



HÜRRİYET
GAZETECİLİK VE MATBAACILIK A.Ş

01.01.2017 - 31.12.2017

CORPORATE GOVERNANCE
PRINCIPLES COMPLIANCE REPORT
2017

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART I - COMPLIANCE STATEMENT TO CORPORATE GOVERNANCE PRINCIPLES

Our Company makes great efforts to observe the Regulations and Provisions of Capital Markets Board ("SPKn"), Capital Markets Board ("SPK") and Corporate Governance Communique of CMB II-17.1 ("Communique") in its corporate governance applications. The Company adopts the concepts of equality, transparency, accountability and responsibility that form the basis of corporate governance in its operations.

Corporate governance practises of our Company in Turkey are subjected to the corporate governance rating by SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. ("SAHA"), an international rating company who is duly authorised to rate in accordance with the methodology approved by CMB.

Our Company has been one of the seven companies listed on the Corporate Governance index of Borsa Istanbul A.S. in 2017 with its domestic corporate governance rating granted by an internationally-accredited rating company and this practise has been steadily maintained.

Our Company is one of the first companies granted corporate governance rating mark in our country. Our company got 8.00 over 10 in 2007, the first year when it was subjected to the rating, which is a good corporate governance mark. Our corporate governance rating mark during 2008-2016 is respectively 8.32; 8.43; 8.47; 8.56; 9.09; 9.09; 9.30; 9.36; 9.28. SAHA, duly authorised to give ratings in accordance with the relevant and applicable regulations and resolutions of CMB in Turkey, gave 9.13 (91.27) over 10 when evaluating our corporate governance rating mark. With reference to the Principle Resolution of CMB on this matter, final rating mark has been determined by weighting four sub-categories separately. Accordingly, corporate governance rating mark is divided into sub-categories as follows: Shareholders (Weight: 0.25) 90.25; Public Disclosure and Transparency (Weight: 0.25) 92.86; Stakeholders (Weight: 0.15) 93.92; Board of Directors (Weight: 0.35) 89.74. You can access Corporate Governance Rating and Corporate Compliance Reports on www.hurriyetkurumsal.com.

Corporate Governance Committee continues to carry out studies to improve our corporate governance practises. During the activity period ending on December 31, 2017, Corporate Governance Principles ("Principles") as stipulated by CMB and the Communique have been duly observed. Due diligence has also been exercised to observe those principles not stipulated by the relevant Laws and Communique and as it has also been explained in this Report, no serious conflict of interest has occurred regarding those yet-to-be-observed principles that are not required to be complied with as of current situation.

Ahmet TOKSOY
Board Chairperson

Çağlar GÖĞÜŞ
Executive Board Member
Chief Executive Officer

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART II - SHAREHOLDERS

2. Investor Relations Department

2.1. For the purpose of fulfilling the assignments specified in the Communiqué thoroughly, the title of "Shareholder Relations Department" established on March 18, 2009, is changed to "Investor Relations Department" ("YIB") in accordance with the resolution of our Board of Directors taken on July 21, 2014. YIB conducts its activities in accordance with CMB, Communiqué and Articles of Association.

Under the roof YIB in our Company, specialist personnel and experienced professionals are assigned in the departments of investors relations and financial affairs YIB Manager serves as a personnel affiliated to the Finance Director of Hürriyet. Managerial position of YIB is run by Nihan Sena Hertaş, Investors Relations Manager, while Elif Özcan, Investors Relations Specialist, works full-time in YIB.

2.2. Established for the purpose of monitoring all the relations between the shareholders and the Company and ensuring that receiving information rights of such shareholders are thoroughly executed, YIB executes its activities in accordance with the Capital Markets Board, Regulations of CMB and Articles of Association. The aforementioned department is responsible for:

- Keeping the records regarding the shareholders in safe and sound manner,
- Responding the information requests of the shareholders concerning the Company in accordance with the regulations of the Capital Markets Board.
- Ensuring the General Meeting is held in accordance with the applicable regulations, Articles of Associations and other in-company regulations,
- Preparing documents to be submitted to the Shareholders during General Meetings,
- Keeping the records of the voting results and ensuring the reports regarding the results are delivered to the shareholders,
- Observing all the necessary provisions regarding public disclosure, including applicable regulations and information policy of the Company,
- Ensuring compliance procedures to the capital market have been conducted,
- Ensuring investors relations have been executed.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART II - SHAREHOLDERS (Continued)

2. Investor Relations Department (Continued)

2.3. Nihan Sena HERTAŞ, serves as the Manager in the Investor Relations Department and her contact information is given below:

Name Nihan Sena HERTAŞ
Position Investor Relations Manager
License Details Corporate Governance Classification Specialists License No: 700652
Advanced Level In Capital Market Activities License No: 205287
Address 100. Yıl Mahallesi, 2264. Sokak No:1 34204 Bağcılar / İstanbul
Telephone - Fax 212 677 00 00
E-mail: nshertas@hurriyet.com.tr
yatirimciiliskileri@hurriyet.com.tr

Name Elif Özcan
Position Investor Relations Department Specialist
Address Hürriyet Dünyası 100. Yıl Mahallesi, 2264. Sokak No:1 34204 Bağcılar / İstanbul
Telephone-Fax 212 677 00 00
E-mail: elifozcan@hurriyet.com.tr

All Company shares are included in the Central Registry Agency ("MKS"). Applications regarding MKS are followed within the structure of the Company.

2.4. Information requests of the investors and shareholders in 2017 have been answered in accordance with Capital Markets Law, Regulations and Resolutions of CMB and necessary documents other than those confidential and trade secret documents are delivered to the investors and shareholders, observing "maxim of equity".

All requests for information from the Investor Relations Department via verbal and e-mail were responded, to the extent required by the program to all meeting requests from analysts. 2 questions directed from investors in 2017 have been answered. Teleconferences are held next day after the financial statements made every quarter has been made to discuss the results (4 teleconference in total in 2017).

2.5. In the fulfilment of the requests from our shareholders, utmost care is taken to comply with the applicable regulations and the Articles of Association. In 2017, there have not been any written or verbal complaints that have been submitted to the Company regarding the use of shareholder rights or any legal inquiries concerning the Company.

3. Exercise of Shareholders' Right to Information

3.1. In the use of the right to obtain and examine information, all shareholders, including minority and foreign shareholders, are treated in accordance with the principle of equal treatment.

3.2. Best efforts are exercised to meet the information requests from the shareholders of our Company on time in accordance with the Capital Markets Law, Regulations and Resolutions of CMB.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART II - SHAREHOLDERS (Continued)

3. Exercise of Shareholders' Right to Information (Continued)

3.3. Presentations about the Company's developments and all the information that may affect the use of financial information and shareholders' rights are published in Turkish and English on the Company's corporate website on (www.hurriyetkurumsal.com).

3.4. The request for the appointment of a special auditor in the Articles of Association has not yet been issued as an individual right and it has not been requested that shareholders appoint a special auditor during the term. However, appointment of a special auditor may take place in our Articles of Association depending on developments in the relevant regulations in the coming period.

4. General Assembly Meetings

4.1. Ordinary General Meeting of our Company where the results of the activities of 2016 have been discussed held on March 30, 2017 in the registered office of our Company. Our shareholders may attend the meeting physically or they may cast their votes through the electronic platform of Electronic General Meeting System ("e-KGS") of Central Registry Agency (MKK) pursuant to the provisions of Article 1527 of Turkish Code of Commerce Nr. 6102. Announcement for the General Meeting has been announced minimum three weeks before the General Meeting to be held as stipulated in the Articles of Association of the Company in the corporate website of the Company (www.hurriyetkurumsal.com) and on electronic platform of Electronic General Meeting System ("e-KGS") of Central Registry Agency (MKK) to ensure it is delivered to the maximum number of shareholders, in accordance with the applicable provisions of the relevant Regulations. Applicable Regulations/Resolutions of Turkish Code of Commerce (TTK), Capital Markets Legislation, Capital Markets Law, Capital Markets Board, Borsa Istanbul as well as regulations of Central Registry Agency (MKK) and Articles of Association are observed.

4.2. Regulations regarding the General Meetings of the Company are made available in the Articles of Association, which can be accessed in website of the Company. Information documents regarding the agenda items before the General Meeting are prepared and disclosed to public. The financial statements and reports including the Annual Report, the profit distribution proposal, the information document prepared in connection with the agenda items of the General Meeting and other documents constituting the basis of the agenda items and the final version of the Articles of Association and the amendment text and its grounds, if any are made available in places where the shareholders can reach in the most convenient way, including the headquarters and branches and website of the Company after the date of announcement made for the convocation to the General Meeting. Before the General Meetings, Power of Attorney copies are announced and made available in the website to be used by those shareholders who wish to assign an agent to represent him/her during such General Meetings.

4.3. Convention manner of the General Meeting ensured the shareholders attendance at the highest level. Those shareholders who wish to attend the Ordinary General Meeting on electronic platform with their "electronic signatures" have obtained the necessary information on "MKK" and/or "www.mkk.com.tr" website of "MKK" regarding participation in General Meeting in electronic platform. General Meetings are held as much costly and complicated as possible for shareholders so as not to lead to inequality among shareholders.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART II - SHAREHOLDERS (Continued)

4. General Assembly Meetings (Continued)

4.4. Voting procedure in the Meetings are submitted to information of the shareholders through website and Trade Registry Gazette. Unless provided otherwise by the General Meeting, meetings are open to the interested parties and the media in accordance with the Articles of Association. The venue where the General Assembly meetings are held will enable all shareholders to participate.

However, those shareholders or agents of such shareholders who attend the meeting without entrance card do not have the right to speak and vote. During the General Meeting, the agenda items are conveyed in an objective and detailed manner and in a clear and understandable way. Shareholders are given equal opportunity to explain their ideas and ask questions and an appropriate discussion environment is thus created.

4.5. During the Ordinary General Meeting held on March 30, 2017, Extraordinary General Meeting held on March 2, 2017 and Extraordinary General Meeting held on August 23, 2017, it has been determined that of the 552,000,000 shares representing the Company's capital consisting of 552,000,000,-TRY, a total of 428,638,983.151 shares, 428,638,983.151 shares of which have been represented by Proxy, have been represented and thus the quorum stipulated by Law and by the Articles of Association has been reached.

4.6. Votes are cast open and by raising hands during the Ordinary and Extraordinary General Meetings. Shareholders have used their asking questions rights during 2017 and no writing answer is required for there have been no unanswered questions.

4.7. In principle, members of the Board of Directors, other related persons, those executives responsible for the preparation of the financial statements and auditors are required to attend the Ordinary and Extraordinary General Meetings in order to provide the necessary information and answer questions regarding issues that are of special importance on the agenda.

4.8. During the Ordinary General Meeting of the Company held on March 30, 2017, our Company made donation amounting to TRY 1,584,830 to the foundations, associations, public agencies and organizations for social aid purposes during the accounting period of January 1, 2016 - December 31, 2016.

4.9. Financial results of 2017 are disclosed according the calendar announced by CMB. Accordingly, this practise does not constitute any contrariety to the Capital Markets Law and the overall Principles.

4.10. Our shareholders, some of Board Members, personnel of our Company and representatives of the independent audit company attend our General Meetings and press does not participate in such meetings.

