CORPORATE GOVERNANCE COMMITTEE WORKING PRINCIPLES

Article 1: Scope and Legal Basis

These Working Principles (the "**Working Principles**") set forth the scope of authority and working principles of the Corporate Governance Committee (the "**Committee**") of the Board of Directors of Koton Mağazacılık Tekstil Sanayi ve Ticaret A.Ş. (the "**Company**").

The Committee was established by a resolution of the Board of Directors of the Company (the "**Board of Directors**") in accordance with the Capital Markets Law No. 6362 (the "**CML**"), the Turkish Commercial Code No. 6102 (the "**TCC**"), the Corporate Governance Communiqué No. II-17.1 (the "**Communiqué**"), the corporate governance principles set forth in the annex thereto, the regulations of the Capital Markets Board of Türkiye (the "**CMB**"), and the relevant provisions of the Company's Articles of Association (the "**Articles of Association**").

Article 2: Purpose

The Committee assists the Board of Directors in ensuring compliance with the corporate governance principles set forth in the CML, the TCC, the Communiqué, and other applicable legislation, including investigating cases of non-compliance with the corporate governance principles and identifying conflicts of interest, and by making recommendations to improve the Company's corporate governance practices. The Committee also oversees the Investor Relations Department and performs the duties assigned to the Nomination Committee and the Remuneration Committee.

In this context, the Committee shall be responsible for:

i. Preparing recommendations for the appointment of members to the Board of Directors;

ii. Ensuring the effectiveness and independence of the members of the Board of Directors in accordance with the corporate governance principles;

iii. Ensuring the adoption and implementation of the corporate governance principles by the Board of Directors;

iv. Conducting an annual evaluation of the Company's compliance with the corporate governance principles and submitting the results to the Board of Directors;

v. Conducting regular evaluations of the structure, efficiency, and effectiveness of the Board of Directors and its committees, and making recommendations to the Board of Directors in this regard;

vi. Overseeing the Investor Relations Department;

vii. Establishing and overseeing the principles governing remuneration and performance-based payments for members of the Board of Directors and executives with administrative responsibility, taking into account the Company's long-term objectives;

viii. Making recommendations to the Board of Directors regarding the remuneration and performance-based payments of members of the Board of Directors and executives with administrative responsibility, taking into account the extent to which they have achieved the established remuneration and performance criteria;

ix. Carrying out activities to establish a transparent system for identifying, evaluating, and developing suitable candidates for executive positions with administrative responsibility, and developing policies and strategies in this regard.

Article 3: Establishment and Membership

The Committee shall consist of at least three members, including the head of the Investor Relations Department. The Chair of the Committee shall be elected from among the independent members of the Board of Directors. Members other than the Chair of the Committee and the head of the Investor Relations Department shall be elected from among the non-executive members of the Board of Directors. If it is decided that the Committee will consist of more than three members, a majority of the Committee members shall be non-executive members of the Board of Directors.

The head of the Investor Relations Department shall serve as an ex-officio member of the Committee.

In addition, individuals who are not members of the Board of Directors but possess expertise in their respective fields may also be appointed as members of the Committee, provided that the requirements set forth above are satisfied.

Following the election of a new Board of Directors at the Company's ordinary General Assembly meeting, the Board of Directors shall appoint the members of the Committee for a term corresponding to the term of office of the Board of Directors. The current Committee members shall continue to serve until their successors are appointed. Committee members whose terms have expired may be reappointed.

The Chief Executive Officer (CEO)/General Manager may not serve as a member of the Committee.

The Board of Directors shall provide the Committee with all resources and support necessary for the performance of its duties. The Committee may invite any executive or expert whose participation it deems necessary to attend its meetings and may seek their opinions.

The Committee may, where necessary, seek the opinions of independent experts. The cost of any advisory services required by the Committee shall be borne by the Company. In such cases, the annual report shall disclose information regarding the individual or organization providing such services and whether such an individual or organization has any relationship with the Company.

Article 4: Meetings

The Committee shall meet whenever required for the performance of its duties and, in any event, at least once every three months, for a minimum of four meetings each year. Meetings shall be held at the Company's headquarters or at another location where the Committee members are present. The scheduling of Committee meetings shall, to the extent practicable, be coordinated with the schedule of meetings of the Board of Directors.

