



Corporate Governance

Doğan Şirketler Grubu Holding A.Ş. Corporate Governance Principles Compliance Report 31.12.2008

TABLE OF CONTENTS

1. Declaration of Compliance with the Corporate Governance Principles

PART I – SHAREHOLDERS

2. Shareholder Relations Unit
3. Shareholder's Right to Obtain and Evaluate Information
4. Information on General Assembly Meeting
5. Voting Rights and Minority Rights
6. Dividend Policy and Timing of Distribution
7. Transfer of Shares

PART II - PUBLIC DISCLOSURE AND TRANSPARENCY

8. Public Disclosure Policy
9. Material Disclosure
10. **Company's Web Site and its Contents**
11. **Disclosure of Ultimate Controlling Individual(s)**
12. Individuals with Access to Inside Information

PART III – STAKEHOLDERS

13. **Informing the Stakeholder**
14. Stakeholders Participation Management
15. Human Resource Policy
16. Relations with Customers and Suppliers
17. Social Responsibility

PART IV - BOARD OF DIRECTORS

18. The Structure and Formation of the Board of Directors and Independent Members
19. Qualifications of Board Members
20. Mission, Vision and Strategic Goals of the Company
21. Risk Management and Internal Control Mechanism
22. Authorities and Responsibilities of Board Members and Executives
23. Operating Principles of the Board of Directors
24. A Ban on Doing Business with the Company and Non-Compete Clause
25. Code of Ethics
26. The Number, Structure and Independence of Board Committees
27. Remuneration of the Board of Directors

1. DECLARATION OF COMPLIANCE WITH PRINCIPLES OF CORPORATE GOVERNANCE

Doğan Şirketler Grubu Holding A.Ş. (Doğan Holding or the Company) has embraced the concepts of fairness, transparency, accountability and responsibility and aims to fully adhere to these Principles of Corporate Governance. The ongoing pursuits regarding the Principles of Corporate Governance will continue within the year 2009.

No conflict of interest has arisen among interest holders due to principles that have yet to be implemented.

Details on the implementation of these principles in the operating cycle ending December 31, 2008 are as below:

PART I - SHAREHOLDERS

2. Shareholder Relations Unit

2.1. Exercise of shareholder rights is conducted in compliance with the relevant legislation, the Articles of Association and other inter-company rules. All necessary steps are taken to facilitate exercise of these rights.

2.2. The Shareholder Relations Unit was established to monitor relations between shareholders and the Company and to ensure that the requirements pertaining to shareholders' rights concerning access to information fully met. The Unit's primary duties are as follows:

- a) To ensure that shareholder records are kept accurately, safely and up to date;
- b) To respond shareholders' written requests for information about the Company except those that constitute a trade secret or privileged information;
- c) To ensure that the General Assembly meetings are held in accordance with relevant legislation, Company's Articles of Association and other inter-company rules;
- d) To prepare documents to be delivered to shareholders at General Assembly meetings;
- e) To keep the records of voting results and to ensure all reports related to the resolutions of General Assembly meeting to be sent to the shareholders;
- f) To supervise and to oversee all issues concerning public disclosure to make certain that they comply with the current legislation in all respects and Company's Public Disclosure Policy;
- g) To ensure capital markets financial activities are carried out;
- h) To ensure that investor relations activities are conducted.

Administratively this unit carries out its operations under the coordination of the CFO and the Shareholder Relations Unit will be linked functionally to the Corporate Governance Committee to be formed.

2.3. Representatives from the Investor Relations and Corporate Affairs, Financial Affairs and Legal departments operate under the CFO's oversight within the Shareholder Relations Unit.

2.4. The requests for information and inquiries received directly or indirectly from shareholders or institutional investors were responded in 2008. While meeting shareholders' demands, maximum care is exerted to ensure compliance with the applicable legislation and the Company's Articles of Association.

Adopting a proactive approach in its communication with shareholders, the Investor Relations and Corporate Affairs Department issues, in addition to public announcements and material disclosures, messages from management and information about the Company's corporate strategies to shareholders at regular meetings organized by institutional investors.

In order to provide information to foreign institutional investors, visits were organized in 2008 to London, Frankfurt, Boston and New York. At the same time, in February, March, April, July, September and October investor meetings were organized in Turkey which provides foreign institutional investors to meet company management.

The contact details of the Investor Relations Department operating under CFO are as follows:

Name	Title	Tel	E-mail
Serdar Kırmaz	Financial Affairs Group President (CFO)	(+90 216) 556 93 44	serdark@doganholding.com.tr
Özge Bulut Maraşlı	Head of Investor Relations and Corporate Communications Division	(+90 216) 556 92 56	ozgem@doganholding.com.tr
Cengaver Yıldızgöz	Investor Relations Specialist	(+90 216) 556 92 73	cengavery@doganholding.com.tr

In addition, the CEO informs the public about the Company's operational results through a yearly message published in the newspapers and presented on the Company's website.

