

ALLIANZ
TURKEY
2019 INTEGRATED
REPORT

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ABOUT OUR REPORT

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At Allianz Turkey, we aim to steer our company into the future by reminding our customers that we side with them at each and every stage of their lives in line with our motto “We Secure Your Future”, while implementing a value-creating business model for all our stakeholders in accordance with our motto “We Secure Your Future, Siding With Good”. Our sustainability efforts mark our most important steps towards achieving this goal, and we prepared our 2019 sustainability report to integrate these activities into our business strategies in line with standard requirements for integrated reporting.

We shared the Allianz Turkey 2019 Integrated Report and the consolidated performance of Allianz Sigorta, Allianz Hayat ve Emeklilik and Allianz Yaşam ve Emeklilik, spanning the period from January 1, 2019 to December 31, 2019, in a manner that complements the annual reports published by these companies. In this report, we used the capital component classification method proposed by the International Integrated Reporting Council (IIRC). Our 2019 Integrated Report was prepared in accordance with the GRI Standards: Core option (See GRI Content Index, p. 76).

While creating the contents of the report, the GRI Standards Financial Services Sector

Supplement of the Sustainability Accounting Standards Board (SASB) and the Provisional Standard for Commercial Banks released by the Board were also used. Within this report which contains our Global Compact Progress Report, we included our contribution to the United Nations Sustainable Development Goals (SDG). (See Our Contribution to Sustainable Development Goals, p. 32).

The 2019 Integrated Report of Allianz Turkey, which is propelled by its motto “We Secure Your



Future”, aims to provide up-to-date information on Allianz’s activities driven by its goal of creating sustainable and shareable value by leveraging financial and non-financial capital items.

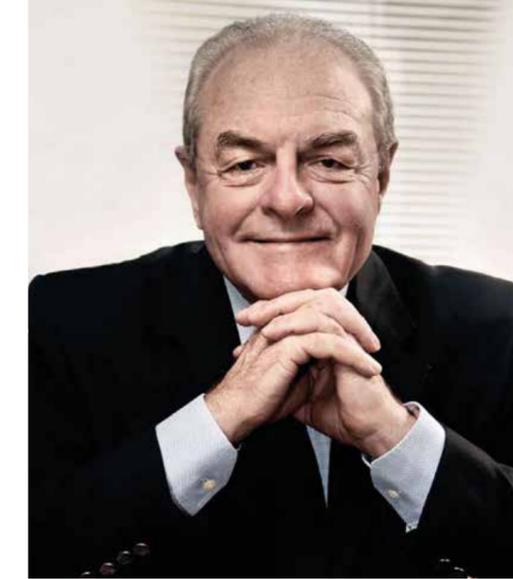
The main content of our 2019 Integrated Report is comprised of our updated sustainability strategy, the value we create for all our stakeholders, the risks and opportunities we encounter in the value creation process, and the integration of our sustainability priorities into business processes.

The data on environment, human resources and sustainable solutions were subject to an audit by PricewaterhouseCoopers (PwC) upon our country’s selection as a pilot country in 2019 as part of an independently audited reporting application and upon the establishment of internal control systems associated with the reporting of environmental data, which holds strategic importance for Allianz Group. According to the result of the audit, we were selected as the best country to have undergone this process, within Allianz Group.

Allianz Turkey Annual Reports are available at https://www.allianz.com.tr/tr_TR/hakimizda/bilgilendirme-ve-raporlar/faaliyet-raporlari.html

You can send any feedback, suggestions and complaints regarding our report to Allianz Turkey’s Corporate Responsibility and Sustainability Department at surdurulebilirlik@allianz.com.tr

MESSAGE FROM THE HONORARY PRESIDENT OF THE INTERNATIONAL INTEGRATED REPORTING COUNCIL



Through this integrated report, Allianz Turkey has clearly demonstrated that it not only observes customer rights, but also stands with society and the planet.

This report exhibits that Allianz Turkey has created prosperity by taking into account the needs of people and the environment.

Allianz Turkey deserves to be proud of its declared purpose, and the way it implements it.

Prof. Mervyn E. King

Honorary President of the Integrated International Reporting Council

GOOD ENVIRONMENT

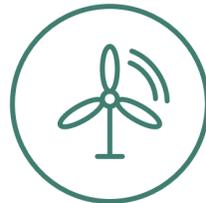
Tapping into our sustainable products and services, we continue to contribute to the fight against climate change and a carbon economy, while exercising utmost care to minimize our own environmental impacts.



Allianz Tower and Allianz Campus obtained the WWF **Green Office** certificates.



We reduced our paper consumption per policy issued by **16.7%**.



We made a **renewable energy investment** by installing a wind turbine at Allianz Tower.



We collected **245 kg of waste** with 35 volunteers in İstanbul and İzmir on World Cleanup Day.



We covered **the one-year educational expenses of 319 children** by donating 22,000 tons of electronic waste to "**Donate, Don't Waste!**", a campaign by the Educational Volunteers Foundation of Turkey (TEGV) in 2019.

REDUCTION RATE PER CAPITA COMPARED TO THE BASE YEAR 2016



Energy consumption
21.9%



Greenhouse gas emission
14.7%



Paper consumption
33.3%

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HIGHLIGHTS OF 2019 GOOD SOCIETY



As part of our CSR program Allianz Motto Movement, we initiated an expansive NGO module. **85 Allianz Turkey employees and agencies** worked as volunteers in various areas. **We reached 1,753 children** in 2018 and 2019 as part of Allianz Motto Movement.



As part of the 2019 Allianz World Run, we exceeded our target of 30,000 km as a team.

We became the team with the highest number of runners among the participants of the 2019 İstanbul Marathon, and we collected donations from the highest number of donors.



In 2019, the YouTube Channel of Allianz Motto Music was watched for about **1.1 million hours**, while reaching 13.3 million unique views.



Allianz Campus started to bear fruit. Since 2016, **customer complaints have decreased by 58%**.



Allianz Teknik was **visited by 600 people** within 2.5 months.



In 2019, we undertook a total of **5,543 hours** of volunteering activities.



400 people were offered basic awareness-raising training on earthquakes and fires at Allianz Teknik.



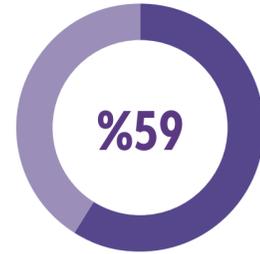
We continued to support the classical music artists of the future, contemporary art and the performing arts as part of Sanat@Allianz (Art@Allianz).



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



In 2019, we supported **14,950 customers/ insurance** holders with our Healthcare Hotline, Dr. Allianz.



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



The total number of downloads for our mobile app My Allianz reached nearly **2 million**.



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

Our Policy Generation Engine project was awarded in the category of **“The best data infrastructure of the year”** at the Finance Technology Awards.



IN 2019...

30 of our teams started working agile.



The total revenue we generated from sustainable solutions reached **TRY 75 million**.



We launched Roof-Type Solar Power Plant Insurance, **Turkey’s first individual green insurance product**.



We provided risk management support worth a total of **TRY 437,619** to 26 different customers.

HIGHLIGHTS OF 2019

GOOD INSTITUTION



Our Net Promoter Score increased **from 41 to 49**.



The number of Allianz Pension World customers **reached 25,000**.



Paternity leave was extended for **an additional five days**.



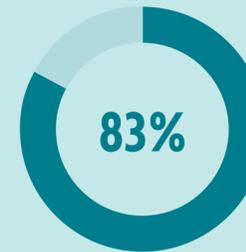
We adopted a **gender-neutral resume** practice.



We provided **131,092-person* hours** of training to our employees.

Members of the Executive Board received **training on Gender Equality**.

We offered **7,825 hours** of one-on-one and online training to **3,298 business partners** (agency employees).



Our Employee Loyalty Index Score was 83%.



Our Work Well Index score was 67%.



Our Performance Culture Index score was 76%.

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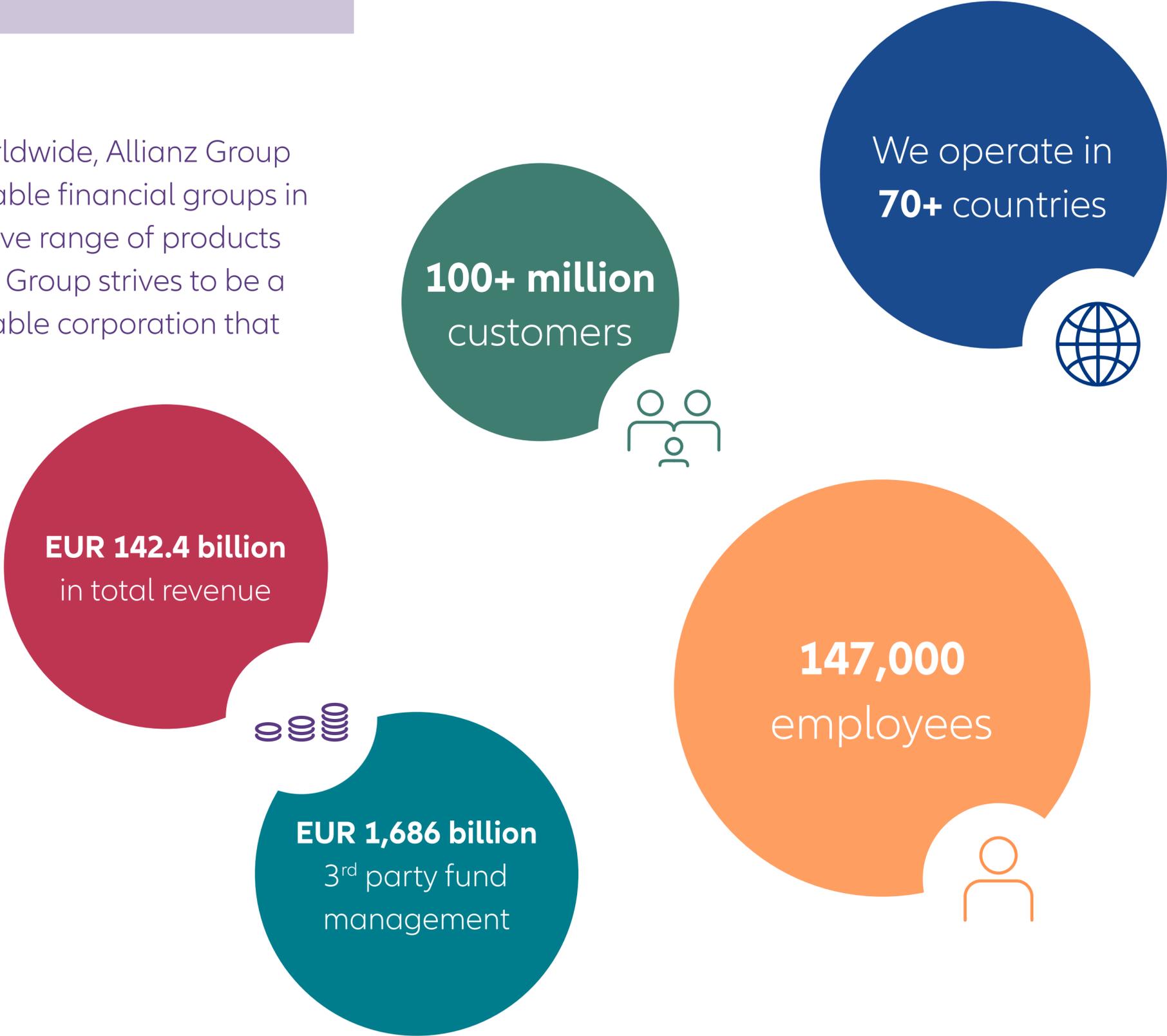
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Allianz Group AT A GLANCE

ALLIANZ GROUP IN FIGURES

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



CORPORATE STRATEGY

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

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

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

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

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



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

SUSTAINABILITY GOVERNANCE

Allianz aims to become one of the most trusted financial service providers. To this end, it strives to create sustainable economic value through strong corporate governance standards and transparent performance disclosures.

Allianz believes that a sustainable business model means adopting transparency and fostering dialogue about how it operates. The corporate responsibility approach of Allianz Group guides all its global operations. Tapping into this approach, which is a Corporate Responsibility Strategy, Allianz focuses on embedding sustainability in all operations, and striving to manage the risks posed by climate change and to foster a more inclusive society.

Combating Climate Change and Promoting Low-Carbon Economy

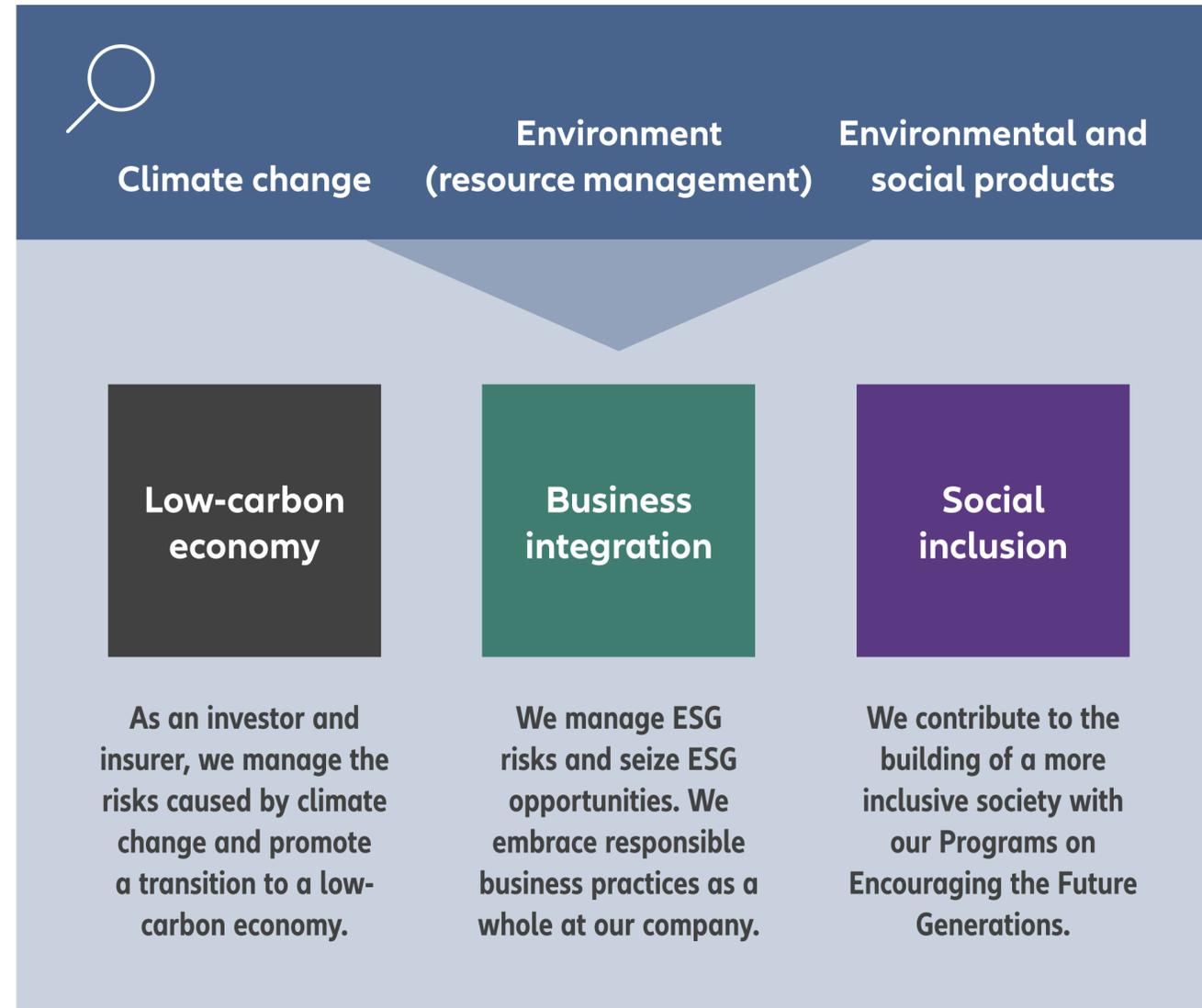
Using its roles as an investor and insurer, Allianz Group manages the risks arising from climate change, and promotes a low-carbon economy. The Climate Change Strategy aims to protect people and businesses from risks.

ESG Integration

Environmental, social and governance principles are integrated into insurance and investment activities through Global ESG Integration. Allianz Group manages ESG risks and opportunities, and pays attention to compliance, responsible sales, transparency and information security.

Social Inclusion

Allianz Group uses its roles as an Insurer, Investor, and Corporate Citizen to contribute to more inclusive societies.



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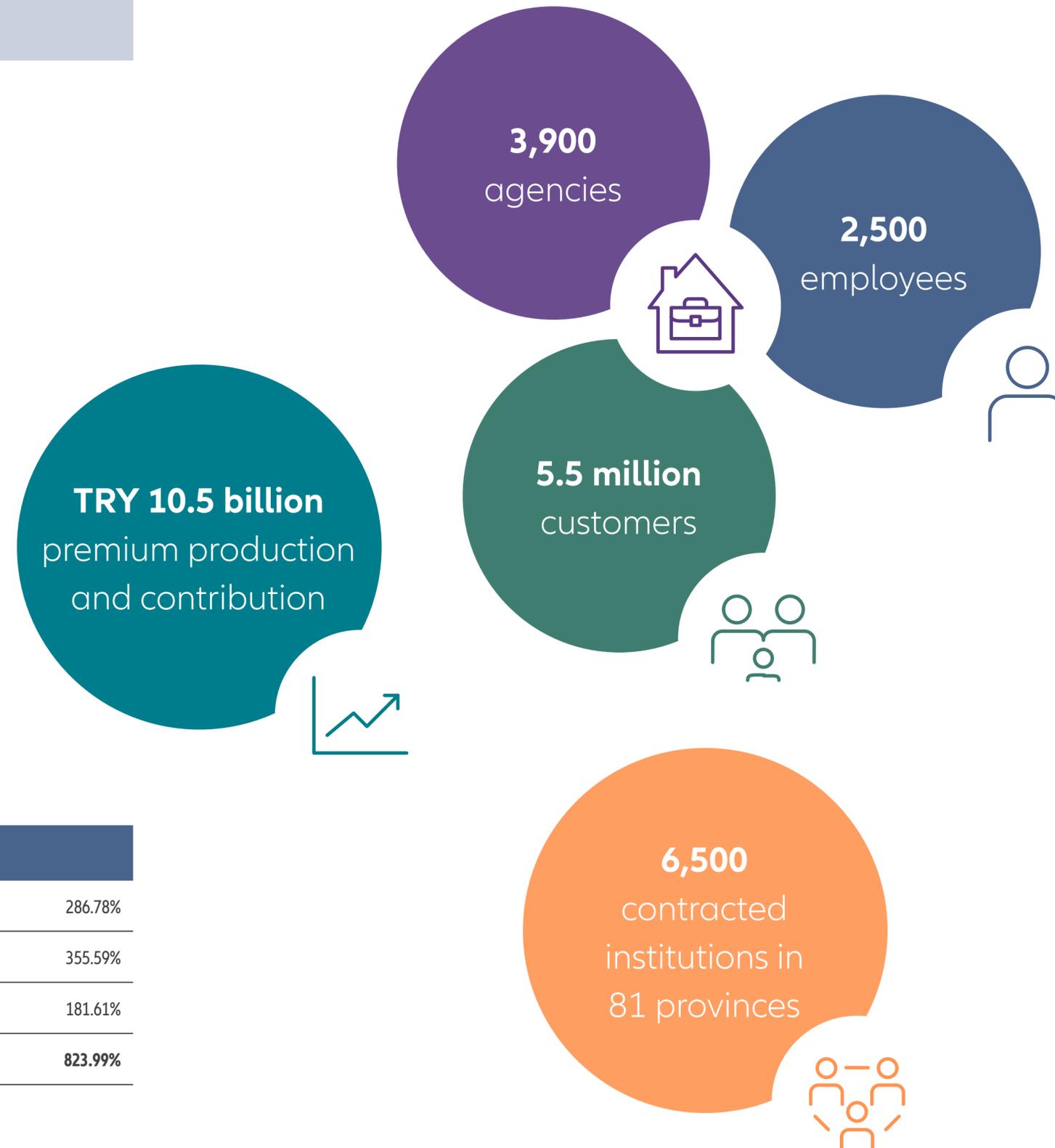


ALLIANZ TURKEY IN FIGURES

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We are Turkey's leading insurance and pension company. We serve 5.5 million customers in 81 provinces with more than 2,500 employees, 12 regional directorates, 3,900 agencies, 1,800 bank branch channels, and 6,500 contracted institutions.

