, research and development, marketing and selling, services rendered from third parties and other operating expenses) in the financial statements

Procedures and principles related to keys used in the financial statements of the companies are determined in accordance with the January 4, 2008 dated and 2008/1 numbered "Communiqué Related to the Procedures and Principles for the Keys Used in the Financial Statements Being Prepared In Accordance With Insurance Accounting Plan" issued by the Republic of Türkiye Ministry of Treasury and Finance.

In accordance with the above mentioned communiqué, companies may transfer the operating expenses of the technical section to the insurance section through method determined by the Republic of Türkiye Ministry of Treasury and Finance or by the companies' own method which approved by Republic of Türkiye Ministry of Treasury and Finance. In this framework, TCIP directly allocates its costs, which are certainly documented to be made for related branches and for which there is no hesitation regarding the ownership of such costs to respective branches while it allocates its other operating expenses based on their shares within the total gross written premium during a period for each sub-branches.

1.8 Information on the unconsolidated financial statements as to whether they comprise an individual Company or a group of companies

The accompanying financial statements comprise an individual company (TCIP).

1.9 Name or other identity information about the reporting entity and the changes in this information after previous reporting date

Trade name of the Company: Doğal Afet Sigortaları Kurumu (Turkish Catastrophe Insurance Pool)
Registered address of the head office: İnkilap Mahallesi, ,Dr.Adnan Büyükdeniz Cad., Ak Ofis No:8/1
Kat: 7, 34768 Ümraniye / İstanbul

The web page of the Company: www.dask.gov.tr

1.10 Subsequent events to date of balance sheet

The financial statements prepared as at December 31, 2024, have been approved by TCIP's Board of Directors.

Explanations related to date of balance sheet subsequent events are disclosed in Note 46.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

TCIP prepares its financial statements in accordance with the principles specified for insurance and reinsurance companies issued by the SEDDK established by the Presidential Decree dated October 18, 2020. The insurance legislation before the establishment of SEDDK had been published by the Republic of Türkiye Ministry of Treasury and Finance.

TCIP conducts its operations in accordance with the "Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies," published on July 14, 2007, and effective as of January 1, 2008. It accounts for its activities in line with this regulation, the Turkish Accounting Standards (TMS) and Turkish Financial Reporting Standards (TFRS) issued by the Public Oversight, Accounting and Auditing Standards Authority (KGK), and other regulations, explanations, and circulars on accounting and financial reporting principles published by the Republic of Türkiye Ministry of Treasury and Finance. With reference to the notice of the Republic of Türkiye Ministry of Treasury and Finance No. 9 dated February 18, 2008, "TAS 1-Financial Statements and Presentation", "TAS 27-Consolidated and Unconsolidated Financial Statements", "TFRS 1 - Transition to TFRS" and "TFRS 4 - Insurance Contracts" have been scoped out of this application. In addition, insurance companies are required to prepare consolidated financial statements pursuant to the official statement on Regulation of Consolidated Financial Statements of Insurance and Reinsurance Companies and Pension Companies issued in the Official Gazette, dated on December 31, 2008 and numbered 27097. TCIP does not have a subsidiary that needs to be consolidated.

The financial statements are prepared in accordance with the Insurance Chart of Accounts included in the communiqué issued by the Treasury regarding the Insurance Chart of Accounts and Prospects, published in the Official Gazette dated December 31, 2004 and numbered 25686 (Insurance Accounting System Communiqué No. 1) and Sector Announcement on the Opening of New Account Codes in the Insurance Chart of Accounts dated December, 27 2011 and numbered 2011/14. The form and content of the financial statements prepared and their explanations and notes are determined in accordance with the Communiqué on Presentation of Financial Statements published in the Official Gazette dated 18 April 2008 and numbered 26851 and Sector Announcement on the Presentation of Financial Statements with New Account Codes dated May 31, 2012 and numbered 2012/7.

TCIP calculates and accounts for the insurance technical provisions in the financial statements as of December 31, 2024 in accordance with the "Regulation Regarding the Technical Reserves of Insurance, Reinsurance and Pension Companies and the Assets to which These Reserves

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Information about the principles and the specific accounting policies used in the preparation of the financial statements (continued)

Are Invested," ("Regulation on Technical Reserves") dated July 28, 2010 and published in official gazette numbered 27655 and official gazette numbered 28356 dated July 17, 2012 and the regulations issued for insurance and reinsurance companies by the Republic of Türkiye Ministry of Treasury and Finance.

The balance sheet of TCIP prepared as of December 31, 2024, is presented comparatively with the balance sheet prepared as of December 31, 2023. TCIP presents the income statement, equity change table, cash flow table, and profit distribution table for the accounting period of January 1 - December 31, 2024, in comparison with the income statement, equity change table, cash flow table, and profit distribution table for the accounting period of January 1 - December 31, 2023.

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

Information on other accounting policies is explained above and each under its own heading in the following sections of this report.

2.1.3 Current and presentation currency

The accompanying financial statements are presented in TL, which is TCIP functional currency.

2.1.4 Rounding scale of the amounts presented in the financial statements

Financial information presented in TL, has been rounded to the nearest TL values.

2.1.5 Basis of measurement used in the preparation of the financial statements

The accompanying financial statements are prepared on the historical cost basis. According to TAS 29 Financial Reporting in Hyperinflationary Economies, entities whose functional currency is that of a hyperinflationary economy are required to present their financial statements in terms of the purchasing power of the currency at the end of the reporting period. In its announcement dated 23 November 2023 titled "Announcement on the Inflation Adjustment of Financial Statements of Companies Subject to Independent Audit", the Public Oversight, Accounting and Auditing Standards Authority of Türkiye (POA) stated that entities applying the Turkish Financial Reporting Standards (TFRS) must present their financial statements for annual reporting periods ending on or after 31 December 2023 adjusted for inflation in accordance with TAS 29. However,

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NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024**

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.5 Basis of measurement used in the preparation of the financial statements

it also noted that institutions and organizations authorized to regulate and supervise within their respective fields may determine different effective dates for the implementation of TAS 29. In response to this announcement, the Insurance and Private Pension Regulation and Supervision Agency of Türkiye (SEDDK), through its circular dated 6 December 2023 and numbered 2023/30, titled "Circular on the Application of Inflation Accounting in the Insurance Sector", decided that insurance, reinsurance, and pension companies would not be subject to the inflation adjustment required under TAS 29 in their financial statements dated 31 December 2023. Subsequently, in its circular dated 11 March 2024 and numbered 2024/10, also titled "Circular on the Application of Inflation Accounting in the Insurance Sector", SEDDK announced that the effective date for the implementation of inflation accounting for insurance, reinsurance, and pension companies would be 1 January 2025. However, with the issuance of another circular dated 6 December 2024 and numbered 2024/32, the aforementioned Circular No. 2024/10 was repealed. Consequently, it was decided that insurance, reinsurance, and pension companies will not apply inflation accounting in 2025.

2.1.6 Accounting policies, changes in accounting estimates and errors

Significant changes in accounting policies and identified significant accounting errors are applied retrospectively and previous period of financial statements are restated. In current period, there is no changes in accounting policies and no significant accounting errors identified. If changes of accounting estimations are related to only one period, it is applied on current period which is change made. If it's related to future period, it is applied rewardingly on future period. There are no significant changes or errors detected in accounting policies in the current period.

Explanations regarding accounting estimates are included in Note 3.

2.1.7 The new standards, amendments and interpretations

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

**TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024**

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

i) The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows:

Amendments to TAS 8 - Definition of Accounting Estimates

In August 2021, POA issued amendments to TAS 8, in which it introduces a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the POA. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date.

