

AKMERKEZ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.
TASKS AND WORKING PRINCIPLES OF
THE EARLY DETECTION OF RISK COMMITTEE

1. PURPOSE AND SCOPE

The purpose of this regulation is to determine tasks and working principles of the Early Detection of Risk Committee (“Committee”) that will be established by the Board of Directors of Akmerkez Gayrimenkul Yatırım Ortaklığı A.Ş. (“Company”).

2. BASIS

This regulation has been created within the frame of the provisions and principles that take place in the Article 378 of the Turkish Trade Code and legislation of the Capital Market, and Corporate Governance Principles of the Capital Market Legislation, announced by Capital Market Board.

3. AUTHORIZATION

The Committee is established and authorized by the Board of Directors.

Decisions of the Committee are advisory qualification to the Board of Directors; the final decision authority for the related issues is the Board of Directors.

Any kind of resources and supports, which are required by Committee for fulfillment of their tasks are provided by the Board of Directors.

4. STRUCTURE OF THE COMMITTEE

The Committee is constituted by at least two members.

It is essential that, if the Committee has been constituted by two members, both of them should be members of Board of Directors, who do not have executive tasks; if it has been constituted by more than two members, in such case majority of the members should not have executive tasks.

Chairman of the Committee is selected among the independent members of the Board of Directors.

Expert persons, who are not member of the Board of Directors, can be member of the Committee.

Chief Executive Officer / General Manager cannot take office in the Committee.

Chairman of the Committee and its members are determined by the Board of Directors and announced to the community.

5. MEETING AND REPORTING

The Committee convenes meeting at least six times in one year and at least in every two months.

The meeting and decision quorum is the simple majority of the total member number of the Committee.

Meetings can be held in the Principal Office of the Company or any other place, which is accessible by the Committee members easily. If members cannot come together, these meetings can be realized by using technological facilities and possibilities as well.

Resolutions that have been passed during the Committee meetings are recorded in written signed by the Committee members and kept properly.

The Committee submits their reports, which include meeting and activity results, to the Board of Directors.

The Committee evaluates the situation in the report that it will submit to the Board of Directors in every two months and indicates the risks if any, and explains the remedies. This report is sent to the auditor as well.

6. TASKS AND RESPONSIBILITIES

The Committee does studies for the purpose or early detection of the risks and causes that can endanger existence, improvement and sustainability of the Company, and to take necessary precautions regarding detected risks, implementation of the remedies and management of the risk. In this context, tasks and authorizations of the Committee have been defined below:

- Definition of all risks and their effects that can endanger existence, improvement and sustainability of the Company;
- Establishment of the risk measurement models and risk management systems; and reviewing of the efficiencies at least once in a year.
- Submitting information to the Board of Directors for measuring, monitoring of the risks and using of them in the decision processes; and making necessary warnings.
- Presenting suggestions to the Board of Directors in order to improve risk management applications and models.
- Performing of necessary studies for adapting and implementing of risk management policies by all Company unit and employees.

When the Committee performs its tasks;

- It can invite person/people to its meetings that it has deemed necessary and take their opinions.
- It takes advantages of the independent expert's opinion regarding the issues that it has deemed necessary. Costs of the consultancy services that the Committee has required are covered by the Company. However, information is submitted at the end of the activity report about this service provider person/company as well as whether or not this service provider person / company has any relation with the Company.
- In order to provide efficiency of its studies, it can establish sub-committees that are composed of capable and experienced persons among its own members and/or will be selected externally, having knowledge regarding internal audit, financial reporting, and independent audit issues.

7. COME INTO FORCE

This regulation and related amendments regarding tasks and working principles of the Committee come into force through the decision of the Board of Directors.