



SUPPLY CHAIN MANAGEMENT POLICY

The purpose of this policy is to determine and declare the standards and basic principles that BAFA observes in its relations with its suppliers. With this policy, it is aimed to establish and develop relations with suppliers who are responsible in the procurement process and act in accordance with the goal of quality and business conduct. The determination of our principles is based on the United Nations Global Compact, the International Labor Organization (ILO) Fundamental Conventions and national laws.

This Policy covers our management approach and commitments to the supply chain. Our other policies, reports and statements, such as our Code of Ethical Conduct, Sustainability Policy, Health and Safety policy, Combating Modern Slavery and Bribery, should be read and interpreted in conjunction with this policy.

We expect our suppliers to comply with the Policy, and to convey the Policy to their employees and suppliers. The Policy is included in all supplier contracts globally and we select our suppliers among companies that comply with the Policy.

As explained, the integrity of our supply chain can be affected by many factors; while the key elements are set out in this policy statement, we also have other supporting policies referenced in this document.

OUR BASIC IDEA OF THE SUPPLY CHAIN

Our diverse global business operations are based on relationships with thousands of business partners. The importance of creating sustainable supply chains has increased considerably in recent years. BAFA takes initiatives to protect the global environment while supporting the sustainable development of society, both internally and with business partners throughout supply chains. We believe that such efforts directly contribute to the competitiveness and differentiation of the company.

As we proactively engage with our supply chain partners to understand issues at the root cause level, we consider what is most relevant to their individual work environments. This approach allows us to effectively prioritize issues, develop collaborative and transparent relationships with key suppliers, support capacity building in the areas that matter most, and respond quickly to emerging challenges.

GENERAL PRINCIPLES

BAFA has adopted the principle of conducting its activities in a responsible and ethical manner. Within the framework of our Corporate Social Responsibility Approach, we are committed to abiding by the principles of transparency, fairness, accountability and responsibility in supply chain management. These policies are posted online on our website so that those interested can learn more about new protocols or updates.

We believe supply chain transparency is essential to our human rights due diligence approach and to ensure employee protection. We work to provide customers and external stakeholders with visibility into where we source and contribute to transparency efforts across industries. When we receive information about potential issues in our supply chain, we investigate them and take appropriate action to correct them.

As BAFA, we take care to comply with the laws of the countries in which we operate in our supply chain management processes and carry out the necessary compliance processes. We attach importance to the compliance of the persons with whom we do business, with whom we purchase goods or services, with all relevant laws and regulations, including business conduct, product quality, environmental standards, occupational health and safety, and labor and employment laws, in all countries where they do business.

In collaboration with our business partners, we will actively address challenges such as work environment issues throughout the supply chain. We will appropriately disclose supply chain information when communicating with business partners and suppliers.

TARGETS

We have established minimum requirements under the following categories, working with our suppliers to improve these areas:

-Environmental management

Acquire ISO14001 certification or establish an equivalent management structure.

-Quality management

Acquire ISO9001 certification or establish an equivalent management structure.

-Contract management

Execution of a basic purchasing agreement including compliance with Sustainable Procurement Guidelines.

-Financial management

Determine no risk of bankruptcy as a result of a financial assessment or credit review analysis.

ETHICAL PRINCIPLES

Suppliers must comply with the sectoral agreements, laws and regulations, and competition conditions in accordance with the legislation they are affiliated with. It should comply with the tender conditions, and should not make any kind of action or offer that could turn the tender conditions in their favour. The supplier should not share our trade secrets with third parties without our consent and should not benefit from such actions.



Suppliers must show no tolerance for corruption and bribery; they must not give or receive any gifts or payments for the purpose of gaining benefit or facilitating a process. They must create mechanisms and policies to combat corruption and bribery. Situations that could create a conflict of interest must be avoided, and the intellectual property rights of business partners must be protected.

Otherwise we will offer trading opportunities to all suppliers who agree with us, and we will actively consider purchasing from new suppliers. Quality, cost, delivery time, services, initiatives, etc. to fairly select suppliers. We will make a comprehensive decision.

Our suppliers play a critical role in our business and our relationships with them are based on achieving best performance, product, delivery, service and total cost in an ethical and sustainable manner. BAFA recognises that its responsibilities do not end at our warehouses and that they extend to our supply chain.

RESPECT FOR HUMAN RIGHTS

We try not to violate or contribute to human rights in our business activities. We also aim to prevent violations by others through our business relationships, including supply chains. The main principles are given below.

- **CHILD LABOR**

Suppliers must comply with the minimum legal age limit. Young workers above the minimum age must be protected from all factors at the workplace that could affect their social, physical and emotional development and health and their education must not be obstructed.