5. Voting and Minority Rights

5.1. Practices making it difficult to use voting rights in the Company are avoided and each share has the opportunity to use the right to vote in the easiest and most convenient way possible.

5.2. There are Privileged shares nor group difference in accordance with the Articles of Association.

5.3. Each share has one voting right in the Company in accordance with the Articles of Association.

5.4. There are no provisions stipulating the use of any voting right following a certain period of time after its acquisition in accordance with the Articles of Association.

5.5. There are no provisions preventing any non-shareholder agents to cast their vote through their proxy power in accordance with the Articles of Association.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART II- SHAREHOLDERS (Continued)

5. Voting and Minority Rights (Continued)

5.6. In accordance with the Articles of Association, should the right of usufruct and right of disposition belong to different persons, such persons shall come to a mutual agreement and be represented according to their wishes. Should they do not come to a mutual agreement, such shareholder holding "beneficial owner" shall have the right to attend General Meetings and cast vote.

5.7. Since there are no companies with reciprocal shareholding among the shareholders, no vote has been cast in this regard during the General Meeting.

5.8. In accordance with the Articles of Association, minority rights are granted to those shareholders holding five (5) percent of the share capital.

5.8.1. Utmost care is exercised for the use of minority rights in the Company. There have been no criticism nor any complaints directed to the Company in this regard.

5.9. "Cumulative voting" is not granted in our Articles of Association. Advantages and disadvantages of this voting method are assess in accordance with relevant developments in the applicable regulations.

6. Dividend Right

Our Company takes dividend distribution resolution and make such dividend distribution in accordance with the Regulations and Resolutions of Turkish Code of Commerce, Capital Markets Regulations, Capital Markets Law, and with Capital Markets Board (CMB) as well as Tax Laws and other relevant provisions of legal legislation and our Articles of Association and Resolution of the General Meeting. Dividend principles are determined considering the "Dividend Distribution Policy" disclosed to the public.

Accordingly;

- 1- As a principle, minimum 50% of "distributable net profit for the period" calculated in accordance with Capital Markets Regulations, Capital Markets Law and CMB Regulation and Resolutions are distributed considering financial statements prepared in accordance with Capital Markets Regulations, Capital Markets Law and CMB Regulation and Resolutions.
- 2- In the event that it is agreed to distribute calculated "distributable net profit of the period" from 50% up to 100%, financial statements, financial structure and budget of our Company shall be taken into consideration.
- 3- Dividend distribution proposal is disclosed to the public considering the legal periods and in accordance with Capital Markets Law, Capital Markets Board Law and Regulations and Resolutions of CMB.
- 4- Should the "distributable net profit of the period" calculated according to the legal records kept under relevant laws of Turkish Code of Commerce and Tax Laws is lower than the amount calculated in the 1st Article, then
 - a. -"distributable net profit of the period" calculated in accordance with the legal records kept under this Article herein shall be taken into consideration and all of it be distributed,
 - b. -if higher than such amount, then it shall be acted in accordance with the Article 2.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART II- SHAREHOLDERS (Continued)

6. Dividend Right (Continued)

- 5- In the event that no distributable net profit of the period has occurred pursuant to legal records kept in accordance with Turkish Code of Commerce and Tax Laws, no profit distribution shall be performed even if "distributable net profit of the period" calculated according to the financial statements prepared in accordance Capital Markets Regulations, Capital Markets Law and CMB Regulation and Resolutions and calculated in accordance with Capital Markets Regulations, Capital Markets Law and CMB Regulation and Resolutions.
- 6- Profit distribution may not be performed should the calculated "distributable net profit of the period" fall under the 5% of the issued capital.
- 7- Upper limit of the donation and aids to be made within a certain accounting period by our Company in accordance with Capital Markets Regulations, Capital Markets Law and CMB Regulation and Resolutions as well as with provisions stipulated in the Articles of Association is determined by the General Assembly. No donations exceeding the upper limit as designated by the General Assembly shall be made and such donations shall be added to "distributable net profit of the period" basis.
- 8- Profit distribution shall be started from the 30th day following the General Assembly meeting where it is resolved to distribute at the latest and as of end of period under any circumstances.
- 9- Our Company may distribute the profit share in cash and/or in "bonus share" in advance or may split them into instalments in accordance with Capital Markets Regulations, Capital Markets Law and CMB Regulation and Resolutions as well as with provisions stipulated in the Articles of Association and Resolution of General Assembly.
- 10- Our Company may also makes profit distribution to other persons who do not have any shares pursuant to the Resolution of the General Assembly. In such case, Regulation and Resolutions of Turkish Code of Commerce Capital Markets Regulations, Capital Markets Law and CMB Regulation and Resolutions as well as provisions stipulated in the Articles of Association shall be observed.
- 11- Our Company may take share profit advance distribution resolution and make share profit advance distribution in accordance with the Regulations and Resolutions of Turkish Code of Commerce, Capital Markets Regulations, Capital Markets Law, and with Capital Markets Board (CMB) as well as Tax Laws and other relevant provisions of legal legislation and our Articles of Association and Resolution of General Assembly.
- 12- Investments requiring a substantial amount of fund outflow for the purpose of increasing our Company value, important subject matters affecting our financial structure as well as significant uncertainties and problems emerged in economy, market and other business areas beyond the control of our Company is taken into consideration in taking apportionments.

7. Share Transfer

7.1. There are no provisions stipulated in the Articles of Association making it hard for shareholders to transfer their shares freely.

7.2. As stipulated in the Articles of Association, applicable and relevant regulations and provisions of Turkish Code of Commerce, Capital Markets Board, Capital Markets as well as MKS rules and regulations on shares registration shall be observed for share transfers.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART III - PUBLIC DISCLOSURE AND TRANSPARENCY

8. Disclosure Policy of the Company

8.1. With respect to the public disclosure, "Disclosure Policy" has been prepared and disclosed to the public through the corporate website. You can access to the Information Policy on www.hurriyetkurumsal.com, corporate website of the Company.

8.2. For that purpose, material disclosures, publicly announced periodic financial statements and annual reports as well as information meetings are held and/or informative meetings are attended. Investors, analysts, press members are invited to such meetings. Accordingly, Board Members and senior managers make presentation by attending such meetings.

In addition to these activities, publicity documents prepared, statements made to data distribution organizations, announcement texts and news made available on our corporate website are other tools used in the framework of our information policy.

8.3. Board of Directors is responsible for the monitoring, reviewing and improving this Information Policy. Corporate Governance Committee provides information and proposals to the Board of Directors, Executive Committee, Audit Committee and Finance Directorate on subjects relating to the information policy.

8.4. The Investor Relations Department has been assigned to track and monitor all aspects of public disclosure. Questions from outside the company are answered by the Investor Relations Manager according to the content of the issue, including the Chief Executive Officer (CEO), Chief Finance Officer (CFO), within their knowledge and authorization limits. Maximum care is taken to ensure that equal opportunity is not disturbed among the shareholders in answering the questions.

The persons who are authorized to make public announcements in Borsa Istanbul Disclosure Platform within the framework of the Company Information Policy and their contact information are listed below:

Name	Özgür Tokgöz Altun
Position	Chief Finance Officer (CFO)
Name	Nihan Sena Hertaş
Position	Investor Relations Manager
Name	Zeynep Eral Güleyüpoğlu
Position	Financial Control Coordinator
Name	Elif Özcan
Position	Investor Relations Specialist
Phone - Fax	+90 212 677 00 00 +90 212 677 01 82
	nshertas@hurriyet.com.tr
E-mail:	elifozcan@hurriyet.com.tr
	yatirimciiliskileri@hurriyet.com.tr

58 material disclosures were made in 2017. With reference to the letter delivered by CMB with date October 5, 2017 and number BIAS-4-8936 regarding the statements made to the public in 2017, one Material Disclosure has been made on Extraordinary Price and Quantity Movements through Public Disclosure Platform on October 5, 2017.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017
PART III - PUBLIC DISCLOSURE AND TRANSPARENCY (Continued)

8. Disclosure Policy of the Company (Continued)

8.5. Save for those provisions specified by the relevant regulations during the statements made the public, data distribution companies and corporate website are effectively used. Principles regarding disclosure of information about the future are included in the information policy.

8.6. Information about the future during the statements made to the public are explained together with grounds and statistical data based on predictions and they are associated with the financial condition and activity results of the Company. Such statements may only made by the Chief Executive Officer (CEO) and Chief Finance Officer (CFO) of the Company.

8.7. Board Members, managers and those shareholders holding 5% of the capital directly or indirectly discloses the transactions they carry out on the capital instruments of the Company in accordance with the Regulations of the Capital Markets Board. Regarding the matter, there has been no process nor any material disclosure in 2017.

8.7.1. Since all the material disclosures made are added to the corporate website of the Company both in Turkish and English, material disclosures made in this regard are also made available in the corporate website of the Company.

8.7.2. The Company holds no derivatives based on shares. There has been no commercial and/or non-commercial business or transaction between the Board Members and managers and the Company in 2017. There has been no commercial and/or non-commercial business or transaction between the companies of those shareholders holding 5% of the capital directly or indirectly or holding the control of the management or having a significant control over it, regardless of the rate, and the Company in 2017.

8.8. Our Financial Statements and footnotes on consolidated base are reported in accordance with "Statement on Principles Regarding Financial Reporting on Capital Market" (II - 14.1) provisions of SPK and according to Turkish Accounting Standards ("TMS") and Turkish Financial Reporting Standards ("TFRS") as published by "Public Oversight, Accounting and Auditing Standards Institute ("KGK"), of which presentation principles have been developed by KGK based on the sub-paragraph of (b), clause 9 of the Decree-Law nr. 660 and determined and disclosed to the public through the Resolution taken on June 2, 2016 and numbered 30, disclosed in accordance with 2016 TMS Taxonomy with the Weekly Bulletin dated July 15, 2016 and numbered 2016/22 of CMB, based upon the Resolution of CMB dated July 15, 2016 and numbered 22/805 and they are subjected to the independent audit in accordance with Turkish Audit Standards ("TDS") and they are disclosed to the public. Activity Report for 2017 have been prepared in accordance with Regulations and Principles of Capital Markets Law and Capital Markets Board.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART III - PUBLIC DISCLOSURE AND TRANSPARENCY (Continued)

9. Corporate Website and Its Content

9.1. "www.hurriyetkurumsal.com", corporate website of the Company used for the purpose of public disclosures, is prepared in accordance with Regulations and Provisions of the Turkish Code of Commerce, Capital Markets Law and Capital Markets Board Law Besides the information required to be stated in accordance with the applicable provisions,

- Trade registration details
- Current partnership and managerial structure,
- Detailed information about the privileged shares,
- Latest version of the Articles of Association together with the date and number of the trade registry gazette where such amendments have been published,
- Material disclosures,
- Financial reports,
- Activity reports, registration statements and public offering circulars,
- Agenda of the General Meetings, list of attendants and minutes, letter of attorneys for using votes by proxy, compulsory information forms and similar forms prepared for the collection of share certificates or letter of attorneys through convocation and repurchase of its own shares by the Company, if any.
- Dividend distribution policy and information policy,
- Information regarding the transactions with the related parties,
- Ethical rules determined by the Company,
- Information requests, questions and notices submitted to the Company under Frequently Asked Questions are included in the website.

Retroactive information up to 5 years as per the Law are also available in our corporate website.

