

# HEDEF HOLDING INC. ("COMPANY")

## EARLY DETECTION OF RISK

### 1. Purpose

The Company has established the Early Detection of Risk Committee ("Committee") with the Board of Directors' decision dated 21/06/2021 and numbered 92 in accordance with the Capital Markets Law No. 6362 ("CML"), the Turkish Commercial Code No. 6102 ("TCC"), the Corporate Governance Communiqué (II-17.1) of the Capital Markets Board ("CMB"), and the Corporate Governance Principles regulated in the currently effective Corporate Governance Communiqué. The purpose of the Committee is to ensure the early detection of risks that may endanger the Company's existence, development, and continuation, to take necessary measures regarding the identified risks, and to manage these risks.

### 2. Structure of the Committee

The Committee must consist of at least two members. If there are two members, both must be non-executive board members; if there are more than two members, the majority must be non-executive board members. The chairman of the Committee is selected from among the independent board members. Non-board members who are experts in their fields may also be members of the Committee. The CEO/general manager cannot serve on the Committee. It is ensured that a board member does not serve on more than one committee. The members of the Committee are determined by the board of directors and announced on the Public Disclosure Platform (PDP).

### 3. Duties and Responsibilities of the Committee

The duties and responsibilities of the Committee are as follows:

- Identifying all risks that may endanger the Company's existence, development, and continuation by evaluating their likelihood and impact.
- Establishing risk measurement models and risk management systems and reviewing their effectiveness at least once a year.
- Informing the Board of Directors about the measurement and monitoring of risks and the use of risk factors in decision-making processes and making necessary warnings.
- Providing recommendations to the Board of Directors to improve risk management practices and models.
- Ensuring that risk management policies and practices are adopted and implemented by all Company units and employees.

### 4. Committee Operations and Meetings

The Committee meets as often as necessary and documents and keeps records of all its work. The Committee submits reports containing information about its activities and the results of its meetings

to the Board of Directors. The Committee may invite any person it deems necessary to its meetings and obtain their opinions. The Committee may seek independent expert opinions on matters it deems necessary for its activities. The cost of the consulting services needed by the Committee is covered by the Company. However, information about the person/organization providing the service and whether they have any relationship with the Company must be included in the activity report.

#### **5. Amendments to the Committee's Working Principles**

Proposals for amendments to these working principles are submitted by the Committee to the Board of Directors. The prepared proposals are included in the agenda of the first meeting of the Board of Directors.

#### **6. Effectiveness**

These working principles and their amendments and updates come into effect with the decision of the Board of Directors.