

## Risk Management

Doğan Holding conducts risk management in accordance with the business strategies determined by the Board of Directors to realize sustainable growth and to enhance the corporate structure. Crucial for sustainable management and healthy growth, risk management incorporates identification of probable and existing risks, and mitigation and elimination thereof through prescriptive measures. To minimize the impact of the global economic crisis, Doğan Holding and its subsidiaries placed risk management activities at the heart of their businesses during 2009. The executive committees of the subsidiaries make comprehensive risk assessments regularly.

Doğan Holding subsidiaries and its participations closely monitored their operational and financial risks in 2009, and developed significant countermeasures in working capital and liquidity management. The Group's companies also provided an operational hedging mechanism in finished product prices, and entered into forward transactions against possible fluctuations in exchange rate parities. In addition, processes were undertaken to measure the sensitivity of balance sheet items to market interest rate, duration, foreign currency position and liquidity risk; these factors are monitored on a daily basis to manage market risk.

During the reporting period, Doğan Holding verified that Risk Management Departments have been established at the Group's companies, and that the companies

have fully transitioned to the corporate risk management program. Risk assessments are an indispensable part of the decision-making process of each company, aiming to ensure risk awareness across the entire organization and the effective management of risk exposure.

Corporate risk management activities at Petrol Ofisi are coordinated by the Risk Committee, which is composed of the company's senior management, and the Risk Department under the Compliance and Audit Department.

Financial risk management is practiced by all participations and joint ventures within the framework of general principles set by DYH and policies approved by their respective boards of directors.

Credit risk is the risk of default by the other parties to agreements, to which the media group (DYH Group) is a party, in fulfilling their obligations. The DYH Group controls credit risk by conducting credit evaluations and setting credit lines for contracting parties, which together limit the total risk a single party is exposed to. DYH Group's credit risk is widely distributed due to the high number of entities in the customer base and the wide range of business lines they are engaged in. The DYH Group is also exposed to interest rate risk from the effect of changes in interest rates applied on assets and liabilities. DYH Group manages this risk through countermeasures to balance assets and liabilities sensitive to interest

rate movement, and the limited use of derivative instruments. As of end-of-year 2009 and 2008, DYH Group's variable rate financial obligations were composed more heavily of debts in US Dollars.

On the basis of the Environmental Impact Assessment Procedure and the Risk Assessment Procedure devised in 2009, Çelik Halat evaluated all risks in connection with the environment and occupational health and safety. As a result of risk and impact assessment activities conducted, a 37% decrease was achieved in the number of occupational accidents and total workdays lost declined 31% on a year-on-year basis.

DD Konut Finansmanı (DD Mortgage) adheres to the policies and guidelines it has established for market, credit and operational risk management. In evaluation of creditworthiness, a credit scoring module is employed in a manner consistent with mortgage provision; the module is integrated with the databases of the Credit Bureau of Turkey, the Central Bank of the Republic of Turkey (CBRT) and the Identity Sharing System (in Turkish: KPS). Workflows and control mechanisms have been developed for identification and assessment of operational risks. Potential operational losses that can be addressed under this heading are determined and monitored by the Operational Risk Committee, which takes necessary actions to minimize the risk.

## Human Resources

Doğan Holding's human resources talent is its key to attaining its strategic goals. Recognizing the vital importance of this asset, Doğan Holding aims to create a fast-moving, agile, youthful and well-educated human resource pool that has a global perspective. Doğan Holding also offers fair and equal opportunities to all of its employees without any discrimination.

Doğan Holding aims to maximize the loyalty of and added value creation by its workforce by through prioritizing employee satisfaction.

### Human Resources Policy

Doğan Holding sees as its responsibility the provision of a safe and comfortable working environment built on mutual trust and communication, and strives to exercise due respect and care toward its employees regardless of race, nationality, religion, gender, or faith.

Doğan Holding makes it a priority to establish and implement individual-based, performance evaluation systems and provide an appropriate environment for personal and professional development and continued life-long training of its employees. The human resources processes adopted incorporate the shared values and strategies of Doğan Group's companies while recognizing industrial and region specific requirements, and include:

- Human Resources Planning
- Job Descriptions and Job Assessments
- Training
- Performance Appraisal and Compensation Management

### Attracting and Recruiting Talent

Doğan Holding emphasizes personal objectives and the professional experience of personnel who are joining the Group. The goal is to match individual competence with the occupational requirements of the position. The Holding gives priority to candidates who are global-minded team players and who are also open to change and professional development.

### Training and Development

Doğan Holding aims to ensure that its employees are provided the opportunity to continuously improve their professional competence, knowledge base and interpersonal skills both for their career within the Group and for their personal development.

### Performance Development

Doğan Holding's human resources policy is based on the objective of contributing to the professional and personal development of its employees. All employees are assessed via an objective Performance Evaluation System and appropriate training is provided for areas identified for further development.

### Compensation Management

Through the use of a flexible system suitable for an ever-changing business and employment environment, the compensation structure of Doğan Holding is closely aligned with the market so that an appropriate wage is paid for each position.