The Investors Relations Department, wherever possible, uses electronic means of communication and the Company's website (www.doganholding.com.tr) in all its endeavors.

2.5. Utmost care is taken to meet requests and comply with the law and the Articles of Association. No written or verbal complaint reached the Company in 2008 concerning the exercise of shareholders rights, nor is the Company aware of any legal proceedings initiated against in this regards.

3. Shareholder's Right to Obtain and Evaluate Information

3.1. The Company does not discriminate among shareholders on the issue of exercise of shareholders' right to obtain and evaluate information.

3.2. Over 500 requests for information received from shareholders in 2008 primarily concerning financial and strategic developments announced by the Company were responded without delay under the supervision of Shareholder Relations Unit. .

3.3. Financial information, news and presentations about the Company are available on the Company's Web site. Shareholders submitting requests for information are directed to the Company Web site where information and documentation are equally presented for the use of shareholders.

3.4. The Articles of Association currently do not recognize requests for the assignment of a special auditor to conduct audits only upon the request of shareholders holding more than a 5% stake in the Company. Meanwhile, no request for a special auditor has been submitted to the Company.

4. Information on General Assembly Meeting

4.1. The Company's General Assembly Meeting for 2007 was held on May 15, 2008. Invitations to the meetings were published, as stipulated in the Company's Articles of Association, in Milliyet newspaper and in the Turkish Trade Registry Gazette.

4.2. The method of holding General Assembly meetings ensures attendance of maximum number of shareholders.

4.3. General Assembly meetings are conducted in line with the principle of fairness so as to cause the least uncertainty and cost for participants.

4.4. The General Assembly Meeting was held in Istanbul to facilitate the attendance of shareholders.

4.5. Since the Company's capital is solely constituted by bearer shares, shareholders are not required to register their names on shareholders' lists within any specific time frame prior to attendance at Meetings.

Doğan Şirketler Grubu Holding A.Ş.

Corporate Governance Principles Compliance Report
2008

Page 3 of 16

4.6. Documents prepared for General Assembly Meeting, financial statements and reports including the 2007 Annual Report, internal audits and the Board of Directors' actions regarding 2007 activities were available to shareholders 15 days prior to the meeting. The Shareholder Relations Unit responded to questions from shareholders commencing from the date of announcement of invitation for General Assembly meeting.

4.7. The agenda is presented in a clear and concise manner so as to be easily understood by shareholders, with the opportunity to voice their opinions and ask questions.

4.8. The Board responded to shareholders' questions on agenda issues at the General Assembly meeting.

4.9. It was reported that a note of dissent concerning the donations made by the Company in 2007 was presented at General Assembly meeting and this note was included in the minutes of the General Assembly meeting in accordance with applicable legislation.

4.10. Voting at General Assembly meetings was conducted through open ballot.

4.11. General Assembly meeting decisions require the presence of shareholders or their proxies representing at least half of the Company's capital. 62, 8% of the capital was present at the General Assembly meeting.

4.12. Minutes of the General Assembly meeting were available at Company headquarters and were faxed to shareholders upon request.

4.13. General Assembly meetings were attended by shareholders, Company employees and independent auditors, but not by other stakeholders or the media.

4.14. There is no provision in the Company's Articles of Association that requires decisions on matters such as spin-offs or the sale, purchase or leasing of material assets to be taken by the General Assembly.

5. Voting Rights and Minority Rights

5.1. The Company avoids practices that make it difficult to exercise voting rights; all shareholders are given the opportunity to exercise their voting rights in the easiest and most convenient manner.

5.2. There are no preferred stocks or different classes of shares in the Company.

5.3. Each share is entitled to one vote in the Company.

5.4. There is no Company regulation that restricts the exercise of shareholder voting rights for a certain time of period following the acquisition date of shares.

5.5. The Articles of Association do not contain any provision that prevents non-shareholders from voting as proxy as representative of a shareholder.

5.6. The shareholders made no proposals for the representation of minority shares from the Company.

5.7. The Articles of Association do not provide cumulative voting.

5.8. The share capital of the Company does not involve any cross-shareholdings.

5.9. Although the Article of Association permits dividend shares trade, there is no instance of the issuance of any dividend shares.

