



REPUBLIC OF TURKEY  
MINISTRY OF AGRICULTURE  
AND FORESTRY

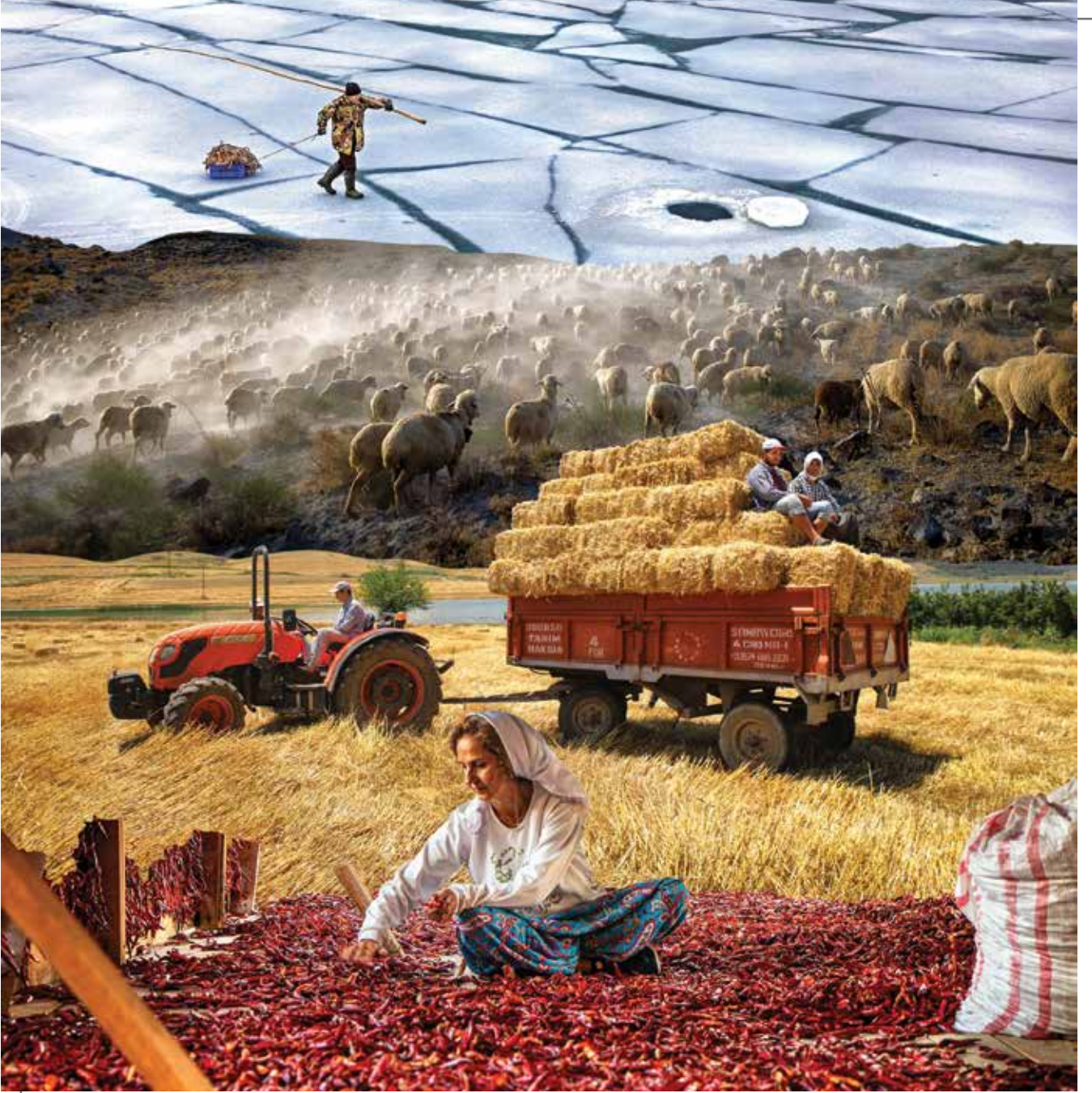


REPUBLIC OF TURKEY  
MINISTRY OF TREASURY AND FINANCE



TURKIYE  
CENTURY

# Annual Report 2022



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**Cover Photography:** TARSİM 2021 Photography Competition

**Gökalep BİLİCİ** - Fisherman- Honorable Mention Award

**Ahmet TURAN** - Drought - Exhibition

**Ayşe YONGA** - Harvest - Exhibition

**Fikriye ER** - Bunch Pepper - Exhibition

# **TARSİM, the lifeblood of farmers since 2006...**

## **MISSION**

Correctly and swiftly implement the necessary actions seeking to promote and generalize agricultural insurance and to protect the producers against natural disasters and other perils as stipulated by the Agricultural Insurance Law.

## **VISION**

Be an exemplary establishment that is trusted by the farmers and capable of providing the broadest insurance coverage to all the crops grown in any region of our country where agricultural production is carried out.



## Mustafa Kemal ATATÜRK



"The soil is so generous that it rewards every drop of sweat."

*K. Atatürk*

**Message from Mr. Recep Tayyip Erdoğan,  
the President of The Republic of Türkiye**



"To drive Türkiye's development, we must drive the development of Turkish agriculture."

A handwritten signature in black ink, which appears to be "R. Erdoğan", written in a cursive style.

## Republic of Türkiye Minister of Treasury and Finance Dr. Nureddin NEBATİ



We pursue our work with great effort and commitment, with the goal of establishing a solid foundation for Türkiye's growth and providing our citizens with a secure future in all aspects. Despite the strong winds blowing across the world and the post-pandemic impacts, our country perseveres in exhibiting robust recuperative capacities and growth performance, in accordance with the Türkiye Economy Model based on investment, employment, production, and exports.

One of the key tasks carried out by our Ministry in collaboration with all relevant stakeholders as part of the Century of Türkiye program is to elevate Türkiye's position in terms of "financial architecture". Our economy experienced a growth rate of 5.6% in 2022 and gained robust, balanced, and sustainable momentum.

Ensuring the development of the insurance industry remains a top priority for us due to its strategic significance in the economy, and we are committed to taking bold and determined steps to support it. Thus, our objective is to enhance the proportion of the insurance industry within the financial system to ensure the balanced, comprehensive, and sustainable growth of our financial markets.

Our country has made significant breakthroughs over the past 20 years. The agricultural industry is at the forefront of these

breakthroughs. Given agriculture's strategic role in meeting societal food requirements, supplying raw materials to industries, contributing to exports, and creating employment opportunities, agricultural sustainability is of the utmost importance. Climate change, which poses an ever-increasing threat to humanity and has greater implications with each passing year, presents a substantial social and economic risk by endangering agricultural production. Enabling our producers to safeguard their efforts and confidently face the future, TARSİM contributed to the continuity of agricultural production by providing state premium support of as high as 70% for certain products and branches in 2022 and by paying out TL 3.4 billion in claims to our insured producers.

We believe that TARSİM, through its close monitoring of technological advancements and significant investments in digital platforms, will effectively leverage the existing potential in our country and achieve greater success in the years to come with the innovative products it has developed. As the Ministry and the Insurance and Private Pension Regulation and Supervision Agency (SEDDK), we will continue to provide support to TARSİM and collaborate with all stakeholders of the System to implement measures that safeguard our producers.

## Republic of Türkiye Minister of Agriculture and Forestry Prof. Dr. Vahit KİRİŞÇİ



In recent years, it has become increasingly evident that agriculture and food hold significant strategic importance due to several factors, including but not limited to climate change, population growth, geopolitical risks, and epidemics. These prevailing global developments have prompted nations to embrace protectionist policies to a greater extent.

Within this framework, we have implemented several practices that encourage agricultural production in our country during the previous 20 years while also providing significant support to accelerate agricultural production.

Concurrently with global and domestic developments, it has become critical to restructure our agricultural industry in alignment with the Century of Türkiye vision and to strategize in accordance with contemporary requirements.

We have implemented legislative changes, particularly the Agriculture Law, to ensure that our crop and livestock production aligns with the evolving and dynamic conditions of the world. Thus, our aim is to commence the new century of our Republic with a robust approach to revitalizing the rural areas and enhancing the standard of living of our esteemed producers.

We collaborate closely with all stakeholders in the agricultural insurance arena, which is a crucial element of our agricultural production, to contribute to the development of the system and ensure the continuity of activities for our producers and breeders.

TARSiM System, which started its activities in 2006 with the enactment of the Agricultural Insurance Law, which we exerted great effort to enact when I was the Chairman of the Committee on Agriculture, Forest, and Rural Affairs in the Grand National Assembly of Türkiye, has become one of the most successful models of collaboration between the public, private, and non-governmental sectors in the world, in the agricultural insurance arena.

Our system's coverage is consistently expanding each year on the basis of risk and product, as we strive diligently to encompass all insurable and measurable risks.

Revenue Protection Insurance, which is an important milestone in terms of the system, started to be implemented as a pilot project for bread and durum wheat in Konya's Cihanbeyli, Kadınhanı and Karatay districts in 2021. With the implementation of the system that we put into the service of our producers throughout Konya during the production season of 2022, and will be available to our producers throughout Türkiye in the production season of 2023, the revenue losses of our producers resulting from the decrease in productivity and price fluctuations will be secured.

As of 2022, the total number of policies across all agricultural insurance branches nationwide amounted to 3 million, with 767 thousand insured producers and business organizations. The value of insured agricultural assets has risen by 138 %, reaching TL 296 billion. The insured areas have also increased, covering 35 million decares, and the number of insured cattle, sheep and goats has increased by 30 percent, totaling 17.6 million heads.

A total of 636 thousand claim reports were assessed, resulting in a payment of TL 3.4 billion for losses. TARSiM continued to be an essential aspect of trust by safeguarding the efforts of our producers and breeders, with state premium subsidies ranging from 50% to 67% and various payment options for products and guarantees.

We remain committed to our efforts in agricultural insurance with the same level of dedication as thus far, in order to ensure that our esteemed farmers do not suffer any losses in the production they provide altruistically.

In this regard, I would like to express my gratitude to all the stakeholders who have contributed to our efforts to develop the TARSiM system, and I am confident that their contribution to our country's agriculture and our producers, will continue.

# Board of Directors of the Agricultural Insurance Pool



## **Burhan DEMİROK**

Chairman of the TARSİM Board of Directors  
(T.R. Ministry of Agriculture and Forestry)

Burhan Demirok was born in Ankara in 1967. He graduated from Çubuk High School in 1983 and from Ankara University Faculty of Agriculture Department of Garden Plants in 1988. He started his career in Ministry of Internal Affairs and Ministry of Forestry as a clerk. Later he worked as an engineer in Malatya, Yazihan District Agricultural Office, Engineer Chief of Department in Malatya Agricultural Vocational High School, Assistant Manager in Ankara Home Economics and Food Laboratorian Vocational High School, Assistant Manager in Ankara Agricultural Office, Engineer in Agricultural Equipment and Machinery Test Center Directorate, Head of Coordination Office in General Management of Agricultural Production Development (TÜGEM) and Head of Department of Agricultural Supports in General Management of Agricultural Reform, respectively.

In 2014, while he was Assistant General Manager of Animal Farming, in 2016, he also acted as Assistant General Manager of Agricultural Reform. In 2018 he served for two years as Assistant General Manager of Plant Production and he was appointed as General Manager of Animal Farming in 2020. He has been acting as General Manager of Agricultural Reform since September 2022. He is also serving as the Chairman of the Board of Directors of Agricultural Insurance Pool (TARSİM). He attended numerous trainings both domestic and international on rural development, agricultural incentives, agricultural organizations, animal farming, agricultural insurances and various agricultural topics.



## **Fatma Ebru GENÇOSMANOĞLU**

Deputy Chairman of the TARSİM Board of Directors  
(Insurance and Private Pension Regulation and Supervision Agency)

Ms. Gençosmanoğlu graduated from Ankara University Faculty of Political Sciences Department of International Relations in 1994 and started to work in Undersecretariat of Treasury (currently named as Ministry of Treasury and Finance) General Management of Insurance as an Assistant Specialist in 1996. Between 2000 and 2002, she received a graduate degree at University of Illinois at Urbana-Champaign with a state scholarship. Additionally, she finished her graduate thesis in Ankara University, Institute of Social Sciences, Department of Economics in 2007. She worked on regulation of both life and non-life insurance legislation, monitoring of implementation, providing for required updates and coordinating with related stakeholders. As a representative of Ministry of Treasury and Finance, she was appointed as Member of the Board of Directors of Assurance Account between 2004-2006 and Member of Board of Actuarial Exam Organization between 2010-2021. She took place in many projects as a member or supervisor such as establishment of Natural Disasters Insurance Authority, establishment of Insurance Information and Oversight Center, execution of Actuary Project for responding to actuary need of our country, preparation of the First National Mortality and Morbidity Tables. In 2020, she took part in the establishment of Insurance and Private Pension Regulatory and Supervisory Agency as an Employee in-charge. Ms. Gençosmanoğlu shared her knowledge and experience in insurance area by giving lectures to students at Ankara Hacı Bayram Veli University Banking and Insurance Vocational School between 2016-2022 and showed an effort to raise educated work force for the insurance and private pension sectors. She was one of the first hired assistant specialists at the Insurance Directorate of the Undersecretariat of Treasury (former name) and she started to work as Vice President of the T.R. Insurance and Private Pension Regulatory and Supervisory Agency on 5 September 2022. She has been acting as a Member of Board of Directors of Agricultural Insurance Pool (TARSİM) since 7 November 2022.



## **Bekir ENGÜRÜLÜ**

Member of the TARSİM Board of Directors  
(T.R. Ministry of Agriculture and Forestry)

Bekir Engürülü was born in Zile, Tokat in 1967 and graduated from Söke Technical High School of Agriculture in 1985 and from the Agricultural Machinery Department of the Faculty of Agriculture at Selçuk University in 1991. During his 38-year tenure at the Ministry of Agriculture and Forestry, he worked in the positions of technical staff, agricultural engineer, district manager, branch manager, department head and assistant general manager. From 2011 until 2020, he functioned as the Head of Agricultural Insurance and Natural Disasters Department at the General Directorate of Agricultural Reform. He started his position as Assistant General Manager of Agricultural Reform of Ministry of Agriculture and Forestry in 2020.

He was directly involved in the drafting of the Turkish Agricultural Insurance Law. He has also been acting as a decision-maker in relation to the agricultural insurance system for 18 years. He is experienced in Risk Management in Agriculture, Global Climate Change, Agricultural Machinery and In-Service Training. He is the co-author of 22 published books that are used in in-service training. He attended various national and international conferences and symposiums about Risk Management in Agriculture, Agricultural Insurance and Climate Change as guest speaker, delivered papers and made presentations at many national and international platforms. He offers the "Agricultural Insurance" Course at the Vocational School of Banking and Insurance at Hacı Bayram Veli University. He has been named a member of the Board of Directors of the Agricultural Insurance Pool (TARSİM) on 10 February 2020.



## **Barış TAŞKESEN**

Member of the TARSİM Board of Directors  
(Insurance and Private Pension Regulation and Supervision Agency)

Mr. Taşkesen graduated from Ankara University Faculty of Political Science Department of Business Administration (Major) and Department of Political Sciences and Public Administration (Minor) in 2009. He received his graduate degree at University of Illinois, Gies College of Business, MS in Finance program between 2017 and 2019. He started his career as an Insurance Audit Assistant Specialist in 2010 at the Undersecretariat of Treasury Insurance Supervisory Agency. He was appointed as Insurance Supervision Specialist upon being successful in the proficiency exam in 2014. After the establishment of Insurance and Private Pension Regulatory and Supervisory Agency, he was appointed as Department Head of Intermediary and Special Organizations in 2021 and continues to serve at that position. He has been delivering trainings at Foundation of Turkish Insurance Institute on insurance accounting and technical reserves since 2020. He is also a Member General Board of Tax Council as a representative of his organization and has been serving as a Member of Board of Directors of Agricultural Insurances Pool (TARSİM).



**Z. Selva EREN**

Member of the TARSİM Board of Directors  
(Insurance Association of Türkiye)

Born in İstanbul in 1975, Selva Eren received her degree in Economics from İstanbul University, Faculty of Economics in 2000. She pursued her master's studies at the San Diego State University from 2001 to 2003. She started her career in the United States working as an account auditor at American Express in 2003-2004. Having continued her business life as an entrepreneur between 2004 and 2008, Selva Eren became an official distributor of Türkiye's leading ready-to-wear brands in four different states in the US within the frame of the incentive and support schemes of the Turkish Undersecretariat of Foreign Trade. She entered the insurance industry in 2009 and specialized in reinsurance. Along this line, she founded Rönesans Reasürans ve Sigorta Brokerlik A.Ş. She contributed to the industry by providing reinsurance capacity from foreign countries for Türkiye's major construction projects and particularly for numerous large-scale energy facilities. She served as a Board Member of the International Competition and Technology Association between 2016-2018. In 2017, she became a founding partner and board member of the Clean Energy Agency. Selva Eren was appointed as the CEO of Türk Reasürans A.Ş. by the Ministry of Treasury and Finance on 6 September 2019 and still serves as the Board Member and the CEO of Türk Reasürans. Selva Eren has also been named a Board Member at the Agricultural Insurance Pool (TARSİM) on 8 September 2020.

**Sibel ŞERİFOĞLU**

Member of the TARSİM Board of Directors  
(Union of Chambers of Agriculture of Türkiye)

Born in Çorum in 1977, Sibel Şerifoğlu received her degree from the Department of Agricultural Structures and Irrigation at Ankara University, Faculty of Agriculture in 1999. She got her master's degree in 2002 from the Department of Agricultural Structures and Irrigation at Ankara University, Graduate School of Natural and Applied Sciences in 2002. In 1999, she started to work at the Union of Chambers of Agriculture of Türkiye (TZOB) in the Department of Organizations and Chambers that establishes the communication between Chambers of Agriculture and farmers. She currently serves as a Technical Advisor on the Technical Services Board of TZOB. Her areas of focus include borrowing in the agricultural sector, loan debts of farmers, utilization and conservation of agricultural land, GMO products and production, farmers' registry and farmer's certificate, warm season grains, oilseed crops, root and tuber crops, and natural disasters. She has been involved in the system as TZOB representative starting with the drafting of the Agricultural Insurance Law and has been working on agricultural insurance implementations for 17 years. She has been named a Board Member of the Agricultural Insurance Pool (TARSİM) on 26 January 2022.

**Serpil GÜNAL**

TARSİM General Manager (Agricultural Insurance Pool Company)

Serpil Günel was born in Ankara in 1974. After graduating from TED Ankara College, she received her bachelor's degree in mathematics from the Faculty of Science at the Middle East Technical University in 1998. The same year, she finished Ziraat Bank School of Banking. She received her MBA from Atılım University in 2006. She started her career in the Commercial Loans Unit of Ziraat Bank in 1999. She was appointed to the Retail Marketing Department where she functioned between 2001 and 2012. She worked as the Head of Retail Marketing Department and Insurance and Other Agency Products Manager in the Bancassurance Unit (April 2012-May 2013), and as Assistant General Manager of Distribution at Ziraat Bank and Bancassurance Manager in the Bank Insurance Unit (May 2013 - January 2017). She served as Assistant General Manager of Operation at Ziraat Sigorta and Ziraat Emeklilik from January 2017, and Assistant General Manager of Technical Affairs from August 2018 until January 2020. Serpil Günel has been named the General Manager of Tarım Sigortaları Havuz İşletmesi A.Ş. (TARSİM Management Company) on 13 January 2020, and is also a member of the Board of Directors of Agricultural Insurance Pool (TARSİM).

*"Is there a guarantee  
of life? Since inception  
of TARSİM, there is  
guarantee for the plant  
you sow."*

**Tuncer ERTUĞRUL**  
Ankara  
Barley Producer



# CORPORATE STRUCTURE

- » THE IMPORTANCE OF THE AGRICULTURAL SECTOR FOR THE ECONOMY
- » COOPERATION BETWEEN THE GOVERNMENT, PRIVATE SECTOR AND NON-GOVERNMENTAL ORGANIZATIONS
- » CORPORATE GOALS
- » COMPANIES AUTHORIZED TO ISSUE INSURANCE CONTRACTS ON BEHALF OF THE AGRICULTURAL INSURANCE POOL
- » FIRSTS IN THE SUBSIDIZED AGRICULTURAL INSURANCE

# The Importance of the Agricultural Sector for the Economy

Agriculture is an important and strategic sector with respect to feeding, employment, and development of countries. At the same time, it is handled as a vulnerable and strategic sector all over the world given the nature of the production that is dependent on natural conditions.

In Türkiye, the agricultural sector maintains its strategic role and function in the economy for a variety of key reasons including its fulfillment of the foodstuff need of the population, its contribution to national income and employment, its fulfillment of the raw material need of agro-industries, provision of employment opportunities for a specific segment of the population, prevention of dependence on foreign sources, and its significant and positive effects on the balance of payments.

The importance that the agricultural sector has within the economy stems from the relationship of agricultural production with overall employment, foreign trade and other sectors of the economy. Agriculture is the driving force of the economy and the strategic sector for Türkiye. The contribution of the agricultural sector to the economy, in other words, its position within the economy, is determined by the Agricultural Gross Domestic Product (GDP). The share of GDP within the overall economy is important as it represents the magnitude and significance of this contribution.

GDP is the basic measure of economic performance in the production of goods and services. Production of goods and services associated with agriculture represents the economic performance with respect to the agricultural sector. This performance exclusively depicts the production aspect of agriculture. The contribution of the agricultural sector to service production and other sectors of the economy manifests the importance of agriculture in the overall economy.

The national income of Türkiye reached USD 905.501 billion in 2021, and agriculture constituted 6.5% or USD 58.5 billion thereof.

**Table 1: Agricultural GDP as a Share of Overall Economy (At Current Prices)**

Years	Agricultural GDP as a Share of Overall Economy (%)	Years	Agricultural GDP as a Share of Overall Economy (%)
2003	9.9	2013	6.7
2004	9.4	2014	6.6
2005	9.3	2015	6.9
2006	8.2	2016	6.2
2007	7.5	2017	6.1
2008	7.5	2018	5.8
2009	8.1	2019	6.4
2010	9.0	2020	6.6
2011	8.2	2021	5.8
2012	7.8	2022	6.5

A substantial part of the industrial facilities in our country use agricultural products as raw materials. This is vital for the development of the industry.

The agricultural sector has become a globally competitive sector that has a corner in worldwide agriculture as shown by the following statistics, despite the economic crises and ferocious natural disasters:

- The largest agrarian economy in the EU,
- 7<sup>th</sup> largest agrarian economy in the world,
- Ranked in the top 5 in the world in the production of more than 30 products,
- Exporter of 1,982 different agricultural products to 205 countries.

**Table 2: Agricultural Growth Rates by Years**

Years	Agricultural GDP (USD Billion)	Agricultural Growth Rate (%)
2003	31.0	-1.5
2004	38.0	3.9
2005	46.2	7.9
2006	44.7	1.5
2007	50.9	-6.2
2008	58.1	4.5
2009	52.6	4.1
2010	69.7	7.7
2011	68.5	3.4
2012	67.5	2.2
2013	63.9	2.3
2014	61.6	0.6
2015	59.5	9.4
2016	53.4	-2.6
2017	52.2	4.9
2018	45.9	1.9
2019	48.4	3.3
2020	47.7	4.8
2021	45.3	-2.2
2022	58.5	31

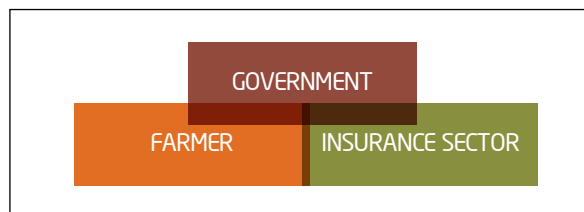
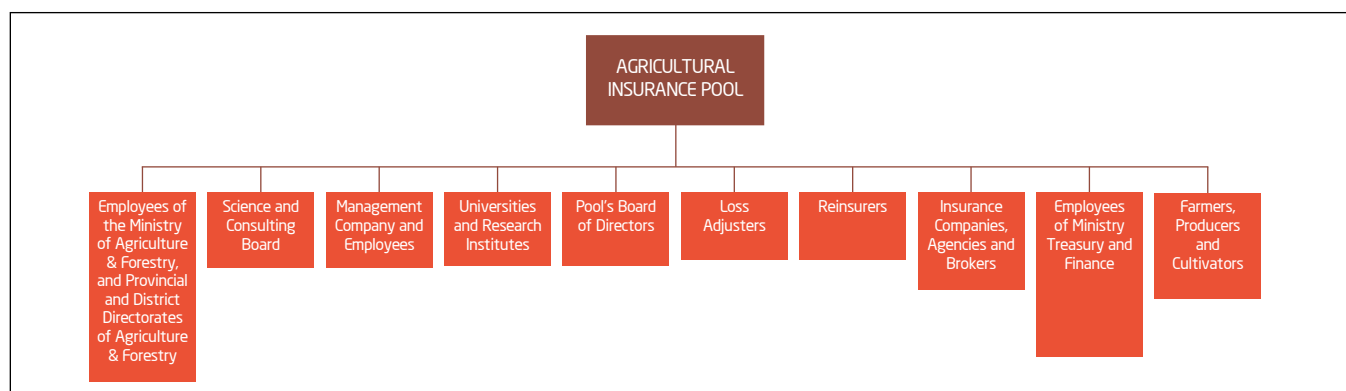
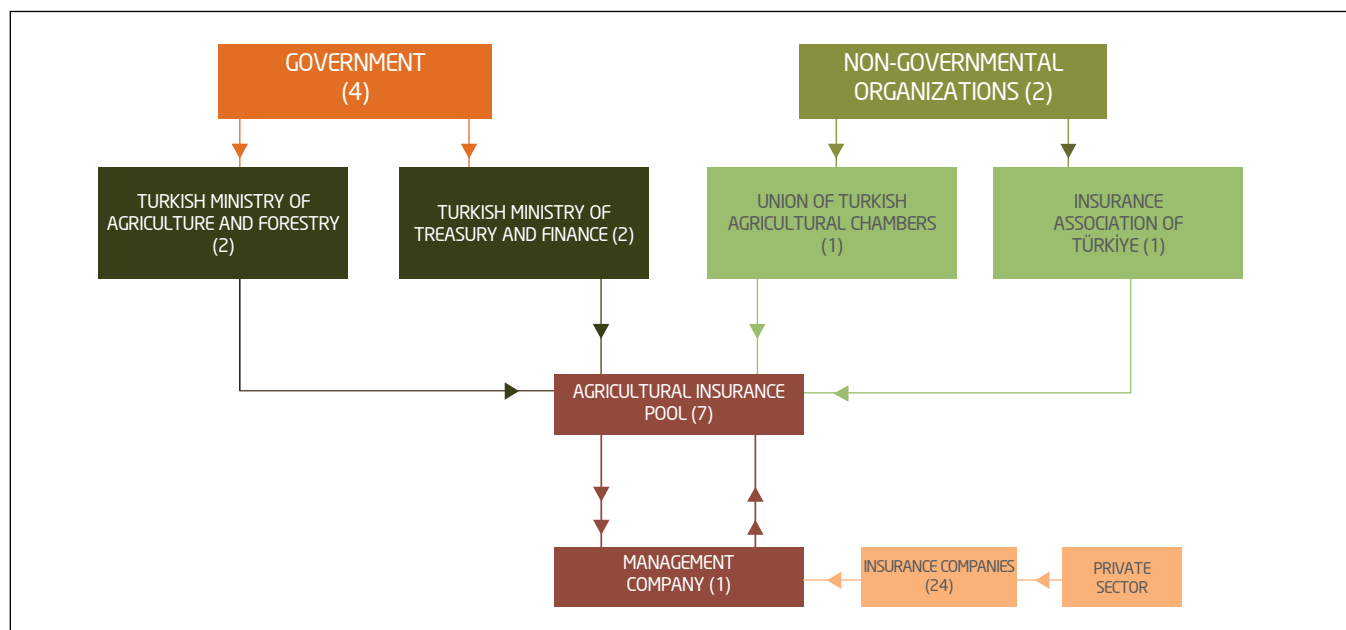
In 2022, agricultural gross domestic product increased by 31% and was realized as USD 58.5 billion. It provided a great contribution to Türkiye's growth of 5.6% in 2022. The share agricultural sector received from GDP increased from 5.8% to 6.5%. In this context, agricultural sector continued its growth by shedding the negative effects of pandemic and drought .

In 2022, exports of agricultural products increased by 20% reaching USD 29.9 billion and achieved a record level. During the same year, agricultural product imports was realized as USD 23.2 billion. In this context, foreign trade balance was USD 6.7 billion and our country kept its net agricultural exporter position in the world.



## Cooperation between the Government, Private Sector and Non-Governmental Organizations

The Agricultural Insurance Pool (TARSİM) is governed and administered by a Board of Directors constituted by representatives appointed by the Ministry of Agriculture and Forestry, Insurance and Pension Regulation and Supervision Authority (SEDDK), the Union of Chambers of Agriculture of Türkiye (TZOB), Insurance Association of Türkiye (TSB), and the Management Company (Tarım Sigortaları Havuz İşletmesi A.Ş.). This structure guarantees the highest level of representation of all involved parties. A Subsidized Agricultural Insurance System is one of the best examples of the cooperation between the government, private sector and civil society organizations. Shortly referred to as TARSİM, this system is composed of the Agricultural Insurance Pool and the Management Company that is responsible for carrying out all the dealings and transactions of the Pool.



## Corporate Goals

The sole representative of Subsidized Agricultural Insurance in Türkiye, TARSİM spelled out its corporate goals within the frame of the following headings in a bid to move forward confidently:

- Help bring agricultural insurance into general use in Türkiye,
- Establish and implement a total assurance system that will cover all agricultural risks,
- Be perceived as a highly-recognized and known, exemplary and respected organization in the agriculture segment,
- Create the appropriate technical infrastructure to ensure the fairest pricing implementation among the insured, and ensure settlement of the farmers' losses in the shortest time possible by speeding up loss adjustment and claims payment processes,
- Raise awareness and educate farmers and other stakeholders by way of training programs and promotional activities,
- Rank among Türkiye's exemplary institutions with respect to the cooperation between the government, private sector and non-governmental organizations (NGOs),
- Maintain an efficient and result-oriented communication with the producers, enhance satisfaction,
- Be a pioneering and example-setting representative of the insurance pool system that is being implemented in various countries in the world,
- Keep a close eye on the developments related to agricultural insurance in the world, set an example for emerging countries,
- Monitor the international risk transfer market closely, build on relationships and carry out joint projects,
- Watch closely the activities taking place in its field of activity in and out of the country,
- Possess a strong infrastructure network by making use of cutting-edge information systems and technology, and urgently make the necessary investments to this end,
- Ensure the preparation of Türkiye's regional and product-based risk map in relation to agriculture, and establish the most effective tariff system based on this risk map,
- Share and make available its experience and knowledge with/to other insurance pool systems,
- Act in accordance with the National Agricultural Policy.

## Companies Authorized to Issue Insurance Policies on Behalf of the Agricultural Insurance Pool\*

\* Companies are listed in alphabetical order.

The Agricultural Insurance Law no. 5363 mandates that all the dealings and transactions of the Agricultural Insurance Pool (TARSİM) shall be handled by a Management Company, in which the insurance companies participating in the Pool have equal shareholding interest. Therefore, 24 Insurance Companies named above have equal stakes in Tarım Sigortaları Havuz İşletmesi A.Ş. that is incorporated for this purpose.

# Firsts in the Subsidized Agricultural Insurance

## 21 June 2005

The Agricultural Insurance Law no. 5363 was enforced upon its publication in the Official Gazette, and the Agricultural Insurance Pool (TARSİM) was established.

## 24 October 2005

Tarım Sigortaları Havuz İşletmesi A.Ş. that will handle the dealings and transactions of the Agricultural Insurance Pool (TARSİM) was incorporated.

## 16 January 2006

The Board of Directors of the Agricultural Insurance Pool (TARSİM) was appointed by the Minister of Food, Agriculture and Livestock.

## 27 January 2006

The Board of Directors of the Agricultural Insurance Pool (TARSİM) held its first meeting in Ankara.

## 01 June 2006

Crop Insurance and Livestock Insurance were introduced.

## 06 June 2006

"Policy Presentation Ceremony" was held where symbolic policies were distributed to producers. The ceremony in Ankara was attended by Ali Babacan, the Minister of State responsible for Treasury; Mehmet Mehdi Eker, Ph.D., the Minister of Food, Agriculture and Livestock; Prof. Vahit Kirişçi, the Chairman of the Agriculture, Forestry and Village Affairs Commission of the Parliament; Members of the Parliament; Ramazan Kadak, Ph.D., the Chairman of the Board of the Agricultural Insurance Pool (TARSİM); Hulusi Taşkıran, Chairman of the Board of the Association of Insurance, Reinsurance and Pension Companies of Türkiye; Ş. Şemsi Bayraktar, President of the Union of Chambers of Agriculture of Türkiye, farmers, non-governmental organizations, and members of the insurance sector and media.

## 21 July 2006

The first regional publicity meeting was held in Tekirdağ. Broadly participated regional publicity meetings continued in the following periods in various cities.

## 23-27 August 2006

The Pool got together with the producers in its first-ever participation in Agroistanbul Trade Show.

## 01 September 2006

Greenhouse Insurance and Poultry Insurance were introduced.

## 01 July 2007

Aquaculture Insurance was introduced.

## 25-26 November 2007

TARSİM's first General Evaluation and Networking Meeting for Crop Insurance Loss Adjusters was held in Antalya.

## 01-02 June 2008

TARSİM's first General Evaluation and Networking Meeting for Cattle Insurance Loss Adjusters was held in Ürgüp.

## 01 August 2008

TARSİM's first Annual Report was released.

## 01-02 November 2008

TARSİM's seminar titled "Aquaculture Insurance and Risk Management" participated by worldwide renowned trainers was held in Çeşme for the Aquaculture Insurance Loss Adjusters.

## 08 November 2008

TARSİM got together with insurance companies and agencies in İstanbul in a "Stakeholders Review Meeting" in order to help improve the Subsidized Agricultural Insurance System and existing practices.

## 04-06 December 2009

A publicity meeting was held in Antalya for the agencies of insurance companies authorized to issue agricultural insurance policies.



### **01 May 2011**

Breeding sheep and goats (sheep, goats, rams and bucks) were covered under the Livestock Insurance.

### **22-24 June 2011**

TARSİM hosted the Loss Adjusters' Seminar 2011 organized each year in a different country by the International Association of Agricultural Production Insurers (AIAG).

### **04 October 2012**

The Agricultural Insurance Pool (TARSİM) brand name was registered by the T.R. Turkish Patent and Trademark Office, and the Trademark Registration Certificate valid for 10 years was received.

### **04 March 2013**

TARSİM became an "Insurance Arbitration Commission Member" in order to offer producers a higher quality, transparent and impartial service, and to quickly resolve the contractual disputes between the insurance customer or the insurance beneficiary and the party underwriting the risk.

### **01 January 2014**

Bee Hives Insurance was introduced.

### **01 December 2015**

ISO 9001:2008 Quality Management System and ISO 10002:2014 Customer Satisfaction and Complaint Handling System Quality Certifications were obtained.

### **29 April 2016**

ISO 27001:2013 Information Security Management System Certification was obtained.

### **02-03 June 2016**

International Agricultural Insurance Symposium hosted by TARSİM was held in İstanbul on 02-03 June.

### **01 January 2017**

District Based Drought Yield Insurance was introduced for wheat grown in dry agricultural areas.

### **09-11 December 2018**

A Declaration of Intent for Cooperation in Agricultural Insurance was signed by and between Türkiye and Azerbaijan.

Thus were sown the seeds for TARSİM to act as a guide for the new system to be set up in Azerbaijan.

### **03 November 2020**

As a result of the intensive contacts held by and between Türkiye and Azerbaijan, and TARSİM's guidance to help replicate the Turkish Agricultural Insurance System model in Azerbaijan, the Agrarian Insurance Fund issued its first policy and began operations.

### **01 January 2021**

District Based Drought Yield Insurance, which was launched in 2017, started to be implemented on a village basis as of 2021.

### **01 October 2021**

Revenue Protection Insurance is introduced in pilot run for wheat crop in Cihanbeyli, Karatay and Kadınhanı districts in Konya with a government premium subsidy of 60%

### **13-15 June 2022**

36<sup>th</sup> International Agricultural Insurers Association Congress (AIAG) was organized in İstanbul between 13-15 June hosted by TARSİM.

