



# The Metal Powder Company Ltd.

THIRUMANGALAM, MADURAI - 625706

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02.04.2025

## Sustainable Procurement Policy

### 1. Purpose

The Metal Powder Company (MEPCO) is committed to responsible and sustainable sourcing of raw materials, products, and services. This policy ensures that our procurement practices support environmental protection, ethical business conduct, social responsibility (including community well-being), and long-term value creation across our global supply chain.

### 2. Scope

This policy applies to:

- All suppliers, contractors, and business partners.
- All materials sourced domestically and internationally, including raw materials, consumables, packaging, logistics, and services.
- All MEPCO employees involved in procurement activities.

### 3. Guiding Principles

MEPCO's sustainable sourcing practices follow globally recognized frameworks, including:

- UN Guiding Principles on Business and Human Rights
- UN Sustainable Development Goals (SDGs)
- ISO 20400: Sustainable Procurement Guidance
- National and international environmental and labour laws

### 4. Environmental Responsibility and Climate Action

We expect all suppliers to minimize environmental impact and demonstrate a commitment to addressing climate change by:

- Complying with all environmental laws, regulations, and operating permits.
- **Greenhouse Gas (GHG) Emissions Management:**
  - Measuring and reporting Scope 1 and Scope 2 GHG emissions where relevant, and working toward verifiable emissions reduction targets
  - Prioritizing the use of **renewable energy sources** in production and operations.
- Reducing waste, effluents, and overall resource consumption.
- Practicing efficient use of energy, water, and natural resources.
- Promoting recycling, material circularity, and waste recovery, especially for high-volume materials like scrap metal feedstock and packaging.

- Implementing strict controls to reduce dust, air and water pollutants, and hazardous waste, which is particularly crucial in metal processing.
- Avoiding sourcing from ecologically sensitive, protected, or illegally mined areas.
- Where relevant, suppliers should maintain certifications such as:
  - ISO 14001 (Environmental Management)
  - Responsible Mining Assurance (for ores/minerals)
  - REACH/RoHS compliance (for chemicals/alloys)

## 5. Ethical and Responsible Business Conduct – Code of Conduct

Suppliers must comply with the MEPCO Supplier Code of Conduct, which prohibits and sets standards for the following:

- **Anti-Corruption and Anti-Bribery:** Conducting business ethically, without offering, promising, or accepting any form of bribery, corruption, extortion, or fraud.
- **Fair Competition:** Adhering to all applicable anti-trust and competition laws.
- **Data Integrity:** Maintaining transparent, accurate, and complete records of all business activities, including financial transactions and compliance documentation.
- **Conflict of Interest:** Declaring and managing any potential or actual conflicts of interest.
- **Intellectual Property:** Respecting intellectual property rights and maintaining confidentiality of MEPCO information.
- **Responsible Sourcing of Minerals:** MEPCO prohibits the procurement of materials linked to illegal mining, conflict regions (as defined by international frameworks), or unethical practices.

## 6. Human Rights & Labour Practices

We expect suppliers to uphold internationally recognized labour standards, including:

- **Prohibition of Forced Labour and Child Labour:** Strictly prohibiting child labour (as defined by ILO conventions) and all forms of forced, bonded, or compulsory labour.
- **Fair Employment:** Ensuring fair wages, reasonable working hours, and legally mandated benefits.
- **Non-Discrimination:** Ensuring non-discrimination and equal opportunity in all employment aspects (hiring, compensation, promotion, etc.).
- **Freedom of Association:** Respecting workers' right to freedom of association and collective bargaining.

## 7. Health & Safety

Suppliers must provide a safe and healthy working environment by:

- Identifying, assessing, and mitigating operational hazards and risks.
- Providing necessary Personal Protective Equipment (PPE) and regular safety training.
- Implementing practices that minimize risks associated with handling metal powders, chemicals, and combustible materials (e.g., dust explosion prevention).
- Preparing and maintaining robust emergency response plans.
- Maintaining relevant safety certifications such as ISO 45001.

## 8. Community Engagement and Social Impact

Suppliers, particularly those in extractive or significant manufacturing industries, are expected to:

- **Engage with Local Communities:** Establish transparent and constructive dialogue with local communities affected by their operations.
- **Minimize Negative Impact:** Actively work to minimize any negative impacts (environmental, social, or economic) on local communities, including displacement, noise, and traffic.
- **Contribute to Development:** Where appropriate, support local social and economic development through local hiring, skills training, and community investment projects.
- **Land Rights:** Respect the land tenure rights of indigenous peoples and local communities.

## 9. Traceability & Transparency

Metal Powder Company requires complete transparency across the supply chain. Suppliers must:

- **Disclose Origin:** Clearly disclose the origin of all raw materials, including the mine or source and processor, especially for critical materials.
- **Provide Documentation:** Provide documentation for mining, processing, and transport of materials.
- **Facilitate Traceability:** Maintain and provide robust traceability records for ores, alloys, chemicals, powder feedstock, and scrap.
- **Certifications:** Submit required certifications, testing reports, and declarations

## 10. Supplier Assessment & Monitoring

MEPCO evaluates suppliers on sustainability performance through:

- Pre-qualification assessments and due diligence checks.
- Periodic audits, site visits, and independent third-party verification.
- Documentation reviews (legal, environmental, safety, quality, and ethics).
- Performance indicators tracking environment, labour, ethics, and safety performance.
- Corrective Action Plans (CAPs) may be required for non-compliances, and failure to comply may result in termination of the business relationship.

## 11. Continuous Improvement

We encourage suppliers to:

- Participate in recognized sustainability programs such as EcoVadis, CDP, or the Responsible Business Alliance to enhance accountability.
- Invest in cleaner technologies, pollution-control systems, and renewable energy.
- Reduce the overall carbon footprint and improve material efficiency.
- Participate in supplier training programs and capacity-building initiatives provided by MEPCO.

## 12. Policy Review

MEPCO will conduct annual reviews of this policy to ensure its relevance, effectiveness, and alignment with international standards and best practices. Outcomes of these reviews will be documented, and any necessary amendments or enhancements will be promptly implemented.

The Procurement Head is responsible for promoting awareness, understanding, and compliance with the policy throughout the organization and supply chain.

For THE METAL POWDER COMPANY LTD.,



Chief Executive Officer

Approving Authority:

CEO/MD