

## **Responsible Sourcing & Due Diligence Policy**

Effective Date: January 5th, 2026

Last Reviewed: January 5th, 2026

Next Review Date: January 5th, 2027

### **1. Purpose**

Legacy Energies Inc. is committed to responsible sourcing practices and ensuring that our supply chains are free from human rights violations, environmental harm, and unethical business practices. This policy outlines our approach to conducting due diligence on suppliers and contractors to ensure compliance with international standards and our ethical commitments.

### **2. Scope**

This policy applies to all suppliers, contractors, and business partners who provide goods or services to Legacy Energies Inc. It covers all aspects of our supply chain, including raw material sourcing, manufacturing, transportation, and service provision.

### **3. Policy Statement**

Legacy Energies Inc. requires that all suppliers and business partners adhere to our standards for responsible sourcing, including compliance with laws, environmental sustainability, labor rights, and anti-corruption measures. Our due diligence process ensures that all business relationships are formed with partners who share our commitment to ethical conduct.

### **4. Key Commitments**

#### **4.1 Compliance with Laws:**

Suppliers must comply with all applicable local, national, and international laws and regulations, including those related to labor rights, environmental protection, health and safety, anti-corruption, and anti-bribery laws.

#### **4.2 Respect for Human Rights:**

Legacy requires that all suppliers respect human rights in line with the UN Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Conventions. This includes prohibiting child labor, forced labor, and discrimination, and ensuring safe working conditions for all employees.

#### **4.3 Environmental Responsibility:**

Suppliers must minimize their environmental impact by adhering to environmental laws and best practices. This includes managing waste responsibly, reducing emissions, conserving natural resources, and preventing environmental harm in their operations.

#### 4.4 Fair Labor Practices:

Suppliers must ensure that workers are treated fairly, with safe working conditions, fair wages, and respect for workers' rights to freely associate, organize, and bargain collectively.

### 5. Due Diligence Procedures

#### 5.1 Risk-Based Approach:

Legacy Energies Inc. employs a risk-based approach to responsible sourcing, prioritizing due diligence in high-risk areas such as regions with weak governance, industries known for human rights abuses, or suppliers with a history of non-compliance.

#### 5.2 Supplier Assessment and Onboarding:

All suppliers must undergo a rigorous due diligence process before entering into a business relationship with Legacy. This includes:

- Background Checks: Reviewing the supplier's business practices, financial standing, and history of regulatory compliance.
- Site Audits: Conducting physical audits of supplier facilities to assess labor conditions, environmental practices, and compliance with legal requirements.
- Certifications: Verifying that suppliers hold necessary certifications, such as ISO 14001 for environmental management or SA8000 for social accountability.

#### 5.3 Ongoing Monitoring and Audits:

Legacy will continuously monitor suppliers through regular audits, performance evaluations, and feedback mechanisms. High-risk suppliers may be subject to more frequent audits and may be required to implement corrective action plans if non-compliance is identified.

### 6. Supplier Code of Conduct

#### 6.1 Supplier Commitment:

Suppliers are required to sign and adhere to Legacy Energies Inc.'s Supplier Code of Conduct, which outlines our expectations for ethical behavior, legal compliance, and responsible sourcing. This includes commitments to:

- Prohibiting child and forced labor.
- Adhering to environmental laws and reducing their environmental footprint.
- Complying with anti-corruption laws.

#### 6.2 Non-Compliance Consequences:

Failure to comply with the Supplier Code of Conduct may result in termination of the business relationship. Suppliers will be given the opportunity to correct minor issues through action plans, but repeated violations will result in contract termination.

### 7. Conflict Minerals

#### 7.1 Conflict-Free Sourcing:

Legacy Energies Inc. is committed to ensuring that materials used in our products are sourced responsibly and do not contribute to human rights abuses or conflict. We require that all suppliers provide information on the origin of materials and certify that they are not sourced

from conflict-affected areas unless certified conflict-free under the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals.

## 7.2 Reporting Requirements:

Suppliers are required to disclose the origin of certain raw materials, including tantalum, tin, tungsten, and gold, in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act. Legacy will report these findings annually to ensure compliance with conflict minerals legislation.

## 8. Transparency and Reporting

### 8.1 Reporting Concerns:

Suppliers and employees are encouraged to report any concerns about unethical behavior, human rights violations, or environmental harm through Legacy Energies Inc.'s Whistleblower Hotline. All reports will be investigated promptly, and whistleblowers will be protected from retaliation.

### 8.2 Transparency in Supply Chains:

Legacy Energies Inc. is committed to transparency in our supply chain practices. We will publish reports on our due diligence activities and supplier audits to demonstrate our commitment to responsible sourcing.

## 9. Training and Capacity Building

### 9.1 Employee Training:

Legacy provides training to all relevant employees on responsible sourcing and due diligence practices. This ensures that employees involved in procurement and supply chain management understand their responsibilities in upholding this policy.

### 9.2 Supplier Training:

Legacy offers training and capacity-building programs to key suppliers, particularly those operating in high-risk areas. This helps suppliers improve their business practices, ensuring compliance with ethical and legal standards.

## 10. Monitoring and Continuous Improvement

### 10.1 Audits and Assessments:

Legacy Energies Inc. will conduct regular audits of its suppliers and contractors to ensure compliance with this policy. Suppliers are expected to cooperate fully with audits and provide access to necessary records and facilities.

### 10.2 Continuous Improvement:

Legacy is committed to continuous improvement in its sourcing practices. We will review and update this policy annually, ensuring that it remains aligned with evolving legal requirements, industry standards, and best practices.

## 11. Accountability and Consequences for Non-Compliance

#### 11.1 Accountability:

All Legacy employees involved in sourcing and procurement are responsible for ensuring compliance with this policy. Managers are accountable for overseeing the implementation of due diligence procedures in their areas of responsibility.

#### 11.2 Consequences for Non-Compliance:

Any supplier found to be in violation of this policy will face consequences, including contract suspension or termination. Corrective action will be required for minor breaches, and repeated non-compliance will result in the end of the business relationship.