9.1.1. Design and content of our corporate website is made as stipulated by the Regulations and Provisions of Turkish Code of Commerce, Capital Markets Law and Capital Markets Board.

Information provided in our website are as follow:

a) Corporate

- Company Profile
- Mission, Vision and Strategy
- Shareholder Structure
- Board of Directors
- Committees
- Organization
- Values and Hürriyet Publishing Principles

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART III - PUBLIC DISCLOSURE AND TRANSPARENCY (Continued)

9. Corporate Website and Its Content (Continued)

b) Investor Relations

- Investors Relations Contact Information
- Corporate Information
- Financial Statements
- Annual Reports
- Capital Increase
- Dividend Information
- Significant Decisions of the Board of Directors
- General Assembly Meetings
- Investor Presentations
- Public Disclosures
- Analyst List
- Information On Shares
- FAQ
- Calendar
- Site Map Of Investors Relations
- Brief Financials

c) Corporate Governance

- Board of Directors
- Corporate Governance Committee
- Shareholding Structure
- Articles of Association
- Trade Registration Gazettes
- Minority Right and Privileged Shares
- Corporate Governance Principles Compliance Report
- Corporate Governance Rating Report
- Financial Rating Report
- Ethical Rules
- Disclosure Policy
- Dividend Distribution Policy
- Remuneration Policy
- Donation and Aid Policy
- Compensation Policy

d) Social Responsibility

- Social Responsibility Projects
- Stop The Domestic Violence
- Haklı Kadın Platformu (Rightful Women Platform)
- Hürriyet Hakkımızdır Treni (Freedom is our right train)
- After Van Earthquake
- Environmental Health
- Emergency Helpline

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART III - PUBLIC DISCLOSURE AND TRANSPARENCY (Continued)

9. Corporate Website and Its Content (Continued)

e) Investments

- Print Media
- Internet Activities
- Printing Activities
- Foreign Operations

f) Human Resources

- Human Resources Practices
- Human Resources Policy
- Job Application

g) Visual Gallery

- Advertising Films

h) Contact Us

- Contact Details
- Print Facilities and Regional Offices
- Contact Us

9.1.2. Our efforts to provide better service to our corporate internet site continue.

9.1.3. Address of our corporate website is explicitly written on the letterheads of our Company.

9.1.4. Principles regarding the management of our corporate website is available in the "information policy".

9.2. Capital Markets Law, Regulation of Capital Markets Board and Stock Exchange as well as Principles of Capital Markets are observed for the statements made to the public through the corporate website.

10. Annual Report

Activity Report and Interim Activity Reports for 2017 are prepared in accordance with the relevant provisions of Turkish Code of Commerce, "Communique On Determination Of Minimum Content of Annual Activity Reports of Companies" of the Ministry of Customs and Trade and "Statement on Principles Regarding Financial Reporting on Capital Market" (II - 14.1) of CMB and of the Communique.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS

"Advertisers" are one of our significant stakeholders since income from advertisements have a great importance in our overall incomes and we operate in media sector. Advertising policies and practices are prepared within the Company's Executive Committee and Advertising Directorate. Our company actively participates and supports the activities of non-governmental organizations operating in the advertising and media sectors. On the other hand, due to the importance of human resources in the media sector, human resources management is represented at a high level in our Company and is dealt with macroscopically with human resources policies. General policies regarding our readers, audiences and listeners in printed and audiovisual media are determined and carried out within the Executive Board.

11. Informing Stakeholders

As explained in detail in the first part of the report, shareholders and investors are informed in accordance with Capital Markets Law, CMB Regulations and Resolutions and through the determined methods. Our company's management is supported to participate in various non-governmental organizations established by our stakeholders. These types of studies carried out together with advertisers help us understand their needs and enable an active participation to provide sustainable growth and financial strength.

Stakeholders may communicate with the Company through the Corporate Governance Committee, members of the Audit Committee, or persons authorized to provide information within the Company's Information Disclosure Policy regarding non-compliant and ethically inappropriate operations of the Company by e-mail.

12. Participation of Stakeholders in Management

The Company is in continuous communication with stakeholders in oral and written communication. The feedback we receive from our stakeholders is presented to the senior management for their evaluation after going through some certain processes and solution proposals and policies are then developed. The Articles of Association does not include an arrangement that stipulates the participation of stakeholders in the management of the company. The function of informing the employees about the company's general activities and applications and taking the proposals is carried out through the Company intranet site.

13. Human Resources Policy

13.1. Providing equal opportunities to persons on equal footing is adopted when forming employment policies and career plans. Substitution planning for the appointment of managers to be appointed shall be prepared in cases where the changes of the executive duties are presumed to lead to a disruption in the management of the company.

13.2. Criteria for the personnel employment shall be determined in writing and such criteria shall be observed. Employment processes have been defined by specific procedures.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

13. Human Resources Policy (Continued)

13.3. All rights granted to employees are treated fairly, training and development programs are implemented and training policies are developed to increase employees' knowledge, skills and competencies.

Information meetings are held by the CEO on the company's financial situation, objectives and general outlook for employees. Meetings are held every three months for employees' health and safety with the participation of employees' representatives. Digital environments are provided where employees can share requests, complaints and suggestions in writing.

13.4. Job definitions of the Company's personnel and its distribution as well as performance and awarding criteria are announced to the personnel. Productivity is taken as a basis for the determination of pay and other benefits provided to the personnel. The Company may create share acquisition plans for its employees.

13.5. Measures are taken to ensure that employees are not discriminated against on the basis of race, religion, language and gender, and to protect employees against internal physical, mental and emotional abuse.

13.6. Safe working environment and conditions are provided for employees in accordance with the principles of Occupational Health and Safety regulations.

14. Ethical Rules and Social Responsibility

14.1. Ethical rules of our Company have been disclosed to the public through our corporate website. These ethical rules are continuously reviewed and they are revised where necessary.

14.2. Our company carries out projects related to social responsibility together with employees with high social sensitivity, in the synergy created by its corporate structure and all the companies under its structure.

14.3. It observes regulations of the environment, consumers and public health as well as ethical rules. The Company supports and respects internationally recognised human rights.

14.4. "Publication Principles" have been determined separately in both print media and the audiovisual media. You may access the mentioned Principles through the "Values and Editorial Principles" tab on the corporate website of our Company.

15. Structure and Formation of Board of Directors and Its Formation

15.1. Regulations and Resolutions of Turkish Code of Commerce, Capital Markets Law and Capital Markets Board in formation and election of Board of Directors. Principles regarding the subject are available in the Articles of Association. There have been some amendments made for the purpose of complying with the Principles of CMB in practise.

Accordingly;

15.1.1. Representation of the Company belongs to the Board of Directors. The Company is managed and represented by a Board of Directors by minimum 7 and maximum 11 Board Members to be elected by the shareholders during General Meeting.

15.1.2. The members of the Board of Directors appointed by the Capital Markets Board shall be elected from the candidates who are independent members. The provisions of the Capital Markets Law, Capital Markets Board regulations and other applicable provisions shall be applied to candidates of the Independent Board Members, nominees, their number and qualifications, election, dismissal and/or expiry period of office. At present, there are four independent board members in the Board of Directors. There are at least two independent board members in the Board of Directors in accordance with the Communiqué.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

15. Structure and Formation of Board of Directors and Its Formation (Continued)

15.1.3 Board Members are elected to perform their duties for maximum 3 years. Should the period of office has not been determined in the election resolution of the General Assembly, the elections shall be deemed to have been made for one year. Those members whose period of office expired can be re-elected. Board Members are elected by the General Meeting every year. Board Members are elected to perform their duties during the Ordinary General Meeting where activities and accounts for the accounting period of 2017 will be discussed in the Extraordinary General Meeting held on August 23, 2017.

15.1.4. In the event that one of the members of the Board of Directors is removed from the office for any reason, a person bearing the necessary qualifications shall be elected by the Board of Directors to submitted to the approval of the General Assembly. Such person completes the period of person s/he is substituted once it is approved by the General Assembly.

15.1.5. The General Assembly can always dismiss Board Members in the event that there is a relevant item on the agenda or in the presence of a legitimate reason even if there is no such item on the agenda. The legal entity that is a member of the Board of Directors may change the person registered in his/her name at any time.

15.1.6. A Board Chairperson and Deputy Chairperson, if necessary, shall be elected among Board Members every year. In the event that more than one Chairperson has been elected, then duty, authorisation and area of responsibility shall be determined. Board Chairperson and General Manager/CEO is not the same person.

15.1.7. In accordance with the Articles of Association, majority of the Board Members shall be consisted of those members who are not assigned in Execution. Currently, more than half of the Board of Directors are not assigned in Execution and Board Chairperson and General Manager is not the same person.

Name, surnames and qualifications of Board of Directors of our Company are provided below:

Name / Lastname	Title	Status
Ahmet Toksoy	Chairperson	Not Assigned In The Executive Board
Beatricé de Clermont Tonnerre	Deputy Chairperson / Independent Member	Not Assigned In The Executive Board
Çağlar Göğüş	Executive Member	Assigned In The Executive Board
Fikret Bilâ	Member	Assigned In The Executive Board
Vuslat Sabancı	Member	Not Assigned In The Executive Board
Sedat Ergin	Member	Not Assigned In The Executive Board
Kai Georg Diekmann	Member	Not Assigned In The Executive Board
Gündüz Kösemen	Independent Member	Not Assigned In The Executive Board
Değerhan Usluel	Independent Member	Not Assigned In The Executive Board
Sedat Gümüüşođlu	Independent Member	Not Assigned In The Executive Board

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

15. Structure and Formation of Board of Directors and Its Formation (Continued)

15.1.8. Board Members are elected to perform their duties during the Ordinary General Meeting where activities and accounts for the accounting period of January 1, 2017 - December 31, 2017 will be discussed in the Extraordinary General Meeting held on August 23, 2017. Pursuant to the resolution of Board of Directors dated August 29, 2017 under 2017/33 number, Ahmet Toksoy is elected as the Board Chairperson, Beatrice de Clermont Tonnerre be elected as Deputy Chairperson / Independent Board Member and Çağlar Göğüş be elected as Executive Board Member as a result of distribution of assignments. The members of the Board of Directors of the Company are not bound to any specific rules and / or are not restricted to take other duties or duties outside the Company. With reference to the current organization structure of the Company, there is no limitation with respect to the assignment of Board Members within the Company no condition causing Independent Board Members to lose their independent characteristics is in question within our knowledge as of date of the report. Independence statements of the independent board members are included in the Activity Report of Board of Directors for 2017.

15.1.9. 43 Board Resolutions were taken in 2017 and such resolutions were unanimously taken and there was no Board Member objecting to the resolutions taken. The members of the Board of Directors of the Company are not bound to any specific rules and / or are not restricted to take other duties or duties outside the Company.

15.1.10. Resumes of Board Members are given below:

AHMET TOKSOY

Board Chairperson

Born in Istanbul in 1959, Ahmet Toksoy received his BA from the Department of Finance, Faculty of Management, of Istanbul University in 1981. After working as an auditor at the Ministry of Finance between 1984 and 1989, he joined Hürriyet Holding as a member of the Audit Committee. He was appointed Assistant Finance Manager of Hürriyet Newspaper between 1990 and 1991 and as Finance Manager between 1991 and 1995. Toksoy worked as Certified Public Accountant at Aktif Denetim Yeminli Mali Müşavirlik for three years.