6. Dividend Policy and Timing of Distribution

6.1. There is no privilege to any individual in the distribution of dividends.

6.2. The Doğan Group of Companies Inc. makes its dividend payment determinations taking into account the Turkish Commercial Law and rates determined by the Capital Markets Board (CMB) and the General Meeting within the specified time period.

Accordingly:

Net profit can be calculated by deducting all Company expenditures, depreciation, premiums and bonuses, provisions for income taxes along with other financial obligations from total income.

After the losses (if any) from previous years and the amounts determined by the Capital Markets Board are deducted from net income, reserves set at 5% by the Turkish Commercial Law and other relevant regulations and the principle revenue share at the rate and amount determined by the Capital Markets Board are allocated.

The General Assembly is authorized to determine, in accordance with the dividend distribution policy of the Company, whether the remainder is to be considered money held in reserve or distributed.

One-tenth of the amount obtained by reducing the 5% of capital from the funds to be distributed among shareholders and other persons with a share in profits will be considered money in reserve as determined by Paragraph 3 of the second section of Article 466 of the Turkish Commercial Law.

According to the law, unless the required amount of funds is reserved, or unless the primary profit share to be distributed to the shareholders in the form of cash and/or shares is distributed, no decision on transferring profits to the next year or paying dividends to preferred shareholders or to other shareholders, members of the board or employees can be made.

6.3. The Company's dividend policy for 2008 and subsequent years has been defined as follows:

"The attributable profit shall be distributed in cash and/or as bonus shares in a way that will optimize the Company's financial position within the context of the legislation it is required to comply with, its growth strategy, investment and financing needs in the industry, as well as conditions in the national and international economy." This has been announced to the public in accordance with CMB Decision No. 4/67 dated January 27, 2006, disclosed in the Annual Report and communicated to shareholders at the General Assembly meeting on May 29, 2007.

6.4. It is also explained in independent auditor's reports and financial statements sent to the Istanbul Stock Exchange (ISE) that the distribution of dividends is carried out in accordance with the Turkish Trade Law and Capital Markets Board legislation.

7. Transfer of Shares

7.1. The Company's Articles of Association do not contain any provisions to impede transfer of shares.

7.2. All shareholders including minority and foreigner shareholders are treated equally.

PART II - PUBLIC DISCLOSURE AND TRANSPARENCY

8. Public Disclosure Policy

8.1. The aim of the Company's Public Disclosure Policy is to ensure the accurate, complete, comprehensible, interpretable and reliable disclosure of financial and non-financial information related to the Company with the exception of trade secret and undisclosed information to the public.

8.2. The Company holds meetings with the participation of investors, analysts and the media in addition to issuing Material Disclosures.

In conjunction with this, the CEO and members of the Board of Directors and executive committee attend these meetings to make presentations; and Company presentations, annual reports, financial statements are available on the Company's Web site.

8.3. The Financial Affairs Group is responsible from material disclosures and monitoring all related issues associated with the disclosures. Those authorized to disseminate the Company's Public Disclosure Policy are:

Name	Title	Tel	E-mail
Serdar Kırmaz	Financial Affairs Group President (CFO)	(216 556 93 44	serdark@doganholding.com.tr
Yener Şenok	Head of Fiscal Division	(216) 556 93 44	yeners@doganholding.com.tr
Özge Bulut Maraşlı	Head of Investor Relations and Corporate Affairs Division	(216) 556 92 56	ozgem@doganholding.com.tr
Alper Altıok	Accounting and Administrative Affairs Manager	(216) 556 92 46	alpera@doganholding.com.tr
Hande Özer	Financial Control Manager	(216) 556 92 59	handeo@doganholding.com.tr
Cengaver Yıldızgöz	Investor Relations, Senior Associate	(216) 556 92 73	cengavery@doganholding.com.tr

All shareholders, including minority shareholders and foreign shareholders are treated equally.

8.4. The Company's Public Disclosure Policy was announced to the public in 2007 through the Company website.

8.5. Members of the Board of Directors, executive committee and Shareholders who directly or indirectly own at least 5% of the Company's shares, are required to publicly announce their transactions in capital market instruments issued by the Company in accordance with the Capital Market Law.

8.6. The financial statements and accompanying notes for fiscal year 2008 have been prepared in consolidated basis and in accordance with Decision No. 11/467 of the CMB dated 17.04.2008 as well as International Financial Reporting Standards (IFRS) and reported publicly.

8.7. The 2008 Annual Report was prepared in compliance with Capital Markets legislation and Capital Markets Board (CMB) regulations and Corporate Governance principles announced by CMB.

9. Material Disclosure

9.1. The Company follows and applies Capital Markets legislation, CMB and ISE regulations, and CMB principles with regard to Corporate Governance.

