



## LATVENERGO GROUP SUPPLIERS CODE OF CONDUCT



**WITH HEART**

We are open and passionate



**WITH MIND**

We do the right things and continuously learn



**WITH ENERGY**

We are brave and persistent



**WITH FUTURE OUTLOOK**

We do good for the clients and society

## Objective

*The Latvenego Group* is committed to procuring goods and services sustainably and responsibly, while establishing a supply chain based on respect for human rights, environmental protection, and ethical business practices. This code sets out the fundamental principles and requirements we expect from our suppliers in order to build trustworthy partnerships and jointly promote sustainable development.

## Human Rights

We believe that every person has the right to dignity and a safe working environment. Therefore, we expect our suppliers to:

**Respect labor rights:** Comply with national and international labor standards, ensuring that no employees are unlawfully employed within the supply chain, specifically individuals younger than the minimum working age set by the respective country. If individuals older than the minimum working age but younger than 18 are employed, the work must not endanger their health, safety, or educational opportunities.

**Respect labor rights:** Comply with national and international labor standards, ensuring that no employees are unlawfully employed within the supply chain, specifically individuals younger than the minimum working age set by the respective country. If individuals older than the minimum working age but younger than 18 are employed, the work must not endanger their health, safety, or educational opportunities.

**Respect employee rights:** Acknowledge and respect employees' rights to freely join unions or other employee representative organizations, as well as their right to engage in collective bargaining.

**Prevent workplace discrimination:** Ensure equal treatment of all employees and prevent discrimination based on gender, race, nationality, religion, disability, age, or sexual orientation.

**Ensure employee health and safety:** Take all necessary measures to provide a safe and healthy working environment, including providing employees with necessary protective equipment, conducting regular workplace inspections, and ensuring employee training in workplace safety.

**Respect local communities:** Be mindful of the impact the company's operations have on local communities and ensure that these operations do not harm or degrade the social, economic, or environmental conditions of those communities. Collaborate with local communities in accordance with best practices, engaging in transparent dialogue to understand and address concerns, and consulting with them before initiating any actions that could significantly affect their quality of life.

## Environment

We recognize our responsibility to preserve the environment for future generations. Therefore, we expect our suppliers to:

**Comply with environmental protection regulations and standards:** Adhere to all applicable environmental laws and standards relevant to their operations, implement and maintain an environmental management system appropriate to the scale of their activities.

**Reduce contributions to climate change:** Take actions to measure and reduce both direct and indirect greenhouse gas (GHG) emissions from their operations. This includes implementing energy

efficiency measures, adopting low-emission technologies, using renewable energy resources, and promoting the reduction of emissions throughout the life cycle of the products and services offered, as well as sustainable transport and logistics.

**Minimize environmental pollution risks:** Reduce emissions of pollutants into the air and wastewater, minimize the volume and hazard of chemicals and mixtures used, and assess and manage environmental pollution risks.

**Use resources responsibly:** Manage resource use efficiently, including reducing resource consumption, promoting longer product and material life cycles, minimizing waste, sorting waste appropriately, ensuring proper disposal, reusing or recycling materials, and using environmentally friendly materials and technologies.

**Mitigate negative impacts on biodiversity:** Take measures to preserve and protect biodiversity, including assessing and minimizing the impact of activities on specially protected areas, species, and habitats.

## Governance

We believe that ethical and transparent business practices are the foundation of a company's sustainable development. Therefore, we expect our suppliers to:

**Adhere to ethical business practices:** Uphold high ethical standards in all activities, including avoiding conflicts of interest, corruption, bribery, and unfair competition.

**Protect information:** Ensure the proper protection of confidential information and personal data in compliance with applicable data protection regulations.

**Promote sustainable development:** Understand the environmental, social, and economic impacts of their business activities and integrate relevant sustainable development principles into their business strategy and daily operations.

**Pay taxes fairly:** Comply with applicable tax obligations and oppose the shadow economy.

**Foster transparency:** Disclose information about ownership structure (ultimate beneficial owners), financial results, and sustainability practices.

## Code Compliance Monitoring

We are committed to ensuring adherence to this code throughout our supply chain. Therefore, we:

**Provide training:** Commit to educating suppliers on the code's requirements by organizing training sessions. If any of the code's requirements are unclear or consultation is needed regarding its implementation, we invite you to contact us via email at [SCoC@latvenergo.lv](mailto:SCoC@latvenergo.lv).

**Expect cooperation:** We expect suppliers to cooperate with us by providing necessary information and supporting inspections.

**Respond to violations:** In cases where violations are identified, we offer advisory support to address them. If the issues are not resolved, we reserve the right to terminate the partnership with the supplier.

**Conduct regular inspections:** We carry out supplier audits and other inspections to ensure compliance with the requirements of this code.

**Encourage reporting of violations:** We encourage supplier employees and other stakeholders to report any potential violations of this code through our confidential reporting channel available on the Latvenergo website (<https://latvenergo.lv/lv/cel-trauksmi>).

We believe that by ensuring both we and our suppliers adhere to the requirements of this code throughout the supply chain, we can jointly create a sustainable future and ensure that our business activities contribute positively to society and the environment.