**Regulation of**



**Risk Management**

**Committee**

**1. Purpose**

The purpose of the Risk Management Committee (“OAC”), which is the highest committee of the risk function within the company, is to develop strategies, policies, procedures and infrastructures required to be determined, evaluated, measured, planned and managed of the material risks faced by the Company in its ordinary business processes within the scope of the delegated authority. Especially:

* 1. Developing a company-wide Risk Management structure, a model for organizational management and function management, a risk identification and tracking model, and the infrastructure and processes necessary to manage risks efficiently and transparently as well as establishing a risk appetite framework;
  2. Determination, evaluation, measurement, planning and management of risks.
  3. Continuously monitoring and analyzing all important issues regarding the Company's risks.
  4. Providing guidance to company management on key risk issues.
  5. Overseeing the performance of the risk framework.
  6. Developing and promoting a risk culture within the organization.

1. **Membership**

The members of the Committee with voting rights consist of the following employees of the Company:

Ayşegül Gülgör – General Manager

Tolga Özkul – Assistant General Manager

Sinan Panayırcı – Assistant General Manager

Gözde Midillioğlu – Assistant General Manager

Burak Işık – Sales Director

Didem Tanrıverdi – Treasury Unit Manager

Onur Sarıcan – Second-Hand Unit Manager

Batuhan Biber – Technical Risk and Analysis Unit Manager

Zekine Altunhan – Purchasing and Delivery Manager

Haydar Uğur – Loans and Collection Unit Manager

Emrah Sarısaltık – Lawyer

Olcay Delibaş – Operations Unit Manager

Kaan Özgan – Customer Service Center Unit Manager

RMC may invite representatives or the third parties from other units of the Company to its meetings to attend as guest participants or to submit a report.

The Risk Management Committee is chaired by the General Manager. The Committee Secretary has been appointed as the Treasury Unit Manager; some of the duties of the Committee Secretary are as follows:

- To receive documents and reports to be submitted to the committee

- To determine the agenda and distribute it to the relevant people

- To keep records and minutes of the meeting, including the names of the participants.

**2. Meetings & Quorum**

RMC shall meet at least once in 3 months and often enough to achieve its goals.

The quorum for sessions is more than half of the number of members with the right of permanent voting. In case the quorum cannot be reached, the President may decide to convene the RMC.

With the approval of the majority of the existing members who have voting rights, RMC can take action with written permission, but the Chairman must also take part in this majority.

**3. Roles & Responsibilities**

Regarding the objectives stated under the heading numbered 1.1., the duty and responsibilities of the RMC are as follows:

1. To ensure the development of risk management models/methodologies,
2. To determine the appropriate technological infrastructure and tools for the calculation and management of risks and to encourage their development,
3. Developing the risk appetite framework to be reviewed at least once a year, and submit it to the relevant management bodies of the company for approval,
4. To examine and monitor reports on the status of risk appetite indicators;

where appropriate, to encourage the taking of necessary corrective measures,

1. To make analysis and oversight relating to the reports on the identification and evaluation of risks, the risk scenarios used and the risk and stress test exposed
2. To evaluate and encourage other actions that may be required to achieve or maintain the risk profile approved by the Board of Directors; and to ensure that a solid risk culture is developed within the company.

Regarding the risk assessment and management objectives stated under the heading numbered 1.2., the duty and responsibilities of the RMC are as follows:

1. Approving the risk policies and procedures and submitting them to the management bodies of the Company as appropriate. RMC should review the rules at specified intervals or at least once a year if a range is not specified.
2. Approving the maximum risk limits that need to be reviewed at least once a year and submit them as recommendations to the relevant management bodies when appropriate.
3. Approving an appropriate delegation system for risk taking and collection that must be adapted to the Company's organizational structure and strategic goals; and submitting it to the Company's management bodies for approval when appropriate.
4. To review and monitor regular reports on strategies and risk profile.
5. To review and monitor regular reports regarding the exposure to risk, compliance with the determined risk limits and possible limit excesses or warning levels and to provide timely communication.
6. Ensuring the correct measurement, evaluation and adequacy of the Company's reserves regarding loan losses.

**Appendix 1: Chart of Action**

* RMC will meet regularly once in 3 months. In emergencies, upon the request of any of the voting members, the Chairman may call the committee for a meeting by making a notice at least one day in advance.

* Voting members are required to attend the RMC meeting physically or via video or telephone conference. Only in exceptional circumstances may the Chairman allow to be discussed of the RMC matters and decisions by the members through e-mail.
* Regular meetings will be announced by the Secretary at least three full working days in advance. Extraordinary meetings must be announced at least one day in advance. The agenda submitted to the Committee and the names of the submitters will be included in the call statement.

* Documentation of the meeting will be delivered to the Committee members at least one full business day in advance.