

Supplier Code of Ethics Compliance Monitoring Report

2026

The report was finalised in June 2026

 **ignitis**
group





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 March – June 2026. 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 **27%** of the suppliers invited to participate in the assessment completed the electronic SCE compliance monitoring questionnaire – 38 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, **56%** of the questionnaire was dedicated to the analysis of the social responsibility area, covering topics such as occupational safety, working conditions and human rights. The remaining parts of the questionnaire, cover equally important areas of environmental protection as well as business ethics and governance, are distributed accordingly: **25%** of all questions included in the survey are dedicated to environmental protection, and **19%** to business ethics and governance.

Assessment results

The assessment of suppliers' compliance with the SCE revealed that **97%** of participating suppliers apply 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 with no serious or fatal occupational accidents in their operations within the last year. 	Suppliers with no occupational accidents in their operations within the last year – 68,4%. 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.
	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.
	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.
	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.
	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
Environmental protection 	Suppliers who comply with environmental legislation and have no infringements in this area. 	Suppliers whose company has not been subject to an administrative penalty and/or an economic sanction for violations in the field of environmental protection within the past one year.
	Suppliers whose business operations do not cause significant adverse environmental impacts. 	Significant negative environmental impact refers to large-scale, long-term, or irreversible effects on ecosystems, biodiversity, water bodies, soil, air, or the health of local communities.
	Suppliers who implement circular economy practices in their business operations. 	Circular economy is a system aimed at reducing resource use and waste generation by promoting efficient resource management, proper sorting, recycling, and reuse. This creates a closed material cycle that supports sustainable economic growth and reduces negative environmental impacts.

Area	Overview of results	Comments
Environmental protection 	Suppliers who apply an ISO 14001 certified environmental management system in their business operations. 	ISO 14001 is an international environmental management system standard that defines the requirements for an organisation's environmental management system, helping it to systematically manage environmental aspects, comply with applicable legal requirements, and continuously improve its environmental performance.
	Suppliers who use green electricity generated from renewable energy sources in their operations. 	Green electricity is electricity generated from wind, solar, or hydropower resources, helping to reduce environmental impact.
	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.
Business ethics and governance 	Suppliers who comply with money laundering legislation and have no history of money laundering violations. 	Suppliers whose company has not been subject to sanctions for violations in the field of anti-money laundering within the past one year.
	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 .
	Suppliers who have an approved Code of Ethics and/or Conduct. 	Code of Ethics and/or Conduct is based on organisation's values and defines the ethical principles and standards of conduct that the organisation and its employees must follow in all its activities.
	Suppliers who have an approved Anti-Corruption Policy. 	An Anti-Corruption Policy outlines a commitment to preventing corruption and bribery in all its forms. This policy (or another equivalent document) defines principles, guidelines, and procedures aimed at employees, managers, business partners to ensure compliance with anti-corruption laws and ethical business practice standards.

2026–2027 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. Occupational accidents	2.1 Educate suppliers on occupational health and safety and share good practices that contribute to ensuring safe working conditions.	2.1.1 Increase the number of Ignitis Group's suppliers who have zero accidents at work.
3. Greenhouse gas emissions	3.1 Educate suppliers on greenhouse gas emissions, sharing best practices, including methodologies for calculating greenhouse gases and measures to reduce them in company operations.	3.1.1 Increase the number of Ignitis Group's suppliers who contribute to reducing greenhouse gas emissions in their operations.