TCIP does not expect a material impact on the financial statements.

Amendments to TAS 1 - Disclosure of Accounting Policies

In August 2021, POA issued amendments to TAS 1, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. In the absence of a definition of the term 'significant' in TFRS, the POA decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in TFRS and is widely understood by the users of financial statements, according to the POA. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added.

The change did not have a significant impact on the financial position or performance of TCIP.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

i) The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows: (continued)

Amendments to TAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In August 2021, POA issued amendments to TAS 12, which narrow the scope of the initial recognition exception under TAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized.

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

TAS 12 Amendments – International Tax Reform – Second Pillar Model Rules

In September 2023, the POA issued amendments to TAS 12, which introduces a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments. However, certain disclosure requirements are not required to be applied for any interim period ending on or before December 31, 2023.

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

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

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

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the unconsolidated financial statements are as follows. TCIP will make the necessary changes if not indicated otherwise, which will be affecting the unconsolidated financial statements and disclosures, when the new standards and interpretations become effective.

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

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

TCIP will wait until the final amendment to assess the impacts of the changes.

TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. Certain changes in the estimates of future cash flows and the risk adjustment are also recognised over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in OCI.

The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. In accordance with amendments issued by POA in December 2021, entities have transition option for a "classification overlay" to avoid possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of TFRS 17. The mandatory effective date of the Standard for the following entities has been postponed to accounting periods beginning on or after January 1, 2025 with the announcement made by the POA:

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(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

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

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

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2024 with the announcement made by the POA.

The standard is not applicable for TCIP and will not have an impact on the financial position or performance of TCIP.

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In January 2021 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective for periods beginning on or after January 1, 2024. The amendments must be applied retrospectively in accordance with TAS 8. Early application is permitted. However, an entity that applies the 2020 amendments early is also required to apply the 2023 amendments, and vice versa.

TCIP is in the process of assessing the impact of the amendments on financial position or performance of TCIP.

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(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

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

Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments to annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16.

TCIP is in the process of assessing the impact of the amendments on financial position or performance of TCIP.

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose. The amendments will be effective for annual reporting periods beginning on or after January 1, 2024. Early adoption is permitted but will need to be disclosed.

Overall, TCIP expects no significant impact on its balance sheet and equity.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.7 The new standards, amendments and interpretations (continued)

iii) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following amendments to IAS 12 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. TCIP will make the necessary changes to its unconsolidated financial statements after the amendments are issued and become effective under TFRS.

Amendments to IAS 21 - Lack of exchangeability

In August 2023, IASB issued amendments to IAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

Overall, the Company expects no significant impact on its balance sheet and equity.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Consolidation

As of the end of the reporting period, TCIP did not have any subsidiaries or affiliates subject to consolidation, thus consolidated financial statements have not been prepared.

2.3 Segment reporting

As of December 31, 2024, TCIP does not prepare the segment reporting since TCIP has being continuing their activities in mainly Türkiye in non-life insurance branches that is recording as only one reportable segment in scope of TFRS 8- "Activity Segments" standard and also TCIP is not publicly held.

2.4 Foreign currency transactions

Transactions are recorded in TL, which is TCIP's functional currency. Transactions in foreign currencies are recorded at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date and all exchange differences, except for those arising on the translation of the fair value change of available-for-sale financial assets, are offset and are recognized as foreign exchange gains or losses.

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
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(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Tangible Assets

Tangible assets are shown by deducting accumulated depreciation from the acquisition cost. Depreciation is allocated based on the useful lives of tangible assets by using the straight-line method.

The acquisition cost of tangible assets are depreciated using the straight-line depreciation method based on their expected useful lives. The expected useful life, residual value, and depreciation method are reviewed annually for the potential effects of changes in estimates, and any changes in estimates are accounted for prospectively.

Gains/losses arising from the disposal of the tangible assets are calculated as the difference between the net carrying value and the proceeds from the disposal of related tangible assets and reflected to the statement of income of the related period.

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

Tangible Assets	Estimated useful lives (years)	Depreciation rates (%)
Machinery and equipment	3-15	33,3-0,7
Furniture and fixtures	5-15	6,6-20
Motor vehicles	5-6	20-16,66
Other tangible assets (includes leasehold improvements)	5	20
Rights	1-3	100-33,3

2.6 Investment property

None (December 31, 2023: None).

2.7 Intangible assets

Intangible fixed assets include the acquired information systems and computer software. Intangible fixed assets are booked at their acquisition cost in accordance with TAS 38 - Accounting Standard for Intangible Fixed Assets and are subjected to depreciation with the straight-line depreciation method over their estimated useful lives after the date of acquisition.

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets

A financial asset is any asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

TCIP's financial assets consist of loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments, which are not traded in an active market and are created by providing money, goods, or services to the debtor. In the institution's financial statements, premiums receivable classified as loans and receivables are accounted for by considering the policy amounts, after deducting any provisions set aside for impairment, if applicable.

2.9 Impairment on assets

Financial assets or group of financial assets are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, TCIP estimates the amount of impairment. Impairment loss incurs, if and only if, there is objective evidence that the expected future cash flows of financial asset or group of financial assets are adversely affected by an event(s) ("loss event(s)") incurred subsequent to recognition. The losses expected to incur due to future events are not recognized even if the probability of loss is high.

Loans and receivables are presented net of specific allowances for uncollectibility. Specific allowances are made against the carrying amounts of loans and receivables that are identified as being impaired based on regular reviews of outstanding balances to reduce these loans and receivable to their recoverable amounts.

2.10 Derivative financial instruments

TCIP are accounted the derivative instruments in compliance with the standard TAS 39 – Financial Instruments: Recognition and measurement.

Derivative financial instruments are subsequently remeasured at fair value and positive fair value differences are presented either as "financial assets" and negative fair value differences are presented as "financial liabilities" in the accompanying financial statements. All unrealized gains and losses on these instruments are included in the statement of income.

As of December 31, 2023, TCIP has no derivative financial instruments. (December 31, 2023: None)

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Offsetting of financial assets

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, TCIP has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the Reporting Standards, or for gains and losses arising from a group of transactions resulting from TCIP's similar activities like trading transactions.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and short-term, highly liquid investments with a definite amount, easily convertible into cash, with an insignificant risk of change in value and with a maturity of 3 months or less.

Cash and cash equivalents shown in the cash flow statements are as follows:

	December 31, 2024	December 31, 2023
Bank deposits (Note 14)	4.235.197.211	5.455.922.656
Minus: Interest accrual (-)	(46.831.567)	(94.615.923)
Total	4.188.365.644	5.361.306.733

2.13 Capital

As of December 31, 2024 and 2023, TCIP has no paid-in capital.

2.14 Insurance and investment contracts

An insurance contract is a contract under which TCIP accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Insurance risk covers all risk except for financial risks. All premiums have been received within the scope of insurance contracts recognized as revenue under the account caption "written premiums".

Investment contracts are those contracts which transfer financial risk with no significant insurance risk. Financial risk is the risk of a possible future change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided, that it is not specific to a party to the contract, in the case of a non-financial variable.

The insurance contracts produced by TCIP consist of policies issued for compulsory earthquake insurance products.

TURKISH CATASTROPHE INSURANCE POOL
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Investment contracts without discretionary participation feature

None (December 31, 2023: None).

2.16 Credits

None (December 31, 2023: None).