9.2. The Company issued 105 material disclosures in 2008.

Two requests for additional material disclosures were received from CMB.

All material disclosures were made within the relevant timeframe.

9.3. The Company has determined and announced the individuals authorized to issue special announcements and these are made under their signature.

9.4. The Company is under no other obligation to inform the public since the Company has no shares listed on foreign stock exchanges.

10. Company's Web Site and its Contents

10.1. The Company's Web site, www.doganholding.com.tr, is actively used for public disclosures.

10.2. Periodic financial statements, independent auditor's reports and annual reports are available on the Web site as required by the applicable CMB legislation, Number XI, 29.

10.3. An English-language version of the documents and information is also available for the convenience of foreign investors.

10.4. Information provided on the Web site is as follows:

a) Corporate

- a. Managers (Board of Directors, Executive Board, Audit Committee and Audit Committee Members, Management team)
- b. Corporate Governance
- c. Vision & Mission
- d. Shareholder Structure
- e. Corporate Profile
- f. Corporate Video

b) Investments

- a. Energy (Petrol Ofisi and Electric Investments)
- b. Media
- c. Industry
- d. Trade
- e. Financial Services
- f. Tourism

c) Investor Relations

- a. Corporate Info
- b. Corporate Governance (Shareholder Structure ,Articles of Association, Statement of Preferred Shares ,Board of Directors, Executive Board, Corporate Governance Compliance Report, Code of Ethics ,Disclosure Policy ,Dividend Policy)
- c. Stock Profile (Interactive Share Charts, Analyst Reports)
- d. Financial Statements
- e. Annual Reports
- f. General Assembly (General Assembly and Proceedings ,Proxy Voting Form, Annual Reports , Shareholders' Meeting Minutes)
- g. Latest IR News
- h. Investor Presentations
- i. Analyst Coverage
- j. Frequently Asked Questions
- k. Investor Contacts
- l. Investor Relations Site Map

d) Press Room

- a. News
- b. Press Releases
- c. Executive Interviews
- d. Visual Gallery
- e. Press Contact

e) Corporate Social Responsibility

- a. Doğan Group and CSR
- b. Aydın Doğan Foundation
- c. Dad, Send Me To School
- d. End Domestic Violence
- e. Liberty Is Our Right

- f) Human Resources
 a. Human Resources Policy
 b. Human Resources Profile
 c. Job Application

10.5. Statements reflecting increases in the Company's capital, and dividend statements are to be available on the Company website once preliminary works completed.

10.6. The Company letterhead clearly indicates the address of its website.

11. Disclosure of Ultimate Controlling Individual(s)

11.1. Changes regarding the shareholding structure and/or the managerial control of the Company are announced to the public in accordance with Capital Markets legislation and CMB regulations.

11.2. The shareholder structure of the Company as of December 31, 2008 was as follows:

Shareholders	Share Capital (YTL)	Share (%)
Adilbey Holding A.Ş. *	1.274.000.000	52,00
Publicly-held at ISE	840.109.933	34,29
Aydın Doğan	188.907.064	7,72
Işıl Doğan	40.291.777	1,64
Aydın Doğan Vakfı	4.679.046	0,19
Arzuhan Doğan Yalçındağ	25.503.045	1,04
Vuslat Doğan Sabancı	25.503.045	1,04
Hanzade V. Doğan Boyner	25.503.045	1,04
Y. Begümhan Doğan Faralyalı	25.503.045	1,04
Total Share Capital	2.450.000.000	100

The shareholder structure of the Company's ultimate controlling shareholder, Adilbey Holding A.Ş., as of December 31, 2008 was as follows:

Shareholders	Share Capital (YTL)	Share (%)
Aydın Doğan	72.800.000	26,0
Işıl Doğan	41.440.000	14,8
Arzuhan Doğan Yalçındağ	41.440.000	14,8
Vuslat Doğan Sabancı	41.440.000	14,8
Hanzade V. Doğan Boyner	41.440.000	14,8
Y. Begümhan Doğan Faralyalı	41.440.000	14,8
Total Share Capital	280.000.000	100

11.3. To best of our knowledge, there were no voting agreements among shareholders in 2008 that aimed at increasing control over the management of the Company.

12. Individuals with Access to Inside Information

12.1. Board Directors, auditors, the Shareholder Relations Unit, top executives of the holdings and other persons who have access to inside information are prohibited from revealing knowledge that could be used to the advantage of third parties.