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



SIZE OF ASSETS		CAPITAL ADEQUACY	
AZHE	4,312,353,548	AZHE	286.78%
AZYE	18,576,592,631	AZYE	355.59%
AZS	16,679,671,738	AZS	181.61%
Total	39,568,617,917	Total	823.99%

MESSAGE FROM OUR CEO 102-14



We are the first company in our industry and the first company among non-public companies to publish an integrated report.

Esteemed Stakeholders,

Awareness of corporate citizenship has been gaining importance for companies in today's world. We are aware that the sustainability of our businesses, lives, societies and world is our biggest responsibility. "Growth" is no longer merely an economic concept relating to figures in the business world; rather, it now also means what we do to protect our world and to contribute to building a society that lives in peace and prosperity.

We are an organization that exists to make sure all its stakeholders continuously feel the impact of our motto, "We Secure Your Future". We, therefore, pay utmost attention to caring about our world's future, and the future generations.

Therefore, we believe that it is our duty and responsibility to address sustainability from an academic perspective.

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

Through the 2019 Allianz Turkey Integrated Report, we achieve yet another "first" in our industry, and among the companies which are not publicly listed.

We are proud to share how we holistically created and, will continue to, create value in the short, medium and long term with our governance and performance.

We place sustainability at the heart of all our operations.

Allianz Turkey is a huge family with its 3,900 agencies, 5.5 million customers, 2,500 employees, and 6,500 contracted organizations in 81 provinces. As a company that holds a premium production value of TRY 10.5 billion, assets worth TRY 39.6 billion, and a capital adequacy ratio of 824%, we undertake numerous value-adding projects and applications.

We place sustainability at the heart of all our operations. We implement the ESG principles with the coordination of our ESG Leader,

Corporate Responsibility and Sustainability Department and under the guidance of our Sustainability Committee and subordinate working groups.

Driven by our goal of being a Good Institution, we transform our business in line with sustainability principles.

Driven by our goal of being a Good Institution, we transform our business in line with sustainability principles, and we focus on creating value for the five United Nations Sustainable Development Goals that we have prioritized. With an awareness of the importance of being part of global and local solidarity networks, we have signed the UN Global Compact and Women's Empowerment Principles.

"Respecting human rights" is our core value. We strive to position ourselves as a company free from all sorts of discrimination, including discrimination on the grounds of gender, religion, language, race and all other statuses protected by applicable law.

We are delighted to declare that our female employees now account for 59% of our total workforce, and 43% of our executives. We approach equality with ultimate care. The Gender Equality Training, in which all members of our Executive Board participated, our extension of paternity leave to 5 days, and a gender-neutral CV practice all demonstrate our sensitivity in this regard.

We continue to fulfill our commitment of "adopting sustainable solutions" to ensure the robustness of the environment and society in

all aspects. The total revenue we generated from sustainable solutions reached TRY 75 million in 2019. Our Policy Generation Engine project was awarded in the category of **“The Best Data Infrastructure of the Year”** at the IDC Turkey Finance Technologies Awards. In 2019, we released Roof-Type Solar Power Plant Insurance, **Turkey’s first individual green insurance product.**

We provided risk management support worth TRY 450,000 to 26 different customers in 2019, as part of investment support for risk management. Through our Healthcare Hotline Dr. Allianz Sağlık, we supported approximately 15,000 insurance holders in 2019. Our number of customers at Allianz Emeklilik World reached 25,000, while our Net Promoter Score increased from 41 to 49.

At Allianz Turkey, 98% of our communication with customers takes place in the digital environment. The total number of downloads of our My Allianz mobile app reached nearly 2 million in 2019.

We are continuing to work towards the agile transformation of all our functions. Accordingly, 30 of our teams have adopted a more agile working model. We attach importance to occupational health and safety for employee health and well-being. As a result of these efforts, our Work Well Index score rose to 67% while our Performance Culture Index score reached 76%. Our Employee Loyalty Index Score rose to 83%. We aim to equip our employees with future-ready qualifications through Allianz Turkey Academy. In 2019, we offered 130,000-person x hours of training to our employees.

Our academy is the first corporate university in the industry created in line with our vision of building and disseminating a continuous learning culture. As part of our training activities, we carried out 8,000 hours of one-on-one and online training with nearly 3,300 business partners.

Allianz Campus, which we launched in 2018, has started blossoming. Since 2016, our customer complaints rate have decreased by 58%.

We focus on value-creating investments for future generations to build a good society.

We make value-creating investments for future generations with a focus on good society. We continue to help children live a healthier life through Allianz Motto Movement and sports. In 2018 and 2019, we reached out to approximately 2,000 children aged 7-12 from 19 provinces as part of Allianz Motto Movement.

Launched to provide risk consultancy services aimed at the mitigation and prevention of earthquake and fire risks, the Allianz Teknik Earthquake and Fire Test and Training Center was visited by 600 people within 2.5 months. 400 people were offered basic awareness-raising training on earthquakes and fires at Allianz Teknik.

We believe in the unifying power of art, and we support the arts and future artists. Allianz Motto Music’s YouTube channel offers Turkish content for everyone who wishes to get the latest updates on current culture and arts events, and enjoy digital entertainment. In 2019,

the channel was watched for about 1.1 million hours, reaching 13.3 million unique views.

We continue to feature new generations of Turkish artists in our working areas at Allianz Tower and Allianz Campus, while adding new artwork to our collection each day. Moreover, we continue to support the Music for Peace Foundation, the Turkish National Youth Philharmonic Orchestra, the Ayvalık International Music Festival, and young artist Kaan Baysal. We are supporters of the Istanbul Biennial and Istanbul Modern. Additionally, we are a member of the board of trustees at the Istanbul Foundation for Culture and Arts.

In 2019 alone, our volunteering activities reached over 5,500 hours as part of our corporate volunteering efforts. We exceed our target of 30,000 kilometers as a team with 150 runners in the Allianz World Run. In the 2019 Istanbul Marathon, we became the corporate runner team to with the highest number of runners from among the participants, and we collected donations from the highest number of donors. We covered the one-year educational expenses of 319 children by donating 22,000 tons of electronic waste to “Donate, Don’t Waste!”, a campaign by the Educational Volunteers Foundation of Turkey (TEGV). We collected 245 kg of waste with 35 volunteers in Istanbul and Izmir on World Cleanup Day.

The prevention of climate change and the promotion of a low-carbon economy are our material topics for a “good environment”.

The prevention of climate change and the promotion of a low-carbon economy are our material topics for a good environment.

We took a vital step in these areas in 2018 by deciding to terminate the extension of our coal business policy worth TRY 17.5 million, which was due for renewal. We continued to deny insurance to coal businesses in 2019, as well.

We develop and implement numerous projects in order to minimize the use of natural resources in our operations, and reduce our environmental footprint. As part of our efforts in this area, we reduced our energy consumption per capita by 18% compared to 2016. Our greenhouse gas emission per capita decreased by 14.7%, while our paper consumption per capita decreased by 33.3%, compared to 2016. We reduced our paper consumption per policy by 16.7%. Further renewable energy investments are underway. We started using wind turbines at Allianz Tower. Moreover, we adopted environmentally-friendly practices at Allianz Campus, all of which enabled us to obtain the WWF Green Office Certificate in 2019.

In our 2019 Integrated Report, we shared information on our updated sustainability strategy, the value we create, risks and opportunities that we encounter in the value creation process, and the integration of our sustainability priorities into business processes. At Allianz Turkey, we take every step with full awareness of our responsibility of leaving a better world behind for the future. We would like to thank each and every stakeholder, particularly our employees, who supported us in our efforts to issue our 2019 Integrated Report.

Kind regards,

Tolga Gürkan
CEO

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MESSAGE FROM OUR ESG LEADER



We expand our material topics on our journey towards creating a “good environment, good society, good institution”, which constitute the basis of our sustainability strategy in our new model, and we further embed these topics into our business strategy.

Esteemed Stakeholders,

We are a leader in the insurance industry, and sustainability is ingrained in the DNA of our business. As a leader, we embarked on our goodness journey in 2016. In the same year, Allianz Group was listed among the most sustainable companies of the world according to the Dow Jones Sustainability Index. Propelled by this, we created our Corporate Responsibility and Sustainability Team to address environment, society and governance from an academic perspective, and to align our entire organization in a common direction.

As the Corporate Responsibility and Sustainability Team that embarked on its journey to shape both our company and the industry in the field of sustainability, the first step we took was to determine Allianz Turkey’s sustainability strategy and plan its governance. Following that, we soon established a Sustainability Committee that encompassed all units of Allianz Turkey, with the awareness of the fact that sustainability must be embedded in all processes. The same year, we started to carry out sustainability reporting in line with the Global Reporting Initiative (GRI) standards as we believe that anything that remains unmeasured cannot be managed. A glance at the reports that we published each year and the steps we took demonstrates the progress we made, and we have observed that we are

pioneering a substantial transformation by bravely setting out on this journey.

As of this year, we share not only our past, but also our future in a transparent manner that is integrated with our business strategy. As a member of the executive board of Integrated Reporting Network Turkey (ERTA), we are excited to have prepared our first report this year in line with the GRI Standards, as well as integrated reporting requirements. We are delighted to have achieved a first both in the insurance industry and among non-public companies.

Furthermore, through this integrated report, we adopt our sustainable value creation model to become a better organization, for the good of society. In our new model, we expand our material topics on our journey towards creating a “good environment, good society, good institution”, and further embed those topics into our business strategy. Moreover, we update the Sustainable Development Goals, and the value we create serves these goals.

Additionally, we focus on aligning all of these operations with the global strategies of Allianz Group. Therefore, we embed our motto “We Secure Your Future”, the DNA of our existence, in environmental, social and governance

dimensions, and we strive to become a good corporate citizen while creating authentic sustainable value. We continue to serve the United Nations Sustainable Development Goals, UN Global Compact and Women’s Empowerment Principles, and we pursue our motto “We Secure Your Future, Siding With Good”.

We expand our material topics on our journey towards creating a “good environment, good society, good institution”, which constitute the basis of our sustainability strategy in our new model, and further embed these topics into our business strategy.

We the Corporate Responsibility and Sustainability Team would like to thank all our leaders, committee members and volunteers that took part in our working groups and activities for their support and endeavors on our journey of goodness and in our efforts of embedding ESG in business processes.

Kind regards,

Berna Özdemir

Head of Corporate Communications, Corporate Responsibility and Sustainability

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OUR SUSTAINABILITY COMMITTEE

At Allianz Turkey, sustainability is managed through a multi-party structure under the expertise of various business units. The Allianz Turkey Sustainability Committee was established to render sustainability an integral part of daily workflows, set targets and measure performance. Sponsored by the CEO, our committee is an effective and well-attended organization where all lines of business are actively represented, bringing together over 45 participants from various functions that convene once a month without exception. This way, the adoption of sustainability was shifted from one single department to the entire company. The Sustainability Committee convened 10 times in 2019. The Environment and Diversity Working Groups operate under the Allianz Turkey Sustainability Committee.

The Corporate Responsibility and Sustainability Team is responsible for coordinating sustainability operations at Allianz Turkey. The responsibilities of this department include monitoring internal practices, managing corporate engagements, disseminating sustainability developments throughout the company, and ensuring integration with Allianz Global.



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OUR SUSTAINABILITY STRATEGY: “WE SECURE YOUR FUTURE, SIDING WITH GOOD”

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The year 2019 marked important developments in terms of sustainability at Allianz Turkey. In light of global developments and our updated business strategies, we decided to revise and update our first sustainability strategy that we published in 2016. Our new sustainability strategy that we call “We Secure Your Future, Siding With Good” will help us become a good corporate citizen and create sustainable value by embedding “We Secure Your Future”, which is ingrained in the DNA of Allianz, in environmental, social and governance dimensions, which constitute the three key axes of sustainability.

We prepared our strategy “We Secure Your Future, Siding With Good” and our corporate strategies by observing the risks and opportunities created by global trends, along with our stakeholders’ expectations by soliciting the views of numerous stakeholders, both internal and external. We revised our corporate sustainability priorities in the strategy development process. We discussed the results of our surveys and research during workshops in which all our business units participated. We reviewed our areas of impact - positive and negative - by mapping our value creation processes, and we determined our target areas of improvement.

We developed internal inclusion-promoting practices at each stage of the process. Our goal was to present our sustainable value creation goals, in light of the business strategies of Allianz Turkey, to our stakeholders in a simple and clear manner, for the 2020-2025 period. Driven by this goal, we built our new sustainability strategy around the three key components of sustainable development, namely “Good Environment”, “Good Society”, and “Good Institution”. We determined our sustainability focus areas, key performance indicators, targets and the Sustainable Development Goals to which we contribute for each area.

Our new sustainability strategy is fully embedded in all our business processes. Our new strategy summarizes the principles that we embrace in all our investment and management decisions, and the reflections of such principles in our value creation model. Accordingly, we decided to prepare our first Integrated Sustainability Report in 2019, as well. By doing so, we aimed to present the fact that sustainability is an integral part of our DNA at Allianz Turkey to all our stakeholders in a clearer and more comprehensible manner.

Good Environment

Good Society

Good Institution

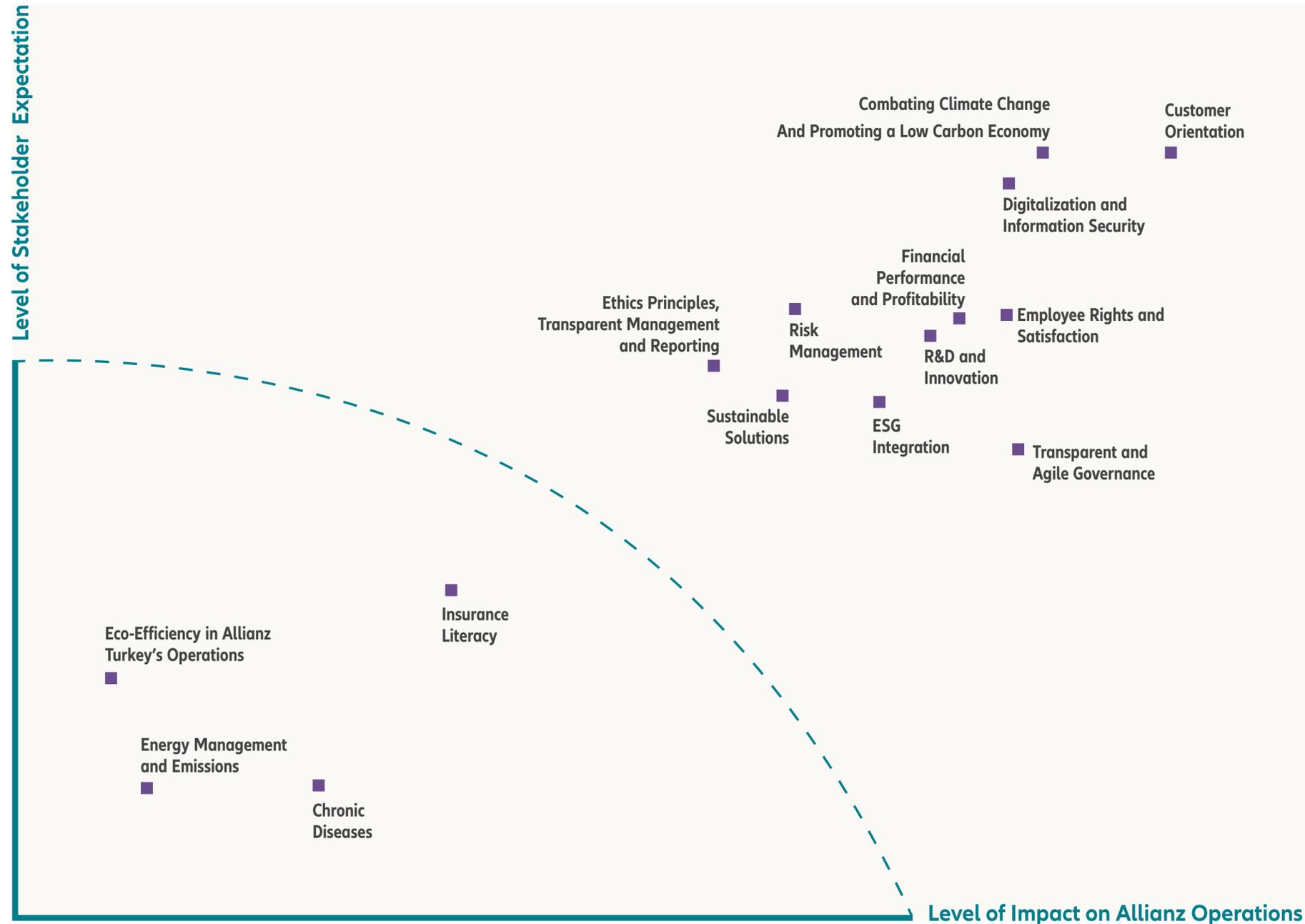
Good Environment (E): At Allianz Turkey, we manage the risks posed by climate change, and take advantage of the opportunities created by a low-carbon economy.

Good Society (S): We are a human-centric corporate citizen that values future generations.

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

Our motto “We Secure Your Future, Siding With Good” aims to adopt a value-creating business model for all our stakeholders, while carrying us one step further as a company.

OUR MATERIAL TOPICS



We revised our priorities with the active participation of our internal and external stakeholders in our sustainability strategy development process.

OUR SUSTAINABILITY PRIORITIES BY STAKEHOLDER GROUP

Material Topics	Colleagues	Internal Opinion Leaders	External Opinion Leaders	Distribution Channels	Business Partners	Customers	University Students
Employee Rights and Satisfaction							
Employee Health and Safety							
Digitization							
Ethics Principles, Transparent Management and Reporting							
Financial Performance and Profitability							
Customer Confidentiality							
Customer Orientation							



We arranged a survey for our materiality research, in which 223 Allianz employees and 649 stakeholders took part.

The stakeholder groups whose suggestions were obtained during our research: Colleagues, agencies, academics, brokers, suppliers, individual customers, NGOs, appraisers, university students, corporate customers, press, service and repair shops, hospitals, physicians, pharmacies, banks, the Advisory Board and Allianz Group.