The Committee shall meet and adopt resolutions with the presence of a simple majority of its members. Resolutions may also be adopted without holding a meeting, provided that all members unanimously approve such resolutions.

The Committee shall prepare written records of all its activities, maintain such records, and report to the Board of Directors on its activities and the outcomes of its meetings. The Committee shall promptly submit its findings and recommendations relating to matters within its scope of responsibility to the Board of Directors in writing. The minutes of Committee meetings shall be approved by the Committee members and maintained together with the Committee's resolutions.

Article 5: Duties and Responsibilities

The Committee shall:

- ensure the adoption and implementation of the corporate governance principles throughout the Company;

- monitor compliance with the corporate governance principles, identify conflicts of interest that may arise as a result of non-compliance with such principles, and make recommendations to the Board of Directors to improve the Company's

- corporate governance practices;

- oversee the activities of the Investor Relations Department;

- review complaints received by the Company from shareholders and ensure that they are appropriately resolved;

- carry out such other activities as may be requested by the Board of Directors in relation to matters that may be evaluated within the scope of corporate governance;

- develop recommendations to ensure that public disclosures and analyst presentations are made in accordance with the Company's "Information and Public Disclosure Policy", as well as applicable laws and regulations;

- review the Corporate Governance Compliance Report, the "Corporate Governance Information Form", and the "Sustainability Compliance Report", and examine the accuracy and consistency of the information contained therein;

- keep the Board of Directors informed on matters falling within the scope of its authority and responsibility;

- prepare written records of its activities and maintain such records;

- prepare reports on its activities and recommendations and submit them to the Board of Directors. The Committee's resolutions are advisory in nature;

- perform such other duties as may be required of it under the CML, the TCC, the Communiqué, and other applicable legislation.

Article 6: Investor Relations

The Investor Relations Department is responsible for monitoring the relationship between the Company and its shareholders and ensuring that shareholders' rights to obtain information are fully respected.

The Investor Relations Department shall:

- be supported by an adequate number of personnel;

- ensure that shareholders' requests for information are addressed in accordance with the applicable legislation, the Articles of Association, the corporate governance principles, and the Company's Information and Public Disclosure Policy;

- organize or participate in periodic investor information meetings in Türkiye and abroad in accordance with the applicable legislation, the Articles of Association, the corporate governance principles, and the Company's Information Policy;

- undertake the necessary activities to maintain active communication with domestic and international investors through the Company's website, as required under the applicable legislation;

- oversee the Company's public disclosures to ensure compliance with the applicable legislation;

- assist in ensuring that records relating to shareholders are maintained accurately, securely, and up to date;

- develop recommendations to ensure that the annual report is prepared in accordance with the applicable legislation and the corporate governance principles;

- monitor and assist in ensuring that General Assembly meetings are conducted in accordance with the applicable procedures;

- prepare the documents to be presented to shareholders at General Assembly meetings;

- assist the Chair of the General Assembly meeting and undertake the necessary activities to ensure that the minutes of the General Assembly meeting are prepared in accordance with the applicable procedures.

Article 7: Nomination

The Committee shall carry out activities to establish a transparent system for identifying, evaluating, developing, and rewarding suitable candidates for positions on the Board of Directors and executive positions with administrative responsibility, and for developing policies and strategies in this regard. The Committee shall also make recommendations regarding the number of members of the Board of Directors and executives with administrative responsibility.

Article 8: Remuneration

The Committee shall formulate views on the approaches, principles, and practices relating to the performance evaluation, career planning, and remuneration of members of the Board of Directors and executives with administrative responsibility; oversee the implementation of the decisions taken; and monitor their execution. The Committee shall ensure that the remuneration principles applicable to members of the Board of Directors and executives with administrative responsibility are aligned with the Company's governance principles and practices, seek to maintain an appropriate balance between the Remuneration Policy and the Company's interests, and report its findings to the Board of Directors.

Article 9: Amendments

Any amendments to these Working Principles shall be subject to the approval of the Board of Directors.

Article 10: Effective Date

These Working Principles were approved by the Board of Directors pursuant to

Resolution dated 5 February 2024 and numbered 2024/12, and entered into force on that date.