

ANADOLU GRUBU HOLDİNG A.Ş.

The Charter Of The Committee for Early Detection of Risks

**This Charter is approved by the Board Resolution dated February 2, 2018
and numbered (3).**

Prepared by
Committee for Early Detection of Risks

Approved by
Board of Directors

ANADOLU GRUBU HOLDİNG A.Ş.
CHARTER FOR THE COMMITTEE FOR EARLY DETECTION OF RISKS

1. GENERAL PRINCIPLES

Scope

- 1.1.** This charter organizes the rules governing The Committee for Early Detection of Risks of Anadolu Grubu Holding A.Ş.'s ("The Committee for Early Detection of Risks") within the framework of Turkish Commercial Code, Capital Markets Law and Corporate Governance Principles announced by Capital Markets Board.

Purpose

- 1.2.** The Committee for Early Detection of Risks is established for early detection of risks that might endanger the existence, development and perpetuation of Anadolu Grubu Holding A.Ş. (The Company) and to implement measures required against the risks determined as well as the management of risks.

2. THE COMPOSITION, STRUCTURE AND WORKING PRINCIPLES OF THE COMMITTEE FOR EARLY DETECTION OF RISKS

- 2.1.** Board of Directors selects and appoints the members of the Committee for Early Detection of Risks among the Board members and the Committee comprises of at least two members. The majority of the Committee members are elected among the non-executive members of the Board.

The Committee members are to be appointed every year in the first Board of Directors meeting, following the Ordinary General Assembly meeting. The Committee for Early Detection of Risks will serve until the next Ordinary General Assembly meeting.

The Board of Directors can terminate the membership of any and/or all of the Committee for Early Detection of Risks members anytime. The Board then appoints new members for completing the term of office upon termination of the Committee membership, resignation or death of any committee member.

The member of the Committee for Early Detection of Risks are not supposed to be a member of another committee. Such that, if the number of the Company's independent board members is a constraint then this condition can be disregarded.

- 2.2.** The members of the Committee for Early Detection of Risks select a chairman among them. Chairman of the committee should be elected among independent members of Board.
- 2.3.** The Committee for Early Detection of Risks shall have the authority, to the extent it deems as necessary or appropriate, to retain independent advisors/experts or might engage regular "consultants" to the Committee. The Company shall provide for appropriate funding for respective fees of consulting services and "consultants".

- 2.4. The Committee for Early Detection of Risks shall convene at least six times per annum. The scheduling for the Committee for Early Detection of Risks meetings should be parallel with that of the Board of Directors' meetings, if possible. The Chair of the Committee briefs the Board of Directors concerning annual meeting plans.
- 2.5. In case of an urgent need, upon the call of the Chair or any other member of the Committee for Early Detection of Risks and the Chair of the Board of Directors, the Committee can hold extraordinary meetings.
- 2.6. The members of the Committee for Early Detection of Risks can hold online meetings.
- 2.7. The Committee for Early Detection of Risks makes decisions through majority vote. In the case of an equality of votes on any issue, the Chair shall have the casting vote.
- 2.8. The Committee for Early Detection of Risks shall have the authority to meet any executives from senior management and employees at all levels within the framework of privacy principles, when it is deemed as necessary and appropriate.
- 2.9. The Board of Directors and the management shall provide all necessary resources and support to the Committee for Early Detection of Risks for its duties to be performed.
- 2.10. The Committee should keep records of all their work in a documented manner. The "formal approval" of the meeting minutes of the Committee is obtained in the following meeting. The Committee's written and signed meeting minutes and decisions should be maintained.

The Committee for Early Detection of Risks regularly briefs the Board of Directors about its meeting resolutions, important sightings, detections and recommendations.

3. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE FOR EARLY DETECTION OF RISKS

- 3.1. The Committee for Early Detection of Risks is established for early detection of risks that might endanger the existence, development and perpetuation of the Company and to implement measures required against the risks determined as well as the management of risks.
- 3.2. The Committee for Early Detection of Risks reviews the risk management systems once every two months and submits an "Assessment Report" to the Board of Directors. The same report also is submitted to the auditor.
- 3.3. The Committee for Early Detection of Risks shares its point of view with the Board of Directors for creating internal control systems including risk management systems and process of information that will minimize the effects of risks which might affect the stakeholders, particularly the shareholders, of the Company.
- 3.4. The Committee for Early Detection of Risks makes recommendations to the Board of Directors and such recommendations do not eliminate responsibilities and duties of the Board of Directors that derives from the Turkish Commercial Code.

Other Responsibilities

- 3.5. The Committee for Early Detection of Risks should evaluate and resolve any issues related to risk governance.

4. ASSESSMENT

- 4.1.** The Committee for Early Detection of Risks conducts an annual performance assessment review in relative to The Committee for Early Detection of Risks' purpose, duties and responsibilities outlined herein and presents to the Board of Directors.

5. ENACTMENT

- 5.1.** This charter regarding the duties and working principles of the Committee for Early Detection of Risks and further changes to this charter shall be effective with the approval of Board of Directors.