

Responsible Sourcing Policy - Green Energy SIA

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Green Energy SIA

Reg. No. 40203415791 | Riga, Latvia

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1. Purpose

Green Energy SIA procures biomass and energy commodities in a manner that respects environmental requirements, human rights and applicable legal obligations. This Policy defines the standards the Company requires of its suppliers and the approach it applies to procurement decisions.

2. Supplier Selection Criteria

When evaluating and selecting suppliers, Green Energy SIA applies the following criteria:

Legal compliance: the supplier operates in accordance with applicable national and EU legislation.

Environmental credentials: preference is given to suppliers holding recognised sustainability certifications or able to demonstrate responsible forest management practices.

Labour standards: the supplier is able to demonstrate fair employment practices and compliance with applicable labour legislation.

Financial integrity: the supplier is a registered legal entity with verifiable ownership structure and financial standing.

Transparency: the supplier is willing to provide documentation supporting its declarations regarding origin, quality and compliance.

3. Due Diligence Process

3.1 New Suppliers

Prior to entering into a commercial relationship, Green Energy SIA conducts a due diligence review of the prospective supplier. This includes:

Verification of company registration and ownership structure.

Review of applicable certifications and licences.

Screening against EU, UN and OFAC consolidated sanctions lists.

Assessment of reputational risk based on available information.

3.2 Ongoing Monitoring

Existing suppliers are subject to periodic review, including re-screening against sanctions lists and collection of updated documentation. Any material change in a supplier's ownership, legal status or certification triggers an immediate review.

4. Non-Conformance

Where a supplier is found not to meet the requirements of this Policy, Green Energy SIA will:

Notify the supplier of the identified deficiency and request remediation within a defined

timeframe.

Suspend new orders where the risk is material and remediation has not been completed.

Terminate the commercial relationship where remediation is not achieved or the breach is serious.

5. Conflicts of Interest

Personnel involved in procurement decisions are required to disclose any personal or financial interest in prospective or existing suppliers. Decisions affected by undisclosed conflicts of interest constitute a serious breach of this Policy.

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