2.17 Taxes

Corporate tax

TCIP is exempt from all kinds of taxes, duties, and fees under Article 3/2 of the 'Law on Disaster Insurance No. 6305', including its revenues.

2.18 Employee benefits

TCIP accounts for its obligations related to severance pay and unused vacation rights in accordance with the provisions of the "Turkish Accounting Standard on Employee Benefits" ("TMS 19").

2.19 Provisions

A provision is made for an existing obligation resulting from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management on the expenses to incur as of the reporting date and, if material, such expenses are discounted to their present values. If the amount is not reliably estimated and there is not any probability of cash outflow from TCIP to settle the liability, the related liability is considered as "contingent" and disclosed in the notes to the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of TCIP. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, TCIP discloses the contingent assets in the notes to the financial statements.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Revenue recognition

Written premiums and commission income

Written premiums represent premiums on policies written during the period net of taxes, premiums of the cancelled policies which were produced in prior periods and premium ceded to reinsurance companies. Premiums ceded to reinsurance companies are accounted as "written premiums, ceded" in the statement of income.

Commissions received in the current period but relate to subsequent financial periods in return for the premiums ceded to the reinsurance companies are accounted as deferred commission income.

Interest income and expenses

Interest income and expenses are recognized using the effective interest method.

2.21 Dividend distribution

TCIP does not distribute dividend.

2.22 Unearned premium reserve

The unearned premiums reserve represents the proportions of the gross premiums written without deductions of commission or any other allowance, in a period that relate to the period of risk subsequent to the reporting date for all current insurance policies. According to the "Communiqué on Technical Reserves for Insurance, Reinsurance and Pension Companies and the Related Assets That Should Be Invested Against Those Technical Reserves" ("Communiqué on Technical Reserves") published in the Official Gazette dated July 28, 2010, and numbered 27655, and effective from September 30, 2010, during the calculation of the unearned premiums reserve, the start and end dates of the insurance coverage are considered as half-days, and the calculation is made accordingly.

2.23 Unexpired risk reserves

Within framework of Communiqué on Technical Reserves, insurance companies are required to account for an unexpired risk reserve against the probability that future losses incurred from in force policies may exceed the unearned premium reserve accounted for the related policies considering expected loss ratios. Expected loss ratio is calculated by dividing the current year incurred losses to current year earned premiums. If the expected loss ratio calculated by branch exceeds 95%, the amount ascertained by multiplying the ratio exceeding 95% by the net unearned premiums reserve is calculated as the net provision for unexpired risks, and the amount ascertained by multiplying the

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Unexpired risk reserves (Continued)

ratio exceeding 95% by the gross unearned premiums reserve is calculated as the gross provision for unexpired risks. The difference between the gross amount and the net amount is considered as the reinsurer's share. TCIP, established to provide earthquake and other natural disaster insurance coverage and utilizing all its resources and accumulated reserves for the necessary operations to provide these coverages, has not booked in additional unexpired risk reserve in the current period (December 31, 2023: None).

2.24 Outstanding claims reserve

The insurance companies are obliged to reserve outstanding claims provision for unearned compensation amounts that have been accrued and calculated but have not yet been paid in the previous accounting period or if this amount has not been calculated the provision should be reserved for the estimated amount that have accrued but have not been reported ("IBNR"). In accordance with the Communiqué on Technical Reserves, all expenses related to the claim files including calculated or expected expertise, consultant, lawsuit and communication expenses are considered while the calculation of outstanding claims reserve. In these calculations salvage and subrogation income are not considered.

TCIP records outstanding claims reserve in its financial statements for accrued and calculated but not yet paid claim amounts or estimated amounts if these cannot be calculated, as well as incurred but not reported compensation amounts. For the calculation of provisions for incurred but not reported, development triangles have been created on a claims quarter basis, taking into account the paid and outstanding claims data for the period 2014-2023. The data of participation insurance policies has been evaluated both within the total and separately analyzed. Considering the size of the data, loss developments, data quality, and the nature of the branch, data from the 2014-2023 period has been used in the calculations. The calculations have been performed based on actual loss data. For situations considered anomalies in the development coefficient in the triangle, coefficient elimination has been performed. The suitability of the obtained development coefficients to the theoretical distribution has been examined, and coefficients from the Weibull distribution have been used starting from the 28th period development coefficient. The difference between the ultimate loss obtained and the actual loss has been determined as the provision for incurred but not reported losses. A share proportional to its share in the actual loss has been allocated for participation. As of December 31, 2024, TCIP has calculated the gross IBNR amount of TL 2.275.501.464 and TL 631.566.749 net IBNR (December 31, 2023: TL 346.987.423, net IBNR).

In the framework of "Circular on Discounting Net Cash Flows Arising from Outstanding Claims Reserves" dated June 10, 2016 and numbered 2016/22 published by the Republic of Ministry of Treasury and Finance, "Circular on Making Amendments on Circular Numbered 2016/22 on

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Outstanding claims reserve (Continued)

Discounting of Net Cash Flows arising from Outstanding Claims" dated September 15, 2017 and numbered 2017/7 published by the Ministry of Treasury and Finance, and "Circular on Making Amendments on Circular Numbered 2016/22 on Discounting of Net Cash Flows arising from Outstanding Claims" dated January 15, 2024 and numbered 2024/3 published by the SEDDK, TCIP has not applied a discount to the outstanding claims reserve as of December 31, 2024 (December 31, 2023: None).

2.25 Equalization reserve

In accordance with the Communiqué on Technical Reserves put into effect starting from November 10, 2021, the companies should provide equalization reserve in credit insurance and earthquake branches to equalize the fluctuations in future possible claims and for catastrophic risks. Equalization reserve, started to be provided in 2008, is calculated as 12% of net premiums written in credit insurance and earthquake branches. In the calculation of net premiums, fees paid for non-proportional reinsurance agreements are considered as premiums ceded to the reinsurance firms. The companies should provide equalization reserve up to reaching 150% of the highest premium amount written in a year within the last five years. Following the completion of the fifth year, if the reserve amount based on premium production figures is lower than the reserve amount stated in the previous year's balance sheet, the difference will be shown under "Other Reserves" within shareholders' equity. This amount recorded in equity can either be kept under reserves or can also be used in capital increase or paying claims. In case where claims incurred, the amounts below exemption limits as stated in the contracts and the share of the reinsurance firms cannot be deducted from equalization reserves. Claims payments are deducted from first year's equalization reserves by first in first out method. TCIP, established to provide earthquake and other natural disaster insurance coverage and utilizing all its resources and accumulated reserves for the necessary operations to provide these coverages, has not booked in additional unexpired risk reserve in the current period (December 31, 2023: None).

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Related parties

In line with the purpose of the financial statements, the Technical Operator, senior executives, and members of the board of directors, along with their families and companies controlled by or affiliated with these parties, have been considered related parties.

2.27 Subsequent events

Subsequent events that provide additional information about TCIP's position at the reporting dates (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

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

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

In particular, information about significant areas at estimation uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes:

Note 4.1 – Management of insurance risk

Note 4.2 – Financial risk management

Note 17 – Insurance liabilities and reinsurance assets

4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK

4.1 Management of insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. Risk is incidental due to the nature of the insurance process. The most basic risk in insurance contracts is the possibility of realized claims and rights and benefits provided to policyholders are realized above the technical provisions in the financial statements made for insurance contracts.

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4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (Continued)

4.1 Management of insurance risk (Continued)

Insurance is a risk management tool that the transfer of sudden and unexpected risks within a risk management philosophy. The most important aspect of this risk management philosophy is to thoroughly review the possibilities of eliminating, controlling, or insuring risks by clearly defining the risk in every area and stage of the insurance activity.

