

# CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

Doğanlar Mobilya Grubu İmalat Sanayi ve Ticaret A.Ş. (Doğanlar Furniture Group) operates in accordance with the Corporate Governance Principles published by the Capital Markets Board (CMB) (II-17.1). Doğanlar Furniture Group manages its relations with shareholders, employees, customers, and all relevant parties through an efficient governance and supervision approach, adhering to the core corporate governance principles of accountability, fairness, transparency, and responsibility.

The Group complies with all mandatory principles outlined in the Corporate Governance Communiqué no. II-17.1 and follows the majority of the recommended non-mandatory principles. While striving for full compliance with the non-mandatory Corporate Governance Principles, the Group acknowledges that practical challenges and discrepancies between certain principles and the current market and Company structure have hindered the full achievement of this objective. We are currently working on the principles that have yet to be implemented and will enact them once the necessary administrative, legal, and technical frameworks are in place to support the Company's effective management.

The Company's Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF) for the accounting period January 1, 2025–December 31, 2025, have been prepared in accordance with the presentation principles set out in CMB resolution no. 2/49 dated January 10, 2019, and the CMB Corporate Governance Communiqué no. II-17.1. Doğanlar Furniture Group's Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF) for the accounting period January 1, 2025–December 31, 2025, are available on the Company's corporate website ([www.doganlarmobilyagrubu.com](http://www.doganlarmobilyagrubu.com)) under "Corporate Governance/Corporate Governance Principles Compliance Report" and on the Public Disclosure Platform's website ([kap.gov.tr](http://kap.gov.tr)).

## General Assembly Meetings

The Company's General Assembly meetings are organized in accordance with the guidelines set out in the General Assembly section of the Corporate Governance Principles, the Turkish Commercial Code, and the Regulation on the Procedures and Principles of General Assembly Meetings of Joint Stock Companies and the Turkish Ministry of Trade Representatives to Be Present at These Meetings.

In addition to the General Assembly meeting announcements, our corporate website includes legislative announcements, disclosures, and other information that the Corporate Governance Principles require to be made available to shareholders.

As such:

- » As of the date of the General Assembly meeting announcement, the total number of shares and voting rights reflecting the Company's shareholding structure were published on our corporate website.
- » While preparing the General Assembly agenda, care was taken to present each proposal under a separate heading, and the agenda items were expressed clearly to avoid any misinterpretation. The agenda items did not include vague terms such as "other" or "various." Information provided prior to the General Assembly meeting was presented with references to the relevant agenda items.
- » During the preparation of the Ordinary General Assembly agenda, there were no written requests submitted by shareholders to the Investor Relations Department for inclusion in the agenda. Similarly, no requests were received from shareholders, the CMB, and/or other relevant public institutions to add any items to the agenda.
- » The convening method of the General Assembly ensures maximum shareholder participation. Meetings are conducted in a manner that does not lead to any inequality among shareholders. General Assembly meetings are held at the Company's headquarters.
- » The Ordinary General Assembly meeting for the 2024 fiscal year was held on May 13, 2025, in Istanbul, where the Company's headquarters are located, in accordance with the Company's Articles of Association. Pursuant to our Articles of Association, meetings may also be held at another location within the city where the headquarters is located.
- » The meeting chair made the necessary preparations and obtained the required information for the conduct of the General Assembly in accordance with the TCC, the Law, and relevant legislation.

» The meeting chair ensured that the agenda items were presented impartially, thoroughly, clearly and understandably during the Ordinary General Assembly. Shareholders were given equal opportunities to express their views and ask questions. The meeting chair ensured that shareholders' questions, except those concerning trade secrets, were answered directly during the General Assembly.

» It is essential that Board Members and at least one representative of the Independent Audit Firm is present at the General Assembly. Additionally, individuals responsible for agenda items or required to provide explanations must be present. If individuals other than those required by law are unable to attend the meeting, the meeting chair explains the reason for their absence to the General Assembly. In this regard, CMB resolution no. 4/89 dated February 1, 2013, applies. Our shareholders, Board Member & CEO, CFO, Legal Advisor, Independent Auditor, and other Company employees attended the Ordinary General Assembly for the 2024 fiscal year.

The 2024 Ordinary General Assembly meeting was held on May 13, 2025, at 10:30 a.m. at İdealtepe Mahallesi, Rifkî Tongsir Caddesi, No: 107, Maltepe/İstanbul. At the General Assembly meeting, 17,546,899,347 of the 35,000,000,000 shares representing the Company's capital at that time were represented.

Questions from shareholders regarding agenda items, whether attending in person or by proxy, were answered during the meeting. The meeting minutes and the list of attendees were made publicly available on the PDP the same day. The meeting minutes and the list of attendees are also available to shareholders on the corporate website.

In accordance with Article 12 of the Articles of Association, the General Assembly sets the upper limit for donations. Donations exceeding this limit are prohibited, and any donations made are added to the distributable profit base. The Company's donations must comply with the Capital Market Law's regulations on disguised profit transfer, the TCC, and any other applicable laws. Material event disclosures must be made, and donations made throughout the year must be presented to shareholders at the General Assembly. At the General Assembly meeting held on May 13, 2025, it was reported that the Company donated 1,283,008 Turkish lira in 2024, and the upper limit for donations and charitable contributions was set at 3,000,000 Turkish lira for 2025.

The General Assembly meeting minutes, including those from previous years, are available on the corporate website at [www.doganlarmobilyagrubu.com](http://www.doganlarmobilyagrubu.com).