*"These are my children.  
As much as children are  
precious for people, these  
are my precious ones and  
I insure my precious ones  
with TARSİM."*

**Sevilay ÇETİNTÜRK**  
Antalya  
Orange Producer

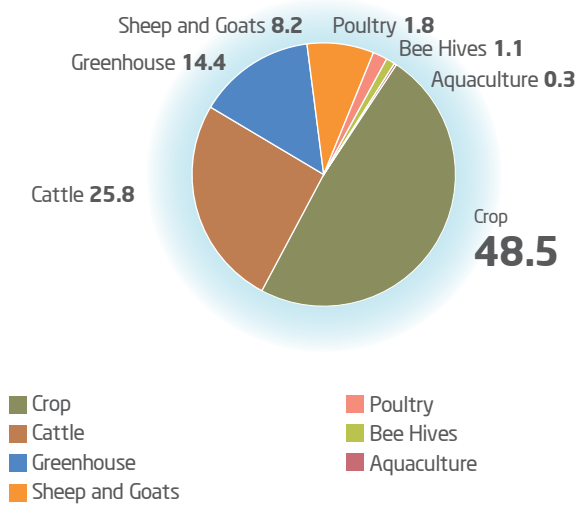


# AN OVERVIEW OF AGRICULTURAL INSURANCE

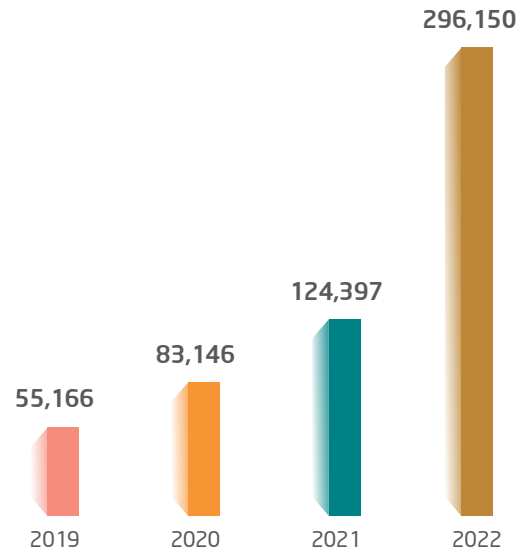
- » SUM INSURED
- » TOTAL PREMIUM
- » NUMBER OF POLICIES
- » PAID LOSS

## Sum Insured

**Breakdown of Sum Insured by Insurance Lines**  
(2022, %)



**Sum Insured**  
(TL million)

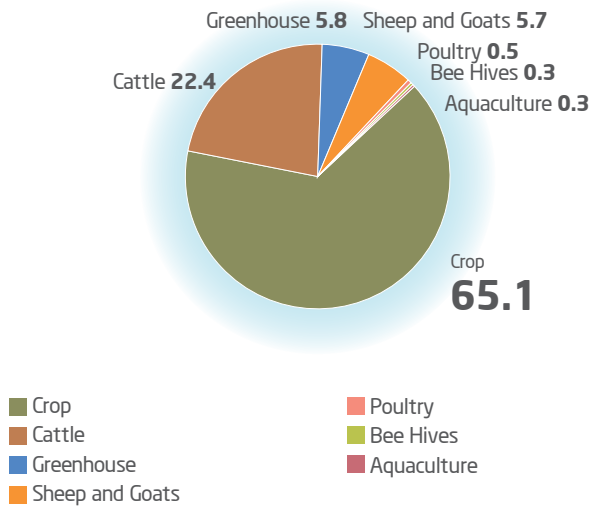


Sum Insured (TL)				
Insurance Line	2019	2020	2021	2022
Crop	29,740,933,626	39,305,360,888	55,577,758,324	143,567,570,805
Greenhouse	9,123,441,234	13,168,520,249	22,233,112,208	42,712,205,781
Cattle	12,220,719,789	21,785,083,383	32,186,579,961	76,289,122,211
Sheep and Goats	2,782,372,689	6,513,908,235	11,154,105,863	24,281,472,937
Poultry	438,439,309	1,138,079,723	1,749,504,098	5,270,729,480
Aquaculture	149,768,845	274,101,717	377,375,682	810,638,947
Bee Hives	710,673,000	960,995,550	1,118,535,850	3,218,186,900
<b>Grand Total</b>	<b>55,166,348,492</b>	<b>83,146,049,745</b>	<b>124,396,971,987</b>	<b>296,149,927,061</b>

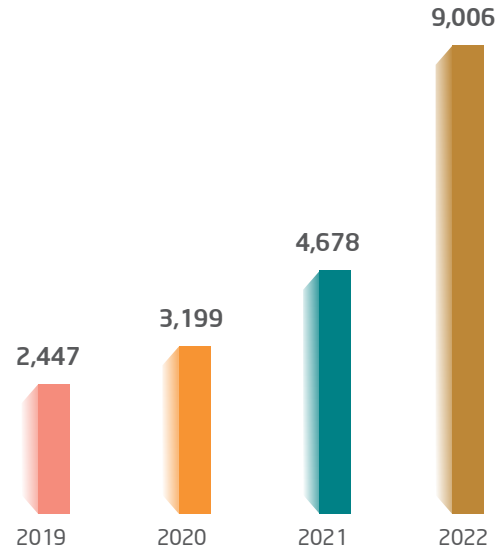


# Total Premium

**Breakdown of Sum Insured by Insurance Lines**  
(2022, %)



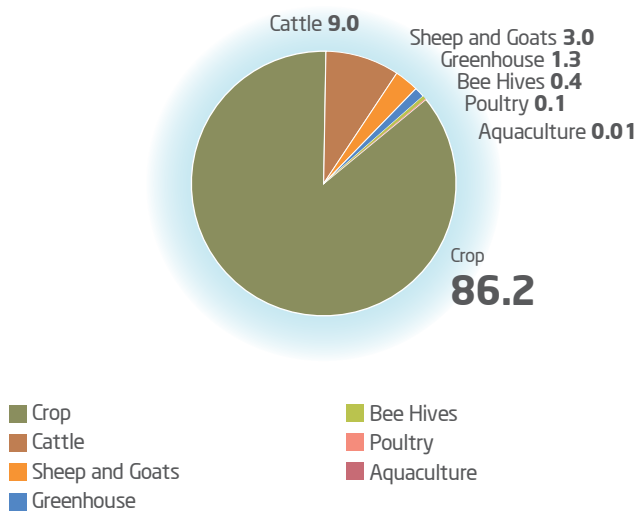
**Total Premium**  
(TL million)



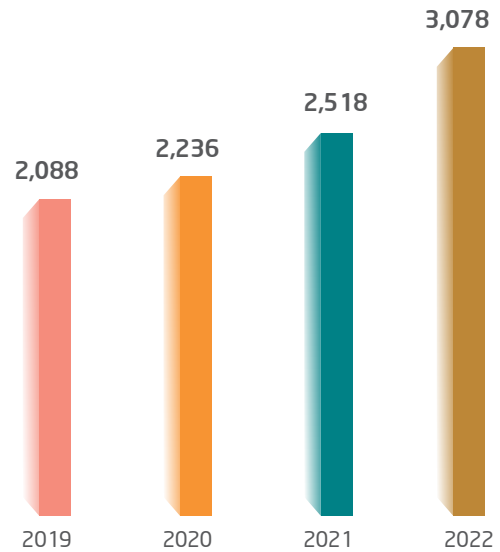
Total Premium (TL)								
Insurance Line	2019		2020		2021		2022	
	Total Premium (TL)	Government Premium Subsidy (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Total Premium (TL)	Government Premium Subsidy (TL)
Crop	1,526,003,593	814,785,618	1,880,770,900	1,000,297,686	2,594,922,724	1,432,365,097	5,858,438,676	3,248,988,731
Greenhouse	120,659,243	60,328,017	178,417,351	89,206,674	281,505,624	140,750,401	519,779,629	259,887,392
Cattle	675,353,971	337,676,378	906,679,069	453,338,468	1,370,397,772	685,197,428	2,020,354,448	1,010,175,630
Sheep and Goats	106,065,259	53,032,466	202,494,686	101,246,973	395,158,249	197,578,443	511,212,186	255,605,491
Poultry	5,257,668	2,628,832	9,370,127	4,685,060	15,010,833	7,505,413	43,972,799	21,986,396
Aquaculture	6,232,549	3,116,274	10,618,625	5,309,312	11,467,482	5,733,741	23,444,219	11,722,109
Bee Hives	7,492,506	3,746,250	10,392,406	5,196,043	9,996,604	4,998,129	28,752,349	14,375,916
<b>Grand Total</b>	<b>2,447,064,788</b>	<b>1,275,313,836</b>	<b>3,198,743,163</b>	<b>1,659,280,218</b>	<b>4,678,459,288</b>	<b>2,474,128,652</b>	<b>9,005,954,305</b>	<b>4,822,741,665</b>

## Number of Policies

**Breakdown of Number of Policies by Insurance Lines (2022, %)**



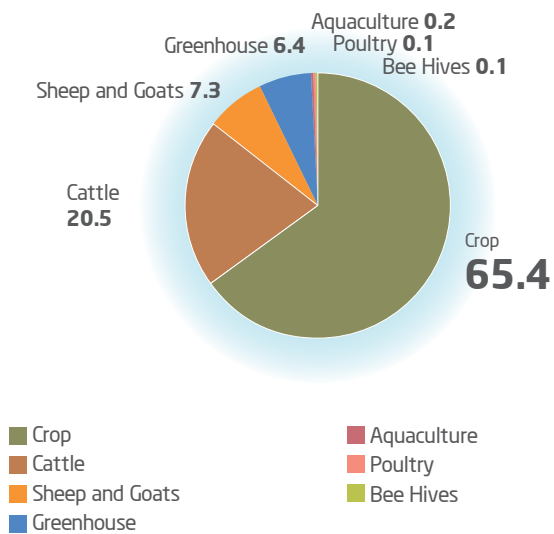
**Number of Policies**



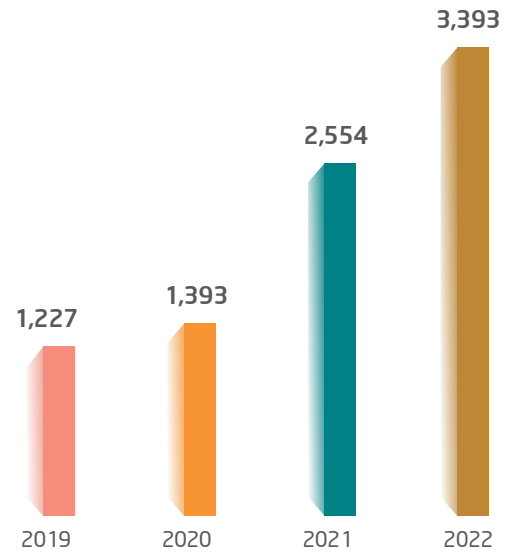
Number of Policies				
Insurance Line	2019	2020	2021	2022
Crop	1,900,609	1,952,825	2,147,758	2,654,588
Greenhouse	28,825	34,252	37,608	38,519
Cattle	117,920	181,773	241,012	278,199
Sheep and Goats	31,573	57,244	80,526	91,148
Poultry	1,123	2,060	2,524	3,113
Aquaculture	89	125	134	178
Bee Hives	7,721	7,347	8,142	12,163
<b>Grand Total</b>	<b>2,087,860</b>	<b>2,235,626</b>	<b>2,517,704</b>	<b>3,077,908</b>

## Paid Loss\*

**Breakdown of Paid Loss by Insurance Lines**  
(2022, %)



**Paid Loss**  
(TL million)



Paid Loss (TL)				
Insurance Line	2019	2020	2021	2022
Crop	792,025,617	921,146,442	1,849,530,151	2,218,501,835
Greenhouse	69,412,181	70,077,503	95,183,141	218,335,492
Cattle	313,911,505	324,457,462	477,015,043	694,999,871
Sheep and Goats	44,487,864	72,964,476	127,684,947	247,773,067
Poultry	1,491,500	1,341,067	1,086,636	3,982,510
Aquaculture	4,014,807	760,032	1,047,875	7,084,574
Bee Hives	1,516,549	2,197,799	2,699,476	2,624,609
<b>Grand Total</b>	<b>1,226,860,024</b>	<b>1,392,944,782</b>	<b>2,554,247,269</b>	<b>3,393,301,958</b>

\* Includes loss adjustment expenses but excludes outstanding amounts.

*"We purchase agricultural insurance to sleep with peace of mind."*

**Emine ÇAĞLAYAN ALTÜRK**  
Giresun  
Hazelnut Producer



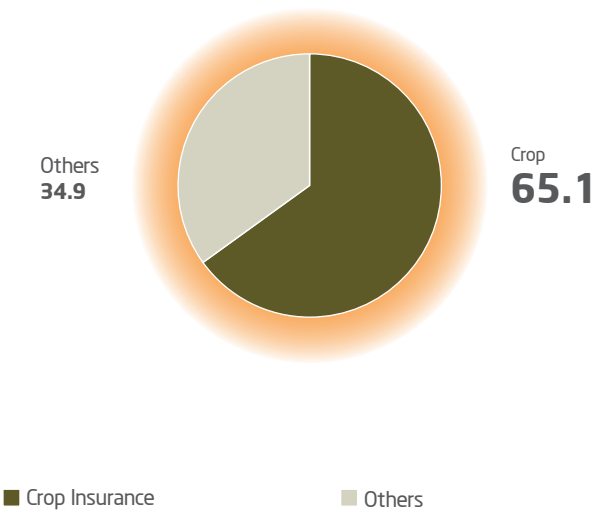


# **A REVIEW OF 2022 AND THE DEVELOPMENT OF INSURANCE LINES BY YEARS**

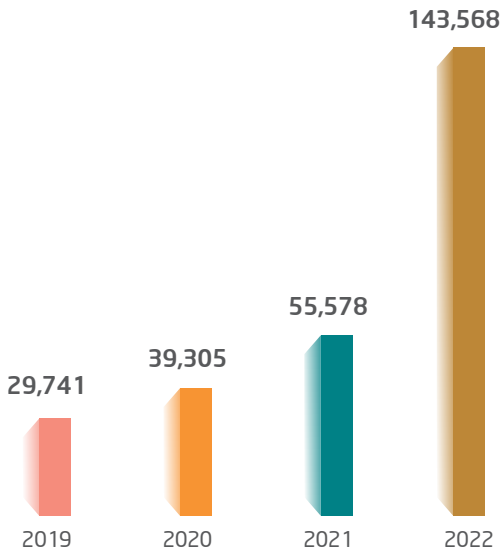
- » **GREENHOUSE INSURANCE**
- » **CATTLE INSURANCE**
- » **SHEEP AND GOATS INSURANCE**
- » **BEE HIVES INSURANCE**
- » **POULTRY INSURANCE**
- » **AQUACULTURE INSURANCE**

# Development of Crop Insurance by Years

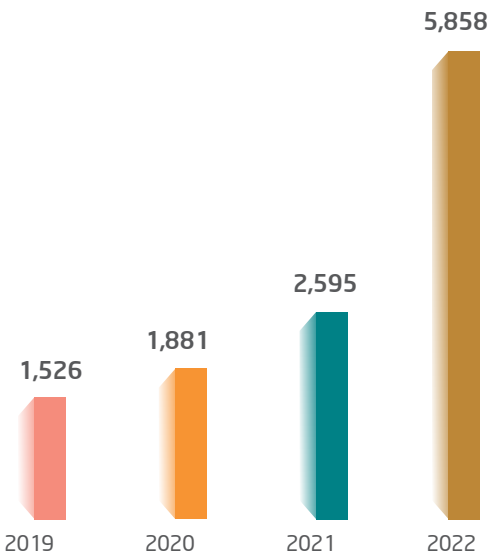
Share of Crop Insurance in Total Premium (2022, %)



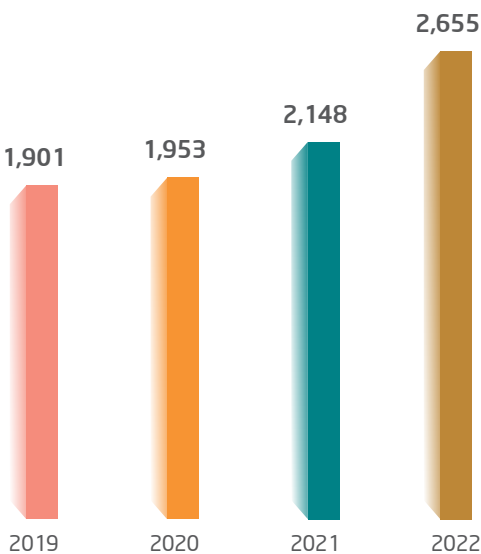
Sum Insured (TL million)



Total Premium (TL million)



Number of Policies (Thousand)



## Scope of Cover and Covered Risks

For all crops registered in the Farmers Registration System, loss of quantity due to hail, storm, whirlwind, fire, landslide, earthquake, vehicle impact, flood and inundation risks; loss of quality in fruits, vegetables and cut flowers due to hail; loss of quantity of field crops, vegetables, saplings and strawberries due to wild boar attacks; loss of yield in the maturing and harvesting stages of sunflower (sunflower for oil extraction), sunflower (sunflower for eating as nuts) and sunflower (certified seed crops) crops resulting from birds' eating the seeds in seed trays; loss of quantity in opened cocoons resulting from rainfall risk during the period from cocoon opening until harvesting of cotton and cotton (certified seed) crops; loss of quantity in fruit and vine saplings due to frost risk; losses in sugar beet, pumpkin (seeds), tomatoes (for paste), tomatoes (edible), peppers (chili), bell peppers, peppers (long green and banana pepper), pepper (for paste), pepper (red), pepper (red sweet pepper), pepper (shishito), pepper (California), pepper (jalapeno), pepper (for pickling) and eggplant crops during sapling and leafing periods that will require re-planting due to frost are covered within the frame of the General Conditions and Tariff and Instructions.

Optionally, the risks below may also be covered subject to an additional premium:

- The stems of wheat, barley, rye, triticale and oat crops and of their certified seed crops,
- Loss of quantity in the leaves of vines used in leaves in brines due to hail, storm, whirlwind, fire, earthquake, landslide, flood and inundation risks,
- Loss of quantity of fresh fruits and damask rose (*Rosa Damascena*) due to frost,
- Loss of quantity of cherry and grape during ripening and harvesting periods, loss of quality of figs (for fresh use only) during ripening and harvesting periods, loss of quality and quantity of figs (for drying)

during the period from ripening and sternal until harvesting due to rainfall,

- Damages to hail net/cover systems and supporting (trellis and training) systems due to hail, hail weight, storm, whirlwind, fire, earthquake, landslide, flood and inundation, vehicle impact, and snow weight
- Loss of quantity caused by hot water in grapefruit, lemon, tangerine and orange crops during blossoming, fruit set and small fruit periods in the form of drying, and falling off, and in grapes during flowering and fruit set periods in the form of poor fruit set of clusters and berries that stop growing, shrivel and fall off,

In addition, the following risks are covered within the frame of General Conditions and Tariff and Instructions:

- Total loss of fruit trees and vines themselves and their saplings that have reached economic productivity age, tea and tea seedlings, and saplings of decorative plants due to hail, storm, whirlwind, fire, earthquake, landslide, flood and inundation, vehicle impact and snow weight (Tree/Sapling Insurance).
- Loss of yield in wheat, barley, oat, rye, triticale, chickpea, green/red lentil and their certificated seeds due to risks caused by drought, frost, hot wind, hot weather wave, excessive humidity, excessive precipitation and risks other than those covered in the hail package (hail, storm, whirlwind, fire, landslide, flood and inundation, earthquake, vehicle impact) (Village Based Drought Yield Insurance).
- Risk of income loss linked to yield ranges resulting from drought, frost, hot wind, hot weather wave, excessive humidity, excessive precipitation, hail, wind, storm, whirlwind, fire, landslide, earthquake, flood and inundation, wild animal attacks and similar reasons and to below par post-harvest price of the crop (Revenue Protection Insurance) for the wheat crop to be planted in all the districts in Konya,

	Number of Policies	Sum Insured (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Paid Loss (TL)*
<b>2019</b>	1,900,609	29,740,933,626	1,526,003,593	814,785,618	792,025,617
<b>2020</b>	1,952,825	39,305,360,888	1,880,770,900	1,000,297,686	921,146,442
<b>2021</b>	2,147,758	55,577,758,324	2,594,922,724	1,432,365,097	1,849,530,151
<b>2022</b>	2,654,588	143,567,570,805	5,858,438,676	3,248,988,731	2,218,501,835

\* Includes loss adjustment expenses but excludes outstanding amounts.

### 2019

Number of Policies	18.3%
Sum Insured	28.5%
Total Premium	15.9%

### 2020

Number of Policies	2.7%
Sum Insured	32.2%
Total Premium	23.2%



### 2021

Number of Policies	10.0%
Sum Insured	41.4%
Total Premium	38.0%

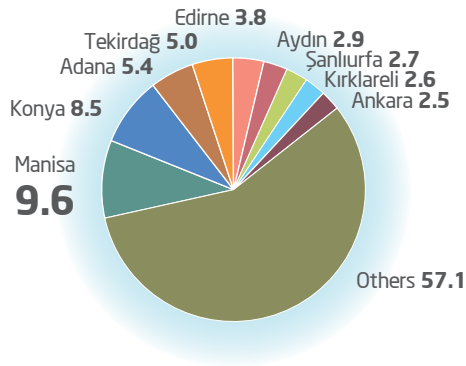
### 2022

Number of Policies	23.6%
Sum Insured	158.3%
Total Premium	125.8%

## Sum Insured by Provinces

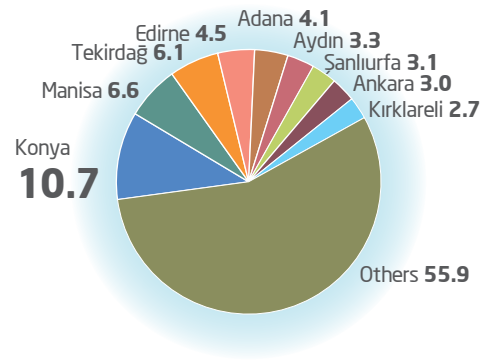
2021

(%)



2022

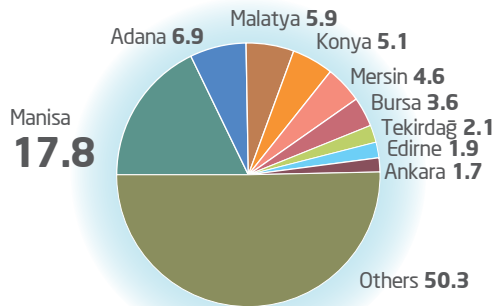
(%)



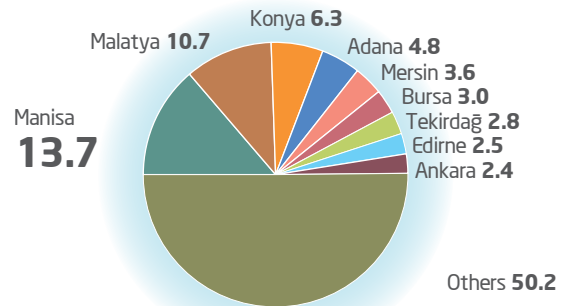
Province	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Konya	4,703,328,567	8.5	15,430,333,018	10.7	228.1
Manisa	5,307,819,294	9.6	9,421,321,844	6.6	77.5
Tekirdağ	2,768,681,005	5.0	8,729,472,211	6.1	215.3
Edirne	2,108,006,099	3.8	6,447,535,632	4.5	205.9
Adana	2,997,655,832	5.4	5,858,982,584	4.1	95.5
Aydın	1,635,712,116	2.9	4,770,490,730	3.3	191.6
Şanlıurfa	1,489,118,521	2.7	4,410,421,454	3.1	196.2
Ankara	1,373,229,997	2.5	4,344,281,775	3.0	216.4
Kırklareli	1,436,628,949	2.6	3,900,742,536	2.7	171.5
Eskişehir	1,205,936,981	2.2	3,877,010,556	2.7	221.5
İzmir	1,514,492,821	2.7	3,782,982,784	2.6	149.8
Bursa	1,743,008,853	3.1	3,499,458,729	2.4	100.8
Balıkesir	1,226,128,141	2.2	3,281,570,241	2.3	167.6
Yozgat	1,075,914,148	1.9	3,185,818,434	2.2	196.1
Denizli	1,326,992,086	2.4	3,063,908,530	2.1	130.9
Others	23,665,104,915	42.6	59,563,239,747	41.5	151.7
<b>Grand Total</b>	<b>55,577,758,324</b>	<b>100.0</b>	<b>143,567,570,805</b>	<b>100.0</b>	<b>158.3</b>

## Total Premium by Provinces

2021  
(%)



2022  
(%)

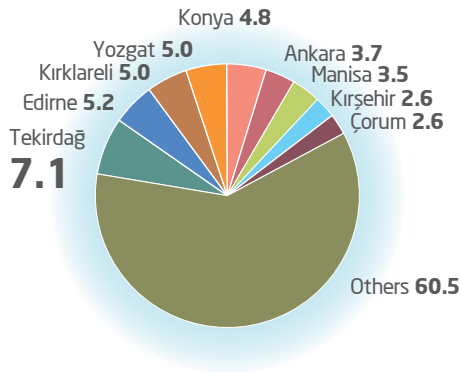


Province	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Manisa	462,157,664	17.8	804,114,012	13.7	74.0
Malatya	152,561,150	5.9	628,944,417	10.7	312.3
Konya	132,363,714	5.1	371,763,666	6.3	180.9
Adana	179,331,168	6.9	281,900,630	4.8	57.2
Mersin	118,625,616	4.6	210,785,497	3.6	77.7
Bursa	94,223,428	3.6	174,393,891	3.0	85.1
Tekirdağ	54,910,324	2.1	163,235,748	2.8	197.3
Edirne	49,624,718	1.9	146,524,253	2.5	195.3
Ankara	44,992,010	1.7	138,697,070	2.4	208.3
Eskişehir	47,939,061	1.8	131,163,013	2.2	173.6
Diyarbakır	37,439,705	1.4	127,677,852	2.2	241.0
Amasya	50,103,864	1.9	122,276,997	2.1	144.0
Ordu	76,428,014	2.9	121,407,938	2.1	58.9
Şanlıurfa	43,382,074	1.7	119,733,883	2.0	176.0
Giresun	72,433,704	2.8	118,460,398	2.0	63.5
Others	978,406,509	37.7	2,197,359,412	37.5	124.6
<b>Grand Total</b>	<b>2,594,922,724</b>	<b>100.0</b>	<b>5,858,438,676</b>	<b>100.0</b>	<b>125.8</b>

## Number of Policies by Provinces

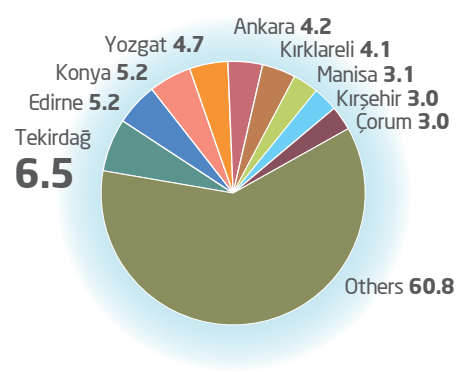
2021

(%)



2022

(%)

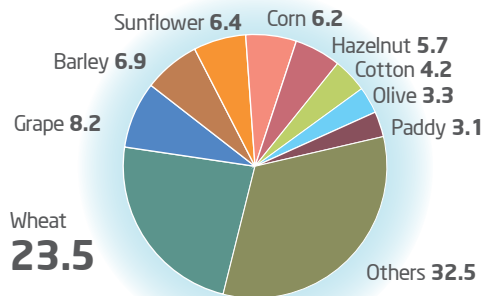


Province	2021	2021 (%)	2022	2022 (%)	Change (%)
Tekirdağ	151,603	7.1	173,235	6.5	14.3
Edirne	111,778	5.2	138,481	5.2	23.9
Konya	103,483	4.8	138,469	5.2	33.8
Yozgat	107,481	5.0	124,781	4.7	16.1
Ankara	78,580	3.7	112,294	4.2	42.9
Kırklareli	108,029	5.0	109,434	4.1	1.3
Manisa	76,230	3.5	82,411	3.1	8.1
Kırşehir	56,493	2.6	80,796	3.0	43.0
Çorum	55,401	2.6	79,795	3.0	44.0
Eskişehir	58,572	2.7	68,280	2.6	16.6
Afyonkarahisar	59,478	2.8	67,046	2.5	12.7
Balıkesir	47,290	2.2	65,655	2.5	38.8
Sivas	40,549	1.9	63,318	2.4	56.2
Kayseri	53,384	2.5	63,117	2.4	18.2
Samsun	44,379	2.1	59,711	2.2	34.5
Others	995,028	46.3	1,227,765	46.3	23.4
<b>Grand Total</b>	<b>2,147,758</b>	<b>100.0</b>	<b>2,654,588</b>	<b>100.0</b>	<b>23.6</b>

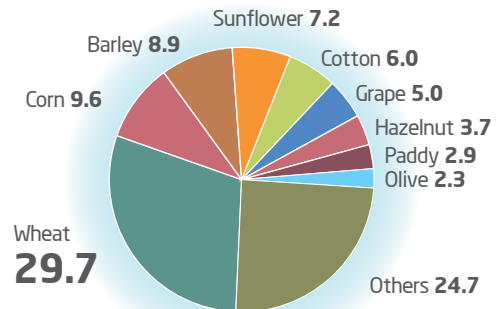


## Sum Insured by Crop Types

**2021**  
(%)



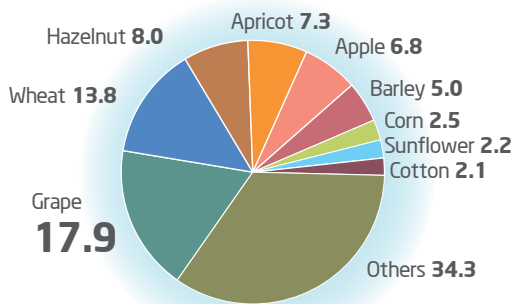
**2022**  
(%)



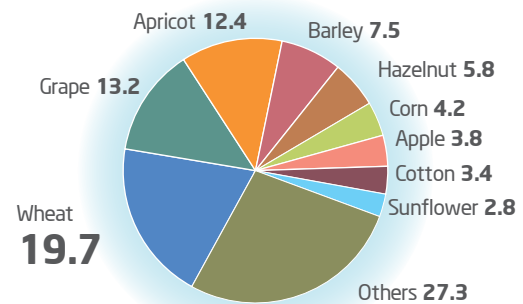
Province	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Wheat	13,033,792,608	23.5	42,644,443,073	29.7	227.2
Corn	3,450,791,166	6.2	13,797,195,044	9.6	299.8
Barley	3,841,199,270	6.9	12,710,665,242	8.9	230.9
Sunflower	3,577,507,838	6.4	10,273,284,256	7.2	187.2
Cotton	2,340,903,935	4.2	8,639,252,798	6.0	269.1
Grape	4,545,827,285	8.2	7,116,786,937	5.0	56.6
Hazelnut	3,167,552,606	5.7	5,375,024,016	3.7	69.7
Paddy	1,733,012,802	3.1	4,220,237,103	2.9	143.5
Olive	1,820,050,802	3.3	3,370,617,226	2.3	85.2
Corn (Silage)	1,095,793,449	2.0	2,737,506,409	1.9	149.8
Apricot	744,635,758	1.3	2,640,383,340	1.8	254.6
Tomato	1,120,283,275	2.0	2,637,345,944	1.8	135.4
Mandarin	1,420,685,811	2.6	2,562,777,766	1.8	80.4
Apple	1,437,476,079	2.6	2,039,111,886	1.4	41.9
Potato	869,892,140	1.6	1,879,531,444	1.3	116.1
Others	11,378,353,502	20.5	20,923,408,322	14.6	83.9
<b>Grand Total</b>	<b>55,577,758,324</b>	<b>100.0</b>	<b>143,567,570,805</b>	<b>100.0</b>	<b>158.3</b>

## Total Premium by Crop Types

**2021**  
(%)



**2022**  
(%)

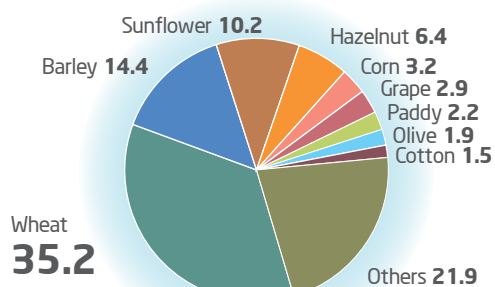


Crop	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Wheat	357,944,251	13.8	1,151,196,024	19.7	221.6
Grape	464,352,856	17.9	774,244,946	13.2	66.7
Apricot	189,531,184	7.3	725,392,752	12.4	282.7
Barley	130,404,954	5.0	438,072,760	7.5	235.9
Hazelnut	207,129,355	8.0	339,776,511	5.8	64.0
Corn	64,841,316	2.5	244,821,615	4.2	277.6
Apple	177,170,899	6.8	221,921,392	3.8	25.3
Cotton	55,097,819	2.1	197,966,744	3.4	259.3
Sunflower	57,609,284	2.2	163,127,290	2.8	183.2
Mandarin	101,364,994	3.9	161,772,319	2.8	59.6
Paddy	41,222,509	1.6	102,743,649	1.8	149.2
Orange	77,468,043	3.0	102,411,376	1.7	32.2
Peach	41,421,429	1.6	97,439,206	1.7	135.2
Nectarine	35,812,995	1.4	88,257,917	1.5	146.4
Olive	46,589,944	1.8	85,913,236	1.5	84.4
Others	546,960,893	21.1	963,380,939	16.4	76.1
<b>Grand Total</b>	<b>2,594,922,724</b>	<b>100.0</b>	<b>5,858,438,676</b>	<b>100.0</b>	<b>125.8</b>

## Sum Insured by Crop Types

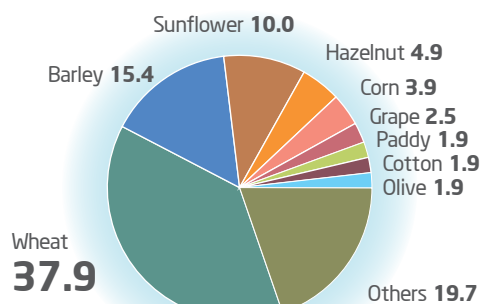
2021

(%)



2022

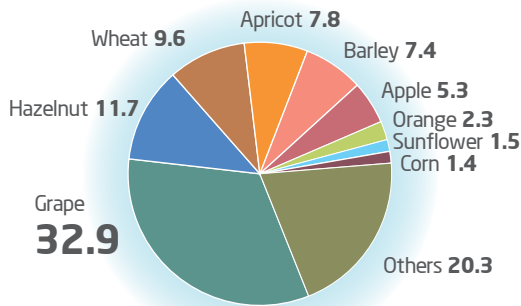
(%)



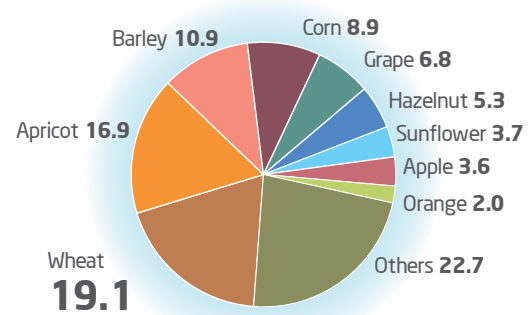
Crop	2021	2021 (%)	2022	2022 (%)	Change (%)
Wheat	756,098	35.2	1,006,553	37.9	33.1
Barley	310,134	14.4	409,863	15.4	32.2
Sunflower	219,037	10.2	266,231	10.0	21.5
Hazelnut	136,718	6.4	129,821	4.9	-5.0
Corn	68,873	3.2	104,732	3.9	52.1
Grape	63,205	2.9	65,589	2.5	3.8
Paddy	48,193	2.2	50,597	1.9	5.0
Cotton	32,740	1.5	49,659	1.9	51.7
Olive	41,781	1.9	49,324	1.9	18.1
Chickpea	40,656	1.9	44,022	1.7	8.3
Corn (Silage)	34,105	1.6	42,745	1.6	25.3
Clover	37,475	1.7	41,334	1.6	10.3
Apricot	21,159	1.0	27,650	1.0	30.7
Apple	26,017	1.2	25,661	1.0	-1.4
Tea	16,066	0.7	20,753	0.8	29.2
Others	295,501	13.8	320,054	12.1	8.3
Grand Total	2,147,758	100.0	2,654,588	100.0	23.6

## Paid Loss by Crop Types

**2021**  
(%)



**2022**  
(%)

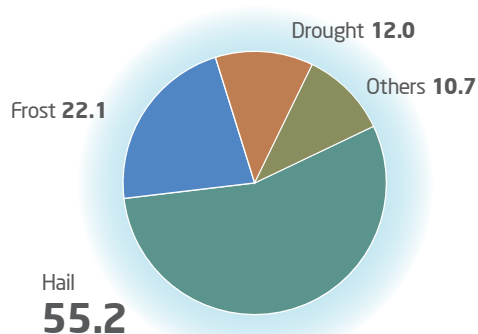


Crop	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Wheat	176,909,137	9.6	423,748,000	19.1	139.5
Apricot	143,755,141	7.8	374,539,577	16.9	160.5
Barley	136,290,273	7.4	241,342,148	10.9	77.1
Corn	26,724,939	1.4	198,389,575	8.9	642.3
Grape	607,657,678	32.9	151,396,850	6.8	-75.1
Hazelnut	216,780,691	11.7	118,043,678	5.3	-45.5
Sunflower	26,861,053	1.5	82,676,989	3.7	207.8
Apple	97,672,360	5.3	78,792,399	3.6	-19.3
Orange	42,293,829	2.3	45,341,308	2.0	7.2
Corn (Silage)	14,956,292	0.8	42,215,765	1.9	182.3
Nectarine	22,577,898	1.2	40,761,090	1.8	80.5
Tomato	11,148,097	0.6	34,191,168	1.5	206.7
Lentil	10,108,315	0.5	29,911,287	1.3	195.9
Pistachio	1,105,149	0.1	29,048,677	1.3	2528.5
Peach	20,441,781	1.1	26,992,063	1.2	32.0
Others	294,247,519	15.9	301,111,262	13.6	2.3
<b>Grand Total</b>	<b>1,849,530,151</b>	<b>100.0</b>	<b>2,218,501,835</b>	<b>100.0</b>	<b>19.9</b>

## Reasons of Paid Losses

2021

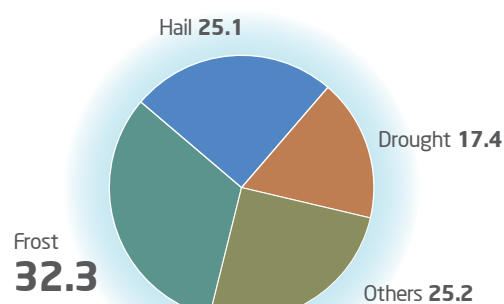
(%)



■ Hail  
■ Frost  
■ Drought  
■ Others

2022

(%)

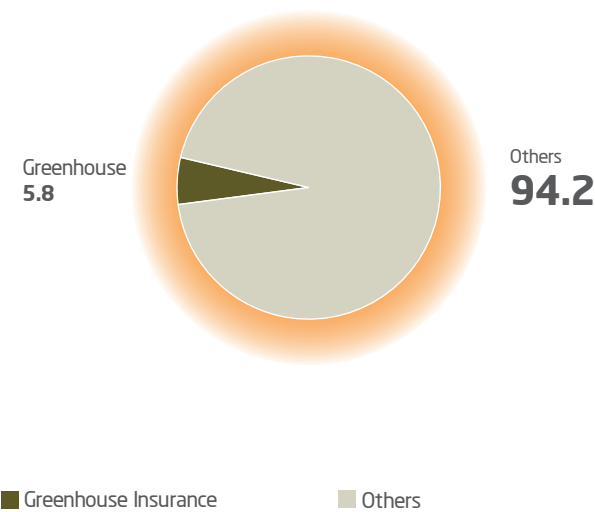


■ Hail  
■ Frost  
■ Drought  
■ Others

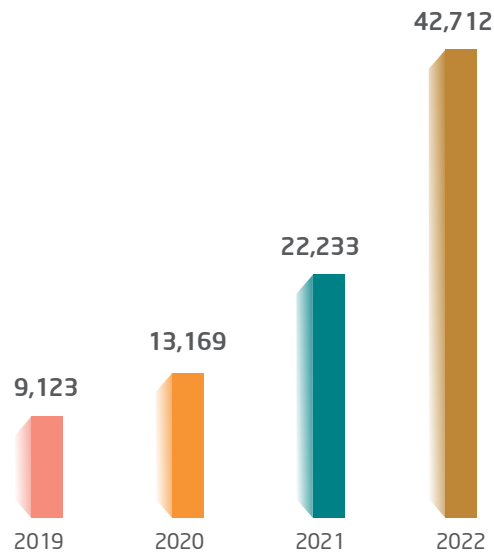
Reason of Loss	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Frost	408,061,727	22.1	717,206,224	32.3	75.8
Hail	1,020,964,153	55.2	556,699,723	25.1	-45.5
Drought	222,473,773	12.0	385,537,603	17.4	73.3
Storm	79,507,567	4.3	317,276,479	14.3	299.1
Wild Boar	41,609,713	2.2	121,577,864	5.5	192.2
Flood	59,568,857	3.2	83,871,143	3.8	40.8
Rainfall	3,986,705	0.2	14,908,047	0.7	273.9
Bird Damage	3,762,033	0.2	9,902,059	0.4	163.2
Fire	8,451,222	0.5	7,389,567	0.3	-12.6
Landslide	531,115	0.0287	2,048,177	0.09	285.6
Hot Weather Damage	314,736	0.0170	1,262,436	0.06	301.1
Rainfall (Loss of Quantity)	218,628	0.0118	413,614	0.02	89.2
Whirlwind	77,012	0.0042	232,534	0.0105	201.9
Snow Weight	1,338	0.0001	140,839	0.0063	10426.0
Earthquake	1,571	0.0001	25,957	0.0012	1551.9
Vehicle Impact	0	0.0000	9,570	0.0004	-
<b>Grand Total</b>	<b>1,849,530,151</b>	<b>100.00</b>	<b>2,218,501,835</b>	<b>100.00</b>	<b>19.9</b>

# Development of Greenhouse Insurance by Years

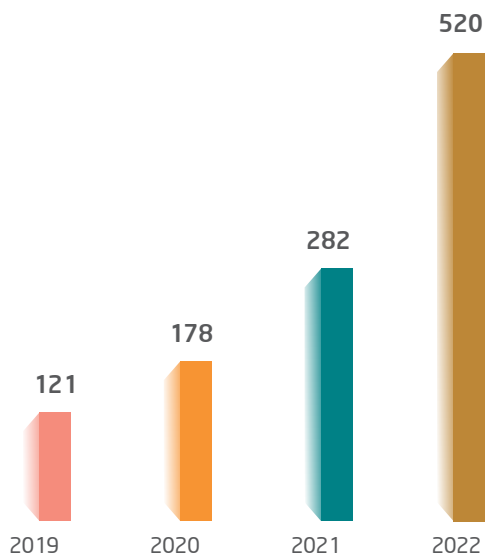
Share of Greenhouse Insurance in Total Premium  
(2022, %)



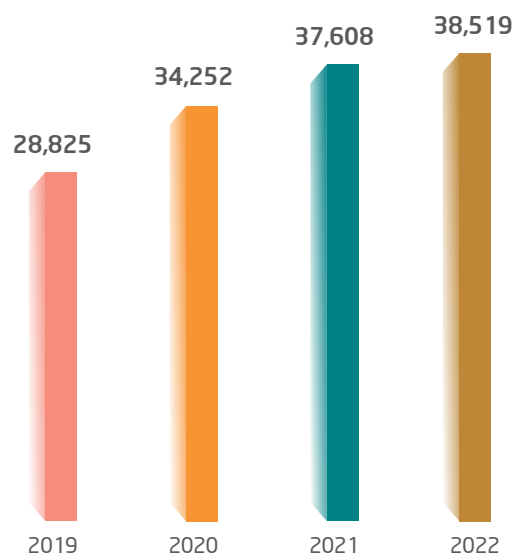
Sum Insured  
(TL million)



Total Premium  
(TL million)



Number of Policies





## Scope of Cover and Covered Risks

For crops under cover in greenhouses admitted for insurance cover upon risk assessment, cover is provided within the frame of General Conditions and Tariff and Instructions for: Loss of quantity in crops, and Damages to the greenhouse structure, cover material and technical equipment under the cover due to "Hail, Storm, Whirlwind, Fire, Landslide, Earthquake, Vehicle Impact, Snow Weight", and the dismantling, removal, clearing and transportation costs of the debris as a result of direct damage to the greenhouse cover and/or construction elements upon occurrence of any of the risks covered by the policy under debris removal cost coverage.