The Authority provides earthquake coverage to buildings constructed as residential buildings. TCIP's solvency is limited by the accumulated funds it has and the protection it has received from the reinsurance markets. Disaster risk models are evaluated in determining the upper limits and priorities for reinsurance protection. Relevant limits are followed according to the cumulative developments on a regional basis. Premium amounts are calculated according to the tariffs determined according to the risk group and building characteristics. Within the scope of Compulsory Earthquake Insurance, the maximum coverage amount that can be given for a residence is TL 1.636.177 (TL 1.636.177 as of December, 1 2024). In addition, the premium amount to be paid in any case, according to the earthquake risk group from the first risk group to the seventh risk group, respectively: 1.259 TL, 1.118 TL, 951 TL, 891 TL, 670 TL, 476 TL, 324 TL.

TCIP not only creates new policies within the context of risk evaluation as mentioned above, also transfers the risks to reinsurer companies with reinsurance agreements. TCIP transfers the risks with excess of loss reinsurance within the context of the agreements.

The regional distribution of insurance risk (the maximum amount insured) is summarized below:

	31 December, 2024	31 December, 2023
İstanbul region	1.928.340.846.209	819.308.161.176
Other regions	6.937.829.307.894	2.892.985.157.328
Total	8.866.170.154.103	3.712.293.318.504

As of December 31, 2024 and 2023, the distribution of insurance risk according to geographical risk regions in Türkiye, with risk group 1 having the highest earthquake risk, is summarized below:

	December 31, 2024	December 31, 2023
Risk group 1	1.869.763.413.851	781.489.862.500
Risk group 2	1.612.649.242.983	664.696.858.252
Risk group 3	1.741.796.151.942	714.599.245.192
Risk group 4	758.640.438.657	315.798.638.364
Risk group 5	1.576.432.517.045	663.347.565.508
Risk group 6	588.952.722.392	257.730.286.172
Risk group 7	717.935.667.233	314.630.862.516
Total	8.866.170.154.103	3.712.293.318.504

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (Continued)

4.2 Management of financial risk

Introduction and overview

TCIP is exposed to financial risks due to its financial assets, financial liabilities (loans) and insurance liabilities. Specifically, the main financial risk is that the income from financial assets will not be sufficient to meet the liabilities arising from insurance contracts other than reinsurance contract protection. The most important components of financial risk are market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The Agency's overall risk management program focuses on the volatility of financial markets and minimizing its potential adverse effects on the Agency's financial performance. Risk management is carried out by TCIP Administrator in line with the procedures determined by legal regulations and approved by the Board of Directors. In the evaluation of investments, the Board of Directors first considers the liquidity and principal security, and then the profitability ratios. TCIP does not use derivative financial instruments to hedge against risks.

Credit risk

Credit risk is basically defined as the possibility that counterparty will fail to meet its obligations in accordance under agreed terms of a contract. The balance sheet items that the Company is exposed to credit risk are bank deposits, receivables from policyholders, receivables from reinsurance companies related to commissions and claims paid, and reinsurance shares of insurance liabilities.

Net book value of the assets that is exposed to credit risk is shown in the table below:

	December 31, 2024	December 31, 2023
Available for sale financial assets (Note 11)	11.959.099.661	7.196.153.610
Cash and cash equivalents (Note 14)	4.235.197.211	5.455.922.656
Receivables from main operations (Note 12)	1.147.101.313	5.336.727.468
Accrued income (Note 12)	--	25.003.742
Prepaid expenses (Note 12)	--	2.275.581
Other current assets (Note 12)	420.018	420.588
Reinsurer share in provision for outstanding claims (Note 10), (Note 17)	(14.985.164.361)	11.252.744.553
Total	2.356.653.842	29.269.248.198

As at December 31, 2024 and 2023, the aging of the receivables from main operations are as follows:

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4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

	December 31, 2024		December 31, 2023	
	Gross Amount	Provision	Gross Amount	Provision
Not past due	1.147.101.313	--	5.336.727.468	--
Total	1.147.101.313	--	5.336.727.468	--

TCIP's premium receivables are from insurance companies operating in Türkiye, which are operationally and financially subject to SEDDK's special regulations regarding capital adequacy. Insurance premium receivables of TCIP are collected in accordance with the provisions of the Law No. 6183 on Collection Procedure of Public Receivables.

As at December 31, 2024 and 2023, the receivables from main operations are as follows:

	December 31, 2024	December 31, 2023
The receivables from insurance company	1.180.237.868	5.338.722.248
Provision for doubtful receivables	(33.136.555)	(1.994.780)
Total	1.147.101.313	5.336.727.468

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial instruments.

Management of the liquidity risk

TCIP considers the maturity match between asset and liabilities for the purpose of avoiding liquidity risk and ensure that it will always have sufficient liquidity to meet its liabilities when due.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

Liquidity risk (continued)

Maturity distribution of monetary assets and liabilities:

December 31, 2024	Carrying amount	Up to 1 month	1 to 3 months	3 to 12 months	1 year and up
Cash and cash equivalents	4.235.197.211	3.607.244.723	627.952.488	-	-
Available for sale financial assets	11.959.099.661	8.200.305.196	24.828.945	3.733.965.520	-
Receivables from main operations -related parties	1.147.100.139	1.147.100.139	-	-	-
Other current assets	420.016	-	420.016	-	-
Total monetary assets	17.341.817.027	12.954.650.058	653.201.449	3.733.965.520	-
Payables from main operations -related parties	6.719.142.552	2.266.603.645	566.033.084	3.886.505.823	-
Other payables from main operations-related parties	128.762.292	-	128.762.292	-	-
Payables from main operations -third parties	-	-	-	-	-
Other payables from main operations- third parties	20.757.473	20.757.473	-	-	-
Provision for outstanding claims - Net	1.836.012.957	-	-	636.097.546	1.199.915.411
Taxes and payables	10.075.060	10.075.060	-	-	-
Total monetary liabilities	8.714.750.334	2.297.436.178	694.795.376	4.751.680.732	1.199.915.411

December 31, 2023	Carrying amount	Up to 1 month	1 to 3 months	3 to 12 months	1 year and up
Cash and cash equivalents	5.455.922.656	3.804.876.683	1.651.045.973	-	-
Available for sale financial assets	7.196.153.610	918.527.981	1.947.420	648.016.932	5.627.661.277
Receivables from main operations	5.336.727.468	605.867.136	-	4.730.860.332	-
Other current assets	420.588	420.588	-	-	-
Total monetary assets	17.989.224.322	5.329.692.388	1.652.993.393	5.378.877.264	5.627.661.277
Payables from main operations -third parties	777.026.748	-	-	777.026.748	-
Payables from main operations -related parties	1.175.430.923	563.068.417	-	612.362.506	-
Payables to related parties	11.817.907	11.817.907	-	-	-
Other payables to third parties	28.867.985	28.867.985	-	-	-
Provision for outstanding claims - Net	4.317.582.624	-	-	3.838.839.526	478.743.098
Taxes and payables	6.604.606	6.604.606	-	-	-
Total monetary liabilities	6.317.330.793	610.358.915	-	5.228.228.780	478.743.098

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4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

Market risk

Market risk refers to the potential losses that may arise from changes in market interest rates, stock prices, real estate fair values, commodity prices, and foreign exchange rates affecting the instruments in TCIP's portfolio. The purpose of market risk management is to identify and measure potential risks, monitor them using limits, and support decision-making in line with TCIP's risk appetite by reporting these risks.