The names and titles of people who have potential access to such information that can be classified as commercial secret are presented below:



Name:

Position:

Aydın Doğan

Chairman of Board of Directors (“BOD”)

İmre Barmanbek

Deputy Chairperson of BOD

Vural Akışık

Deputy Chairman of BOD

Ragıp Nebil İlseven

Board Member and CEO

Arzuhan Doğan Yalçındağ

Board Member

Vuslat Doğan Sabancı

Board Member

Hanzade Doğan Boyner

Board Member

Mehmet Ali Yalçındağ

Board Member

Zekeriya Yıldırım

Board Member

Taylan Bilgel

Board Member

Ali İhsan Karacan

Board Member

Yahya Üzdiyen

Strategy Group President

Reha Müstecaplıoğlu

Audit Group President

Serdar Kırmaz

Financial Affairs Group President (CFO)

Yener Şenok

Head of Fiscal Division

Cem Kölemenoglu

Head of Budgeting and Finance Division

Selma Uyguç

Head of Legal Division

Özge Bulut Maraşlı

Head of Investor Relations and Corporate Affairs Division

Melih Özaydın

Head of Strategic Planning and Business Development Division

Alper Altıok

Accounting and Administrative Affairs Manager

Ali Rıza Karakullukçu

Audit Manager

Hande Özer

Financial Control Manager

Oktay Hatırmaz

Risk Management Manager

**Certified Public Accountants and Company Auditors, Independent Audit Firm,
Independent Auditors and Authorized Individuals**

PART III - STAKEHOLDERS

13. Informing the Stakeholder

13.1. As is explained in detail in the first part of this report, Shareholders and investors are kept informed in accordance with Capital Markets legislation and CMB regulations.

13.2. The stakeholders of the Company i.e. shareholders, investors, financial institutions and suppliers can access Company information via the Web site along with reports and presentations.

13.3. The Company also has an intranet site that is only accessible by employees.

14. Stakeholders Participation in Management

14.1. The Company is in a continuous communication with its stakeholders. All feedback received from the stakeholders is presented to senior management for evaluation after various procedures and solution proposals and policies are developed.

14.2. There is no regulation that provides for the stakeholders participation in the Company's management.

14.3. Employees are kept apprised of the general activities of the Company, and their suggestions are evaluated via the intranet site.

15. Human Resources Policy

15.1. The basic principles of the Company's human resources policy can be summarized as follows:

- a) The Company does not discriminate between its employees regarding race, ethnic origin, nationality or sex and treats all employees equally. The Company offers equal opportunity to people with the same working conditions. Remuneration is based on performance evaluation and an open door policy is employed at all times.
- b) Company executives and managers are selected from among candidates proven to possess the necessary professional qualifications.
- c) The Company's work environment is designed to maximize safety and efficiency.

15.2. The human resources department of the Company has been carrying out its work in accordance with the principles mentioned above.

15.3. Relations with employees are carried out by Human Resources Department. There are no unionized employees in the Company

15.4. No complaints of discrimination have been received from any employee.

16. Relations with Customers and Suppliers

16.1. The actual activity of the Company is to invest in and form partnerships through its affiliates, subsidiaries and joint ventures (related companies) in its main areas of involvement of media, energy, telecommunications, tourism, insurance, industry and trade. The Group also provides finance, project development, organization, marketing, administrative consulting and internal auditing services to its subsidiaries. Since the Company is a holding, its customers and suppliers generally consist of business partners.

16.2. In addition to meeting the needs of our companies, the services provided them are designed to create value for the companies. Services are provided to business partners in accordance with market prices.

17. Social Responsibility

17.1. The Company is determined to protect natural resources and prevent pollution of the environment while carrying out its various activities.

17.2. Within the context of corporate social responsibility, the Company has invested in one of its subsidiaries, Doğan Organic Products in Kelkit, Gümüşhane, which has been recognized for its contributions to the region and pioneering activities in organic agriculture. The project, friendly to

natural resources and highly observant of environmental principles and animal rights, contributes significantly to the development of the region with its “contractual farming” project. This investment is considered to be a leading regional development project in Turkey.

17.3. Doğan Holding, cognizant of its social responsibilities, participates in joint projects with nongovernmental organizations either through its subsidiaries or under the aegis of Doğan Holding. The Company encourages and promotes volunteerism and social responsibility.

17.4. In addition, the activities of the Aydın Doğan Foundation support the development of Turkey in several areas:

- a) The Aydın Doğan Foundation was established in 1996 to undertake investments, engage in activities and support work conducive to the creation of a strong, modern and respected society in Turkey, to help people administer to their needs and solve their own problems, to provide the basic tools and give them the opportunity to access impartial and accurate information, and to develop the country’s educational and cultural level. In order to achieve these aims, the Foundation contributes to development and improvement of education, culture, art, health, sports, science and the economy, supports and invests in projects in these fields.
- b) Aware that eliminating the problems of education in Turkey is crucial to the achievement of the above goals, the Aydın Doğan Foundation engages in several educational investments in various regions of the country.