	Number of Policies	Sum Insured (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Paid Loss (TL)*
<b>2019</b>	28,825	9,123,441,234	120,659,243	60,328,017	69,412,181
<b>2020</b>	34,252	13,168,520,249	178,417,351	89,206,674	70,077,503
<b>2021</b>	37,608	22,233,112,208	281,505,624	140,750,401	95,183,141
<b>2022</b>	38,519	42,712,205,781	519,779,629	259,887,392	218,335,492

\* Includes loss adjustment expenses but excludes outstanding amounts.

### 2019

Number of Policies	14.3%
Sum Insured	39.3%
Total Premium	33.0%

### 2020

Number of Policies	18.8%
Sum Insured	44.3%
Total Premium	47.9%

### 2021

Number of Policies	9.8%
Sum Insured	68.8%
Total Premium	57.8%

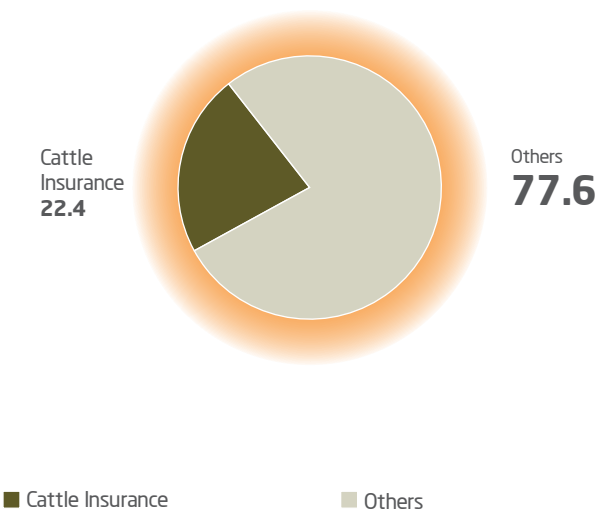
### 2022

Number of Policies	2.4%
Sum Insured	92.1%
Total Premium	84.6%

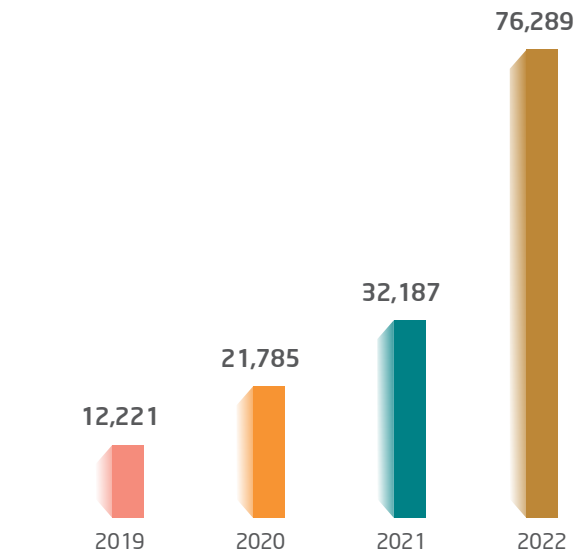


# Development of Cattle Insurance by Years

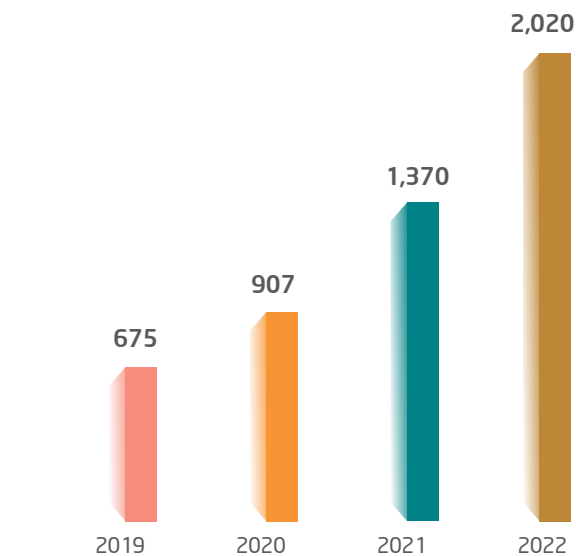
Share of Cattle Insurance in Total Premium  
(2022, %)



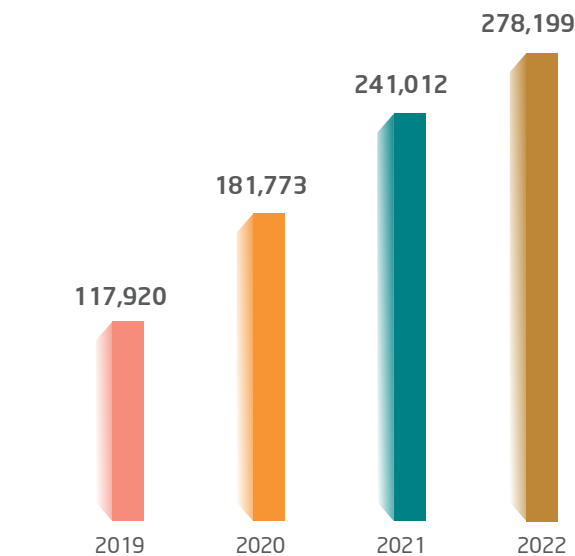
Sum Insured  
(TL million)



Total Premium  
(TL million)



Number of Policies



## Scope of Cover and Covered Risks

Save for the exclusions listed in the General Conditions, cover is provided for breeding and dairy cattle and buffalos registered in the Registry Systems of the Ministry of Agriculture and Forestry against death and obligatory slaughter and abortion and death of calf within one week of birth due to:

- Any animal disease,
- Pregnancy, labor,
- Surgery,
- From amongst the diseases that are compulsory to be reported as per Law no. 5996 on Veterinary Services, Plant Health, Food and Feed, anthrax, blue tongue, rift valley fever, contagious bovine pleuropneumonia, enzootic bovine leukosis, epizootic hemorrhagic disease of deer (EHD), contagious stomatitis (Vesicular Stomatitis) diseases,
  - Any accident,
  - Wild animal attack,
  - Snake and insect bites,
  - Poisoning caused by poisonous meadow grasses and fodder,
  - Natural disasters and sunstroke,
  - Fire and explosion.

Optionally, in addition to the risks mentioned above, potential material losses that may be directly suffered by the insured as a result of the death, obligatory slaughter, abortion or death of calf due to the following risks are provided insurance cover subject to additional premium within the frame of General Conditions and Tariff & Instructions:

- Foot and Mouth Disease for establishments possessing Disease Free Establishment Certification provided that all insurable animals are actually insured,
- Direct damages to insured animals due to theft or attempted theft, or due to theft or attempted theft during the transit of insured animals between the address specified on the policy and the meadow(s) notified by the insured and accepted by the Agricultural Insurance Pool or when the animals are at these locations,
- Terrorist acts specified in the Anti-Terror Law no. 3713 and sabotages resulting therefrom, and/or interventions by authorized bodies to prevent or mitigate the effects of these incidents.
- Incidents that take place during a strike, lockout or civil commotion and interventions by authorized bodies to prevent and mitigate the effects of these incidents.

	Number of Policies	Sum Insured (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Paid Loss (TL)*
<b>2019</b>	117,920	12,220,719,789	675,353,971	337,676,378	313,911,505
<b>2020</b>	181,773	21,785,083,383	906,679,069	453,338,468	324,457,462
<b>2021</b>	241,012	32,186,579,961	1,370,397,772	685,197,428	477,015,043
<b>2022</b>	278,199	76,289,122,211	2,020,354,448	1,010,175,630	694,999,871

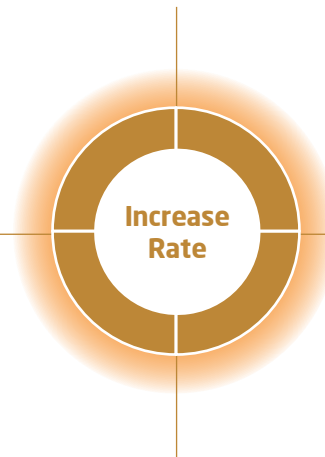
\* Includes loss adjustment expenses but excludes outstanding amounts.

### 2019

Number of Insured Animals	22.6%
Number of Policies	29.7%
Sum Insured	23.5%
Total Premium	19.1%

### 2020

Number of Insured Animals	77.8%
Number of Policies	54.1%
Sum Insured	78.3%
Total Premium	34.3%



### 2021

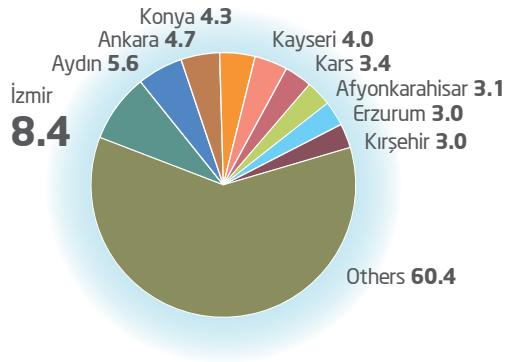
Number of Insured Animals	24.4%
Number of Policies	32.6%
Sum Insured	47.7%
Total Premium	51.1%

### 2022

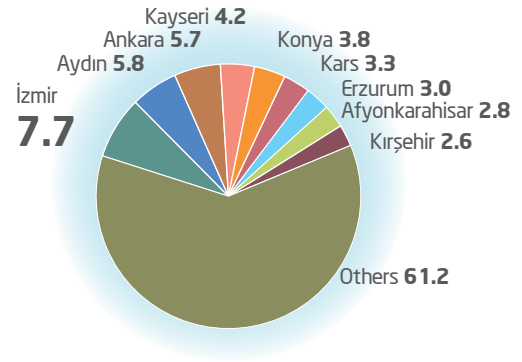
Number of Insured Animals	35.7%
Number of Policies	15.4%
Sum Insured	137.0%
Total Premium	47.4%

## Number of Insured Animals by Provinces

**2021**  
(%)



**2022**  
(%)

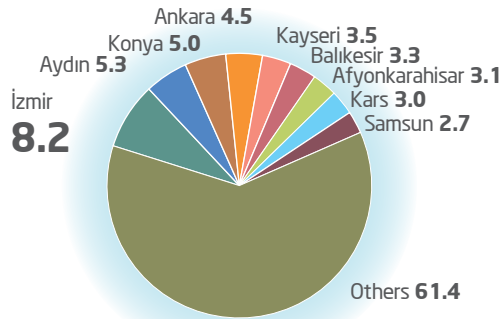


Province	2021 (head)	2021 (%)	2022 (head)	2022 (%)	Change (%)
İzmir	303,084	8.4	374,384	7.7	23.5
Aydın	201,691	5.6	282,858	5.8	40.2
Ankara	170,499	4.7	277,148	5.7	62.6
Kayseri	145,992	4.0	203,275	4.2	39.2
Konya	155,588	4.3	187,133	3.8	20.3
Kars	121,450	3.4	160,767	3.3	32.4
Erzurum	109,898	3.0	146,206	3.0	33.0
Afyonkarahisar	112,550	3.1	137,431	2.8	22.1
Kırşehir	107,714	3.0	129,649	2.6	20.4
Tokat	72,212	2.0	123,026	2.5	70.4
Samsun	103,430	2.9	122,645	2.5	18.6
Balıkesir	99,075	2.7	117,609	2.4	18.7
Yozgat	88,540	2.5	105,576	2.2	19.2
Sivas	59,769	1.7	95,843	2.0	60.4
Kastamonu	56,685	1.6	86,444	1.8	52.5
Others	1,698,767	47.1	2,343,631	47.9	38.0
<b>Grand Total</b>	<b>3,606,944</b>	<b>100.0</b>	<b>4,893,625</b>	<b>100.0</b>	<b>35.7</b>

## Sum Insured by Provinces

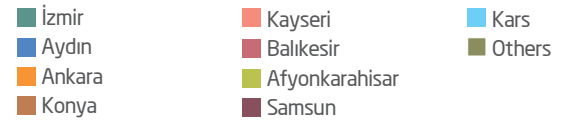
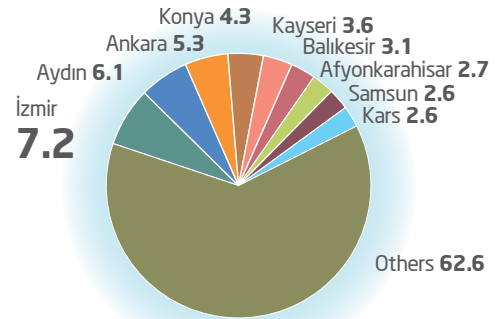
2021

(%)



2022

(%)

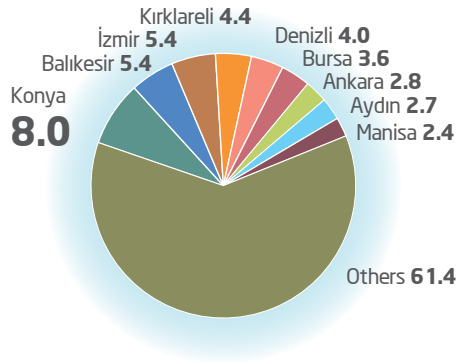


Province	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
İzmir	2,627,775,192	8.2	5,522,199,648	7.2	110.1
Aydın	1,703,571,066	5.3	4,621,329,224	6.1	171.3
Ankara	1,438,548,808	4.5	4,018,962,789	5.3	179.4
Konya	1,620,064,608	5.0	3,293,520,743	4.3	103.3
Kayseri	1,128,783,230	3.5	2,732,909,064	3.6	142.1
Balıkesir	1,065,432,805	3.3	2,328,643,486	3.1	118.6
Afyonkarahisar	984,571,682	3.1	2,065,629,843	2.7	109.8
Samsun	878,823,326	2.7	1,988,692,158	2.6	126.3
Kars	963,557,340	3.0	1,977,280,500	2.6	105.2
Erzurum	865,975,588	2.7	1,869,252,848	2.5	115.9
Kırşehir	779,953,620	2.4	1,854,757,100	2.4	137.8
Tokat	576,192,306	1.8	1,786,067,138	2.3	210.0
Yozgat	692,099,231	2.2	1,513,024,018	2.0	118.6
Kastamonu	507,298,324	1.6	1,423,474,025	1.9	180.6
Amasya	590,739,205	1.8	1,406,991,200	1.8	138.2
Others	15,763,193,630	49.0	37,886,388,427	49.7	140.3
<b>Grand Total</b>	<b>32,186,579,961</b>	<b>100.0</b>	<b>76,289,122,211</b>	<b>100.0</b>	<b>137.0</b>

## Total Premium by Provinces

2021

(%)



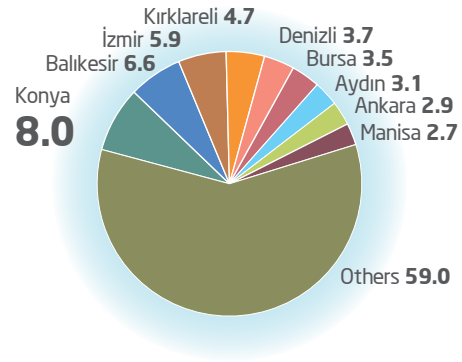
Konya  
Balıkesir  
İzmir  
Kırklareli

Denizli  
Bursa  
Ankara  
Aydın

Manisa  
Others

2022

(%)



Konya  
Balıkesir  
İzmir  
Kırklareli

Denizli  
Bursa  
Aydın  
Ankara

Manisa  
Others

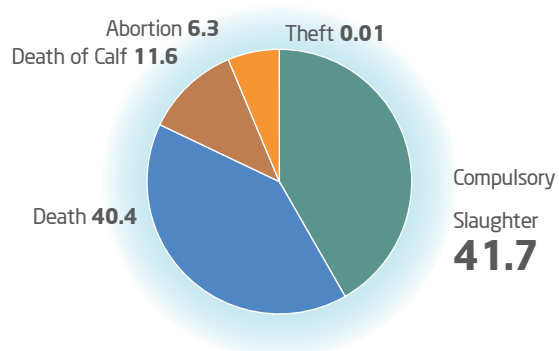
Province	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Konya	109,058,068	8.0	161,972,487	8.0	48.5
Balıkesir	74,219,468	5.4	132,435,443	6.6	78.4
İzmir	73,883,524	5.4	118,409,082	5.9	60.3
Kırklareli	60,030,004	4.4	94,674,424	4.7	57.7
Denizli	54,542,774	4.0	75,501,050	3.7	38.4
Bursa	49,552,877	3.6	71,036,453	3.5	43.4
Aydın	37,299,587	2.7	61,796,538	3.1	65.7
Ankara	37,942,272	2.8	59,335,467	2.9	56.4
Manisa	32,309,805	2.4	54,100,791	2.7	67.4
Aksaray	31,063,150	2.3	46,302,357	2.3	49.1
Çanakkale	28,837,235	2.1	46,033,234	2.3	59.6
Kayseri	23,723,606	1.7	39,265,740	1.9	65.5
Kastamonu	20,426,028	1.5	36,099,430	1.8	76.7
Erzurum	26,873,818	2.0	36,094,341	1.8	34.3
Gaziantep	18,731,968	1.4	35,601,381	1.8	90.1
Others	691,903,590	50.5	951,696,231	47.1	37.5
<b>Grand Total</b>	<b>1,370,397,772</b>	<b>100.0</b>	<b>2,020,354,448</b>	<b>100.0</b>	<b>47.4</b>



## Reasons of Paid Losses

**2021**

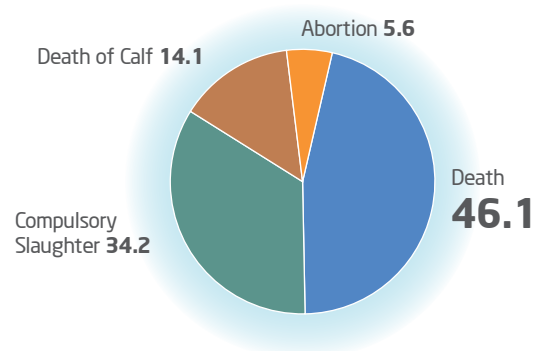
(%)



■ Compulsory Slaughter  
■ Death  
■ Death of Calf  
■ Abortion  
■ Theft

**2022**

(%)

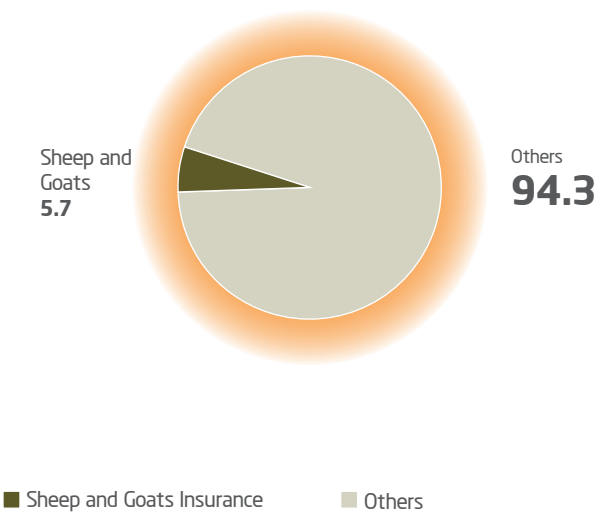


■ Death  
■ Compulsory Slaughter  
■ Death of Calf  
■ Abortion

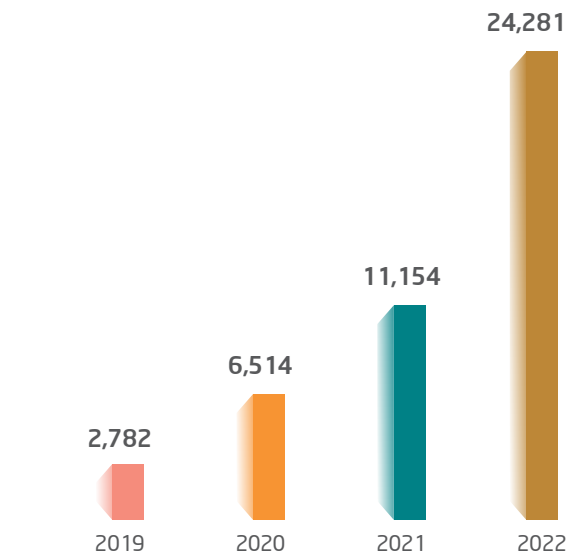
Reason of Loss	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Death	192,493,359	40.4	320,301,304	46.1	66.4
Compulsory Slaughter	199,013,907	41.7	237,751,729	34.2	19.5
Death of Calf	55,417,609	11.6	98,307,634	14.1	77.4
Abortion	30,041,520	6.3	38,639,204	5.6	28.6
Theft	48,648	0.01	0	0.00	-
<b>Grand Total</b>	<b>477,015,043</b>	<b>100.0</b>	<b>694,999,871</b>	<b>100.0</b>	<b>45.7</b>

# Development of Sheep and Goats Insurance by Years

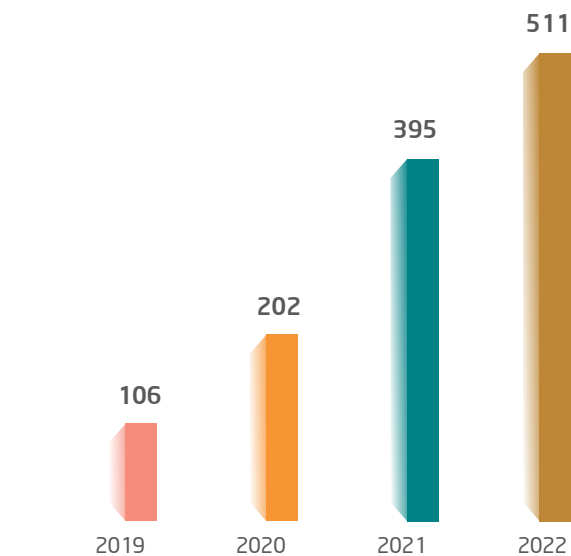
Share of Sheep and Goats Insurance in Total Premium (2022, %)



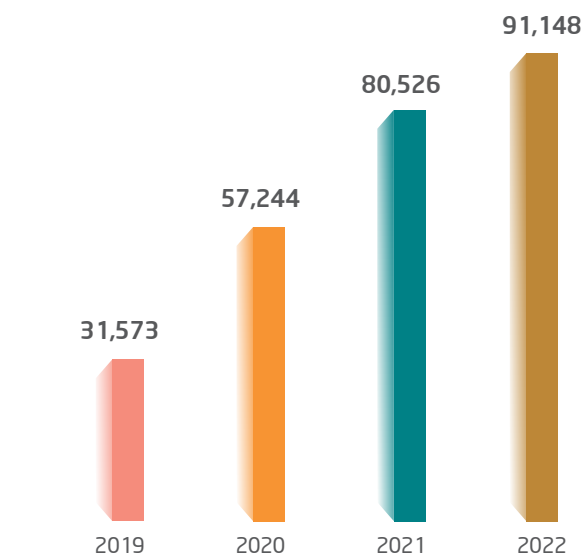
Sum Insured (TL million)



Total Premium (TL million)



Number of Policies



## Scope of Cover and Covered Risks

Save for the exclusions listed in the General Conditions, cover is provided for breeding and dairy cattle and buffalos registered in the Registry Systems of the Ministry of Agriculture and Forestry against death and obligatory slaughter due to:

- Any animal disease,
- Pregnancy, labor,
- Surgery,
- From amongst the diseases that are compulsory to be reported as per Law no. 5996 on Veterinary Services, Plant Health, Food and Feed, blue tongue, rift valley fever, contagious bovine pleuropneumonia, enzootic bovine leukosis, epizootic hemorrhagic disease of deer (EHD), contagious stomatitis (Vesicular Stomatitis) diseases,
  - Any accident,
  - Wild animal attack,
  - Snake and insect bites,
  - Poisoning caused by poisonous meadow grasses and fodder,
  - Natural disasters and sunstroke,
  - Fire and explosion.

Optionally, in addition to the risks mentioned above, potential material losses that may be directly suffered by the insured as a result of the death, obligatory slaughter, abortion or death of calf due to the following risks are provided insurance cover subject to additional premium within the frame of General Conditions and Tariff & Instructions:

- Foot and Mouth Disease for establishments possessing Disease Free Establishment Certification provided that all insurable animals are actually insured,
- Direct damages to insured animals due to theft or attempted theft, or due to theft or attempted theft during the transit of insured animals between the address specified on the policy and the meadow(s) notified by the insured and accepted by the Agricultural Insurance Pool or when the animals are at these locations,
- Terrorist acts specified in the Anti-Terror Law no. 3713 and sabotages resulting therefrom, and/or interventions by authorized bodies to prevent or mitigate the effects of these incidents.

	Number of Policies	Sum Insured (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Paid Loss (TL)*
<b>2019</b>	31,573	2,782,372,689	106,065,259	53,032,466	44,487,864
<b>2020</b>	57,244	6,513,908,235	202,494,686	101,246,973	72,964,476
<b>2021</b>	80,526	11,154,105,863	395,158,249	197,578,443	127,684,947
<b>2022</b>	91,148	24,281,472,937	511,212,186	255,605,491	247,773,067

\* Includes loss adjustment expenses but excludes outstanding amounts.

### 2019

Number of Insured Animals	52.6%
Number of Policies	44.1%
Sum Insured	74.3%
Total Premium	81.3%

### 2020

Number of Insured Animals	112.0%
Number of Policies	81.3%
Sum Insured	134.1%
Total Premium	90.9%

### 2021

Number of Insured Animals	33.2%
Number of Policies	40.7
Sum Insured	71.2%
Total Premium	95.1%

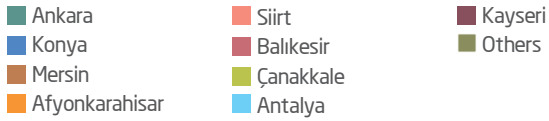
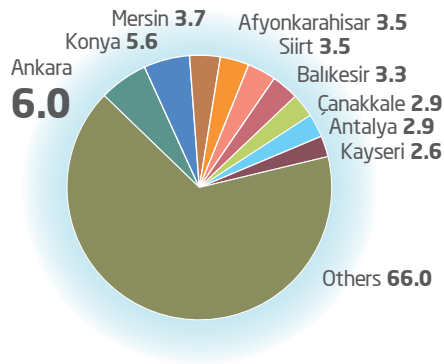
### 2022

Number of Insured Animals	28.1%
Number of Policies	13.2%
Sum Insured	117.7%
Total Premium	29.4%

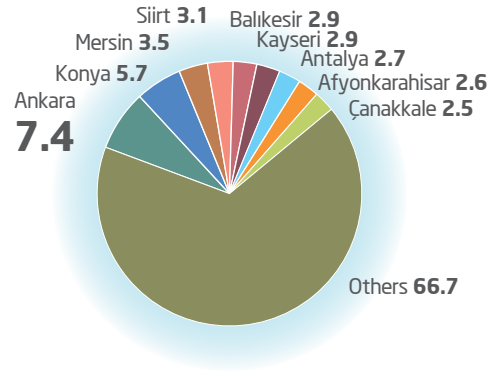


## Number of Insured Animals by Provinces

**2021**  
(%)



**2022**  
(%)

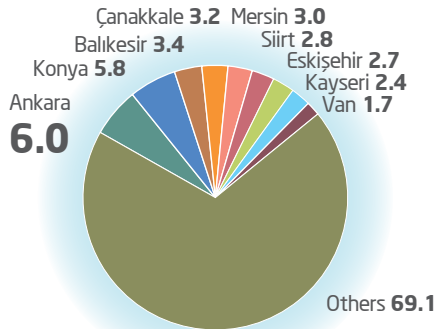


Province	2021 (head)	2021 (%)	2022 (head)	2022 (%)	Change (%)
Ankara	593,111	6.0	945,194	7.4	59.4
Konya	557,283	5.6	721,343	5.7	29.4
Mersin	371,160	3.7	448,933	3.5	21.0
Siirt	347,005	3.5	396,265	3.1	14.2
Balıkesir	329,793	3.3	366,092	2.9	11.0
Kayseri	255,448	2.6	365,608	2.9	43.1
Antalya	283,637	2.9	339,993	2.7	19.9
Afyonkarahisar	350,822	3.5	329,341	2.6	-6.1
Çanakkale	288,904	2.9	322,422	2.5	11.6
Eskişehir	233,146	2.3	291,622	2.3	25.1
Van	160,683	1.6	290,456	2.3	80.8
Şanlıurfa	149,215	1.5	288,855	2.3	93.6
Elazığ	264,306	2.7	285,437	2.2	8.0
Yozgat	229,863	2.3	259,114	2.0	12.7
Diyarbakır	179,009	1.8	256,126	2.0	43.1
Others	5,331,943	53.7	6,807,260	53.5	27.7
<b>Grand Total</b>	<b>9,925,328</b>	<b>100.0</b>	<b>12,714,061</b>	<b>100.0</b>	<b>28.1</b>

## Sum Insured by Provinces

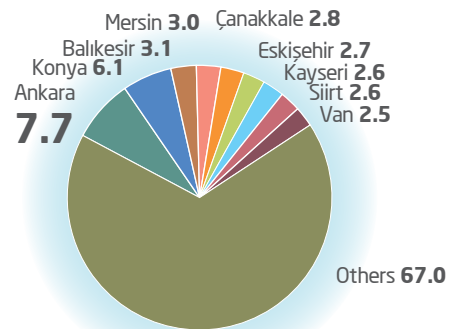
2021

(%)



2022

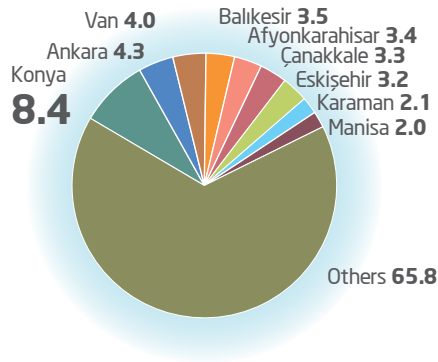
(%)



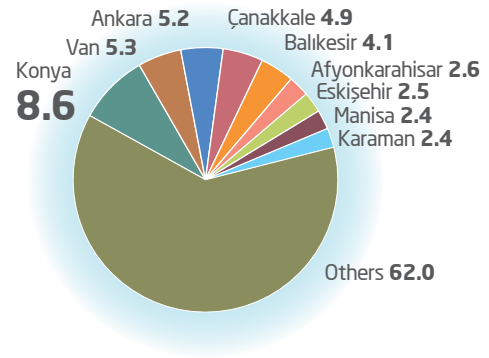
Province	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Ankara	672,039,858	6.0	1,861,706,297	7.7	177.0
Konya	645,722,631	5.8	1,470,310,611	6.1	127.7
Balıkesir	373,807,404	3.4	755,316,968	3.1	102.1
Mersin	331,519,004	3.0	721,997,010	3.0	117.8
Çanakkale	354,016,453	3.2	691,449,811	2.8	95.3
Eskişehir	299,892,162	2.7	647,491,542	2.7	115.9
Kayseri	269,698,770	2.4	641,108,114	2.6	137.7
Siirt	308,734,600	2.8	620,462,898	2.6	101.0
Van	192,911,975	1.7	597,331,375	2.5	209.6
Afyonkarahisar	384,367,281	3.4	595,084,560	2.5	54.8
Antalya	258,395,948	2.3	546,334,420	2.3	111.4
Yozgat	273,610,537	2.5	525,013,124	2.2	91.9
Diyarbakır	198,716,444	1.8	505,324,592	2.1	154.3
Tunceli	262,892,300	2.4	501,324,138	2.1	90.7
İzmir	235,741,111	2.1	480,272,489	2.0	103.7
Others	6,092,039,385	54.6	13,120,944,988	54.0	115.4
<b>Grand Total</b>	<b>11,154,105,863</b>	<b>100.0</b>	<b>24,281,472,937</b>	<b>100.0</b>	<b>117.7</b>

## Total Premium by Provinces

2021  
(%)



2022  
(%)

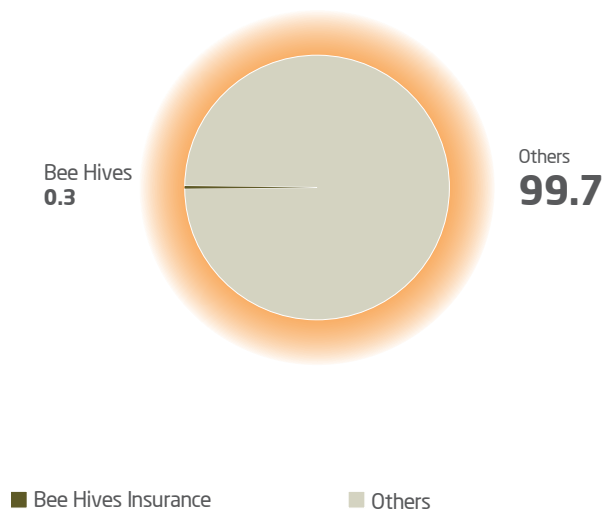


Province	2021 (TL)	2021 (%)	2022 (TL)	2022 (%)	Change (%)
Konya	33,183,853	8.4	44,056,930	8.6	32.8
Van	15,955,363	4.0	27,221,528	5.3	70.6
Ankara	16,959,333	4.3	26,328,224	5.2	55.2
Çanakkale	13,189,079	3.3	25,170,934	4.9	90.8
Balıkesir	13,771,118	3.5	21,184,210	4.1	53.8
Afyonkarahisar	13,389,297	3.4	13,111,143	2.6	-2.1
Eskişehir	12,711,542	3.2	12,887,633	2.5	1.4
Manisa	7,860,472	2.0	12,139,544	2.4	54.4
Karaman	8,158,455	2.1	12,064,962	2.4	47.9
Diyarbakır	7,811,225	2.0	11,166,284	2.2	43.0
Sivas	10,264,121	2.6	10,832,588	2.1	5.5
Aksaray	11,197,599	2.8	10,688,651	2.1	-4.5
Bursa	9,159,346	2.3	10,463,323	2.0	14.2
Denizli	7,266,004	1.8	10,399,616	2.0	43.1
Mersin	7,487,095	1.9	9,587,850	1.9	28.1
Others	206,794,346	52.3	253,908,766	49.7	22.8
<b>Grand Total</b>	<b>395,158,249</b>	<b>100.0</b>	<b>511,212,186</b>	<b>100.0</b>	<b>29.4</b>

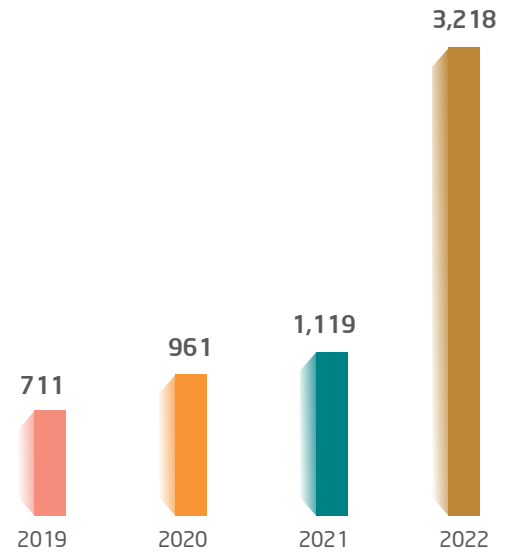


## Development of Bee Hives Insurance by Years

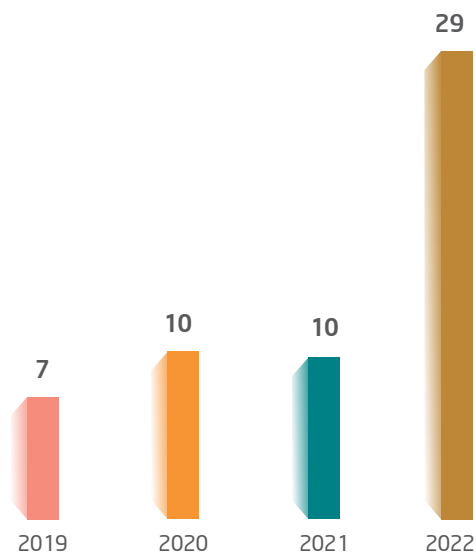
**Share of Bee Hives Insurance in Total Premium** (2022, %)



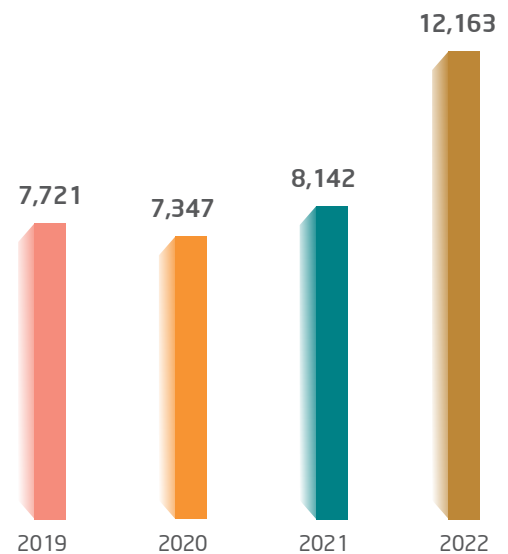
**Sum Insured** (TL million)



**Total Premium** (TL million)



**Number of Policies**



## Scope of Cover and Covered Risks

Insurance is provided for plated hives registered in the Bee Hives Registration System within the frame of General Conditions and Tariff & Instructions against direct damages due to storm, whirlwind, fire, landslide, earthquake, vehicle impact, flood and inundation, wild animal attack, collision, impact, overturning, burning etc. during transportation of the hives. Sum insured for hives includes the hive, the colony and the honey.