After serving as a Chief Financial Officer for 11 years in Hürriyet newspaper since he was assigned in 1988, he was appointed as the Head of Audit and Risk Management at Doğan Holding in 2010. Ahmet Toksoy serves as the Chief Executive Officer of Hürriyet Gazetesi ve Matbaacılık A.Ş. and as a Chief Financial Officer and Executive Board Member of Doğan Şirketler Grubu Holding A.Ş. since September 2011, besides serving as a Board Member for Doğan TV Holding A.S.

Toksoy is married and has one child.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

15. Structure and Formation of Board of Directors and Its Formation (Continued)

BÉATRICE de CLERMONT TONNERRE

Deputy Chairperson and Independent Member

Béatrice de Clermont Tonnerre has been working in Google as Joint Project Solutions, Southern Europe Director since May 2013. Living in Paris, Béatrice de Clermont Tonnerre has worked in pay tv and broadcasting to sports rights, sports rights to book publishing, digital media and internet areas to purchasing projects. She is also experienced in organic growth and new product launching.

Starting her career in Radio France Internationale Latin America and Europe 1 as radio correspondent, she has joined Strategic Department of Lagardere in 1995 as an analyst in technology department. She has been promoted to manager in Media Department and has been appointed as the Interactive Television Group Chairperson of CanalSatellite. She has been appointed as Programming Co-Chairperson in 2003.

Béatrice de Clermont Tonnerre has a bachelor's degree in Politics from Institut d'Etudes Politiques de Paris and Business Administration and master's degree in Business Administration from Ecole Supérieure des Sciences Economiques et Commerciales. Also, she is a member of board of directors at LACIE, a technology company listed in French Stock Exchange.

ÇAĞLAR GÖĞÜŞ

Executive Director of Board of Directors and Chief Executive Officer

Çağlar Göğüş graduated from Department of Business Administration in Bilkent University in 1995, has completed his MBA degree in Florida University.

He has begun his professional career as assistant in Coopers & Lybrand Turkey in 1995 and he has worked for a short time as Senior Analyst in Arthur Andersen.

Between 1998-2000 he has worked as Senior Analyst in A.T Kearney and in 2002, he has joined to Peppers & Rogers Group where he served in this company for nine years as Partner.

Çağlar Göğüş who has undertaken the responsibility of EMEA region since 2010, has managed successfully the international operations of Peppers & Rogers Group with the title of Managing Director until 2014.

As Analytic Center and Smartcon EMEA co-founder, he has been providing training and consulting on Big Data, advanced data, Disruptive technology and relevant business models and has held strategical organizations. Joining Hürriyet as a Board Member in 2015, Göğüş took over General Manager office in February 2016. Çağlar Göğüş has been assigned as a Board Member for Glokal Dijital Hizmetler Pazarlama ve Ticaret A.Ş. on May 26, 2016 and for Sporarena A.Ş. on October 6, 2017.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

15. Structure and Formation of Board of Directors and Its Formation (Continued)

FİKRET BİLÂ

Executive Board Member & Chief Editor

He was born in Zonguldak in 1958. Upon completing his elementary and secondary education in Zonguldak, he graduated from the department of Economics in the faculty of Economics and Administrative Sciences in Gazi University in 1979. He was awarded ph.d. degree from the same university.

He started his journalism career in Yankı magazine in 1977 when he was a university student. Scoring the highest point in Commissioner Of Audits in 1980, he was assigned in the Court of Accounts. He worked in this organization until 1986. He resigned from the Reporter position in the Board of Chambers in the Court of Accounts in 1986 and got back to journalism with Nokta magazine. He then started to work for Milliyet newspaper at the end of 1986. He was assigned as news director of Milliyet in 1993 and as Ankara Representative and columnist in 1995. He lectured on investigative journalism in the Faculty of Communication of Ankara University and Gazi University. After 1999, he presented Ankara Kulisi show aired in CNN Türk channel for many years together with Sedat Ergin and Murat Yetkin. He was assigned as the Chief Editor of Milliyet newspaper in 2013 and he maintained this position until 2016. Starting to work as a columnist in Hürriyet newspaper in August 2016, Mr. Bila continues to serve as a Chief Editor in Hürriyet Newspaper.

Awarded a number of prizes including Abid İpekçi journalist of the year award, Fikret Bila is also the author of books titled Phoenix, Ecevit'in Yeniden Doğuşu (2001), Sivil Darbe Girişimi ve Ankara'da Irak savaşları (2003), Hangi PKK: Satranç Tahtasında Yeni Hamleler (2004, extended 6th issue 2007) , Komutanlar Cephesi (2007, extended 6th issue 2010) , İdeolojik Kodlarıyla Kağıt Üstündeki PKK (2016).

VUSLAT DOĞAN SABANCI

Board Member

A graduate of Bilkent University's Department of Economics, Vuslat Doğan Sabancı went on to attend Columbia University in New York for her graduate studies in International Media and Communications. Ms. Doğan Sabancı currently chairs the Board of Directors at Hürriyet, and has held this post since May 26, 2010.

During her tenure as a Board Chairperson between 2010-2017 and as a CEO between 2004 and 2010, Ms. Doğan Sabancı transformed Hürriyet from a leading paper in Turkey into an international powerhouse through her acquisition of Trader Media East (TME) in 2007 in a move that represented the largest ever foreign procurement executed by a Turkish company. TME is an online and printed media advertising company operating in Russia, Ukraine, Belarus and Kazakhstan as of 2013. Among TME's most important brands are Iz Ruk Ruki, one of the most well-known media brands in Russia, and Irr.ru, that country's leading online classifieds provider.

Ms. Doğan Sabancı ensured Hürriyet's position as a major player within Turkey's emerging new media industry by investing in digital publishing and services.

These prudent investments resulted in the launch of hurriyet.com.tr as one of the highest trafficked websites across Europe. Hürriyet currently offers classified advertising services through its affiliated family of sites including hurriyetemlak.com, hurriyetoto.com, yenibiris.com, in addition to yakala.co, a deal finder website.

Ms. Doğan Sabancı has also evolved into a strong voice for human rights and especially issues related to gender equality in Turkey, by investing in such topics through Hürriyet.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017
PART IV - STAKEHOLDERS (Continued)

15. Structure and Formation of Board of Directors and Its Formation (Continued)

VUSLAT DOĞAN SABANCI (Continued)

Board Member

A law was enacted on domestic violence following an eight-year effort on her part through the “Stop the Domestic Violence!” campaign that she had initiated. Ms. Doğan Sabancı also established the “Rightful Women Platform” to gather all NGOs formed around issues concerning women under the same roof, and function as a pressure lobby to ensure more women could be voted into Parliament, prior to the General Elections in 2011. As a result of this effort, the number of female MPs rose to 78 after the 2011 elections, up from 48. In addition, Ms. Doğan Sabancı carries on with a multitude of activities in the name of giving women their rightful place both within society in general and within the economy in particular. (Social Responsibility Projects)

Ms. Doğan Sabancı joined Hürriyet in 1996 as Vice President in charge of Advertising, before her promotion to the post of Marketing Group President three years later. Her responsibilities at Hürriyet included marketing, sales, human resources and information technologies (IT).

Before joining Hürriyet, Ms. Doğan Sabancı worked in the editorial department of The New York Times for a year, and later at The Wall Street Journal, where she was instrumental in the formation of the Asian Business World News Channel and the paper’s Latin America edition.

Born in 1971, Vuslat Doğan Sabancı is married with two children. Ms. Doğan Sabancı speaks English.

Ms. Doğan Sabancı is a lifetime honorary member of the International Press Institute (IPI), where she served an eight-year term as a Board Member.

Vuslat Doğan Sabancı has worked as the Founding Member of Endeavor, a non-profit organization starting its activities in 2006, registered office of which is located in New York. She still serves as a Board Member for Endeavor Türkiye.

SEDAT ERGİN

Board Member

Born in Istanbul in 1957, Sedat Ergin completed his high school education in Robert College. Graduated from the department of Political Sciences in International Relations department in Ankara University, Sedat Ergin started his journalism career in Türk Haberler Ajansı Dış Haberler Servisi in 1975. Between 1976-78, he worked as a diplomacy, Presidency and Assembly correspondent in Ankara Bureau of THA. He worked as a diplomacy correspondent in Ankara Bureau of Cumhuriyet Newspaper between 1979-1987. Employed in Hürriyet in 1987, Mr Ergin worked as the Washington Correspondent of Gazete. Performing its duty for about six years, he was later assigned as Ankara Representative of Ankara on March 1, 1993. Assuming this duty that lasted for 12 years, he also continued to work as a columnist and he regularly attended Ankara Kulisi show aired in CNN Türk TV channel. He worked as Chief Editor in Milliyet on March 17, 2015. After leaving Milliyet, Sedat Ergin returns to Hürriyet as a columnist and following his columnist position exceeding a five year period he was assigned as the Chief Editor of the Newspaper on August 25, 2014 and he continued to serve as a Chief Editor until March 1, 2017.

Sedat Ergin is awarded Sedat Simavi press awards twice, one for his article series titled "Fırtına Dosyası", in which he explains the collapse of Refah-Yol government and one for his article series titled "Bizden Saklananlar", in which he sheds light on the period leading to March 1 resolution crisis. Awarded the journalist titles for three times by the Association of Journalists of Turkey, Ergin is awarded the press freedom award by the Association of Journalists of Turkey in 2010. Mr. Ergin is also awarded the freedom of expression from Deutsche Welle, a public broadcasting organization operation in Germany, in 2016. Ergin is married and he speaks English.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

15. Structure and Formation of Board of Directors and Its Formation (Continued)

KAI GEORG DIEKMANN

Board Member

Kai Diekmann was born on June 27, 1964 in Ravensburg, Germany. He worked as a Director in BILD until January 2017 and as a Chief Editor in BILD for 15 years. BILD is the largest news brand in Europe and reaches 39 million readers and users each month with its printed and online editions. Following his secondary school education and military service, he completed a two-year journalistic training at Axel Springer SE, which brought him to Hamburg, Bonn and New York.

In 1987 Diekmann became parliamentary correspondent for BILD and BILD am SONNTAG in Bonn. He worked as a reporter in Bunte, a Munich magazine, in 1989. Two years later his career took him to Berlin where he worked as a Chief Editor of B.Z. Shortly afterwards he moved to Hamburg as deputy editor-in-chief and head of the politics department of BILD. He served in this position for five years. After a short time-out travelling through Central America, he returned to the Axel Springer as the Chief Editor of "WELT am SONNTAG" in 1998 and he was assigned as Executive Editor in BILD and Editor in BILD am SONNTAG in 2001.

In 2012-2013, Diekmann passed 10 months in Silicone Valley. He spent his time in the West Side of the US to develop new ideas for digital growth on behalf of Axel Springer. Diekmann has been serving as a Board Member of Hürriyet since 2004, and as non-executive director of London Times since 2011. He has also been a member of UBER San Francisco, a member of the Advisory Board of Public Policy since 2017. Diekmann has also read and edited a couple of books. Diekmann is married and has four children.

