

DUTIES AND WORKING PRINCIPLES OF THE EARLY RISK ASSESSMENT COMMITTEE

1. PURPOSE

The purpose of the Early Risk Assessment Committee is to early diagnosis of the risks that would endanger the existence, development and continuity of the company, implementing the measures and remedies required in this respect, and to manage and report these risks in parallel with the company's corporate risk -taking profile, to apply necessary precautions relevant to recognized risks, to consider while making decision and to make suggestions to the Board of Directors about developing and integrating internal control systems.

2. POWERS and SCOPE

Early Risk Assessment Committee;

- a) Monitoring the effectiveness of internal control systems in order to identify, evaluate, monitor and manage the risky issues that could affect the achievement of the company's targets according their influence and possibility.
- b) Monitors the integration of the risk management and internal control systems to the institutional structure of the company and their effectiveness.
- c) Works on the issues of measurement, reporting and the utilization of the decision-making mechanisms of the risks by the risk management and internal control systems of the company keeping the appropriate checks required in view.
- d) Reviews the Committee's operations regularly and submits the proposals for changes to the Board of Directors for approval as necessary, however the responsibility of final decision always lies with the Board of Directors.

3. STRUCTURE OF THE COMMITTEE

- a) The Committee is formed in compliance with the articles of association of the company.
- b) The Committee is comprised of at least two members. The chairman of the Committee is elected out of the independent Board members.
- c) When deemed necessary, the Committee may seek the opinion of the experts in their fields.
- d) The Committee is re-elected during the first meeting of the Board after the ordinary shareholders assembly meeting each year.
- e) The committee convenes with the participation of more than half of the members and the decisions are adopted upon majority.
- f) The secretarial work of the Committee is performed by the Board secretariat.

4. COMMITTEE MEETINGS AND REPORTING

- a) The Early Risk Assessment Committee meetings are held at least every 2 months and submit the meeting results to the Board of Directors.

- b) The Early Risk Assessment Committee informs the Board on the issues falling within its authority and responsibility.
- c) The resolutions adopted during the Committee meetings are written down and archived by the Board secretariat.

5. RESPONSIBILITIES

The Early Risk Assessment Committee is responsible

- a) To identify, analyze, measure, monitor and report the risks faced by the company and issue warnings in order to reduce the controllable and uncontrollable risks.
- b) To determine the risk management policies in line with the opinion of the Board of Directors based on the risk management strategies, to determine the implementation procedures and ensuring their application and compliance with them.
- c) To participate in the processes of design, selection, implementation and preliminary approval of the risk management models as essential tools for risk management, to review the models regularly and to make the changes required by conducting scenario analyses.
- d) To request information, opinion and reports from relevant units where deemed necessary in order to ensure the effective application of the risk monitoring function.