

Duties and Working Principles of the Committee for Early Detection of Risk

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Your team.



Duties and Working Principles of Hitit's Committee for Early Detection of Risk

OBJECT and SCOPE

Article 1 - The purpose of this regulation is to determine the duties and working principles of the Committee for Early Detection of Risk to be formed by the Board of Directors of Hitit Bilgisayar Hizmetleri AŞ ("Company").

The main objective of the Committee for Early Detection of Risk, which will work under the Board of Directors, is to support the Board of Directors on the following matters:

- Early detection of strategic, operational, financial, legal and any other risks that may endanger the existence, development and business continuity of the Company,
- Determination of the Company's corporate risk-taking limits, and the assessment and proper management and prevention of the identified risks,
- Evaluation and prioritizing of the risks that exceed the corporate risk-taking limits, according to their impact and probability,
- Performance of studies to determine and implement the necessary measures regarding the identified risks and to manage the risk.

BASIS

Article 2- This document has been created within the framework of the Turkish Commercial Code, the Capital Market Law, the Company's articles of association, and the regulations, provisions and principles contained in the Capital Markets Board's "Corporate Governance Principles".

COMPOSITION AND STRUCTURE

Article 3- The Committee for Early Detection of Risk is composed of at least three members elected by the Board of Directors. The chairperson of the Committee for Early Detection of Risk is elected by the Board of Directors from among independent board members. Other members to serve on the Committee may be elected from among the members of the Board of Directors or from outside the Board of Directors. In any case, the majority of the Committee consists of non-executive Board Members. The chairperson of the board of directors/general manager cannot serve in the committees.

Article 4- The Committee is appointed by the Board of Directors for a period that is limited to the term of Board membership. Members of the Company's Board of Directors appoint the Committee members at the first Board meeting following the General Assembly meeting in which they were elected, to serve until the next Board of Directors election. Members whose terms of office expire can be re-elected.

The Board of Directors may replace the Committee members in the case of dismissal, resignation or death by appointing a new member to complete their term of office and the number of members may be decreased/increased.

Article 5- The Committee members must have sufficient commercial experience and sector expertise in order to predict, understand and evaluate the risks they may encounter in the areas where the Company and its subsidiaries carry out operations.

WORKING PRINCIPLES

Article 6- The Committee for Early Detection of Risk meets at least four times a year, once every two months. The Committee meetings can be held by physical gathering of the members or through the use of technological means of communication. The timing of the Committee meetings is, as far as possible, in harmony with the timing of the Board meetings.

The Committee Chairperson may call the Committee to an extraordinary meeting upon the request of a Committee member, the General Manager, or a Deputy General Manager, or when necessary.

Article 7- Decisions taken at the Committee meetings are put in writing. Decisions signed by the Committee members are properly kept. The Committee is obliged to prepare a report on its findings and suggestions regarding its scope of duty and responsibility and to present the same to the Board of Directors.

At the end of each meeting or at least 6 times a year, a report is prepared by the Committee, which is then signed and filed, and the Committee's chairperson informs the board of directors about the Committee's activities. In such report, a status evaluation is made, the results of the committee meeting pointing out the dangers and the remedies, if any, are presented, and the summary of the committee meeting is communicated in writing to the members of the board of directors. The Committee also sends the Report to the Company's Independent Auditor.

The secretarial duties of the Committee are carried out by the unit that provides secretarial services to the Board of Directors.

The Committee meets and takes decisions with the presence of the absolute majority of its members, and any opposing views are recorded. The Committee's decisions constitute a recommendation to the Board of Directors.

If it deems it necessary, the Committee may delegate some of its duties to one or more subcommittees consisting of two or more members. In the formation of the sub-working groups; in addition to the Committee's own members, the people with sufficient expertise, experience and knowledge in early detection of risks can be taken into consideration, as needed, when electing members.

Article 8- The Board of Directors provides any resources and support necessary for the Committee for Early Detection of Risk to fulfill its duties. The Committee may invite any executive they deem necessary to its meetings and obtain their opinions.

In addition, it can benefit from the opinions of independent experts in matters it deems necessary regarding its activities. The fees of the consultancy services needed by the Committee are borne by the Company.

No one other than the Committee members may attend the Committee's meetings unless invited by the Committee's chairperson.

DUTIES AND RESPONSIBILITIES

Article 9- The duties and responsibilities of the Committee for Early Detection of Risk are stated below.

- It carries out studies for the early detection of all kinds of risks related to strategic, operational, financial, legal and other issues that may endanger the existence, development and continuity of the Company, implementation of the necessary measures regarding the detected risks, and management of the risks, and it provides advice and support to the Board of Directors.
- It reviews the risk management systems at least once a year.
- It evaluates the Company's activities and investments in the light of developments in Türkiye and other countries where the Company operates, as well as global trends and developments.
- It assists the Board of Directors in diagnosing existing and potential risks that need to be managed, reduced or eliminated, and in developing strategies for managing the identified risks, determining metrics for current and potential risks, and determining the reliability of those metrics.
- It evaluates the compliance of the Company's activities with the risk management strategies and practices implemented by the Company.
- It carries out studies to ensure the effectiveness of the Company's risk management systems and their compliance with the Company's corporate structure.
- It makes early diagnosis of any technical bankruptcy situation and informs the Board of Directors about this issue.

MISCELLANEOUS

Article 10- The Committee acts under its own authority and responsibility and makes recommendations to decision-making mechanisms as and when it deems it necessary; however, the ultimate decision responsibility always rests with the Board of Directors and nothing eliminates the duties and responsibilities of the Board of Directors arising from the Turkish Commercial Code.

When it deems it necessary, the Committee has the authority to assign the relevant units of the Company for Risk Management, with the authorization of the Board of Directors, to examine the business processes, and to monitor and inspect whether or not the actions determined for risk management are taken.

The Committee may obtain information from all stakeholders related to the Company within the framework of confidentiality of insider information.

ENTRY INTO FORCE

Article 11- The Committee reviews and evaluates the adequacy of these Working Principles and submits its relevant amendment suggestions to the Board of Directors for its approval.

This regulation governing the duties and working principles of the Committee for Early Detection of Risk and any amendments thereto shall enter into force upon a resolution of the Board of Directors.