



PRINCIPLES OF OPERATION OF THE CORPORATE GOVERNANCE COMMITTEE

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Article 1: Scope and Legal Basis

These principles of operation ("**Principles of Operation**") set forth the scope of duty and principles of operation applicable to the Corporate Governance Committee (the "**Committee**") of the Board of Directors of Mavi Giyim Sanayi ve Ticaret Anonim Şirketi (the "**Company**").

The Committee has been established pursuant to the resolution of the Company's Board of Directors (the "**Board of Directors**") in accordance with the relevant provisions of the Capital Markets Law No. 6362, the Turkish Commercial Code No. 6201 (the "**TCC**"), and the regulations of the Capital Markets Board of the Prime Ministry of the Republic of Turkey (the "**CMB**"), including the "Corporate Governance **Communiqué** No. II-17.1 (the "**Communiqué**") and the Corporate Governance Principles attached thereto (the "**CGP**"), and the Articles of Association of the Company (the "**Articles of Association**").

Article 2: Purpose

The Committee assists the Board of Directors in relation to compliance with corporate governance principles, including investigations in case of violation of the corporate governance principles and determination of conflicts of interest.

Within this scope, the Committee is responsible for the following:

- i. Proposals regarding the appointment of members to the Board of Directors;
- ii. Ensuring the efficiency and independence of the members of the Board of Directors in accordance with the corporate governance principles;
- iii. Ensuring that the corporate governance principles are adopted and implemented by the Board of Directors;
- iv. Annual evaluation in relation to compliance with corporate governance principles and communicating the results thereof to the Board of Directors;
- v. Making recommendations regarding the functionality of the Board of Directors and its committees;
- vi. Monitoring the investor relations unit;

- vii. Determining the principles and procedures applicable to the evaluations concerning the remunerations and performance based payments to the Board members and the senior management; and
- viii. Recommendations to the Board of Directors regarding the remuneration and performance based payments to be made to the Board members and the senior management.

Article 3: Establishment and Members

The Committee shall consist of at least three members, who shall either be members of the Board of Directors or persons who are not members of the Board of Directors but have expertise in their own fields, and the chairperson of the Committee shall be elected from among the independent members of the Board of Directors. The manager of the investor relations unit is the natural member of the Committee.

The members of the Committee are annually appointed by the Board of Directors latest during the first Board of Directors meeting to be held following the Company's annual general assembly. The Board members who have completed their term of duty may be appointed to serve again

To the extent possible, members of the Committee are appointed from persons who do not have executive functions. Persons specialized in fields such as accounting, finance, audit, law and management may be appointed to serve at the Committee.

The Board of Directors shall provide all kinds of resources and support necessary for the fulfilment of the Committee's duties. If it deems necessary, the Committee may invite the managers to its meetings and refer to their opinions.

If needed in relation to the Committee's activities, the Committee may refer the matters in question to independent consultants for their opinion. The costs of the consultancy services required by the Committee shall be paid by the Company.

Article 4: Meetings

The Committee shall convene as and when its duties necessitate, at the Company's headquarters or at such other location where the Committee members might be located.

The Committee shall convene and take decisions with the simple majority of its members. Provided to have unanimous vote, the members may also take decisions without holding a meeting.

All activities of the Committee shall be put in writing, their records shall be duly kept and the Committee shall report to the Board of Directors, which reporting shall be inclusive of the activities of the Committee and information on the results of the Committee meetings. The Committee shall promptly notify the Board in writing of its findings and recommendations that are related to the Committee's duties and responsibilities. The minutes of the Committee meetings shall be approved by the Committee members and shall be kept together with the Committee resolutions.

Article 5: Duties and Responsibilities

The Committee:

- Ensures that the corporate governance principles are adopted and implemented within the Company;

- Establishes whether or not the corporate governance principles are implemented and potential conflicts of interest which may occur in case of failure to fully comply with such principles, and makes recommendations to the Board of Directors for improving the current practices;
- Evaluates the complaints communicated to the Company regarding the shareholders and ensures that they are resolved;
- Conducts other activities which may be required by the Board and are considered to be within the scope of corporate governance;
- Develops proposals aimed at ensuring that the public announcements and analytical presentations are made in accordance with the Company's "public announcements policy", and in particular, with the applicable laws and regulations;
- Informs the Board of Directors on matters which fall within the Committee's fields of duty and responsibility;
- Puts its activities in writing and duly keeps the records thereof; and
- Submits its activities and recommendations to the Board of Directors in the form of a report.

Article 6: Investor Relations

The investor relations unit is aimed at monitoring the relations between the shareholders and the Company and ensuring that the shareholders' right to receive information is fully adhered to.

The investor relations unit:

- is supported with enough personnel in accordance with its needs;
- ensures that the information requests of the shareholders are fulfilled in accordance with the applicable legislation, the Articles of Association, the corporate governance principles and the public disclosure policy;
- may organize periodical meetings within Turkey or abroad for the purpose of informing the investors within the framework of the applicable legislation, the Articles of Association, the corporate governance principles and the public disclosure policy, or may attend such meetings;
- carries out the necessary activities for ensuring an active communication with local and foreign investors via the web site required by the applicable legislation;
- monitors the public disclosures to ensure that they are made in accordance with the applicable law;
- assists in the keeping of the records relating to the shareholders in a sound and safe and up to date manner;
- makes recommendations to ensure that the activity reports are prepared in accordance with the requirements of the applicable legislation and the corporate governance principles;
- monitors the general assembly meetings to ensure that they are duly held, and provides assistance in relation thereto;

- prepares the documents to be submitted to the shareholders during the general assembly meetings;
- assists the chairperson during the general assembly meetings in order to ensure that the minutes of the meeting are duly kept, and conducts the activities necessary for such purpose.

Article 7: Identifying Nominees

The Committee shall carry out activities aimed at setting up a transparent system for identifying, evaluating, training and rewarding appropriate nominees to the Board of Directors, and establishing policies and strategies for such purposes, and make recommendations to the Board of Directors regarding the number of the Board members and managers.

Article 8: Remuneration

The Committee shall form opinions on the Company's approach, principles and practices regarding the performance evaluation of the Board members and the senior management, and career planning and rewarding related matters, monitors the decisions taken and their implementation. The Committee shall ensure that the remuneration principles applicable to the Board members and the senior management are in compliance with the Company's management principles and practices, makes effort to achieve the balance between the remuneration policy and the Company's interests, and submits the results of its activities to the Board of Directors.

Article 9: Amendments

Amendments to the Principles of Operation of the Corporate Governance Committee are subject to the approval of the General Assembly.