GÜNDÜZ KÖSEMEN

Independent Board Member

Gündüz Kösemen graduated from Rober College in 1958. Working as a General Coordinator in Egemak A.Ş., one of the subsidiaries of Koç Holding A.Ş. between 1967-1971, Mr. Kösemen worked as a Director of Commercial Affairs in Otoyo Sanayii A.Ş., another subsidiary of the same holding group, between 1971-1973. He also served as a General Manager and Board Member in Opar A.Ş., one of the subsidiaries of Koç Holding A.Ş., between 1973-1997. He served in a number of Board Membership positions during 1998-2015. He is married and father to a boy.

DEĞERHAN USLUEL

Independent Board Member

He graduated from TED Ankara College in 1988 and from the department of Electrical And Electronics Engineering in Bilkent University with a full scholarship and he also holds a 1994 MBA Degree in Business from Rensselaer Polytechnic Institute (RPI). He founded iLinc, the first company in web conference sector in the US, in 1994. Receiving investments from Intel and venture capital companies, iLinc has won many awards in the areas of web conferencing, virtual classrooms, and e-learning by developing innovative technologies. As CTO, CEO and Board Member, he led the company to reach \$ 500 million NASDAQ stock exchange value through organic growth and corporate mergers.

Between 2002 and 2007, he studied on large data and analytical modelling solutions in finance and telecommunication sectors. He led the company's Analytical Customer Life Cycle solutions assigned in CMO position in KXEN software company in San Francisco. Included in the Gartner Customer Data Mining category as Visioner, KXEN was later acquired by SAP.

He is now a Board Member of Usluel Şirketler Grubu, which operates Technology Development Foundation of Turkey and Luxembourg-based Turkish Investment Initiative investment fund with EUR 360 million worth as well as conducting infrastructure projects on energy, rail systems and communication. Değerhan Usluel is married and is father of two children.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

15. Structure and Formation of Board of Directors and Its Formation (Continued)

SEDAT GÜMÜŞOĞLU

Independent Board Member

Starting his professional career in 1994 and worked in the finance departments of a number of companies, Sedat Gümüőođlu joined Turkcell İletişim Hizmetleri A.Ş. in 1997 and served as a manager in departments of International Reporting, Budget and Investors Relations.

He also took part in the incorporation process of Digturk, the first digital platform in Turkey, in 1999. He served as a Chief Financial Officer (CFO) of the company from 2000 to 2008. He took part in the board of directors of the companies affiliated to the Group throughout his period of office.

Transferring to another sector in 2008, Gümüőođlu started to work in U.N. Ro-Ro, a Ro-Ro operator engaging in international scheduled maritime transportation as a Chief Financial Officer (CFO) for three years and he was promoted as the Chief Executive Officer (CEO) of the company in 2011 and continued to serve in the company until 2017. He also participated in the Board of Directors of Türklim, an organization for the board of directors and port sector, throughout his period of office. Sedat Gümüőođlu graduated from the faculty of Economic and Administrative Sciences in Uludağ University. He is married and father to one child.

Information about the positions of the Members of the Board of Directors in the group companies is given below:

Name / Lastname	Title	Duties Besides The Partnership:	Status
Ahmet Toksoy	Chairperson	Executive Board Member in Group Companies / Chief Financial Officer / Chief Executive Officer and Board Member in group companies of Dođan Şirketler Grubu Holding A.Ş..	Not Assigned In The Executive Board
Beatricé de Clermont Tonnerre	Deputy Chairperson / Independent Member	-	Not Assigned In The Executive Board
Çađlar Göđüő	Executive Member	Chairperson of the Executive Board in Group Companies	Assigned In The Executive Board
Fikret Bilâ	Member	-	Assigned In The Executive Board
Vuslat Sabancı	Member	Dođan Şirketler Grubu Holding A.Ş. Executive Board Member in Group Companies	Not Assigned In The Executive Board
Sedat Ergin	Member	-	Not Assigned In The Executive Board
Kai Georg Diekmann	Member	-	Not Assigned In The Executive Board
Gündüz Kösemen	Independent Member	-	Not Assigned In The Executive Board
Deđerhan Usluel	Independent Member	Board Member Outside the Group Companies	Not Assigned In The Executive Board
Sedat Gümüőođlu	Independent Member	Independent Board Member in group companies of Dođan Şirketler Grubu Holding A.Ş. / Head of Corporate Governance Committee / Head of Early Detection of Risk Committee / Member of the Audit Committee	Not Assigned In The Executive Board

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017
PART IV - STAKEHOLDERS (Continued)

16. Activity Principles of Board of Directors

16.1. Board of Directors executes its duties and use their authorisations in accordance with Regulations and Provisions of Turkish Code of Commerce, Capital Markets Board and relevant provisions of the Articles of Association and other applicable provisions. Representation of the Company belongs to the Board of Directors. Board of Directors are provided with all kinds of information to ensure that they can thoroughly fulfil their duties on time.

16.2. The Board of Directors convenes as often as it can effectively fulfil its duties. 43 Board Resolutions were taken in 2017 and such resolutions were unanimously taken and there was no Board Member objecting to the resolutions taken. The members of the Board of Directors of the Company are not bound to any specific rules and / or are not restricted to take other duties or duties outside the Company.

a. Mode of determination of agenda items for the meetings of Board of Directors:

In principle, the Board of Directors convenes upon the convocation of the Board Chairperson or Deputy Board Chairperson. In principle, General Meetings are held in the registered office of the Company. However, based on the decision of the Board of Directors, it is also possible to hold a meeting in another location of the city or in another city where the Company headquarters is located.

The information and documents related to the topics on the agenda of the General Meetings are presented to the Board Members for a reasonable period of time before the meeting, thus providing an equal flow of information.

b. Number of Board of Directors Meetings and Attendance In Such Meetings and Quorums:

The Board of Directors convenes with the majority of the total number of the members and takes decisions by majority vote of the members present at the meeting. In case of a tie, the subject voted on is taken to the next meeting agenda. Should there a is tie in this meeting, too, then the proposal is deemed to have been rejected. Each Board Member has the one right to vote, regardless of their position and duty.

Members of the Board of Directors should attend the meeting in person. They can also participate in any technological way that provides remote access to the meetings. The opinions of the members who can not attend the meeting but who submit their opinions in writing are presented to the information of the other members.

Resolutions taken in the General Meetings are signed and written in the minute book. Those Board Members who cast a dissentive vote shall explain their reasons and then sign the minute. Documents related to the meeting are archived regularly by the Secretary of the Board of Directors. In the event that positive vote of independent board members are sought and such independent board member casts a dissentive vote, the measures specified by the Capital Markets Law and the regulations of the Capital Markets Board shall be observed.

In accordance with the relevant provisions of the Turkish Code of Commerce, a proposal forwarded by a member can be resolved by receiving the written approval of the others.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

16. Activity Principles of Board of Directors (Continued)

b. Number of Board of Directors Meetings and Attendance In Such Meetings and Quorums (continued):
While the meetings of the Board of Directors may be held entirely in electronic form, subject to the provisions of Article 1527 of the Turkish Code of Commerce and the regulations to be stipulated within the framework of this Article, it may also be executed in a meeting where some of the members are physically present and others electronically. Those who have the right to participate in the General Meeting of the Company may participate in this meeting in electronic environment in accordance with article 1527 of the Turkish Code of Commerce. In accordance with the Communiqué On Meeting Other Than The General Meetings Of Joint-Stock Companies To Be Held In Trade Companies, the Company may set up an Electronic Meeting System which enables the beneficiaries to participate and vote in an electronic environment during such meetings and it may also purchase services from the systems created for this purpose. During the meetings to be held, it is ensured that the right holders specified in the related legislation can use their rights within the framework stated in the provisions of the Communiqué, either through the system established under this provision of the company agreement or through the system to receive support services.

c. Convocation methods for the Board Members and its periods:

The Board of Directors convenes as often as it can effectively fulfil its duties. In principle, the Board of Directors convenes upon the convocation of the Board Chairperson or Deputy Board Chairperson.

The information and documents related to the topics on the agenda of the General Meetings are presented to the Board Members for a reasonable period of time before the meeting, thus providing an equal flow of information.

In principle, General Meetings are held in the registered office of the Company. However, based on the decision of the Board of Directors, it is also possible to hold a meeting in another location of the city or in another city where the Company headquarters is located.

Members of the Board of Directors should attend the meeting in person. They can also participate in any technological way that provides remote access to the meetings. The opinions of the members who can not attend the meeting but who submit their opinions in writing are presented to the information of the other members.

Resolutions taken in the General Meetings are signed and written in the minute book. Those Board Members who cast a dissentive vote shall explain their reasons and then sign the minute. Documents related to the meeting are archived regularly by the Secretary of the Board of Directors. In the event that positive vote of independent board members are sought and such independent board member casts a dissentive vote, the measures specified by the Capital Markets Law and the regulations of the Capital Markets Board shall be observed.

A Board Member cannot participate in General Meetings addressing the interest of themselves, their spouse or third degree blood and relatives by marriage. Sub-clause 4 of Article 390 of Turkish Code of Commerce is reserved. While the meetings of the Board of Directors may be held entirely in electronic form, subject to the provisions of Article 1527 of the Turkish Code of Commerce and the regulations to be stipulated within the framework of this Article, it may also be executed in a meeting where some of the members are physically present and others electronically.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

16. Activity Principles of Board of Directors (Continued)

Those who have the right to participate in the General Meeting of the Company may participate in this meeting in electronic environment in accordance with article 1527 of the Turkish Code of Commerce. In accordance with the Communiqué On Meeting Other Than The General Meetings Of Joint-Stock Companies To Be Held In Trade Companies, the Company may set up an Electronic Meeting System which enables the beneficiaries to participate and vote in an electronic environment during such meetings and it may also purchase services from the systems created for this purpose. During the meetings to be held, it is ensured that the right holders specified in the related legislation can use their rights within the framework stated in the provisions of the Communiqué, either through the system established under this provision of the company agreement or through the system to receive support services.

- d. Whether the grounds of the opposing votes for the matters and subjects with different opinions forwarded by Board Members during the meeting have been put in the minute appropriately and in detail:

All the opinions regarding the subjects discussed during General Meetings are recorded in the minutes. Since the resolutions are unanimously taken by the members attending the meetings, there has been no voting grounds for the subjects where a different opinion is forwarded during the meeting. Additionally, there has been question recorded on the minute during the meeting by the members who continues exchange ideas.

- e. Whether weighted voting right and/or dissentive rejection right has been granted to Board Members:
No weighted voting right and/or dissentive rejection right has been granted to Board Members.

- f. Related parties' transactions submitted to the approval of independent board members:

17. Number, Structure and Independence of Committees Established Under Board of Directors

17.1. The Board of Directors shall establish a sufficient number of other committees, in particular compulsory committees, in accordance with the Turkish Code of Commerce, the Capital Markets Law and the Capital Markets Regulations, taking into account the requirements of the Company in order to ensure that its duties and responsibilities are carried out in the best possible manner. The duties and working areas of the Committees are determined in full by considering the provisions of the Articles of Association during establishment process. The Board of Directors may, at any time, redefine the duties and functions of the committees as well as make any changes it deems necessary for membership.

17.2. The Committees are structured and operate within the framework of the Turkish Code of Commerce, the Capital Markets Law, Capital Markets Board regulations and other applicable legislation and the provisions of this Articles of Association.

