

**VESTEL BEYAZ EŐYA SAN. VE TİC. A.Ő.**  
**WORKING PRINCIPLES OF EARLY DETECTION OF RISK COMMITTEE**

**I. GENERAL PRINCIPLES**

**Basis**

**Article 1:** Duties and working principles of the Early Detection of Risk Committee have been determined in accordance with the regulations, conditions and principles contained in the Turkish Commercial Code, the Company's Articles of Association and the "Corporate Governance Communiqué" of the Capital Markets Board.

**Purpose**

**Article 2:** Primary purpose of the Risk Committee, which shall work under the Board of Directors, is to conduct studies for the early detection of risk that may jeopardize the existence, development and continuity of Vestel Beyaz EŐya San. ve Tic. A.Ő. ("Company"), adopting necessary measures against the detected risks and managing the risk.

**II – ESTABLISHMENT AND PRINCIPLES OF PRACTICE OF THE EARLY DETECTION OF RISK COMMITTEE**

**Structure**

**Article 3:** Early Detection of Risk Committee consists of at least two members of the Board of Directors. If the Committee is composed of two members, then both members, or if the Committee is composed of more members, then majority of such members shall be elected from amongst the non-executive members of the Board of Directors. Chief Executive Officer/General Manager cannot serve in the Committee.

**Article 4:** Committee members shall elect a chairman from amongst themselves. The Committee Chairman shall be elected from amongst the independent members of the Board of Directors.

**Article 5:** Members of the Company's Board of Directors shall appoint and disclose to the public the Committee members at the first Board meeting following the General Assembly at which they are elected, to hold office until the election of the next Board of Directors.

Board of Directors may replace the Committee members; appoint a new member to complete the term of office of the former member in case of discharge, resignation or death, and decrease/increase the number of members.

**Practice**

**Article 6:** The Committee shall convene as frequently as necessitated for the efficiency of its activities and in principle at least three times a year.

The Committee shall convene with the attendance of the majority of the full number of the members, and take decisions by the majority of the members present at the meeting; dissenting opinions shall be recorded, if any.

**Article 7:** The Committee may, as the case may be, hold meetings with the members of the Executive Committee and managers that serve in the Company's senior management as well as third parties, together or separately and invite and obtain the opinions of the managers that it deems necessary.

**Article 8:** The Committee may, if it deems necessary and at the Company's cost, acquire consultancy services from independent experts regarding its activities.

**Article 9:** The Committee shall put all of its studies into writing and keep records thereof. It shall submit a report containing information regarding its studies and minutes of the meeting to the Board of Directors.

**Article 10:** The Committee shall prepare a status assessment report, to be submitted to the Board of Directors every two months. The report shall point out the threats, if any, and provide solutions. The Committee shall send the report prepared as such to the auditor.

**Article 11:** While the Committee is performing its duties, any and all necessary resources and support shall be provided by the Board of Directors.

### **III – DUTIES AND RESPONSIBILITIES OF THE EARLY DETECTION OF RISK COMMITTEE**

**Article 12:** Performing all of the duties that are under the responsibility of the Committee in accordance with the Turkish Commercial Code and the regulations of the Capital Markets Board.

**Article 13:** Conducting studies for the early detection of the risks that may jeopardize the existence, development and continuity of the Company, implementation of the necessary measures regarding such risks and the management of risks.

**Article 14:** Reviewing the risk management systems at least once a year.

**Article 15:** Submitting opinions to the Board of Directors for improving the internal control systems, including the risk management and information systems and processes, that may minimize the impacts of the risks that may affect the Company's stakeholders, particularly the shareholders.

**Article 16:** Preparing and submitting to the Board of Directors an annual risk assessment report to be published in the Company's annual report, which clearly points out the potential risks the Company may face.

## **IV – OTHER CONDITIONS**

### **Making Suggestions to the Board of Directors**

**Article 17:** The Committee shall act within the limits of its authority and responsibility and make suggestions to the decision-making mechanisms on such matters that it deems necessary; however, the responsibility to make the final decision shall at all times belong to the Board of Directors and this shall not eliminate the duties and responsibilities of the Board of Directors arising from the New Turkish Commercial Code.

### **Enforcement**

**Article 18:** This regulation shall enter into force on the date it is published and shall be enforced by the Early Detection of Risk Committee.

### **Execution**

**Article 19:** The Board of Directors is responsible for the execution of these regulations. This directive may be amended by a decision of the Board of Directors.