Some of the education projects of the Aydın Doğan Foundation were the Sema Işıl Doğan Elementary School in Gümüşhane, the Atatürk University Elementary School in Erzurum, the Aydın Doğan Elementary School in Istanbul, The İrfani and Yaşar Doğan Industrial Vocational High School in Kelkit, the Milliyet Anatolian Teacher’s High School in Erzincan, the Hürriyet Anatolian Hotel Administration Vocational School in Erzincan, the Aydın Doğan Communications School in Istanbul and the Gümüşhane University Kelkit Aydın Doğan Vocational School in Kelkit.

The Gümüşhane University Kelkit Aydın Doğan Vocational School, besides offering courses in accounting, electricity, electronics, computer programming and civil aviation, is Turkey’s first and only school providing education in organic agriculture. The school’s educational program cooperates with the Doğan Organic Facilities which engages in production in the same region.

The foundation spends 80% of its core budget on education. In this context, as part of “Daddy Send Me to School” project, in Erzurum, Aydın Doğan Dormitory for Girls of Nene Hatun High School for Girls; in Erzincan, Aydın Doğan Dormitory for Girls; in Kelkit, Hacı Hüsrev Doğan Dormitory for Girls; in Kürtün, Aydın Doğan Dormitory for Girls; and in Köse, Aydın Doğan Dormitory for Girls were built; and construction works of Aydın Doğan Dormitory for Girls in Şiran is going on.

- c) As part of its social and cultural activities, the Aydın Doğan Foundation organizes national and international competitions such as the “Young Communications Experts Competition”, the “Aydın Doğan Award,” and the “Aydın Doğan International Cartoon Contest”, which reaches 6500 artists from 130 countries and facilitates both Dogan Group’s and Turkey’s promotion in the world.

17.5. Doğan Holding Management is one of the founders of the Corporate Governance Association of Turkey (TKYD), an organization that works to create high-performance, competitive, well-managed corporations that generate maximum shareholder value. Closely interested in designing small-scale projects focusing on “people” and creating repeatable models,

the foundation is also a member of the World Business Council for Sustainable Development, an organization that aims to contribute to growth in the least-developed regions of Turkey.

PART IV - BOARD OF DIRECTORS

18. The Structure and Formation of the Board of Directors and Independent Members

18.1. There are four non-executive, two independent and five executive members on the Board of Directors.

18.2. Members of the Company's Board of Directors:

	Position	Executive/Non-executive/Independent Member
Aydın Doğan	Chairman	Executive
İmre Barmanbek	Deputy Chairperson	Executive
Vural Akışık	Deputy Chairperson	Executive
Ragıp Nebil İlseven	Member, CEO	Executive
Arzuhan Doğan Yalçındağ	Member	Non-executive
Vuslat Doğan Sabancı	Member	Non-executive
Hanzade Doğan Boyner	Member	Executive
Mehmet Ali Yalçındağ	Member	Non-Executive
Zekeriya Yıldırım	Member	Independent
Taylan Bilgel	Member	Independent
Ali İhsan Karacan	Member	Independent

18.3. The duties of Chairman of the Board of Directors and CEO are executed by two separate persons in this Company.

18.4. The independent Board Members kept their independence in 2008.

18.5. Company's Articles of Association stipulate that members of the Board of Directors be limited to a three-year term in office. Members are elected at the annual General Assembly meeting.

18.6. Some of the members of the Board of Directors also sit on the Board of Directors of subsidiary companies.

18.7. Brief personal and professional background of the Board members is available on the Company's website.

19. Qualification of Board Members

19.1. The qualifications of Board Members are in compliance with the Capital Market Board's Principles of Corporate Governance as enumerated in Articles 3.1.1., 3.1.2. and 3.1.5. of Chapter IV.

19.2. Although there are no articles specifying qualifications for the members, the Company ensure that Board members:

- are preferably university graduates;
- possess a high level of competence and knowledge;
- are educated and experienced in Company management;
- are sufficiently competent to interpret the financial statements and reports;
- possesses basic knowledge of legal framework regulating the activities and transactions related to Company's field of activity;
- have never been convicted of violating regulations; and
- are able to attend board meetings.

20. Mission, Vision and Strategic Goals of the Company

20.1. Our vision is to target and effectively realize investments that contribute to transparency in society and welfare and stability of the individual in relevant commercial and industrial platforms in economic life. Our mission is to monitor, innovate and implement state-of-the art commercial and technological products and applications in retail driven industries in Turkey and other prospective markets abroad; develop and maintain the necessary corporate assets to ensure proper execution of these objectives. The vision and mission of the Company is available on its website and in its annual report

20.2. The strategic goals determined by the executive committee of the Company in accordance with the plans of the Company are presented to the approval of the Board of Directors prior to authorization.

