
Responsible Material Procurement & Supplier Due Diligence Policy

Mercantile Group | Techmert Corporate Policy

Policy Owner	Effective Date	Next Review
Management	16-Jun-25	16-Jun-27

1. Purpose

This policy establishes proportionate controls for lawful, ethical and responsible procurement by Mercantile Group and Techmert, with appropriate consideration of quality, safety, traceability and environmental risk.

2. Scope

This policy applies to Mercantile Group Pty Ltd as trustee for Mercantile Group Trust, trading as Techmert (together, “Mercantile Group and Techmert”), including management, contractors, agents, suppliers and other business partners where relevant. Mercantile Group and Techmert currently operate without employees. Any reference in this policy to employees or workers applies only to supplier or contractor personnel, or to personnel engaged by Mercantile Group and Techmert in the future.

3. Supplier Selection and Review

- Suppliers are assessed proportionately based on capability, product fit, commercial terms, delivery performance, quality controls, legal and compliance information, country risk and relevant ESG factors.
- Higher-risk or critical suppliers may be subject to additional declarations, samples, inspections, audits, certifications or documentary checks where appropriate.
- Supplier performance may be reviewed based on quality, delivery, responsiveness, compliance and corrective-action history.

4. Material and Product Requirements

- Customer specifications, approved materials, restricted-substance requirements and other critical requirements are communicated to the manufacturer where applicable.
- Materials known to be unlawfully sourced or linked to unacceptable practices are not knowingly accepted.
- Where conflict-mineral or similar sourcing risk is relevant, reasonable supplier declarations or traceability evidence may be requested.

5. Traceability and Change Control

- For custom or quality-sensitive products, records may include supplier identity, purchase order, specification or drawing revision, material declaration, batch or lot details, inspection records and customer approval evidence as appropriate.
- Suppliers must not knowingly change a customer-approved material, design, process or critical specification without prior notification and approval where required.

6. Non-Conformance and Corrective Action

- Non-conforming or ethically unacceptable material may be quarantined, rejected, replaced or subject to corrective action.
- Serious, repeated or unresolved issues may result in suspension of new orders or termination of the supplier relationship.

7. Records

Relevant due-diligence, material, traceability, inspection, change-control and corrective-action records will be retained according to the significance of the product and applicable requirements.

Approval and Review

This policy is approved for use by Management on behalf of Mercantile Group and Techmert. It will be reviewed by the next review date shown above, and earlier where there is a material change in law, business activities, customer requirements, risk profile or supply-chain arrangements.

Where a customer, contract, purchase order, specification or site requirement imposes a higher standard, the applicable higher requirement will be reviewed and adopted where accepted as part of the engagement.