	Number of Policies	Sum Insured (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Paid Loss (TL)*
2019	7,721	710,673,000	7,492,506	3,746,250	1,516,549
2020	7,347	960,995,550	10,392,406	5,196,043	2,197,799
2021	8,142	1,118,535,850	9,996,604	4,998,129	2,699,476
2022	12,163	3,218,186,900	28,752,349	14,375,916	2,624,609

\* Includes loss adjustment expenses but excludes outstanding amounts.

### 2019

Number of Policies	-26.4%
Sum Insured	20.1%
Total Premium	10.7%

### 2020

Number of Policies	-4.8%
Sum Insured	35.2%
Total Premium	38.7%



### 2021

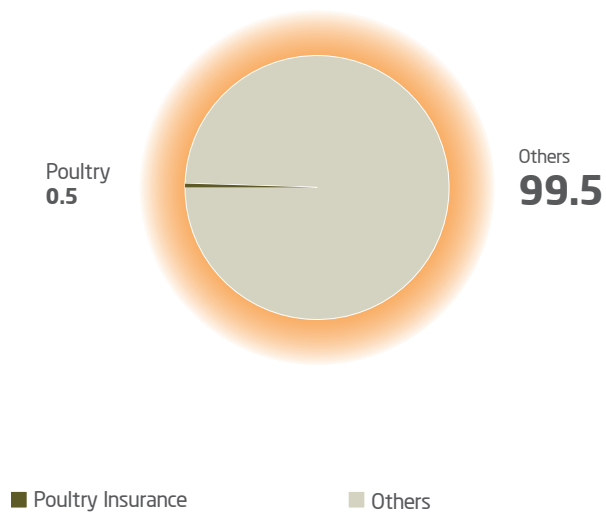
Number of Policies	10.8%
Sum Insured	16.4%
Total Premium	-3.8%

### 2022

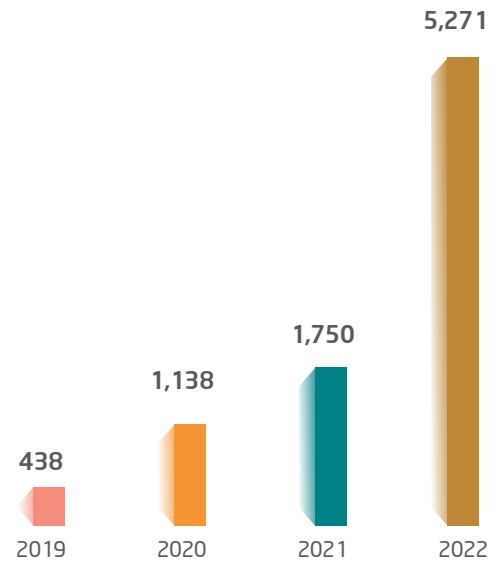
Number of Policies	49.4%
Sum Insured	187.7%
Total Premium	187.6%

## Development of Poultry Insurance by Years

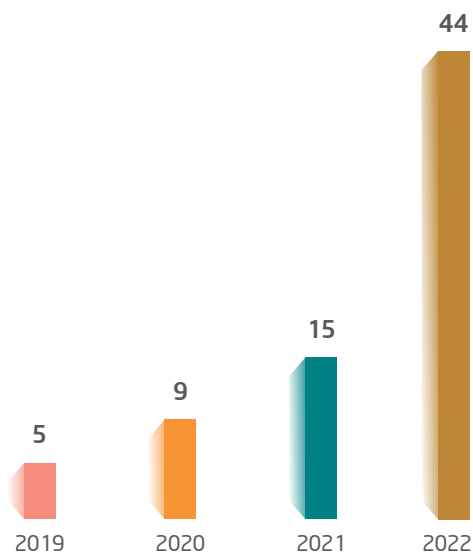
**Share of Poultry Insurance in Total Premium**  
(2022, %)



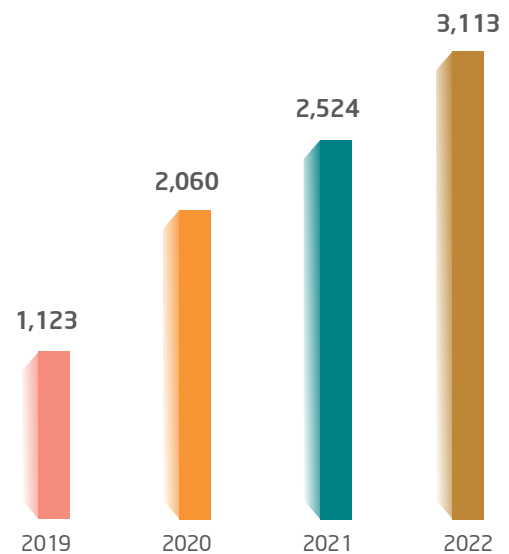
**Sum Insured**  
(TL million)



**Total Premium**  
(TL million)



**Number of Policies**



## Scope of Cover and Covered Risks

Save for the exclusions listed in the General Conditions, cover is provided within the frame of General Conditions and Tariff & Instructions for direct material losses to be suffered by the insured for poultry grown in closed sheds with bio-safety and hygiene measures in place and for poultry grown in open and semi-open systems, which are registered in the Registry Systems of the Ministry of Agriculture and Forestry, against death, destruction and obligatory slaughter due to:

- Any poultry disease,
- Accidents and poisonings,
- Failures of generators, fans and similar equipment,
- Any natural disaster,
- Fire and explosions.

Optionally, at premises with negative Salmonella test results, and subject to an additional premium, cover is provided within the frame of General Conditions and Tariff & Instructions for direct material losses to be suffered by the insured against death and obligatory slaughtering due to:

- pullorum, and
- fowl typhoid (hen typhoid).

	Number of Policies	Sum Insured (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Paid Loss (TL)*
<b>2019</b>	1,123	438,439,309	5,257,668	2,628,832	1,491,500
<b>2020</b>	2,060	1,138,079,723	9,370,127	4,685,060	1,341,067
<b>2021</b>	2,524	1,749,504,098	15,010,833	7,505,413	1,086,636
<b>2022</b>	3,113	5,270,729,480	43,972,799	21,986,396	3,982,510

\* Includes loss adjustment expenses but excludes outstanding amounts.

### 2019

Number of Policies	61.4%
Sum Insured	54.6%
Total Premium	51.6%

### 2020

Number of Policies	83.4%
Sum Insured	156.6%
Total Premium	78.2%



### 2021

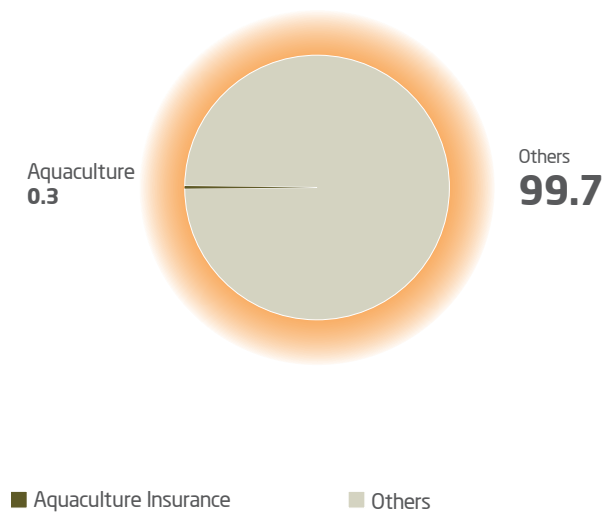
Number of Policies	22.5%
Sum Insured	53.7%
Total Premium	60.2%

### 2022

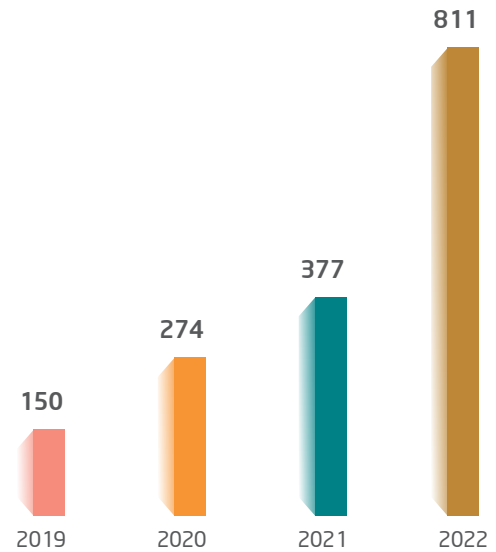
Number of Policies	23.3%
Sum Insured	201.3%
Total Premium	192.9%

## Development of Aquaculture Insurance by Years

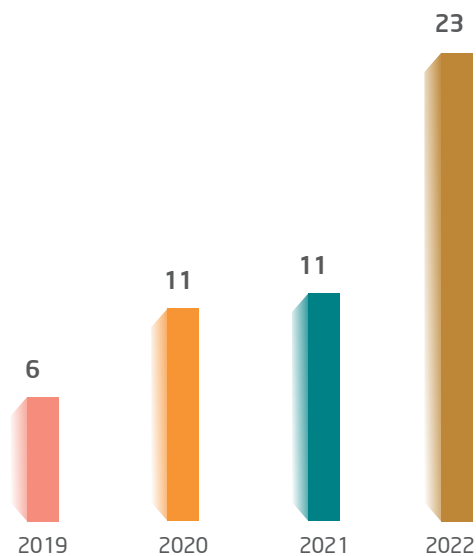
**Share of Aquaculture Insurance in Total Premium (2022, %)**



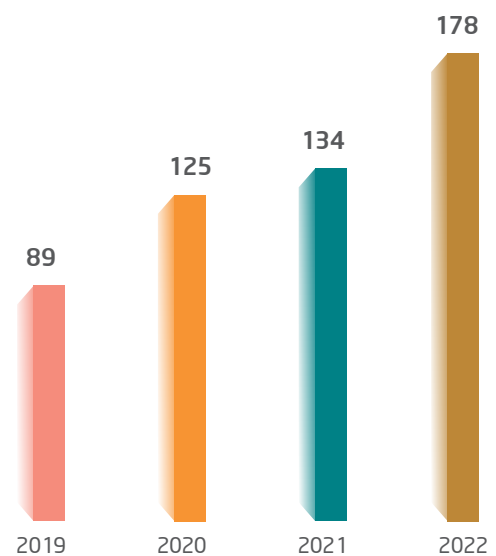
**Sum Insured (TL million)**



**Total Premium (TL million)**



**Number of Policies**



## Scope of Cover and Covered Risks

For trout, bream, seabass and mackerel grown in the seas and internal waters registered in the Aquaculture Register and other fishes included in the insurance cover, insurance cover is provided within the frame of General Conditions and Tariff & Instructions for material losses, deaths and physical losses directly suffered by the insured due to:

- Any disease which are not included in the exclusions specified in the General Conditions,
- Pollution and poisoning beyond fish farmer's control,
- Storm, whirlwind, earthquake, flood and inundation risks,
- Accidents,
- Predators,
- Algae bloom.
- Fish transfer between cages/ponds.

In addition, optional insurance cover is provided upon risk investigation and evaluation to be performed against an additional premium for material losses to the nets and cages admitted to the insurance due to:

- Storm, whirlwind, earthquake, flood and inundation risks,
- Accidents,
- Predators,
- and direct losses resulting from theft or attempted theft to insured aquaculture at the address specified in the policy and to cages and nets, if included in the policy.

	Number of Policies	Sum Insured (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Paid Loss (TL)*
<b>2019</b>	89	149,768,845	6,232,549	3,116,274	4,014,807
<b>2020</b>	125	274,101,717	10,618,625	5,309,312	760,032
<b>2021</b>	134	377,375,682	11,467,482	5,733,741	1,047,875
<b>2022</b>	178	810,638,947	23,444,219	11,722,109	7,084,574

\* Includes loss adjustment expenses but excludes outstanding amounts.

### 2019

Number of Policies	-16.8%
Sum Insured	-2.9%
Total Premium	-10.6%

### 2020

Number of Policies	40.4%
Sum Insured	83.0%
Total Premium	70.4%



### 2021

Number of Policies	7.2%
Sum Insured	37.7%
Total Premium	8.0%

### 2022

Number of Policies	32.8%
Sum Insured	114.8%
Total Premium	104.4%

*"Everyone should obtain agricultural insurance to guarantee their future. We purchased it from TARSİM, I recommend them to everyone."*

**Ertan GÜLEN**  
**Sakarya**  
Corn Producer



## 2022 ACTIVITIES

# 2022 Activities

The Board of Directors of the Agricultural Insurance Pool (TARSİM) held 19 meetings in 2022; the decisions passed and actions taken are described in detail below.

1. Regulatory Activities
2. Technical Activities
3. System-Related Initiatives
4. Activities Related to Regional Directorates
5. Claims Processes and Loss Adjustment Activities
6. Publicity and Corporate Communications
7. Staff Training
8. Reinsurance and Foreign Relations
9. Customer Services and Complaints Handling
10. Other Activities and Operations

## 1. REGULATORY ACTIVITIES

Products and risks to be covered in 2022 were determined by the Presidential Resolution based on the suggestions of the Board of Directors of the Pool (TARSİM).

According to the resolution, products, risks and regions to be covered and premium support rates are as follows:

- For crop insurance, the followings are taken under guarantee:
- Losses caused by frost risk which will have impact on re-planting during seedling and foliation periods of sugar beets produced in open fields, pumpkins produced for seeds, tomatoes, peppers and eggplants,
- Hail net and wire support systems and losses caused by "snow weight" risk for products under these systems,
- Losses caused by collision of land, air and sea vehicles on insured crops, fruit trees, tea plants and grapevines and their saplings, decorative plant saplings, hail nets and wire support systems,

- Frost risk for fruit saplings and grapevine saplings was taken under guarantee within the scope of tree sapling insurance.
- For district-based drought crop insurance;
- Threshold crop value was increased from 70% to 80%.
- Government Premium support rate was increased from 60% to 70% for one year.

### For revenue protection insurance;

- Revenue protection insurance for wheat was implemented in all districts of Konya province.

For greenhouse insurances;

- Machinery, fixtures, equipment and technical gear which are outside the greenhouse but fixed and protected essential components of the greenhouse are taken under guarantee on an optional basis based on risk review and assessment.
- Based on the coverage of the policy, a one-time payment of TL 250 for repair of the cover was implemented for small tears and / or punctures on the insured soft plastic cover after the inspection and decision of the Agricultural Insurance Pool loss adjuster that states that the cover can be repaired by greenhouse tape.

For livestock insurances;

- Abortion coverage was removed in sheep and goats insurance.
- For bee hives insurance, black hives registered in Beekeeping Record System (AKS) were taken under insurance coverage.
- For bee hives insurance, condition of minimum 30 hives for acceptance into the insurance was removed.
- In addition to 50% state premium support in all insurance branches, other state premium supports continued in specific insurance types, such as 2/3 (66.7%) for frost risk premium for oil roses, sugar beets, seed pumpkins, tomatoes, peppers and eggplants, 70% premium support for district-based drought insurance and 60% premium support for revenue protection insurance.



## 2. TECHNICAL ACTIVITIES

### 2.1. Actuarial Activities

#### In crop insurance,

actual insurance data for the years between 2006 and 2021 were analyzed on the basis of crops, risks and locations; vulnerability classifications of crops by risks, danger zone codes for villages, deductibles and co-insurance rates were assessed and revised as necessary for implementation in 2022. In line with this;

- Frost and hail vulnerability classifications were revised for specific crops depending on cumulative loss/premium ratios.
- Tariff price for flood and inundation was revised.
- Lemongrass, immortelle, okra (certified seed), hemp (seed and fiber) and farro wheat crops were taken under coverage.
- Exemption rate of 10% was reduced to 8% for hot air loss coverage.
- In fire and earthquake risks, exemption rate was increased from 0% to 8%, co-insurance rate was reduced from 10% to 0%.
- For wild boar losses, exemption rate which was 0% was determined as 8% and co-insurance rate was reduced from 30% to 0%.
- Exemption rate for bird loss coverage applied to sunflower product was increased from 0% to 8% and co-insurance rate was reduced from 20% to 0%.
- Rain coverage for figs was increased from 0% to 8% and co-insurance rate was reduced from 30% to 0%.
- Co-insurance rate for frost coverage in apricots was reduced from 40% to 35%.
- For low tunnel insurance, discount applied for hail and hail quality loss coverages which was 10% was increased to 20% for crops raised in low tunnels.
- List price for landslide coverage was reduced.

#### In greenhouse insurance,

Co-insurance rate of soft plastic cover for hail, landslide, earthquake, vehicle impact, storm, tornado, flood, high water and hail weight was reduced from 20% to 10%.

- "Snow Weight Altitude Factor" was added in determining snow weight risk list price considering the altitude of the greenhouse.

- Tornado risk tariff price was revised.
- Discount was made in tariff price of hail risk.
- Discount was made in tariff price of storm risk.
- Discount was made in tariff price of flood and inundation.

#### In cattle insurance,

- Discount was made in comprehensive tariff price of fattening and milk cattle by 16%.
- Discount was made in narrow-scope tariff price by 16%.
- Discount was made in theft coverage premium price by 16%.

#### In sheep and goats insurance,

- Discount was made in comprehensive tariff price by 16%.
- Discount was made in narrow-scope tariff price by 16%.
- Discount was made in theft coverage premium price by 16%.
- Co-insurance rates applicable in comprehensive tariffs were revised.

#### In aquaculture insurance,

- Discount of 12% was made in tariff premium price of policies with exemptions based on cage/pond.
- Discount of 12% was made in tariff premium price of policies with exemptions based on sum insured.
- At all insurance branches, 5% "Farmer with Disability Discount" was implemented on policy premium for those farmers with 40% or more disabilities.

#### Projects:

The followings were realized within the scope of projects conducted in 2022:

#### In crop insurance;

- In 2022, processes were parametrically structured to be rapidly adaptable to current changes through "automatic file closing" validation and updating project within the scope of analytical modeling project using **SAS Enterprise Miner and Analytics Pro** programs.
- Within the **Policy Risk Scoring Validation and Update** project, activities continued for early identification of files with high

## 2022 Activities

probability of claim from updated production scores, for use of existing information at risk analysis stage, for use in speeding up operational processes in determination of premium list prices.

- For **Crop insurance**, with validation and update project of claim file scoring model, accuracy coefficient of those scores were tested. Additional parameters were defined to increase accuracy coefficient. Activities continued to use score results in operational processes.
- As a result of activities for **revenue protection insurance**, Presidential Resolution, General Terms, Tariffs and Instructions were approved and implemented.
- R&D and actuarial studies were completed for changing coverage start date from flowering stage to pink white bud stage for cherry and sour cherry crops.

### 2.2. R&D studies

#### R&D Field Studies

Revisions to last harvest, policy first and last acceptance dates, policy periods, crop unit prices and yield parameters of some crops based on findings during field studies were made and defined in **TARSİM** system in accordance with demands from TARSİM Regional Directorates, stakeholder institutions and organizations and producers.

During the year, types of crops demanded which are insured were defined in **TARSİM** system and policies were established for those types.

Within the framework of expanding the scope of insurance, crop and risks specific to crop were reviewed at the production areas to obtain parameters required to include lemongrass, immortelle, okra (certified seed), hemp seed (seed and fiber), flower bulbs (lilium) and farro wheat under coverage. Date, price and yield parameters of these products were defined in **TARSİM** system and policies can be issued within the scope of Crop Insurance. Test studies on some products which were taken under coverage as of 2022 and risks were conducted at important production areas. During these studies, activities were conducted on some existing products besides the new products. Within the scope of expanding the scope of coverage, potential risks and measurability of risk were identified during the drying period of sugar beet certified seed crop which is sown and left in the field after maturity to dry. Accordingly, coverage was expanded to include drying period of the sugar beet certified seed crop. Product and product-

specific risk analyses studies were conducted at the production fields to prepare necessary parameters to take farro wheat, lupin, mastic shrub, jojoba, thorn and carob trees under coverage in 2023.

#### R&D Project Studies

- **Research of Impacts of Climate Changes on Future Climate Risks (Climate Extremes)**

A project has started in collaboration with Istanbul Technical University (İTÜ) Faculty of Aeronautics and Astronautic, Department of Meteorological Engineering with the purpose of identifying how potential temperature, rain and wind speed meteorological factors resulting from future climate changes may impact climate extremes (extreme weather events) and analyzing potential climate risks (extreme weather events) from an agricultural and meteorological perspective. Project is conducted in locations in Muğla, Mersin, Adana, Hatay, Konya provinces and districts.

- **Presenting Factors Affecting Yield in Apricots Produced in Malatya and Measurability of Those Factors**

The project conducted in collaboration with Malatya Turgut Özal University Faculty of Agriculture and Malatya Apricot Research Institute which was coordinated by Konya Selçuk University Faculty of Agriculture, aimed to identify factors affecting yield in apricot crop and their measurability. As a result of this project, factors impacting yield and connection of these factors with each other were put forward, connection between these factors were modeled and location-based yield values were obtained.

- **Presenting Impact of Frost Harm during the Sapling Period of Vegetables on Yield and its Measurability**

The Company coordinated with Alata Horticulture Research Institute for the project studies aiming to put forward the measurability of the impact of frost harm during the sapling period of vegetables. The results of the projects were reported, these results were evaluated from a technical and actuarial perspective and scope of frost coverage on vegetables were re-considered. The Company coordinated with Alata Horticulture Research Institute to determine the impact of flood and inundation on yield and quality of pepper crop and its measurability. Training organizations were conducted to use the information stated at the result report in risk analysis and claim detection transactions.

- **Research on the Impact of Negative Climate Conditions on Fruit Setting and Yield during the Blooming Period of Olives (Heat, Precipitation) and its Measurability**

Project studies started on determining measurability of impacts of negative climate conditions during the blooming period in our country's major olive production areas on fruit setting and yield and indicative methodology to differentiate the impact on fruit setting from losses due to diseases, pests and other losses. These studies were coordinated by Konya Selçuk University Faculty of Agriculture and conducted by İzmir Olive research Institute and Yalova Atatürk Horticulture Center Research Institute in olive production areas in Marmara and Aegean Regions.

- **Wheat Price Modeling and Scenario Analyses**

TARSİM "Wheat Price Modeling and Scenario Analyses" project conducted by Middle East Technical University (METU) was completed. Models and results of the project is being used in revenue protection insurance applications as targeted.

### 3. SYSTEM STUDIES

- "TARSİM Filebox" file sharing platform was prepared and implemented for safe transfer of large files outside the organization
- Audit and certification process was successfully completed within the scope of ISO 27001 ISMS activities structured each year.
- "Phishing" simulation application started to be used within the scope of cyber security activities. Hence, harmless phishing attacks were sent to employees, their actions were monitored, reported and security gaps resulting from users were proactively tested. Additionally, online awareness trainings were sent to users automatically.
- Periodic penetration tests were conducted and actions were taken based on results.
- Personal computers used by employees were renewed and efficiency increased.
- Adjustments to central applications, web pages and corporate mobile were made in accordance with 2022 legislation in State Supported Agricultural Insurance System.
- Adjustments were made to save policy-based land drawings with the purpose of reducing the impacts which may occur from changes in numerical drawing information of agricultural lands.
- Revisions were made to "Loss Adjuster Performance" system which is a part of adjuster appointment processes by adding new parameters.

- Coop risk-claim adjustment processes were moved to mobile application and efficiency increase was achieved.
- Various integrations were made by evaluating requests from stakeholders.
- Systematic controls were added to cattle and sheep&goats insurance report review process, hence prevention of user based errors was achieved and process was improved.
- Call center applications were updated, user-friendly interfaces were set and detailed reports were enabled.
- Crop risk analysis processes were revised, approval/ denial transactions were allowed to be made automatically.
- In field activities within the scope of **village-based drought yield insurance**, transition to bar code system was realized. Thus, weighing processes and claim calculation processes were accelerated.
- Supplemental needs caused by unit price changes were automatically made.
- **Crop insurance** claim process and claim supplemental transactions were performed by the system.
- Request management system was improved by connecting to processes.

### 4. ACTIVITIES RELATED TO THE TARSİM REGIONAL DIRECTORATES

Activities were carried out to set the standards for the tasks and procedures of the TARSİM Regional Directorates, and to coordinate and ensure uniformity in procedures performed jointly.

### 5. CLAIMS PROCESSES AND LOSS ADJUSTMENT ACTIVITIES

#### 5.1. Claims Processes for Crop Insurance and Greenhouse Insurance

- In **Crop Insurance**, the number of claims notifications received was up by 3.2% year-over-year, and 2022 ended with 310,012 claims notifications.

Based on the reasons of notifications, hail damage ranked first with 102,885 notifications that accounted for 33.2% of all claims notifications, followed in second place by 82,707 frost damage notifications that made up 26.7% of all claims notifications.

## 2022 Activities

According to the breakdown of frost damage notifications, wheat took the top spot with 19,899 notifications.

On the basis of frost notifications received according to crops, hazelnut, apricot and grape crops took the top three spots with 55,567 notifications in total.

On the basis of all notification reasons, the notifications received for hazelnut, wheat, sunflower, apricot, barley and corn produce, in order, made up 67.1% of all notifications with 208,265 notifications in total.

The provinces where claims notifications concentrated were, in order, Giresun, Ordu and Tokat.

Notifications received from the top five provinces added up to 138,577, which made up 44.7% of all claims notifications.

In **Greenhouse Insurance**, on the other hand, 11,395 notifications were received. Of these notifications, 6,242 were triggered by hail and constituted 54.7% of all losses.

### 5.2. Claims Processes for Livestock Insurance

The number of notifications received in **Livestock Insurance** branches totaled 266,979 as at year-end. In terms of the reasons of claims notifications, diseases gained the foreground in **Cattle, and Sheep & Goats Insurance** branches, whereas natural disasters, accidents and diseases were the main reason in **Aquaculture and Poultry Insurance** branches, as natural disasters led by flood and inundation, diseases and fires came to fore in **Beekeeping Insurance** branch. When compared with the previous year, there was an approximately 9.66% rise in the number of claims notifications, in line with the increase in premium production and the number of insured livestock. Throughout the year, 943 loss adjusters were assigned to ascertain the losses in relation to **Livestock Insurance**. Claims paid in Livestock Insurance in 2022 increased by 52% compared with prior year and reached TL 838 million.

### 5.3. Loss Adjustment Activities for Crop Insurance, Greenhouse Insurance and Village Based Drought Yield Insurance

- Claims notifications and risk ascertainment processes have been evaluated, and 1,067 loss adjusters have been assigned for a total of 785,582 files using the automatic loss adjuster assignment system.
- Assignments for loss adjustment and risk ascertainment in crop insurance, greenhouse insurance and village based drought yield insurance branches were made according to the loss adjuster performance system data.

- The loss adjuster mileage tracking application is used to verify the data on the distance (km) covered by the loss adjusters on the days they are on assignment by reason of their loss adjustment and risk ascertainment duties. The application automatically calculates the distance (km) travelled by a given loss adjuster on a day he/she is on assignment and the fee is displayed on the screen.
- Field audit for the loss adjustment activities performed have been carried out by the loss adjuster real-time monitoring application, which allows viewing the location of a given loss adjuster and the files for which he is undertaking assessment during his/her activities on a real time basis.

## 6. PUBLICITY AND CORPORATE COMMUNICATIONS

Activities were carried out under the below headings in an effort to increase awareness and prevalence of TARSİM among producers, growers and other stakeholders:

### 6.1. Publicity and Information Meetings

### 6.2. Sponsorships and Special Projects

### 6.3. Media Relations

### 6.4. Advertising, Printed Materials and Promotional Materials

### 6.5. Social Network Initiatives

### 6.6. Sales Channel and Loss Adjuster Trainings

The initiatives carried out under these headings were intended to:

- Promote **TARSİM** across the country, strengthen insurance awareness among producers engaged in agricultural production, ensure increase in the rate of insurance ownership, and boost the corporate reputation of TARSİM before producers and stakeholders,
- Cement the perception that **TARSİM** is the only authorized body for agricultural insurance in our country, and that it is established to provide service to producers,
- Drive the recognition that **TARSİM** is an exemplary, reliable and reputable organization in the agricultural and insurance sectors in our country and in the world,
- Promote new products, practices and opportunities, with a special focus on the **government subsidy**,
- Eliminate the existing or possible misperceptions and unfavorable opinions about the **System**.

### 6.1. Publicity and Information Meetings

403 meetings were held in provinces, affiliated districts, villages and sub-districts across Türkiye, where the System and related implementations were addressed, along with the novelties introduced in 2022.

Publicity meetings were attended by producers, growers, representatives from the Provincial/District Agriculture and Forestry Directorates, related non-governmental organizations, research institutes, chambers of agriculture, farmer unions, offices of governors and district administrations, along with agricultural consultants, mukhtars of quarters and villages, loss adjusters and agencies.

#### Visits to Stakeholders

Throughout the year, 5,452 visits were paid to stakeholder organizations by representatives from the General Directorate and Regional Directorates, during which information about TARSİM and its practices was offered. The visits paid concentrated mostly on Provincial/ District Agriculture and Forestry Directorates, agencies and provincial-district offices of insurance companies, agricultural credit cooperatives, chambers of agriculture, banks and unions.

#### Visits to Villages

Throughout the year, 7,093 visits were paid to villages by representatives from the TARSİM Regional Directorates, where information about TARSİM and its practices was offered.

### 6.2. Sponsorships and Special Projects

Sponsorships were granted and various special communication projects were conducted to enhance corporate reputation, increase the visibility of TARSİM brand, fulfill social responsibility, and maintain efficient communication with the stakeholders.

#### 6.2.1. Sponsorships

##### A Para TV "World of Agriculture" Program

"World of Agriculture" Program at A Para TV was aired in 21 episodes with the sponsorship of TARSİM to bring current developments in agricultural sector of our country, contributions of technology to the sector and brand new practices in agricultural insurance to meet with viewers. The program was aired in each Friday of July, August, September, October, November, December 2022 and January,

February and March 2023 at 15:30. The program includes informative conversations with TARSİM authorities and interviews with producers and breeders.

##### A Haber "Information Screen"

"Agricultural Information Screen" was aired for 21 weeks at a Haber TV to bring current information, developments and new practices related with State- Supported Agricultural Insurance System to be viewed by the audience and to increase and expand the recognition of the system. The program was aired in July, August, September, October, November, December 2022 and January, February and March 2023 for 70 seconds in 3 times a week. The program includes informative conversations with TARSİM authorities and interviews with producers and breeders.

##### NTV "Vision" Program

"Vision" Program was aired for 20 episodes at NTV with the sponsorship of TARSİM to provide information on current developments, applications about agricultural insurance and its contributions to the sector. Program was aired between December 2021 and November 2022 on week days and Saturday at 15:30. The program includes informative conversations with TARSİM authorities and interviews with producers and breeders.

##### Mavi Karadeniz TV "Insurance Diary" Program

"Insurance Diary" Program which is broadcasted live at Mavi Karadeniz TV every Monday at 18:10 with the sponsorship of TARSİM was on TV for 4 months in March, April, May and June. These programs included 2 strip ads, TARSİM public service ads / ad spots and guest participations to inform viewers about agricultural insurance.

##### 2<sup>nd</sup> Turkish Farmers Summit

At the 2<sup>nd</sup> Turkish Farmers Summit organized on 26 September 2022 at Turkuvaz Media Center in İstanbul with the participation of Republic of Türkiye Minister of Treasury and Finance Dr. Nureddin NEBATİ, TARSİM sponsored the "Sustainable Agriculture" panel and contributed to promotion and expansion of TARSİM.

##### Produce for your Country Panel

"Produce for your Country Panel" which was organized in Ankara by Anatolian Impressions Magazine on 28 November was supported, thus contributing to promotion and expansion of TARSİM.

## 2022 Activities

### Applied Mathematical Institute 20<sup>th</sup> Year Workshop

"Applied Mathematical Institute 20<sup>th</sup> Year Workshop" organized by METU was supported, thus contributing to promotion and expansion of TARSİM.

### Turkuvaz Medya Group "Türkiye 2023 Summit and A Para Talks"

"Türkiye 2023 Summit and A Para Talks" organized by Sabah Newspaper and A Para, the economy channel, at Turkuvaz Media Center with the participation of President Recep Tayyip ERDOĞAN through a video message was sponsored by TARSİM, thus contributing to promotion and expansion of TARSİM.

### National Fruit Growing Symposium

"National Fruit Growing Symposium" organized by Fruit Growing Research Institute of Agricultural Research and Policies General Directorate between 27 and 30 September in Isparta was supported, thus contributing to promotion and expansion of TARSİM.

### 10<sup>th</sup> National Vine Cultivation and Technologies Symposium

"10<sup>th</sup> National Vine Cultivation and Technologies Symposium" organized between 3-7 October in Manisa by Vine Cultivation Institute of Agricultural Research and Policies General Directorate was supported, thus contributing to promotion and expansion of TARSİM.

### 14<sup>th</sup> International Citrus Fruit Congress

The congress organized by Mediterranean Fresh Fruit and Vegetables Exporters Association, Çukurova University and National Citrus Fruit Council between 6-11 November in Mersin had the theme "Restructuring in Citrus Fruit: Strong Connections- Better Future". The congress was opened by the Minister of Agriculture and Forestry Prof. Dr. Vahit KİRİŞÇİ; 500 researchers and academics from 30 countries participated the event. This was a great contribution to promotion and expansion of TARSİM.

### Turkish Salmon Workshop

"The 1<sup>st</sup> Turkish Salmon Workshop" organized for the first time in Türkiye by Sinop University Faculty of Aquaculture and Aquaculture Producers Association of Samsun and Sinop took place between 3-6 October in Sinop with the participation of representatives of the

sector and world of science. The event was sponsored by TARSİM, thus contributing to promotion and expansion of TARSİM.

### International Insurance Fair

"Agricultural Insurance Applications in the World" panel at "International Insurance Fair and Congress" held in Antalya between 3-5 March was supported by TARSİM. Many domestic and foreign sector representatives attended the event, thus contribution was provided for promotion and expansion of TARSİM.

### 14<sup>th</sup> SÖS Annual Project Assessment Meeting

"14<sup>th</sup> SÖS Annual Project Assessment Meeting and 12<sup>th</sup> Accounting Training Meeting" was held in Antalya between 7-11 March within the scope of Herd Book, Pre-Herd Book and Sperm Control Projects conducted by collaboration of Ministry of Agriculture and Forestry and Central Association of Turkish Breeding Cattle Breeders and Minister of Agriculture and Forestry Prof. Dr. Vahit KİRİŞÇİ joined the meeting online. Event was supported by TARSİM, thus contribution was provided for promotion and expansion of TARSİM.