17.3. The committees convene as frequent as required by their workload and upon the invitation of the Chairperson of the Committee. The resolutions of the committees are kept in a separate book written. All correspondence and information work of the committees shall be carried out by the person or unit assigned by the Board of Directors.

17.4. Four committees have been established to ensure that the Board of Directors fulfils its duties and responsibilities appropriately in accordance with the situation the Company is in as well as other applicable legal regulations and requirements. These committees are Executive Committee (Executive Board), Audit Committee, Corporate Governance Committee and Early Detection of Risk Committee.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

17. Number, Structure and Independence of Committees Established Under Board of Directors (Continued)

17.5. Additionally, the duties and working principles approved by the Board of Directors of the Audit Committee and the Corporate Governance Committee are included in the corporate website of our Company at www.hurriyetkurumsal.com. These principles are based on the Capital Markets Legislation, the CMB Regulations and Resolutions as well as our Articles of Association and our overseas applications. The duties and working principles of the committees are reviewed by taking into account the developments and existing conditions in the relevant applicable legislation.

17.6. Executive Committee (Executive Board)

17.6.1 Our Board of Directors has approved the committees established, except for the Corporate Governance Committee, through the Board Resolution dated April 13, 2017, have been founded in order to serve until the Ordinary General Meeting where activity results for 2017 will be discussed and the committees established pursuant to the Board Resolution dated April 13, 2017 continue in its resolution dated September 27, 2017 under 2017/34 number. Members of the Executive Committee are as follow:

Name / Lastname	Title	Position
Çağlar Göğüş	Chairperson	Chief Executive Officer
Fikret Bilâ	Member	Chief Editor
Ercüment İşleyen	Member	Digital Content Editor
Özgür Tokgöz Altun	Member	Finance Director
Tuba Köseoğlu Okçu	Member	Human Resources Director
Zeynep Tandoğan	Member	Advertising Director

17.7. Corporate Governance Committee

17.7.1. Members of the Corporate Governance Committee are as follow:

Name / Lastname	Title	Status
Gündüz Kösemen	Chairperson	Independent Board Member / Not Assigned In Executive Board
Dr. Murat Doğu	Member	Not Assigned In The Executive Board
Nihan Sena Hertaş	Member	Investor Relations Manager / Not Assigned In The Executive Board

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

17. Number, Structure and Independence of Committees Established Under Board of Directors (Continued)

17.7. Corporate Governance Committee (Continued)

17.7.2. Our Management Board has resolved that Committee Chairperson of Corporate Governance and Its Members be elected, they perform their duties until the General meeting where accounting period activities and accounts for January 1, 2017 - December 31, 2017 period are to be discussed and this Corporate Governance Committee also undertake "Nomination Committee" and "Compensation Committee" duties as regulated by "Corporate Governance Communique" (II-17.1) of Capital Markets Board (CMB) as per Resolution of our Management Board dated September 27, 2017 and Nr. 2017/34.

17.7.3. The Corporate Committee execute its activities in accordance with the "Regulations of Corporate Committee" where working procedure and principles have been determined as well as applicable regulations/resolutions of Capital Markets Legislation, Capital Markets Law, communique and CMB and it convenes at least 4 times in a year and it delivers the resolutions of the meeting to the Board of Directors.

The Corporate Governance Committee convened for 7 times and notified the Board of Directors for 8 times again in written within the year 2017. Duties and working principles of the Corporate Committee are available in the corporate website of Hürriyet Gazetecilik (www.hurriyetkurumsal.com).

17.7.4. Nihan Sena Hertaş, Manager at Investors Relations Department, is assigned in Execution while other Committee Members are not assigned. Chairperson Gündüz Kösemen is an Independent Board Member. Dr. Murat Doğu, member of Corporate Governance Committee, is also a member of DOHOL Corporate Governance Committee.

17.7.5. Committee has been carrying out its studies since the first day it was established. Accordingly,

- Corporate Governance Rating studies have been conducted,
- "Corporate Governance Compliance Report" prepared by the Company has been reviewed.
- Activity Reports prepared by the Company have been reviewed.
- It is ensured that Ordinary General Meeting where activities of 2016 have been discussed is held in accordance with the relevant laws and principles.
- It is ensured that relations with the shareholders and investors are appropriately executed in accordance with relevant laws and principles.
- Material disclosures made by the Company are reviewed,
- It is ensure the website is always up to date and developed.
- Rating for corporate governance activities from SAHA, a corporate governance rating company, has been received, on September 2017 and it has been announced to the public.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017
PART IV - STAKEHOLDERS (Continued)

17. Number, Structure and Independence of Committees Established Under Board of Directors (Continued)

17.8. Audit Committee

17.8.1. Our Board of Directors has approved the committees established, except for the Corporate Governance Committee, through the Board Resolution dated April 13, 2017, have been founded in order to serve until the Ordinary General Meeting where activity results for 2017 will be discussed and the committees established pursuant to the Board Resolution dated April 13, 2017 continue in its resolution dated September 27, 2017 under 2017/34 number. Full name and titles of the members of the Audit Committee assigned in accordance with the concerning Board Resolutions are given below:

Audit Committee		
Name / Lastname	Title	Status
Gündüz Kösemen	Chairperson	Independent Member / Not Assigned In Executive Board
Sedat Gümüšođlu	Member	Independent Member / Not Assigned In Executive Board

The Audit Committee execute its activities in accordance with the "Regulations of Audit Committee" where working procedure and principles have been determined as well as applicable regulations/resolutions of Capital Markets Legislation, Capital Markets Law, communique and CMB and it convenes at least 4 times in a year and it delivers the resolutions of the meeting to the Board of Directors. Audit Committee convened for 5 times in 2017. Duties and working principles of the Audit Committee are available in the corporate website of Hürriyet Gazetecilik (www.hurriyetkurumsal.com). The Audit Committee notified the Board of Directors for 6 times in written within the year 2017.

17.8.2. Audit Committee Chairperson is an Independent Board Member. Regulations of the Capital Markets Law are completely observed since all of the Committee Members are not assigned in the execution.

17.8.3. Duties and working principles of the Audit Committee and the Corporate Governance Committee are approved by the Board of Directors and are available on the Company's website (www.hurriyetkurumsal.com). These working principles have been prepared with utmost care considering Capital Markets Legislation, the CMB Regulations, Principles as well as our Articles of Association and our overseas applications and its samples. Accordingly in 2017,

- Interim Financial Statement and Footnotes as well as Independent Audit Reports have been reviewed before being disclosed to the public and meetings have been held with the independent audit company.
- Independent audit contract of the Company has been reviewed,
- Results of the internal audit studies carried out within internal audit activities and measures taken have been reviewed.
- Necessary studies for risk management have been conducted.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017
PART IV - STAKEHOLDERS (Continued)

17. Number, Structure and Independence of Committees Established Under Board of Directors (Continued)

17.9. Early Detection Of Risk Committee (Continued)

17.9.1. In accordance with Article 378 of Turkish Code of Commerce and "Corporate Governance Communique" of CMB, our Board of Directors has approved the committees established, except for the Corporate Governance Committee, through the Board Resolution dated April 13, 2017, have been founded in order to serve until the Ordinary General Meeting where activity results for 2017 will be discussed and the committees established pursuant to the Board Resolution dated April 13, 2017 continue in its resolution dated September 27, 2017 under 2017/34 number.

With the aforementioned resolution, it is resolved that Early Detection of Risk Committee be consisted of the names mentioned below: The Early Detection of Risk Committee execute its activities in accordance with the "Regulations of Early Detection of Risk Committee" where working procedure and principles have been determined as well as applicable regulations/resolutions of Capital Markets Legislation, Capital Markets Law, communique and CMB and it convenes at least 6 times in a year and it delivers the resolutions of the meeting to the Board of Directors.

Name and Surname	Title	Status
Gündüz Kösemen	Chairperson	Independent Board Member / Not Assigned for Execution
Özgür Tokgöz Altun	Member	Finance Director / Executive Committee Member
Tolga Babalı	Member	Doğan Şirketler Grubu Holding A.Ş. Executive Board Member

17.9.2. The Early Detection of Risk Committee convened for 6 times and notified the Board of Directors for 6 times again in written within the year 2017.

17.10. Committees act in accordance with their authorisation and responsibility and submit suggestions to the Board of Directors. Final resolution is taken by the Board of Directors.

17.11. A Board Member, other than Independent Board Members, are not assigned in more than one Committee.

18. Risk Management and Internal Control Mechanism

Doğan Şirketler Grubu Holding A.Ş., our parent company, provides necessary guidance for the purpose of performing the internal control function of Group Head of Audit and Risk Management and supports our Company.

Findings established as a result of studies carried out by the Group Head of Audit and Risk Management of Doğan Şirketler Grubu Holding A.Ş. are assessed by our Company and internal control systems are continuously improved by making necessary corrections and regulations in line with the suggestions forwarded.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

19. Strategical Targets of the Company

19.1. As a global media brand, our company's mission is to provide news, content and services in every medium and every format 24/7 in continuous interaction with its readers and customers and to add value to their lives. The principal duty of the directors of Hürriyet and its subsidiaries is to manage the Corporation and the Newspaper in such a way as to maintain its independence based on this purpose and to provide the Shareholders of the Company with the highest value. Our company is featured with the care it has exhibited Turkey's modernization efforts to reach its targets, quality publishing, the importance it attaches to its employees and the social responsibility activities. The support that it will provide for the social benefit in the future as it provided in the past and the continuity of its leading role in this area direct its objectives.

Our company's strategy is to provide customer-focused service as a media organization that integrates all kinds of business fields and platforms by continuously communicating with readers and constantly renewing and increasing its market value as well as developing special products for the reader, producing content with traditional brands, closely monitoring the changes in technology, diversifying and expanding content distribution channels using creative methods, preparing information and entertainment products and tools tailored to individuals, diversifying and increasing the number of sales and distribution channels and collaborating with the world's leading media organizations.

19.2. Our vision, mission and strategic goal have been announced to the public on our corporate website and annual activity report.

19.3. Strategic targets created by our managers in line with our company's plans are submitted to the approval of Board of Directors to be evaluated by them.

19.4. Whether or not our company achieves the specified targets is evaluated at the monthly meetings held by our Board of Directors and the detailed reports prepared by our Company's results and performance are reviewed.

19.5. Our Board of Directors and management constantly monitor the situation of our Company considering the strategic objectives of our Company. Periodic and frequent management meetings are to discuss the situations of the Company and new targets and strategies are developed.

20. Financial Benefits

20.1. Resolutions related to the attendance fee, salary, annual profit share, bonus and premium payments to Board Members are taken by the General Assembly. Depending on their duties, powers and responsibilities of Board Members, the financial benefits may be differentiated.

In determining the financial benefits to be provided to the independent board members, the provisions of the Capital Markets Law, Capital Markets Board regulations and other applicable legislation shall be observed. The Board of Directors shall determine the amount and conditions of the chairperson and members of the committee, whether any fees will be paid for their duties undertaken by under such committees.

The "remuneration policy" established in relation to the financial benefits to be provided to the Board Members and senior executives and announced to the public on the Company's corporate website has been submitted to the shareholders during the General Meeting as a separate item of the agenda.

