



M M FORGINGS LIMITED

Doc No : POL-16

Rev No : 1.0

POLICIES

Date : 29th May 2026

Ethical Sourcing and Procurement Policy

1. Purpose: The purpose of this policy is to define MM Forgings Limited's commitment to ethical, responsible, and sustainable sourcing and procurement practices that support environmental protection, occupational health and safety, fair labor standards, and legal compliance. It ensures alignment with the requirements of our Integrated Management System (IMS) in accordance with ISO 14001:2015 and ISO 45001:2018.

2. Scope: This policy applies to all procurement activities of MM Forgings Limited, including materials, components, equipment, and services sourced for forging, heat treatment, machining, grinding, phosphating, and allied operations. It also extends to suppliers, subcontractors, and business partners involved in the supply chain.

3. Policy Statement:

MM Forgings Limited is committed to conducting all sourcing and procurement activities in a manner that:

- Protects the environment
- Promotes safe and healthy working conditions
- Respects human rights and labor laws
- Supports ethical business conduct
- Ensures legal and regulatory compliance

4. Key Commitments:

- **Human Rights:** Ensure that all suppliers adhere to human rights standards, including fair treatment, non-discrimination, and freedom from forced or child labor.
- **Environmental Responsibility:** Work with suppliers who follow environmentally responsible practices, including the reduction of waste, energy consumption, and pollution.
- **Fair Trade Practices:** Engage in fair and transparent trade practices, ensuring that all transactions are conducted ethically and in compliance with local and international regulations.
- **Compliance:** Ensure that all procurement activities comply with applicable laws, regulations, and IMS.

5. Supplier Selection and Evaluation:

- **Selection Criteria:** Suppliers must meet our ethical, environmental, and quality standards. We will assess potential suppliers based on their adherence to these criteria and their commitment to sustainable practices.
- **Due Diligence:** Conduct thorough due diligence on suppliers to verify their compliance with our ethical sourcing standards. This may include site visits, audits, and reviews of their policies and practices.



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- **Ongoing Evaluation:** Regularly evaluate the performance of suppliers to ensure continued compliance with our ethical standards. This includes monitoring their environmental practices and labor conditions.

6. Code of Conduct for Suppliers:

- **Labor Practices:** Suppliers must comply with laws related to labor practices, including fair wages, safe working conditions, and the right to freely chosen employment.
- **Environmental Impact:** Suppliers are expected to implement measures to minimize their environmental impact, including waste reduction, resource conservation, and pollution control.
- **Ethical Behaviour:** Suppliers must operate with integrity and transparency, avoiding conflicts of interest, bribery, and corruption.

7. Reporting and Addressing Violations:

- **Reporting Mechanism:** Suppliers and employees can report any ethical concerns or violations related to sourcing and procurement practices. Reports can be made through internal channels or anonymous reporting systems.
- **Investigation:** All reported concerns will be investigated promptly and thoroughly. Appropriate corrective actions will be taken to address any violations and prevent recurrence.
- **Non-Retaliation:** Whistleblowers will be protected from retaliation for reporting concerns in good faith. Any retaliation will be treated as a serious violation of company policy.

8. Training and Awareness:

- **Employee Training:** Employees involved in procurement and sourcing will receive training on ethical sourcing practices, including how to identify and address potential issues.
- **Supplier Training:** Suppliers will be informed about our ethical sourcing requirements and provided with guidance on how to comply with our standards.

9. Compliance with IMS:

- This policy aligns with IMS, focusing on ethical practices in labor, health and safety, the environment, and business ethics.
- Regular audits will be conducted to assess compliance with this policy and identify opportunities for improvement.

10. Policy Review and Updates:

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- This policy will be reviewed annually or as needed to ensure its effectiveness and compliance with evolving standards and regulations.
- Updates to the policy will be communicated to all employees and suppliers to ensure continued adherence.

Document Revision control			
Rev No'	Revision Date	Changes Made	Approved by
1	29 th May 2026	Annual review conducted and reaffirmed	MR – Management systems
0	1 st Oct 2024	Policy document is prepared	MR – Management systems