## 6.2.2 Special Projects

### TARSİM AIAG Commercial Film

TARSİM commercial film was prepared for the AIAG İstanbul Congress hosted by TARSİM which took place in İstanbul between 13-15 June. Farmers' labor was emphasized at the commercial with "Our farmers are indispensable, labor is not compromised with TARSİM" and "We are here so that our farmers will be present in our future" messages stressing that farmers are the guarantee of our future and TARSİM is the guarantee of farmers.

### Farmer Stories

In 2022, "Farmer Stories" project started to promote our country's rich agricultural product pattern, to be part of the stories of our farmers' who shape every stage of agricultural production with a huge amount of effort and labor and to draw attention to importance of agricultural insurance for the continuity of agricultural production. Within the scope of the project, a professional production team shot the film at 16 different locations and dates across Türkiye. Stories of insured producers and breeders, their experiences of agricultural insurance, scenes from their daily lives were shown in these short



movies accompanied with visual feast of harvest and production. Shootings took place in Ankara, Karaman, Malatya, Bursa, Edirne, Van, Samsun, Giresun, Adana, Manisa, Kayseri, Sakarya, Erzurum, Aydın, Şanlıurfa and Antalya. Stories of producers and farmers who have crop, cattle, sheep and goat, poultry, aquaculture, bee hives and greenhouse insurances were shared with videos through social media accounts and corporate web site of TARSİM.

### TARSİM 360

Corporate internet portal TARSİM 360 aims to keep the energy of the company dynamic, to strengthen employees' communication with each other, to establish an effective communication network and to have team integration. Included in TARSİM 360 which became active in 2022 are current corporate news, announcements, corporate policies, presentations, weather forecast, maps, traffic and first aid information, pharmacies on duty and surveys to increase employee satisfaction. The platform which is also a social network having daily fun facts can only be used by employees of TARSİM.

### 7<sup>th</sup> National Photography Competition

With the contributions of Association of Photography Organizations (FOTON), a photography competition was organized for the 7<sup>th</sup> time with the subject "Agriculture in Türkiye". The purposes of the photography competition was to emphasize the importance of agricultural operations, to draw attention to potential negative results of interruption of these activities, to increase awareness of farmers across the country about agricultural insurance and to expand the use of these insurances. At the competition, "Başçiftlik White Registered Seed" by Mustafa KILINÇ took the first place while "Lavender Field" by Aygül HARMANCI took the second and "Spraying" by Alişan HAYIRLI the third place. Mention awards were presented to Gürsel Egemen ERGİN for "Conscience in Palm", to Mustafa DİNÇ for "Apple Growers" and to Özge ASLANKARA for "At the Orange Orchard". For exhibition, 30 photographs were selected from applications and awards were presented to those.

### TARSİM Flower Digital Assistant

Questions of farmers and stakeholders about the system are closely monitored and preparations continued to launch TARSİM Flower application which is the digital assistant of TARSİM which aims to answer those questions instantly without time and place restrictions.

### TARSİM Digital Academy

TARSİM organizes online trainings without time and place restriction for loss adjusters, agencies and employees for the purpose of increasing and updating their knowledge since 2016. The interface and infrastructure of TARSİM Academy where these trainings are prepared and managed was updated. In this context, new training videos, exams and surveys will be integrated to the platform, studies are conducted to provide assignment and reporting features based on each item.

### 6.3. Media Relations

Briefings were provided regularly to public through media.

#### Press Releases

Fifty five press releases were served in national and regional press on products, insurance branches and current agenda. Accordingly, a total of 3,565 releases were published at printed media and internet sites during the year, 385 in January, 464 in February, 267 in March, 236 in April, 255 in May, 518 in June, 74 in July, 219 in August, 277 in September, 536 in October, 141 in November and 193 in December.

Topics of press releases served on a monthly basis are presented below:

#### January

- TARSİM attended the Evaluation Meeting of Workshops with the Topic "Climate Change and Agriculture" .
- TARSİM will Continue Growing in 2022
- Bekir ENGÜRÜLÜ, Assistant General Manager of Ministry of Agriculture and Forestry Agricultural Reform and Member of Board of Directors of TARSİM was the Guest of NTV "Vision" Program
- TARSİM: the Last Date for Insurance of Hazelnuts is 28 February!
- TARSİM became an Institution that our Farmers Embraced and Trusted
- TARSİM: "TL 92 Million will be Paid to Producers for their Claims"
- TARSİM Announced that TL 92 Million will be Paid to Producers for Their Claims Due to Effects of Snow

## 2022 Activities

### February

- Your Apple Crop is under the Guarantee of TARSİM!
- TARSİM: "TL 2.5 Billion Claim Payments were Made to Breeders"
- A Visit from TARSİM to Azerbaijan Agrar Insurance Fund
- A Visit from TARSİM Committee to Baku Embassy
- A Visit from TARSİM Committee to Azerbaijan Central Bank
- TARSİM Got Together with Agrar Insurance Fund's Member Insurance Companies
- TARSİM Committee's Visits in Azerbaijan Continue
- TARSİM: "Your Aquacultural Products, Cages and Nets are Under the Guarantee of TARSİM!"

### March

- TARSİM at International Insurance Fair and Congress
- TARSİM Stands by the Producers of Antalya
- Applications for TARSİM Photography Competition Started!
- TARSİM Continues its Activities at the Field
- TARSİM General Manager Serpil GÜNAL: "Claim Payments to Breeders Increased by 55%"

### April

- TARSİM Committee Attended the Loss Assessment Activities in Ordu, Trabzon and Giresun
- Claim Payment of TL 165 million from TARSİM to Greenhouse Farmers
- TARSİM Committee Investigated Damages to Apricots in Malatya

### May

- TARSİM General Manager Serpil GÜNAL: "Happy 14<sup>th</sup> May World Farmers Day to Our Farmers Who Produces and Create Value for the Soil"
- TARSİM General Manager Serpil GÜNAL: "Happy Insurance Week"
- TARSİM Committee at Şanlıurfa
- Results of TARSİM 7<sup>th</sup> National Photography Competition Announced

### June

- 36<sup>th</sup> International Agricultural Insurers Association (AIAG) Congress Hosted by TARSİM will be Held in İstanbul Between 13-15 June.

- 36<sup>th</sup> International Agricultural Insurers Association (AIAG) Congress is in İstanbul Hosted by TARSİM
- 36<sup>th</sup> International Agricultural Insurers Association (AIAG) Congress Continues
- TARSİM General Manager Serpil GÜNAL: "TARSİM is at the 4<sup>th</sup> Place in the World in Public-Private Sector Collaboration Model"
- 36<sup>th</sup> International Agricultural Insurers Association (AIAG) Congress was Realized in İstanbul Hosted by TARSİM
- TARSİM: "We Stand by Our Producers at Regions Affected by the Flood Disaster"

### July

- A Visit from TARSİM to Insured Businesses in Kastamonu, Amasya and Tokat

### August

- Livestock Breeder Received TL 5,300 of Insurance Claim Payment from TARSİM!
- A Visit from TARSİM to Insured Livestock Breeding Businesses in Çanakkale
- TARSİM Ar Audio Policy Application Received Award

### September

- Application for 2022 Agricultural Insurance Pool Loss Adjuster Pre-screening Exam Started
- TARSİM is Getting Ready for 2023 at Full Speed
- A Visit from the New Chairman of the Board of Agricultural Insurance Pool Burhan Demirok to TARSİM
- Insured Agriculture's New Issue Published!

### October

- Stakeholder Institutions in Mersin and Hatay Visited
- Farmers Becoming Conscious About Agricultural Insurance
- Drought Payment of TL 366 Million to Producers from TARSİM
- TARSİM Committee Joined Loss Adjustment Activities in Antalya
- TARSİM General Manager Serpil GÜNAL: "We Became Partners with Farmers in their Stories with our New Project"
- Revenue Protection Insurance Implemented Across Konya Province
- Last Days in Application for 2022 Agricultural Insurance Pool Loss Adjuster Pre-screening Exam!
- TARSİM Committee Held Visits in Switzerland and Spain



## November

- 2023 New Production Season Opened for Crop Insurance
- TARSİM Attended International Citrus Fruit Congress in Mersin

## December

- Kanat Company Visited TARSİM
- Get Well Visit from TARSİM to Kumluca and Finike
- TARSİM: “We Stand by Our Producers Affected from the Flood in Kumluca and Finike”

## Exclusive News (Interviews)

Exclusive news took place in printed media, on TV channels, and news agencies, which are named below:

- A Para TV (Güvenli Hayat [Secure Life] Program), Sigorta Life Magazine, Sigorta Ekranı (Insurance Screen) Program, Anadolu News Agency, Para Magazine, BEST Magazine, Sigorta Dünyası (Insurance World) Magazine, Bloomberg HT (Fokus [Focus] and Tarım Analiz [Agriculture Analyzed] Programs), Dünya Newspaper.

## Refutation, Information and Thank-you Letters

- 8 refutation and information letters were prepared for negative news or statements in the media, conveyed to related parties and followed up.

## Advertisements in the Press

**Ads were placed in the Anadolu İzlenimleri (Impressions from Anatolia) Magazine, Avrasya Tarım Ekonomistleri (Agricultural Economists of Eurasia) Magazine, Harman Time Magazine, Periodical of the Turkish Union of Breeding Animals and Cattle Growers, Ziraat Dünyası (World of Agriculture) Magazine, Tarım Kredi (Agricultural Credit) Magazine, Çiftçi ve Köy Dünyası (World of Farmers and Villages) Magazine, Sivassoft Magazine, Sabah Newspaper Takvim Newspaper, Yeni Şafak Newspaper Agriculture Supplement, Posta Newspaper and Para Magazine.** In addition, news articles and/or advertisements were published in the Sigortacı (Insurer's) Newspaper every month.

## Billboards

One billboard is placed in a location.

## Printed Materials, Promotional Materials

Brochures and posters for Subsidized Agricultural Insurance branches and for the individual products offered under **crop insurance** were produced and distributed to Regional Directorates.

## Sigortalı Tarım (Insured Agriculture) Magazine

The new editions of the biannual “Sigortalı Tarım (Insured Agriculture) Magazine” was prepared and posted on social media accounts and the corporate website.

## Annual Reports

Content development, typesetting, printing and distribution processes were planned and executed for the reports covering the activities of the Agricultural Insurance Pool and its Management Company during 2021 operating year.

## Promotional Materials

Promotional materials addressing producers, growers and stakeholders were manufactured and distributed as part of publicity activities.

## 6.5. Social Network Initiatives

Announcements were made, contents and videos were shared via Facebook, Twitter, Instagram, LinkedIn social networks and the YouTube channel addressing producers, growers and stakeholders.

The number of followers on corporate social network accounts as at year-end is presented below:

**Facebook:** 132,560

**Instagram:** 36,462

**Twitter:** 2,587

**LinkedIn:** 7,836

Topics of videos shared via social media accounts are as follows:

- What's New in 2022 Video
- 8 March International Women's Day Celebration
- 2021 Data Infographics

## 2022 Activities

- 23 April National Sovereignty and Children's Day Celebration
- Ramadan Feast Celebration
- Mothers' Day Celebration
- 14 May International Farmers Day Celebration
- 11<sup>th</sup> Insurance Week Celebration
- TARSİM Farmers' Stories Videos
- 30 August Victory Day Celebration

### 6.6. Sales Channel and Loss Adjuster Trainings

#### 6.6.1. Loss Adjusters Training

##### Crop Insurance Loss Adjusters Training

Development trainings were delivered for 1,030 loss adjusters. In January, trainings were organized in Mersin Alata Research Institute which was attended by 100 loss adjusters. Additionally, greenhouse training was realized in Bursa during the year. In these trainings, in addition to sharing information about district based drought productivity insurance, technical information was delivered on matters to consider in damage assessment and risk assessment practices.

##### Livestock Life Insurance Trainings

In 2022, Loss Adjuster Development Training was not delivered in Livestock Life Insurance Branch; plans were made to organize them in 2023.

##### Loss Adjuster Screening Test

A screening test was given on December 3<sup>rd</sup> by SEGEM (Insurance Training Center) in the provinces of Adana, Ankara, Erzurum, Giresun, İstanbul, İzmir, Malatya and Şanlıurfa for the Basic Loss Adjustment Training organized with the aim of fulfilling the need for loss adjusters to be assigned to risk review and loss adjustment in crop and cattle insurance branches. Candidates used the application form on [segem.org.tr](http://segem.org.tr) until November 4<sup>th</sup> to apply for the Screening Test.

##### Agricultural Insurance Pool Loss Adjuster Crop Production Basic Training Program

Preparations were made to organize Agricultural Insurance Pool Loss Adjuster Plant Production Basic Training to raise Agricultural Insurance Pool Loss adjusters which will be in the State-supported Agricultural Insurance System that will be held with Ministry of

Agriculture and Forestry's coordination and with collaboration of Insurance and Private Pension Regulatory and Supervisory Agency (SEDDK) and Agricultural Insurance Pool Company. The training will be held between 9-21 January at Mersin Alata Horticulture Research Institute. Candidates who were successful among a large number of people who took the Pre-Selection Exam for Agricultural Insurance Pool Loss Adjusters organized by Insurance Training Center (SEGEM) will take numerous lessons in 26 different sessions during the 13-day long training program in topics, auditing in loss adjusting, business and occupational ethics, communication and body language, general insurance knowledge, legal information about agricultural insurance, productivity and damage assessment applications for basic product types and damage assessment techniques to be applied at the field.

#### 6.6.2. Training for Insurance Companies and Agencies

##### E-Training for Agencies

"Subsidized Agricultural Insurance Training for Agencies", which is organized since 2010 for the agencies of insurance companies authorized to make insurance contracts on behalf of the Pool in order to build on the knowledge about the Subsidized Agricultural Insurance System, related legislation, operating principles and procedures, etc., and to offer better service to producers, is being coordinated by **TARSİM** and the **Insurance Training Center (SEGEM)** since April 2014.

Following the training organized using the e-learning method through the SEGEM Academy platform, participants took part in online exams, and users who succeeded qualified for receiving their certificates. A total of 15,473 people took part in the training programs held from 2010 through 2022. 280 people applied for the training sessions organized in 2022, out of which 156 people who got a score of 70 and higher in the e-exam were entitled to receive their certificates.

## 7. TRAINING

### 7.1. Employee Training

Training programs organized for employees are as follows:

- SEGEM Attendance-based Insurance Refresher Training
- Basic Occupational Health and Safety Training
- Occupational Health and Safety Refresher Training
- KVKK (Personal Data Protection Law) 360+ Awareness Training
- State of Emergency Team Training

- Labor Law and Social Security Training in Accordance with Current Legislation
- Basic First Aid Refresher and AED Training

Employees attended a total of 10 trainings/seminars; 4 hours of training per each employee was realized.

## 8. TECHNICS- REINSURANCE

- As per the Board of Directors decisions of the Agricultural Insurance Pool dated 27 October and numbered 2020/13, the **Pool's** reinsurance renewals have been finalized within the frame of the protocol signed with Türk Reasürans A.Ş., whose capital is fully provided by the **Republic of Türkiye Ministry of Treasury and Finance**.
- Changes associated with new and existing cover scopes were presented to reinsurers for information, necessary assessments for 2023 were made with the reinsurers, and concurrence was reached.
- Contacts were maintained regularly with foreign and domestic reinsurers and various organizations pursuing activities associated with agriculture. Information was exchanged on the new developments in agricultural insurance and technologies. During Mapfre Re and Munich Re's visits to TARSİM, meetings and field visits were realized.
- Within the scope of technical visits, "Loss Adjustment Seminar" was organized in Switzerland by the members of AIAG community (International Hail Insurers Association) on hail and frost risks, specific for strawberry crop, which are among the major risks in agricultural insurances. Representatives of TARSİM, Ministry of Agriculture and Forestry Agricultural Reform and Insurance and Private Pension Regulatory and Supervisory Agency (SEDDK) attended the "Frost and Hail Loss Adjustment Seminar in Strawberry Crops" between 18-20 May to exchange information. At the seminar, information was shared on loss adjustment methodology, loss adjustment was conducted at the field and results were evaluated.
- With the purpose of expanding the use of **revenue protection insurance**, United States, which is one of the best implementer of this insurance was visited between 29 August- 2 September, detailed information was received from American Ministry of Agriculture and related institutions about revenue protection insurances. In the light of technical information received from Kansas State University, a collaboration agreement was signed with METU and revenue protection insurance was studied academically. As a result of these studies, revenue protection insurance which was applied in Cihanbeyli, Kadınhanı and Karatay districts of Konya for only wheat crop since 2021 was implemented across whole Konya province for wheat crop.

- TARSİM participated the Loss Adjustment Commission Meeting of AIAG (International Agricultural Insurers Association) organized between 12-14 October. In this context, programs to be organized in the following years were discussed and it was agreed that AIAG loss adjustment seminar in 2024 to be made in Türkiye for hazelnut crop hosted by TARSİM. Afterwards, a courtesy visit was paid to reinsurer firms Scor and Swiss Re.
- TARSİM visited Spain, which has similar climate conditions and vegetation with our country and which is considered a successful country in agricultural insurance, to receive information about **greenhouse insurance**. Representative of Ministry of Agriculture and Forestry Agricultural Reform and Insurance and Private Pension Regulatory and Supervisory Agency (SEDDK) also participated this visit which was realized on 16-21 October. During these visits, developments in agricultural insurance, guarantees offered to farmers based on climate change and their scopes, greenhouse insurance, risk management in greenhouses and loss adjustment processes were discussed. Additionally, information was exchanged with Agroseguro and Mapfre Re about practices in Spain on loss adjustment at drought and state-private sector applications. Different types of greenhouses were visited in El Ejido region where there is a large number of greenhouses and information related with applications in Türkiye were shared.

## 9. CUSTOMER SERVICES AND COMPLAINT MANAGEMENT

Activities to direct requests, complaints and suggestions to related units, to deliver answers accurately and completely to producers and growers are conducted to maintain customer satisfaction at the highest level. Projects are being developed and various activities are conducted for shortening transaction periods, increasing service quality and improving processes in accordance with company targets based on applications and damage notifications from stakeholders. Farmers who have policies in crop, greenhouse and livestock insurance branches are provided the opportunity to send their loss notices and monitor loss adjustment, claim payments and claim file status from Customer Communication Center 24/7 without time and place restriction. 309,939 requests and 243,161 damage notifications were received by the Customer Communication Center and a total of 553,100 calls were responded.

### Communication Form

"Communication Form" at TARSİM internet site, TARSİM Mobile and BİP Hotline application prepared to respond to customer requests was updated to include a breakdown of unit, topic, sub-topic, province, district, source, type of customer, etc.

## 2022 Activities

### Re-establishment of Request Entry and Update Screens

"Call Entry" and "Call Update" screens which are used to record customer requests and manage all transactions related with those requests were updated; "Request Entry" and "Request Update" screens were established which have user-friendly and practical features to receive accurate customer requests and include a breakdown of unit, topic, sub-topic, province, district, source, type of customer, etc. to receive accurate customer requests, reporting and analysis. Request history and contact history spaces were set at related screens. With request history, all transactions related with a customer requests can be accessed from a single screen and with contact history all detailed requests from a customer through all channels can be accessed from a single screen. Thus, operational processes became more efficient.

### SEDDK Application and Complaint Operations Report

In accordance with Article 9, paragraph 1 of "Circular on Application of Regulation on Disclosures for Insurance Policies" dated 29 April 2022 issued by Insurance and Pension Regulation and Supervision Agency (SEDDK), "Application and Complaint Operations Report", related with operations conducted by TARSİM, was prepared quarterly starting in July when the circular became effective.

### Survey Project

Survey calls are being conducted via Call Center channel with the purpose of measuring customer satisfaction in claim and risk processes for livestock life, **crop and greenhouse insurance** branches. In livestock life insurance branch 61,166 calls, in crop insurance branch 21,119 calls and in greenhouse insurance branch 6,268 calls were made, which adds up to a total of 88,553. As a result of these calls, 45,893 insured farmers were reached, an average of 89% satisfaction rate was achieved for claim and risk processes of all branches.

### Policy Renewal Notifications Through IVR System

For active continuing policies in **livestock, crop and greenhouse insurance**, automatic policy renewal calls were made through IVR system 15 days before the policy expiration date to increase customer satisfaction and provide active customer notifications; "Policy Renewal Notifications Through IVR System" project was moved to live system.

### NPS (Net Promoter Score) from IVR System Project

Conducting surveys were enabled by directing customers to IVR system after their calls to **TARSİM** Call Center end with the purpose of evaluating the call center and customer representative via keying method to determine customer satisfaction and to measure "Net Promoter Score".

### Call Center- TARSİM Regional Management Integration

System development was completed that allows incoming calls via Call Center to be directed to related Regional Offices to reduce operational processes in business flows, to provide rapid access to customer requests, to respond to farmers' requests, suggestions and complaints rapidly and effectively. These developments were moved to live system as of 23 December.

### Incomplete Document Notification Project

"Incomplete Document Notification Project" was moved to live within the scope of automatic SMS notifications related with obtaining required documents from farmers/breeders with open claim files. In this context, notification of documents for livestock life insurance damage reports are automatically made with SMS based on branches and cause of damage. In case of incomplete documents detected at claim file assessment stage, automatic SMS deliveries are made possible to obtain missing documents after related unit representative's marking of the missing documents.

## 10. OTHER ORGANIZATIONS AND ACTIVITIES

Visits to various organizations and stakeholders, attendance to sector and organization meetings were realized during the year.

### Climate Change and Agriculture Workshop

TARSİM participated the meeting for the evaluation of "Climate Change and Agriculture" workshops organized on 11 January in Ankara to make explanations on State Supported Agricultural Insurance System and its applications. A presentation on "Global Climate Change and Agricultural Insurances" was delivered at the meeting.

### Azerbaijan Agrar Insurance Fund Visit

A visit to Agrar (Agriculture) Insurance Fund in Azerbaijan was realized on 14 February. Agrar Insurance Fund started its operations in 2021 with the guidance provided to establish Turkish Agricultural Insurance System model at the sister country Azerbaijan. Information about continuing activities were presented during the visit.

### Baku Embassy Visit

Within the framework of Azerbaijan visit, TARSİM had reciprocal contacts with Republic of Türkiye Baku Embassy representatives on 14 February. Information was shared about the collaboration between two countries and activities conducted with Agrar Insurance Fund.

### Azerbaijan Central Bank Visit

Azerbaijan Central Bank was visited on 15 February. Information was shared about agriculture and insurance sectors in Türkiye and experiences on credit based insurances.

### Visit to Azerbaijan Agrar Insurance Fund Member Companies

TARSİM got together with representatives from member companies of Agrar Insurance Fund on 15 February. At the meeting exchange of views were made and experiences were shared about providing information to producers and breeders about agricultural insurances and increasing penetration in agricultural insurance area in Azerbaijan.

### Visit to Agro Dairy Firm

Within the scope of Azerbaijan visit, meetings with representatives of one of the leading grain producer having agricultural insurance Agro Dairy was realized; information was provided about crop insurance practices and experiences in Türkiye and obtained information about benefits agricultural insurance provided to the company.

### International Insurance Fair and Congress

TARSİM attended the International Insurance Fair and Congress organized in Antalya between 3-5 March. At the Congress, climate change and catastrophic risks, digital insurance and financial insurances topics were discussed; within the scope of information

was shared about climate change, catastrophic risks, TARSİM system, applications and results attained.

### Olive Project Preparation Meeting

On 17 March, Olive Project Preparation Meeting was organized in TARSİM's coordination at İzmir Olive Cultivation Research Institute Office to expand agricultural insurances, increase the level of satisfaction and to evaluate requests coming from the field rigorously. Representatives from Ministry of Agriculture and Forestry Agricultural Reform general Management, TARSİM, managers from Olive Cultivation Research Institute, academics and researchers attended the meeting.

### Visits to Ordu, Trabzon and Giresun

A visit was realized to Ordu, Trabzon and Giresun to inspect the frost damages on hazelnut crop which occurred on 19 March. Within the scope of the program, Agriculture and Forestry Offices of these provinces were visited and information about the activities were received.

### Malatya Visit

A visit was realized to Malatya and surrounding provinces to inspect the frost damages on apricot crop which occurred on 13-14 April. During the visits, exchange of information was realized about damages to apricot product and activities conducted around that area. Following the program, inspections were conducted with loss adjusters working in the apricot orchards which were damaged.

### Osmaniye Visit

A visit was realized to villages of Kadirli district of Osmaniye to inspect agricultural fields damaged after the hail event occurred on 23 May. Within the scope of the visit, information was shared about the importance of agricultural insurance.

### Insurance Week

For the 11<sup>th</sup> Insurance Week which is on the last week of May, TARSİM released a video message through its social media accounts to celebrate and published ads on this subject.

## 2022 Activities

### Şanlıurfa Visit

Within the scope of visits to expand State Supported Agricultural Insurance System around the country, a visit to Şanlıurfa was realized on 27 May. During the visit, an organization by Association of Şanlıurfa Insurance Agencies was attended and ideas exchanged about agricultural insurances.

### Frost Damage in Vegetables Project

“Frost Damage in Vegetables Project” was implemented under coordination of Ministry of Agriculture and Forestry in collaboration with Selçuk University Faculty of Agriculture and Mersin Alata Horticulture Research Institute to expand agricultural insurance and to increase satisfaction level.

### AIAG Congress

TARSİM hosted the 36<sup>th</sup> International Association of Agricultural Insurers Congress in Istanbul between 13-15 June which had 300 guests from 5 continents, 30 countries. Representatives from Ministry of Agriculture and Forestry, Management of International Association of Agricultural Insurers (AIAG) and a great number of guests participated the congress.

### Visits to Kastamonu, Amasya and Tokat

Visits to insured businesses in Kastamonu, Amasya and Tokat provinces was realized on 28 and 29 June to increase satisfaction and to identify requests and expectations of farmers and breeders by expanding State Supported Agricultural Insurance System; inspections were made and information obtained for activities conducted.

### Visits to Amasya and Sivas

Visits to insured businesses and stakeholders in Amasya and Sivas provinces was realized on 26-27 July to increase satisfaction and to identify requests and expectations of farmers and breeders by expanding State Supported Agricultural Insurance System; inspections were made and information obtained for activities conducted.

### Çanakkale Visit

Visits to insured cattle, sheep and goat breeding businesses in various districts of Çanakkale was realized on 9 August to by expand State Supported Agricultural Insurance System, to increase satisfaction of producers and breeders and to identify requests and expectations of farmers and breeders; meetings were held with representatives. Information was shared on Cattle, Sheep and Goat Livestock Life Insurance applications emphasizing new practices that became effective in 2022 and discounts applied on premiums so that breeders can easily access agricultural insurance.

### 2023 General Terms, Tariffs and Instructions Regional Assessment Meeting

A meeting was organized to provide information about changes in 2023 in State Supported Agricultural Insurance System's General Terms, Tariffs and Instructions between 7-10 September. The meeting was held with the participation of management of Agricultural Insurance Pool Management Company, Headquarters and branch managers. After the information shared about the objectives and targets for 2023, discussions were held to talk about new items in State Supported Agricultural Insurance System's General Terms, Tariffs and Instructions to be implemented in 2023.

### 2023 General Terms, Tariffs and Instructions Assessment Sub-committee Meeting

State Supported Agricultural Insurance General Terms, Tariffs and Instructions Assessment Sub-committee meeting was held between 15-17 September in Bolu's Mudurnu district Abant with the participation of Ministry of Agriculture and Forestry, Insurance and Pension Regulation and Supervision Agency (SEDDK) and managers of TARSİM. Detailed working results of change suggestions from all stakeholders about State Supported Agricultural Insurance General Terms, Tariffs and Instructions were discussed and changes and new items were finalized.

### Burhan DEMİROK's TARSİM Visit

As of 16 September Ministry of Agriculture and Forestry Agricultural Reform General Manager Burhan DEMİROK assumed the duties of Chairman of the Board of Agricultural Insurance Pool (TARSİM). Mr. DEMİROK visited TARSİM Headquarters in Istanbul on 23 September for the first time.

### Mersin and Hatay Visits

Field visits were made to Mersin and Hatay and inspections were made between 26-27 September with the purposes of expanding State Supported Agricultural Insurance System across the country, increasing satisfaction of producers and breeders, identifying their requests and expectations. Views about continuing activities were exchanged with stakeholder company representatives. Information was provided about crop insurance practices and reminders were presented to producers not to neglect their agricultural insurances.

### Antalya Visit

TARSİM joined risk and loss inspection transactions for insured greenhouses in Aksu and Serik districts of Antalya on 6 October 2023; information about activities conducted was obtained. Ministry of Commerce's Antalya Free Zone Regional Manager was visited and information was provided regarding agricultural insurances.

### Visits to Switzerland and Spain

In October, visits to Switzerland and Spain were made to follow closely the developments in agricultural insurances and exchange views on them which are becoming more important due to impacts of climate change on agricultural activities. Between 12-14 October, TARSİM participated the International Association of Agricultural Producer Insurers (AIAG) Loss Adjustment Committee 2022 Strategy meeting, which it is a member of. Assessment of seminars and events of this year were made at this meeting. Between 17-21 October, a visit to Spain was made, which is a country successful in public-private sector collaboration for years and which was considered as an example when TARSİM was being established. Ideas were exchanged about current agricultural insurance practices and damage determination processes.

### Citrus Congress

14<sup>th</sup> International Citrus Congress was organized between 6-11 November in Mersin hosted by Association of Fresh Fruit and Vegetable Exporters of Mediterranean, Çukurova University and National Citrus Council. TARSİM stand was visited by Minister of Agriculture and Forestry Prof. Dr. Vahit KİRİŞÇİ; information about State Supported Agricultural Insurance System was shared and questions of participants were answered.

### Visit from Kanat Company

Shmuel TOURGEMAN, General Manager of KANAT, Israel's agricultural insurance company visited TARSİM on 5 December. Ideas were exchanged about the system in Israel and agricultural insurance practices in Türkiye and evaluations were shared on drought and similar risks with increased impacts as a result of climate changes last few years.

### Get Well Visit to Kumluca and Finike

On 12 December, a visit was performed to disaster area in Antalya's Kumluca and Finike districts which was affected by the flood due to strong precipitation. Kumluca District Agriculture and Forestry Office and Kumluca Chamber of Agriculture was visited and information about continuing activities were shared. Following that program, inspections were made at the damaged greenhouses and get well wishes delivered to producers.

### 14<sup>th</sup> SÖS Annual Project Evaluation and Training Meeting

"14<sup>th</sup> SÖS Annual Project Assessment Meeting and 12<sup>th</sup> Accounting Training Meeting" was held in Antalya between 8-11 March hosted by Ministry of Agriculture and Forestry and Central Association of Turkish Breeding Cattle Breeders(TDSYMB) and sponsored by TARSİM.

### Vine Cultivation and Technologies Symposium

"10<sup>th</sup> National Vine Cultivation and Technologies Symposium" was organized between 3-7 October in Manisa hosted by Manisa Vine Cultivation Research Institute. Information about State Supported Agricultural Insurance System and practices were shared at TARSİM stand and questions of participants were answered.



## 2022 Activities

### Turkish Salmon Workshop

“Turkish Salmon Workshop” hosted by Sinop University Faculty of Aquaculture and Aquaculture Producers Association of Samsun and Sinop took place between 3-6 October in Sinop. Information about State Supported Agricultural Insurance System and practices were shared at TARSİM stand and questions of participants were answered.

### 2023 New Developments in Agricultural Insurances Briefing

A briefing meeting was organized for representatives of 24 insurance companies which are TARSİM members on 25 November to discuss State Supported Agricultural Insurances General Terms, Tariffs and Instructions for 2023.

### Between Us Meeting

Employees of Agricultural Insurance Pool Company came together at the Between Us Meeting between 18-20 November. Within the scope of the vision meeting designed with the theme “Growing Day by Day”, in addition to activities conducted in 2021 and 2022, information about targets and expectations were shared.

### 2<sup>nd</sup> Farmers Summit of Türkiye

TARSİM participated the “2<sup>nd</sup> Farmers Summit of Türkiye” organized in care of Ministry of Treasury and Finance organized on 26 September in Istanbul. At the summit, 3 panels were held with topics “Food, Supply Chain and Supply Security”, “Agricultural Insurances and Support Credits” and “Sustainable Agriculture”; at the “Agricultural Insurances and Support Credits”, information about TARSİM System was shared.

### TAGEM 2022 Project Assessment, Climate Change and Agricultural Ecological Group and Agricultural Economics Research Meeting

TARSİM participated TAGEM 2022 Project Assessment, Climate Change and Agricultural Ecological Group and Agricultural Economics Research Meeting organized between 14-18 February.



## 11. PRODUCTION DATA AND PAID LOSSES BY INSURANCE BRANCHES

Total premium production increased from **TL 4,678,459,288** in **2021** to **TL 9,005,954,305** in **2022**, up by **92.5%** year-on-year.

Total sum insured, on the other hand, augmented by **138.1%** from **TL 124,396,971,987** in **2021** to **TL 296,149,927,061** in **2022**.

Paid losses in **2022** amounted to **TL 3,393,301,958**.

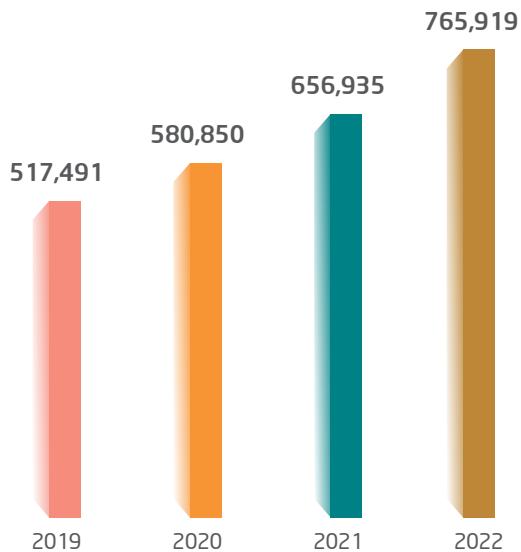
Branches	Number of Policies	Sum Insured (TL)	Total Premium (TL)	Government Premium Subsidy (TL)	Paid Loss (TL)*
Crop	2,654,588	5,858,438,676	3,248,988,731	143,567,570,805	2,218,501,835
Greenhouse	38,519	519,779,629	259,887,392	42,712,205,781	218,335,492
Cattle	278,199	2,020,354,448	1,010,175,630	76,289,122,211	694,999,871
Sheep and Goats	91,148	511,212,186	255,605,491	24,281,472,937	247,773,067
Poultry	3,113	43,972,799	21,986,396	5,270,729,480	3,982,510
Aquaculture	178	23,444,219	11,722,109	810,638,947	7,084,574
Bee Hives	12,163	28,752,349	14,375,916	3,218,186,900	2,624,609
<b>Total</b>	<b>3,077,908</b>	<b>9,005,954,305</b>	<b>4,822,741,665</b>	<b>296,149,927,061</b>	<b>3,393,301,958</b>

\*Includes loss adjustment expenses but excludes outstanding amounts. The total including outstanding amounts is TL 3,925,937,351.

## 12. NUMBER OF INSURED PRODUCERS/ESTABLISHMENTS BY YEARS

The number of insured producers/establishments also increases by years, and was up by 17% year-over-year and reached 765,919 in 2022.

### Number of Insured Producers/Establishments



*"Get your agricultural insurance to sleep with peace of mind, make yourself comfortable."*

**Mehmet Emin KAYA**  
**Şanlıurfa**  
Sheep and Goat Breeder





# **KEY FIGURES & FINANCIAL STATEMENTS**

## Key Figures & Financial Statements

### Key Figures

	2019	2020	2021	2022
Sum Insured	55,166,348,492	83,146,049,745	124,396,971,987	296,149,927,061
Total Insured Premium	1,171,750,952	1,539,462,946	2,204,330,636	4,183,212,640
Total Government Premium Subsidy	1,275,313,836	1,659,280,218	2,474,128,652	4,822,741,665
Total Premium	2,447,064,788	3,198,743,163	4,678,459,288	9,005,954,305
* Total Loss Occurred	1,395,949,285	1,666,971,202	2,795,698,505	3,925,937,351
** Total Paid Loss	1,226,860,024	1,392,944,782	2,554,247,269	3,393,301,958
General Expenses	59,029,821	69,161,205	99,503,726	191,262,820
Financial Income	240,839,773	205,369,666	286,289,509	484,023,764
Technical Income (Net)	376,874,078	423,286,881	640,686,674	1,074,625,661
Total Assets	2,719,704,208	3,788,132,058	5,129,069,344	9,557,414,482
Number of Policies	2,087,860	2,235,626	2,517,704	3,077,908
Number of Insured Cattle (Head)	1,630,478	2,899,364	3,606,944	4,893,625
Number of Insured Sheep and Goats (Head)	3,516,477	7,453,871	9,925,328	12,714,061

(\*) Includes the outstanding losses incurred during the year but not paid as of the end of the year.

(\*\*) Includes loss adjustment expenses.