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OUR SUSTAINABLE VALUE CREATION MODEL



OUR CAPITALS

OUR FINANCIAL CAPITAL

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

OUR HUMAN CAPITAL

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

OUR NATURAL CAPITAL

Integrated ESG management
Continuously improving environmental performance
Promoting a low-carbon economy

OUR SOCIAL CAPITAL

Trust-based stakeholder relationships
High business ethics approach
CSR programs and projects
Employee volunteerism
Initiative membership, collaborations, and participation in working groups

OUR MANUFACTURED CAPITAL

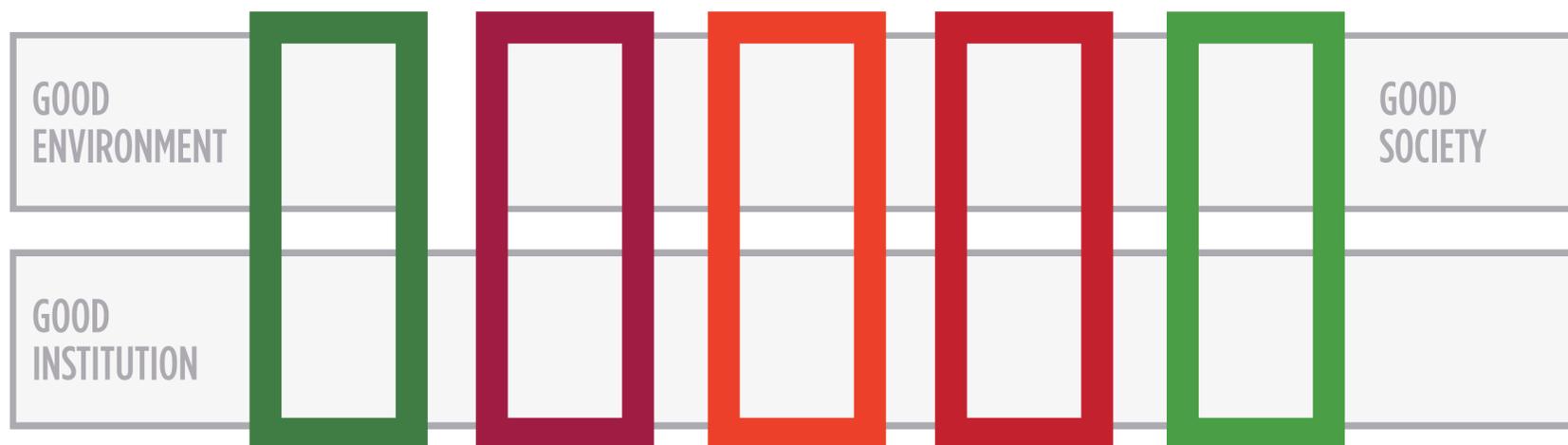
Extensive product and service portfolio
Technical infrastructure securing service quality
Sustainable solutions

OUR INTELLECTUAL CAPITAL

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

Combating climate change
Promoting a low-carbon economy

Embedding ESG factors in business processes
Sustainable solutions
Transparent management and reporting
Risk management, ethical principles, business strategy



Focusing on the human aspects
Future generations

THE VALUE WE CREATE

ENVIRONMENTAL VALUE

Compared to the base year 2016
34,4% reduction in total paper
18,3% reduction in total electricity consumption
47% reduction in total natural gas consumption
10,2% reduction in total waste amount

SOCIAL VALUE

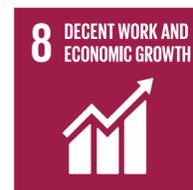
59% female employees, 43% female executives
224 internal instructors
8 days of training per employee
Performance Culture Index Score (IMIX): 76%
Work Well Index Score (WWI): 67%

Employee loyalty Index Score (EEI): 83%
5,543 volunteer hours
1,471 children reached with Allianz Motto Action
Unique views for Allianz Motto Music's YouTube channel: 13.3 million

ECONOMIC VALUE

TRY 10.5 billion premium production and contribution
Asset size of TRY 39,568,617,917
Capital adequacy ratio: 823.99%
Revenue generated from sustainable solutions: TRY 75 million

OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS



OUR SUSTAINABILITY PERFORMANCE, INDICATORS AND TARGETS

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	OUR FOCUS AREAS	SDGs WE CONTRIBUTED TO	PERFORMANCE INDICATORS	2019 PERFORMANCE
GOOD ENVIRONMENT	Combating Climate Change and Promoting a Low-Carbon Economy		Number of projects/studies supported	1
			Total water consumption (m ³)	39,627
			Water consumption per capita (m ³)	16,341
			Total electricity consumption (kWh)	6,592,821
			Energy consumption per capita (MJ)	11,608
			Total CO ₂ emissions (ton)	6,493
			CO ₂ emission per capita (kg)	2,677
			Total paper consumption (kg)	351,317
			Paper consumption per person (kg)	145
			Total waste quantity (kg)	228,557
Waste quantity per capita (kg)	94			
GOOD SOCIETY	Focusing on the Human Aspect, Future Generations	   	Number of children reached through Allianz Motto Movement	1,471
			Number of volunteers reached through Allianz Motto Movement	103
			Number of Allianz Teknik visitors	600
			Number of trainees at Allianz Teknik	400
			Watch time for YouTube Channel of Allianz Motto Music	1.1 million hours
			Unique views for Allianz Motto Music YouTube channel	13.3 million
			Annual total hours of volunteering	5,543
			Number of young people reached for internship programs	31

OUR FOCUS AREAS		SDGs WE CONTRIBUTED TO	PERFORMANCE INDICATORS	2019 PERFORMANCE
Customer Orientation			Net Promoter score	49
			Market positions – Elementary Life/Health	Elementary: Market level, Healthcare: Market level, Life/Pension: Market leader
Employee Rights and Satisfaction			Number of customers	5.5 million
			Number of agencies	3,900
			Risk management investment support amount (TRY)	437,619
			Rate of participation in employee loyalty survey (%)	97
			Employee Loyalty Index score (%)	83
			Work Well Index score (%)	67
			Performance Culture Index score (%)	76
			Number of employees who received Gender Equality Training	13
			Allianz Academy total training hours	131,092
			Occupational health and safety training hours	1,176
			Female employee rate	%59
			Female executive rate	%43
			Number of newly-adopted diversity and inclusion practices	3
			Return-to-work rate of female employees after maternal leave (%)	92
			Size of assets (TL)	39,568,617,917
Capital adequacy ratio (%)	823.99			
Financial Performance			Premium production and contribution	TRY 10.5 billion
Sustainable Solutions			Revenue generated from Sustainable Solutions	TRY 75 million
Business Ethics			Number of Sustainable Solutions	7
ESG Integration and Risk Management			Code of conduct training hours	2,135
Transparent and Agile Governance			Number of resolved reports submitted to SpeakUp	96
R&D and Innovation			Number of anti-corruption training recipients	650
Digitalization and Data Security			Number of topics submitted to ESG and Reputation offices	10
			Frequency of Risk Committee meetings	4 kez
			Number of internal audits	27
			Agile transformation rate (%)	15
			Publication of integrated report	Published in November 2020
			Number of R&D projects	12
			Number of new business ideas submitted to the Internal Entrepreneurship Program	103
			Rate of customer communication in digital environment (%)	98
			Number of downloads for My Allianz mobile app	553,000
			Penalties charged for breach of data security	0



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OUR ENVIRONMENTAL TARGETS AND PERFORMANCE

2019 TARGET	2019 TARGET	2019 REALIZATION	2020 TARGET
Total Water Consumption (m ³)	34,814	39,627	37,150
Water Consumption per Capita (lt/employee)	14,083	16,341	15,360
Total Electricity Consumption (kWh)	7,353,000	6,592,821	6,550,000
Total Natural Gas Consumption (kWh)	1,631,150	1,102,769	1,102,769
Energy Consumption per Capita (MJ/employee)	13,313	11,608	11,490
Total CO ₂ Emissions (ton)	6,695	6,493	5,778
CO ₂ Emission per Capita (kg/employee)	2,746	2,677	2,371
Total Paper Consumption (kg)	369,000	351,317	333,750
Paper Consumption per Capita (kg/employee)	151	145	137.5
Total Waste Quantity (kg)	275,000	228,557	205,700
Waste Quantity per Capita (kg/employee)	112.8	94	85

2020 OTHER ENVIRONMENTAL TARGETS

Obtaining ISO 14001 Certification

Obtaining the WWF Green Office Certification for our Regions



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OUR SOCIAL TARGETS AND PERFORMANCE

2019 TARGET	2019 REALIZATION	2020 TARGET
Introducing a sustainable solution	We released Roof-Type Solar Power Plant Insurance, Turkey's first individual green insurance product.	Publication of the first integrated report
Launching the extensive application of Allianz Motto Movement empowering at least 50 Allianz employees and agencies to volunteer	We launched the extensive application of Allianz Motto Movement. 50 Allianz Turkey employees and agencies worked as volunteers.	Designing a sustainable value creation model
Designing Online Training on Gender Equality	The training was designed; however, it was decided to be arranged one-on-one in a seminar format with the Academy.	Completing the disability gap analysis and determining actions
Taking actions aimed at least three gaps determined in WEPs gender gap analysis	Executive members received Gender Equality training, paternal leave was extended for five additional days, a gender-neutral CV practice was adopted.	Ensuring that at least 10% of employees receive Gender Equality Training



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GLOBAL TRENDS, RISKS AND OPPORTUNITIES

102-11, 102-15

While determining our sustainability strategy, we assessed the global trends that we anticipated would affect us the most in the next five years. To this end, we leveraged stakeholder surveys, the Allianz Global Risk Barometer, and the views of our risk teams.

SUBJECT	TRENDS, RISKS AND OPPORTUNITIES	WHAT DO WE DO AT ALLIANZ TURKEY?
<p>Pandemics</p> 	<p>Pandemics pose a major risk in terms of business continuity. Global pandemics not only harm human health, but also result in severe financial losses and unemployment.</p>	<p>In the event of a pandemic, Allianz Turkey takes extensive steps and actions that cover its employees, business partners, suppliers, customers and stakeholders.</p> <ul style="list-style-type: none"> - It secures the health and safety of its employees. - It possesses the systemic infrastructure necessary to ensure business continuity and remote working for all employees, thanks to significant digitalization investments. - It provides health policy, premium payment, return, and additional installment options to customers. - It is in close touch with business partners and suppliers, it follows the requirements closely, and it provides support to prevent the negative impacts of pandemics.
<p>Financial Crises and Unemployment</p> 	<p>The past decade witnessed weakened growth, which the IMF has deemed a “synchronized slowdown”, among global economies. In 2019, six of the seven top economies of the world slowed down. Increasing political conflicts, decreasing investments, a gradual loss of trust in economic systems around the globe, and high debt rates all signal that this slowdown will continue. Global trade wars have the potential to quickly turn this slowdown into further adversity. Moreover, extreme weather conditions caused by climate change, environmental disasters, and the impacts of pandemics result in severe financial crises. Such crises cause serious waves of unemployment all over the world. Financial crises and unemployment trigger social unrest.</p>	<p>Due to its activities, Allianz Turkey is exposed to various financial risks, such as liquidity, currency issues, and interest rates. The risk management strategy and internal control systems of the company are designed to minimize the negative impact of such risks on its financial performance. To this end, various methods of limiting, monitoring and reporting are determined in line with each risk type, and the relevant assessment results are regularly discussed by the Risk Committee. Furthermore, the Board of Directors revises the investment policies at least once a year, and decides on general policies.</p> <p>As with the rest of the Allianz Group, Allianz Turkey also believes that youth will be the leaders of the future in Turkey. We place children and youth at the center when making social responsibility investments. We contribute to the building of a more inclusive society through our Programs on Encouraging Future Generations. (See Good Society, p.39)</p> <p>We develop strategies aimed at attracting young talents and boosting brand awareness among university students. We collaborate with student clubs and career centers, and we organize campus events throughout the year. We offer internship opportunities through our internship program for university students. We plan to provide students with more opportunities in different areas through various programs in the upcoming period.</p> <p>Allianz Campus was incepted in 2018 with an investment of EUR 27 million, and an employment capacity of 1,100 people. It now is one of the most important economic players in the Aegean Region.</p>

SUBJECT	TRENDS, RISKS AND OPPORTUNITIES	WHAT DO WE DO AT ALLIANZ TURKEY?
<p>Natural Disasters</p> 	<p>2019 was a year when top world news included natural disasters, such as fires and floods. The increasingly negative impact of climate change and human-caused natural disasters bring about negative implications for the environment, society and the economy. The companies which are on the wrong side of climate action face financial and reputational loss.</p>	<p>At Allianz, we carry out activities that minimize the impact of natural disasters by taking into account our operations alongside society. Each year, we arrange Business Continuity Drills to test our action plans against potential natural disaster cases. Allianz Teknik provides information, applied online trainings and consultancy on testing and engineering services against earthquake and fire hazards faced by Turkey, aiming to raise individual, corporate and social awareness of the risks.</p> <p>Climate Action is among the Sustainable Development Goals, constituting a material topic in our sustainability strategy. In order to prevent climate change, we take important steps, such as terminating coal-related activities, releasing green products that promote renewable energy, and minimizing the natural resources that we use in our operations.</p>
<p>Access to Healthcare Services</p> 	<p>Investments made in the field of healthcare around the globe, increasing hygiene practices, vaccination efforts, and scientific developments have extended the average lifespan to 73 years, increasing from 30-50 years of age, the average in the 1900s. However, healthcare systems around the globe are on the verge of collapse. Striking developments include a decline in the average human life span, and a serious decline in healthy life expectancy. Anti-vaccination, increased AMR incidents due to overuse of antibiotics, greater levels of obesity and similar diseases due to changing life conditions result, mental health disorders, a decline in water and clean air resources due to climate change are serious obstacles that are causing a setback in humankind's achievements in the field of health. As human life prolongs, diseases evolve and become chronic, which significantly pressures healthcare systems, and limits access to healthcare services, a universal human right. Innovations such as artificial intelligence and personalized gene therapy bring about important risks and opportunities in the field of health.</p>	<p>At Allianz, we believe that a healthy society is the building block of a healthy economy. We support preventive healthcare solutions through our practices including our Breast Cancer Information and Mammography Reminder Project, Diabetes Support Project and Secure Home Service. We provide 24/7 access to healthcare services through Dr. Allianz.</p>
<p>Cyber Attacks</p> 	<p>Cyber attacks on organizations are increasing and become more complicated each day. Important information is hijacked or lost, which then translates into financial and reputational loss, as well as legal sanctions against organizations. The risk is greater for companies who retain important customer data. Companies which follow state-of-the-art technologies in the field of cyber security and build trust among stakeholders attain a significant competitive advantage.</p>	<p>We strive to be a "truly digital" company. Therefore, we enhance our service quality for customers, facilitate access to insurance services, and improve the customer experience. However, we are also aware of the risks posed by digitalization. We follow a three-stage risk prevention method:</p> <ol style="list-style-type: none"> 1- We closely monitor and manage our cyber risks as part of our risk management activities. 2- We scan each and every system and process through continuous penetration tests. 3- We update our employees and perform simulation activities to raise employee awareness of cyber security.
<p>International Conflicts and Security Risks</p> 	<p>Today's turbulent politics expose companies to a number of political risks. Disagreements among nations cause a halt in trade activities, resulting in severe disruptions in supply chains. Serious business losses are experienced in industries such as tourism and entertainment. Evolving immigration policies impact the circulation of immigrant labor. Despite a declining number of incidents in recent years, terrorism remains a source of risk that affects the entire world.</p>	<p>The evaluation and follow-up of political risks is an important part of Allianz's Risks Management approach. Compliance programs implemented by Allianz are conducted by taking into account international relations and the relevant rules.</p>

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SUBJECT	TRENDS, RISKS AND OPPORTUNITIES	WHAT DO WE DO AT ALLIANZ TURKEY?
<p>Compliance With Changing Regulations</p> 	<p>The whole world has witnessed rapid changes in regulations in light of political developments. The trade conflict between the USA and China has resulted in conservative economic arrangements, while the EU has adopted regulations that promote a more independent and greener economy. The EU sustainability regulations to take effect in 2020 are anticipated to significantly affect companies' ways of doing business. Any organization that fails to comply with the regulations in advance may face severe financial losses, whereas those that prepare in advance will enjoy countless business opportunities.</p>	<p>Allianz Turkey has established the necessary processes and controls to act in line with existing and changing regulations fully. Allianz Turkey utilizes an active and effective system to follow regulations. The Risk and Compliance Departments operate to manage regulatory risks and develop controls so as to ensure compliance with regulations, and to ensure all relevant departments take the necessary measures. The Regulatory Compliance Committee was established to monitor regulatory changes, identify the impact of changes on the company and industry, coordinate the actions to be taken, ensure that the new regulations are communicated to the right departments and committees within the company, and ultimately ensure implementation and compliance, identify the risks, follow the actions to take, support consistency and unity in the eye of regulatory/administrative institutions, and serve as a proactive guide for regulatory changes that may affect the company's operations and the industry. The systems and activities regulated by the committee are deemed exemplary by Allianz Group.</p>
<p>Artificial Intelligence and Robotics</p> 	<p>New technologies bring about many opportunities, such as increased efficiency, the elimination of non-added value activities, and the emergence of new products and services. However, such technologies also pose a number of risks, such as cyber attacks, a loss of the human control mechanism, and decreased transparency.</p>	<p>We made significant investments in IT infrastructure in 2019 for adapting to new technologies, advanced data analytics and big data solutions. In this framework, critical performance indicators associated with software quality were improved, critical integration capabilities were gained in the same period, and we improved our performance speed for services offered to business partners.</p> <p>Considering the developments in an increasingly digital world, along with customer needs, we introduced new products offered through the digital channels of our business partners, particularly banks, in 2019 in order to provide efficient and effective services. Furthermore, we expanded our range of products and services that we offer through the branch channel of partner banks, and we took important steps to respond to our customers' varying insurance needs throughout their life, in a holistic manner.</p> <p>The Allianz Privacy Framework includes information security standards, the data privacy risk management process and the employee training required for data privacy, and is subject to regular control. Other standards that we follow are as follows: Allianz Functional Rules for Information Security, Allianz Group Information Technology and Information Security Policy, Payment Card Industry-Data Security Standard (PCI-DSS) and Control Objectives of Information Technologies (COBIT).</p> <p>While technological measures are being taken against changing and evolving cyber threats, we also observe the human aspect and process dimension as part of the above-mentioned Allianz Group standards.</p>

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OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

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

SDG 3- Good Health and Well-being: Due to the inherent nature of our business, we help our customers protect their health. We support preventive solutions and provide health updates (See Our Customers, p.59,). We look out for our employees’ health and adopt practices that enhance our employees’ health and office ergonomics (See Employee Health and Safety, s.66). We aim to contribute to the development of children aged 7-12 through exercise and sports with Allianz Motto Movement (See Allianz Motto Movement, p. 45).

SDG 4- Quality Education: We allocate sources to support the professional and personal development of our employees. We contribute to the accumulation of knowledge on the insurance business in our country through permanent investments such as Allianz Academy (See Allianz Turkey Academy, p.63). We contribute to achieving equality of opportunity in education in our country through our CSR activities in the field of education (See Good Society, p.39).

SDG 5 - Gender Equality: We promote gender equality. We believe that the equal participation of women in social and economic life will

increase social well-being. The rate of our female employees is 59%, while our rate of female executives is 43% (See We Promote Gender Equality for a Good Society, p.42).

SDG 8- Decent Work and Economic Growth: We are one of the largest financial service providers in the world. Therefore, it is our core business to contribute to sustainable economic development. All our business processes are designed in a humane manner to generate benefits for all our stakeholders without compromising business ethics.

SDG 13- Climate Action: We closely follow the risks and opportunities created by climate change. As an insurance company, we search for ways to protect our customers from such risks. We develop products and services that facilitate the transition to a low-carbon economy (See Combating Climate Change, p.35) (See Our Sustainable Solutions, p.54). We implement the Allianz Environmental Management System to reduce the environmental impact of our operations (See Reducing Our Environmental Impact, p.36).

E = ENVIRONMENT GOOD ENVIRONMENT

Combating Climate Change and Promoting a Low-Carbon Economy



S = SOCIETY GOOD SOCIETY

Focusing on the Human Aspect Future Generations (We Secure Your Future)



G = GOVERNANCE GOOD INSTITUTION

ESG Integration, Sustainable Solutions, Transparent Management and Reporting, Risk Management, Ethical Principles, Business Strategy



STAKEHOLDER ENGAGEMENT

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

We believe in the importance of rapid and open communication with our stakeholders. We aim to build trust-based relationships driven by mutual learning. Our open management approach requires us to take into account the expectations of our stakeholders, while managing our corporate impacts. By doing so, we proceed on our journey as a continuously developing company, while sharing the most current and accurate information about our company first hand. We utilize dialogue methods that are shaped according to the frequency of communication and the needs of all our stakeholder groups.