20.3. The Board of Directors and senior management of the Company continuously monitor the status of the Company against its strategic goals, through monthly meetings. The results of Company activities and its performance are evaluated in detailed reports.

21. Risk Management and the Internal Control Mechanism

21.1. The internal control task is monitored under the responsibility of Auditing Group Presidency reporting to the Board of Directors.

The main duty of the Auditing Group Presidency is to protect the rights and interests of Doğan Şirketler Grubu Holding A.Ş., its subsidiaries and shareholders, by developing mechanisms to reduce internal and external administrative risks, to inspect and audit operations and procedures to ensure compliance with Board decisions, plans, budgets, regulations, procedures, instructions, legislation and generally-accepted accounting principles.

The Auditing Group Presidency performs its auditing duties in accordance with the “International Auditing Standards” and the Internal Control Framework published by the Committee of Sponsoring Organizations (COSO).

The Information Technology department performs its auditing in accordance with the COBIT (Control Objectives for Information and Related Technology). Additionally, risk controls of the companies under the audit have been evaluated by a special software program.

21.2. The Audit Group identifies risks inherent in the activities of the Holding and its subsidiaries in an effort to contribute to the development of risk management and control systems and monitors the efficiency of the organizations’ risk management.

The Audit Group submits reports on financial and operational risks to the Board of Directors from data gathered through its audits. The Board of Directors also assesses risk and takes appropriate measures.

21.3. Since the Company is a holding company, the Company’s primary focus is on the financial performance and financial risks of its affiliated companies. The management of financial risk is monitored under the responsibility of the Financial Affairs Group Presidency. Starting from 2009, Risk Management Department has been established under Financial Affairs Group in order to evaluate the financial risks from the standpoint of the company. The operational risks are monitored under the responsibility of the group presidents and the CEO.

21.4. In addition, regulations which form a significant part of the internal audit system have been drafted and put into effect.

22. Authorities and Responsibilities of Board Members and Executives

22.1. According to the Company's Articles of Association, the Board of Directors manages and represents the Company. The limit of authority of those authorized to represent the Company and to collect its revenues is published in the appropriate forums by the Board of Directors.

22.2. The authority to perform management tasks and representative authority can be assigned wholly or partially to individual members of the Board of Directors by the mandates of the General Meeting or by the Board of Directors.

22.3. The Board of Directors can appoint a CEO to carry out the management of the Company whose duration on the job may exceed theirs.

22.4. The main responsibilities of Board of Directors are presented below:

- a) To determine the Company's corporate mission;
- b) To approve the Company's vision, targets and strategies;
- c) To approve strategies on exit and penetration to a certain sector;
- d) To approve establishment of companies as well as their purchase, sale, merging or closing down; participation in and withdrawal from partnerships;
- e) To buy and sell of real estate;
- f) To approve salary and bonus policies;
- g) To approve dividend distribution policies;
- h) To allocate to increase or to decrease the Company's capital;
- i) To approve borrowing policy;
- j) To approve ethics code governing companies and employees;
- k) To approve communication and information policies;
- l) To establish and to abolish administrative units ;
- m) To ensure the performance of administrative and financial auditing;
- n) To approve administrative activity procedures;
- o) To approve consolidated budget;
- p) To approve subsidiaries' budgets and the monitoring and assessment of their performance;
- q) To define authority and delegation;
- r) To elect the CEO and to make the assessment of his or her performance;
- s) To determine the Company's annual business plan and to approve organizational structure and budget and all other kinds of decisions impacting those;
- t) To monitor the Company's past performance, activities and goal appraisals , accordingly to prevent a reoccurrence of past problems;
- u) To ensure that all activities of the Company are in compliance with Company's Articles of Association, internal rules and policies implemented;
- v) To ensure that financial statements comply with relevant legislation and international accounting standards; as well as ensuring their accuracy.
- w) To determine of the Company's approach to Shareholders and to public relations; to play a leadership role for the resolution of potential problems among Shareholders;
- x) To invite the General Assembly for an ordinary/unordinary meeting and to ensure those meetings are held in accordance with the law and the Articles of Association;
- y) To determine the annual reports that are submitted to the General Assembly ;;
- z) To monitor and audit implementation of General Assembly meeting decisions;
- ab) To establish committees within the Company structure.