The Board of Directors shall determine whether Committee and the members of the committee are to be paid, and if they are, the amounts and conditions of such payments and the decision to form the concerning committee shall also be determined. In the event that the Chairperson and Members of the Committee are the Chairperson and Board Members at the same time, the amounts and conditions are determined by the General Assembly in the event that such fees are resolved by the same to be paid the members of the Committee.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017
PART IV - STAKEHOLDERS (Continued)

20. Financial Benefits (Continued)

20.2. It is advised that a payment amounting TRY 12,502,273, designated for Board Members (including attendance fee as determined by the Board of Directors) and Senior Executives that have been assigned for the execution actions of the Company, which has been disclosed to the public and published in the Company's corporate internet website, has been paid for the accounting period of January 1, 2016 – December 31, 2016 under the Company's "Remuneration Policy".

It is unanimously resolved during the Extraordinary General Meeting held on August 23, 2017 that Independent Board Members be paid net TRY 10,000, while other each other Board Member be paid net TRY 5,000 on a monthly basis.

20.3. The Company does not grant loan nor any give credits a Board Member or manager directly or indirectly.

21. Current Status Of The Company In Complying With The Corporate Governance Principles

21.1. Except for the principles required to be observed as stipulated in the II-17.1 Corporate Governance Communique published by the Capital Markets Board, our Company has demonstrated maximum efforts to comply with such non-compulsory principles.

21.2. Principles not practised and our assessments in this regard have been explained above and there is no conflict of interest occurred due to the said matters within the Company.

- **Article 1.5.2** *Minority rights can also be granted those who have less than twenty percent of the capital in accordance with the Articles of Association. Scope of the minority rights can be stipulated and extended in the Articles of Association.*

There is no special provision for the minority right in the Articles of Association of the Company and all the relevant articles stipulates that regulations and provisions of CMB, TTK (Turkish Code of Commerce) and other legislations are observed.

- **Article 2.1.3** *Financial statement notifications, except for material disclosures and notes, which are required to be disclosed to the public in accordance with the regulations of the capital market, are published in Turkish and English in KAP. English language explanations are prepared in a summary format that is accurate, complete, direct, understandable, sufficient, and descriptive to help people who benefit from such disclosures make right decisions.*

All obligations under the relevant legislation in the KAP disclosures are fully fulfilled in our Company. Nevertheless, English translations of the financial statements notifications, except for the material disclosures and their footnotes, which should be disclosed to the public under the capital market law in the KAP, are not made available. However, depending on the developments in the related law in the future, financial statement notifications, except for material disclosures and footnotes, may be provided in English.

- **Article 3.1.2** *Effective and expeditious compensation is provided in case of violation of the protected rights of the stakeholders by the legislation and contracts. The company provides necessary facility to use mechanisms such as the compensation provided to the stakeholders in accordance with the relevant regulations. It also creates a compensation policy for the employees of the company and it is made available to the public through the corporate website.*

There is no compensation policy prepared for the personnel of the Company. Still, relevant provisions of Labour Law Nr. 4857 and Press Labour Law Nr. 5953 are applied in such cases.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT 2017

PART IV - STAKEHOLDERS (Continued)

21. Current Status Of The Company In Complying With The Corporate Governance Principles (Continued)

- **Article 3.2.1** Models that support the participation of stakeholders, especially the employees of the company, in the management of the company are developed in a manner to not interfere with the activities of the company. Models adopted by the company are included in the company's internal regulations or in its Article of Association.

In Company's internal regulations and the Articles of Association, there are no specific model exists to support the participation of stakeholders in Company management. The management of the company is determined by taking into consideration the experience and expertise among the candidates, so as to observe the interests of all the stakeholders. Shareholders, investors, financing organizations and suppliers, all making up the stakeholders of our Company, can access information regarding our Company through meetings held and presentations made as well as through news shared in both printed and visual media via our Corporate Website in accordance with Capital Markets Law, related Law, CMB Regulation and Resolutions including Information Policy of the Company.

- **Article 4.2.8** The damages caused by the defects of the Board Members during their period of office shall be insured at a rate exceeding 25% of the company's capital and this matter shall be explained in KAP.

The damages caused by the defects of the Board Members during their period of office have been insured at a rate exceeding 25% of the company's capital. Doğan Şirketler Grubu Holding A.Ş., our parent company, has made an insurance covering the personal liabilities arising from legal liabilities to the members of the board of directors and its management in the company itself and its affiliated partners and to the members of the board of directors and managers appointed to the joint management or to the companies in minority management. Accordingly, Board Members and managers are covered by this insurance.

- **Article 4.3.9** The company sets a target rate and target time for the rate of female members in the Board of Directors to be not less than 25%, and sets a policy to achieve these goals. Board of Directors evaluates this progress made for the purpose of reaching these targets.

There are two women board members in the Board of Directors of the Company. Béatrice de Clermont Tonnerre serves as a Deputy Board Chairperson and Independent Board Member. There is no written policy for exceeding 25% target at present.

- **Article 4.5.5** Due care is exercised not to allow a board member to be assigned in more than one committee.

Save for the independent board members, there is no board member who is assigned in more than one committee.

- **Article 4.6.5** The fees paid and all other benefits provided to the Board Members and managers who have administrative responsibilities shall be disclosed to the public through the annual activity report. Person-based explanation shall be made.

Financial rights provided to board members and senior managers are disclosed collectively in the company's annual report. As stipulated in the Articles of Association of the Company, resolutions related to the attendance fee, salary, annual profit share, bonus and premium payments to Board Members are taken by the General Assembly. Attendance fee is paid to the Board Members based upon their membership to the Board Of Directors. There is no person-based explanation for the fees and all the other benefits provided to the managers who have administrative responsibility in accordance with competition principle.

10. BOARD OF DIRECTOR'S RESOLUTION ON THE APPROVAL OF THE FINANCIAL STATEMENTS, ANNUAL REPORT AND CORPORATE GOVERNANCE REPORT

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

RESOLUTION OF BOARD OF DIRECTORS

<u>Date of Resolution</u>	: March 5, 2018.
<u>Resolution No</u>	: 2018/03
<u>Signed By</u>	: Ahmet TOKSOY (Chairperson Béatrice de Clermont TONNERRE (Deputy Chairperson/Independent Board Member) Çağlar GÖĞÜŞ (Executive Member) Vuslat SABANCI (Member) Fikret BİLÂ (Member) Sedat ERGİN (Member) Kai Georg DIEKMANN (Member) Gündüz KÖSEMEN (Independent Member) Değerhan Usluel (Independent Member) Sedat Gümüšoğlu (Independent Member)

This Resolution has been signed by the Members of the Management Board in accordance with the provision IV of Article 390 of Turkish Code of Commerce. It is hereby resolved that

The attached Consolidated Financial Report for the accounting period of January 1, 2017 - December 31, 2017, subjected to independent audit, compared to the previous, and prepared in accordance with "Statement on Principles Regarding Financial Reporting on Capital Market" (II - 14.1) provisions of SPK and according to Turkish Accounting Standards ("TMS") and Turkish Financial Reporting Standards ("TFRS") as published by "Public Oversight, Accounting and Auditing Standards Institute ("KGK"), of which presentation principles have been developed by KGK based on the sub-paragraph of (b), clause 9 of the Decree-Law nr. 660 and determined and disclosed to the public through the Resolution taken on June 2, 2016 and numbered 30, disclosed in accordance with 2016 TMS Taxonomy with the Weekly Bulletin dated July 15, 2016 and numbered 2016/22 of CMB, based upon the Resolution of CMB dated July 15, 2016 and numbered 22/805 and they are subjected to the independent audit in accordance with Turkish Audit Standards ("TDS") and they are disclosed to the public and submitted to the our Board of Directors upon receiving the correction suggestion and approval of the Audit Committee and related managers and be accepted,

Upon receiving the correction suggestion and approval of the Audit Committee and related managers, Financial Statement and its Footnotes for the accounting period of January 1, 2017 - December 31, 2017, subjected to independent audit and prepared in accordance with the relevant provisions of Turkish Code of Commerce ("TTK"), "Communique On Determination Of Minimum Content of Annual Activity Reports of Companies" of the Ministry of Customs and Trade ("Ministry") and "Statement on Principles Regarding Financial Reporting on Capital Market" (II - 14.1) of CMB, and it be accepted,

The attached Corporate Governance Principles Compliance Report for the accounting period of January 1, 2017 - December 31, 2017 prepared in accordance with II-17.1 "Corporate Governance Communique" of CMB, of which presentation principles are determined by the Resolution of CMB with January 27, 2014 and number 2/35 and published with the Weekly Bulletin of CMB with January 27, 2014 and number 2014/02, be accepted.

Ahmet TOKSOY
(Chairperson)

Béatrice de Clermont TONNERRE
(Deputy Chairperson and Independent Member)

Çağlar GÖĞÜŞ
(Executive Board Member)

Vuslat SABANCI
(Member)

Fikret BİLÂ
(Member)

Sedat ERGİN
(Member)

Kai Georg DIEKMANN
(Member)

Gündüz KÖSEMEN
(Independent Member)

Sedat GÜMÜŞOĞLU
(Independent Member)

Değerhan USLUEL
(Independent Member)

11. RESOLUTION OF CORPORATE GOVERNANCE COMMITTEE

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

RESOLUTION OF CORPORATE GOVERNANCE COMMITTEE

DATE : March 2, 2018

SUBJECT : Discussion and Evaluation the Annual Report and Corporate Governance Principles Compliance Report for the Period January 1, 2017 - December 31, 2017.

Annual Report for the period January 1, 2017 - December 31, 2017, subjected to independent audit and, which complies with the financial statement and footnotes prepared in accordance with the relevant provisions of the law, prepared in accordance with the relevant provisions of Turkish Code of Commerce ("TTK"), "Communique On Determination Of Minimum Content of Annual Activity Reports of Companies" of the Ministry of Customs and Trade ("Ministry") and "Statement on Principles Regarding Financial Reporting on Capital Market" (II - 14.1) of CMB as well as Corporate Governance Principles Compliance Report for the accounting period of January 1, 2017 - December 31, 2017 prepared in accordance with II-17.1 "Corporate Governance Communique" of CMB, of which presentation principles are determined by the Resolution of CMB with January 27, 2014 and number 2/35 and published with the Weekly Bulletin of CMB with January 27, 2014 and number 2014/02, included in the Activity Report of the Company, are reviewed upon receiving the opinion of the managers responsible for the preparation of such reports and our opinion, limited with the information we have and conveyed to us, on the said Activity Report and Corporate Governance Principles Compliance Report has been submitted to the managers responsible for the preparation of Activity Report and Corporate Governance Principles Compliance Report and it is accordingly agreed that the said Activity Report and Corporate Governance Principles Compliance Report reflect the true state of the activity results of our Company, that they have no significant deficiency that will lead it to be misleading and they observe the Regulations of Turkish Code of Commerce, Ministry and CMB.

Gündüz Kösemen
Chairperson

Dr. Murat Doğu
Member

Nihan Sena Hertaş
Member

12. RESOLUTION OF THE AUDIT COMMITTEE

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

RESOLUTION OF THE AUDIT COMMITTEE

DATE : March 2, 2018

SUBJECT : Discussion and Evaluation the Financial Report for the Period between January 1, 2017 - December 31, 2017.

