

**İŞ REAL ESTATE INVESTMENT TRUST CO.  
(İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.)  
REGULATION FOR THE ESTABLISHMENT AND DUTIES OF  
THE EARLY DETECTION OF RISK COMMITTEE**

**Article 1**

**Purpose and Scope**

This Regulation covers the establishment of an Early Detection of Risk Committee and regulation of the duties and responsibilities of this Committee as well as its operational principles and procedures in order to ensure that the Board of Directors properly fulfills its duties and responsibilities on risk management.

**Article 2**

**Justification**

This Regulation has been prepared based on the Article 378 of the Turkish Commercial Code and Corporate Governance Communiqué of the Capital Markets Board.

**Article 3**

**Establishment of the Early Detection of Risk Committee**

An early detection of risk Committee is established by appointment of at least two members from among the Board members.

The committee members are determined by the Board of Directors and announced on the Public Disclosure Platform (KAP). The Chairman of the Committee is elected from among the independent members of the Board. Persons who are not Board members but having specialization on their subjects can also become members to the Early Detection of Risk Committee.

If the Early Detection of Risk Committee has two members elected from the Board of Directors, both of these members are required to be from the non-executive members of the Board; and if the Committee has more than two board members, then majority of these members should be non-executive. General Manager cannot become a member of the Committee.

The Early Detection of Risk Committee membership automatically ends upon the termination of the Board membership.

**Article 4**

**Duties and Responsibilities of the Early Detection of Risk Committee**

- The Early Detection of Risk Committee works for the early detection of the risks endangering the existence, development and sustenance of the Company, and for the implementation of the due measures regarding the detected risks, and management of these risks.
- The Committee submits in writing to the Board of Directors its suggestions and opinions for the establishment and development of the Company risk management system which is

capable of minimizing the potential risks that may have effects on any and all stakeholders including principally the shareholders.

- The Early Detection of Risk Committee reviews the Company risk management system at least once a year.
- The Committee supervises the ongoing practice to ensure that the Company's risk management applications are realized in accordance with the decisions of the Board of Directors and the Committee.
- It reviews the determinations and assessments regarding the risk management to be included to the Company's annual activity report.
- The Early Detection of Risks Committee performs the other duties and responsibilities in its own work area as may be delegated to it by the Board of Directors.

## **Article 5**

### **The Early Detection of Risk Committee's Operation Principles and Procedures**

- The Early Detection of Risk Committee meets at least once every three months; i.e. at least four times annually.
- The Committee meets with the presence of all its members and takes its decisions by majority vote.
- The Committee takes an official minute book and the decisions taken in the meeting are recorded in this book under an item number.
- The results of the Committee's meeting are issued as an official report and the assessments and decisions of the Committee are submitted to the Board of Directors in writing and together with the justifications within at least one month following the relevant meeting of the Committee.
- The decisions of the Committee take effect upon the approval of the Board of Directors.
- The Early Detection of Risk Committee immediately reports its findings, assessments and suggestions related with its area of activity to the Board of Directors in writing.
- The Early Detection of Risk Committee may invite other people to its meetings as needed to get their opinions on a subject.
- The Company's Risk Department determines the agenda of the Early Detection of Risk Committee's meetings, makes the calls for the meetings, ensures communication within the members of the Committee, keeps the minute book, and fulfills other secretarial works of the Committee.
- The resources and support needed by the Committee during the execution of its duties are provided by the Board of Directors.
- The committee may benefit the opinions of independent experts on matters requiring expertise and that it deems necessary in relation to its activities. The cost of the consultancy services required by the committee is provided by the Company.
- The members of the Early Detection of Risk Committee conduct their duties within the framework of the principles of independence and neutrality.

## **Article 6**

### **Effective Date**

The clauses of this Regulation take effect on the date approved by the Board of Directors and are executed by the Board of Directors.