At Allianz Turkey, we are also members of numerous nongovernmental organizations (NGO) and a partner to volunteer agreements. We are the only Turkey-based global insurance and pension company that signed the United Nations Global Compact. Through our annual sustainability reports, we share with our stakeholders our performance within the scope of the pact. Global Compact See p.69 for our corporate memberships. We also signed the Women's Empowerment Principles. Thus, we

promote the participation and empowerment of women in the business world across Turkey. We measure our contribution to the Sustainable Development Goals, while sharing our results with our stakeholders through our sustainability reports. We are a member of the Business World and Sustainable Development Association (SKD).

By the very nature of our job and the size of our company, we boast an extensive network of stakeholders. We are in both direct and indirect cooperation with a wide range of organizations, institutions and individuals, including university students, experts, physicians, brokers, academics, pharmacies, services and repair shops, banks, national and international development and finance institutions, humanitarian aid organizations, and business umbrella organizations. We aim to provide detailed information on our company through our annual reports and sustainability reports by observing the needs of different stakeholder groups. We carry out surveys to understand the expectations of all our stakeholders.

HIGHLIGHTS FROM OUR STAKEHOLDER ENGAGEMENT PRACTICES IN 2019

Our Employees	Allianz Talks
	CEO Breakfasts
	CEO Townhall
	SAM Meetup
	Allinn Chats
	Open Door Meetups
	Sosyal@Allianz & Allianz Connect
Our Agencies	Digital Bulletin
	DigitALL
	e-Notification
	Agency Meeting
Customers	Agency Satisfaction Survey
	Phone
	e-mail
Non-Governmental Organizations	Website Contact Form
	App Contact Form
	Allianz Tower and Allianz Campus Meetings
All Stakeholders	İstanbul Marathon
	Corporate Reputation Survey

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GOOD ENVIRONMENT

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



COMBATING CLIMATE CHANGE

Combating climate change is a top priority for Allianz Group. We identify climate-related risks and opportunities as part of our business strategy, and we develop products and services accordingly. Climate change is an important criterion in both our investments and the projects that we insure, as required by our sustainability approach.

As part of the Allianz Group Climate Change Program, we terminated insurance and policy extensions for coal-related businesses at Allianz Turkey within the framework of the rules determined in 2018. In 2018, we did not renew policies amounting to TRY 17.5 million. In 2019, we did not engage in any business in this area.

We insure business models that serve a low-carbon economy. We seek to facilitate a transition to a low-carbon economy by introducing sustainable solutions each year. We deliver an extensive product for renewable energy plants through renewable energy insurance.

We cover building and content damages and profit losses due to such damages resulting from fire, terrorism, and natural disasters. We inform our customers about potential risks and assess our current regional risks with onsite surveys in areas affected by damages.

We undertake efforts to raise our customers' awareness of insurance holding in order to protect them against the risks amplified by climate change. We aim to raise awareness of individual, corporate and social risks with Allianz Teknik. Accordingly, we plan collaborations and academic studies with universities, as well as educational activities for youth and children.

We adopt measures to mitigate the environmental impact of our operations. We aim to rely solely on renewable energy resources by 2023. We share our environmental performance with our stakeholders annually in a transparent manner through our sustainability reports.



WE REDUCE OUR ENVIRONMENTAL IMPACT

Tapping into our sustainable products and services, we continue to contribute to the combat against climate change and to a low-carbon economy, while exercising utmost care to minimize our environmental impact resulting from these. Our Allianz Environment Management System is our

greatest guide on this journey. As part of our Environmental Management System, we monitor our performance in the fields of energy, emissions, water, and waste management, and leverage opportunities for improvement through efficiency and awareness-raising projects.

GREEN BUILDING

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



Allianz  **Tower**

WE REDUCE OUR CARBON FOOTPRINT THROUGH ENERGY EFFICIENCY ACTIVITIES

Our offices account for the majority of our energy consumption caused by our activities. Therefore, our focus in energy management entails energy efficiency projects that we undertake in our offices through collaborations with our integrated facility management firm. We strive to achieve the environmental goals we set for 2020 through these projects. As part of the actions that we took in the reporting period:

- We raised awareness by organizing seminars, training sessions and meetings on energy efficiency.
- We turned off the lights during lunch time.
- We adjusted the cooling degrees in all fridges.

- We continued to turn off the lights in unused areas, while continuing to use sensors in parking areas, floor gardens, and emergency exits.
- Our renewable energy use was 2.81% thanks to practices such as the use of wind turbines and solar energy panels.
- We saved 50% in electricity consumption through the use of concurrent aging and time clock functions in air conditioning plants.
- We saved energy and achieved an appropriate environment temperature in summer months through the utilization of curtains in the reception area.
- We minimized temperature increase caused by sunlight through window film applications on block entrance doors.
- We saved energy and ensured device safety by operating exercise equipment and tablet devices at scheduled hours through time relay.
- We continued to minimize and effectively use energy by identifying and isolating energy leaks, through free cooling in seasonal transitions, and through scheduling by the automated system without compromising on office comfort.

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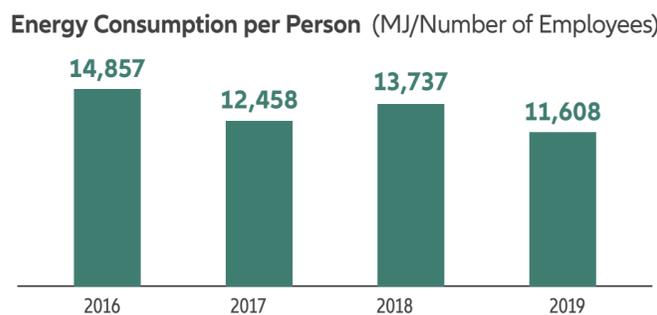
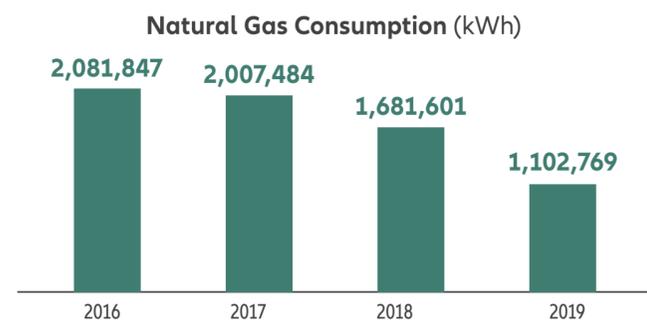
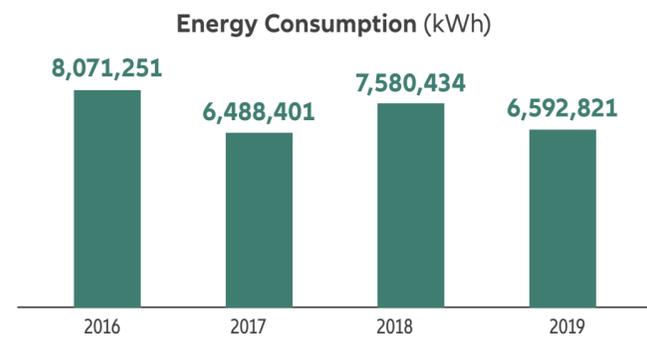
Combating Climate Change
**We Reduce Our Environmental
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Thanks to all these practices, we reduced electricity consumption by 13%, compared to the previous reporting period, and by 18.3% compared to the 2016 base year while reducing our natural gas consumption by 34.4% compared to the previous reporting period, and 47% compared to the 2016 base year. In the same period, our energy consumption per capita was reduced by 15.5% compared to 2018, and 21.9% compared to 2016. Our greenhouse gas emission was decreased by 532 tons, compared to 2016, while our emission per capita was decreased by 14.7%.



We determined our material topics regarding domestic and international travels as part of Allianz Turkey's sustainability approach and efficiency efforts. In this regard, we continue to invest in technologies that will facilitate communication among our offices without requiring travel. We opt for next-generation fuel-efficient vehicles for vehicle fleet management. In the reporting period, as part of our optimization efforts targeting the shuttle routes, we saved 223,299 kilometers of travel in total. As a result of all these efforts, our annual fleet was reduced by 4.8% compared to the 2016 base year.

WE STRIVE TO BECOME A PAPERLESS OFFICE

At Allianz Turkey, we adapt our digitalization processes to our way of doing business in line with our goal of becoming a "Paperless Office". Accordingly, we revise our business processes and identify our areas of improvement. To this end, we migrated 98% of the documents to the digital environment in 2019. 100% of the paper we use is FSC certified. Starting from 2018, we terminated disposable paper cup use in the meeting rooms at all our locations.



Compared to the 2016 base year, we reduced our total paper consumption by 34.4%, and our paper consumption per capita issued by 33.3%, while reducing our paper consumption per policy issued by 16.7%.

Examples of our activities for a paperless office in the reporting period are as follows:

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

OUR WASTE AND WATER MANAGEMENT

We aim to minimize the environmental impact of our offices. Therefore, we undertake efficiency projects in the field of waste and water management, as with energy and paper consumption.

In 2019, as part of our waste management practices:

- We continued to recycle and use food waste in our gardens, and share the leftovers with the animal shelters in the surrounding area.
- We revised our location-based waste management plan.
- We unsubscribed from magazines that were not actively used and reduced their number.
- We replaced paper cups with glass cups.
- We stopped using wooden spoons.
- We placed images and waste samples in the recycling area.
- We refrained from using an extra package for policy shipments.

As of the end of the reporting period, our total generated waste reduced by 10.2% compared to the 2016 base year, and the waste generated per capita reduced by 8.7%

- Vehicles were not washed on rainy days.
- The water pressure of bathroom sinks was reduced.
- 3-6 liter and awareness labels were placed on flush buttons.
- 60% of water is saved through aerator replacements on tap mixers.
- We achieved significant savings in workforce and fertilization by using water with a fertigation tank system.

Compared to the 2016 base year, in the reporting period, our water consumption increased by 13.8%, while water use per person increased by 16%. This increase is mainly caused by the increased amount of water used in energy efficiency processes.



WE RAISE ENVIRONMENTAL AWARENESS THROUGH OUR ACTIVITIES

In the reporting period, we launched Green Office at Allianz Tower and Allianz Campus in



association with WWF Turkey. We provided two-hours of awareness training to our employees at the kick-off meeting. We created the Green Office working team with our volunteering colleagues. Furthermore, we hosted the 2019 WWF Green Office members' meeting.

In 2019, 100 colleagues participated in environment-related trainings. We aimed to raise our colleagues' awareness through an environmental consciousness survey. Our survey result was 75%.

We participated in the 12th Edition of Earth Hour, which marked our third time participating, and we turned off our lights at Allianz Turkey, the first tower in Turkey to hold LEED Platinum Certification.

We strive to raise the environmental awareness of our employees through regular internal communications. Within this scope, we created a WWF corner in our bulletins. We started sharing WWF bulletins and updates with our team. We shared environmental awareness-raising messages on our LCD screens, while providing information on AZTR productivity projects to our employees.

We covered the one-year educational expenses of 319 children by donating 22,000 tons of electronic waste to "Donate, Don't Waste!", a campaign by the Educational Volunteers Foundation of Turkey (TEGV) in 2019. In the same period, Allianz Turkey's team participated in the Dragon Festival where it won the most creative dress award among the plastic dressed designed using



plastic waste by women of the Foundation for the Support of Women's Work (FSWW).

We collected 245 kg of waste with 35 volunteers in Istanbul and Izmir on World Cleanup Day. After the fire in Izmir, we donated 4,267 saplings to the sapling campaign launched with TEMA Foundation, together with our employees and agencies.

We obtained our WWF Green Office Diploma at Allianz Tower and Allianz Campus for our

activities aimed at raising awareness and reducing our environmental footprint in 2019.

We aim to transform our directorates into Green Offices in 2020.



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GOOD SOCIETY

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



WE MAKE RESPONSIBLE INVESTMENTS

We consider responsible investment to be a way of creating value for society. We adopt the responsible investment approach of Allianz, a signatory of the UN Principles for Responsible Investment. Responsible investment, to us, means embedding ESG factors systematically in our investment decisions.

ALLIANZ TEKNİK

Allianz Teknik is the first Earthquake and Fire Testing and Training Center in Turkey to centralize all tests in this area, and Allianz Turkey invested in it in accordance with international accreditation standards. Allianz Teknik offers briefings and applied trainings and consultancy activities on testing and engineering services against earthquake and fire risks faced by Turkey,



with an aim to raise individual, corporate and social risk awareness.

Within this scope, we plan professional consultancy services targeting the industry, as well as collaborations with universities, academic studies, and educational activities aimed at youth and children. Launched with an investment of TRY 30 million at the Beykoz Campus of Turkish-German University, the center is the third test center in the world under Allianz Group, and it contributes to our country's economy as the Group's first test center in the world to provide services in the area of earthquakes and fires.



Allianz Teknik is the only facility in Turkey to perform high-level accuracy testing with its technical equipment. Moreover, by serving in various areas of operation, such as transportation, it now makes it possible to perform numerous tests within the borders of our country, as they used to be performed overseas.

Annually, more than 3,000 hours of earthquake tests and over 100 fire response tests are performed at the fire and earthquake labs established under Allianz Teknik. In 2019,



400 people were offered basic awareness raising training on earthquakes and fires at Allianz Teknik. In 2019, 600 people visited Allianz Teknik within 2.5 months.

What Does Allianz Teknik Contain?

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

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ALLIANZ CAMPUS

Allianz Campus was incepted in 2018 with an investment of EUR 27 million, and an employment capacity of 1,100 people. It now is one of the most important economic players in the Aegean Region. Allianz Campus is an environmentally- and employee-friendly building that utilizes renewable energy resources in line with the sustainability principles of Allianz Turkey. Built on an area of 17 acres, Allianz Campus holds LEED certification, as does Allianz Tower. It boasts superior technological infrastructure and equipment, making it a new-generation smart building.



ALLIANZ CAMPUS IN 2019

ALLIANZ CAMPUS STARTS BLOSSOMING



Customer Complaints
58% ▼
(Since 2016)



Realization Rate of Contributions
30% ▲
(External call teams, per employee, based on Istanbul)



Agency Satisfaction
23% ▲



BES (Personal Retirement Insurance) Sales Contribution Generation
45% ▲
(Per employees)



Customer Satisfaction
3.40-4.40 ▲
(Out of 5)

724 Employees



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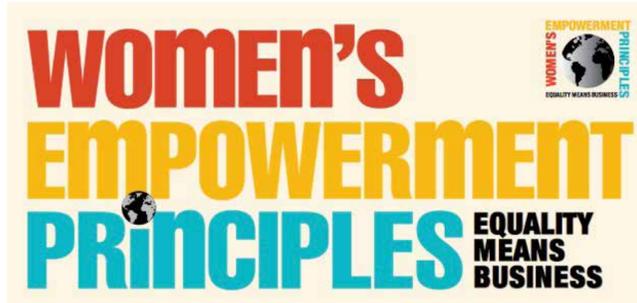
We Create Value for Future Generations

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WE PROMOTE GENDER EQUALITY



At Allianz Turkey, we promote initiatives and collaborations aimed at women's empowerment. We are the first insurance company in our country to sign the United Nations Women's Empowerment Principles.

Women account for 59% of our employees, and 43% of our executives. We set an example for society and the industry in terms of gender equality with our high female employee rate and good practices.

We value platforms where female employees guide, serve as role models for and inspire each other. We are a member of TurkishWIN, a platform which aims to unlock the potential of women by promoting and encouraging change through information and exchange platforms alongside coaching programs. Furthermore, we are a supporter

of BinYaprak, YenidenBiz, and Young Women Career Day. In 2019, we hosted the Turkish Win event and sponsored Young Women Career Day.

At Allianz Turkey, we encourage our female employees' participation in various global development and networking programs

carried out by Allianz Group. Driven by our stance in opposition to violence against women and girls, we illuminate the top of Allianz Tower with orange lights for two days to support UN Women's "Orange the World" campaign. On 8 March, International Women's Day, we organize events to support women employees and raise awareness.



As part of Allianz Turkey's gender equality efforts in 2019:

- We prepared a digital commercial aimed at raising awareness of gender equality.
- At Allianz Allianz Tower, we created an area featuring the numerous efforts and products of our female colleagues, from food to accessories, and donated all of the revenue generated from them to the Foundation for the Support of Women's Work (FSWW). Collaborating with FSWW, we handed out awareness raising gifts to all our employees, regardless of gender.
- We gifted our female employees Tuluhan Tekelioğlu's book Yapabilirsin (You Can Do It), which tells the story of women making a difference through their efforts. We organized a seminar on this subject by inviting Tekelioğlu to Allianz Tower.

WE SUPPORT ART



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

- We continued to feature a new generation of Turkish artists in our working areas at Allianz Tower and Allianz Campus, while adding new artwork to our collection each day.
- We remained a member of the board of trustees at the Istanbul Foundation for Culture and Arts.
- We preserved all of the artwork exhibited at the Istanbul Biennial, a worldwide prominent contemporary art event, with Allianz's support.



We consider the promotion of art and artists - the building blocks of a good society - as a core corporate responsibility. We continued to enrich the cultural life of our society through our support for art in 2019, as well.

- We continued to preserve Istanbul Modern, our nation's first modern and contemporary art museum, and the artwork inside with the guarantee and support of Allianz.
- We sponsored the Picasso Exhibition organized at Arkas Art Center in Izmir, where Allianz Campus is based.
- We maintained our cooperation with DasDas throughout the year.
- We sponsored Being Faust, a play featured in the Istanbul Theater Festival.



ALLIANZ MOTTO MUSIC

Launched in 2015 with the vision of enhancing the life quality of society, Allianz Motto Music is the first corporate YouTube channel in Turkey, offering free-of-charge Turkish content for everyone who wishes to access music.

Allianz Motto Music continued to publish content at full speed in 2019.



In 2019, the channel was watched for about 1.1 million hours, reaching 13.3 million unique views. The average watch time for the channel was 6.07 minutes, and a total of 241 videos were created.

NUMBER OF FOLLOWERS IN 2019

YOUTUBE **297,855**

INSTAGRAM **38,800**

TWITTER **9,424**

SPOTIFY **3,588**

FACEBOOK **126,708**

OUR PROGRAMS BROADCAST IN 2019

Noktalı Virgül (Semicolon) with Yekta Kopan, Guitar Vlogs with Nurkan Renda, Hayat Bana Güzel (Life Is Good to Me) with Şenay Akkurt, Bî Bakıp Çıkıcam (Popping In) with Zeynep Tokar, Yıllar Yılan (Ungrateful Years), Plak Dolabı (Record Cabinet) with Murat Meriç, The Producer with Can Şengün

WE CREATE VALUE FOR FUTURE GENERATIONS

As with the rest of the Allianz Group, Allianz Turkey also believes that youth will be the leaders of the future in Turkey. We place children and youth at the core of our social responsibility investments. We contribute to the building of a more inclusive society through our programs aimed at future generations.



SUPPORT FOR YOUNG MUSICIANS

We undertook various sponsorship and support activities to incorporate young talents in the world of music, and to contribute to the future of prospective musicians.

We maintained our corporate support for the Music for Peace Foundation in 2019, as well. The Music for Peace Foundation aims to provide tuition-free musical education to as many children as possible and to spread the voice of peace through music. To date, it has eliminated the obstacles faced by thousands of children in need with a desire to participate in the arts.

We continued to support the education of the young pianist Kaan Baysal, the first and only artist from Turkey to become eligible to take part in the Allianz Junior Music Camp. Kaan Baysal has been a brand ambassador of Allianz Turkey since 2015.

In 2019, we once again sponsored the concerts at the Ayvalık International Music Festival organized annually in July by the Ayvalık International Music Academy. The Academy aims to expand the horizons of young musicians while promoting their career.

Since 2014, we have been supporting the Turkish National Youth Philharmonic Orchestra, which was formed by Cem Mansur in 2017. Consisting of young musicians between the ages of 16 and 22, the orchestra performs in Turkey and abroad under the supervision of the best instructors in their field.