Foreign currency risk

TCIP is exposed to foreign exchange risk arising from exchange rate changes due to the conversion of foreign currency receivables and payables into Turkish Lira. These risks are monitored and limited by analyzing the foreign currency position.

At the end of the periods, foreign currency assets and liabilities evaluated by the Central Bank of the Republic of Türkiye's spot purchase rates and the differences arising from foreign currency rates are recorded as foreign exchange gain or loss in the statement of income.

TCIP's exposure to foreign currency risk is as follows:

December 31, 2024	US Dollar	Euro	Other currencies	Total
Cash and cash equivalents	682.098.913	58.942.902	-	741.041.815
Total foreign currency assets	682.098.913	58.942.902	-	741.041.815
Payables from main operations	-	18.368.100	-	18.368.100
Total foreign currency liabilities	-	18.368.100	-	18.368.100
Net financial position	682.098.913	77.311.002	-	759.409.915

December 31, 2023	US Dollar	Euro	Other currencies	Total
Cash and cash equivalents	52.352.134	706.482.238	-	758.834.372
Total foreign currency assets	52.352.134	706.482.238	-	758.834.372
Payables from main operations	-	-	-	-
Total foreign currency liabilities	-	-	-	-
Net financial position	52.352.134	706.482.238	-	758.834.372

In order to evaluate the table above, the TL equivalents of the relevant foreign currency amounts are shown.

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4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

As of December 31, 2024, if TL had depreciated/gained 20% against USD and all other variables had remained constant, loss before taxes as a result of foreign exchange gain/loss due to the translation of receivables and payables in USD is 136.419.782 TL (December 31, 2023: profit before taxes TL 10.470.427) would be higher/lower.

As of December 31, 2024, if TL had depreciated/gained 20% against Euro and all other variables had remained constant, loss before taxes as a result of foreign exchange gain/loss due to the translation of receivables and payables in Euro is TL 11.788.580 (December 31, 2023: profit before taxes TL 141.296.448) would be higher/lower.

Foreign currency rates used for the translation of foreign currency denominated monetary assets and liabilities as of December 31, 2024 and 2023 are as follows:

	US Dollar	EUR
December 31, 2024	35,2803	36,7362

	US Dollar	EUR
December 31, 2023	29,4382	32,5739

As of the end of the period December 31, 2024, there is no exchange rate risk exposure.

Exposure to interest rate risk

TCIP is exposed to interest rate risk arising from the effect of changes in interest rates to which its financial assets and liabilities are subject to. The said risk is managed by natural measures that occur by balancing the assets and liabilities that are sensitive to interest rates.

Available-for-sale financial assets with variable interest rates expose TCIP to interest rate risk. As of December 31, 2024, the portion of the available-for-sale financial assets amounting to TL 1.471.930.275 (December 31, 2023: TL 4.774.373.332) has floating interest rates. If the market interest rate applied to the floating rate financial assets of TCIP was 1% higher/lower at December 31, 2024 and all other variables remained constant, the profit for the period would be TL 14.719.303 as a result of the high/low interest income arising from the variable interest rate financial assets. (December 31, 2023: TL 11.926.385) would be higher/lower.

TCIP does not have any other financial assets or liabilities with variable interest rates.

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4 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (CONTINUED)

4.2 Management of financial risk (Continued)

Fair value information

The estimated fair values of financial instruments have been determined using available market information, and where it exists, appropriate valuation methodologies. TCIP has classified its financial assets as available for sale. Available-for-sale financial assets are measured at their fair values based on their quoted prices in the accompanying financial statements.

Gain and losses from financial assets

<i>Gains and losses recognized in the statement of income:</i>	January 1- December 31, 2024	January 1 – December 31, 2023
Interest income from bank deposits	1.328.177.125	951.214.826
Income from financial instruments classified as available for sale financial assets	2.865.059.741	7.859.078.334
Foreign exchange gains	304.043.878	985.015.505
Investment income	4.497.280.744	9.795.308.665
Foreign exchange losses	(77.348.131)	(179.947.669)
Investment management expenses	(281.788.675)	(564.616.641)
Investment value losses	(221.159.904)	
Investment expenses	(580.296.710)	(744.564.310)
Gains and losses recognized in the statement of income, net	3.916.984.034	9.050.744.355

5 SEGMENT INFORMATION

It is explained in Note 2.

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6 TANGIBLE ASSETS

Movement in tangible assets in the period from January 1 to December 31, 2024 is presented below:

	January 1, 2024	Additions	Disposals	December 31, 2024
Cost:				
Machinery and equipment	1.458.293	12.930.000	-	14.388.293
Motor vehicles	4.250.689	-	-	4.250.689
Furnitures and fixtures	30.234.038	408.283	-	30.642.321
Other tangible assets (Including Leasehold Improvements)	8.940.467	1.839.000	-	10.779.467
	44.883.487	15.177.283	-	60.060.770
Accumulated depreciation:				
Machinery and equipment	(279.404)	(3.886.553)		(4.165.957)
Motor vehicles	(856.404)	(759.323)		(1.615.727)
Furnitures and fixtures	(20.362.960)	(2.252.006)		(22.914.966)
Other tangible assets (Including Leasehold Improvements)	(1.932.122)	(1.820.478)		(3.752.600)
	(23.430.890)	(9.018.360)	-	(32.449.250)
Carrying amounts	21.452.597			27.611.520
	January 1, 2024	Additions	Disposals	December 31, 2024
Cost:				
Machinery and equipment	1.186.383	271.910	-	1.458.293
Motor vehicles	2.886.449	1.364.240	-	4.250.689
Furnitures and fixtures	28.755.058	1.478.980	-	30.234.038
Other tangible assets (Including Leasehold Improvements)	9.064.367	-	(123.900)	8.940.467
	41.892.257	3.115.130	(123.900)	44.883.487
Accumulated depreciation:				
Machinery and equipment	(58.784)	(220.620)	-	(279.404)
Motor vehicles	(120.269)	(736.135)	-	(856.404)
Furnitures and fixtures	(17.703.260)	(2.659.700)	-	(20.362.960)
Other tangible assets (Including Leasehold Improvements)	(172.944)	(1.759.178)	-	(1.932.122)
	(18.055.257)	(5.375.633)	-	(23.430.890)
Carrying amounts	23.837.000			21.452.597

TURKISH CATASTROPHE INSURANCE POOL **NOTES TO THE FINANCIAL STATEMENTS** **AS OF DECEMBER 31, 2024**

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7 INVESTMENT PROPERTIES

TCIP has not any investment property as at December 31, 2024 (December 31, 2023: None).

8 INTANGIBLE ASSETS

Movement in intangible assets in the period from January 1 to December 31, 2024 is presented below:

	January 1, 2024	Additions	Disposals	December 31, 2024
Costs:				
Rights	24.747.402	-	-	24.747.402
Advances on intangible fixed assets (*)	12.521.449	19.442.575	-	31.964.024
	37.268.851	19.442.575	-	56.711.426
Accumulated amortization:				
Rights	(14.685.021)	(4.544.142)		(19.229.163)
	(14.685.021)	(4.544.142)	-	(19.229.163)
Net book value	22.583.830	14.898.433		37.482.263

	January 1, 2023	Additions	Disposals	December 31, 2023
Costs:				
Rights	24.747.402	-	-	24.747.402
Advances on intangible fixed assets (*)	-	12.521.449	-	12.521.449
	24.747.402	12.521.449	-	37.268.851
Accumulated amortization:				
Rights	(11.421.073)	(3.263.948)	-	(14.685.021)
	(11.421.073)	(3.263.948)	-	(14.685.021)
Net book value	13.326.329	9.257.501		22.583.830

(*) Advances on intangible fixed assets include software development and externally provided services for projects related to insurance products will be issued at current and future period. As at the balance sheet date, they have not been subjected to amortization due to they are not ready for use.

