

ANNEX-3 EARLY RISK DETECTION COMMITTEE WORKING PRINCIPLES

Article 1: Scope and Legal Basis

These working principles (the “**Working Principles**”) set forth the scope of duties and the Working Principles of the Committee of Early Risk Detection of the Board of Directors (“**Committee**”) of Aydem Yenilenebilir Enerji A.Ş. (the “**Company**”).

The Committee has been established upon the resolution of the Company's Board of Directors (the “**Board of Directors**”) in accordance with the provisions of the Capital Markets Law No. 6362, the Turkish Commercial Code No. 6102, the regulations of the Capital Markets Board of the Republic of Turkey (the “**CMB**”), including the “Corporate Governance Communiqué” No. II-17.1 (the “**Communiqué**”) and the corporate governance principles attached thereto, and the provisions of the Company's Articles of Association (the “**Articles of Association**”).

Article 2: Purpose

The Committee assists the Board of Directors in the formation of a committee of experts for identifying the risks that might jeopardize the existence, improvement and continuation of the Company in a timely manner, implementation of the appropriate risk management strategies and risk management, and also performs other duties imposed on it under the applicable legislation.

The Committee is also in charge of the following:

- i. Identifying and periodically evaluating the existing and potential operational, strategic, compliance, financial and other risks and taking measures against such risks ensuring the effectiveness of such measures and oversight;
- ii. Making recommendations for the establishment of risk management systems and systems aimed at forming the organizational infrastructure within the Company and increasing the functionality of such systems;
- iii. Recommending solutions against the risks relating to the Board of Directors and the audit committee.

Article 3: Organization and Membership

The Committee shall consist of at least two members. In the event that the Committee consists of two members, both of them, and in the event the Committee has more than two members, the majority of the members shall be elected from among the members of the Board of Directors who do not have executive functions. The chairperson of the Committee shall be one of the independent Board members. Persons who are not Board members but specialized in their fields may also become Committee members.

Members of the Committee are appointed by the Board of Directors. Term of office shall not exceed three years and the Committee members whose term of office expired may be re-appointed.

To the extent possible, members of the Committee are appointed from among persons who do not have executive duties. Members of the Committee may be persons who are specialized in fields such as accounting, finance, audit, law, management etc.

The Board of Directors shall provide the Committee with all kinds of resources and support it needs in order to perform its duties and obligations. The Committee may invite any executive it deems appropriate to the Committee meetings and inquire about their opinions. If it deems necessary, the Committee may resort to the opinions of individuals specialized in their fields. Costs of the consultancy services needed by the Committee shall be borne by the Company.

Article 4: Meetings

The Committee shall convene at the Company's headquarters or at another location where the members of the Committee are present, with the frequency deemed necessary for the efficiency of its operations, but in any event at least four times per year. Committee meetings shall be timed to coincide with the Board meetings to the extent possible.

The Committee convenes with the participation of the simple majority of its members and passes decisions with the majority of the members present at the meeting. The Committee shall put all its work in writing, keep records thereof and report to the Board of Directors regarding the results of the work conducted and the meetings held by the Committee. The findings and recommendations of the Committee within the scope of its duties and responsibilities shall be immediately reported to the Board of Directors in writing. The records of the Committee meetings shall be approved by the Committee members and kept together with the decisions of the Committee.

The Company's manager responsible for risk management or law and compliance manager takes the responsibility as a Rapporteur under the Chair of the Committee. The Rapporteur ensures the participation of the people whose chairperson wants to attend the meeting and is responsible for facilitating the meetings through, preparation of the agenda, informing the participants of the meetings, keeping meeting minutes and sharing the relevant documentation with the Committee members before the meeting and submitting of those documentation to the Company General Manager with the purpose of informing.

The Secretariat of the Board of Directors is responsible for the administrative organization of the meetings and the distribution of meeting minutes to the members of the Board of Directors and keeping the records.

Article 5: Duties and responsibilities

The Committee shall be in charge of the following duties:

- i. Establishing corporate risk management approach, ensuring the establishment and maintenance of an effective risk management framework;
- ii. Identification, evaluation and monitoring of the existing and potential risks that may have an effect on the Company's achievement of its targets in accordance with the corporate risk management systems, determining the principles aimed at managing the relevant risks in line with the Company's risk taking profiles, ensuring that the foregoing are taken into account in the decision making policies;
- iii. To carry out studies to determine the risk policies and the related standards and methodologies used in managing the risks within the Company and to submit them to the approval of the Board of Directors;
- iv. To carry out studies to prepare policies that define the risk appetite of the company and that comply with the strategic plans and targets approved by the Board of Directors, and submit them to the approval of the Board of Directors;
- v. To present the indicators within the scope of risk appetite for the approval of the Board of Directors by creating a proposal relating to their level; to monitor the indicators and submit the results, evaluations and recommendations to the Board of Directors when necessary;
- vi. To ensure effective implementation of the company's strategies and risk appetite throughout the Company;
- vii. To adequately inform the members of the Board of Directors about the risk-creating activities of the company, including strategic management, capital and resource management, risk profile, risk appetite, business activities, financial performance and reputation;
- viii. Ensuring the maintenance of the internal processes including capital and liquidity levels and asset-liability structure; implementation of stress testing, where appropriate, to ensure compliance with the company conditions
- ix. To ensure the integration of risk management and internal control systems into the Company's corporate structure and business processes;
- x. Working on determination of the risk taking profile (risk appetite, risk capacity, risk limit, etc.) of the Company, and to present recommendations to the Board of Directors and management;
- xi. To evaluate and approve risk studies carried out within the Company; informing the Board of Directors when necessary, and provide suggestions;
- xii. Identifying the risks that will be maintained, managed, shared or completely eliminated within the Company, by applying probability and impact calculations;
- xiii. Evaluate the development and maintenance of management reports to ensure that information is timely, accurate and relevant;
- xiv. To follow up the latest status of audit topics and findings, to evaluate the effectiveness and efficiency of the actions taken accordingly;
- xv. To supervise the activities regarding business continuity management;
- xvi. Examining the risk management systems at least once a year and monitoring the compliance with the Committee decisions of the practices of the relevant departments that are in charge of risk management;

- xvii. Identifying technical bankruptcy in a timely manner, if any, warning the Board of Directors in relation to the matter and making recommendations regarding the measures to be taken;
- xviii. Submitting a report to the Board of Directors every three months evaluating the situation, pointing towards the hazards and the applicable solutions, sending these reports to the auditor, audit committee and internal audit department as well;
- xix. Preparing annual reports to be submitted to the Board of Directors, aimed at providing a basis for the Board's evaluation of the Committee's efficiency, which shall be included in the annual activity report and cover issues such as the number of members, meeting frequency and activities of the Committee.

The Committee acts in accordance with its authorities and responsibilities, prepares and submits to the Board of Directors a report every three months, which includes the evaluation of the then current situation and the recommendations and comments of the Committee. The responsibility to take the eventual decision rests with the Board of Directors.

Article 6: Amendments

Amendments to the Working Principles of the Committee of the Early Risk Detection are subject to the approval of the Board of Directors.