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MBM India - Sustainable Procurement Policy

1. Introduction

MBM India is committed to responsible, ethical, and sustainable procurement practices that support long-term business resilience while creating positive environmental, social, and economic value. This Sustainable Procurement Policy establishes the principles and commitments that guide procurement decisions across the value chain, in alignment with ISO 20400 and ISO 26000. The Policy aims to ensure that sustainability considerations are systematically integrated into sourcing, supplier selection, contracting, and supplier relationship management.

2. Scope

This Policy applies to:

- All procurement and sourcing activities undertaken by MBM India.
- All employees involved in procurement, supply chain, finance, operations, and contract management.
- All suppliers, contractors, consultants, distributors, agents, and other business partners providing goods or services to MBM India.

3. Guiding Principles

MBM India's sustainable procurement approach is guided by the following principles:

- Accountability and Transparency in procurement decisions and supplier engagement
- Ethical Conduct and Integrity, including zero tolerance for bribery, corruption, and unethical practices
- Respect for Human Rights and fair labor practices
- Environmental Stewardship and efficient use of resources
- Inclusive Growth and Supplier Diversity
- Risk-Based and Lifecycle Thinking in sourcing decisions
- Continuous Improvement and Collaboration with suppliers

4. Policy Commitments

4.1. Leadership, Governance & Accountability

- MBM India commits to embedding sustainable procurement as a core element of its business strategy and governance framework. Senior management shall provide oversight, resources, and accountability to ensure sustainability principles are effectively integrated into procurement policies, procedures, and decision-making processes.
- The Company commits to clearly defining roles and responsibilities within the procurement and supply chain functions to ensure accountability for sustainability performance and compliance with this Policy.

4.2. Ethical Conduct & Fair Operating Practices

- MBM India commits to conducting all procurement activities with integrity, transparency, and fairness, and maintains zero tolerance for bribery, corruption, facilitation payments, kickbacks, collusion, fraud, or conflicts of interest across its supply chain.
- The Company commits to implementing ethical procurement controls, including conflict-of-interest declarations, supplier integrity checks, contractual anti-bribery clauses, and monitoring mechanisms, in alignment with ISO 20400, ISO 26000 (Fair Operating Practices), and EcoVadis Ethics requirements.

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4.3. Integration of Sustainability into Procurement Decisions

- MBM India commits to systematically integrating environmental, social, ethical, and governance considerations into all procurement decisions, alongside traditional commercial criteria such as cost, quality, delivery, and technical performance.
- Sustainability considerations shall be embedded throughout the procurement life cycle, including needs identification, supplier selection, contract award, performance management, and contract closure, in accordance with ISO 20400 guidance.

4.4. Human Rights & Labour Standards

MBM India commits to respecting and promoting internationally recognized human rights throughout its supply chain and expects suppliers to operate in full compliance with applicable labour laws and international standards.

Suppliers are expected to:

- Prohibit child labour, forced labour, bonded labour, and human trafficking
- Ensure non-discrimination, dignity, and equal opportunity
- Provide fair wages, legally compliant working hours, and statutory benefits
- Respect freedom of association and collective bargaining

The Company commits to assessing, monitoring, and addressing human rights risks within its supply chain through due diligence, supplier assessments, and corrective action processes.

4.5. Occupational Health & Safety in the Supply Chain

- MBM India commits to promoting safe and healthy working conditions across its supply chain and expects suppliers and contractors to implement effective occupational health and safety management practices.
- Suppliers shall be expected to identify workplace hazards, manage risks, provide adequate training and personal protective equipment, and maintain emergency preparedness and incident reporting mechanisms, consistent with legal requirements and recognized best practices.

4.6. Environmental Responsibility & Climate Considerations

MBM India commits to minimizing environmental impacts across its supply chain by promoting responsible resource use, pollution prevention, and environmentally sound practices.

The Company commits to encouraging suppliers to:

- Improve energy and water efficiency
- Reduce waste generation and promote reuse and recycling
- Control emissions, effluents, and noise
- Manage chemicals and hazardous substances responsibly
- Adopt environmentally preferable materials and low-impact processes

Environmental performance shall form a key component of supplier evaluation and monitoring, in line with EcoVadis Environment criteria.

4.7. Lifecycle Thinking & Responsible Consumption

- MBM India commits to applying life cycle thinking in procurement decisions by considering environmental and social impacts from raw material sourcing through production, transportation, use, and end-of-life management.

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- The Company commits to encouraging the procurement of durable, repairable, recyclable, and upgradeable products and services that support circular economy principles and reduce long-term environmental and social impacts.

4.8. Supplier Due Diligence & Risk-Based Management

MBM India commits to implementing a risk-based supplier due diligence framework that identifies and prioritizes environmental, social, ethical, and operational risks within the supply chain.

This may include:

- Sustainability self-assessment questionnaires
- Documentation and certification reviews
- Desktop risk screening
- On-site audits for high-risk suppliers
- Enhanced due diligence where heightened risks are identified

Risk mitigation actions shall be proportionate to the level of risk and tracked through defined corrective and preventive action plans.

4.9. Supplier Monitoring, Performance & Continuous Improvement

- MBM India commits to monitoring supplier sustainability performance on an ongoing basis and to addressing non-conformities through structured corrective and preventive action mechanisms.
- The Company commits to engaging collaboratively with suppliers to improve sustainability performance through dialogue, training, guidance, and capacity-building initiatives, recognizing that sustainable procurement is a shared responsibility.

4.10. Responsible Contracting & Purchasing Controls

- MBM India commits to embedding sustainability, ethical conduct, human rights, health and safety, and environmental requirements into supplier contracts, purchase orders, and commercial agreements.
- Compliance with these requirements shall be a condition of doing business with MBM India and shall be considered during supplier performance reviews and renewal decisions.

4.11. Inclusive Procurement & Community Development

- MBM India commits to supporting inclusive economic development by encouraging local sourcing, MSME participation, and responsible supplier development initiatives where commercially and operationally feasible.
- The Company recognizes procurement as a lever for positive social and economic impact within the communities in which it operates.

5. Grievance Mechanisms & Transparency

- MBM India commits to maintaining accessible and confidential grievance and whistleblowing mechanisms for suppliers, workers, and other stakeholders to report concerns related to ethics, labour practices, health and safety, or environmental issues without fear of retaliation.
- All reported concerns shall be reviewed and addressed in a fair, timely, and transparent manner.

6. Measurement, Review & Continuous Alignment

MBM India commits to measuring sustainable procurement performance through defined indicators, management reviews, and periodic assessments.

The Company commits to regularly reviewing and strengthening its sustainable procurement practices to ensure continued alignment with our ambitions and goals.