- **FORCED LABOR**

Not to tolerate forced labor or any forms of modern slavery, including bonded labor or human trafficking.

- **FREEDOM OF ASSOCIATION AND RIGHT TO COLLECTIVE BARGAINING**

To respect the rights of employees to associate freely and bargain collectively in our labor-management relations.

- **WORKING HOURS AND WAGES**

To properly manage employees' working hours, holidays, leaves of absence, and wages in accordance with applicable laws and regulation

COMMUNICATION WITH INTERNAL & CUSTOMERS

Integrity standards and codes of conduct have been determined for the personnel, and the announced rules are expected to be complied with. Persons appointed by the company officials establish a complaint channel and quick response mechanism to respond to internal or external complaints within a reasonable time; maintains interaction and communication with customers and suppliers with detailed records of the entire process. The company provides various trainings on product quality, safe production, business skills and protection of rights to improve its operations.



ENVIRONMENTAL PRINCIPLES

BAFA continues its activities by complying with the applicable environmental laws and relevant legislation. Acting by considering the environmental consequences of all the steps it takes, our Company strives to keep fuel consumption, carbon and other air emissions, natural resource usage and waste generation to a minimum.

Paying maximum attention to the environment, technologically and economically feasible by applying an appropriate degree of effectiveness and not only in the prevention of pollution, but also in the assessment of impacts on such environment Issues such as climate change and the protection of biological diversity are among our main responsibilities.

HEALTH AND SAFETY

Our company undertakes to provide a safe and healthy working environment for its employees, taking into account national and international standards and in accordance with the specific dangers/risks of the activity it carries out. At this point, how all the necessary measures are taken and what kind of policy is followed will be seen in detail in the Occupational Health and Safety Policy published on our website. The main principles are also summarized here;

-The secure area of the warehouse is regarded as 'off limits' to all employees other than those that work in that area. Being found in the store/warehouse area without permission will be regarded as a very serious offence and disciplinary action will be taken.

-A safety and housekeeping audit will be performed in the store on an annual basis. The warehouse supervisor, prior to the next annual audit, will rectify any non-conformities.

-Hazardous products such as fuels, compressed gases, insecticides, alcoholic substances, ether and other flammable, toxic or corrosive substances must be stored separately, preferably in a cool, secured shed in the compound but outside the main warehouse. Every store should have at least the First Aid facility. Specialized fire fighting equipment and chemicals should be stored at all times for the initial containment of fire.

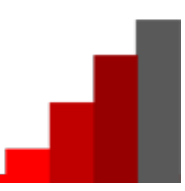
ANTI-CORRUPTION

BAFA works in accordance with the current local legislation, ethical rules and the policies it has declared, and does not accept any form of corruption, extortion or bribery. This includes prohibiting bribery of any kind and not allowing any person to promise, offer or give any benefit or advantage of any nature to any person. Our policy on this matter and our principles for combating are explained in detail in our Anti-Bribery and Anti-Corruption policy and announced on our website.

CONFIDENTIAL AND COMPETITOR INFORMATION

All competitor information is obtained and used legitimately and in accordance with all applicable laws and regulations. BAFA does not share confidential information about third parties without express prior consent, and confidential information of the Company should not be shared with third parties.





QUALITY POLICY

Our primary goal is to fully identify, perceive, and fulfill the current and future needs and expectations of our customers, and in this way to ensure full satisfaction. In this context, our main principles are to increase the competencies of our employees, who are voluntary implementers and laborers of our Quality Policy, through planned training activities, to comply with all relevant sectoral, national and international legislation and laws while performing our services, to implement a Quality Assurance System in accordance with ISO 9001 standard, and to increase the effectiveness of this system by maintaining it. we are.

RISK ASSESSMENT

We routinely evaluate our supply chain to understand the highest risks to employees and prioritize our efforts. To do this, we engage key internal and external stakeholders, analyze our risks using international risk indexes, conduct worker surveys and conduct assessments that include worker interviews, management interviews, document review, and on-the-spot assessments. visits. We regularly consult with industry experts to review our approach to risk assessment against globally recognized international standards and industry best practices.

LEGISLATION COMPLIANCE

Our company complies with all national and international legislation and internal regulations at the highest level. It ensures that all kinds of financial reports, financial statements and records are kept in accordance with national and international accounting standards. It acts in accordance with all applicable laws, regulations, rules, principles and internal regulations, international law rules and moral values.

We are committed to being transparent about how we are performing against our commitments. Therefore, we reflect realistic goals and practices in this policy. We constantly monitor developments in our industry to make sure our goals are up to date and to achieve the best. As part of this process, we also welcome feedback from stakeholders, customers, suppliers and other industry partners.

This policy is followed periodically in line with the requirements and updated when deemed necessary.