**INVEO YATIRIM HOLDİNG AŞ THE EARLY RISK DETERMINATION COMMITTEE**

**DUTIES AND OPERATING PRINCIPLES**

1. **Purpose**

The purpose of this regulation is to designate the duties and operating principles of the

Early Risk Determination Committee (Committee) to be established by the Board of

Directors of Inveo Yatırım Holding A.Ş. (Company).

1. **Scope**

This regulation covers the studies and activities to be carried out by the Early Detection of Risk Committee in accordance with the relevant legislation.

1. **Provision**

This regulation is prepared in accordance with the provisions of Capital Markets

Legislation hence Corporate Governance Principles. The relevant provisions of the

Turkish Commercial Code are reserved.

1. **Definitions of Authority**

The Committee is established and authorized by the Board of Directors, acts within the

scope of its powers and responsibilities and advises the Board of Directors; however

the responsibility of final decision always belongs to the Board of Directors.

The Board of Directors provide all kinds of resources and support necessary to fulfill

the Committee’s duties. The Committee may invite executives to meetings if it deems

necessary and obtain their opinions. The Committee may benefit from independent

expert opinions on issues related to its activities when deemed necessary. The service

fees for the consulting activities required by the Committee shall be borne by the

Company.

In accordance with the Capital Markets Legislation and principles stated herein this

Regulation, the Committee undertakes the early determination of risks that may

endanger the Company’s existence, development and continuation; the

implementation of the necessary measures related to the risks that are determined;

conducting works for the management of the risk; and reviewing of risk management

systems.

1. **Structure of the Committee**

The chairman of the Committee shall be selected among independent Board Members

and it shall consist of at least two members. Both of the Committee’s members in case

it consists of two members and the majority of the members in case it consists of more

than two members shall be selected from supervisory non-management Board

Members.

In order to ensure the Early Risk Determination and Risk Management Committee’s

effectiveness, the Committee may establish sub-working groups if necessary from its

members and/or persons outside the Committee who have adequate expertise and

know-how on Corporate Risk Management.

1. **Committee Meetings and Reporting**

The Committee shall meet at least six times annually, being once in 2 months. The

Committee shall meet with one more than half of its members and take decisions by

majority. At its meetings; the Committee shall evaluate the status of the Company, and

prepare in writing its recommendations for the implementation of necessary measures

related to the risks determined if available and the decisions taken to be recorded. The

Committee shall submit the report including its operation and the results of the meeting

to the Board of Directors.

1. **Roles and Responsibilities**

The Committee shall fulfill its duties to;

* Identify and evaluate all risks that may endanger the Company’s existence,

development and continuation, their probability of occurrence and impact;

* Prepare risk measurement models and risk management systems and evaluate

their impact at least once a year;

* Measure/monitor risks and inform the Board of Directors for including risk

factors to decision processes and make necessary warnings;

* Make recommendations to the Board of Directors for improving risk

management applications and models;

* Conduct works in order to ensure the adoption and implementation of risk

management policies and applications by all Company departments and

employees.

The Committee is obliged to submit the reports required by all of the responsibilities

fulfilled by the Committee to the Board of Directors.

1. **Effectiveness**

The Committee’s duties and operating principles and from which members it will consist

of shall enter into force by Board of Directors decision and disclosed to the public.