

RISK COMMITTEE TERMS OF REFERENCE

PURPOSE

The Risk Committee shall identify the risks that might endanger the existence, development, and continuity of the Company, implement required measures and conduct risk management-related studies, and review the risk management systems at least once a year.

SCOPE

The Risk Committee shall

- a) create effective internal control systems to determine the possibility and extent of the significant risks that would affect the Company in achieving its strategic objectives;
- b) carry out duties needed to integrate risk management and internal control systems into the corporate structure of the Company;
- c) carry out duties needed to measure and report risk factors through risk management and internal control systems, and use the same in the decision-making process; and
- d) arrange for periodic reviews of its terms of reference and, if necessary, recommend any changes to the Board of Directors, with which the final decision on approval ultimately rests.

COMPOSITION AND STRUCTURE

- a) The Committee shall be established in line with the Articles of Association of the Company.
- b) The Committee shall consist of at least two members. Its chairman shall be selected from among the independent Board members. The CEO or the general manager cannot hold a position on the Committee.
- c) The Committee members shall be determined each year at the first Board meeting following the Ordinary General Assembly meeting.
- d) The Committee shall convene with a majority of its members and make decisions by majority votes.

- e) The secretary of the Board of Directors shall also be the secretary of the Risk Committee.

COMMITTEE MEETINGS & REPORTING

- a) The Committee shall convene at least four times per year and submit the minutes to the Board of Directors.
- b) The Committee shall inform the Board about matters within its scope of responsibility.
- c) The secretary shall take minutes and file the proceedings and resolutions of all Committee meetings.