ALLIANZ MOTTO MOVEMENT

Through Allianz Motto Movement, we aim to contribute to the healthy growth and development of children aged 7-12 through exercise and sports. Implemented in association with the Educational Volunteers Foundation of Turkey (TEGV), Aegean Modern Education Foundation (EÇEV) and Koruncuk Foundation by volunteer trainers, the program takes place with the support of NGO volunteers, volunteer employees and agencies. Organized onsite since 2018, Allianz Motto Movement will be carried out on digital platforms, as well, in 2020.

As part of the Allianz Motto Movement Program, in 2018 and 2019:

- We reached 1,753 children.
- Children participated in in-class and outdoor education modules over 16 weeks, and they took part in 80 minutes of sports and exercise activities on a weekly basis.
- 103 volunteers underwent four volunteering trainings.



Measurement and Evaluation

As part of measurement and evaluation in the program, data was collected from the children, volunteering trainers, managers and parents on participation satisfaction and the transfer of learning and applications to real life. The information collected from children and parents indicates that the children were able to transfer their learning to real life, not only through the physical activities and games they took part in during the program, but also through learning outcomes, such as carrying out research, developing new areas of interest, and exchanging ideas with the peers and adults around them.

AVERAGE PARTICIPATION IN ACTIVITIES

73%
SATISFACTION RATE
70%

MOTTO MOVEMENT FESTIVALS

An NGO Festival was organized in Education Park in Çiğli, Izmir, alongside a Street Festival in Istanbul Kalamış Park.

Children's Athletics Activities were organized during the festivals. Allianz employees and agencies volunteered in the events.

Number of Children That Participated in the Festivals

ISTANBUL STREET FESTIVAL

416

IZMIR NGO FESTIVAL

206

Number of Volunteers That Participated in the Festivals

ISTANBUL STREET FESTIVAL

24

IZMIR NGO FESTIVAL

50

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OUR CORPORATE VOLUNTEERING ACTIVITIES

We encourage our employees to utilize their knowledge and competence to tackle social issues, thus contributing to the building of a good society. We ask our employees to create value for society. Accordingly, we carry out corporate volunteering activities in which they actively participate. In 2019, Allianz Turkey employees volunteered for 5,543 hours.

As part of our corporate volunteering activities:

- Driven by our motto “We Secure Your Future, Siding With Good”, we organized events with numerous NGOs in order to boost our colleagues’ motivation, and expand the culture of cooperation.
- We encouraged all our colleagues to wear yellow clothes on February 15, International Childhood Cancer Day in association with The Hope Foundation for Children with Cancer (KAÇUV).
- We realized our social responsibility project titled Wish Tree on April 23, National Sovereignty and Children’s Day in association with the Koruncuk

Foundation. As part of the project which aims to make the wishes of Koruncuk children come true, we sent them gifts through our volunteering colleagues.

- During the December holidays, we organized shopping activities with a total of six NGOs, including the Association for the Support of Contemporary Living (ÇYDD), the Foundation for the Support of Women’s



Work (FSWW), the Educational Volunteers Foundation of Turkey (TEGV), the Basic Needs Association (TIDER), the Koruncuk Foundation, and the Down Syndrome Association.

- On World Cleanup Day, 35 employees from Allianz Turkey participated in waste collection activities organized in Istanbul and Izmir, and they collected 245 kilos of waste.
- We became the team with the highest number of runners among the participants of the 41st Istanbul Marathon, and we collected donations from the highest number of donors. We touched

the lives of 230 children by raising funds from 2,676 donors, amounting to TRY 152,604 on behalf of the Aegean Modern Education Foundation (EÇEV) and the Educational Volunteers Foundation of Turkey (TEGV) under the leadership of our employees.

- At the 2019 Allianz World Run, we exceeded our target of 30,000 kilometers by running 31,106 kilometers with 150 runners. In addition to our colleagues, other participants in this run for a good cause included our agencies, suppliers and customers. We completed the competition by ranking in 18th place among 60 teams.



- 82 employees from Allianz Turkey and agencies completed their orientation training, and they volunteered in various areas as part of Allianz Motto Movement.

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Our Business Ethics Approach

Our Active Risk Management

Our Environmental, Social and
Governance (ESG) Approach

Our Sustainable Solutions

Our Innovation Actions

Digitalization and Information
Security

Our Customers

Employee Rights and Satisfaction

Our Supply Chain

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GOOD INSTITUTION

At Allianz, we believe that we must first transform ourselves to become an effective player in sustainable development. We believe that the methods to serve as a Good Institution include becoming a simpler and more agile company, adopting a proactive risk management approach, improving our ESG integration practices, offering a satisfactory career to our employees, and revising our products and services in line with our sustainability principles.



OUR CORPORATE STRATEGY

WHY?

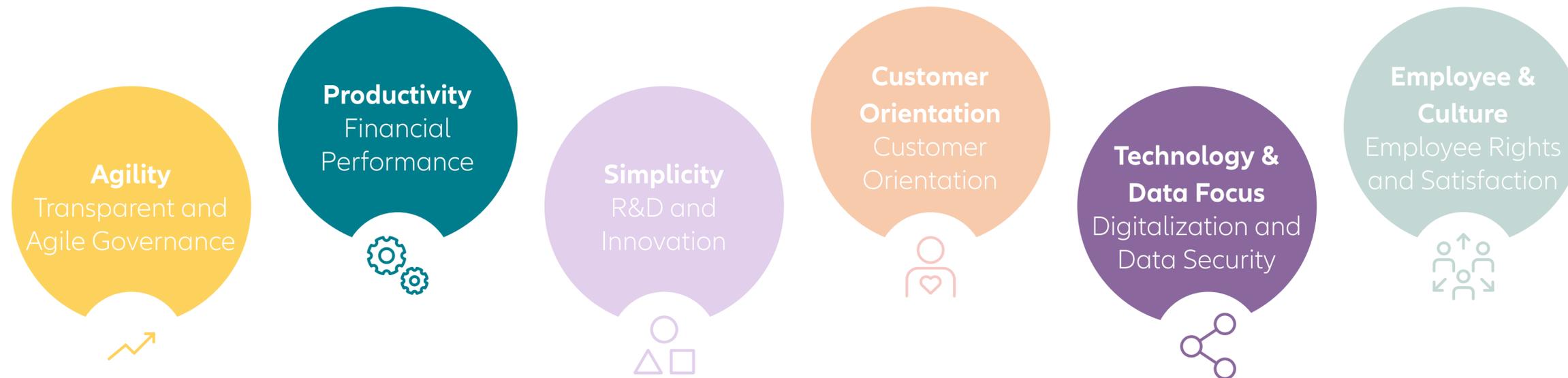
We Secure Your Future

WHAT?

Our Strategic Objective in the Medium and Long Term

Siding with our customers throughout their lives with our pioneering services and superior customer experience, while serving as Turkey's number one insurance company with a sustainable and profitable growth performance

HOW?



We need a clear corporate strategy that will steer us into the future to position ourselves as a Good Institution. In 2019, Allianz Turkey renewed its medium- and long-term corporate strategy. We determined our strategic objective as "siding with our customers throughout their lives with our pioneering services and superior customer experience, while serving as Turkey's number one insurance company with a

sustainable and profitable growth performance". We function as a truly digital company that places the human aspect at the core of its business.

On our path towards this objective, we determined the following areas as our strategical priorities: "agility", "productivity", "simplicity", "Customer Orientation", "technology and data focus", and "employee and culture".

Our Corporate Strategy

- Transparent and Agile Governance
- Our Sustainable Financial Performance
- Our Business Ethics Approach
- Our Active Risk Management
- Our Environmental, Social and Governance (ESG) Approach
- Our Sustainable Solutions
- Our Innovation Actions
- Digitalization and Information Security
- Our Customers
- Employee Rights and Satisfaction
- Our Supply Chain

TRANSPARENT AND AGILE GOVERNANCE



Our talented, highly ethical and agile nature is the reason why our customers trust us. We continuously revise our organizational structure and strive to enhance customer satisfaction to be worthy of this trust.

In late 2018, we started transforming our entire organization by transitioning to the Agile Business Method. We shifted from a function-based structure to a business-driven structure. Through employee delegation, we include our employees in the solution. We ensure that our employees with different fields of expertise can work together in the same team. We aim to focus on simplification in business processes and product designs, thus ensuring financial sustainability.

We are reinforcing our agile management approach with our corporate management

traditions. We continuously transform ourselves and revise our business processes to serve as an inclusive, transparent and accountable company which informs all its stakeholders in a timely fashion. Aiming to establish an ethical, transparent and accountable management structure, corporate governance practices constitute an important building block for financial achievements and effective sustainability management at Allianz Turkey.

At Allianz, corporate governance not only enables us to ensure legal compliance, but

it also helps us undertake practices that establish stakeholder trust as a system. Compliance is managed extensively, reaching well beyond each and every financial concern at Allianz.

Detailed information on our Corporate Governance practices is available at https://www.allianz.com.tr/tr_TR/hakkimizda/bilgilendirme-ve-raporlar/faaliyet-raporlari.html where you can access our annual reports.

- Our agile transformation rate is **15%**.
 - There are currently **30 Agile Teams**.
 - **More than 350 colleagues** take part in agile transformation teams.
 - Team members received an average of **169 hours of training**.
 - We have **nine internal agile coaches**.
- In 2019, through agile transformation:
- We achieved innovative business results more rapidly. (We reduced the duration of ~ 6-9 month projects to 2-3 months.)
 - We accelerated the decision-making processes by reducing the many managerial dimensions to three in total.
 - Our AES score increased by **6 points** on average.

OUR SUSTANABLE FINANCIAL PERFORMANCE

Profitability is an indispensable part of our business. Being a profitable company is a prerequisite for creating sustainable value. That being said, we strive to achieve our target through a long-term, rather than a short-term, win-win approach where all parties, including all our business partners, win.

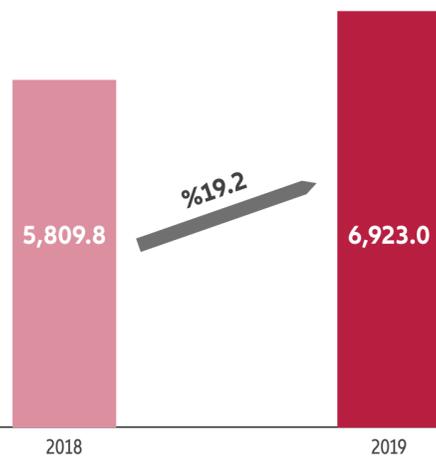
We wish to become an efficient company. Our productivity efforts aim to increase our market share. Tapping into rapid and simple processes, we aim to reduce our costs and foster a competitive advantage. By doing so, we aim to enhance customer satisfaction.

We initiated our productivity efforts at the end of February 2019. 36 teams (more than 100 colleagues) generated 196 ideas in 10 different focus areas within five months, and most of these ideas were realized and turned into projects.

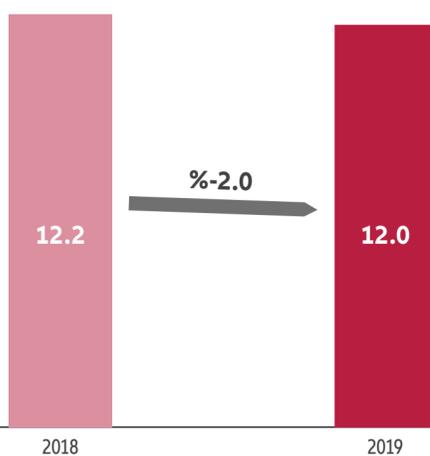
(THOUSAND TRY)	2015*	2016*	2017	2018	2019
Bonus	4,050,873	5,775,138	5,134,074	5,809,796	6,922,967
Damages Incurred (Reinsurer Share Deducted)	-2,157,338	-2,936,763	-3,376,998	-3,418,172	-3,756,930
Profit Before Tax	258,216	537,257	757,315	673,236	1,004,631
Profit After Tax	233,323	470,716	573,986	562,589	727,095
Tecnical Provisions	3,141,178	4,490,137	4,754,664	5,448,330	6,506,053
Paid-in Capital	647,643	647,643	647,643	647,643	647,643
Equity	1,559,032	1,894,929	2,267,040	2,487,314	3,232,939
Total Assets	5,491,021	7,350,287	7,652,756	8,686,255	10,679,672

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

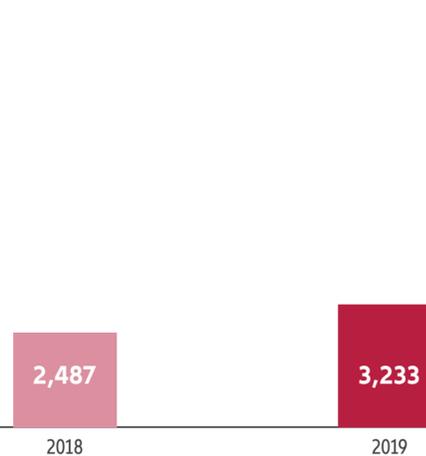
Premium Production (million TRY)



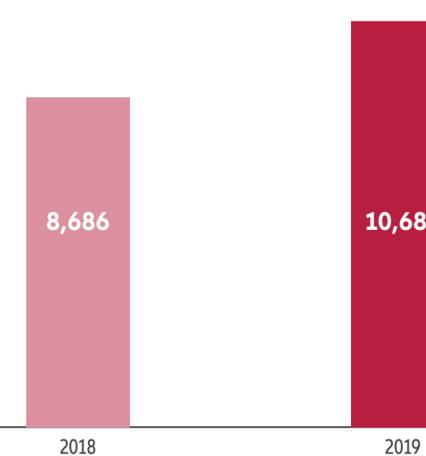
Market Share (%)



Equities (million TRY)



Size of Assets (million TRY)



OUR BUSINESS ETHICS APPROACH

102-16, 102-17

Business ethics is at the core of Allianz's governance approach. Allianz Group operates in line with the highest business ethics standards worldwide. This business ethics approach is built upon the Allianz Code of Conduct for Business Ethics and Compliance. Applicable to each and every employee, these rules establish the minimum standards with which all our employees must conform. In 2019, in order to disseminate the Code of Conduct across all employees,

160
EMPLOYEES UNDERWENT
2,135
HOURS OF TRAINING.

Within the scope of the Compliance Program, we provide our personnel with the opportunity to "Anonymously Report" improper business processes. Employees may benefit from this opportunity

and anonymously report, through the Confidential Reporting Line, incidents such as unethical transactions, behaviors, bribery, fraud and abuse. The confidentiality of the non-anonymous reporters is protected with the assurance of senior management and the Compliance Department under the Anti-Retaliation Policy. 96 complaints were submitted to SpeakUp and resolved in 2019.

We continuously strive to develop our practices in the field of ethics. We are a member of the Ethics and Reputation Society. Therefore, we are able to benefit from the knowledge of other organizations and NGOs.

 Etik ve İtibar Derneği
Ethics & Reputation Society

We deliver in-class compliance training to all our newly-recruited colleagues as part of the orientation. The training content also includes detailed information on our anti-corruption policy. We reached nearly 650 people through these training sessions in 2019.



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OUR ACTIVE RISK MANAGEMENT

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We believe that proper risk management is a key building block for sustainable growth. Convening at least four times a year, the Risk Committee is the highest authority holder in terms of risk at Allianz Turkey. We utilize international risk management principles in risk management processes. Our risk management approach is comprised of three main areas: Risk Management and Internal Control, Reputational Risk Management, and Business Continuity Management.

At Allianz Turkey, we implement the Reputational Risk and Issues Management Standards created by Allianz Group. The crisis communication plan and the action plans designed for different risk groups are updated within the framework of these standards.

An independent research company is utilized to conduct reputation research, which is important for understanding reputational risks, under the coordination of the Corporate Communication, Corporate Responsibility and Sustainability Function.

The activities of the Internal Audit Department are gathered under three key groups: audit, examination, and investigation. The Internal Audit Department carries out an annual risk assessment on the audit universe by taking into consideration the results regarding the company's risks and previous audits at the end of the year. The audit universe consists of 81 audit areas under five key activity groups. Each activity area is assessed within the scope of natural risks and remaining risks in terms of dimensions such as market risk, credit risk, business building risk, operational risk, reputational risk, liquidity risk, and strategic risk. Annual and five-year audit plans are created and submitted to the Board of Directors for approval as a result of the relevant assessment. In addition to the audits determined in the annual internal audit plan, examination, investigation and/or consultancy activities are included in the scope of the audit year, alongside the potential incidents of misconduct, with activities to be conducted in accordance with the purpose of the internal audit required by the Executive Team. Moreover, special audit

activities are conducted upon the request of the RoT Ministry of Treasury and Finance.

A total of thirty-one audits, examinations and investigations took place in 2019, while twelve compliance audits were conducted in line with the principles specified in Circular No. 2010/2 issued by the Undersecretariat of Treasury. Additionally, observers supervised the end-of-year counting operations.

Reports prepared as part of the internal audits are submitted to the Board of Directors for approval, and actions to be taken as per the report results are finalized with the decision of the Board of Directors. The said Internal Audit Department periodically monitors the actions to be taken as per the findings of the reports in the follow-up process, and the results of monitoring are reported to the Board of Directors.

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

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OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) APPROACH

E = ENVIRONMENT
GOOD ENVIRONMENT

S = SOCIAL
GOOD SOCIETY

G = GOVERNANCE
GOOD INSTITUTION

Environmental, social and governance (ESG) factors refer to non-financial issues which can be influenced by, and can influence, our business activities. The management of ESG risks constitutes a material topic in our industry. If they are not managed effectively, ESG risks may result in financial, operational and reputational risks.

Allianz manages ESG risks within the framework of an extensive and strict standard, and it contributes significantly to global initiatives in this area. The Group is among the signatories of the United Nations Environment Program Finance Initiative (UNEP FI) Principles for Sustainable Insurance (PSI). Established to set an industrial standard for ESG integration, the Group functions with an understanding that promotes multi-stakeholder participation.

Allianz ESG Integration shapes our ESG approach at Allianz Turkey, and ESG is

our main guide when assessing ESG risks. The Framework is a comprehensive guide encompassing our principles regarding the role and responsibility definitions relating to ESG, our ESG approach, directives with regards to ESG-risky sectors, our ESG scoring approach, our exclusion policies, Allianz Group legal persons and our external partners.

As part of these ESG risks, a corporate file investigation was carried out and the results were submitted to the Risk Committee for assessment in 2019. Moreover, ten topics were submitted to the ESG and reputational risk offices for approval in 2019.

The Allianz Group ESG Integration Framework is available at https://www.allianz.com/content/dam/onemarketing/azcom/Allianz_com/sustainability/documents/Allianz_ESG_Integration_Framework.pdf

SENSITIVE BUSINESS AREAS

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

If an inquiry is received regarding any of the sensitive business areas, the issue is escalated to the Corporate Communication, Corporate Responsibility and Sustainability Function and Risk Department. If the issue needs to be escalated to the decision-making mechanisms of Allianz Group, it is

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

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OUR SUSTAINABLE SOLUTIONS

Allianz Group introduces new products and services under the title “sustainable solutions” every year. Such products or services must meet two core criteria to be classified as a Sustainable Solution: The first criterion is offering an insurance or support service that improves the lives of disadvantaged groups. The second criterion is creating a solution which focuses on climate change issues. In 2019, Allianz Group generated revenue of EUR 1.33 billion from 203 Sustainable Solutions.

In line with the strategy of Allianz Group, we introduce a new Sustainable Solution each year in Turkey, and we create a shared value for all of our stakeholders at Allianz Turkey. We generated a revenue of more than TRY 75 million from sustainable solutions in 2019.

Sustainable Solution for the Year 2019: In 2019, we released Roof-Type Solar Power Plant Insurance, Turkey’s first individual green

insurance product. We developed a new product for Solar Power Plant (SPP) projects involving a roof type for up to 10 kilowatts, which is also supported by the Energy

Market Regulatory Authority (EMRA), and the new product insures products against damages to new purchases, outside the warranty scope, for a year.



