

## **DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**

### **DUTIES AND WORKING PRINCIPLES OF EARLY RISK DETECTION COMMITTEE**

#### **1. PURPOSE**

The purpose of the Committee operating within the body of the Board of Directors is to detect early the operational, strategic, financial and adaptation risks which may endanger the existence, development and continuity of the Company; to take and implement the necessary measures in relation to the detected risks; to develop the necessary policies required to administer the risk management processes; and to manage and report the risks in accordance with the risk taking profile of the Company.

#### **2. GROUNDS**

These principles in relation to the duties and working principles of the Early Risk Detection Committee have been set out by the resolution no 2012/22 of the Board of Directors of 15/08/2012 pursuant to the Company's Articles of Association, Article 378 of the Turkish Commercial Code No 6102 and the Communiqué Serial: IV No: 56 Regarding Determination and Implementation of the Principles of Corporate Governance published by the Capital Markets Board.

#### **3. STRUCTURE and MEMBERS OF THE COMMITTEE**

The Committee is set up and empowered by the Board of Directors in accordance with the Company's Articles of Association and the relevant legislation. The Committee assesses the circumstances, indicates the risks, if any, and offers solutions in a bimonthly report submitted to the Board of Directors.

It carries out activities in order to detect early the risks that may endanger the existence, development and continuity of the Company, to implement the necessary measures in relation to the detected risks and to manage the risks.

It reviews the risk management systems at least once a year.

It is elaborated that members of the Board of Directors who are Committee members are not members to other committees. The Committee is formed of members who are competent in assessing operational, financial, adaptation and strategic risks. Guest participants among the relevant employees may be invited to the committee meetings according to the articles of the agenda. The Committee may also capitalize on independent experts' opinions for required issues concerning its activities. Cost for the consultancy services required by the Committee shall be paid by the Company.

#### **4. SUB-COMMITTEES**

Early Risk Detection Committee may institute sub-committees comprising of its members and/or people to be elected from outside, who have sufficient experience and knowledge with regards to Corporate Risk Management for the purpose of increasing the effectiveness of its activities.

#### **5. MEETING and REPORTING**

The Committee meets bimonthly prior to the Board meetings. The Committee can meet when deemed necessary in the sense of the effectiveness of its activities. All activities of the Committee are put in writing by means of minutes; such minutes are signed and kept by the Committee members.

Committee Chairperson reports in writing to the Board of Directors regarding the activities of the Committee subsequent to the Committee meeting and notifies the members of the Board of Directors and the auditor of the summary records of the Committee meeting in writing or ensures that they are notified of the same.

#### **6. DUTIES and RESPONSIBILITIES**

Duties and responsibilities of Early Risk Detection Committee are;

- To carry out activities in order to early detect the risks that may endanger the existence, development and continuity of the Company, to implement the necessary measures in relation to the detected risks and to manage the risks,
- To determine Risk Management policies, implementation methods and systems on the basis of the risk management strategies and in line with the views of the Board of Directors and to design internal control systems in order to implement and follow the same.
- To design necessary measures and actions in relation to detected risks and to follow up the implementation thereof,
- To monitor corporate risk management practices in order to ensure effective risk determination and management,
- To request information, comments and reports from relevant departments, if deemed necessary, in order to perform risk monitoring function effectively,
- To review the risk management system at least once a year.
- To inform the Board of Directors of the risk management practices periodically (bimonthly),
- To perform other duties assigned/to be assigned to the Committee by the relevant legislation.

## **7. EFFECTIVENESS**

This regulation in relation to the duties and working principles of the Committee and amendments thereof become effective by the resolution of the Board of Directors.