

Supplier Code of Ethics Monitoring Report

2025

The report was finalised in August 2025





Ignitis Group (Group) Supplier Code of Ethics (SCE) defines the standards of business conduct and practices in the areas of environmental protection, social responsibility, business ethics and governance, which are expected to be adhered to by all of the Group's suppliers and the business partners involved in their supply chains.

In continuation of the established practice of assessing suppliers within the framework of SCE compliance monitoring, an assessment of suppliers' adherence to SCE standards was conducted in April – July 2025. As part of this process, suppliers were invited to complete an electronic SCE compliance monitoring questionnaire. The assessment further included the development of an improvement action plan. The Group remains committed to enhancing sustainable cooperation with its suppliers.

Supplier sample selection and their engagement in the assessment

The assessment focused on the suppliers with the most significant procurement contracts with the Group, based on their value. The total value of these supplier contracts across the Group accounted for **91%** of the overall procurement spend. The final selection of suppliers for the SCE assessment also incorporated a random selection criterion, ensuring that most significant suppliers across all Group companies were represented.

A total of **30%** of the suppliers invited to participate in the assessment completed the electronic SCE compliance monitoring questionnaire – 48 suppliers actively participated in the survey, revealing their applied standards and providing additional explanations within the scope of the areas governed by the SCE, thereby contributing to the strengthening of our collaboration.




SCE areas selected for the assessment



Suppliers were invited to disclose their business practices across all areas outlined by the SCE – environmental protection, social responsibility, business ethics and governance. This year, **54%** of the questionnaire focused on the social responsibility area, covering topics such as health and safety, working conditions and human rights. The remaining sections of the questionnaire addressed the equally important areas of environmental protection and business ethics and governance, with each comprising **23%** of the total questions presented in the survey.

Assessment results

The assessment of suppliers' compliance with the SCE revealed that **90%** of participating suppliers implement high standards and practices in the areas of social responsibility, environmental protection, business ethics and governance. We are pleased with the strong performance demonstrated by our suppliers and their continued contributions to fostering a more sustainable future.

Overview of the SCE compliance assessment's results

| Area | Overview of results | Comments |
|--|--|--|
| Social responsibility  | Suppliers who comply with social and labour law requirements in their business activities and have no infringements in these areas. | Social and labour law obligations, as established under the European Union and national legislation, include requirements related to employment relations and conditions, occupational health and safety, social security and worker protection, the representation and collective defence of workers' and employers' interests, and the promotion of gender equality in accessing the labour market, among other related areas. |
| | 100% | |
| | Suppliers who comply with the provisions of International Labour Organisation (ILO) conventions establishing the minimum age for workers, prohibition of unacceptable forms of child labour, corporal punishment and forced labour. | Compliance with international standards is essential to ensuring ethical labor practices. The Protocol to ILO Convention No. 29 prohibits corporal punishment and forced labour, including modern slavery, human trafficking, prison labour, and other forms of forced labour. ILO Convention No. 138 regulates the minimum age for employment to ensure children are protected from work that interferes with their education or development. ILO Convention No. 182 prohibits unacceptable child labour that harms children's health, safety, or morals. |
| | 100% | |
| | Suppliers who have an approved normative legal act governing the safe organisation of work within the company. | Approved employee health and safety instructions, rules for the safe performance of work and other related guidelines designed to ensure a secure and healthy working environment. |
| Environmental protection  | 93.8% | |
| | Suppliers with no serious or fatal occupational accidents in their operations within the last three years. | The safety and health of suppliers and contractors are core values for Ignitis Group. Compliance with SCE helps ensure the well-being of workers in the supply chain, prevent accidents, and contributes to sustainable and responsible operations. The Group strives to maintain the highest safety standards and requirements to ensure safe working conditions for suppliers and contractors. |
| | 91.7% | |
| | Suppliers whose employees can anonymously report potential human rights violations, equal opportunity issues, violence, harassment, and other problems workplace-related problems. | Suppliers with a dedicated email, phone number or other reporting channel, as well as a person responsible for reviewing, assessing and making decisions on reports. |
| | 81.3% | |
| Environmental protection  | Suppliers who comply with environmental legislation and have no infringements in this area. | |
| | 100% | |
| | Suppliers whose business operations do not cause significant adverse environmental impacts. | Business activities of the company do not cause major or long-term environmental damage that could have adverse effect on ecosystems, public health, or natural resources (e.g., noise, air and water pollution, soil contamination, excessive use of water and energy, negative impact on biodiversity, etc.). |
| | 97.9% | |
| | Suppliers who have an approved Environmental Protection Policy. | An approved Environmental Protection Policy (or equivalent document) aimed at protecting the environment and reducing the negative impact of operations. It includes goals related to resource efficiency, pollution reduction, waste management and sustainable solutions. This policy promotes a responsible approach to environmental protection and contributes to achieving sustainable development goals. |
| | 85.4% | |