OUR SUSTAINABLE SOLUTIONS IN PREVIOUS YEARS

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



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



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



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



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



OUR INNOVATION ACTIONS

A Simplicity Transformation Program was initiated to simplify and enhance the comprehensibility of products, and to deploy processes seamlessly and rapidly for customers, with a focus on simplicity. Healthcare products, auto- and non-auto products were revised and redesigned in line with the expectations of customers. We aim to offer an ultimate-level experience for both customers and sales channels through the redesigned processes and interfaces.

A rapid and flexible infrastructure was established through the Pricing Module and End-to-End Tariff Management Process, which was deployed for motor insurance products. Highly advanced pricing methods are now easily deployed, and operational productivity is ensured.

Improvements aimed at process automation and efficiency were made through the project on Redesigning Private Health Insurance Production Processes.

A Five-Star feedback mechanism was developed and deployed at the motor insurance claims stage in critical processes to closely follow up and assess the expectations of customers. The relevant development is planned to be expanded across all product groups and processes within 2020.

We made significant investments in IT technologies infrastructure in 2019 for adaption to new technologies, advanced data analytics, and big data solutions. In



this regard, key performance indicators associated with software quality were improved, critical integration capabilities were gained in the same period, and we improved our performance speed for services offered to business partners. An improvement rate of 50%-90% was observed in performance speed. Our Policy Generation Engine project was awarded in the category of “The Best Data Infrastructure of the Year”. In the field of advanced data analytics, this event is organized annually at Allianz Group and evaluates the use cases in which data is processed in the best way and turned into value. The New Motor Insurance Pricing Approach received the second place prize in this event.

INNOVATION OFFICE

We aim to undertake projects to respond to next generation insurance needs with our Allianz Turkey Innovation Office. We aim to render entrepreneurship and innovation a part of day-to-day business by unlocking the internal entrepreneurship potential and cooperating with external entrepreneurs. Our office manages internal entrepreneurship programs, external initiatives, integration with innovative business models, cooperation with universities, the dissemination of an internal entrepreneurship culture, and integration with Allianz Group.

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INTERNAL ENTREPRENEURSHIP PROGRAM

The program is designed as a process whereby employees can implement ideas and transform them into a business model, rather than a platform for merely exchanging ideas. In 2019, 103 new idea entries were submitted to the program by our colleagues. A business model canvas activity was conducted with 13 of those business ideas. Teams were created for eight business ideas, and the idea owners received training with mentoring from expert mentors in their fields in the acceleration process. As a result, two project teams created a prototype of the business model.

In addition to the Internal Entrepreneurship Program, we identified the needs of participating business units by holding Entrepreneurship and Innovation Workshops with central functions and agile teams, and we determined various actions in 2019. Within this scope, we regularly organized Strategic Cooperation meetings, and we created an archive of the entrepreneurs our company cooperated with based on the list of entrepreneurs with whom our functions and agile teams collaborated.

As part of Allinn Chats, we invited the CEO of lyzico to our company and hosted a talk on his entrepreneurship journey to inspire our colleagues in the field of entrepreneurship in the reporting period.



INTERNAL ENTREPRENEURSHIP MENTORING PROGRAM

As part of the Internal Entrepreneurship Mentoring Program that we initiated to understand and support both internal and external entrepreneurs in 2018, 14 colleagues received mentoring training in 2019. Three people took part in the “mentornity” system to mentor Istanbul Technical University (İTÜ) Çekirdek startups.

EXTERNAL ENTREPRENEURSHIP PROGRAM

The External Entrepreneurship Program maintained its operations in the reporting period with an aim to support external entrepreneurs within the framework of our collaborations with them, transfer the innovation strength of the external entrepreneurship ecosystem to our company, and incorporate projects that benefit society in our corporation. The program also aims to enhance the popularity of insurance across the entrepreneurship ecosystem, ingrain the true definition of insurance technologies in people’s minds, and attract new ideas to this area.

İTÜ Çekirdek Partnership: We started supporting the İTÜ Big Bang program in 2018. In 2019 as well, we were one of the stakeholders of the Big Bang platform that bring İTÜ Çekirdek startups together. Throughout the year, we met up with İTÜ Çekirdek startups. By doing so, we were able to

bring together our business units with startups that were capable of meeting their needs. We extended financial support to MIPS and Parxlab enterprises on the Big Bang platform.

As part of the same platform, we organized a demo day exclusively for Allianz employees. Startups presented their solutions to our colleagues on this demo day.

TÜSiAD (Turkish Industry and Business Association) Partnership: We are a member of the Entrepreneurship Round Table for Youth, Internal Entrepreneurship, Young People With Potential (Bu Gençlikte İş Var!), and the Ecosystem Development Working Group. Furthermore, we were among the

sponsors of the “Young People With Potential (Bu Gençlikte İş Var!)” program, sharing the young people’s excitement of transforming business ideas into a business model and product.



E-Tohum Partnership: We participated in the “startup demo days” organized by E-Tohum in the reporting period. We hosted a startup investor presentation at the Allianz building with the participation of 40 investors from the finance industry.



DIGITALIZATION AND INFORMATION SECURITY

We carry out our activities at full speed to function as a “truly digital company” that places the human aspect at the core of its business.

In consideration of the developments and customer needs in an increasingly digital world, we introduced new products offered through the digital channels of our business partners, particularly banks, in 2019 in order to provide efficient and effective services. Furthermore, we expanded our range of products and services that we offer through the branch channel of partner banks, and we took important steps to respond to our customers’ varying insurance needs throughout their life, in a holistic manner.

We completed the first phase of the Digital Transformation Program created by observing the needs of customers. When the collection processes were digitalized, we launched the solution through the Allianz mobile app and online customer



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portal for customers to complete their overdue and upcoming payments.

98% of our communication with customers takes place in the digital environment. In this respect, in 2019, we performed 260,000 Webchats with 61,000 chatbots. Our mobile app, My Allianz, was downloaded 553,000 times, and the total download number reached nearly 2 million. We launched all our new products digitally. By utilizing digital channels in a rapid and effective manner, we offer uninterrupted services

in all locations. We perform damage assessment through Video Chat. We facilitate digital integration with banks. Our automation rates are 70% and 95% in health damages and auto production, respectively. Our financial team works with robots for jobs that can be handled through automation.

We continued to communicate with the agency via the DigitALL platform. Our Auto Enrolment System Phoenix continues to facilitate the lives of our customers.

Protecting our customer and business partner data by leveraging the most advanced technology is a vital part of our business.

The Allianz Privacy Framework includes the information security standard, the data privacy risk management process and the training required for employees for data privacy, and it is subject to regular control. Other standards that we follow are as follows: Allianz Functional Rules for Information Security, Allianz Group Information Technology and Information Security Policy, Payment Card Industry-Data Security Standard (PCI DSS) and Control Objectives of Information Technologies (COBIT).

While technological measures are being taken against the changing and evolving cyber threats, we also observe the human and process dimension as part of the above-mentioned Allianz Group standards.

We send phishing campaign e-mails at least four times a year on average in order to raise users' awareness of phishing attacks. We offer training sessions on Awareness of Information Security for our newly-recruited employees. As part of our Security Arena training program, in the

reporting period, we delivered interactive Information Security trainings to our employees through two events that we held in Istanbul and Izmir.

In 2019, we completed Business Impact Analysis and Risk Assessment activities targeting all of our company processes. We allocated critical supplier resources, as well as critical personnel, alternative location and critical information system applications within the target periods to reinstate the critical processes determined in these activities. We revised our Business Continuity Plan in line with our company's strategy. The Business Continuity Management System revised with subsequent analyses was submitted to the Executive Board, and approval was obtained, together with the 2019 Business Continuity Drill Scenario. The revised plans and drill scenario, as well as other general information, were shared with all key and substitute members of business continuity teams through one-on-one training. The 2019 Business Continuity Drill is based on a potential widescale earthquake in Istanbul, and was completed successfully on November 22, 2019, with critical processes being carried out in the Izmir-based Allianz Campus following the satellite phone communication test performed one day prior to the drill. The necessary actions to be taken were assigned to the relevant parties through the test assessment report prepared after the test.



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OUR CUSTOMERS

At Allianz, we aim to maximize customer satisfaction while introducing products and services tailored to meet changing needs.

As part of our 2019 efforts, we focused on solution suggestions by addressing each individual process in the customer life cycle and undertook enhancements to create a positive impact on customer experience.

Customer Loyalty Program: We offer private assistance and consultancy to our customers, alongside numerous opportunities and dedicated services, in order to facilitate their lives and boost their comfort through our Allianz Customer Loyalty Program. Our program marks a first in the sector because:

- It gathers elementary insurance customers and life and individual pension customers under a single roof,
- It hosts numerous lifestyle services which our customers can benefit from in their daily lives, alongside claims-oriented services that they can use with their Allianz policies,

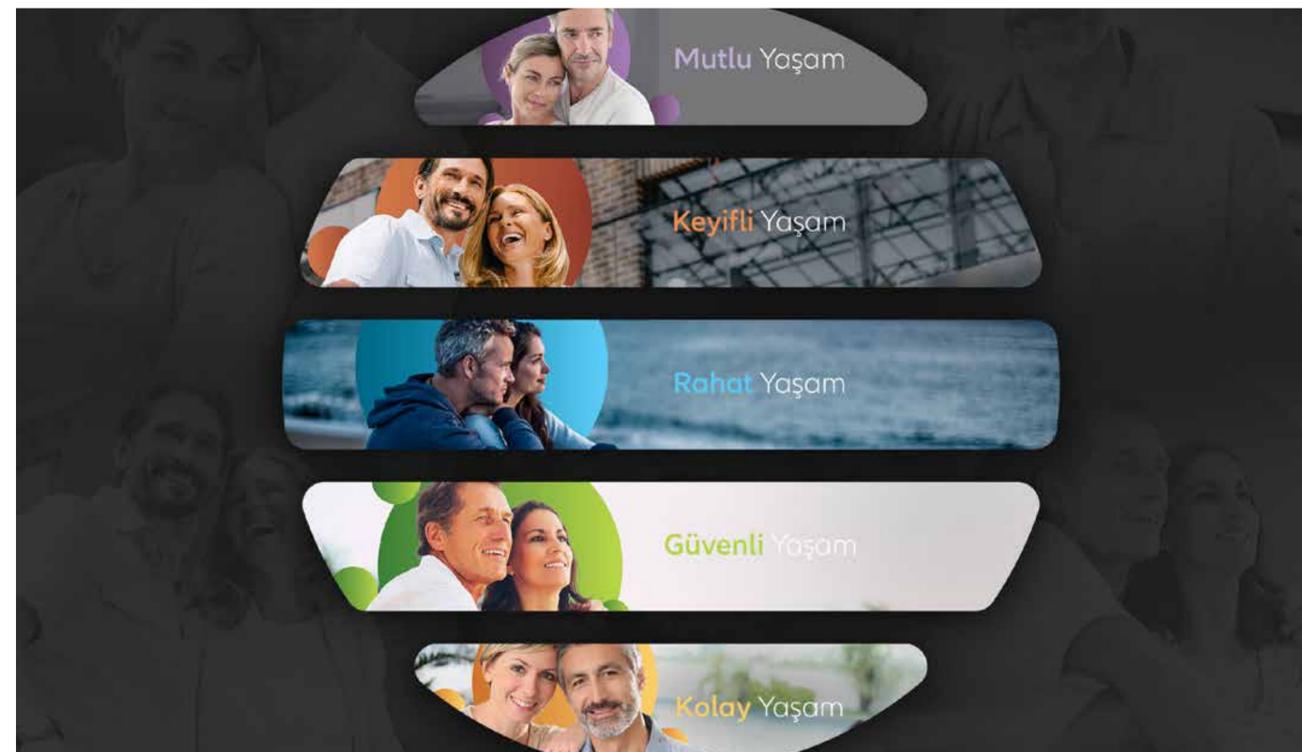
- It focuses solely on customers.

We added new benefits to the program by revising the set of rules for the Customer Loyalty Program in September 2019. While offering more of the claims-oriented services in this program, in 2019, we focused on adding lifestyle services that our customers can benefit from in their daily lives.

Allianz Pension World: Allianz Pension World was launched in 2018, and its portfolio contains 18,000 customers. By the end of 2019, this number rose to 25,000. The digital launch of the program took place in November 2019. This program aims to retain customers once they are eligible for retirement, offer upgrading options, and increase the overall satisfaction rate.



Payment Protection Life and Education Insurance: With Payment Protection Life and Education insurance, our customers can secure the future of their children by paying for the insurance premium in advance within the first year or in installments, while being reimbursed for the total premium amount they paid in the event of a life loss at the end of the insurance period. Moreover, they can benefit from Local and International Education Consultancy depending on the amount of underwriting.

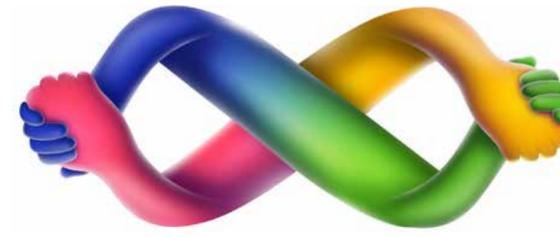
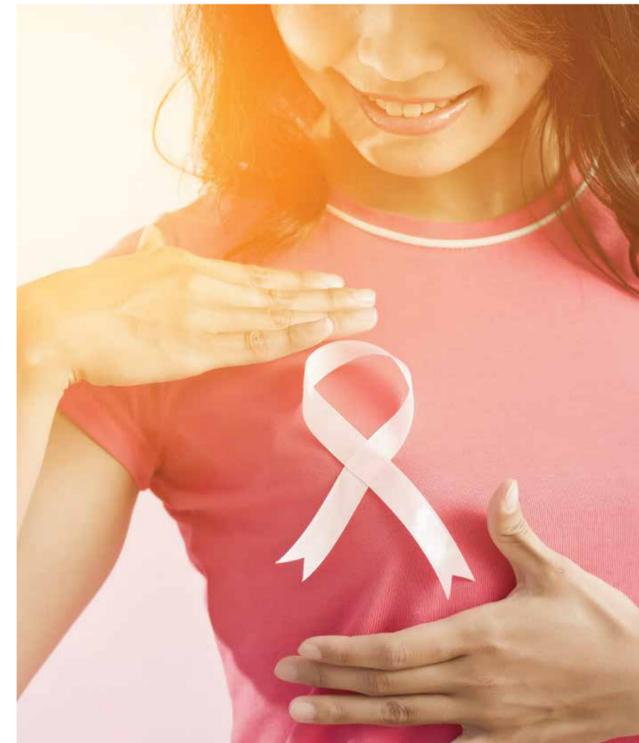


At Allianz Turkey, we conduct numerous customer surveys to measure customer satisfaction at all points of contact, and to create an excellent customer experience. In addition to the market research we conduct to follow the trend of customer needs in the industry, we monitor customer referrals each year regularly through Net Promoter Score (NPS) research every year. In addition, we closely monitor and measure the experience of our customers through customer satisfaction surveys, satisfaction measurement calls and customer experience analyses at many contact points. According to the 2019 Net Promoter Score results, we maintained our position as the Market Leader in the Life branch. Our NPS score increased from 41 to 49.

Leveraging our preventive solutions, we continued to create value not only for our customers, but also for all of society in 2019, as well.

Breast Cancer Information and Mammography Reminder Project:

Through our breast cancer information and mammography reminder project, we reminded Istanbul-based women over the age of 40 about their mammography coverage once a year. A total of 22 insurance holders (8 in 2019) accessed early diagnosis through our reminders. Our goal for 2020 is to reach out to all our insurance holders over the age of 40 through digital updates.



Diabetes Support Project: We care about our insurance holders diagnosed with chronic diseases and diabetes. Through our diabetes support project, we perform routine medical examinations of our insurance holders in our private contracted organizations or by visiting them in their houses, free of charge. In addition, we reimburse them for their strip and lancet expenses, and we deliver a glucometer to those who need it. We provide 24/7 consultancy services to our insurance holders through our Healthcare Hotline Dr. Allianz Sağlık. In 2020, we plan to offer free-of-charge nutrition and dietetics support, which marks the most important stage in diabetes control, to our insurance holders. We had 4,032 meetings with our insurance holders within the scope of the project in 2019.

Secure Home: We value preventive solutions. We conduct a free-of-charge risk assessment through visits to protect our insurance holders over the age of 70 against falling and related injuries due to home accidents. We supply and assemble four pieces of protective equipment. The falling rate of people over the age of 65 is 30%, and 20% of such falls result in serious injuries. In 2020, we aim to reach insurance holders over the

age of 65. In 2019, 404 insurance holders benefited from the service.

Dr. Allianz: Our healthcare hotline Dr. Allianz continues to be there for our insurance holders with a team of physicians and nurses that are accessible 24/7. Our insurance holders can access consultancy and support in medical areas by calling our hotline any time they need advice from a healthcare professional, learn about homecare suggestions, and receive information on the nearby contracted institutions or physicians. We started providing advice through video calls and writing thanks to the digital enhancements that we had aimed for in 2020. We extended support to a total of 14,950 insurance holders in 2019.



	P&C	HEALTH	L&P
2019	At the market level	At the market level	Market leader
2018	Above the market	Market leader	Market leader
2017	At the market level	At the market level	Market leader

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Dört Mevsim (Four Seasons) Magazine:

Issued in July 2019 for the first time, the magazine aims to support the protection of customer health, provide useful up-to-date information, offer healthcare advice, announce Allianz services, and contribute to customer satisfaction. The magazine reaches nearly 450,000 people.



We contribute to the economy of our country and customers with our product and service portfolio.

Allianz Turkey Risk Incentive Application:

We aim to preemptively eliminate risks prior to the occurrence of any potential damages for our customers, on top of our insurance activities. We prepare risk analysis and extensive consultancy reports for our customers together with our expert team comprised exclusively of engineers. We extend material support to our customers by contributing to their investments in risk management. We provided risk management support worth a total of TRY 437,619 to various customers in 2019.

Allianz Retirees: We launched the Allianz Pension World Program in order to enhance the life quality of our participants after they retire. Through this program, we support our participants in terms of healthcare services that are needed more often at advanced ages. We develop applications that increase savings in the retirement period. Through the Allianz Pension World Program, we offer five different packages according to our customers' savings amount, namely "Easy Living", "Secure Living", "Comfortable Living", "Pleasurable Living" and "Happy Living".



Allianz Virtual Pension Fund Competition:

Launched in 2018 and organized exclusively for our employees, our Smart BES competition was opened to the participation of everyone in Turkey. Participants were able to modify their virtual BES funds according to their own forecasts in this competition which aims to increase financial literacy.

Agriculture Insurances:

We insure our customers against natural disasters with our insurance plans for herbal products, greenhouse, cattle, miniature cattle, water products and beekeeping.

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EMPLOYEE RIGHTS AND SATISFACTION

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We believe that diversity in our workforce is the core of corporate enrichment. We believe that our employees can contribute to our corporate success when we give them space to demonstrate their individual differences.



We adopt the Allianz Diversity and Inclusion strategy as a guide in social equality and inclusion under the responsibility of the Allianz Global Inclusion Council, with strategy being reported to the Allianz Board of Directors. Consistent with the Allianz Business Ethics and Compliance Code of Conduct, we have a zero-tolerance policy for all kinds of discrimination as per the Allianz Turkey Human Rights Policy that we issued in 2018.

Our Diversity Working Group is responsible for carrying out social diversity and inclusion activities at Allianz Turkey. Operating since 2018, our Group reports to our Sustainability Committee. 24 people from different departments are part of the Group which includes employee volunteers who are interested in this area. The material topics include gender equality, disabled employees, LGBTI, race, religion, national diversity, and age differences. Two members from our Executive Board serve as a cosponsor for the Working Group to ensure the adoption of gender equality by our senior management team.