TURKISH CATASTROPHE INSURANCE POOL **NOTES TO THE FINANCIAL STATEMENTS** **AS OF DECEMBER 31, 2024**

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9 INVESTMENTS IN ASSOCIATES

None.

10 REINSURANCE ASSET AND LIABILITIES

As of December 31, 2024 and 2023, the reinsurance assets arising from the existing reinsurance agreements entered into by TCIP in the capacity of a ceding company are as follows:

Reinsurance assets	December 31, 2024	December 31, 2023
Outstanding claims reserve, ceded (Note 4.2 and 17)	(14.985.164.361)	11.252.744.553
Total	(14.985.164.361)	11.252.744.553

Reinsurance liabilities	December 31, 2024	December 31, 2023
Payables to reinsurance companies (Not 19)	6.847.904.844	1.952.457.671
Total	6.847.904.844	1.952.457.671

The gains and losses arising from the reinsurance agreements recognized in the income statement of TCIP are shown in the following table:

	December 31, 2024	December 31, 2023
Claims paid, ceded during the period	8.211.283.716	31.370.867.149
Ceded premiums	(5.628.212.944)	(2.791.812.876)
Outstanding claims reserve ceded	(14.985.164.361)	11.252.744.553
Total	(12.402.093.589)	39.831.798.826

11 FINANCIAL ASSETS

TCIP's financial assets portfolio are detailed as follows:

	December 31, 2024	December 31, 2023
<i>Available for sale financial assets</i>		
Government bonds	2.224.115.405	4.726.121.919
Private sector borrowing bonds (*)	1.602.327.738	2.012.030.134
Equity shares	2.262.720.903	107.167.000
Investment funds	5.869.935.616	-
Repo/Reverse Repo	-	350.834.557
Total	11.959.099.661	7.196.153.610

(*) All of the private sector borrowing bonds held by TCIP consist of debt instruments issued by public banks.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

11 FINANCIAL ASSETS (CONTINUED)

11.1 Information related to the values of securities and financial instruments presented at cost in the balance sheet according to their market prices, and the values of securities and financial instruments presented at market prices according to their cost:

	December 31, 2024		
	Nominal value	Cost value	Net book value
Securities			
Government bonds and treasury bonds	1.630.319.022	1.745.675.503	2.224.115.405
Private sector borrowing bonds	1.529.245.000	1.521.533.561	1.602.327.738
Equity shares	97.493.960	2.524.021.850	2.262.720.903
Repo/Reverse Repo	2.085.583.040	4.972.620.606	5.869.935.616
Total	5.342.641.022	10.763.851.520	11.959.099.661

	December 31, 2023		
	Nominal value	Cost value	Net book value
Securities			
Government bonds and treasury bonds	3.460.579.356	3.490.360.794	4.726.121.919
Private sector borrowing bonds	1.474.875.000	1.593.104.252	2.012.030.134
Equity shares	7.150.000	123.029.554	107.167.000
Repo/Reverse Repo	58.512.078	350.757.678	350.834.557
Total	5.001.116.434	5.557.252.278	7.196.153.610

The portion of the available-for-sale financial assets amounting to TL 1.471.930.275 (December 31, 2023: TL 4.774.373.332) has variable interest rates.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

11 FINANCIAL ASSETS (CONTINUED)

11.2 Other disclosures related to financial assets

The maturity analysis of financial assets is given in the table below:

	December 31, 2024						Undated	Total
	0-3 months	3-6 months	6-12 months	1-5 years	over 5 years			
Government bonds and treasury bonds	2.031.099	4.334.017	19.164.334	1.383.704.750	814.881.205	-	-	2.224.115.405
Private sector borrowing bonds	90.446.524	99.668.760	105.910.254	16.789.700	1.289.512.500	-	-	1.602.327.738
Repo/Reverse	-	-	-	-	-	5.869.935.616	-	5.869.935.616
Equity shares	-	-	-	-	-	2.262.720.903	-	2.262.720.903
Total	92.477.623	104.002.777	125.074.588	1.400.494.450	2.104.393.705	8.132.656.519	-	11.959.099.662

	December 31, 2023						Undated	Total
	0-3 months	3-6 months	6-12 months	1-5 years	over 5 years			
Government bonds and treasury bonds	569.640.844	2.740.956	316.090.044	2.917.932.359	919.717.716	-	-	4.726.121.919
Private sector borrowing bonds	-	66.432.179	262.753.755	153.545.000	1.529.299.200	-	-	2.012.030.134
Repo/Reverse	107.167.000	-	-	-	-	-	-	107.167.000
Equity shares	-	-	-	-	-	350.834.557	-	350.834.557
Total	676.807.844	69.173.135	578.843.799	3.071.477.359	2.449.016.916	350.834.557	-	7.196.153.610

Movements of available for sale financial assets during the period are as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning of the period	7.196.153.610	20.880.117.394
Acquisitions during the period	30.614.728.174	443.508.722
Disposals (sale and redemption)	(25.611.118.157)	(13.950.921.655)
Change in the fair value of financial assets (Note 15)	(240.663.966)	(176.550.851)
Balance at the end of the period	11.959.099.662	7.196.153.610

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

12 LOAN AND RECEIVABLES

	December 31, 2024	December 31, 2023
Receivables from main operations	1.147.101.313	5.336.727.468
Accrued income (*)	-	25.003.742
Prepaid expenses (**)	-	2.275.581
Other current assets	420.016	420.588
Total	1.147.521.329	5.364.427.379

(*) Consist of accruals related to the Technical Operator fee payable to Türk Reasürans A.Ş. and expense accruals related to expenses paid by the Technical Operator and charged to TCIP.

(**) Prepaid expenses consist of other prepaid externally provided benefits and services.

As of December 31, 2024 and 2023, receivables from main operations are detailed as follows:

	December 31, 2024	December 31, 2023
Receivables from insurance companies	1.147.100.139	605.867.136
Receivables from reinsurance companies	1.174	4.730.860.332
Doubtful receivables from main operations	33.136.555	1.994.780
Provision for doubtful receivables from main operations	(33.136.555)	(1.994.780)
Receivables from main operations	1.147.101.313	5.336.727.468

TCIP's premium receivables have an average maturity of 45 days (December 31, 2023: 45 days).

As of December 31, 2024 and 2023, there is no guarantee received for the receivables.

13 DERIVATIVE FINANCIAL INSTRUMENTS

As of December 31, 2024 and 2023, TCIP does not have derivative financial instruments.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

14 CASH AND CASH EQUIVALENTS

As at December 31, 2024 and 2023, cash and cash equivalents are as follows:

	December 31, 2024		December 31, 2023	
	At the end of the period	At the beginning of the period	At the end of the period	At the beginning of the period
Banks	4.235.197.211	5.455.922.656	5.455.922.656	1.854.306.426
Cash and cash equivalents in the balance sheet	4.235.197.211	5.455.922.656	5.455.922.656	1.854.306.426
Accrual of interest (-)	(46.831.567)	(94.615.923)	(94.615.923)	(21.254.344)
Cash and cash equivalents presented in the statement of cash flows	4.188.365.644	5.361.306.733	5.361.306.733	1.833.052.082

As at December 31, 2024 and 2023, bank deposits are further analyzed as follows:

	December 31, 2024	December 31, 2023
Foreign currency denominated bank deposits		
- time deposits	746.004.071	758.834.372
- demand deposits	20.598.651	-
Bank deposits in Turkish Lira		
- time deposits	3.449.802.487	4.659.341.100
- demand deposits	18.792.002	37.747.184
Total bank deposits	4.235.197.211	5.455.922.656

Interest rates for time deposits to TL applied are %44 and %50 (December 31, 2023: %45,50 - %49,50); for foreign currency deposits are between %0,05 and %4,50. (December 31, 2023: %0,05 - %4,50).

