SUSTAINABLE SUPPLY CHAIN POLICY

Purpose and Commitment

As Politem, we are committed to managing the environmental, social, and economic impacts throughout our entire supply chain through an integrated approach. We view sustainability not merely as a procurement activity, but as an end-to-end value chain approach extending from demand planning through production, quality, logistics, distribution, and the product life cycle.

Our objective is to create sustainable value, ensure operational continuity, and promote responsible business practices together with all our business partners.

Scope

This policy covers all supply chain activities, including:

- Demand and capacity planning
- Procurement and supplier management
- Logistics and warehousing
- Production and maintenance processes
- Quality control and product safety
- Distribution and customer processes
- Product life cycle and recovery

Our Fundamental Principles

1. Environmental Responsibility

Politem:

- Supports reducing environmental impacts throughout the life cycle of products, including carbon emissions, water consumption, and waste.
- Supports increasing energy efficiency and encouraging the use of renewable energy.
- Adopts circular economy principles.
- Supports biodiversity protection and prevention of deforestation.
- Ensures traceability of products and raw materials.
- Supports the development of environmentally friendly technologies.
- Expects suppliers to adopt the same approach.

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2. Combating Climate Change

Politem supports the transition to a low-carbon economy. In this context:

- Suppliers are expected to measure and reduce their greenhouse gas emissions.
- International standards such as the Greenhouse Gas Protocol are encouraged for emissions calculations.
- Progress in line with science-based targets (Science Based Targets initiative) is supported.
- Energy efficiency and the use of renewable energy are prioritized.

3. Social Responsibility

- Zero tolerance is shown toward child labor and forced labor.
- Employees are expected to receive fair wages, safe working conditions, and equal opportunities.
- Discrimination, harassment, and human rights violations are not permitted.

4. Governance and Business Ethics

- Transparency, anti-bribery and anti-corruption, information security, and fair competition form the foundation of our supplier relationships.
- Supporting local suppliers and SMEs in the regions where we operate, contributing to local employment, and increasing the sustainability capacity of these businesses are part of our economic responsibility.

Operational Supply Chain Management

- Demand forecasting and capacity planning processes are carried out effectively.
- Resource utilization is optimized.
- Continuity of supply is monitored.
- Suppliers are evaluated according to sustainability and risk criteria.
- Supplier performance is monitored regularly.
- Improvement plans are established for high-risk suppliers.

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Operational Supply Chain Management (continued)

- Energy and resource efficiency are increased.
- Process-related emissions are reduced.
- Waste and scrap rates are minimized.
- Incoming, in-process, and final product controls are implemented.
- Products are managed according to traceability principles.
- Compliance with all legal and customer requirements is ensured.
- Preventive maintenance is applied to critical equipment.
- Unplanned downtime is minimized.
- Production continuity is secured.
- Environmental impacts from transportation processes are reduced.
- Storage conditions are managed to preserve product quality.
- Inventory levels are optimized.
- Transparent information sharing is ensured in line with customer expectations.
- Product sustainability data is provided upon request.
- Waste recovery is encouraged.
- Product life cycle impacts are assessed.
- The use of recycled and sustainable raw materials is supported.

Supply Chain Resilience

Politem aims to increase resilience against disruptions in the supply chain:

- Alternative suppliers are developed for critical raw materials.
- Strategic inventory levels are established.
- Supplier risks are analyzed regularly.
- Market developments are monitored through early warning mechanisms.

Audit, Compliance and Reporting Mechanism

Suppliers may be evaluated and audited for compliance with this policy. In cases of non-compliance, corrective actions are requested.

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Politem conducts training, guidance, and cooperation programs to develop the sustainability capabilities of strategic suppliers.

If a situation contrary to the principles of this policy is identified within our supply chain, we operate a transparent “Ethics Reporting Line” through which employees and stakeholders can report concerns without fear of retaliation. Reported violations are reviewed confidentially and the necessary corrective actions are taken.

Commitment

This policy encompasses Politem’s responsibility not only for its operations today, but also for protecting the resources of future generations.

In procurement and supply chain decisions, the Total Cost of Ownership and Life Cycle approaches are adopted, taking into account not only cost but also environmental and social impacts.