

# **DUTIES AND WORK PRINCIPLES OF THE EARLY RISK ASSESSMENT COMMITTEE**

## **1. PURPOSE**

To ensure early detection and assessment of risks that may endanger the assets, development and continuity of the Company, to take and implement preventive measures regarding such risks and to carry out works regarding risk management and to review the risk management systems at least annually.

## **2. AUTHORITIES AND SCOPE**

Early Risk Assessment Committee shall;

- a)** Implement and arrange effective internal control systems and mechanisms to ensure risks that may prevent the Company from achieving its goals and targets and may put the Company at risk are defined according to the effects and possibilities of such risks are monitored and managed.
- b)** Ensure that risk management and internal audit and control systems are integrated into the corporate structure of the Company and monitor the effectiveness of such systems,
- c)** Ensure that the risk management and internal audit and control systems of the Company monitor and assess the risk elements, report and use the right decision mechanisms,
- d)** Review the work principles of the committee on a periodical basis and if necessary, shall submit its opinions for the approval of the Board of Directors. The Board of Directors shall be responsible for the final decisions in this regards.

## **3. STRUCTURE OF THE COMMITTEE**

- a)** The Early Risk Assessment Committee shall be set up in accordance with the provisions of the Articles of Association.
- b)** The Committee shall consist of at least two members. The chairman for the Committee shall be elected amongst the independent members. The Chief Executive Officer / General Manager cannot serve on this committee.
- c)** The Committee shall seek professional opinion if and when necessary.
- d)** The Committee shall hold meetings with the presence of one more than half the number of members and shall pass decisions with the majority of the votes.
- e)** The secretariat of the Board of Directors shall also act as the secretariat for the Committee.

#### **4. COMMITTEE MEETINGS AND REPORTING**

- a)** The Committee shall hold meetings at least quarterly and shall report the results of the meeting to the Board of Directors.
- b)** The Committee shall ensure that the Board of Directors are informed of the authorities, duties and responsibilities of the Committee.
- c)** The decisions passed during Committee meetings shall be reported in writing by the Secretariat of the Board of Directors and shall be archived.

#### **5. DUTIES AND RESPONSIBILITIES**

- a)** To define, measure, assess, analyse, monitor and report the risks the Company may encounter, to issue warnings and take measures to minimise controllable and uncontrollable risks.
- b)** To determine the risk management policies and application principles in line with the suggestions and views of the Board of Directors based on the risk management strategies of the Company and to implement and ensure compliance to such policies,
- c)** To design, select, implement and to participate in the preapproval of risk assessment models, which are a fundamental tool of risk management and to constantly review such models, to carry out analysis of scenarios and to make the necessary revisions,
- d)** To request information, feedback, suggestions and reports from related departments in order to implement risk monitoring.