TURKISH CATASTROPHE INSURANCE POOL **NOTES TO THE FINANCIAL STATEMENTS** **AS OF DECEMBER 31, 2024**

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

15 EQUITY

a) Accumulated fund reserve (retained earnings)

The movements of the accumulated fund reserve (accumulated earthquake reserve) during the period are as follows:

	2024	2023
Beginning of term - 1 January	4.615.443.928	15.862.966.540
Period profit (Earthquake reserve increase, net)	(749.261.203)	(11.247.522.612)
End of period – December 31	3.866.182.725	4.615.443.928

According to Article 9 of the Law No. 6305, which was published in the Official Gazette dated May 18, 2012, the resources and accumulated fund reserves of the Authority; only in indemnity payments to the insured, in expenses and Technical Operator commission payments necessary for the management and operation of TCIP, in payments related to protection provided from reinsurance, capital and similar markets. Payments related to scientific studies and researches to be made by TCIP in the fields of duty, payments related to consultancy services, payments related to public relations and promotional campaigns, commission payments from authorized insurance companies, interest and principal payments regarding the repayment of the debts taken by TCIP, and damage assessment procedures. can be used for payments.

Except for the above-mentioned issues, the accumulated fund reserves cannot be transferred to any institution or organization. For this reason, the accumulated fund reserve, which consists of the profits of TCIP in the current and previous periods, is shown in the balance sheet as “accumulated earthquake reserve” within the shareholders' equity.

b) Financial assets available for sale value increase/decrease fund

The movements of the available-for-sale financial assets value increase/(decrease) fund during the period are as follows:

	2024	2023
Beginning of term - 1 January	462.886.505	5.608.418.850
Outflows from sales during the period, net	(29.613.678)	(4.968.981.494)
Fair value decrease of securities purchased during the period and in the current portfolio (-)	(240.663.966)	(176.550.851)
End of period – December 31	192.608.861	462.886.505

TURKISH CATASTROPHE INSURANCE POOL **NOTES TO THE FINANCIAL STATEMENTS** **AS OF DECEMBER 31, 2024**

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

16 OTHER RESERVES AND EQUITY COMPONENT OF DISCRETIONARY PARTICIPATION

As of December 31, 2024 and 2023, TCIP does not hold any insurance or investment contracts which contain a discretionary participation feature.

17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS

Estimation of the ultimate payment for the outstanding claims is one of the most important accounting assumptions of TCIP. Estimation of the insurance contract liabilities contains several ambiguities by nature. TCIP makes calculation of the related insurance technical provisions accordance with the Insurance Legislation and reflects them into financial statements as mentioned in Note 2 – Summary of significant accounting policies.

As at December 31, 2024 and 2023, technical reserves of TCIP are as follows:

	December 31, 2024	December 31, 2023
Unearned premiums reserve, gross	6.871.695.535	2.351.453.864
Unearned premiums reserve, ceded (Note 10)	-	-
Unearned premiums reserve, net	6.871.695.535	2.351.453.864
Outstanding claims reserve, gross	5.488.908.536	15.570.327.177
Outstanding claims reserve, ceded (Note 10)	(3.652.895.579)	(11.252.744.553)
Outstanding claims reserve, net	1.836.012.957	4.317.582.624
Total technical provisions, net	8.707.708.492	6.669.036.488
Short-term	7.507.793.081	6.190.293.390
Long-term (*)	1.199.915.411	478.743.098
Total technical provisions, net	8.707.708.492	6.669.036.488

(*) Long-term insurance technical provisions consist of outstanding claims provisions for litigated cases.

As of December 31, 2024 and 2023, movements of the insurance liabilities and related reinsurance assets are presented below:

	December 31, 2024		
Unearned premiums reserve	Gross	Ceded	Net
Unearned premiums reserve at the beginning of the period	2.351.453.864	-	2.351.453.864
Written premiums during the period	13.524.059.982	-	13.524.059.982
Earned premiums during the period	(9.003.818.311)	-	(9.003.818.311)
Unearned premiums reserve at the end of the period	6.871.695.535	-	6.871.695.535

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

17 INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS (CONTINUED)

December 31, 2023			
Unearned premiums reserve	Gross	Ceded	Net
Unearned premiums reserve at the beginning of the period	1.394.130.225	-	1.394.130.225
Written premiums during the period	4.978.736.551	-	4.978.736.551
Earned premiums during the period	(4.021.412.912)	-	(4.021.412.912)
Unearned premiums reserve at the end of the period	2.351.453.864	-	2.351.453.864
December 31, 2024			
Outstanding claims reserve	Gross	Ceded	Net
Beginning of term - 1 January	15.570.327.178	(11.252.744.553)	4.317.582.625
Claims reported during the period and changes in the estimations of outstanding claims reserve provided at the beginning of the period	(1.143.209.534)	(611.434.742)	(1.754.644.276)
Claims paid	(8.938.209.107)	8.211.283.716	(726.925.391)
Outstanding claims reserve at the end of the period	5.488.908.536	(3.652.895.579)	1.836.012.957
December 31, 2023			
Outstanding claims reserve	Gross	Ceded	Net
Beginning of term - 1 January	386.036.531	-	386.036.531
Claims reported during the period and changes in the estimations of outstanding claims reserve provided at the beginning of the period	55.609.358.535	(42.623.611.702)	12.985.746.833
Claims paid	(40.425.067.889)	31.370.867.149	(9.054.200.740)
Outstanding claims reserve at the end of the period	15.570.327.177	(11.252.744.553)	4.317.582.624

Deferred commission expenses

TCIP capitalizes the portion of commissions paid which is belong following periods, to the intermediaries related to premium production under "Deferred acquisition costs".

	December 31, 2024	December 31, 2023
Short-term deferred commission expenses	8.116.790.588	3.855.061.941
Total	8.116.790.588	3.855.061.941

18 INVESTMENT CONTRACT LIABILITIES

None.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

19 TRADE AND OTHER PAYABLES AND DEFERRED INCOME

	December 31, 2024	December 31, 2023
Expense accruals (*)	5.878.508.630	8.168.486.923
Payables from main operations (Note 10)	6.847.904.844	1.952.457.671
Other payables related parties (Note 45)	-	11.817.907
Other payables (**)	20.757.473	28.867.985
Taxes and liabilities	10.075.060	6.604.606
Total	12.757.246.007	10.168.235.092

(*) The portion amounting of TL 5.000.000.000 relates to unaccrued liabilities under structured reinsurance agreements (TL 2.500.000.000 short-term and TL 2.500.000.000 long-term); the portion amounting of TL 428.396.514 pertains to substitution outstanding premium accruals; the remaining amount consists of accruals related to technical management fees and cost reflections owed to the Technical Operator.

(**) Consists of payments to be made for externally provided benefits and services.

