



CEMENT

**OYAK ÇİMENTO FABRİKALARI A.Ş.
EARLY DETECTION OF RISK COMMITTEE INTERNAL DIRECTIVE**

1. PURPOSE

The purpose of this Internal Directive (“Directive”) is to define the duties, authorities, responsibilities, and working principles of the Early Detection of Risk Committee (“Committee”), established by the Board of Directors of OYAK Çimento Fabrikaları A.S. (“Company”) with the Board resolution dated 25.07.2012 and numbered 14, in accordance with the Capital Markets Board’s Communiqué on Corporate Governance Principles (“Communiqué”), to ensure the healthy execution of the duties and responsibilities of the Company’s Board of Directors.

The aim of the Early Detection of Risk Committee is the early identification of risks that may jeopardize the existence, development, and continuity of the Company within the scope of this regulation and relevant legislation, to implement necessary measures related to identified risks, and to manage risk.

2. AUTHORITY AND SCOPE

- The Board of Directors shall provide all necessary resources and support for the Committee to fulfill its duties. The Committee may invite any manager it deems necessary to their meetings and obtain their opinions.
- The Committee utilizes independent expert opinions on matters it deems necessary related to its activities. The cost of consultancy services required by the Committee shall be covered by the Company.
- Committee members are reappointed at the first Board of Directors meeting following the annual Ordinary General Assembly meeting.
- The Committee reviews and evaluates the adequacy of this Internal Directive and submits any proposed amendments to the Board of Directors for approval.
- The Committee evaluates the risk situation in a report submitted to the Board of Directors every two months, highlights any potential dangers, and suggests remedies. The report is also sent to the auditor.

3. STRUCTURE OF THE COMMITTEE

The majority of the Committee members shall consist of the Company’s Board members. If the Committee consists of two members, both must be members of the Independent Board of Directors. If there are more than two members, the majority must be non-executive Board members. The Executive Chairman and General Manager cannot serve



GROUP HOLDINGS



on the Committee. The Committee Chair is selected from among the Independent Board members.

4. COMMITTEE MEETINGS

The Committee may be convened at the request of the Committee Chairperson or any Committee member. Committee meetings shall be held based on the agenda distributed prior to the meeting by the Corporate Governance Secretariat (“Secretariat”). Decisions made during Committee meetings are documented in writing and archived by the Secretariat. Accordingly, after each meeting, a written report on the Committee’s activities, along with a summary of the minutes, is submitted to the Board of Directors. Meeting minutes are also kept by the Secretariat. The Committee may also meet via teleconference or by any other means.

The Committee makes decisions with a quorum consisting of a simple majority of its members.

The Committee conducts an annual self-assessment regarding its objectives, duties, and performance and reports the results of this evaluation to the Board of Directors.

5. DUTIES AND RESPONSIBILITIES

The Committee shall;

- In line with the risk appetite determined by the Board of Directors and the Board’s opinions.
 - Identifying and defining all risks that may threaten the existence, development, and continuity of the Company by assessing their likelihood and impact,
 - Establishing risk measurement models and risk management systems, and reviewing their effectiveness at least once a year,
 - Measuring and monitoring risks, providing information to the Board of Directors on the use of risk factors in decision-making processes, and issuing necessary warnings,
 - Making recommendations to the Board of Directors to improve risk management practices and models.
- Undertakes the necessary efforts to ensure that risk management policies and practices are adopted and implemented by all company units and employees.
- Meet at least six times a year. Minutes of the meetings are kept in writing. Meeting outcomes are reported to the Board of Directors. Meetings may also be conducted online if members cannot convene physically.

6. AMENDMENTS

Proposals for amendments to this Directive are submitted by the Committee to the Board of Directors. The proposals are included in the agenda of the Board's first meeting following the submission.

7. ENFORCEMENT

This amendment, as well as any modifications and updates thereto, shall take effect upon approval by the Board of Directors.

Note: This document has been translated into English for informational purposes. In case of a discrepancy between the Turkish and the English versions of this disclosure statement, the Turkish version shall prevail.