



FORM SÜNGER

SUSTAINABLE SUPPLY CHAIN POLICY

Parent Process: Sustainability Management

Child Process: Sustainable Supply Chain

Policy: Sustainable Supply Chain Policy

Policy No:

First Published:

Approved by:

Revision No:

Latest Revised:

Approved by:

SECTION 1. OBJECTIVE

1.1. Sustainable Supply Chain Policy (hereinafter, "Policy") aims to define the principles for managing the supply chain operations of Form Sünger ve Yatak Sanayi Ticaret A.Ş. (hereinafter, "Company") in order to maximize the profitability of the supply chain while minimizing its environmental impact and maximizing its impact on social welfare.

SECTION 2. DEFINITIONS

2.1. Terms used in this policy that have a specific meaning are briefly defined below:

Company: Form Sünger ve Yatak Sanayi Ticaret A.Ş.

Policy: Sustainable Supply Chain Policy

Employees: Company managers and workers.

Sustainability: In line with the United Nations' definition, means meeting our own needs without compromising the ability of future generations to meet their own needs.



Greenhouse Gas Emissions: Refers to the release of gases such as Carbon Dioxide (CO₂), Methane (CH₄) and Nitrous Oxide (N₂O) into the atmosphere, which cause the sun's rays reflected from the Earth to be trapped in the atmosphere and warm the Earth.

Supply Chain: Refers to the entire system of companies, people, technology, activities and resources involved in the movement of a product or service from supplier to customer.

SECTION 3. SCOPE

3.1. This policy applies to

- a) General Manager,
- b) Company managers and workers,
- c) Service or good vendors, and their employees,
- d) Other persons including all individuals and organizations working for Company including consultants, lawyers, advisors and external auditors, as well as customers with a business relation with Company ("**Business Partners**").

SECTION 4. PRINCIPLES

4.1. Company prefers suppliers that operate in accordance with its sustainability policy and principles. It considers environmental performance, occupational health and safety standards, human rights and working conditions in supplier selection.

4.3. Company gives preference to local suppliers and producers as long as it is appropriate in terms of quality, economy and sustainability.

4.4. Company expects its suppliers to comply with all laws and regulations regarding environmental impact and to regularly measure, monitor and improve their environmental impact. In this context:

4.4.1. Company may request environmental data from its suppliers, such as annual greenhouse gas emissions, waste quantities, water footprint.



4.4.2. Company prefers and supports suppliers with strategies and roadmaps on environmental issues to reduce greenhouse gas emissions, waste generation and water consumption.

4.4.2. Company prefers products with Life Cycle Analyses and suppliers that produce these products.

4.5. Company expects its suppliers to comply with the Code of Conduct Policy. In this context, Company expects from its suppliers:

4.5.1. To respect human rights and provide fair working conditions. To use effective control and monitoring mechanisms in the supply chain to protect the rights of employees, create safe and healthy working environments, and prevent child labor and forced labor.

4.5.2. To respect the right of employees to organize and collective bargaining as set out in the law.

4.5.3. Not to engage in anti-competitive practices and to comply with applicable legislation in this regard.

4.6. Company works to increase the sustainability of its supply chain by constantly seeking new solutions and innovative approaches.

4.7. Company is in constant communication with its suppliers. Company encourages the sharing of knowledge and experience to increase the sustainability awareness of its suppliers.

4.8. Company evaluates its suppliers in terms of environmental and social aspects in the scope of above principles. For this purpose, it adds the necessary criteria to the Supplier Evaluation System and updates it regularly.

4.9. Company applies Supplier Environmental and Social Assessment process when selecting its suppliers and assigns a rating according to our Supplier Environmental and Social Assessment System. This rating is one of the main requirements for supplier selection.

4.9.1. Existing suppliers are rated at least once a year according to Supplier Environmental and Social Assessment System.

4.9.2. Company may request corrective action and follow up the process with suppliers that go beyond the expectations of a sustainable supply chain, do not make efforts to compensate for nonconformities, and act incompatible with its priorities in this area, and may suspend or terminate the business relationship in cases where no solution is found.



4.9.3. Company evaluates suppliers whose business relationship was suspended or terminated the business relationship in accordance with the performance of Supplier Environmental and Social Assessment System or the nonconformities identified, to improve their performance or to eliminate the problems before re-establishing a business relationship.

SECTION 5. ROLES AND RESPONSIBILITIES

5.1. General Manager

5.1.1. General Manager is responsible for overseeing of effective operation of the reporting, investigation and sanction mechanisms in cases of actual and suspected violations of principles defined in the Policy.

5.2. Sustainability Committee

5.2.1. Sustainability Committee is responsible for establishing the necessary communication channels for reporting actual or suspected violations of the principles defined in the Policy and for investigating the reported actual or suspected violations.

5.3. Sustainability Department

5.3.1. Sustainability Department is responsible for creating, implementing and revising the policy.

5.3.2. Sustainability Committee is responsible for monitoring all strategies and projects created by Company in line with its sustainability goals.

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SECTION 6. EFFECTIVENESS



6.1. This Policy is made effective with a Resolution of General Manager. This Policy will remain in full force and effect until a revised version is put into effect.

SECTION 7. REVIEW

7.1. This Policy is subject to regular review by Sustainability Committee annually on the basis of changes to the processes or technical infrastructure. Reviewed and updated policy will be signed off by General Manager.

SECTION 8. RELATED POLICIES AND PROCEDURES

Environmental Policy

Code of Conduct Policy

Human Rights Policy

Human Resources Policy

Anti-Bribery and Anti-Corruption Policy

Sustainability Policy