

# SUSTAINABLE PROCUREMENT POLICY

The purpose of the Sustainable Procurement Policy is to ensure that procurement processes at UAB Hegelmann Transporte are carried out in accordance with responsible business practices, taking into account environmental, social, ethical, and human rights principles.

This policy applies to all company purchases, suppliers, contractors, and service providers.

## **COMMITMENTS**

1. Apply sustainable development principles throughout the supply chain.
2. Ensure transparent and fair procurement practices.
3. Adhere to international standards:
  - UN Global Compact Principles;
  - OECD Guidelines for Multinational Enterprises;
  - ILO Conventions;
  - UN Sustainable Development Goals (SDGs).
4. Follow the principles of the European Green Deal to reduce climate impact, promote circular economy, efficient resource use, and environmentally friendly innovations in procurement processes.
5. Prevent conflicts of interest – employees must not participate in procurement if personally connected to suppliers and must not accept gifts or benefits exceeding socially acceptable limits.
6. For procurements subject to public procurement regulations, comply with the Law on Public Procurement of the Republic of Lithuania, EU Directive 2014/24/EU, and apply sustainability criteria in supplier selection and evaluation.

## **SUPPLIER RESPONSIBILITIES**

1. Comply with the Hegelmann Business Partner Code of Conduct.
2. Ensure safe and fair working conditions.
3. Respect human rights and guarantee non-discrimination.
4. Manage environmental impact and implement eco-friendly practices.
5. Uphold principles of fair competition, anti-corruption, and transparency.

## **SUPPLY CHAIN RISK MANAGEMENT**

1. Assess new suppliers based on sustainability criteria.
2. Regularly monitor supplier activities (surveys, EcoVadis ratings, certificates, audits).
3. Apply measures to mitigate risks (warnings, action plans, contract termination for non-compliance).

## **PROCESS EFFICIENCY AND INNOVATION**

1. Promote supplier consolidation and standardization of goods and services.

2. Implement electronic transactions and the three-way matching principle (order, delivery, invoice).
3. Collaborate with suppliers to enhance business efficiency and supply chain resilience.

### **IMPLEMENTATION AND MONITORING**

1. The Sustainability Department is responsible for coordinating policy implementation, in cooperation with other relevant units as needed.
2. Supplier evaluation will begin with planned surveys and other sustainability monitoring measures, which will be developed in stages.
3. The policy will be reviewed every two years or upon changes in legal, operational, or sustainability requirements.

### **CONTINUOUS IMPROVEMENT**

1. The company collaborates with suppliers and encourages them to:
  - Implement energy-saving and environmentally friendly technologies.
  - Improve employee well-being.
  - Share best practices.

### **ALIGNMENT WITH OTHER INTERNAL DOCUMENTS**

The Sustainable Procurement Policy is aligned with other UAB Hegelmann Transporte policies and internal documents governing ethics, human rights, environmental protection, anti-corruption, quality, occupational safety, and sustainability. These provisions apply to suppliers and employees involved in procurement activities.

### **FINAL PROVISIONS**

1. All UAB Hegelmann Transporte employees are familiarized with this Policy.
2. The Sustainable Procurement Policy is publicly available on the company's website and accessible to all stakeholders.
3. The Policy is mandatory for all company employees and suppliers.

<b>Document title:</b>	Sustainable Procurement Policy
<b>Approving Authority:</b>	Tomas Jurgelevičius
<b>Approved on:</b>	2025-04-15
<b>Reviewed on:</b>	2025-04-15
<b>Policy Owner:</b>	Head of Sustainability and Environment
<b>Policy Author:</b>	Head of Sustainability and Environment
<b>Policy Publication:</b>	Publicly available