23. Operating Principles of the Board of Directors

23.1. The Board of Directors convenes as required for the Company business, but no less than once a month.

23.2. All decisions made by the Board of Directors are recorded in the registry book.

23.3. In accordance with Article 2.17.4 of Chapter IV of the CMB Principles of Corporate Governance, all Board members must be present in-person at the meetings where important matters concerning the operations of the Company are going to be discussed. The following

agenda items can only be approved by the Board members who attend the Board meeting in person :

- a) Determination of fields of activity and approval of business and financial plans;
- b) Decision to invite the General Assembly to an ordinary/unordinary meeting
- c) Determination of the annual report that is to be submitted to General Assembly;
- d) Election of the Chairman and Deputy Chairperson of the Board of Directors and the appointment of new members;
- e) Establishment and abolishment of administrative units;
- f) Appointing or removing a CEO;
- g) Establishment of committees;
- h) Merging, divesting and restructuring of the Company;
- i) Determination of dividend policy and determination of dividends to be paid; and
- j) Increasing and decreasing the Company's capital.

23.4. The Board customarily meets at Company headquarters but can convene in another venue upon decision of the Board of Directors.

23.5. The members of the Board of Directors are assured to access any type of information to carry out their tasks. Issues to be discussed at Board meetings are conveyed to members prior to each meeting along with the agenda.

23.6. The ordinary agenda of the Board of Directors includes items below, and more:

- a) Reading of the minutes of the previous meeting;
- b) Information on actions taken at the previous meeting;
- c) Economic developments;
- d) Legal developments;
- e) Company performance;
- f) Financial condition of the Company; and
- g) General assessment.

Moreover, in the presence of the circumstances described below, such issues will also be on the Board's agenda:

- a) Developments in investment projects;
- b) Approval or rejection of investments;
- c) Changes in the market value of assets;
- d) Personnel salary policy;
- e) Evaluation of audits;
- f) Discussions of the annual budget and business plan;
- g) Determination of fiscal policy; and
- h) Determination of dividend distribution policy.

23.7. The Legal Affairs Division serves as Secretariat to the Board of Directors.

23.8. Since all decisions made by the Board of Directors have been the result of a unanimous vote, there has been no need to vote on differing proposals offered by members at the meetings. In addition because they are in constant contact, no questions were raised by members that required note in the registry.

23.9. The members of the Board of Directors have no privileged voting rights including the right to veto.

23.10. Travel and meeting expenses of the Board of Directors as well as the expenses for the special tasks related to the Board's activities and similar expenses are paid out of the Company's general budget without any restrictions.

24. A Ban on Doing Business with the Company and Non-Compete Clause

The required permission for members of the Board of Directors to carry out transactions specified in Articles 334 and 335 of the Turkish Commercial Law is granted through the resolution of the General Assembly.

25. Code of Ethics

The Company's code of ethics has been available on its website.

26. Number, Structure and Independence of Committees

26.1. The Company has established an Audit Committee to ensure that the Board of Directors successfully performs its tasks in accordance with Capital Markets Board legislation.

26.2. Members of the Audit Committee:

Taylan Bilgel : Member of the Board of Directors, independent member

Ali İhsan Karacan : Member of the Board of Directors, independent member

26.3. Audit Committee members possess qualifications enabling them to perform their duties and were selected from among the non-executive members of the Board.

26.4. The Audit Committee conducts its activities regularly in accordance with Capital Markets regulations and the Capital Market Board's Corporate Governance Principles. In conjunction with this, in 2008:

- a) The Company's annual/interim financial statement and footnotes and independent auditor's reports were all examined prior to public release; and
- b) The opinion on the choice of independent auditor was delivered, and its contract with the Company was reviewed.

26.5. The Audit Committee holds meetings at least four times a year and presents its decisions to the Board of Directors in written format.

26.6. The Audit Committee is acting within the limits of its authority and responsibilities and advises the Board of Directors. However, final decisions are made by the Board of Directors.

26.7. Work is underway for the establishment of a Corporate Governance Committee.

27. Remuneration of the Board of Directors

27.1. According to the Company's Articles of Association remuneration to be paid the Board of Directors as compensation for their services is to be determined at the General Assembly.

27.2. The performance of the Company is in the main criteria to determine the remuneration of Board of Directors.

27.3. The members of the Board of Directors do not receive loans from the Company either in cash or in any other form. They are also not authorized to offer any guarantee in favor of or co-sign along with any member.

Doğan Şirketler Grubu Holding A.Ş.

Oymacı Sokak, No: 15

Altunizade 34662 İstanbul, Turkey

Phone: (+90 216) 556 90 00

Fax: (+90 216) 556 93 98

www.doganholding.com.tr