Allianz Turkey is the first signatory of the United Nations Global Compact (UNGC) and United Nations Women's Empowerment Principles (WEPs) in the industry. We take part in the Turkey-based sub-working groups of WEPs. In addition to our international signatures, we are also a member of TurkishWIN. This platform helps our managers unlock their potential by offering mentoring to young women.

We manage gender equality in a holistic fashion across all areas, from our recruitment practices to the supply chain. Utilizing the WEPs Gender Gap Analysis Tool, we scrutinized our company's gender quality practices in all areas. This analysis revealed our best practices and areas of improvement. We achieved our goal of taking action to target at least three gaps identified in WEPs Gender Gap Analysis. Within this scope, Executive Team members received Gender Equality training, paternal leave was extended to ten days, and a gender-neutral CV practice was adopted.

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Our female employees account for 59% of the total workforce, and 43% of our executives. We increased the ratio of female employees in our intermediary management staff. In this respect, we are among the countries with a good ratio of female employees across Allianz Group which operate in more than 70 countries.

59%
SHARE OF FEMALE EMPLOYEES IN TOTAL WORKFORCE

43%
SHARE OF FEMALE EMPLOYEES AMONG EXECUTIVES

We arrange seminars and one-on-one training programs aimed at our executive team and employees to raise awareness of gender equality. In addition, we designed the Gender Equality Online Training in 2019. We aim to ensure all our employees participate in this training as of 2020.

ALLIANZ TURKEY ACADEMY

Promoting the continuous development of our employees, and helping them unlock their potential and demonstrate their creativity are among our core business priorities. We manage the practices aimed at the development of our employees under the umbrella of Allianz Turkey Academy (ATA). The academy was established to prepare employees for the future business world, and ensure their lifelong learning.

ATA acts in line with the vision of building and disseminating a continuous learning culture, and ensuring the sustainability of corporate knowledge. In this regard, it not only sets an example for the industry, but it also serves as the first corporate university in the industry.

The Academy evaluates a combination of development needs to further boost employee performance, along with corporate strategies and requirements, when designing the development and learning programs. In addition to Allianz employees, the training programs also target the employees of business partners. The training per employee ratio equaled eight days at Allianz Academy in 2019. 48% of the development solutions were offered by our internal instructor staff at the Academy. As of 2019, 244 internal instructors offer training in the academy.



ALLIANZ TURKEY ACADEMY IN 2019

131,092 HOURS OF TRAINING

925 IN-CLASS TRAINING

160 ONLINE MATERIALS

244 INTERNAL INSTRUCTORS

The two-year Allianz Discovery Program (ADP) enables us to discover our talents at Allianz Turkey. Aiming to enhance the leadership competencies and technical skills of employees, the program also provides

opportunities for employees to expand their field of impact within the organization.



Initiated in 2019, "kariyer yollarım" (my career paths) is our platform through which roles are mapped for each nearest position for promotion in our company. Using this platform, our employees can view the job description for their target position, evaluate their strengths and areas of improvement, and learn about the educational requirements of the relevant position. In addition, our employees have the opportunity to receive career advice through an HR Business Partner.

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INTERNAL COMMUNICATION

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

Our corporate culture considers corporate performance and employee performance to go hand in hand. We aim to become an organization where our employees can develop themselves by demonstrating their individual differences, while also achieving our corporate goals. Therefore, we closely monitor the Performance Culture Index created by Verification: Group—IMIX (Inclusive Meritocracy Index).

EMPLOYEE LOYALTY INDEX SCORE-EEI

83%

PERFORMANCE CULTURE INDEX SCORE-IMIX

76%

We aim to create a sincere corporate culture through our active internal communication practices. Our creative internal communication activities are designed to help our employees learn from one another and access corporate information from the source.

OUR CHANNELS OF COMMUNICATION WITH EMPLOYEES



At **Allianz Talks**, our employees talk about how their creative solutions are transformed into projects through sessions with a duration of 10-15 minutes. Two events were organized in March and August with the participation of 50 colleagues.

Our Chair and Vice Chair of the Executive Board gather with our colleagues in breakfast sessions. A total of 94 employees participated in the **CEO Breakfasts** in 2019.



We update all our employees through **CEO Townhall Meetings** on Allianz Turkey's position in the industry, the projects undertaken, our achievements and our future goals. A total of 2,000 colleagues participated in the two Townhall meetings.



We update our employees on the internal developments through our internal communication magazine **Biriz** that is available digitally.

In 2019, we started using "connect", an app that also covers all global channels, instead of sosyal@allianz for our corporate posts.

Our colleagues can have one-to-one meetings with members of the Executive Board, receive information on their expertise or ask questions on issues they are curious about. In 2019, meetings with our Executive Board members were facilitated thanks to our **Open Door Meetups**.

ATTRACTIVE EMPLOYER

We carry out various activities to position Allianz Turkey as a stronger and attractive employer brand. We strive to communicate closely with our potential candidates in accordance with our motto "The Path Driven by Passion".

We develop strategies aimed at attracting young talents and boosting brand awareness among university students. We organized 16 campus events across 12 different universities, in association with student clubs and career centers throughout 2018. We initiated Allianz KAMP, an internship program for university students, offering internship opportunities for 31 students.

K.A.M.P.

Keşfet. Araştır. Merak et. Paylaş.



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In 2019, we continued to arrange company trips called “bi’gün@Allianz” (a day@Allianz) that we designed for our candidates to experience the working atmosphere. We brought together university students with the employees in the functions they are interested in, and we provided career coaching to students.

We uploaded business ads, updates on the company and interactive posts on Allianz Career social media accounts to share our business culture with the youth. Our social media accounts were featured on the most prominent corporate career pages upon reaching nearly 57,000 followers in 2019.

OUR CULTURAL EXCHANGE PRACTICES

We initiated the Cultural Exchange Program to render our cultural exchange efforts more systematic. As part of the program, the Organization Health Index survey aimed at all employees was conducted in February 2019. We established cultural transformation teams in September with a central focus on employees and the cultural dimension. Eight project members from 13 functions, 57 working group members and eight Executive Committee members took part. The teams carried out activities such as workshops, working group meetings, face-to-face interviews with employees and benchmark meetings with companies over six months.

OPPORTUNITIES OFFERED TO EMPLOYEES

We provide a flexible, sensitive and democratic work environment that fosters change in order to enhance employee satisfaction and contentment with their job. We offer numerous opportunities to strengthen our employees’ motivation.

Flexible and remote working practices stand out among those opportunities. All our call center employees work remotely once a week. As part of the flexible business practice, employees can manage their own weekly work schedule provided that they work at certain times of the day and complete their daily working hours. In addition to flexible and remote working, we offer the option for sabbatical leave. The duration of this leave is a minimum of one day and a maximum of three months so that employees can take a break from work and rest in their career. In addition, all our employees are granted administrative leave on special days, such as the first day of school or the birthdays of their children.

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

We organize workshops under “bi’mola” (a break), a social activity club established to offer an enjoyable environment where employees feel valued at Allianz Turkey.

bi'mola



We offer numerous experiences in many areas in the club, from sports to travel, and music to entertainment. We provide various options so they can have a break (bi’mola) from their busy schedule, and find a balance between their professional and personal life. In 2019, we organized 53 activities in categories such as entertainment, travel and sports under “bi’mola”. Driven by our employees’ passion for the arts, we started the photography, theater and dance clubs. We offer various

sports opportunities under the company to encourage our employees to pursue an energetic lifestyle. Our colleagues can exercise whenever they like in our gym at Allianz Tower and Allianz Campus. They can also try different branches of sport with the support of a personal trainer. In 2019, our rowing team participated and competed in the Dragon Festival, an inter-company organization.

We carry out activities to facilitate the lives of our female employees and help them find a balance between their professional and personal life. Thanks to practices such as the availability of a lactation room and free-of-charge psychological support, the return to work rate of female employees is quite high. 92% of female employee who were on maternal leave returned to work in 2019.

EMPLOYEE HEALTH AND SAFETY

Providing a healthy and safe working environment to employees is one of our core responsibilities. We follow the strictest occupational health and safety (OHS) rules across all Allianz offices and make sure that all of our employees observe such rules. We undertake practices that inspire our employees to pursue a more conscious and healthier life, and organize OHS awareness trainings throughout the year.



IN 2019

147 PEOPLE RECEIVED OHS TRAINING

1,176 HOURS OF TRAINING IN TOTAL

31 ON-SITE AUDITS

86 ACTION PLANS

At Allianz Turkey, OHS Councils operate with the participation of employee representatives and volunteering members. We organize OHS council meetings at Allianz Tower and Allianz Campus twice a year.

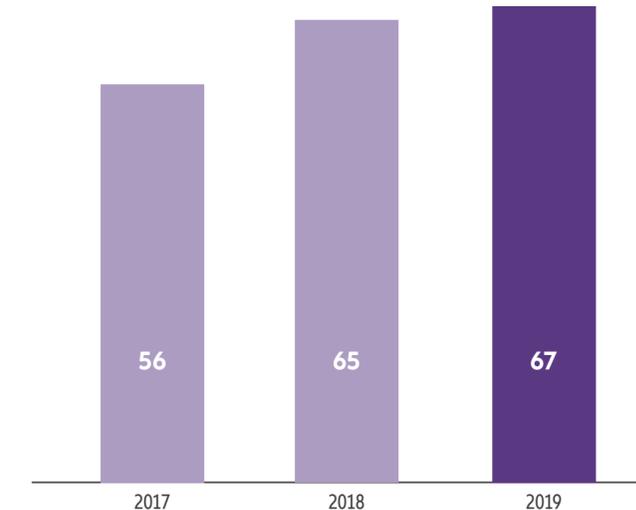
An OHS department was established and a full-time OHS specialist was employed at Allianz Turkey to strengthen the OHS culture in 2019. The responsibilities of this department include carrying out OHS activities in our locations, ensuring legal compliance in this field, ensuring coordination among OHS councils in the relevant location, and carrying out audits and improvements.

We care about the health and prosperity of our employees as much as we care about their safety. With full awareness of the effects of stress on human health, we organize various training programs to help our employees overcome work-related stress. 282 employees participated in the Stress Management Seminar in 2019.

WORK WELL INDEX

Applied across Allianz Global with an aim to contribute to the well-being of Allianz employees, the Work Well Program is conducted in association with the University of Düsseldorf. As part of the project, we take actions to help Allianz employees start their work in a great way, and to render Allianz a more productive and healthier workplace. We utilize the scientifically developed WWI in order to measure the effectiveness of the program. The Index helps measure the social and physical well-being of employees. We continued to increase our Work Well Index Score in 2019, as well. According to the results of the index, we achieved a 20% improvement in employee happiness and well-being, compared to the year 2017.

Our Work Well Index (WWI-%)



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OUR SUPPLY CHAIN

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At Allianz Turkey, we strive to disseminate our values and principles across our supply chain. We manage meticulously our operations in this field with an awareness that they will take our sustainable value a step further.

The Allianz Business Partner Code of Conduct that we published in 2018 complies with International Labor Organization (ILO) standards and the UN Global Compact (UNGC), and it serves as a fundamental guide in our supply chain management. To this end, we ensure commitment from our suppliers on sustainability and the environment. As of early 2019, we have required our critical suppliers to sign the Supplier Code of Conduct. In addition to this practice, we arranged visits to five companies as part of our routine supplier visits that we started in 2019, and we did not observe any non-compliance with the commitments. Our Procurement Policy to be published in 2020 will also highlight specific behaviors and attitudes regarding compliance and sustainability among our supplier selection criteria.

We renewed our trainings together with Allianz Turkey Academy in order to keep up with the changes in ways of doing business over time. We designed a fun, dynamic, measurable, and personalized development journey through our Agency Development Journey platform that we launched in July 2019. We combined technical trainings that help our agency employees make a difference in their job with competence trainings that contribute to their personal development through this platform. Our trainings were not limited to technical trainings only. We enriched this platform with trainings that we believe will contribute to the business world.

IN 2019

3,298

AGENCY EMPLOYEES PARTICIPATED IN

7,825

HOURS OF FACE-TO-FACE AND ONLINE TRAINING

We annually conduct agency satisfaction surveys to identify the demands and expectations of our agencies, and leverage the results in designing new systems and processes. In addition to customer satisfaction surveys, we initiated the following programs in 2019 to enhance agency capacity and satisfaction: Go to

Market Project (Fire), Engineering Go to Market Project, Transition to Single UW for Corporate Fire and Liability Insurance, the termination of the regional manager bonus for health insurance, the termination of risk surveys in My Home policies, and the New Referral Module.



DigitALL

The number of DigitALL users, an online self-service platform which we developed to increase business productivity by reducing the operational burden of our agencies and to perform all activities on a single platform, reached 21,880.

DigitALL

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OUR CORPORATE MEMBERSHIPS IN 2019

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Allianz Sigorta A.Ş.	The German-Turkish Chamber of Commerce and Industry	Allianz Sigorta A.Ş.	Turkish Industry & Business Association (TÜSİAD)
Allianz Hayat ve Emeklilik A.Ş.	Emeklilik Gözetim Merkezi A.Ş. (EGM)	Allianz Sigorta A.Ş.	TÜSİAD Tax Working Group
Allianz Yaşam ve Emeklilik A.Ş.	Emeklilik Gözetim Merkezi A.Ş. (EGM)	Allianz Sigorta A.Ş.	TÜSİAD Insurance and BES Working Group
Allianz Sigorta A.Ş.	Istanbul Chamber of Commerce	Allianz Sigorta A.Ş.	TÜSİAD Healthcare Working Group
Allianz Hayat ve Emeklilik A.Ş.	Istanbul Chamber of Commerce	Allianz Sigorta A.Ş.	International Investors Association (YASED)
Allianz Yaşam ve Emeklilik A.Ş.	Istanbul Chamber of Commerce	Allianz Sigorta A.Ş.	YASED Insurance Working Group
Allianz Sigorta A.Ş.	Risk Managers' Association	Allianz Hayat ve Emeklilik A.Ş.	Turkish Institutional Investment Managers' Association
Allianz Sigorta A.Ş.	Insurance Arbitration Commission	Allianz Sigorta A.Ş.	Foreign Economic Relations Board (DEİK)
Allianz Hayat ve Emeklilik A.Ş.	Insurance Arbitration Commission	Allianz Sigorta A.Ş.	DEİK Germany Business Council
Allianz Yaşam ve Emeklilik A.Ş.	Insurance Arbitration Commission	Allianz Sigorta A.Ş.	Financial Literacy & Inclusion Association (FODER)
Allianz Sigorta A.Ş.	Business World and Sustainable Development Association (SKD)	Allianz Sigorta A.Ş.	Istanbul Foundation for Culture and Arts (İKSÜ)
Allianz Sigorta A.Ş.	Tarım Sigortaları Havuz İşletmesi A.Ş. (TARSİM)	Allianz Sigorta A.Ş.	Aegean Young Business Association (EGİAD)
Allianz Sigorta A.Ş.	TRAMER Insurance Information Center	Allianz Sigorta A.Ş.	Supply Chain Management Association (TEDAR)
Allianz Hayat ve Emeklilik A.Ş.	TRAMER Insurance Information Center	Allianz Sigorta A.Ş.	Corporate Governance Association (TKYD)
Allianz Yaşam ve Emeklilik A.Ş.	TRAMER Insurance Information Center	Allianz Sigorta A.Ş.	TurkishWIN
Allianz Sigorta A.Ş.	Ethics and Reputation Society	Allianz Sigorta A.Ş.	UN Global Compact (UNGC)
Allianz Hayat ve Emeklilik A.Ş.	Insurance Association of Turkey (TSB)	Allianz Sigorta A.Ş.	Integrated Reporting Turkey Network (ERTA)
Allianz Sigorta A.Ş.	Insurance Association of Turkey (TSB)	Allianz Sigorta A.Ş.	CEO Club
Allianz Yaşam ve Emeklilik A.Ş.	Insurance Association of Turkey (TSB)	Allianz Sigorta A.Ş.	Turkish Motor Insurers' Bureau (TMTB)

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OUR AWARDS IN 2019

Allianz Turkey

Eligibility for the title “The Most Popular Insurance Company of Turkey” as part of the “Best of Turkey” list by Allianz Turkey Capital Magazine, for 5 consecutive years,

“Company That Values Diversity the Most” award by Bilkent University

Evren Ayorak, Allianz Turkey CIO

The CIO of the Year Award by CIO Magazine

Allianz Turkey Academy

Winner of the Bronze Award in the category of Best Education Design and Development at the Stevie Awards,

Winner of the Bronze Award in the category of Best Leadership Development Program at the Stevie Awards

“AllLead Leadership Development Program” and “Allianz Campus Insurance Expertise Program” by the Education and Development Platform Association of Turkey (TEGEP)

Allianz Commercial Campaigns

Winner of the Crystal Apple Award in the category of Finance for “Life Cycle”

Winner of the Grand Award in the category of TV/Cinema for “Life Cycle” at Crystal Apple

Winner of the Bronze Award at Epica for “Life Cycle”

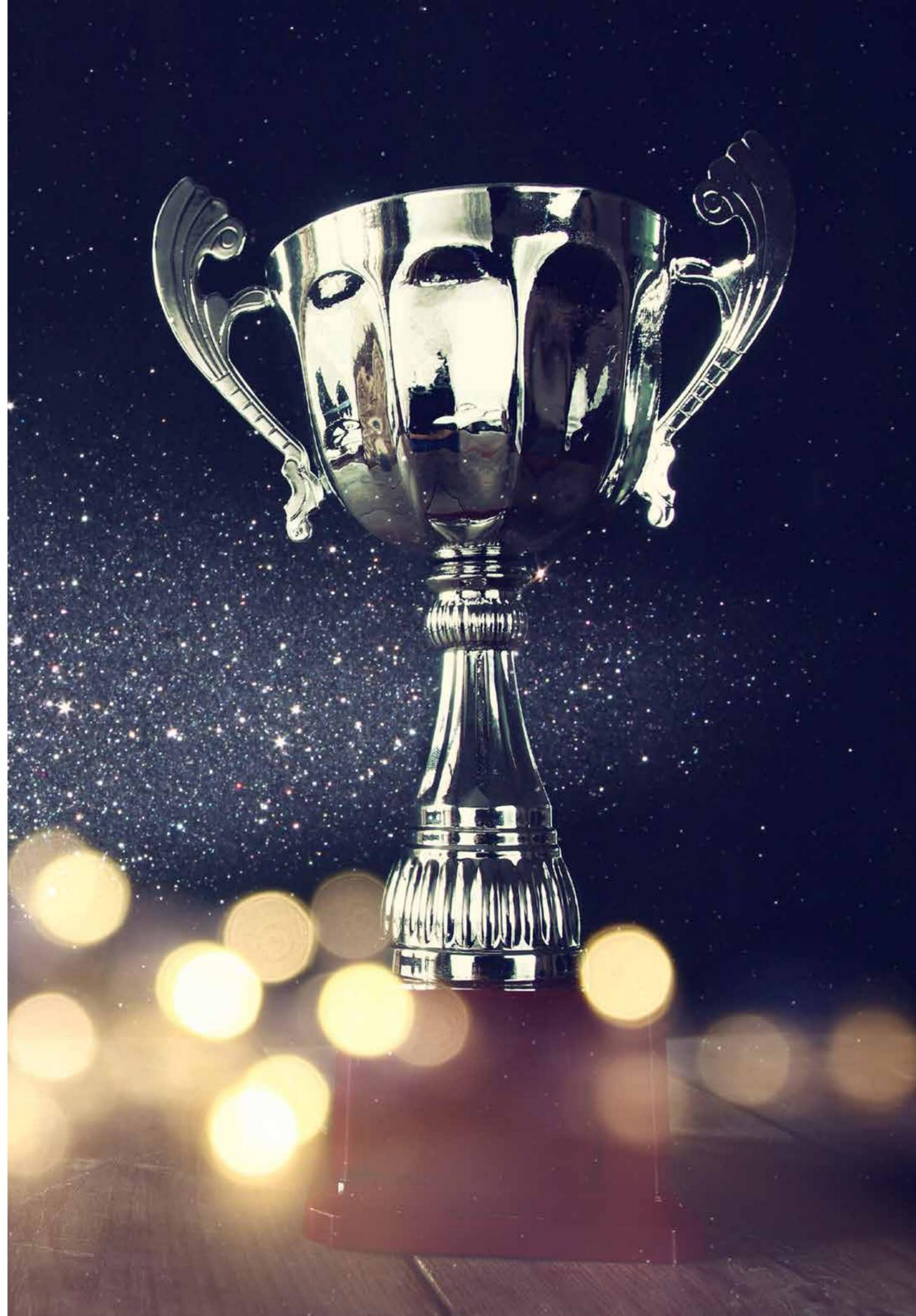
Second-place prize at the Instachamp awards for “Life Cycle”

