

REMUNERATION POLICY

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Article 1: Scope and Legal Basis

This Remuneration Policy sets forth the principles applicable to remunerations payable to the members of the Board of Directors of Mavi Giyim Sanayi ve Ticaret A.Ş.’nin (the “Company”) and the Company’s executives with administrative responsibilities within the scope of the relevant regulations.

This Policy has been prepared pursuant to the provisions of the Capital Markets Law No. 6362, the Corporate Governance Communiqué No. II-17.1 and other related legislation.

Article 2: Purpose

The purpose of the Remuneration Policy is the planning and implementation of the remuneration practices in accordance with the relevant legislation, the scope and nature of the Company’s activities, and the strategies and long term goals of the Company.

The Remuneration Policy has been prepared to attract executive candidates to the Company and to maintain our well performing executives.

The industry related data were taken into account when establishing this Remuneration Policy, in order to be able to compete in the industry, attract executive candidates to the Company and to reduce external mobility.

Article 3: Remuneration Principles

The Corporate Governance Committee is authorized and in charge of evaluating the Remuneration Policy and submitting its recommendations to the Board of Directors.

The members of the Board of Directors shall be remunerated annually in the amount to be determined by the General Assembly. When determining the remuneration levels of the Board members, the responsibility assumed by the relevant member in the decision process and the knowledge, skills and competence that would be expected from the relevant Board member shall be taken into account, and also comparisons shall be made with the remuneration levels of the Board members in similar companies in the same industry.

The executives with administrative responsibilities shall be remunerated in the amounts approved by the Board of Directors. The payments to be made to the executives with administrative responsibilities shall be planned with a view to encourage the achievement of the Company's short and long terms goals and to ensure sustainable performance. The remunerations shall be compatible with the Company's ethical values, internal balances and strategic goals. The executives with administrative responsibilities shall be remunerated in a fair manner, taking into account the respective responsibilities assumed by them.

Base salaries shall be revised and determined annually as per the recommendations of the Corporate Governance Committee and the resolution of the Board of Directors.

Bonus payments consist of payments aimed at increasing the efficiency of the executives in order to reach the corporate targets, ensuring the sustainability of performance, differentiating successful executives by emphasizing individual performance, and rewarding the executives who create added value for the Company.

The intention is paying higher salaries and bonuses to the executives who, as per the results of their performance evaluation, have performed at a level that exceeds the expected standards. The performance measurements for the relevant periods shall be taken into account when determining the remunerations and bonuses, and the amount of

payments based on performance, particularly those of the bonus payments, shall not be guaranteed in advance.

The Board of Directors, by taking into account the earnings before interest and taxes and share price increase targets set for a period of three (3) years (“Incentive Period”), may grant executives with administrative responsibilities a performance based long-term incentive grant in accordance with the principles determined by the Board of Directors. Long-term incentive grants will be paid at the end of the Incentive Period and following the announcement of the financial results to the public in accordance with the schedule determined by the Board of Directors.

To the extent that the payment scales of the executives who have been promoted or whose job descriptions have been modified are changed, the new remuneration payable to the relevant executive shall be determined based on his/her position in the new payment scale.

Confidentiality of salaries, bonuses and other personnel rights shall be maintained.

No loans shall be extended to the Board members and the executives with administrative responsibilities, nor shall they be able to utilize any credits from the Company, and the Company shall not grant any security, surety or guarantee in favour of such persons.

The expenses incurred by the Board members and the executives with administrative responsibilities as a result of the duties and responsibilities assumed by them shall be paid by the Company.

Information regarding the aggregate amounts paid within the year to the executives with administrative responsibilities and the Board members shall be submitted to the shareholders during the next General Assembly in accordance with the provisions of the applicable legislation, and shall be disclosed to public within the scope of the financial reporting requirements.

The Board of Directors is responsible for the implementation, improvement and monitoring the Remuneration Policy. The monitoring, supervision and reporting in

relation to the remuneration practices shall be carried out by the Corporate Governance Committee on behalf of the Board of Directors.