## AGRICULTURAL INSURANCE POOL

### BALANCE SHEETS FOR 2019 / 2020 / 2021 /2022

#### ASSETS

	2019	2020	2021	2022
<b>I. CURRENT ASSETS</b>	<b>2,714,848,086.92</b>	<b>3,737,986,443.69</b>	<b>5,065,723,267.36</b>	<b>9,475,589,343.33</b>
A. Cash and Cash Equivalents	2,003,659,936.70	2,669,264,246.44	1,547,003,963.55	3,955,115,241.23
B. Financial Assets and Financial Investments with Risks Carried by Insureds	190,797,928.50	210,141,743.73	983,334,284.89	1,368,963,362.81
C. Receivables from Main Operations	362,558,534.52	655,114,417.92	2,229,642,533.60	3,465,163,109.64
D. Receivables from Related Parties	-	-	-	-
E. Other Receivables	76,071.82	144,655.55	254,715.24	130,311.26
F. Revenue and Expense Accruals of Future Months	157,717,879.43	203,310,498.91	305,483,659.72	686,212,585.35
G. Other Current Assets	37,735.95	10,881.14	4,110.36	4,733.04
<b>II. NON-CURRENT ASSETS</b>	<b>4,856,120.86</b>	<b>50,145,614.19</b>	<b>63,346,077.05</b>	<b>81,825,139.14</b>
A. Receivables from Main Operations	-	-	-	-
B. Receivables from Related Parties	-	-	-	-
C. Other Receivables	-	-	-	-
D. Financial Assets	-	-	-	-
E. Tangible Assets	3,731,478.48	47,087,616.35	57,112,992.31	75,053,264.39
F. Intangible Assets	906,832.81	2,671,577.58	5,918,086.21	4,243,705.07
G. Revenue and Expense Accruals of Future Years	217,809.57	386,420.26	314,998.53	2,528,169.68
H. Other Non-current Assets	-	-	-	-
<b>TOTAL ASSETS</b>	<b>2,719,704,207.78</b>	<b>3,788,132,057.88</b>	<b>5,129,069,344.41</b>	<b>9,557,414,482.47</b>

#### LIABILITIES

	2019	2020	2021	2022
<b>I. SHORT TERM LIABILITIES</b>	<b>1,015,660,797.86</b>	<b>1,524,593,305.64</b>	<b>2,038,058,134.99</b>	<b>5,099,016,668.09</b>
A. Financial Liabilities	-	-	-	-
B. Due from Main Operations	696,418,748.92	981,966,174.46	1,169,209,359.31	2,956,729,541.92
C. Due to Related Parties	808.84	2,333.33	24,551.91	4,869.22
D. Other Payables	843,537.92	476,269.38	1,379,662.68	22,145,117.47
E. Insurance Business Technical Provisions	189,551,775.14	325,231,458.07	492,586,623.49	1,338,344,750.57
F. Taxes Payable and Other Liabilities and Provisions	1,967,015.92	4,143,676.12	6,243,734.45	7,046,348.30
G. Provisions Related to Other Risks	-	-	-	-
H. Revenue and Expense Accruals of Future Years	126,878,911.12	212,773,394.28	368,614,203.15	774,746,040.61
I. Other Short Term Liabilities	-	-	-	-
<b>II. LONG TERM LIABILITIES</b>	<b>1,704,043,409.92</b>	<b>2,263,538,752.24</b>	<b>3,091,011,209.42</b>	<b>4,458,397,814.38</b>
A. Financial Liabilities	-	-	-	-
B. Due from Main Operations	-	-	-	-
C. Due to Related Parties	-	-	-	-
D. Other Payables	-	-	-	-
E. Insurance Business Technical Provisions	-	-	-	-
F. Other Liabilities and Provisions	-	-	-	-
G. Provisions Related to Other Risks	-	-	-	-
H. Revenue and Expense Accruals of Future Years	-	-	-	-
I. Other Long Term Liabilities	1,704,043,409.92	2,263,538,752.24	3,091,011,209.42	4,458,397,814.38
<b>III. EQUITY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
A. Paid-in Capital	-	-	-	-
B. Capital Reserves	-	-	-	-
C. Profit Reserves	-	-	-	-
D. Profits from Previous Years	-	-	-	-
E. Corporate Loss	-	-	-	-
F. Asset/ Liability Difference	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>2,719,704,207.78</b>	<b>3,788,132,057.88</b>	<b>5,129,069,344.41</b>	<b>9,557,414,482.47</b>

## INCOME STATEMENTS FOR 2019/2020/2021/2022

	CROP	CATTLE	POULTRY	GREENHOUSE	AQUACULTURE
<b>I. TECHNICAL INCOME</b>	<b>10,765,794,506.07</b>	<b>4,827,516,655.62</b>	<b>78,496,240.19</b>	<b>1,308,589,522.46</b>	<b>49,651,146.88</b>
A) Premiums Received	<b>5,858,438,675.52</b>	<b>2,020,354,448.20</b>	<b>43,972,799.30</b>	<b>519,779,628.51</b>	<b>23,444,218.93</b>
a) Insurant Premium	2,609,449,944.54	1,010,178,818.45	21,986,402.96	259,892,236.52	11,722,110.04
b) Government Premium Subsidy	3,248,988,730.98	1,010,175,629.75	21,986,396.34	259,887,391.99	11,722,108.89
B) Commissions Received	<b>768,151,340.65</b>	<b>294,463,369.58</b>	<b>5,845,379.74</b>	<b>67,494,127.18</b>	<b>3,571,311.75</b>
a) Commissions Received	1,058,210,687.48	366,046,147.82	7,956,874.99	94,006,035.83	4,255,996.08
b) Deferred Commission Income (-)	-290,059,346.83	-71,582,778.24	-2,111,495.25	-26,511,908.65	-684,684.33
C) Reinsurer Share in Paid Losses	<b>1,621,693,521.46</b>	<b>542,745,996.34</b>	<b>4,149,605.44</b>	<b>180,308,287.37</b>	<b>5,943,824.45</b>
D) Technical Provisions Carried Forward	<b>749,787,181.68</b>	<b>906,353,191.29</b>	<b>7,117,882.61</b>	<b>206,266,279.98</b>	<b>4,952,043.93</b>
a) Provisions for Unearned Premiums	683,031,705.87	778,393,600.10	6,473,247.49	187,464,828.51	4,915,842.98
b) Provisions for Outstanding Losses	66,755,475.81	127,959,591.19	644,635.12	18,801,451.47	36,200.95
E) Reinsurer Share in Technical Provisions Appropriated.	<b>1,766,646,163.23</b>	<b>1,063,596,650.21</b>	<b>17,410,311.98</b>	<b>334,741,199.42</b>	<b>11,739,747.82</b>
a) Provisions for Unearned Premiums	1,682,178,777.82	885,645,326.18	13,403,626.65	250,238,198.61	6,520,029.32
b) Reinsurer Share in Outstanding Loss Provisions	84,467,385.41	177,951,324.03	4,006,685.33	84,503,000.81	5,219,718.50
F) Other Income	<b>1,077,623.53</b>	<b>3,000.00</b>	<b>261.12</b>	<b>0.00</b>	<b>0.00</b>
<b>II. TECHNICAL EXPENSES</b>	<b>-10,069,452,885.36</b>	<b>-4,526,781,548.01</b>	<b>-69,436,278.87</b>	<b>-1,270,223,656.00</b>	<b>-45,440,579.27</b>
A) Premiums Given to Reinsurers	<b>-4,153,582,224.49</b>	<b>-1,457,606,944.22</b>	<b>-31,688,885.18</b>	<b>-374,356,416.74</b>	<b>-16,946,431.40</b>
B) Commissions Paid	<b>-638,216,955.71</b>	<b>-149,647,349.89</b>	<b>-3,746,025.02</b>	<b>-41,619,449.88</b>	<b>-1,079,044.65</b>
a) Commissions Paid	-884,583,632.85	-200,176,867.81	-5,285,304.49	-60,829,501.81	-1,368,827.39
b) Deferred Commission Expenses (+)	246,366,677.14	50,529,517.92	1,539,279.47	19,210,051.93	289,782.74
C) Paid Losses	<b>-2,218,501,834.88</b>	<b>-694,999,871.07</b>	<b>-3,982,509.50</b>	<b>-218,335,491.98</b>	<b>-7,084,573.63</b>
D) Deferred Technical Provision Reinsurance Shares	<b>-577,272,490.95</b>	<b>-698,403,136.10</b>	<b>-5,480,777.44</b>	<b>-158,786,331.03</b>	<b>-3,812,890.35</b>
a) Provisions for unearned premiums	-525,934,413.52	-599,363,072.07	-4,984,400.56	-144,347,917.95	-3,785,199.10
b) Provisions for Outstanding Losses	-51,338,077.43	-99,040,064.03	-496,376.88	-14,438,413.08	-27,691.25
E) Technical Provisions Appropriated	<b>-2,452,541,195.68</b>	<b>-1,468,122,855.83</b>	<b>-24,138,485.72</b>	<b>-464,778,377.48</b>	<b>-16,302,984.97</b>
a) Provisions for Unearned Premiums	-2,336,359,018.29	-1,226,697,327.97	-18,614,478.32	-347,548,594.54	-9,055,596.29
b) Provisions for Outstanding Losses	-116,182,177.39	-241,425,527.86	-5,524,007.40	-117,229,782.94	-7,247,388.68
c) Provisions for Ongoing Risks	0.00	0.00	0.00	0.00	0.00
d) Offset Provisions	0.00	0.00	0.00	0.00	0.00
F) Other Expenses	<b>-29,338,183.65</b>	<b>-58,001,390.90</b>	<b>-399,596.01</b>	<b>-12,347,588.89</b>	<b>-214,654.27</b>
<b>TECHNICAL INCOME- TECHNICAL EXPENSES DIFFERENCE</b>	<b>696,341,620.71</b>	<b>300,735,107.61</b>	<b>9,059,961.32</b>	<b>38,365,866.46</b>	<b>4,210,567.61</b>
<b>III. GENERAL EXPENSES</b>					
B) General Administration Expenses					
C) Taxes and Other Liabilities					
D) Amortization Expenses					
E) Provisions					
F) Other Expenses					
<b>IV. FINANCIAL INCOME</b>					
A) Interest Income					
E) Foreign Exchange Income					
F) Other Income					
D) Provision Income					
<b>V. FINANCIAL EXPENSES</b>					
A) Foreign Exchange Expenses					
<b>FINANCIAL INCOME / FINANCIAL EXPENSES / GENERAL EXPENSES DIFFERENCE</b>					
<b>INCOME / EXPENSES DIFFERENCE</b>					

SHEEP AND GOATS	BEE HIVES	2022	2021	2020	2019
1,274,311,592.51	56,203,893.37	18,360,563,557.10	10,629,743,208.10	6,764,402,872.81	5,207,342,952.84
511,212,185.74	28,752,349.18	9,005,954,305.38	4,678,459,287.76	3,198,743,163.45	2,447,064,787.75
255,606,694.79	14,376,432.96	4,183,212,640.26	2,204,330,636.33	1,539,462,945.72	1,171,750,951.84
255,605,490.95	14,375,916.22	4,822,741,665.12	2,474,128,651.56	1,659,280,217.73	1,275,313,835.91
79,361,386.24	3,241,138.96	1,222,128,054.10	779,180,583.64	524,636,239.71	459,307,851.44
92,585,270.77	5,198,878.59	1,628,259,891.56	935,021,392.51	610,530,722.87	499,101,587.43
-13,223,884.53	-1,957,739.63	-406,131,837.46	-155,840,808.87	-85,894,483.16	-39,793,735.99
155,768,822.93	2,405,604.59	2,513,015,662.58	2,105,657,383.76	1,122,687,899.01	996,587,999.20
261,775,095.83	7,482,746.83	2,143,734,422.15	1,415,282,456.89	828,204,636.21	665,711,908.63
237,051,802.04	4,952,159.36	1,902,283,186.35	1,141,256,036.23	659,115,374.87	484,893,775.60
24,723,293.79	2,530,587.47	241,451,235.80	274,026,420.66	169,089,261.34	180,818,133.03
266,189,736.77	14,322,053.81	3,474,645,863.24	1,651,147,798.66	1,090,050,998.82	638,652,861.07
235,557,740.48	11,617,711.88	3,085,161,410.94	1,464,758,053.47	878,767,147.90	507,520,755.15
30,631,996.29	2,704,341.93	389,484,452.30	186,389,745.19	211,283,850.92	131,132,105.92
4,365.00	0.00	1,085,249.65	15,697.39	79,935.61	17,544.75
-1,252,562,616.20	-52,040,332.27	-17,285,937,895.98	-9,989,056,534.18	-6,341,115,992.25	-4,830,468,874.71
-368,682,051.83	-20,703,443.76	-6,423,566,397.62	-3,605,566,231.30	-2,466,088,759.39	-1,888,535,344.62
-54,971,733.97	-2,635,403.73	-891,915,962.85	-533,490,171.94	-376,780,395.88	-311,942,380.87
-67,000,393.67	-4,312,929.06	-1,223,557,457.08	-628,990,235.05	-442,621,747.81	-335,517,094.70
12,028,659.70	1,677,525.33	331,641,494.23	95,500,063.11	65,841,351.93	23,574,713.83
-247,773,067.13	-2,624,609.41	-3,393,301,957.60	-2,554,247,268.88	-1,392,944,781.66	-1,226,860,023.74
-201,603,005.13	-5,789,167.66	-1,651,147,798.66	-1,090,050,998.82	-638,652,861.07	-531,642,968.66
-182,529,887.57	-3,813,162.70	-1,464,758,053.47	-878,767,147.90	-507,520,755.15	-387,045,222.81
-19,073,117.56	-1,976,004.96	-186,389,745.19	-211,283,850.92	-131,132,105.92	-144,597,745.85
-367,416,765.43	-19,689,948.70	-4,812,990,613.81	-2,143,734,422.15	-1,415,282,456.89	-828,204,636.21
-325,944,543.07	-16,135,661.58	-4,280,355,220.06	-1,902,283,186.35	-1,141,256,036.23	-659,115,374.87
-41,472,222.36	-3,554,287.12	-532,635,393.75	-241,451,235.80	-274,026,420.66	-169,089,261.34
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
-12,115,992.71	-597,759.01	-113,015,165.44	-61,967,441.09	-51,366,737.36	-43,283,520.61
21,748,976.31	4,163,561.10	1,074,625,661.12	640,686,673.92	423,286,880.56	376,874,078.13
		-191,262,819.95	-926,976,182.85	-628,656,546.93	-617,713,851.50
		-184,075,384.31	-94,935,549.15	-65,273,735.65	-54,779,483.32
		-273,955.15	-8,457.64	-26,210.14	-17,759.46
		-6,751,327.74	-4,523,154.70	-3,827,565.16	-4,176,918.38
		-1,367,386,604.96	-827,472,457.18	-559,495,342.32	-558,684,030.48
		-162,152.75	-36,564.18	-33,693.66	-55,659.86
		484,023,763.79	286,289,508.93	205,562,588.47	240,839,773.37
		480,667,196.88	279,730,261.29	205,274,386.35	239,437,543.98
		1,549,046.80	4,476,537.63	0.00	1,325,173.86
		438,801.01	586,210.01	288,202.12	77,055.53
		1,368,719.10	1,496,500.00	0.00	0.00
		0.00	0.00	-192,922.10	0.00
		0.00	0.00	-192,922.10	0.00
		-1,074,625,661.12	-640,686,673.92	-423,286,880.56	-376,874,078.13
		0.00	0.00	0.00	0.00

Agricultural Insurance Pool

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR REPORT  
FOR THE YEAR ENDED ON 31.12.2022**



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# Independent Auditor's Report

## To the General Assembly of the Agricultural Insurance Pool

### Audit of the Consolidated Financial Statements

#### 1) Opinion

We have audited the financial statements of Agricultural Insurance Pool ("**the Pool**" or "**TARSiM**") (hereafter referred to as "**the Pool**") composed of balance sheet as of 31 December 2022 and income statement, statement of cash flow and notes to financial statements including the summary of significant accounting policies for the period ending at the same date.

In our opinion, the accompanied financial statements present fairly in all material aspects the Pool's financial position as of 31 December 2022 and its financial performance and cash flow for the period ending at the same date in accordance with accounting and financial reporting regulations in effect as required by the insurance legislation and on issues not covered by this legislation, 'Insurance Accounting and Financial Reporting Legislation' which includes Turkish Financial Reporting Standards

#### 2) Basis for Opinion

Our audit was conducted in accordance with the independent auditing standards published by the Capital Markets Board, the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent of the Pool in accordance with the Ethical Rules for Independent Auditors (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the consolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion

#### 3) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Technical Reserves	
Key Audit Matters	How it was handled at the audit
The Pool's total technical reserves as of 31 December 2022 were TL 1,338,344,750 and this amount constitutes approximately 16.34% of the Pool's total liabilities. The Pool has recorded a net amount of TL 143,150,941 as outstanding claims reserve to be paid in the future related with its insurance contracts. The management of the Pool used actuarial assumptions and estimations for the calculation of Incurred but not Reported (IBNR) claims which is accounted for in the above mentioned reserve amount. This matter was defined as a Key Audit Matter due to the uncertainty of the assumptions used and management's judgement involved in the calculation of technical reserves.	We tested the design and operational effectiveness of significant controls applied by the Pool's management for the incurred claims used in the calculation of the incurred but not reported claims reserve. We verified the mathematical accuracy of the calculation for incurred but not reported claim amounts. We discussed the methods and assumptions used with the Pool management and actuary and evaluated them with professional actuaries. Moreover, for selected incurred but not reported claim reserve amounts, we determined reasonable range estimations and compared them with the Pool's recorded amounts. We verified the accuracy and adequacy of these reserves and notes disclosed in the financial statements.

#### 4) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Pool management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS/TAS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Pool's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Pool or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Pool's financial reporting process.

## 5) Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an independent audit conducted in accordance with the regulations regarding the independent auditing principles in force as per the insurance legislation and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Pool's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Pool to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Responsibilities Arising from Regulatory Requirements

1) No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Pool's bookkeeping activities concerning the period from 1 January to 31 December 2022 period are not in compliance with the TCC and provisions of the Pool's articles of association related to financial reporting.

2) In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is Birgül DEMİR.

## Agricultural Insurance Pool

# Audited Detailed Balance Sheets as of 31 December 2022 And 2021

(Amounts expressed in Turkish Lira ("TL"))

ASSETS			
I- Current Assets	Notes	Audited Current Period	Audited Prior Period
		01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
<b>A- Cash and Cash Equivalents</b>	<b>14</b>	<b>4,061,919,264</b>	<b>1,604,296,152</b>
3- Banks	14	4,061,919,264	1,604,296,152
<b>B- Financial Assets and Financial Investments with Risks on Policyholders</b>	<b>10</b>	<b>294,474,462</b>	<b>247,459,179</b>
2- Held to Maturity Investments	10	294,474,462	247,459,179
<b>C- Receivables from Main Operations</b>	<b>11</b>	<b>3,465,163,748</b>	<b>2,229,657,086</b>
1- Receivables from Insurance Operations	11	3,465,163,748	2,229,657,086
<b>D- Due from Related Parties</b>		-	-
<b>E- Other Receivables</b>	<b>12</b>	<b>1,000</b>	<b>1,600</b>
3- Deposits and Guarantees Given	12	1,000	1,600
<b>F- Prepaid Expenses and Income Accruals</b>	<b>17</b>	<b>582,776,772</b>	<b>248,922,107</b>
1- Prepaid Expenses	17	580,248,602	248,607,108
4- Other Prepaid Expenses	17	2,528,170	314,999
<b>G- Other Current Assets</b>	<b>13</b>	<b>134,044</b>	<b>257,225</b>
4- Job Advances	13	4,733	4,110
7- Other Miscellaneous Current Assets	13	129,311	253,115
<b>I- Current Assets</b>		<b>8,404,469,290</b>	<b>4,330,593,349</b>

ASSETS			
II- Non-Current Assets	Notes	Audited Current Period	Audited Prior Period
		01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
<b>A- Receivables from Main Operations</b>		-	-
<b>B- Due from Related Parties</b>		-	-
<b>C- Other Receivables</b>	<b>12</b>	-	-
<b>D- Financial Assets</b>	<b>10</b>	<b>1,074,486,914</b>	<b>736,062,409</b>
9- Other Financial Assets	10	1,074,486,914	736,062,409
<b>E- Tangible Assets</b>	<b>6-7</b>	<b>76,137,489</b>	<b>57,202,074</b>
1- Investment Properties	7	50,830,810	48,965,028
4- Machinery and Equipment	6	38,748,203	21,925,099
5- Furniture and Fixtures	6	2,504,585	1,249,009
9- Accumulated Amortization (-)	6	(15,946,109)	(14,937,062)
<b>F- Intangible Assets</b>	<b>8</b>	<b>4,289,305</b>	<b>5,934,953</b>
1- Rights	8	14,319,674	13,181,370
6- Other Intangible Assets	8	28,976	169,362
7- Amortization on Other Non-Current Assets (-)	8	(10,059,345)	(7,415,779)
<b>G- Prepaid Expenses and Income Accruals</b>	<b>17</b>	-	-
<b>H- Other Non-current Assets</b>		-	-
<b>II- Total Non-Current Assets</b>		<b>1,154,913,708</b>	<b>799,199,436</b>
<b>Total Assets (I + II)</b>		<b>9,559,382,998</b>	<b>5,129,792,785</b>

The accompanying notes form an integral part of these financial statements.

## Agricultural Insurance Pool

# Audited Detailed Balance Sheets as of 31 December 2022 And 2021

(Amounts expressed in Turkish Lira ("TL"))

<b>LIABILITIES</b>			
<b>III- Short-Term Liabilities</b>	<b>Notes</b>	<b>Audited</b>	<b>Audited</b>
		<b>Current Period</b>	<b>Prior Period</b>
		<b>01.01.2022- 31.12.2022</b>	<b>01.01.2021- 31.12.2021</b>
<b>A- Financial Liabilities</b>		-	-
<b>B- Payables Arising from Main Operations</b>	<b>11</b>	<b>2,902,023,154</b>	<b>1,161,252,557</b>
1- Payables Due to Insurance Operations	11	2,902,023,154	1,161,252,557
<b>C- Due to Related Parties</b>	<b>11-22</b>	<b>54,711,894</b>	<b>7,995,908</b>
5- Due to Personnel	11-22	4,869	24,552
6- Due to Other Related Parties	11-22	54,707,025	7,971,356
<b>D- Other Payables</b>	<b>12</b>	<b>22,145,122</b>	<b>1,379,663</b>
2- Other Miscellaneous Payables	12	22,145,122	1,379,663
<b>E- Insurance Technical Provisions</b>	<b>16</b>	<b>1,338,344,750</b>	<b>492,586,624</b>
1- Reserve for Unearned Premiums - Net	16	1,195,193,809	437,525,133
4- Provision for Outstanding Claims - Net	16	143,150,941	55,061,491
<b>F- Provisions for Taxes and Other Similar Obligations</b>	<b>12</b>	<b>7,046,348</b>	<b>6,243,734</b>
4- Other Taxes and Similar Payables	12	7,046,348	6,243,734
<b>H- Deferred Income and Expense Accruals</b>	<b>17</b>	<b>774,746,041</b>	<b>368,614,203</b>
1- Deferred Commission Income	17	774,746,041	368,614,203
<b>I- Other Short-term Liabilities</b>		-	-
<b>III - Total Short-Term Liabilities</b>		<b>5,099,017,309</b>	<b>2,038,072,689</b>

<b>LIABILITIES</b>			
<b>IV- Long-Term Liabilities</b>	<b>Notes</b>	<b>Audited</b>	<b>Audited</b>
		<b>Current Period</b>	<b>Prior Period</b>
		<b>01.01.2022- 31.12.2022</b>	<b>01.01.2021- 31.12.2021</b>
<b>I- Other Long-Term Liabilities</b>	<b>15</b>	<b>3,091,720,096</b>	<b>2,268,762,192</b>
2- Reserve for Catastrophic Risks from Profit and Loss Differences	15	3,091,720,096	2,268,762,192
<b>IV- Total Long-Term Liabilities</b>		<b>3,091,720,096</b>	<b>2,268,762,192</b>
<b>EQUITY</b>			
<b>V- Equity</b>	<b>Notes</b>	<b>Audited</b>	<b>Audited</b>
		<b>Current Period</b>	<b>Prior Period</b>
		<b>01.01.2022- 31.12.2022</b>	<b>01.01.2021- 31.12.2021</b>
<b>F-Net Profit for the Period</b>	<b>15</b>	<b>1,368,645,593</b>	<b>822,957,904</b>
1- Net Profit for the Period	15	1,368,645,593	822,957,904
<b>V- Total Equity</b>		<b>1,368,645,593</b>	<b>822,957,904</b>
<b>TOTAL EQUITY AND LIABILITIES (III + IV + V)</b>		<b>9,559,382,998</b>	<b>5,129,792,785</b>

The accompanying notes form an integral part of these financial statements.

## Agricultural Insurance Pool

# Audited Detailed Income Statements for the Period Between 1 January - 31 December 2022 and 2021

(Amounts expressed in Turkish Lira ("TL"))

<b>I- TECHNICAL SECTION</b>	<b>Notes</b>	<b>Audited Current Period 01.01.2022- 31.12.2022</b>	<b>Audited Current Period 01.01.2021- 31.12.2021</b>
<b>A- Non-Life Technical Income</b>	<b>15</b>	<b>1,825,804,481</b>	<b>897,872,509</b>
1- Earned Premiums (Net of Reinsurer Share)		1,824,719,231	897,856,812
1.1- Written Premiums (Net of Reinsurer Share)		2,582,387,909	1,072,893,057
1.1.1- Written Premiums, gross		9,005,954,306	4,678,459,288
1.1.2- Written Premiums, ceded		(6,423,566,397)	(3,605,566,231)
1.2- Change in Reserve for Unearned Premiums (Net of Reinsurer Shares and Less the Amounts Carried Forward) (+/-)		(757,668,678)	(175,036,245)
1.2.1- Reserve for Unearned Premiums, gross		(2,378,072,034)	(761,027,150)
1.2.2- Reserve for Unearned Premiums, ceded (+)		1,620,403,356	585,990,905
3- Other Technical Income (Net of Reinsurer Share)		1,085,250	15,697
3.1- Other Technical Income, gross (+)		1,085,250	15,697
<b>B - Non-Life Technical Expense (-)</b>	<b>13</b>	<b>(941,416,883)</b>	<b>(356,236,495)</b>
1- Incurred Losses (Net of Reinsurer Share)		(968,375,749)	(440,908,807)
1.1- Claims Paid (Net of Reinsurer Share)		(880,286,297)	(448,589,885)
1.1.1- Claims Paid, gross		(3,393,301,958)	(2,554,247,269)
1.1.2- Claims Paid, ceded (+)		2,513,015,661	2,105,657,384
1.2- Change in Provisions for Outstanding Claims (Net of Reinsurer Share and Less the Amounts Carried Forward) (+/-)		(88,089,452)	7,681,078
1.2.1- Provisions for Outstanding Claims, gross		(291,184,159)	32,575,185
1.2.2- Provisions for Outstanding Claims, ceded (+)		203,094,707	(24,894,107)
4- Operating Expenses (-)		26,958,866	84,672,312
<b>C- Net Technical Income-Non-Life (A - B)</b>		<b>884,387,598</b>	<b>541,636,014</b>
<b>D- Life Technical Income</b>		-	-
<b>E- Life Technical Expense</b>		-	-
<b>F- Net Technical Income - Life (D - E)</b>		-	-
<b>G- Pension Technical Income</b>		-	-
<b>H- Pension Technical Expense</b>		-	-
<b>I- Net Technical Income - Pension (G - H)</b>		-	-

<b>II-NON-TECHNICAL SECTION</b>	<b>Notes</b>	<b>Audited Current Period 01.01.2022- 31.12.2022</b>	<b>Audited Current Period 01.01.2021- 31.12.2021</b>
<b>C- Net Technical Income-Non-Life (A - B)</b>		<b>884,387,598</b>	<b>541,636,014</b>
<b>F- Net Technical Income - Life (D - E)</b>		-	-
<b>I - Net Technical Income - Pension (G - H)</b>		-	-
<b>J- Total Net Technical Income (C+F+I)</b>		<b>884,387,598</b>	<b>541,636,014</b>
<b>K- Investment Income</b>	<b>16</b>	<b>484,258,878</b>	<b>281,346,381</b>
1- Income from Financial Assets		480,902,311	274,787,133
4- Foreign Exchange Gains		1,549,047	4,476,538
9- Other Investments		438,801	586,210
<b>L- Investment Expense (-)</b>	<b>16</b>	<b>(883)</b>	<b>(24,491)</b>
8- Other Investment Expense (-)		(883)	(24,491)
<b>M- Income and Expenses From Other and Extraordinary Operations (+/-)</b>		-	-
<b>N- Net Profit/Loss for the Period</b>		<b>1,368,645,593</b>	<b>822,957,904</b>
1- Profit/Loss for the Period		1,368,645,593	822,957,904

The accompanying notes form an integral part of these financial statements.

## Agricultural Insurance Pool

# Audited Cash Flow Statements for the Period Between 1 January - 31 December 2022 and 2021

(Amounts expressed in Turkish Lira ("TL"))

	Notes	Audited	Audited
		Current Period	Prior Period
		01.01.2022-31.12.2021	01.01.2021-31.12.2021
<b>A - CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Cash provided from insurance activities	11-15.	7,770,447,644	2,993,653,745
4. Cash used in insurance activities (-)	11-15.	(5,563,082,097)	(4,282,914,489)
<b>7. Cash provided by operating activities (A1+A2+A3-A4-A5-A6)</b>		<b>2,207,365,547</b>	<b>(1,289,260,744)</b>
10. Other cash inflows		1,085,250	15,697
11. Other cash outflows (-)	15	(210,514,100)	(94,980,571)
<b>12-Net cash provided by operating activities</b>		<b>1,997,936,697</b>	<b>(1,384,225,618)</b>
<b>B - CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Disposal of tangible assets	6-7-8,	3,464	-
2. Acquisition of tangible assets (-)	6-7-8.	(23,026,880)	(13,014,446)
5- Interests received	16	480,902,311	274,787,133
7- Other cash inflows	16	1,807,520	2,082,710
<b>9- Net cash provided by investing activities</b>		<b>459,686,415</b>	<b>263,855,397</b>
<b>C- CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>D- EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS</b>		-	-
<b>E. NET INCREASE IN CASH AND CASH EQUIVALENTS (A12+B9+C7+D)</b>		<b>2,457,623,112</b>	<b>(1,120,370,221)</b>
<b>F- CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	14	<b>1,604,296,152</b>	<b>2,724,666,373</b>
<b>G. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (E+F)</b>	14	<b>4,061,919,264</b>	<b>1,604,296,152</b>

The accompanying notes form an integral part of these financial statements.

# Agricultural Insurance Pool

## Notes to the Financial Statements

### as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

#### 1 GENERAL INFORMATION

##### 1.1 Name of the Company and the ultimate owner of the group

The Agricultural Insurance Pool ("TARŞİM" or "the Pool"), was founded in accordance with the "Agricultural Insurance Code No. 5363" (the Code) published at the Official Gazette numbered 25852 on 21 June 2005. The Pool is administered by the Agricultural Insurance Pool Entity Incorporated Company (Tarım Sigortalıları Havuz İşletmesi Anonim Şirketi) within the framework of principles defined by the regulations issued by the Ministry and the Undersecretariat.

##### 1.2 Domicile and the legal structure of the Company, country and the address of the registered office (address of the operating center if it is different from the registered office)

TARŞİM's registered office address is Sahrayıcedit Mh. Atatürk Cd. No: 48, 34734 Kadıköy, İstanbul and it has regional administrations in Ankara, Antalya, Adana, Bursa, Giresun, Malatya, Manisa, Tekirdağ, Kayseri, Konya, Ş.Urfa, Erzurum, Van and Samsun.

##### 1.3 Business of the Company

The main activities of the Pool are to secure risks within the scope of Agricultural Insurance Code, to define standard insurance policies, claim organizations, actuarial studies, payment of claims, provision of reinsurance guarantees, development, expansion and monitoring of agricultural insurances and management of other technical services.

##### 1.4 Description of the main operations of the Company

An insurance pool was established to ensure standards for insurance contracts related with risks under Agricultural Insurance Code, for forming the most suitable environment for the transfer of risk under best circumstances, for central payment of claims in cases of damages, for development and expansion of agricultural insurances. All business and transactions related with this Pool are managed by the Agricultural Insurance Pool Entity Incorporated Company which was founded by participating insurance companies holding equal shares. Insurance companies issue standard policies determined by the Pool and transfer the Premium and all the risk to the Pool. The Government provides support to the insurance premiums of the farmers exclusively for insurance contracts within the scope of this Code. The amount of the premium support of the Government will be determined by the President's decision based on product, risk, region and business scale. With the application of the Pool, the followings will be achieved:

Securing catastrophic risks which cannot be undertaken by a single insurance company such as drought and frost

Broadening the scope and capacity of reinsurance by encouraging reinsurance participation

More efficient use of know-how, personnel and financial resources of insurance companies collectively

More effective use of Government's premium and excess of loss support

Prevention of unfair competition in prices

Increase of insurance participation.

The Code appoints the Board of Directors of the Agricultural Insurance Pool to determine the application principles of the Pool's operations, procedures and principles of loss adjustment transactions, to sign contracts between insurance companies that wishes to operate in agricultural insurance area within the scope of the Code and the Agricultural Insurance Pool Entity Incorporated Company, to study and make suggestions to determine the risks to be covered and premium support, to detect problems encountered during applications and activities to solve those problems.

The Board consists of seven members, two from the Ministry of Agriculture and Forestry, two from Ministry of Treasury and Finance, one each from Turkish Insurance Association, Turkish Association of Agricultural Chambers and the Agricultural Insurance Pool Entity Incorporated Company.



## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

Operating principles and procedures of the Agricultural Insurance Pool are defined in "Regulation for the Agricultural Insurance Pool Principles and Procedures" published at the Official Gazette numbered 26172 and dated 18 May 2006 (last amended at the Official Gazette numbered 31093 and dated 8 April 2020).

TARSİM operates in crops, livestock, poultry animals, greenhouses, aquaculture, sheep and goats and bee hive branches in Türkiye.

Insurance contracts are prepared with standard policies determined by TARSİM. TARSİM pays commission to insurance companies for the premiums they transfer to TARSİM from those amounts collected by TARSİM.

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

All types of activities and transactions of TARSİM are conducted by the operating company (Agricultural Insurance Pool Entity Incorporated Company) for an operating price. Since the operations of the Pool are conducted by the Company, the Pool does not have any employees.

### 1.6 Total amount of salaries or other compensation for Chairman and members of the Board of Directors and members of the executive management such as CEO, General Coordinator and Vice Presidents:

	01.01.2022	01.01.2021
	31.12.2022	31.12.2021
Salaries (*)	132,711	59,518
<b>Total</b>	<b>132,711</b>	<b>59,518</b>

(\*) Consist of salaries of Board of Directors, Disciplinary Board and Science Committee.

### 1.7 Information on the financial statements as to whether they comprise an individual company or a group of companies

Accompanying financial statements solely comprise of financial information of the Agricultural Insurance Pool.

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

"Communique on Procedures and Principles for the Key to be Used in Financial Statements Prepared within the Framework of Insurance Account Plan" issued by the Ministry of Treasury and Finance dated 4 January 2008 and numbered 2008/1 which regulates the procedures and principles for the key to be used in financial statements prepared by the companies was amended with the "Communique on Amendment for the Communique on Procedures and Principles for the Key to be Used in Financial Statements Prepared within the Framework of Insurance Account Plan" issued on 9 August 2010, numbered 2010/9.

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

Trade name of the Company	: Tarım Sigortalıları Havuzu (Agricultural Insurance Pool)
Registered address of the head office	: Sahrayıcedit Mh. Atatürk Cd. No: 48, 34734 Kadıköy / İSTANBUL
The website of the Company	: tarsim.gov.tr
The e-mail of the Company	: maliislervemuhasebe@tarsim.org.tr
The telephone/facsimile of the Company	: +90 850 250 82 77/(+90 216) 322 00 93

The address of the company mentioned above was changed from Saray Mah. Naya Sk. No: 1 Ümraniye / İstanbul to Sahrayıcedit Mh. Atatürk Cd. No: 48 Kadıköy / İstanbul.

### 1.10 Events after the reporting date

Events after the reporting date are presented in Note 22.

The financial statements prepared as of 31 December 2022 has been approved by the Board of Directors of the Company on 3 March 2023.

# **Notes to the Financial Statements as of 31 December 2022**

(Amounts expressed in Turkish Lira ("TL"))

## **2 PRINCIPLES FOR THE PRESENTATION OF FINANCIAL STATEMENTS**

### **2.1 Basis of preparation**

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

The Company prepares its financial statements in accordance with Turkish Accounting Standards ("TMS"), Turkish Financial Reporting Standards ("TFRS") and other regulations, instructions and circulars related with accounting and reporting principles issued by the Republic of Türkiye Ministry of Treasury and Finance (all of them referred to as "Reporting Standards") within the framework of regulations in effect based on the "Regulation on Financial Reporting of Insurance Reinsurance and Pension Companies" issued by the Republic of Türkiye Ministry of Treasury and Finance.

Turkish Accounting Standards Board's (TMSK) (TMSK was closed at November 2011 and its duties were transferred to Public Oversight, Accounting and Auditing Standards Authority) Standard 4 "Insurance Contracts" which was issued on 25 March 2006 and became effective for accounting periods starting after 31 December 2005. However, since the second phase of International Accounting Standards Board's project regarding insurance contracts was not complete, it was announced that TFRS 4 would not be applied at this stage. In this respect,

"Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and Assets in which These Reserves are to be Invested" ("Technical Reserves Regulation") which was published at the Official Gazette dated 7 August 2006 and numbered 26606 and became effective as of 1 January 2008 and various circulars and industry announcements based on this regulation were issued after that. Accounting policies applied based on this regulation, circulars and industry announcements are each summarized under its own heading in the following sections.

The Company calculated its insurance technical reserves as of 31 December 2021 in accordance with "Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and Assets in which These Reserves are to be Invested" ("Technical Reserves Regulation"), published in issue 27655 of the official gazette dated 28 July 2010 in accordance with Statute 5684 and subsequent amendments that took effect on 30 September 2010 and other related legislation and recorded them in its unconsolidated financial statements.

In accordance with the Statutory Decree 660 issued at the Official Gazette dated 2 November 2011, appendix article 1 of the Law 2499 which was the article of establishment of Turkish Accounting Standards Board (TMSK) was revoked and establishment of Public Oversight, Accounting and Auditing Standards Authority was decided by the Cabinet. In accordance with the temporary article 1 of this Statutory Decree, existing regulations would be applied until the standards and regulations by the Authority became effective.

#### **2.1.2 Restatement of Financial Statements in Hyper-inflationary Periods**

Before the Turkish Commercial Code numbered 6102, Statutory Decree numbered 660 and the related legislation, with a resolution of Capital Markets Board (CMB) dated 17 March 2005, for companies operating in Türkiye which prepare financial statements in accordance with CMB Accounting Standards, it was announced that hyperinflation accounting was no longer required effective 1 January 2005. Hence, companies stopped preparation and presentation of their financial statements in accordance with Turkish Accounting Standard 29 "Financial Reporting in Hyperinflationary Economies"

#### **2.1.3 Valid and presentation currency**

The accompanying unconsolidated financial statements are presented in TL, which is the Pool's functional currency.

#### **2.1.4 Rounding scale of the amounts presented in the financial statements**

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

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

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

Financial statement items are stated at their fair values where a reliable measurement is available, otherwise they are stated at their historical costs.

### 2.1.6 Accounting policies, changes in accounting estimates and errors

Valuation principles and accounting policies are consistently applied to all periods presented. The Pool records, measures and presents similar transactions, other events and situations in its financial statements. Significant changes in accounting policies and significant accounting errors detected are applied retrospectively and prior period financial statements are restated.

