

İSVEA SERAMİK VE BANYO ÜRÜNLERİ SANAYİ ANONİM ŞİRKETİ (the “Company”)
WORKING PRINCIPLES OF THE EARLY DETECTION OF RISK COMMITTEE

1. Purpose

Pursuant to Capital Markets Law No. 6362 (the “CML”), Turkish Commercial Code No. 6102 (the “TCC”), the Corporate Governance Communiqué (II-17.1) issued by the Capital Markets Board of Türkiye (the “CMB”), as amended from time to time, and the Corporate Governance Principles set forth therein, the Company established the Early Detection of Risk Committee (the “Committee”) by a resolution of its Board of Directors.

The purpose of the Committee is to identify at an early stage risks that could jeopardize the Company’s existence, development and continuity, ensure that necessary measures are taken in respect of identified risks, and oversee the management of those risks.

2. Composition of the Committee

The Committee shall consist of at least two members. Where it has two members, both must be non-executive members of the Board of Directors; where it has more than two members, the majority must be non-executive members of the Board of Directors. The Committee Chair shall be selected from among the independent members of the Board of Directors. Persons with relevant expertise who are not members of the Board of Directors may also serve on the Committee.

The Chief Executive Officer/General Manager may not serve on the Committee.

Care shall be taken to ensure that a member of the Board of Directors does not serve on more than one committee. Where the same members are appointed to more than one committee due to the current structure of the Board of Directors and the number of independent members, the reasons for this arrangement shall be disclosed in the corporate governance compliance reporting.

The Committee’s members, remit and working principles shall be determined by the Board of Directors and disclosed on the Public Disclosure Platform (“PDP”, known as “KAP” in Turkish). The current working principles shall also be published on the Company’s corporate website.

The Board of Directors may replace Committee members whenever it deems necessary. The term of office of Committee members who are also members of the Board of Directors shall be limited to their respective terms as Board members. In the event of a vacancy on the Committee or the loss of a qualification required for membership, the Board of Directors shall make the necessary appointment to restore the Committee’s composition in accordance with applicable legislation.

3. Duties and Responsibilities of the Committee

The duties and responsibilities of the Committee are as follows:

- Identifying all risks that may jeopardize the Company’s existence, development and continuity by assessing their likelihood of occurrence and potential impact;
- Establishing risk measurement models and risk management systems and reviewing their effectiveness at least annually;
- Informing the Board of Directors and issuing necessary warnings concerning the measurement and monitoring of risks and the integration of risk factors into decision-making processes;
- Submitting recommendations to the Board of Directors for improving risk management practices and models;
- Undertaking the necessary work to ensure that risk management policies and practices are adopted and implemented by all Company departments and employees.

4. Activities and Meetings of the Committee

The Committee shall meet as frequently as it deems necessary, document and retain records of all its work, and submit reports to the Board of Directors concerning its activities and the outcomes of its meetings.

The Committee shall meet at least once every two months and at least six times a year. Extraordinary meetings may be convened at the request of the Committee Chair when necessary. Meeting outcomes shall be recorded in minutes signed by Committee members. In accordance with Article 378 of the TCC, the Committee shall assess the situation in its report to the Board of Directors every two months, identify any threats and propose remedies. This report shall also be forwarded to the Company's independent auditor.

The Committee shall convene with a majority of its total membership and adopt resolutions by the affirmative vote of a majority of its total membership. Where the Committee consists of two members, both members must attend and vote in favor. The outcomes of meetings and the reasons for any dissenting votes shall be recorded in minutes signed by the members attending the meeting.

Committee meetings shall be convened by the Committee Chair, with the agenda and relevant documents circulated to members in advance. The Investor Relations Department shall provide secretarial support to the Committee, including organizing meetings, forwarding minutes and reports to the Board of Directors, and maintaining the Committee's records.

The Board of Directors shall provide the resources and support necessary for the Committee to discharge its duties. The Committee may request information and documents relating to its remit from the relevant departments of the Company.

The Committee may invite any person it deems appropriate to its meetings and seek such person's views.

The Committee may obtain opinions from independent experts on matters relating to its activities when it considers such opinions necessary. The cost of any advisory services required by the Committee shall be borne by the Company. In such cases, information about the person or organization providing the services, and whether that person or organization has any relationship with the Company, shall be disclosed in the annual report.

5. Amendments to the Committee's Working Principles

Proposals to amend these working principles shall be submitted by the Committee to the Board of Directors. Such proposals shall be placed on the agenda of the Board of Directors' next meeting.

6. Entry into Force

These working principles were approved by a resolution of the Board of Directors dated 9 October 2026 and entered into force on the same date. Any amendments or updates to these working principles shall enter into force upon a resolution of the Board of Directors.