The second most watched commercial at the YouTube awards

Winner of the Silver Effie in the category of “Insurance Services” for “We Secure Your Future and Your Loved Ones Whenever You Set Out” at Effie

Allianz Motto Music

Winner of the Gold Award in the categories of “Reputation Management” and “Digital Marketing” at the Sardis Awards



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UNITED NATIONS GLOBAL COMPACT 2019 COMMUNICATION ON PROGRESS

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



UNITED NATIONS WOMEN'S EMPOWERMENT PRINCIPLES REPORT 2019

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



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PERFORMANCE INDICATOR TABLES

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SOCIAL PERFORMANCE INDICATORS

EMPLOYEE DEMOGRAPHICS	2018	2019	EMPLOYEES RECRUITED AND RESIGNERS BY AGE GROUP AND GENDER	2018	2019
By Gender			Total number of female employees recruited	259	163
Female	1,459	1,437	Total number of male employees recruited	183	163
Male	967	997	Number of employees recruited at the age 18-24	119	24
By Age Group			Number of employees recruited at the age 25-34	292	257
Number of employees aged 18-24	122	81	Number of employees recruited at the age 35-44	31	41
Number of employees aged 25-34	1,333	1,328	Number of employees recruited at the age 45-54	0	4
Number of employees aged 35-44	803	844	Number of employees recruited over the age of 65	0	0
Number of employees aged 45-54	159	175	Total number of female resigners	349	185
Number of employees aged 55-64	9	6	Total number of male resigners	161	133
Number of employees aged 65 and above	0	0	Number of resigners aged 18-24	29	4
EXECUTIVE TEAM DEMOGRAPHICS	2018	2019	Number of resigners aged 25-34	287	193
By Gender			Number of resigners aged 35-44	157	91
Female	10	11	Number of resigners aged 45-54	36	27
Male	19	2	Number of resigners aged 55-64	0	3
By Age Group			Number of resigners aged 65 and above	1	0
Number of employees aged 35-44	16	4			
Number of employees aged 45-54	11	7			
Number of employees aged 55-64	2	2			

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SOCIAL PERFORMANCE INDICATORS

EMPLOYEES BY EDUCATIONAL BACKGROUND	2018	2019
Primary School	9	7
High School/Vocational High School	111	105
Associate Degree	312	301
University	1,775	1,797
Master's Degree	216	221
PhD	3	3
EMPLOYEE DEVELOPMENT	2018	2019
Employee Trainings-Total Hours(person*hour)		
Executive team	764	1,664
Management team	40,33	36,412
Specialist	126,412	71,165
Total number of male employees	67,12	56,718
Total number of female employees	100,386	74,185
Outsourced Employee Trainings-Total Hours(person*hour)		
Female	1,107	82
Male	1,631	107
MATERNITY LEAVE	2018	2019
Number of female employees who took a maternity leave	137	97
Number of male employees who took a paternity leave	32	45
Number of female employees who returned from maternity leave	137	89
Number of male employees who returned from paternity leave	32	43
Percentage of female employees who returned to work after maternity leave	100%	92%
Percentage of female employees who returned to work after paternity leave	100%	96%

OCCUPATIONAL HEALTH AND SAFETY*	2018	2019
Number of Occupational Accidents		
Female	35	9
Male	13	1
Number of Days of Absence		42
Female	-	42
Male	-	0
Number of Near Miss Incidents		8
Female	-	5
Male	-	3
Number of Deaths Due To Work-Related Accidents		
Female	0	0
Male	0	0
OHS Trainings for Employees		
Total number of OHS trainings for employees	4,584	1,176
Total number of OHS trainings for interns	-	59
Total number of employees that attended OHS trainings	612	147
* OHS data covers workers that are directly employed. Such data does not include outsourced firms.		
OTHER INDICATORS	2018	2019
Performance Culture Index Score (IMIX) (%)	75	76
Work Well Index Score (%)	65	67
Employee Loyalty Index Score (%)	85	83

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ENVIRONMENTAL PERFORMANCE INDICATORS

	2016	2017	2018	2019	CHANGE COMPARED TO 2016
General Indicators					
Total m ²	36,558	39,256	40,589	39,569	8.2
Number of employees	2,472	2,49	2,438	2,425	-1.9
Energy					
Natural Gas Consumption (kWh) (EFA)	2,081,847	2,007,484	1,681,601	1,102,769	-47.0
Electricity consumption (kWh) (EEQ)	8,071,251	6,488,401	7,580,434	6,592,821	-18.3
Energy Consumption per capita (MJ/employee)	14,857	12,458	13,737	11,608	-21.9
Energy consumption per m ²	277.73	216.42	226.68	194.49	-30.0
Electricity consumption per m ²	220.78	165.28	185.53	166.62	-24.5
Natural gas consumption per m ²	56.95	51.14	41.16	27.87	-51.1
Travel					
Vehicle fleet total kilometers	8,452,280	8,161,095	8,358,488	8,049,437	-4.8
Vehicle fleet fuel consumption (lt)	526,136	498,506	480,699	479,201	-8.9
Total flight kilometer	4,914,845	4,632,748	6,102,906	4,699,528	-4.4
Distance traveled per capita (km)	5,407	5,138	5,932	5,257	-2.8
Paper Consumption					
Total paper consumption (kg)	535,517	501,665	410,093	351,317	-34.4
FSC-certified paper consumption (kg)	505,517	453,665	378,640	351,317	-25.1
FSC-certified paper rate (%)	0.94	0.90	0.92	1.00	-2.2
Paper consumption per capita	217.00	201.00	168.20	145.00	-33.2
Paper consumption per m ²	14.65	12.78	10.04	8.88	-39.4

	2016	2017	2018	2019	CHANGE COMPARED TO 2016
Waste					
Total waste amount	254,639	344,005	321,527	228,557	-10.2
Waste management (kg)	123,331	186,071	178,916		45.1
Recycled waste (kg)	131,161	157,877	141,180		7.6
Special waste (kg) (medical and hazardous waste)	57	147	1,431		2,410.5
Waste amount per capita	103.00	152.96	131.88	94.00	-8.7
Waste amount per m ²	6.97	8.76	7.87	5.78	-17.1
Water Consumption					
Water consumption (m ³)	34,814	32,498	36,698	39,627	13.8
Water consumption per person	14.083	13.051	15.053	16.341	16.0
Water consumption per m ²	0.95	0.83	0.90	1.00	5.2
tCO₂e Emission					
tCO ₂ e emission	8,485	7,279	7,515	6,493	-23.5
tCO ₂ e emission per person	3.43	2.92	3.08	2.68	-22.0
tCO ₂ e emission per m ²	0.23	0.19	0.18	0.16	-29.3

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DISCLOSURES	DESCRIPTIONS AND PAGE NUMBERS	DISCLOSURES	DESCRIPTIONS AND PAGE NUMBERS
GRI 101: Foundation 2016		Governance	
GRI 102: General Disclosures 2016		102-18	Allianz Sigorta A.Ş. Annual Report 2019 (p.29)
Corporate Profile		Stakeholder Engagement	
102-1	About Our Report (p.4)	102-40	Stakeholder Engagement (p.33)
102-2	https://www.allianz.com.tr/tr_TR/urunler.html	102-41	GRI Content Index: No collective bargaining agreements are available at Allianz Turkey.
102-3	Communication (p.76)	102-42	Stakeholder Engagement (p.33)
102-4	Allianz Sigorta A.Ş. Annual Report 2019 (p.16)	102-43	Stakeholder Engagement (p.33)
102-5	Allianz Sigorta A.Ş. Annual Report 2019 (p.15)	102-44	Stakeholder Engagement (p.33)
102-6	Allianz Turkey at a Glance (p.14)	Reporting Practices	
102-7	Allianz Turkey at a Glance (p.14)	102-45	About Our Report (p.4)
102-8	Social Performance Indicators (pp.73-74)	102-46	About Our Report (p.4)
102-9	Our Supply Chain (p.67)	102-47	Our Sustainability Strategy (p.20)
102-10	There was no significant change in the operational or financial structure of the company and its supply chain.	102-48	GRI Content Index: There was no significant change.
102-11	Our Active Risk Management (p.52); Global Trends, Risks and Opportunities (p.29)	102-49	About Our Report (p.4)
102-12	Stakeholder Engagement (p.33); Employee Rights and Satisfaction (pp.62-63)	102-50	About Our Report (p.4)
102-13	Our Corporate Memberships in 2019 (p.69)	102-51	https://www.allianz.com.tr/tr_TR/faaliyetlerimiz/surdurulebilirlik/allianz-turkiyede-surdurulebilirlik/surdurulebilirlik-raporlarimiz.html
Strategy		102-52	Annually
102-14	Message from Our CEO(pp.15-16)	102-53	About Our Report (p.4)
102-15	Global Trends, Risks and Opportunities (p.29)	102-54	About Our Report (p.4)
Ethics and Integrity		102-55	GRI Content Index (p.76)
102-16	Our Business Ethics Approach (p.51)	102-56	GRI Content Index: No external assurance.
102-17	Our Business Ethics Approach (p.51)		

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

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MATERIAL ISSUES		
STANDARDS	DISCLOSURES	DESCRIPTIONS AND PAGE NUMBERS
Financial Performance and Profitability		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Sustainable Financial Performance (p.50)
	103-3 Evaluation of the management approach	Sustainable Financial Performance(p.50)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Allianz Turkey at a Glance (p.14)
	201-3 Defined benefit plan obligations and other retirement plans	GRI Content Index: Within the scope of the Allianz Turkey Group Retirement Plan, the employer contributes up to a maximum of 8% of the employee's monthly gross salary depending on the amount the employee pays. The progress payment period is 3 years.
	201-4 Financial assistance received from government	GRI Content Index: No financial assistance is received from the state.
Transparent and Agile Governance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Transparent and Agile Governance (p.49)
	103-3 Evaluation of the management approach	Transparent and Agile Governance (p.49)
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Our Active Risk Management (p.52)
	205-2 Communication and training about anti-corruption policies and procedures	Our Business Ethics Approach (p.51)
	205-3 Confirmed incidents of corruption and actions taken	GRI Content Index: There are no confirmed incidents of significant corruption cases during the reporting period.
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	GRI Content Index: No significant legal fines* were paid for non-compliance with social and economic regulations in the reporting period.
Risk Management		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Our Active Risk Management (p.52)
	103-3 Evaluation of the management approach	Our Active Risk Management (p.52)
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Combating Climate Change (p.35)
Combating Climate Change and Promoting Low Carbon Economy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Combating Climate Change (p.35); We Reduce Our Environmental Impact (pp.36-38)
	103-3 Evaluation of the management approach	Combating Climate Change (p.35); We Reduce Our Environmental Impact (pp.36-38)
GRI 302: Energy 2016	302-1 Energy consumption within the organization	We Reduce Our Environmental Impact (p.37); Environmental Performance Indicators (p.75)
	302-3 Energy intensity	We Reduce Our Environmental Impact (p.37); Environmental Performance Indicators (p.75)
	302-4 Reduction of energy consumption	We Reduce Our Environmental Impact (pp.36-37); Environmental Performance Indicators (p.75)
GRI 305: emission 2016	305-4 GHG emissions intensity	Our Environmental Targets and Performance (p.24); Environmental Performance Indicators (p.75)
	305-5 Reduction of GHG emissions	We Reduce Our Environmental Impact (p.37); Environmental Performance Indicators (p.75)

* Significant fine: Fines above 500,000 TRY

STANDARDS	DISCLOSURES	DESCRIPTIONS AND PAGE NUMBERS
GRI 303: Water 2016	303-1 Water withdrawal by source	Our Sustainability Performance Indicators and Targets (p.25); Environmental Performance Indicators (p.75)
	303-2 Water recycled and reused	GRI Content Index: Since the major amount of water used is supplied from municipality systems and no RAMSAR status water supply is used, Allianz Turkey does not have a significant impact on water resources.
	306-5 Water bodies affected by water discharges and/or runoff	GRI Content Index: There are no activity areas owned, leased, managed or neighboring the regions in areas with high biological diversity, except for protected areas and areas protected by Allianz.
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Environmental Performance Indicators (p.75)
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	GRI Content Index: During the reporting period, no significant* fine was imposed for non-compliance with environmental legislation.
Employee Rights and Satisfaction		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Employee Rights and Satisfaction (pp.62-63)
	103-3 Evaluation of the management approach	Employee Rights and Satisfaction (pp.62-63)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators (pp.73-74)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	GRI Content Index: There is no difference in the benefits provided.
	401-3 Parental leave	Social Performance Indicators (p.74)
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	GRI Content Index: Dismissals or changes in positions are subject to the relevant provisions specified in the current labor legislation.
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	GRI Content Index: We have two Occupational Health and Safety Boards in two operating locations where we operate with over 50 people. We have a total of 31 employee representatives assigned on our boards.
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Social Performance Indicators (p.74)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social Performance Indicators (p.74)
	404-2 Programs for upgrading employee skills and transition assistance programs	Allianz Turkey Academy (p.63)
	404-3 Percentage of employees receiving regular performance and career development reviews	GRI Content Index: All Allianz employees receive regular performance evaluations.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social Performance Indicators (p.74)
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	GRI Content Index: There were no cases of discrimination in 2019.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	GRI Content Index: To contribute to the effective elimination of child labor, the "Allianz Turkey Supplier Business Principles" document was prepared.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	GRI Content Index: To contribute to the effective elimination of forced and compulsory labor, the "Allianz Turkey Supplier Business Principles" document was prepared.
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	GRI Content Index: All security personnel in Allianz Turkey operations are trained on issues relating to professional procedures and legal obligations, including human rights.

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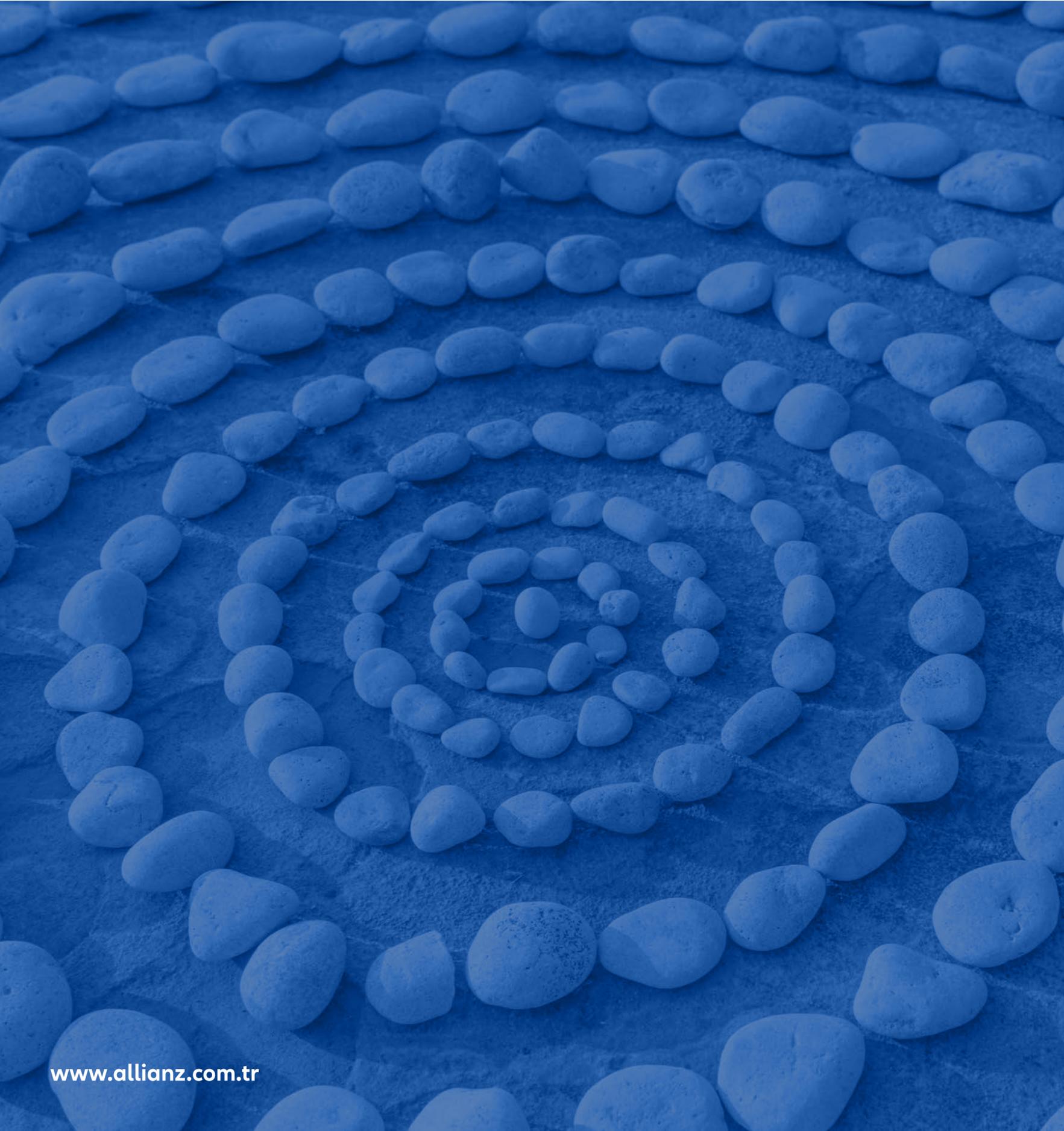
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Customer Orientation		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Our Customers (pp.59-61)
	103-3 Evaluation of the management approach	Our Customers (pp.59-61)
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	GRI Content Index: During the reporting period, there were no complaints received regarding a breach of customer information privacy.
	417-3 Incidents of non-compliance concerning marketing communications	GRI Content Index: All of Allianz Turkey's products and services comply with the relevant international and local legal regulations regarding information and labeling procedures. There were no cases of non-compliance.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	GRI Content Index: During the reporting period, there were no cases of non-compliance with the regulations regarding the health and safety effects of the products.
Digitalization and Customer Data Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20); Digitalization and Information Security (pp.57-58)
	103-2 The management approach and its components	Digitalization and Information Security (pp.57-58)
	103-3 Evaluation of the management approach	Digitalization and Information Security (pp.57-58)
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI Content Index: No complaints concerning breaches of customer privacy and loss of customer data.
R&D and Innovation		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Our Innovation Actions (pp.55-56)
	103-3 Evaluation of the management approach	Our Innovation Actions (pp.55-56)
Ethics Management		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Our Business Ethics Approach (p.51)
	103-3 Evaluation of the management approach	Our Business Ethics Approach (p.51)
Integration of ESG Factors to Business Processes		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Our Environmental, Social and Governance (ESG) Approach (p.53)
	103-3 Evaluation of the management approach	Our Environmental, Social and Governance (ESG) Approach (p.53)
Transparent Management and Reporting		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Sustainability Governance (p.12); Transparent and Agile Governance (p.49)
	103-3 Evaluation of the management approach	Sustainability Governance (p.12); Transparent and Agile Governance (p.49)
Sustainable Solutions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Our Sustainability Strategy (p.20)
	103-2 The management approach and its components	Sustainable Solutions (p.54)
	103-3 Evaluation of the management approach	Sustainable Solutions (p.54)



GRI 102-3

Prepared by

Allianz Turkey Corporate Responsibility and
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Content Support

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