## **Voting and Minority Rights**

The Company avoids any practices that could hinder shareholders from exercising their voting rights. It implements the necessary mechanisms to ensure that each shareholder can exercise their voting rights easily and appropriately. According to subparagraph 3 of Article 10 of the Company's Articles of Association on Electronic Attendance at the General Assembly meeting, right holders entitled to attend the Company's General Assembly under the "Regulation on General Assembly Meetings of Joint Stock Companies to be Held Electronically" may participate electronically in accordance with Article 1527 of the Turkish Commercial Code. At the 2024 Ordinary General Assembly meeting, in line with this provision, it was ensured that right holders and their representatives could exercise their rights specified in the regulation through the established system.

The Company's Articles of Association do not provide for any privileged shares or special voting rights. Each share carries one vote. The Company's partnership structure does not involve a legal entity with which it shares an affiliate relationship. There is no provision for minority shareholders to have representation in management. The Articles of Association do not include a cumulative voting method.

## **Transfer of Shares**

The Company's Articles of Association include no provisions restricting the transfer of shares. The transfer of the Company's shares is carried out in accordance with the Turkish Commercial Code, capital markets regulations, and other applicable laws. Shares may be transferred off the stock exchange without any restrictions. No restrictions may be imposed on the transfer of shares that are or will be traded on the stock exchange. When the Company repurchases its shares, it complies with capital markets regulations and other relevant laws, ensuring that all required material event disclosures are made.

## **Public Disclosure and Transparency**

Dođanlar Mobilya Grubu İmalat Sanayi ve Ticaret A.Ş. is committed to making all required public disclosures in accordance with the law. The Company maintains an active and transparent disclosure policy, fully complying with the Capital Market Law in all public disclosure practices. It strives to implement the most effective communication strategy in line with the CMB Corporate Governance Principles. The Company’s Disclosure Policy outlines the additional information to be disclosed to the public beyond legal requirements. They also specify the frequency and method of such disclosures, the approach to responding to questions submitted to the Company, and other related matters.

In line with the Public Disclosure and Transparency principle, information is disclosed promptly, accurately, completely, clearly, efficiently, and in an interpretable way on the “Public Disclosure Platform” at [www.kap.org.tr/en](http://www.kap.org.tr/en) and on the corporate website at [www.doganlarmobilyagrubu.com/en](http://www.doganlarmobilyagrubu.com/en). This ensures that individuals and institutions who will benefit from the disclosures can make informed decisions.

During the year, 44 material event disclosures were made in accordance with CMB regulations. All material event disclosures were made in a timely manner and published on our website.

The Disclosure Policy is available on the Company’s website.

## **CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE INFORMATION FORM AND COMPLIANCE REPORT**

The Corporate Governance Compliance Report (CGCR) and Corporate Governance Information Form (CGIF) for the accounting period January 1, 2025–December 31, 2025, are available on the Company’s website ([www.doganlarmobilyagrubu.com/en](http://www.doganlarmobilyagrubu.com/en)) under the “Corporate Governance/Corporate Governance Principles Compliance Report” section, as well as on the Public Disclosure Platform website ([www.kap.gov.tr](http://www.kap.gov.tr)).

Related Companies

Related Funds

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
<b>Corporate Governance Compliance Report</b>						
<b>1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS</b>						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
<b>1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION</b>						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
<b>1.3. GENERAL ASSEMBLY</b>						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	Such a situation has not occurred.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
<b>1.4. VOTING RIGHTS</b>						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	There is no cross-shareholding relationship in the capital of our Company.
<b>1.5. MINORITY RIGHTS</b>						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.	X					
<b>1.6. DIVIDEND RIGHT</b>						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
<b>1.7. TRANSFER OF SHARES</b>						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
<b>2.1. CORPORATE WEBSITE</b>						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					

2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
<b>2.2. ANNUAL REPORT</b>						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
<b>3.1. CORPORATION'S POLICY ON STAKEHOLDERS</b>						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.		X				We do not have any special policy towards stakeholders. The rights of stakeholders are protected within the framework of general regulations, contracts and goodwill rules.
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
<b>3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT</b>						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.			X			There is no provision on the subject in the articles of association. Employees are encouraged to participate in management through internal practices.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.		X				Stakeholders' requests, suggestions and complaints are received, surveys are conducted and evaluated in important decisions that have consequences for some of the stakeholders
<b>3.3. HUMAN RESOURCES POLICY</b>						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.		X				An equal opportunity employment policy has been adopted, but there is no succession planning for key management positions.
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					
<b>3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS</b>						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					

3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X						
<b>3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY</b>							
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X						
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X						
<b>4.1. ROLE OF THE BOARD OF DIRECTORS</b>							
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X						
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X						
<b>4.2. ACTIVITIES OF THE BOARD OF DIRECTORS</b>							
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X						
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X						
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X						
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X						
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X						
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X						
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X						
<b>4.3. STRUCTURE OF THE BOARD OF DIRECTORS</b>							
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.			X				There is no policy on the minimum 25% target for the ratio of female members on the board of directors.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X						
<b>4.4. BOARD MEETING PROCEDURES</b>							
4.4.1-Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X						
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X						
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X						
4.4.4 - Each member of the board has one vote.	X						
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X						
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X						
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X					There is no restriction on board members taking on other duties outside the company. The resumes of the members of the Board of Directors and their duties are included in the annual reports.
<b>4.5. BOARD COMMITTEES</b>							
4.5.5 - Board members serve in only one of the Board's committees.			X				Due to the number of independent board members, board members serve on more than one committee.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X						
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	X						

4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
<b>4.6. FINANCIAL RIGHTS</b>						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.			X			Salaries, bonuses and similar benefits provided to senior executives are disclosed collectively in the annual report, but not on an individual basis .