As at December 31, 2024 and 2023, payables from main operations are attributable to the following:

	December 31, 2024	December 31, 2023
Payables to reinsurance company (Note 10)	6.847.904.844	1.952.457.671
Payables from main operations	6.847.904.844	1.952.457.671

20 FINANCIAL LIABILITIES

None (December 31, 2023: None).

21 DEFERRED TAX

None (December 31, 2023: None).

22 RETIREMENT BENEFIT OBLIGATIONS

None (December 31, 2023: None).

23 OTHER LIABILITIES AND EXPENSE ACCRUALS

None (December 31, 2023: None)

24 NET INSURANCE PREMIUMS

The net insurance premium income earned during the period is detailed in the accompanying income statement.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

25 FEE REVENUE

None.

26 INVESTMENT INCOME

Investment income is presented in Note 4.2 – Financial risk management.

27 NET INCOME ACCRUAL ON FINANCIAL ASSETS

Net realized gains on financial assets are presented in Note 4.2 – Financial risk management.

28 ASSET HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

None.

29 INSURANCE RIGHTS AND CLAIMS

	January 1 – December 31, 2024	January 1- December 31, 2023
Change in outstanding claims reserve, net	(4.903.745.720)	(3.931.546.093)
Changes in unearned premiums reserve, net	(4.520.241.671)	(957.323.639)
Claims paid, net	(726.925.391)	(9.054.200.740)
Total	(10.150.912.782)	(13.943.070.472)

30 INVESTMENT CONTRACT BENEFITS

None (December 31, 2023: None).

31 OTHER EXPENSES

The allocation of the expenses with respect to their nature or function is presented in Note 32
Expenses by nature below.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

32 EMPLOYEE BENEFIT EXPENSES

As at December 31, 2024 and 2023, operating expense are attributable to the following:

	January 1 – December 31, 2024	January 1- December 31, 2023
Administration expenses	272.288.309	170.767.439
Commission expenses	1.520.521.484	661.820.318
Outsourced benefits and services	421.946.396	199.067.404
Employee benefit expenses (Note 33)	85.069.701	1.981.603
Total	2.299.825.890	1.033.636.764

33 EMPLOYEE BENEFIT EXPENSES

As at December 31, 2024 and 2023, employee benefit expenses are attributable to the following:

	January 1 – December 31, 2024	January 1, – December 31, 2023
Wages and salaries	85.069.701	1.981.603
Total (Note 32)	85.069.701	1.981.603

34 FINANCIAL COSTS

None.

35 INCOME TAXES

TCIP is exempt from all kinds of taxes, duties, and fees under Article 3/2 of the 'Law on Disaster Insurance No. 6305', including its revenues.

36 NET FOREIGN EXCHANGE GAINS

	January 1 – December 31, 2024	January 1 – December 31, 2023
Foreign exchange gains	304.043.878	985.015.505
Foreign exchange losses	(77.348.131)	(179.947.669)
Total	226.695.747	805.067.836

TURKISH CATASTROPHE INSURANCE POOL
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

37 EARNINGS PER SHARE

It has not been calculated since TCIP has no capital.

38 DIVIDENDS PER SHARE

None (December 31, 2023: None).

39 CASH GENERATED FROM OPERATIONS

The cash flows from main operating activities are presented in the accompanying statement of cash flows.

40 CONVERTIBLE BONDS

None (December 31, 2023: None).

41 REDEEMABLE PREFERENCE SHARES

None (December 31, 2023: None).

42 RISKS

As of December 31, 2024, the total risk of ongoing lawsuits against the Institution is TL 1.199.915.411 (December 31, 2023: TL 478.743.098). Provisions for the possible risk amount that may arise as a result of the conclusion of the related lawsuits are shown under the provision for outstanding claims in the statement of financial position.

43 COMMITMENTS

None (December 31, 2023: None).

44 BUSINESS COMBINATIONS

None (December 31, 2023: None).

TURKISH CATASTROPHE INSURANCE POOL
 NOTES TO THE FINANCIAL STATEMENTS
 AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

45 RELATED PARTY TRANSACTIONS

Republic of Türkiye Ministry of Treasury and Finance and Technical Operator of TCIP, Türk Reasürans A.Ş., are defined as related parties at these financial statements.

As of December 31, 2024 and 2023, the details of the transactions performed with related parties are as follows:

a) Receivables from Insurance Operations

	December 31, 2024	December 31, 2023
Republic of Türkiye Ministry of Treasury and Finance	1.476.924.660	4.730.860.332
Total	1.476.924.660	4.730.860.332

b) Payables from Insurance Operations

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	1.134.000.000	563.068.417
Total	1.134.000.000	563.068.417

c) Payables from Reinsurance Operations

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	128.762.292	612.362.506
Total	128.762.292	612.362.506

d) Other trade payables

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	-	11.817.907
Total	-	11.817.907

e) Premiums received

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	403.286.285	231.699.769
Total	403.286.285	231.699.769

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

45 RELATED PARTY TRANSACTIONS (CONTINUED)

f) Reinsurance expenses

	December 31, 2024	December 31, 2023
Republic of Türkiye Ministry of Treasury and Finance	731.028.930	510.839.922
Türk Reasürans A.Ş.	658.741.489	531.910.490
Total	1.389.770.419	1.042.750.412

g) Operating expenses

	December 31, 2024	December 31, 2023
Türk Reasürans A.Ş.	51.857.266	50.961.437
Total	51.857.266	50.961.437

h) Board of Directors fees

	December 31, 2024	December 31, 2023
Board fees	3.868.286	1.981.603
Total	3.868.286	1.981.603

46 SUBSEQUENT EVENTS

None.

47 OTHER

Items and amounts classified under the “other” account in financial statements either exceeding 20% of the total amount of the group to which they relate or 5% of the total assets in the balance sheet

None (December 31, 2023: None).

Payables to employees and receivables from employees presented under accounts, “other receivables” and “other short or long term payables”, and which have balance more than 1% of the total assets

None.

TURKISH CATASTROPHE INSURANCE POOL NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated)

47 OTHER (CONTINUED)

Subrogation recorded in “Off-Balance Sheet Accounts”

None.

Real rights owned on real estate and their values

None (December 31, 2023: None).

Information on provisions, other income/expense, and prior years' income/loss items in income statement for the period ended December 31, 2024 and 2023

Provisions expenses	January 1 – December 31, 2024	January 1 – December 31, 2023
Provisions expenses (*)	31.141.775	7.500.000.000
Provisions	31.141.775	7.500.000.000

(*) Due to the earthquakes that occurred on February 6, 2023, the insured loss amount paid by the Turkish Catastrophe Insurance Pool (TCIP/DASK) exceeded not only the retention determined for the 2022–2023 period but also the structured reinsurance layers placed above it, and partially impacted the traditional reinsurance layers as well. The losses within the retention were covered from the Institution's own funds, while the traditional reinsurance shares were collected from the respective reinsurers in accordance with DASK's claims payment schedule.

Under the structured reinsurance agreement, which enables the Institution to spread claim payments over the long term, repayments related to the financing collected from the reinsurer are being made in accordance with the terms and maturities defined in the agreement. As for the obligations that are not yet due, an amount of TRY 7.5 billion was presented under the “Provisions” account in the 2023 financial statements. The provision expense amount for 2024 pertains to the doubtful receivables recognized in the current period.

Fees paid to an independent auditor or an independent audit firm for services

	January 1– December 31, 2024	January 1– December 31, 2023
Independent audit fee for the reporting period (*)	1.150.000	700.000
Total	1.150.000	700.000

(*) The fee is excluding VAT.