The Consolidated Financial Report for the period between January 1, 2017 - December 31, 2017, subjected to independent audit, compared to the previous period, and prepared in accordance with "Statement on Principles Regarding Financial Reporting on Capital Market" (II - 14.1) provisions of SPK and according to Turkish Accounting Standards ("TMS") and Turkish Financial Reporting Standards ("TFRS") as published by "Public Oversight, Accounting and Auditing Standards Institute ("KGK"), of which presentation principles have been developed by KGK based on the sub-paragraph of (b), clause 9 of the Decree-Law Nr. 660 and determined and disclosed to the public through the Resolution taken on June 2, 2016 and numbered 30, disclosed in accordance with 2016 TMS Taxonomy with the Weekly Bulletin dated July 15, 2016 and numbered 2016/22 of CMB, based upon the Resolution of CMB dated July 15, 2016 and numbered 22/805 and they are subjected to the independent audit in accordance with Turkish Audit Standards ("TDS") and they are disclosed to the public are reviewed upon receiving the opinion of the managers responsible for the preparation of Financial Reports of the Company.

Our opinion, limited with the information we have and conveyed to us, on the said Financial Report has been submitted to the managers responsible for the preparation of financial statements and footnotes making up the Financial Report and it is accordingly agreed that the said Financial Report reflects the true state of the activity results of our Company, that it has no significant deficiency that will lead it to be misleading and it observes the Regulations of CMB and KGK.

Gündüz KÖSEMEN - Chairperson

Sedat GÜMÜŞOĞLU - Member

13. FINANCIAL REPORT AND ANNUAL REPORT STATEMENT OF RESPONSIBILITY

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

OF THE MANAGEMENT BOARD REGARDING THE FINANCIAL REPORT AND ACTIVITY REPORT

DATE OF RESOLUTION : March 5, 2018

RESOLUTION NO : 2018/03

STATEMENT OF RESPONSIBILITY PURSUANT TO ARTICLE 9 OF SECOND SECTION OF COMMUNIQUÉ II-14.1 OF CAPITAL MARKETS BOARD

It is established that Consolidated Finance Table of Hürriyet Gazetecilik ve Matbaacılık A.S. company for the accounting period of January 1, 2017 - December 31, 2017, and our Activity Report for the accounting period of January 1, 2017 - December 31, 2017, both of which are subjected to independent audit and prepared in accordance with "Statement on Principles Regarding Financial Reporting on Capital Market" (II - 14.1) provisions of CMB and according to Turkish Accounting Standards ("TMS") and Turkish Financial Reporting Standards ("TFRS") as published by "Public Oversight, Accounting and Auditing Standards Institute ("KGK"), of which presentation principles have been developed by KGK based on the sub-paragraph of (b), clause 9 of the Decree-Law nr. 660 and determined and disclosed to the public through the Resolution taken on June 2, 2016 and numbered 30, disclosed in accordance with 2016 TMS Taxonomy with the Weekly Bulletin dated July 15, 2016 and numbered 2016/22 of CMB, based upon the Resolution of CMB dated July 15, 2016 and numbered 22/805 and they are subjected to the independent audit in accordance with Turkish Audit Standards ("TDS") and they are disclosed to the public are reviewed by us upon,

- the said Consolidated Financial Statement and Annual Report do not include a misstatement on important matters nor any deficiencies that may cause the statement(s) included in such reports to be misleading as of date of statement to the best of our knowledge we have in our area of duty and responsibility and that,
- the Consolidated Financial Report prepared in accordance with the applicable financial reporting standards fairly and accurately reflects the truth about the assets and liabilities as well as financial condition and loss and profit ratio of our Company and the Activity Report also fairly and accurately reflects the development, performance and financial condition of the Company as well as the crucial risks and uncertainties faced.

by the Company.

Gündüz Kösemen

Chairperson of the Audit Committee

Sedat Gümüőođlu

Audit Committee Member

Özgür Tokgöz Altun

Finance Director

Nihan Sena Hertaő

Finance and Investor Relations Director

14. BOARD OF DIRECTOR'S RESOLUTION ON DIVIDEND DISTRIBUTION AND DIVIDEND DISTRIBUTION TABLE

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş. RESOLUTION OF BOARD OF DIRECTORS

Date of Resolution : March 5, 2018

Resolution No : 2018/04

Signed By : Ahmet TOKSOY (Chairperson)
Béatrice de Clermont TONNERRE (Deputy Chairperson / Independent Board Member)
Çağlar GÖĞÜŞ (Executive Member)
Vuslat SABANCI (Member)
Fikret BİLÂ (Member)
Sedat ERGİN (Member)
Kai Georg DIEKMANN (Member)
Gündüz KÖSEMEN (Independent Board Member)
Sedat GÜMÜŞOĞLU (Independent Board Member)
Değerhan USLUEL (Independent Board Member)

As a result of meetings held:

This Resolution has been signed by Board Members in accordance with the provision IV of Article 390 of Turkish Code of Commerce.

Considering Turkish Code of Commerce, Capital Market Legislation and Regulations of Capital Markets Boards as well as Corporate Tax, Income Tax and other legal provisions including the relevant provisions of Articles of Association of our Company and the "Dividend Distribution Policy" disclosed,

- 1) It is unanimously resolved that Shareholders be informed and it be submitted to the approval of the General Assembly that no profit distribution shall be made for the accounting period of January 1, 2017 – December 31, 2017 and this matter be submitted to the General Meeting for approval according to the financial statements for January 1, 2017 – December 31, 2017 financial period prepared in accordance with "Statement on Principles Regarding Financial Reporting on Capital Market" (II - 14.1) provisions of SPK and according to Turkish Accounting Standards ("TMS") and Turkish Financial Reporting Standards ("TFRS") as published by "Public Oversight, Accounting and Auditing Standards Institute ("KGGK"), of which presentation principles have been defined according to SPK decisions on the subject and passed through independent auditing; a total of TRY 264,505,378 "Net Period Loss" has occurred when considering "Deferred Tax Income", "Current Tax Expense", "Post-Tax Period Loss For Discontinued Operations" and "Non-Controlling Interest From Consolidated Participations" all together, adding "Previous Year Losses" amounting to TRY 452,953,866.81 as calculated by the Dividend Guide announced
- 2) In accordance with the relevant provisions of Tax Law and Considering "Net Period Profit" amounting to TRY 39,279,905.34, as remained after "Period Tax Expense" amounting to TRY 2,029,211.74 has been extracted from "Period Profit" which amounts to TRY 41,309,117.08, has occurred according to the accounting period of January 1, 2017 – December 31, 2017 as recorded in our financial records for such accounting period kept under Tax Legislation and in accordance with the Uniform Chart Of Account published by the Ministry of Finance of Republic of Turkey, "Legal Reserves" amounting to TRY 1,963,995.27 be reserved in accordance with the sub-article 1 of

Article 519 of Turkish Code of Commerce, "Period Net Profit" amounting to TRY 3,649,714.00 as remained after the part amounting to TRY 33,666,169.07 acquired as a result of property sales (in Muğla Milas, Trabzon and Istanbul Bağcılar), which are exempted under KVK m5/1-e, be transferred to a "special fund account" in passive, not subjecting it to the distribution of dividend, be also transferred to the "General Reserves" and this be submitted to the approval of the General Assembly.

Annex: Dividend Distribution Table

Ahmet TOKSOY
(Chairperson)

Béatrice de Clermont TONNERRE
(Deputy Chairperson-Independent Board Member)

Çağlar GÖĞÜŞ
(Executive Board Member)

Vuslat SABANCI
(Board Member)

Fikret BİLÂ
(Board Member)

Sedat ERGİN
(Board Member)

Kai Georg DIEKMANN
(Board Member)

Gündüz KÖSEMEN
(Independent Board Member)

Sedat GÜMÜŞOĞLU
(Independent Board Member)

Değerhan USLUEL
(Independent Board Member)

ANNEX1: DIVIDEND DISTRIBUTION POLICY

**Dividend Distribution Chart of HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.
FOR 2017 (In TRY)**

1. Paid / Issued Share	552,000,000	
2. Legal Reserves (According to Legal Records) (1)	41,552,085.19	
Should there is any privilege in distributing The profits, information on such privilege	None	
	According To CMB	According To Local Books
3. Period Profit /Loss (+/-) (2)	-19,599,830	41,309,117.08
4. Taxes (+/-) 3	58,793	-2,029,211.74
Non-controlling Interest (-)	-7,395,327.00	0.00
Loss for the period from Discontinued Operations (-) (4)	-252,359,668.00	0.00
5. Net Period Profit / Loss (+/-)	-264,505,378.00	39,279,905.74
6. Previous Years' Losses (-) (5)	-452,953,866.81	0.00
7. Legal Reserves (-)	-1,963,995.27	-1,963,995.27
"Profit from Property Sales" Transferred the "Account of Special Fund" Temporarily not to be Subjected to the Distribution (According to Legal Records) (-) (6)	-33,666,169.07	-33,666,169.07
8. NET DISTRIBUTABLE PERIOD PROFIT (+/-)	-753,089,409.15	3,649,741
9. Donations Made within Year (+/-)	849,574.00	
10. Net Profit Included Donations (+/-) (7)	-752,239,835.15	
11. First Dividend to Shareholders	0.00	
	Cash	0.00
	Free	0.00
	Sum	0.00
12. Dividend Distributed To The Privileged Shareholders	0.00	
13. Other Dividend Distributed	0.00	
	For Employees	0.00
	For Board Members	0.00
	From Those Third Parties Other Than Shareholders	0.00
14. Dividend Distributed to Those Shareholders With Dividend Share Certificates	0.00	
15. Second Dividend to Shareholders	0.00	
16. Legal Reserves	0.00	
17. Statuary Reserves	0.00	
18. Special Reserves	0.00	
19. Extraordinary Reserves	0.00	3,649,741
20. Other Resources Prospected To Be Distributed	0.00	0.00
	Previous Year Profit	0.00
	Extraordinary Reserves	0.00
Other Dividend Distributable According To Turkish Code of Commerce and Articles of Association	0.00	0.00

(1) "Inflation Adjustments" are not included

(2) Comprised from "Pre-Tax Loss of the Continued Operations"

(3) Comprised from "Period Tax Expense for the Period" and "Deferred Tax Income".

(4) It is the loss originating from the activities of the digital platforms that were ceased operating under the Pronto Media Holding, registered in Russia, which is an indirect subsidiary of Trader Media East Ltd.

(5) It has been calculated in accordance with Dividend Guide as published in the Weekly Bulletin of CMB numbered 2014/2 and dated January 27, 2014. It consisted those parts remaining after adding "Previous Years' Losses", "Premiums Regarding Shares" and "Legal Reserves".

(6) It is the part where property sales profits are exempted from the tax in accordance with clause 5-1/e of the Corporate Tax Law, for the purpose of transferring them to a Special Fund.

(7) It does not consist of distributable period profit.

Profit Share Percentage Chart

	GROUP	TOTAL DIVIDEND DISTRIBUTED		TOTAL DIVIDEND DISTRIBUTED / NET DISTRIBUTABLE PERIOD PROFIT	DIVIDEND CORRESPONDING TO SHARES WITH TRY 1 NOMINAL VALUE	
		CASH (TRY)	FREE (TRY)	PERCENTAGE (%)	AMOUNT (TRY)	PERCENTAGE (%)
NET		0,00	0,00	0,00	0,00	0,00
	TOTAL	0,00	0,00	0,00	0,00	0,00