Changes in accounting estimates are reflected in the period it occurs if the change involves only current period. If the change affects future periods, it is reflected prospectively in both current and future periods. There were no significant changes in the Pool's accounting estimates within the current period.

### 2.1.7 Consolidation

As of 31 December 2022, the Pool does not have any subsidiaries or joint investments which need to be consolidated in accordance with "TFRS 10-Consolidated Financial Statements" (31 December 2021: None).

### 2.2 Foreign currency transactions

Transactions are recorded in TL, which is the Pool's functional currency. Transactions in foreign currencies are recorded at the rates ruling at the dates of the transactions. As of the end of the reporting period, the Company does not have any monetary assets and liabilities denominated in foreign currency.

### 2.3 Tangible assets

#### *Recognition and measurement*

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes all expenditures directly related with acquisition of the asset. Cost of assets constructed by the Pool includes the following items:

- Materials and direct labor costs;
- Costs directly related with bringing the asset to be used according to the Pool's purposes;
- In the case that the Pool has a liability to dispose of the asset or bring the area on which the asset was located to its previous condition, costs to deconstruct parts or restoration, relocation of parts and restoration of the area which it was placed and
- Borrowing costs which were recorded as assets.

For property, plant and equipment purchased in foreign currency, costs include amounts of gains and losses from specific cash flow hedging transactions transferred from equity. Software purchased is recorded as part of the equipment when the software is an integral element for the equipment to be used.

If parts of an asset have different useful lives, these parts are recorded as separate parts (significant parts) of the assets.

Gains or losses from disposal of an asset (difference between the sales proceeds and the carrying amount) are recorded in the income statement

#### *Subsequent costs*

Subsequent costs can only be recorded as asset if the future economic benefits are expected to be transferred to the Pool. Ongoing repair and maintenance are recorded as expense as they occur.

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### Depreciation

Property, plant and equipment are depreciated if they are being used or for assets constructed by the Pool, once they are completed and ready for use. Depreciation is provided using the straight line method over the expected useful lives of the assets after the deduction of the residual value of the assets. Depreciation is accounted for in the income statement unless it is included in book value of another asset. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease, if the Pool is reasonably certain that it will not transfer the title of the asset. Land is not subject to depreciation.

Expected useful lives of the property, plant and equipment in the current and comparative periods are as follows:

TYPE	Useful Life Range (Years)
Machinery and Equipment	3-15
Fixtures	3-5

## 2.4 Intangible Assets

### Recognition and measurement

Other intangible assets acquired by the Pool which have specific useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

### Subsequent costs

Subsequent costs can only be recorded as asset if they are expected to increase the useful lives of the intangible assets which they relate to. All other expenditures, including goodwill and trade brands are recorded as expense when they occur.

### Amortization

Amortization is charged on a straight-line basis from the date the intangible assets are ready for use over estimated useful lives of intangible assets, except for goodwill. The amortization expense is recorded in profit and loss.

Expected useful lives of intangible assets in the current and comparative periods are as follows:

TYPE	Useful Life Range (Years)
Rights	3-5
Other Intangible Assets	4-5

## 2.5 Investment properties

Land and buildings which are held to earn rentals or for capital appreciation (or both) rather than to be used in production of goods and services or for administrative purposes or to be sold in the ordinary course of business are classified as investment properties and measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in net profit or loss for the period in which it arises. The Pool's investment properties are disclosed in Note 7 of these financial statements.

Expected useful life of investment properties in the current period is as follows:

TYPE	Useful Life Range (Years)
Buildings	50

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 2.6 Financial assets

#### Classification and Measurement

Financial assets refer to cash or assets that arise from contractual agreement with a right to acquire cash or another financial asset or swap financial assets or an equity instrument of the other entity.

Financial assets are classified in four categories; as financial assets held for trading, available-for-sale financial assets, held to maturity financial assets, and loans and receivables.

*Financial assets at fair value through profit or loss* are presented as financial assets held for trading in the accompanying financial statements. Financial assets at fair value through profit or loss measured at their fair values and gain/loss arising due to changes in the fair values of related financial assets is recorded in profit/loss.

*Held to maturity financial assets* are the financial assets with fixed maturities and fixed or pre-determined payment schedules that the Company has the intent and ability to hold until maturity, excluding loans and receivables. Subsequent to initial recognition, held to maturity financial assets and loans and receivables are measured at amortized cost using effective interest rate method less impairment losses, if any. As of the reporting period, the Pool has TL 1,074,486,914 of held to maturity financial assets. (31 December 2021: 736,062,409.) The Company has no financial assets that are not allowed to be classified as held to maturity financial assets for two years due to the tainting rules applied for the breach of classification rules.

#### Trade receivables

Trade receivables, arising from credit sales as a result of supplying goods or services directly to a debtor by the Pool, are measured amortized cost using effective interest method. Short-term receivables which do not have a specified interest rate are measured at invoice values if the interest amounts are immaterial.

#### Available for Sale Financial Assets

Available for sale financial assets are those non-derivative assets classified in this category which do not meet the criteria to be classified in other categories. If the Management does not intend to dispose of these assets in 12 months following the reporting date, those assets are classified as non-current assets. The Pool's available for sale assets are composed of Private sector bonds which are measured at amortized cost.

#### Recognition and Measurement

All investments other than financial assets measured at fair value through profit and loss are first recorded at fair value plus transaction cost. Financial assets are derecognized when right to cash flow expires or transferred and the Pool transfers all the risks and rewards of ownership. Available for sale financial assets are measured at fair value in the following periods.

Credits and receivables are measured at amortized cost using the effective interest rate method if they have a significant financing component.

Available for sale financial assets which are not traded at an organized market and fair value cannot be reasonably measured are reflected in the financial statements at cost less allowance for impairment loss, if any.

#### Other receivables

Fair value of other receivables is estimated at values by amortizing future cash flows using the market interest rates at the date of measurement. Short-term receivables with no specified interest rate and maturity are measured at invoice values when the effect of amortization is immaterial. These fair values are determined at recognition and at each reporting period for disclosure.

# **Notes to the Financial Statements as of 31 December 2022**

(Amounts expressed in Turkish Lira ("TL"))

## **Trade payables**

Trade payables refer to obligations of the entity to suppliers for goods and services in the ordinary course of business. Trade payables are recorded at fair value and measured at amortized cost using effective interest rate method in subsequent periods. The Pool measured trade payables which are included in main payables account at recorded values since they do not have a financing component.

Trade payables which have maturities over 1 year are recognized in long-term receivables.

## **2.7 Impairment on financial assets**

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

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

The recoverable amount of an equity instrument is its fair value. The recoverable amount of debt instruments and purchased loans measured to fair value is calculated as the present value of the expected future cash flows discounted at the current market rate of interest.

## **Impairment on non-financial assets**

On each reporting date, the Company evaluates whether there is an indication of impairment of tangible and intangible assets. If there is an objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the "TAS 36 - Impairment of Assets" and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made. (Note 7-16).

## **2.8 Cash and cash equivalents**

Cash and cash equivalents are presented at cost in the balance sheet. Cash and cash equivalents include cash on hand, bank deposits and other short-term highly liquid investments with maturities three months or less and that are readily convertible to a known amount of cash and are not subject to a significant risk of changes in value.

The Pool uses expected credit loss model to calculate impairment loss when cash and cash equivalents are not impaired as result of a specific cause.

Under TAS/IFRS, cash represent cash on hand and demand deposits. Cash equivalents are assets that are held to pay short-term liabilities and not to be used for investment or other purposes, that are short-term highly liquid, readily convertible to a known amount of cash and are not subject to a significant risk of changes in value. Cash and cash equivalents which are classified to pay a liability at a date following twelve months of balance sheet or later or classified for another purpose are presented in non-current assets.

## **2.9 Share Capital**

The Pool was founded in accordance with the "Agricultural Insurance Code No. 5363" published at the Official Gazette numbered 25852 on 21 June 2005. It does not have a capital since it is not in a capital company status.

# **Notes to the Financial Statements as of 31 December 2022**

(Amounts expressed in Turkish Lira ("TL"))

## **2.10 Liabilities**

*Financial liability* is any liability that is a contractual obligation to deliver cash or another financial asset to another entity. Financial liabilities are measured at amortized cost using the effective interest rate method if they include a significant financing component. If they do not include a significant financing component, they are stated at carrying amount. A financial liability is derecognized when it is extinguished.

## **2.11 Taxes**

### **Corporate tax**

The Pool is exempt from all types of taxes, charges and duties within the scope of Agricultural Insurance Law numbered 5363. Hence it is not subject to Corporate Tax.

### **Deferred taxes**

The Pool is exempt from Corporate Tax within the scope of Agricultural Insurance Law numbered 5363. Accordingly, the Pool does not have deferred tax asset and/or liability.

## **2.12 Employee benefits**

Retirement pay, vacation pay and other benefits for employees are the subjects of "Turkish Accounting Standard on Employee Benefits" ("TAS 19"). All transactions related with the operations of TARSİM are conducted by the Agricultural Insurance Pool Entity Incorporated Company in return for an operating fee. In this context, TARSİM does not have any employees under employment contracts, hence it did not record any reserve for "Turkish Accounting Standard on Employee Benefits" ("TAS 19").

## **2.13 Insurance and investments contracts - classification**

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

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

As of the reporting date, the Company does not have a contract which is classified as an investment contract.

## **2.14 Provisions**

Provision is recognized in financial statements if and only if there is a present obligation which has arisen as a result of a past event, payment is probable and the amount of the obligation can be estimated reliably. The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the balance sheet date. When the provision is measured by using estimated cash flows required to settle the present obligation, book value of the provision equals the present value of future cash flows. If some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement should be recognized as a separate asset, when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation.

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 2.15 Revenue recognition

#### Written premiums and claims paid

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

Claims are recognized as expense as they are paid. Outstanding claims provision is provided for both reported unpaid claims at period-end and incurred but not reported claims. Reinsurer's shares of claims paid and outstanding claims provisions are off-set against these reserves.

#### Commission income and expense

As further disclosed in Note - Reserve for unearned premiums, commissions paid to the agencies related to the production of the insurance policies and the commissions received from the reinsurance firms related to the premiums ceded are recognized over the life of the contract by deferring commission income and expenses and recognizing deferred commission income and deferred commission expense in the financial statements for the policies produced after 1 January 2008.

#### Interest income and expense

Interest income and expense are recognized using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

The calculation of the effective interest rate includes all fees and points paid or received transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

### 2.16 Reserve for unearned premiums

Reserve for unearned premiums, outstanding claims reserve and reinsurer shares of these reserves included in technical insurance accounts in financial statements were recorded based on the following principles in accordance with Insurance Law which was effective as of 14 June 2007 and provisions of "Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and Assets in which These Reserves are to be Invested" issued by the Ministry of Treasury and Finance on 7 August 2007 (Regulation on Amendments to be Made in Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and Assets in which These Reserves are to be Invested published in the Official Gazette dated 18 October 2007 numbered 26663 and "Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and Assets in which These Reserves are to be Invested" published in the Official Gazette dated 28 July 2010 numbered 27655).

As of 31 December 2022, the Company calculated its technical reserves related with insurance in accordance with "Regulation on Technical Reserves of Insurance, Reinsurance and Pension Companies and Assets in which These Reserves are to be Invested" ("Technical Reserves Regulation"), published in issue 27655 of the official gazette dated 28 July 2010 in accordance with Statute 5684 and subsequent amendments that took effect on 30 September 2010 and other related legislation and recorded them in its unconsolidated financial statements.

### 2.17 Provision for outstanding claims

Claims are recorded in the year in which they occur, based on reported claims or on the basis of estimates when not reported. Provision for outstanding claims represents the estimate of the total reported costs of notified claims on an individual case basis at the reporting date as well as the corresponding handling costs. Incurred but not reported claims ("IBNR") are also provided.



## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

In accordance with the "Circular for Provision for Outstanding Claims" dated 5 December 2014 and numbered 2014/16 of T.R. Ministry of Treasury and Finance, the compensation which occurred but not was not reported since 1 January 2015 is being calculated with the best of ability of the Company's actuary. The best estimate assumption is calculating the damages which will be paid in the future according to a model and assumption, and by utilizing the risk free return curves to calculate today's value.

### 2.18 Reserve for unexpired risks

In accordance with the Communiqué on Technical Reserves, while providing reserve for unearned premiums, in each accounting period, the companies should perform adequacy test covering the preceding 12 months due to the probability that future claims and compensations of the outstanding policies may be in excess of the reserve for unearned premiums already provided. For this test, gross claim premium ratio is calculated based on total of the last four 3-month periods taking the claim year as basis and including indirect transactions in accordance with the Circular on Reserve for Unexpired Risks (2019/5). Gross claim premium ratio is calculated as the final realized claim amount divided by gross premium earned (all claims paid and expected to be paid for claims occurred during the related period, all earned and expected to be earned revenues related with these and reserve amounts for these claims if any (reserves to be collected through recourse and salvage, allowance for doubtful receivables, reserve for impairment loss, etc.)).

### 2.19 Related parties

For the purposes of financial statements, related party refers to the Agricultural Insurance Pool Entity Incorporated Company which is defined as '*Business and transactions to operate the Pool will be conducted by the Company which will be incorporated with the equal shares of insurance companies that participate in the Pool*' as per the 9<sup>th</sup> article of the Agricultural Pool Code and the insurance companies which are shareholders of this company.

### 2.20 Events after the reporting date

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

#### 2.2.20 New and Revised Turkish Accounting Standards

Accounting policies used to prepare financial statements as of the accounting period ending at 31 December 2022 are applied consistently with the prior year except for the new or amended TMS / TFRS and TMS / TFRS interpretations which became effective as of 1 January 2022 that are explained in the following paragraphs. The impacts of those standards and interpretations on the Company's financial position and performance are explained in related paragraphs.

#### The new standards, amendments and interpretations which are effective as of 31 December 2022:

##### Interest Rate Benchmark Reform - Phase 2 - Amendments to TFRS 9, TMS 39, TFRS 7, TFRS 4 and TFRS 16

In December 2020, POA issued Interest Rate Benchmark Reform - Phase 2 - Amendments to TFRS 9, TMS 39, TFRS 7, TFRS 4 and TFRS 16 which sets forth temporary exemptions to eliminate the impacts of change in interest rate benchmark (IBOR) with alternative reference interest rate on financial reporting. Entities would adopt those changes for annual accounting periods starting at or after 1 January 2021. Early adoption was allowed.

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

Amendments includes the following matters:

### *Practical expedient for changes to contractual cash flows as a result of IBOR reform*

Amendments include a practical expedient that enables a company to account for a change in the contractual cash flows that are required by the reform as a change in variable interest rate equivalent of a change in market interest rate. Within the scope of this practical expedient, it is anticipated that changes in effective interest rates for financial instruments as a result of the interest reform should not be considered as a derecognition or contractual change; rather cash flows should be determined using the original interest rate of the financial instrument.

Practical expedient is required to be applied by entities which apply TFRS 4 Insurance Contracts Standard with the exemption from TFRS 9 Financial Instruments (hence TMS 39 Financial Instruments: Classification and Measurement) and TFRS 16 Leases standard for changes in leases resulting from the IBOR Reform.

### *Relief from discontinuance of Hedge Accounting relationship*

- The amendments enable companies to continue hedge accounting relationship by making revisions to set up and documentations required by the IBOR reform.
- The accumulated amount in cash flow hedge is considered to be based on alternative reference rate.
- During the transition process of alternative interest rate, companies may choose to zero the fair value changes accumulated for each hedging relationship when assessing the retrospective effectiveness tests performed in accordance with TMS 39.
- Amendments provide an exemption for items designated for a grouping approach (for example, those which are part of a macro hedging strategy) to be changed as a result of revisions required by the IBOR reform. This exemption enables companies to keep the hedging strategy and avoid discontinuance.
- During the transition of alternative reference interest rate, hedging relationship may be revised more than once. Phase 2 exemptions are applied for all revisions made in hedging relationships as a result of IBOR reform.

### ***Designation of risk components separately***

Amendments provide a temporary relief for companies in meeting the requirement criteria of identification of risk components separately in cases where alternative interest rate is designated as a risk component in a hedging relationship .

### ***Additional disclosures***

Amendments require additional disclosures to be made within the scope of TFRS 7 Financial Instruments Disclosures standard such as how the company manages the alternative interest rate transition process and risks resulting from this transition, qualitative information on financial instruments that will be affected by the IBOR transition although the transition has not yet taken place and explanation of changes in risk management strategy as a result of IBOR reform, if there are any.

Those amendments did not have a significant impact on the Company's financial position and performance.

### **TFRS 4 (Amendments) Extension of the Temporary Exemption Period of TFRS 9 Application**

As a result of postponement of effective date of TFRS 17 to 1 January 2023, temporary exemption date for application of TFRS 9 for insurance companies was also revised as 1 January 2023.

# **Notes to the Financial Statements as of 31 December 2022**

(Amounts expressed in Turkish Lira ("TL"))

## **Standards and amendments issued but not yet effective as of 31 December 2022:**

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of approval of the financial statements or not early adopted by the Company are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

### **TFRS 17 - The New Standard for Insurance Contracts**

The POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. Certain changes in the estimates of future cash flows and the risk adjustment are also recognized over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in Other Comprehensive Income. The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. TFRS 17 will enter into force for annual periods beginning on or after 1 January 2023, and early application is permitted for entities that have applied TFRS 9 Financial Instruments and TFRS 15 Revenue from Contracts with Customers on or before this date.

According to the amendments published by POA in December 2021, enterprises have the option to "overlap classification" in order to eliminate possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented when TFRS 17 is applied for the first time. The Company is in the process of assessing the impact of the amendment on financial position and performance of the Company.

### **Amendments to TMS 1- Classification of Liabilities as Short and Long Term**

In January 2021, POA published amendments to "TMS 1 Presentation of Financial Statements". The amendments published for TMS 1 are valid for annual accounting periods beginning on or after 1 January 2023 and includes explanations of criteria to evaluate for the classification of liabilities as short-term and long-term. Amendments need to be applied retrospectively in accordance with TMS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Early adoption is allowed.

The Company is in the process of assessing the impact of the amendments on financial position and performance of the Company.

### **Amendments to TMS 8- Definition of Accounting Estimates**

In August 2021, POA published amendments to TMS 8 that introduce a new definition for "accounting estimates". The amendments published for TMS 8 are valid for annual accounting periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. In addition, the amended standard clarifies that the effects of a change in input or a change in a measurement technique on the accounting estimate are changes in accounting estimates unless they result from a correction for prior period errors. The previous definition of change in accounting estimate indicated that changes in accounting estimates could result from new information or new developments. Therefore, such changes are not considered as corrections of errors. This aspect of the definition has been preserved by the POA. Changes will apply to accounting estimates or accounting policy changes that occur on or after the effective date, with early application permitted.

Overall, the Company does not anticipate a significant impact on its financial statements.

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### Amendments to TMS 12 - Deferred Tax on Assets and Liabilities Arising from a Single Transaction

In August 2021, POA published amendments to TMS 12 that narrows the scope of the initial recognition exemption and thus ensures that the exemption is not applied to transactions that result in equal taxable and deductible temporary differences. Amendments to TMS 12 are valid for annual accounting periods beginning on or after 1 January 2023. Given applicable tax law, the amendments clarify that where payments on a liability are tax-deductible, whether such deductions are attributed to the recognized liability (and interest expense) or tax-related asset component (and interest expense) is a matter of jurisdiction. This judgment is important in determining whether there is any temporary difference in initial recognition of the asset and liability. Changes apply to transactions that occur at or after the beginning of the earliest period presented comparatively.

In addition, at the beginning of the earliest comparative period presented, deferred tax asset (provided there is sufficient taxable income) and deferred tax liability are recognized for all deductible and taxable temporary differences related to leases and decommissioning, restoration and similar liabilities.

The Company is in the process of assessing the impact of the amendments on financial position and performance of the Company.

### Amendments to TFRS 16 - Sale and Leaseback Transactions

Applicable for annual reporting periods starting after 1 January 2024. These amendments include provisions on how sale and leaseback transactions as stated in TFRS 16 are recorded after the transaction date. It is expected that sale and leaseback transactions which have variable lease payments not based on an index or a specific rate are to be impacted.

### 3 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Preparation of financial statements require the use of estimates and assumptions that affect the amount of assets and liabilities reported at the balance sheet date, disclosure of contingent assets and liabilities and income and expenses during the reporting period. Accounting policies, estimates and assumptions are reviewed taking into consideration past experience, other factors and reasonable expectations for future events in today's circumstances. Though these evaluations and estimates are based on management's best information regarding current events and transactions, actual results may differ from assumptions.

One of the major accounting estimates for the Pool is the estimate of the net final liability for expenses arising from policies in effect. Estimation of insurance liabilities, by definition, involves assessment of numerous uncertainties.

### 4 MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK

#### 4.1 Insurance Risk

Insurance risk is the possibility of occurrence of a risk which is insured with an insurance contract and the uncertainty of the magnitude of the damage this may cause. By definition of insurance business, risk occurs incidentally and it is hard to estimate. Maximum risk tolerated is limited to insurance coverage amount.

The Pool adopted a central risk assessment policy. This policy is applied within the framework of operating areas and limits. As a principle, probability of damages within the risk assessment process are determined using past claim experiences, comparison of similar risks, process risks within the production process methods. Location of the risk insured, its geographic area, operational area, cautions against fire and theft are the principal criteria in risk assessment.

The Pool manages insurance risk with the help of production strategy, reinsurer contracts, effective settlement and payment transactions. The Pool's policy production strategy is built upon making risk assessment in the most effective manner during policy production and appropriate allocation based on type and size of the risk, industry and geographical area.

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

Reinsurance contracts include excess of loss, quota share, surplus and catastrophic guarantee (cover). Moreover, within the framework of reinsurance program, optional (facultative) reinsurance contracts can be made.

The most common method in managing the Pool risk is making reinsurance contracts. However, transfer of insurance risk with a reinsurance contract does not eliminate the obligation of the Pool as the first insurer. The Pool evaluates the reliability of the reinsurer company by reviewing its financial position before signing the annual contract.

The Pool, on one hand, produces policies within the scope of risk assessment as explained above and on the other hand transfers the risks assumed to reinsurers within the framework of annual reinsurance contracts.

The Pool makes insurance contracts within the scope of agricultural insurances. Accordingly, insurance coverage amounts based on the type of insured and branches in the insurance contracts are explained in Note 14.

Reinsurance contracts are contracts signed between the Pool and reinsurance companies with specified terms and conditions for a specific period of time, which provide the Pool with capacity and protection, risk sharing based on a specific amount or ratio according to the type of the contract for proportional reinsurance contracts, protection against a single claim or cumulative claims assumed by the Pool for a certain amount for non-proportional reinsurance contracts. As of 31 December 2022, latest credit scores of the companies which the Pool commonly signed reinsurance contracts are presented at the table below:

Company	Country	Rating	
		Standard & Poor's	A.M. Best
Türk Re	Türkiye	-	-
Scor	France	A+	A+
Münich Re	Germany	AA-	A+
Türk Katılım Re	Türkiye	-	-
Swiss Re	Switzerland	AA-	A+
Milli Re	Türkiye	BBB-	C
Odyssey Re	USA	A	A+
VIG Re	Austria	A+	
CCR Re	France	A-	-
SCR Morocco	Morocco	-	B++
Az Re	Azerbaijan	-	B+

## 4.2 Management of financial risk

### Introduction and overview

This note presents information about the Pool's exposure to each of the below risks, the Pool's objectives, policies and processes for measuring and managing risk, and the Pool's management of capital. The Pool has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

Responsibility of establishment and monitoring of risk management structure are in the hands of the Board of Directors. The Board ensures the effectiveness of the risk management through the Company's internal audit department.

The Pool's risk management policies were established to define and analyze the risks which the Pool is exposed to, to determine the risk limits and controls and to monitor the risks and compliance with the limits specified. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and goods / services offered. With training and management standards and procedures, the Pool aims to develop a disciplined and constructive control environment where all employees understand their roles and responsibilities.

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### Credit risk

Credit risk is most simply defined as the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The balance sheet items that the Pool is exposed to credit risks are as follows:

- Cash at banks
- Available for sale financial assets
- Receivables from policyholders
- Receivables from reinsurance companies related to commissions and claims paid
- Reinsurance shares of insurance liability
- Other receivables

Financial assets of the Pool subject to credit risk are mostly time and demand deposits at banks and other financial institutions in Türkiye and they are not considered as having high credit risk.

Carrying amount of assets exposed to credit risk is presented below:

31 December 2022	Book value	Up to 1 month	1 to 3 months	3 to 12 months	Over 12 months
<b>Assets</b>					
Cash and cash equivalents	4,061,919,264	65,524,991	196,824,489	3,799,569,784	-
Financial assets	1,368,961,376	-	294,474,462	-	1,074,486,914
Receivables from main operations	3,465,163,748	3,465,163,748	-	-	-
Other receivables	135,044	135,044	-	-	-
<b>Total monetary assets</b>	<b>8,896,179,432</b>	<b>3,530,823,783</b>	<b>491,298,951</b>	<b>3,799,569,784</b>	<b>1,074,486,914</b>
<b>Liabilities</b>					
Payables arising from main operations	2,902,023,154	2,902,023,154	-	-	-
Payables to related parties	54,707,025	54,707,025	-	-	-
Other liabilities	29,196,339	29,196,339	-	-	-
Provision for outstanding claims, net	1,338,344,750	1,338,344,750	-	-	-
Provisions for taxes and other similar obligations	7,046,348	7,046,348	-	-	-
<b>Total monetary liabilities</b>	<b>4,324,271,268</b>	<b>4,331,317,616</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

31 December 2021	Book value	Up to 1 month	1 to 3 months	3 to 12 months	Over 12 months
<b>Assets</b>					
Cash and cash equivalents	1,604,296,152	38,773,034	175,553,513	1,389,969,604	-
Financial assets	983,521,588	-	247,459,179	-	736,062,409
Receivables from main operations	2,229,657,086	2,229,657,086	-	-	-
Other receivables	258,825	258,825	-	-	-
<b>Total monetary assets</b>	<b>4,817,733,651</b>	<b>2,268,688,945</b>	<b>423,012,692</b>	<b>1,389,969,604</b>	<b>736,062,409</b>
<b>Liabilities</b>					
Payables arising from main operations	1,161,252,557	1,161,252,557	-	-	-
Payables to related parties	7,971,356	7,971,356	-	-	-
Other liabilities	7,647,949	7,647,949	-	-	-
Provision for outstanding claims, net	492,586,624	492,586,624	-	-	-
Provisions for taxes and other similar obligations	6,243,734	6,243,734	-	-	-
<b>Total monetary liabilities</b>	<b>1,675,702,220</b>	<b>1,675,702,220</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Liquidity risk

Liquidity risk is the risk resulting from the inability of the Pool to meet its financial obligations.

#### Management of the liquidity risk

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

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

The following table presents the Pool's financial and insurance obligations as of the date of the balance sheet based on contracts which they arise from or time left to expected maturity:

As of 31 December 2022 and 31 December 2021, maturities of unamortized trade payables and financial payables based on their maturity dates are as follows and currently there is no liquidity risk at the balance sheet date and following periods:

	31 December 2022	31 December 2021
Cash and cash equivalents	4,061,919,264	1,604,296,152
Financial assets	1,368,961,376	983,521,588
Receivables from main operations	3,465,163,748	2,229,657,086
Other receivables	130,311	254,715
Advances to personnel	4,733	4,110
<b>Total</b>	<b>8,896,179,432</b>	<b>4,817,733,651</b>

Mortgages and other guarantees received for receivables are as follows:

	31 December 2022	31 December 2021
Letters of Guarantee Received	3,279,343	2,682,280
Time Deposits Received as Guarantee	318,889,149	334,228,048
Treasury Bills Received as Guarantee	87,951,560	68,637,238
<b>Total</b>	<b>410,120,052</b>	<b>405,547,566</b>

### Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and credit spreads will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

### Currency risk

The Pool is exposed to currency risk through cash and cash equivalents in foreign currencies.

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

The Pool's exposure to foreign currency risk is presented in the tables below:

#### 31.12.2022

As of 31.12.2022, the Pool has no foreign currency assets or liabilities.

#### 31.12.2021

As of 31.12.2021, the Pool has no foreign currency assets or liabilities.



## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 5 SEGMENT INFORMATION

Information reported by the Pool to the authority to take decisions about the operations is presented in this note within the scope of "IFRS 8 - Operating Segments". When determining sub-segments to report, in addition to management reporting, the Pool considered lower numerical limits within the scope of "IFRS 8 - Operating Segments" standard and segments were defined based on premium production and technical profitability. Since the Pool operates in Türkiye, reporting based on geographical areas are not presented.

31.12.2022	Crop	Cattle	Poultry	Greenhouse	Aquaculture	Sheep and Goats	Bee Hives	Undistributed	Total
<b>I. TECHNICAL INCOME</b>	<b>10,765,794,506</b>	<b>4,827,516,656</b>	<b>78,496,240</b>	<b>1,308,589,522</b>	<b>49,651,147</b>	<b>1,274,311,593</b>	<b>56,203,893</b>		<b>18,360,563,557</b>
A) Earned Premiums	5,858,438,676	2,020,354,448	43,972,799	519,779,629	23,444,219	511,212,186	28,752,349		9,005,954,305
B) Earned Commissions	768,151,341	294,463,370	5,845,380	67,494,127	3,571,312	79,361,386	3,241,139		1,222,128,054
a) Earned Commissions	1,058,210,687	366,046,148	7,956,875	94,006,036	4,255,996	92,585,271	5,198,879		1,628,259,892
b) Deferred Commission									
Income (-)	(290,059,347)	(71,582,778)	(2,111,495)	(26,511,909)	(684,684)	(13,223,885)	(1,957,740)		(406,131,837)
C) Claims Paid, ceded	1,621,693,521	542,745,996	4,149,605	180,308,287	5,943,824	155,768,823	2,405,605		2,513,015,663
D) Technical Reserves									
Carried Forward	749,787,182	906,353,191	7,117,883	206,266,280	4,952,044	261,775,096	7,482,747		2,143,734,422
a) Reserve for Unearned Premiums	683,031,706	778,393,600	6,473,247	187,464,829	4,915,843	237,051,802	4,952,159		1,902,283,186
b) Provision for Outstanding Claims	66,755,476	127,959,591	644,635	18,801,451	36,201	24,723,294	2,530,587		241,451,236
E) Technical Provisions, ceded	1,766,646,163	1,063,596,650	17,410,312	334,741,199	11,739,748	266,189,737	14,322,054		3,474,645,863
a) Reserve for Unearned Premiums	1,682,178,778	885,645,326	13,403,627	250,238,199	6,520,029	235,557,740	11,617,712		3,085,161,411
b) Provision for Outstanding Claims, ceded	84,467,385	177,951,324	4,006,685	84,503,001	5,219,719	30,631,996	2,704,342		389,484,452
F) Other Income	1,077,624	3,000	261	-	-	4,365	-		1,085,250
<b>II. TECHNICAL EXPENSES</b>	<b>(10,069,452,885)</b>	<b>(4,526,781,548)</b>	<b>(69,436,279)</b>	<b>(1,270,223,656)</b>	<b>(45,440,579)</b>	<b>(1,252,562,616)</b>	<b>(52,040,332)</b>		<b>(17,285,937,896)</b>
A) Premiums Ceded to Reinsurers	(4,153,582,224)	(1,457,606,944)	(31,688,885)	(374,356,417)	(16,946,431)	(368,682,052)	(20,703,444)		(6,423,566,398)
B) Commissions Paid	(638,216,956)	(149,647,350)	(3,746,025)	(41,619,450)	(1,079,045)	(54,971,734)	(2,635,404)		(891,915,963)
a) Commissions Paid	(884,583,633)	(200,176,868)	(5,285,304)	(60,829,502)	(1,368,827)	(67,000,394)	(4,312,929)		(1,223,557,457)
b) Deferred Commission									
Expenses (+)	246,366,677	50,529,518	1,539,279	19,210,052	289,783	12,028,660	1,677,525		331,641,494
C) Claims Paid	(2,218,501,835)	(694,999,871)	(3,982,510)	(218,335,492)	(7,084,574)	(247,773,067)	(2,624,609)		(3,393,301,958)
D) Technical Reserves									
Carried Forward	(577,272,491)	(698,403,136)	(5,480,777)	(158,786,331)	(3,812,890)	(201,603,005)	(5,789,168)		(1,651,147,799)
Reinsurer Share									
a) Reserve for Unearned Premiums	(525,934,414)	(599,363,072)	(4,984,401)	(144,347,918)	(3,785,199)	(182,529,888)	(3,813,163)		(1,464,758,053)
b) Provision for Outstanding Claims	(51,338,077)	(99,040,064)	(496,377)	(14,438,413)	(27,691)	(19,073,118)	(1,976,005)		(186,389,745)
E) Technical Provisions	(2,452,541,196)	(1,468,122,856)	(24,138,486)	(464,778,377)	(16,302,985)	(367,416,765)	(19,689,949)		(4,812,990,614)
a) Reserve for Unearned Premiums	(2,336,359,018)	(1,226,697,328)	(18,614,478)	(347,548,595)	(9,055,596)	(325,944,543)	(16,135,662)		(4,280,355,220)
b) Provision for Outstanding Claims	(116,182,177)	(241,425,528)	(5,524,007)	(117,229,783)	(7,247,389)	(41,472,222)	(3,554,287)		(532,635,394)
F) Other Expenses	(29,338,184)	(58,001,391)	(399,596)	(12,347,589)	(214,654)	(12,115,993)	(597,759)		(113,015,165)
<b>TECHNICAL INCOME - TECHNICAL EXPENSES DIFFERENCE</b>	<b>696,341,621</b>	<b>300,735,108</b>	<b>9,059,961</b>	<b>38,365,866</b>	<b>4,210,568</b>	<b>21,748,976</b>	<b>4,163,561</b>		<b>1,074,625,661</b>
<b>III. GENERAL EXPENSES</b>									<b>(190,238,205)</b>
B) General and Administrative Expenses								(184,511,492)	(184,511,492)
D) Depreciation and Amortization Expenses								(5,726,568)	(5,726,568)
<b>IV. FINANCIAL INCOME</b>								480,902,311	<b>484,258,875</b>
A) Interest Income									480,902,311
E) Foreign Exchange Gains								1,549,047	1,549,047
F) Rental Income								1,368,719	1,368,719
G) Other Income								438,798	438,798
<b>V. FINANCIAL EXPENSES</b>									<b>(883)</b>
D) Loss from Sales of Property, Plant and Equipment and Intangible Assets								(883)	(883)
<b>Net Profit / Loss Difference</b>									<b>1,368,645,593</b>

# Agricultural Insurance Pool

## Notes to the Financial Statements

### as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

#### 31.12.2021

	Crop	Cattle	Poultry	Greenhouse	Aquaculture	Sheep and Goats	Bee Hives Undistributed	Total
<b>I. TECHNICAL INCOME</b>	<b>5,686,727,914</b>	<b>3,256,371,413</b>	<b>28,368,484</b>	<b>731,260,996</b>	<b>23,658,142</b>	<b>876,242,226</b>	<b>27,114,033</b>	<b>10,629,743,208</b>
A) Earned Premiums	2,594,922,724	1,370,397,772	15,010,833	281,505,624	11,467,482	395,158,249	9,996,604	4,678,459,288
B) Earned Commissions	469,242,883	208,621,362	2,398,892	41,225,106	2,196,210	53,507,481	1,988,649	779,180,584
a) Earned Commissions	531,513,364	265,354,547	2,909,948	54,548,910	2,216,610	76,540,917	1,937,096	935,021,393
b) Deferred Commission Income (-)	(62,270,482)	(56,733,185)	(511,057)	(13,323,804)	(20,399)	(23,033,435)	51,553	(155,840,809)
C) Claims Paid, ceded	1,530,504,130	391,035,052	1,278,510	87,788,709	1,170,895	91,702,911	2,177,178	2,105,657,384
D) Technical Reserves Carried Forward	514,785,674	587,908,250	4,199,472	161,955,226	5,010,664	134,260,736	7,162,434	1,415,282,457
a) Reserve for Unearned Premiums	375,911,241	504,724,291	3,986,210	123,375,118	4,999,892	122,835,757	5,423,528	1,141,256,036
b) Provision for Outstanding Claims	138,874,433	83,183,960	213,262	38,580,108	10,772	11,424,979	1,738,906	274,026,421
E) Technical Provisions, ceded	577,272,491	698,403,136	5,480,777	158,786,331	3,812,890	201,603,005	5,789,168	1,651,147,799
a) Reserve for Unearned Premiums	525,934,414	599,363,072	4,984,401	144,347,918	3,785,199	182,529,888	3,813,163	1,464,758,053
b) Provision for Outstanding Claims, ceded	51,338,077	99,040,064	496,377	14,438,413	27,691	19,073,118	1,976,005	186,389,745
F) Other Income	13	5,841	-	-	-	9,843	-	15,697
<b>II. TECHNICAL EXPENSES</b>	<b>(5,362,708,613)</b>	<b>(3,039,629,563)</b>	<b>(24,655,622)</b>	<b>(675,424,577)</b>	<b>(19,546,988)</b>	<b>(841,949,714)</b>	<b>(25,141,458)</b>	<b>(9,989,056,534)</b>
A) Premiums Ceded to Reinsurers	(2,000,631,276)	(1,055,206,236)	(11,558,341)	(217,371,180)	(8,829,961)	(304,271,852)	(7,697,385)	(3,605,566,231)
B) Commissions Paid	(354,648,465)	(113,301,564)	(1,452,753)	(25,753,457)	(760,832)	(36,002,870)	(1,570,231)	(533,490,172)
a) Commissions Paid	(393,803,600)	(146,767,398)	(1,774,316)	(33,444,222)	(754,949)	(50,946,224)	(1,499,526)	(628,990,235)
b) Deferred Commission Expenses (+)	39,155,135	33,465,834	321,563	7,690,765	(5,883)	14,943,354	(70,705)	95,500,063
C) Claims Paid	(1,849,530,151)	(477,015,043)	(1,086,636)	(95,183,141)	(1,047,875)	(127,684,947)	(2,699,476)	(2,554,247,269)
D) Technical Reserves Carried Forward Reinsurer Share	(395,910,140)	(453,310,094)	(3,233,602)	(124,772,384)	(3,858,051)	(103,425,636)	(5,541,091)	(1,090,050,999)
a) Reserve for Unearned Premiums	(289,451,655)	(388,637,704)	(3,069,382)	(94,998,841)	(3,849,917)	(94,583,533)	(4,176,117)	(878,767,148)
b) Provision for Outstanding Claims	(106,458,485)	(64,672,391)	(164,220)	(29,773,543)	(8,135)	(8,842,103)	(1,364,975)	(211,283,851)
E) Technical Provisions	(749,787,182)	(906,353,191)	(7,117,883)	(206,266,280)	(4,952,044)	(261,775,096)	(7,482,747)	(2,143,734,422)
a) Reserve for Unearned Premiums	(683,031,706)	(778,393,600)	(6,473,247)	(187,464,829)	(4,915,843)	(237,051,802)	(4,952,159)	(1,902,283,186)
b) Provision for Outstanding Claims	(66,755,476)	(127,959,591)	(644,635)	(18,801,451)	(36,201)	(24,723,294)	(2,530,587)	(241,451,236)
F) Other Expenses	(12,201,400)	(34,443,434)	(206,408)	(6,078,135)	(98,223)	(8,789,313)	(150,528)	(61,967,441)
<b>TECHNICAL INCOME - TECHNICAL EXPENSES DIFFERENCE</b>	<b>324,019,301</b>	<b>216,741,851</b>	<b>3,712,862</b>	<b>55,836,419</b>	<b>4,111,154</b>	<b>34,292,512</b>	<b>1,972,575</b>	<b>640,686,674</b>
<b>III. GENERAL EXPENSES</b>								<b>(99,050,660)</b>
C) Tax and Other Obligations							(94,980,571)	(94,980,571)
D) Depreciation and Amortization Expenses							(4,070,089)	(4,070,089)
<b>IV. FINANCIAL INCOME</b>								<b>281,346,381</b>
A) Interest Income							274,787,133	274,787,133
E) Foreign Exchange Gains							4,476,538	4,476,538
F) Rental Income							1,496,500	1,496,500
G) Other Income							586,210	586,210
<b>V. FINANCIAL EXPENSES</b>								<b>(24,491)</b>
A) Loss from Disposal of Tangible and Intangible Assets							(24,491)	(24,491)
<b>Net Profit / Loss Difference</b>								<b>822,957,904</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 6 TANGIBLE ASSETS