| Area | Overview of results | Comments |
|--|---|---|
| Environmental protection  | Suppliers who apply an ISO 14001 certified environmental management system in their business operations. | |
| | 85.4% | |
| | Suppliers who use green electricity generated from renewable energy sources in their operations. | |
| Business ethics and governance  | 68.8% | |
| | Suppliers who have greenhouse gas emission (GHG) reduction targets. | GHG emission reduction targets may focus on reducing both direct and indirect emissions, through increased energy efficiency, the use of renewable energy, resource-saving initiatives, prioritizing non-polluting or less environmentally harmful vehicles, implementing environmentally friendly technologies, etc. |
| | 52.1% | |
| | Suppliers who comply with money laundering legislation and have no history of money laundering violations. | |
| | 100% | |
| | Suppliers whose company, including parent company, subsidiaries, and representative offices, do not operate in countries subject to international sanctions. | Suppliers whose suppliers, contractors, and other business partners do not operate in countries subject to international sanctions – 100%. Countries subject to international sanctions: https://www.sanctionsmap.eu/#/main . |
| | 97.9% | |
| | Suppliers who have an approved Code of Conduct. | The Code of Conduct (or an equivalent document) is derived from the organization's values and outlines the principles of ethical conduct that the organization and its employees follow in all their activities. It also defines the expected business conduct of its partners. |
| | 64.6% | |

2025–2026 Improvement Action Plan

| Direction of the improvement action plan | Improvement action | Objective of the improvement action |
|---|---|--|
| 1. Ensuring equal opportunities for employees | 1.1 Raise suppliers' awareness of measures and/or actions that can help ensure equal opportunities for workers in the workplace. | 1.1.1 Increase the number of Ignitis Group's suppliers who ensure equal opportunities for their employees in the workplace. |
| 2. Ensuring the prevention of violence and harassment in the workplace | 2.1 Raise suppliers' awareness of measures and/or actions that contribute to implementing violence and harassment prevention practices in the workplace. | 2.1.1 Increase the number of Ignitis Group's suppliers who implement measures to prevent violence and harassment in the workplace. |
| 3. Occupational accidents | 3.1 Monitor suppliers with occupational accidents (individual communication from Ignitis Group to the supplier, if necessary, etc.). 3.2 Educate suppliers on occupational health and safety and share good practices that contribute to ensuring safe working conditions. | 3.1.1 Increase the number of Ignitis Group's suppliers who have zero accidents at work. |
| 4. Greenhouse gas emissions | 4.1 Continue to educate suppliers on greenhouse gas emissions, sharing best practices, including methodologies for calculating greenhouse gases and measures to reduce them in company operations. | 4.1.1 Increase the number of Ignitis Group's suppliers who contribute to reducing greenhouse gas emissions in their operations. |
| 5. Collaboration with suppliers in the supply chain | 5.1 Encourage suppliers to share sustainability-related information within their supply chain (individual communication from Ignitis Group to the supplier if needed, etc.). | 5.1.1 Increase the number of Ignitis Group suppliers who cooperate with their suppliers on sustainability issues. |