As of 31 December 2022 and 31 December 2021, movement in the Pool's plant, machinery and equipment and related accumulated depreciation is presented below:

#### 31.12.2022

##### Cost

Account Name	01.01.2022	Additions	Disposal	Transfers	31.12.2022
Plant, Machinery and Equipment	1,249,009	1,420,475	(328,630)	163,732	2,504,585
Fixtures	21,925,099	18,165,277	(1,342,174)	-	38,748,203
<b>Total</b>	<b>23,174,108</b>	<b>19,585,752</b>	<b>(1,670,804)</b>	<b>163,732</b>	<b>41,252,788</b>

##### Accumulated Amortization

Account Name	01.01.2022	Current Period Depreciation	Disposal	Transfers	31.12.2022
Plant, Machinery and Equipment	(362,311)	(420,922)	328,630	(105,814)	(560,416)
Motor Vehicles	-	-	-	-	-
Fixtures	(14,574,751)	(2,149,651)	1,338,710	-	(15,385,692)
<b>Total</b>	<b>(14,937,062)</b>	<b>(2,570,573)</b>	<b>1,667,340</b>	<b>(105,814)</b>	<b>(15,946,109)</b>
<b>Net value</b>	<b>8,237,046</b>				<b>25,306,679</b>

#### 31.12.2021

##### Cost

Account Name	01.01.2021	Additions	Disposal	Transfers	31.12.2021
Plant, Machinery and Equipment	375,948	906,809	(33,748)	-	1,249,009
Fixtures	14,357,040	7,905,055	(336,996)	-	21,925,099
<b>Total</b>	<b>14,732,988</b>	<b>8,811,864</b>	<b>(370,744)</b>	<b>-</b>	<b>23,174,108</b>

##### Accumulated Amortization

Account Name	01.01.2021	Current Period Depreciation	Disposal	Transfers	31.12.2021
Plant, Machinery and Equipment	(375,948)	(20,111)	33,748	-	(362,311)
Motor Vehicles	-	-	-	-	-
Fixtures	(12,727,051)	(2,140,668)	292,968	-	(14,574,751)
<b>Total</b>	<b>(13,102,999)</b>	<b>(2,160,779)</b>	<b>326,716</b>	<b>-</b>	<b>(14,937,062)</b>
<b>Net value</b>	<b>1,629,989</b>				<b>8,237,046</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 7 INVESTMENT PROPERTIES

As of 31 December 2022 and 31 December 2021, movement in the Pool's investment properties and related accumulated amortization is presented below:

#### 31.12.2022

##### Cost

Account Name	01.01.2022	Additions	Disposal	Transfers	31.12.2022
Lands	30,975,000	-	-	-	30,975,000
Buildings	18,362,582	2,279,478	(7,080)	-	20,634,980
<b>Total</b>	<b>49,337,582</b>	<b>2,279,478</b>	<b>(7,080)</b>	<b>-</b>	<b>51,609,980</b>

##### Accumulated Amortization

Account Name	01.01.2022	Current Period Depreciation	Disposal	Transfers	31.12.2022
Buildings	(372,554)	(406,616)	-	-	(779,170)
<b>Total</b>	<b>(372,554)</b>	<b>(406,616)</b>	<b>-</b>	<b>-</b>	<b>(779,170)</b>
<b>Net book value</b>	<b>48,965,028</b>				<b>50,830,810</b>

#### 31.12.2021

##### Cost

Account Name	01.01.2021	Additions	Disposal	Transfers	31.12.2021
Lands	30,975,000	-	-	-	30,975,000
Buildings	14,160,000	4,202,582	-	-	18,362,582
<b>Total</b>	<b>45,135,000</b>	<b>4,202,582</b>	<b>-</b>	<b>-</b>	<b>49,337,582</b>

##### Accumulated Amortization

Account Name	01.01.2021	Current Period Depreciation	Disposal	Transfers	31.12.2021
Buildings	-	(372,554)	-	-	(372,554)
<b>Total</b>	<b>-</b>	<b>(372,554)</b>	<b>-</b>	<b>-</b>	<b>(372,554)</b>
<b>Net book value</b>	<b>45,135,000</b>				<b>48,965,028</b>

As of 31 December 2021, the Pool's investment properties are stated at cost.

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 8 INTANGIBLE ASSETS

As of 31 December 2022 and 31 December 2021, movement of the Pool's intangibles and related accumulated amortization are as follows:

#### 31.12.2022

##### Cost

Account Name	01.01.2022	Additions	Disposal	Transfers	31.12.2022
Rights	13,181,370	1,138,304	-	-	14,319,674
Other Intangible Assets	169,362	23,346	-	(163,732)	28,976
<b>Total</b>	<b>13,350,732</b>	<b>1,161,650</b>	<b>-</b>	<b>(163,732)</b>	<b>14,348,650</b>

##### Accumulated Amortization

Account Name	01.01.2022	Current Period Depreciation	Disposal	Transfers	31.12.2022
Rights	(7,302,536)	(2,746,256)	-	-	(10,048,792)
Other Intangible Assets	(113,243)	(3,124)	-	105,814	(10,553)
<b>Total</b>	<b>(7,415,779)</b>	<b>(2,749,379)</b>	<b>-</b>	<b>105,814</b>	<b>(10,059,345)</b>
<b>Net book value</b>	<b>5,934,953</b>				<b>4,289,305</b>

#### 31.12.2021

##### Cost

Account Name	01.01.2021	Additions	Disposal	Transfers	31.12.2021
Rights	8,381,239	4,800,131	-	-	13,181,370
Other Intangible Assets	169,362	-	-	-	169,362
<b>Total</b>	<b>8,550,601</b>	<b>4,800,131</b>	<b>-</b>	<b>-</b>	<b>13,350,732</b>

##### Accumulated Amortization

Account Name	01.01.2021	Current Period Depreciation	Disposal	Transfers	31.12.2021
Rights	(5,805,606)	(1,496,930)	-	-	(7,302,536)
Other Intangible Assets	(73,417)	(39,826)	-	-	(113,243)
<b>Total</b>	<b>(5,879,024)</b>	<b>(1,536,756)</b>	<b>-</b>	<b>-</b>	<b>(7,415,779)</b>
<b>Net book value</b>	<b>2,671,577</b>				<b>5,934,953</b>

There are no pledges, mortgages or other guarantees on the Pool's assets.

## Agricultural Insurance Pool

# Notes to the Financial Statements

## as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 9 REINSURANCE ASSETS AND LIABILITIES

As of 31 December 2022 and 31 December 2021, reinsurance assets and liabilities of the Pool based on current reinsurance contracts are presented below:

Reinsurance assets	31.12.2022	31.12.2021
Reserve for Unearned Premiums, ceded	3,085,161,411	1,464,758,053
Reinsurer share in provision for outstanding claims	389,484,452	186,389,745
Receivables from reinsurers	13,835,833	57,202,365
<b>Total</b>	<b>3,488,481,696</b>	<b>1,708,350,163</b>

Reinsurance liabilities	31.12.2022	31.12.2021
Commission payables related with premiums written for reinsurer companies	2,899,879,492	1,158,723,352
<b>Total</b>	<b>2,899,879,492</b>	<b>1,158,723,352</b>

Gains and losses recorded in income statement for reinsurance contracts of the Pool are presented below:

	31.12.2022	31.12.2021
Premiums transferred to reinsurer during the period	(6,423,566,398)	(3,605,566,231)
Reinsurer share for unearned premiums - beginning of period	(1,464,758,053)	(878,767,148)
Reinsurer share for unearned premiums - end of period	3,085,161,411	1,464,758,053
<b>Reinsurer share in unearned premiums</b>	<b>(4,803,163,040)</b>	<b>(3,019,575,326)</b>
Reinsurer share for claims paid during the period	2,513,015,663	2,105,657,384
Reinsurer share for outstanding claims reserve - beginning of period	(186,389,745)	(211,283,851)
Reinsurer share for outstanding claims reserve - end of period	389,484,452	186,389,745
<b>Reinsurer share in claims</b>	<b>2,716,110,370</b>	<b>2,080,763,278</b>
Commission income accrued from reinsurers during the period	1,222,128,054	779,180,584
Deferred commission income - beginning of period	368,614,203	212,773,394
Deferred commission income - end of period	(774,746,041)	(368,614,203)
<b>Commission income earned from reinsurers</b>	<b>815,996,216</b>	<b>623,339,775</b>
<b>Total, net</b>	<b>(1,271,056,454)</b>	<b>(315,472,273)</b>

### 10 FINANCIAL INVESTMENTS

The financial assets portfolio of the Pool as of 31 December 2022 and 31 December 2021 is as follows:

#### Short Term Financial Investments

Account Name	31.12.2022	31.12.2021
Other Financial Investments <sup>(*)</sup>	294,474,462	247,459,179
<b>Total</b>	<b>294,474,462</b>	<b>247,459,179</b>

<sup>(\*)</sup> Held to maturity financial assets comprise of term bonds issued by Türkiye Halk Bankası A.Ş. Total amount was measured at amortized cost.

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### Long Term Financial Investments

Fair value through Profit and Loss	31.12.2022	31.12.2021
Government Debt Securities	1,074,486,914	736,062,409
<b>Total</b>	<b>1,074,486,914</b>	<b>736,062,409</b>

The maturity analysis of the Pool's financial investments is presented below.

Maturity Composition	31.12.2022	31.12.2021
0-90 Days	294,474,462	247,459,179
365 Days and above	1,074,486,914	736,062,409
<b>Total</b>	<b>1,368,961,376</b>	<b>983,521,588</b>

### 11 PAYABLES AND RECEIVABLES FROM MAIN OPERATIONS

The Receivables of from Main Operations of the Pool as of 31 December 2022 and 31 December 2021 are explained below:

Account Name	31.12.2022	31.12.2021
Trade Receivables from Related Parties	1,061,277,168	430,594,385
Trade Receivables from Non-related Parties	2,403,886,580	1,799,062,701
State Support Share	2,390,050,747	1,741,860,336
Receivables from Reinsurance Companies	13,835,833	57,202,365
<b>Total</b>	<b>3,465,163,748</b>	<b>2,229,657,086</b>

The Payables of from Main Operations of the Pool as of 31 December 2022 and 31 December 2021 are explained below:

Account Name	31.12.2022	31.12.2021
Trade Payables to Related Parties	866,229,836	393,061,223
Trade Payables to Non-related Parties	2,035,793,318	768,191,334
Milli Reasürans	77,318,717	27,885,180
Doğal Afet Sigortaları Kurumu	12	-
Swiss Re	119,468,824	17,944,111
Münich Re	183,716,392	67,819,066
Hannover Re	-	57,721,611
Mapfre Re	97,427,689	24,226,991
Scor Re	309,431,174	113,772,421
Axis Re	-	989,142
Vig Re	9,691,013	3,956,565
CCR Re	4,845,349	1,978,282
Trans Re	-	989,142
Odyssey Reinsurance Company	29,377,572	7,995,162
Assurances Mutuelles De France	-	1,523,858
Korean Reinsurance Company	-	2,148,273
Sirius International Insurance Corpor	-	14,021,436
Türk Reasürans A.Ş.	1,077,496,344	425,220,094
Türk Katılım Reasürans A.Ş.	127,020,232	-
<b>Total</b>	<b>2,902,023,154</b>	<b>1,161,252,557</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements

## as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 12 OTHER RECEIVABLES AND PAYABLES

The details of the Pool's Other Short-Term Receivables as of 31 December 2022 and 31 December 2021 are explained below:

Account Name	31.12.2022	31.12.2021
Other Receivables from Non-related Parties	1,000	1,600
<i>Deposits and Guarantees Given</i>	<i>1,000</i>	<i>1,600</i>
<b>Total</b>	<b>1,000</b>	<b>1,600</b>

The details of the Pool's Other Short-Term Payables as of 31 December 2022 and 31 December 2021 are explained below:

Account Name	31.12.2022	31.12.2021
Other Payables to Related Parties	54,707,025	7,971,356
Other Payables to Non-related Parties	29,196,339	7,647,949
<i>Sellers</i>	-	-
<i>Other</i>	<i>22,145,122</i>	<i>1,379,663</i>
<i>Taxes, Duties and Other Deductions Payable (*)</i>	<i>7,046,348</i>	<i>6,243,734</i>
<i>Payables to Personnel</i>	<i>4,869</i>	<i>24,552</i>
<b>Total</b>	<b>83,903,364</b>	<b>15,619,305</b>

(\*) Taxes, Duties and Other Deductions Payable comprise of taxes declared for fees paid to expertise services and alike which were outsourced such as income taxes declared in a responsible capacity.

### 13 OTHER CURRENT ASSETS / LIABILITIES

As of 31 December 2022 and 31 December 2021, Other Assets of the Pool are as follows:

Account Name	31.12.2022	31.12.2021
Advances Received	4,733	4,110
Other	129,311	253,115
<b>Total</b>	<b>134,044</b>	<b>257,225</b>

As of 31 December 2022 and 31 December 2021, the Pool does not have any Other Current Liabilities.

### 14 CASH AND CASH EQUIVALENTS

The Cash and Cash Equivalent assets of the Pool as of 31 December 2022 and 31 December 2021 are explained below:

Account Name	31.12.2022	31.12.2021
Banks	4,061,919,264	1,604,296,152
<i>-Demand Deposits</i>	<i>36,833,358</i>	<i>23,026,010</i>
<i>-Time Deposits</i>	<i>4,025,085,906</i>	<i>1,581,270,142</i>
<b>Total</b>	<b>4,061,919,264</b>	<b>1,604,296,152</b>



## Agricultural Insurance Pool

# Notes to the Financial Statements

## as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

The maturity analysis of the Pool's bank deposits is presented below.

<b>Maturity Composition</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
1-30 Days	28,691,633	15,747,025
30-100 Days	196,824,489	175,553,513
100-360 Days	3,799,569,784	1,389,969,604
<b>Total</b>	<b>4,025,085,906</b>	<b>1,581,270,142</b>

As of 31 December 2022, the Pool has TL 34,407,772 of blocked deposits (31 December 2021: TL 19,064,340).

### 15 EQUITY

The purpose and activities of the Pool are to secure risks within the scope of Agricultural Insurance Code, to define standard insurance policies, claim organizations, actuarial studies, payment of claims, provision of reinsurance coverages, development, expansion and monitoring of agricultural insurances and management of other technical services. The Pool management recorded the amount of difference between income and expenses (retained earnings) in the following item in its financial statements:

<b>Account Name</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Other Long-Term Liabilities	3,091,720,096	2,268,762,192
<i>Reserve for Catastrophic Risks from Future Income and Expense Difference</i>	3,091,720,096	2,268,762,192
<b>Total</b>	<b>3,091,720,096</b>	<b>2,268,762,192</b>

### 16 INSURANCE LIABILITIES AND RE-INSURANCE ASSETS

One of the most significant accounting estimations for the Pool is the final liabilities for claim payments of policies in effect. Due to its nature, estimation of liabilities related with insurance involves evaluation of a number of uncertainties. As explained in *Summary of significant accounting policies* of Note 2 Basis of Preparation, the Pool calculates insurance technical reserves within the framework of Insurance Law and related legislation and presents them in its financial statements.

Short-term Provisions of the Pool as of 31 December 2022 and 31 December 2021 are explained below:

<b>Account Name</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Other Short Term Provisions	1,338,344,750	492,586,624
<i>Reserve for Unearned Premiums- Net</i>	<i>1,195,193,809</i>	<i>437,525,133</i>
<i>Provision for Outstanding Claims</i>	<i>143,150,941</i>	<i>55,061,491</i>
<b>Total</b>	<b>1,338,344,750</b>	<b>492,586,624</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

The details of the technical provisions of the Pool as of 31 December 2022 and 31 December 2021 are as follows:

	31.12.2022	31.12.2021
Reserve for Unearned Premiums (gross)	(4,280,355,220)	(1,902,283,186)
Reserve for Unearned Premiums, ceded	3,085,161,411	1,464,758,053
<b>Reserve for Unearned Premiums, net</b>	<b>(1,195,193,809)</b>	<b>(437,525,133)</b>
Reserve for unearned premiums (gross)	(532,635,394)	(241,451,236)
Reinsurer share in provision for outstanding claims	389,484,453	186,389,745
<b>Provision for outstanding claims, net</b>	<b>(143,150,941)</b>	<b>(55,061,491)</b>
<b>Total technical provisions, net</b>	<b>(1,338,344,750)</b>	<b>(492,586,624)</b>
Short term	(2,958,748,107)	(1,078,577,529)
Medium- and long term	-	-
<b>Total insurance technical provisions, net</b>	<b>(1,338,344,750)</b>	<b>(492,586,624)</b>

### Insurance Guarantee Amounts Given Based on Branches

Insurance Line	2022	2021
Crop	143,567,570,805	55,577,758,324
Greenhouse	42,712,205,781	22,233,112,208
Cattle	76,289,122,211	32,186,579,961
Sheep and Goats	24,281,472,937	11,154,105,863
Poultry	5,270,729,480	1,749,504,098
Aquaculture	810,638,947	377,375,682
Bee Hives	3,218,186,900	1,118,535,850
<b>Grand Total</b>	<b>296,149,927,061</b>	<b>124,396,971,987</b>

## 17 COMMERCIAL AND OTHER PAYABLES, DEFERRED INCOME

The Short Term Prepaid Expenses of the Pool as of 31 December 2022 and 31 December 2021 are explained below:

Account Name	31.12.2022	31.12.2021
Prepaid Expenses	2,528,170	314,999
Deferred Commission Expenses	580,248,602	248,607,108
<b>Total</b>	<b>582,776,772</b>	<b>248,922,107</b>

The Short Term Deferred Income of the Pool as of 31 December 2022 and 31 December 2021 is as follows:

Account Name	31.12.2022	31.12.2021
Deferred Commission Income	774,746,041	368,614,203
<b>Total</b>	<b>774,746,041</b>	<b>368,614,203</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 18 NET INSURANCE PREMIUM INCOME

Written premiums between 1 January 2022-31 December 2022 and 1 January 2021-31 December 2021 periods are as follows:

**01.01.2022**

**31.12.2022**

	CROP	CATTLE	POULTRY	GREENHOUSE	AQUACULTURE	SHEEP AND GOATS	BEE HIVES	TOTAL
<b>Gross Income</b>	<b>6,626,590,016</b>	<b>2,314,817,818</b>	<b>49,818,179</b>	<b>587,273,756</b>	<b>27,015,531</b>	<b>590,573,572</b>	<b>31,993,488</b>	<b>10,228,082,359</b>
Earned Premiums	5,858,438,676	2,020,354,448	43,972,799	519,779,629	23,444,219	511,212,186	28,752,349	9,005,954,305
Earned Commissions	768,151,341	294,463,370	5,845,380	67,494,127	3,571,312	79,361,386	3,241,139	1,222,128,054
Deferred Commissions	1,058,210,687	366,046,148	7,956,875	94,006,036	4,255,996	92,585,271	5,198,879	1,628,259,892
Commission Income (-)	(290,059,347)	(71,582,778)	(2,111,495)	(26,511,909)	(684,684)	(13,223,885)	(1,957,740)	(406,131,837)
<b>Reinsurer Share</b>	<b>(4,791,799,180)</b>	<b>(1,607,254,294)</b>	<b>(35,434,910)</b>	<b>(415,975,867)</b>	<b>(18,025,476)</b>	<b>(423,653,786)</b>	<b>(23,338,847)</b>	<b>(7,315,482,360)</b>
Premiums Ceded to Reinsurers	(4,153,582,224)	(1,457,606,944)	(31,688,885)	(374,356,417)	(16,946,431)	(368,682,052)	(20,703,444)	(6,423,566,398)
Commissions Paid	(638,216,956)	(149,647,350)	(3,746,025)	(41,619,450)	(1,079,045)	(54,971,734)	(2,635,404)	(891,915,963)
Deferred Commissions	(884,583,633)	(200,176,868)	(5,285,304)	(60,829,502)	(1,368,827)	(67,000,394)	(4,312,929)	(1,223,557,457)
Commission Expenses (+)	246,366,677	50,529,518	1,539,279	19,210,052	289,783	12,028,660	1,677,525	331,641,494
<b>Total</b>	<b>1,834,790,836</b>	<b>707,563,524</b>	<b>14,383,269</b>	<b>171,297,889</b>	<b>8,990,055</b>	<b>166,919,786</b>	<b>8,654,641</b>	<b>2,912,599,999</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

**01.01.2021**

**31.12.2021**

	CROP	CATTLE	POULTRY	GREENHOUSE	AQUACULTURE	SHEEP AND GOATS	BEE HIVES	TOTAL
<b>Gross Income</b>	<b>3,064,165,606</b>	<b>1,579,019,134</b>	<b>17,409,724</b>	<b>322,730,730</b>	<b>13,663,693</b>	<b>448,665,731</b>	<b>11,985,253</b>	<b>5,457,639,871</b>
Earned Premiums	2,594,922,724	1,370,397,772	15,010,833	281,505,624	11,467,482	395,158,249	9,996,604	4,678,459,288
Earned Commissions	469,242,883	208,621,362	2,398,892	41,225,106	2,196,210	53,507,481	1,988,649	779,180,584
Earned Commissions	531,513,364	265,354,547	2,909,948	54,548,910	2,216,610	76,540,917	1,937,096	935,021,393
Deferred Commission Income (-)	(62,270,482)	(56,733,185)	(511,057)	(13,323,804)	(20,399)	(23,033,435)	51,553	(155,840,809)
<b>Reinsurer Share</b>	<b>(2,355,279,741)</b>	<b>(1,168,507,800)</b>	<b>(13,011,093)</b>	<b>(243,124,637)</b>	<b>(9,590,794)</b>	<b>(340,274,722)</b>	<b>(9,267,616)</b>	<b>(4,139,056,403)</b>
Premiums Ceded to Reinsurers	(2,000,631,276)	(1,055,206,236)	(11,558,341)	(217,371,180)	(8,829,961)	(304,271,852)	(7,697,385)	(3,605,566,231)
Commissions Paid	(354,648,465)	(113,301,564)	(1,452,753)	(25,753,457)	(760,832)	(36,002,870)	(1,570,231)	(533,490,172)
Commissions Paid	(393,803,600)	(146,767,398)	(1,774,316)	(33,444,222)	(754,949)	(50,946,224)	(1,499,526)	(628,990,235)
Deferred Commission Expenses (+)	39,155,135	33,465,834	321,563	7,690,765	(5,883)	14,943,354	(70,705)	95,500,063
<b>Total</b>	<b>708,885,866</b>	<b>410,511,334</b>	<b>4,398,631</b>	<b>79,606,093</b>	<b>4,072,899</b>	<b>108,391,009</b>	<b>2,717,637</b>	<b>1,318,583,468</b>

## 19 INVESTMENT INCOME AND EXPENSES

The Pool's Income from Investment Activities as of 31 December 2022 and 31 December 2021 are explained below:

	01.01.2022	01.01.2021
<b>Income from Investment Activities</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Interest income	480,902,311	274,787,133
Foreign Currency Translation Income	1,549,047	4,476,538
Rental Income	1,368,719	1,496,500
Other	438,801	586,210
<b>Total</b>	<b>484,258,878</b>	<b>281,346,381</b>

The Pool's Expenses from Investment Activities as of 31 December 2022 and 31 December 2021 are explained below:

	01.01.2022	01.01.2021
<b>Expenses from Investment Activities</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Loss on Sale of Tangible and Intangible Fixed Assets	(883)	(24,491)
<b>Total</b>	<b>(883)</b>	<b>(24,491)</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 20 OPERATING EXPENSES

Expenses Types of the Pool as of 31 December 2022 and 31 December 2021 are explained below:

	01.01.2022 31.12.2022	01.01.2021 31.12.2021
<b>Operating Expense</b>		
Production Commission	(891,915,963)	(533,490,172)
Re-insurance Commission Expenses	1,222,128,054	779,180,584
Employee and General Management Expenses	(293,896,849)	(155,311,833)
- <i>Administrative Company Expenses</i>	(164,964,438)	(84,388,812)
- <i>Consultancy, Advertising and Promotion Expenses</i>	(7,609,937)	(3,865,245)
- <i>Information Processing Expenses</i>	(5,731,560)	(3,492,808)
- <i>Training Expenses</i>	(3,515,050)	(1,239,476)
- <i>Risk Review Expenses</i>	(108,328,975)	(57,523,074)
- <i>Premium Receivables Covered by the Pool</i>	(1,056,382)	(2,808,188)
- <i>Other General and Administrative Expenses</i>	(2,690,507)	(1,994,230)
Other expenses	(3,629,808)	(1,636,178)
Depreciation and Amortization Expenses	(5,726,568)	(4,070,089)
<b>Total</b>	<b>26,958,866</b>	<b>84,672,312</b>

### 21 EMPLOYEE BENEFIT EXPENSES

The Pool does not have expenses within this scope since it does not have any employees under labor contract.

### 22 RISKS

Due to the nature of its operations, the Pool is exposed to legal conflicts and claim cases resulting from insurance contracts. These cases are reflected in the financial statements by recording an outstanding claims reserve.

As of 31 December 2022, total amount of all cases against the Pool is TL 21,200,778 (31 December 2021: TL 15,808,951). For all cases opened against the Pool, an outstanding claim reserve was recorded considering the guarantee amount.

As of 31 December 2022, total amount of all litigations opened by the Pool against third parties is TL 3,042,885 (31 December 2021: TL 2,133,755).

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

## 22 TRANSACTIONS WITH RELATED PARTIES

The Pool's balances as of 31 December 2022 and 2021 with the related parties are as follows:

	31.12.2022		31.12.2021	
	Receivables from Main Operations	Payables Arising from Main Operations	Receivables from Main Operations	Payables Arising from Main Operations
Aksigorta A.Ş.	16,373,758	38,755,992	5,061,716	14,008,389
Anadolu Anonim Türk Sigorta Şirketi	24,607,674	71,426,826	10,309,164	70,052,883
Ankara Anonim Türk Sigorta Şirketi	7,175,879	38,608	1,058,820	22,708
Axa Sigorta A.Ş.	26,087,821	60,978,919	11,114,896	9,208
Groupama Sigorta A.Ş.	23,021,293	37,801,302	6,588,302	21,018,405
Eureko Sigorta A.Ş.	7,980,752	36,695,772	3,670,941	28,045,272
Güneş Sigorta A.Ş.	8,676,707	26,198	7,454,760	110,078
Bereket Sigorta A.Ş.	325,588,883	99,645,151	106,558,883	14,022,059
HDI Sigorta A.Ş.	34,162,674	146,152	11,152,624	81,124
Ergo Sigorta A.Ş.	-	7,384	-	7,384
Allianz Sigorta A.Ş.	2,540,287	36,695,554	1,325,001	28,034,110
Ray Sigorta A.Ş.	15,589,018	37,703,863	4,892,231	21,058,606
Liberty Sigorta	1,240	1,199	1,240	1,199
Mapfre Genel Sigorta A.Ş.	1,022,005	36,550	340,038	20,943
Yapı ve Kredi Sigorta A.Ş.	457	-	457	-
Hür Sigorta A.Ş.	1,403	5,300	1,403	5,300
Zurich Sigorta A.Ş.	2,070,978	4,938	531,622	37,795
Sompo Japan Sigorta A.Ş.	11,645,536	36,736,380	3,783,853	28,061,168
Halk Sigorta A.Ş.	372	300	372	300
Şeker Sigorta	845,653	19,481	554,500	12,127
Generali Sigorta A.Ş.	1,010,526	-	792,884	8,249,985
Ziraat Sigorta A.Ş.	26,538	-	26,499	-
SS. Kuru Sigorta Kooperatifi	1,688,617	1,318,582	1,298,803	1,556,963
Neova Sigorta A.Ş.	7,449,541	-	2,270,192	41,097
Doğa Sigorta A.Ş.	12,563,803	53,917	4,246,665	44,596
Quik Sigorta A.Ş.	562,771	-	361,464	-
Unico Sigorta A.Ş.	-	116	-	194,198
Türkiye Sigorta A.Ş.	521,687,416	407,963,804	245,511,564	158,262,608
Gri Sigorta A.Ş.	3,858,430	100,044	1,685,491	99,909
Ana Sigorta A.Ş.	2,415,661	1,319	-	-
Aveon Global Sigorta A.Ş.	2,621,475	-	-	-
Neova Katılım Sigorta	-	66,185	-	2,809
<b>Total</b>	<b>1,061,277,168</b>	<b>866,229,836</b>	<b>430,594,385</b>	<b>393,061,223</b>
<b>Other Payables to Related Parties</b>				
			<b>31.12.2022</b>	<b>31.12.2021</b>
Tarım Sigortaları Havuz İşletmesi A.Ş.			54,707,025	7,971,356
<b>Total</b>			<b>54,707,025</b>	<b>7,971,356</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

Purchase and sales transactions between the Pool and related parties are as follows:

### **31.12.2022**

	<b>Premium</b>	<b>Commission</b>
Türkiye Sigorta A.Ş.	5,094,460,817	666,833,752
Bereket Sigorta A.Ş.	1,991,875,963	309,396,684
Anadolu Anonim Türk Sigorta Şirketi	314,457,796	43,522,609
HDI Sigorta A.Ş.	304,453,059	36,671,711
Axa Sigorta A.Ş.	215,249,560	27,344,718
Groupama Sigorta A.Ş.	191,787,324	27,038,980
Aksigorta A.Ş.	148,491,433	17,286,372
Ray Sigorta A.Ş.	117,363,921	15,613,467
Gri Sigorta A.Ş.	90,791,552	12,053,475
Doğa Sigorta A.Ş.	87,560,125	12,292,840
Neova Katılım Sigorta A.Ş.	86,425,144	11,982,089
Eureko Sigorta A.Ş.	84,403,578	7,415,515
Sompo Sigorta A.Ş.	73,614,651	8,758,320
Ankara Anonim Türk Sigorta Şirketi	63,052,187	8,271,729
Koru Sigorta A.Ş.	30,945,789	3,994,290
Allianz Sigorta A.Ş.	24,886,527	3,452,797
Zurich Sigorta A.Ş.	18,138,600	2,202,483
Şeker Sigorta A.Ş.	15,214,684	2,340,283
Ana Sigorta A.Ş.	13,800,329	1,896,424
Quick Sigorta A.Ş.	11,264,000	1,801,102
Mapfre Genel Sigorta A.Ş.	10,155,883	1,021,771
Aveon Global Sigorta A.Ş.	9,129,173	1,248,696
Generali Sigorta A.Ş.	8,432,211	1,117,351
<b>Total</b>	<b>9,005,954,305</b>	<b>1,223,557,457</b>

## Agricultural Insurance Pool

# Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### 31.12.2021

	Premium	Commission
Türkiye Sigorta A.Ş.	2,982,741,511	386,472,783
Bereket Sigorta A.Ş.	841,604,014	129,732,680
Anadolu Anonim Türk Sigorta Şirketi	151,186,552	20,987,440
HDI Sigorta A.Ş.	127,249,992	15,107,752
Axa Sigorta A.Ş.	104,565,529	13,364,515
Groupama Sigorta A.Ş.	75,728,023	11,381,009
Sompo Sigorta A.Ş.	39,949,487	5,164,607
Eureko Sigorta A.Ş.	57,216,656	5,426,720
Aksigorta A.Ş.	63,113,223	8,479,353
Neova Katılım Sigorta A.Ş.	38,608,103	5,772,048
Ray Sigorta A.Ş.	46,646,721	6,612,913
Doğa Sigorta A.Ş.	30,793,431	4,441,632
Allianz Sigorta A.Ş.	16,518,239	2,442,281
Koru Sigorta A.Ş.	20,817,905	2,609,689
Zurich Sigorta A.Ş.	8,972,225	1,274,700
Mapfre Genel Sigorta A.Ş.	5,675,821	659,228
Generali Sigorta A.Ş.	5,773,716	752,070
Quick Sigorta A.Ş.	4,508,768	750,045
Şeker Sigorta A.Ş.	7,027,117	1,061,585
Ankara Anonim Türk Sigorta Şirketi	15,646,204	2,257,858
Gri Sigorta A.Ş.	34,116,049	4,239,330
<b>Total</b>	<b>4,678,459,288</b>	<b>628,990,235</b>

### 23 EVENTS AFTER THE REPORTING DATE

None.

### 24 OTHER

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

They are presented in the related notes above.

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

None.

### Subrogation recorded in "Off-Balance Sheet Accounts"

None.



## Notes to the Financial Statements as of 31 December 2022

(Amounts expressed in Turkish Lira ("TL"))

### Real rights on properties and their values

None.

### Explanatory note for the amounts and nature of previous years' income and losses

None.

### 25 OTHER MATTERS WHICH HAVE SIGNIFICANT EFFECTS ON THE FINANCIAL STATEMENTS OR MATTERS THAT NEED TO BE DISCLOSED FOR FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND COMPREHENSIBLE

None.

### 26 FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/INDEPENDENT AUDIT FIRMS

As of 31 December 2022, total auditors fees received for the reporting period is amounting to TL 108,000 (2021: TL 70,000).

	31.12.2022	31.12.2021
Audit fee for the reporting period	108,000	70,000
Tax consulting fee	-	-
Other service fee apart from audit	-	-
<b>Total</b>	<b>108,000</b>	<b>70,000</b>

(\*) The fees above comprise of VAT excluded amounts.

# Directory

## AGRICULTURAL INSURANCES POOL (TARSİM)

Sahrayıcedit Mah. Atatürk Cad. No: 48  
34734 Kadıköy-İSTANBUL  
Tel: ALO TARSİM 172  
Fax: +90 216 322 00 93

## ADANA REGIONAL DIRECTORATE

Huzurevleri Mah. Türkmenbaşı Bulv. Üçgül Sun City Evleri Sit. A Blok  
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Tel: +90 322 453 99 99

## ANKARA REGIONAL DIRECTORATE

Kızılırmak Mah. Ufuk Üniversitesi Cad. No: 8/9  
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## ANTALYA REGIONAL DIRECTORATE

Gürsu Mah. Atatürk Bulv. Karakaya Apt. No: 215/A/1  
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Tel: +90 242 228 17 13 - 14

## BURSA REGIONAL DIRECTORATE

Fethiye Mah. Hüseyin Ormanlı Cad. No: 15C  
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Tel: +90 224 211 05 91 - 92

## DENİZLİ REGIONAL DIRECTORATE

Fatih Mah. Fevzi Çakmak Bulvarı No: 93/A  
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Tel: +90 258 218 22 57

## ERZURUM REGIONAL DIRECTORATE

Ömer Nasuhi Bilmen Mah. Şahinbey Sok. No: 1/A  
Yakutiye/ ERZURUM  
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## GİRESUN REGIONAL DIRECTORATE

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Tel: +90 454 215 40 05 - 217 40 05

## KAYSERİ REGIONAL DIRECTORATE

Hoca Ahmet Yesevi Mah. Mustafa Kemal Paşa Bulvarı No: 244/D  
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## KONYA REGIONAL DIRECTORATE

Şeker Mah. Şefikcan Cad. 17/B  
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## MALATYA REGIONAL DIRECTORATE

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## MANİSA REGIONAL DIRECTORATE

Şehitler Mah. Mehmetçik Cad. No: 6/A  
45020 MANİSA  
Tel: +90 236 231 34 50 - 53

## SAKARYA REGIONAL DIRECTORATE

Bağlar Mah. Yavuz Selim Cad. No: 72/A  
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Tel: +90 264 228 25 27

## SAMSUN REGIONAL DIRECTORATE

Körfez Mah. İsmet İnönü Bulvarı No: 104/A  
Atakum / SAMSUN  
Tel: +90 362 221 05 97 - 98

## ŞANLIURFA REGIONAL DIRECTORATE

Sırrın Mah. Sadun Paşa Bulvarı No: 6/B  
Haliliye / ŞANLIURFA  
Tel: +90 414 214 10 04 - 05

## TEKİRDAĞ REGIONAL DIRECTORATE

Hürriyet Mah. Tepebaşı Cad. My Home Apt. No: 33/A  
Süleymanpaşa / TEKİRDAĞ  
Tel: +90 282 262 06 58 - 263 57 88

## VAN REGIONAL DIRECTORATE

Alipaşa Mah. İller Bankası Sok. No: 4/AF  
İpekyolu / VAN  
Tel: +90 432 207 16 93





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