Sustainable Procurement Policy

Introduction

At Volex, we are committed to conducting our business responsibly and with integrity, ensuring that sustainability is embedded throughout our global supply chain. Procurement decisions have a direct impact on people, communities, and the environment, and we recognise the importance of working with suppliers who share our values. Unsustainable sourcing practices can contribute to deforestation, biodiversity loss, carbon emissions, and human rights risks, all of which are challenges that are expected to intensify due to climate change and global resource pressures.

Our supply chain spans diverse geographies, industries, and resource needs, and we acknowledge both the risks and opportunities that this presents. By choosing responsible suppliers and promoting transparency, traceability, and ethical business practices, we can drive positive impact beyond our own operations.

The purpose of this policy is to set out Volex's commitment to sustainable procurement by integrating environmental stewardship, respect for human rights, and ethical conduct into all sourcing practices. We are committed to partnering with suppliers who operate legally, minimise environmental harm, support the protection of ecosystems, and uphold fair labour practices, thereby ensuring that the goods and services we procure contribute to a more sustainable future.

Scope

This policy applies to all Volex global operations, including all subsidiaries in which we have a majority ownership, and extends across our entire supply chain.

This policy also applies to all suppliers, subcontractors, service providers, and business partners who supply goods or services to Volex. We expect our suppliers to adopt and cascade these standards through their own supply chains to ensure responsible and sustainable sourcing practices at every level.

In addition, any third party acting in good faith can raise a concern or report suspected non-compliance with this policy through our Speak Up reporting system.

Our Management Framework

We have assigned Executive responsibility for this policy to our Group Procurement team and Sustainability Steering Committee, which will monitor the integration of sustainability into all operational activities.

All procurement teams across our global operations are required to follow the Volex Sustainable Procurement Policy and Supplier Code of Conduct.

These frameworks embed compliance with legal requirements, including the EU Deforestation Regulation (EUDR), the Corporate Sustainability Reporting Directive (CSRD), the Conflict Minerals Reporting Template (CMRT), the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), the Restriction of Hazardous Substances (RoHS), UN Guiding Principles on Business and Human Rights (UNGPs), the EU Corporate Sustainability Due Diligence Directive (CSDDD) and the OECD Responsible Business Conduct guidelines. Collectively, these obligations drive responsible sourcing practices that minimise environmental and social risks while ensuring compliance with international best practice.

We encourage and expect our key suppliers to adopt recognised international standards, such as ISO 14001 (environmental management) and ISO 45001 (occupational health and safety), as appropriate to their operations.

Suppliers are required to provide transparency over sourcing practices and materials, including disclosure of due diligence data, and to report against sustainability performance through the Supplier approval process. Through our Supplier approval process, we evaluate and select suppliers based on their commitment to environmental responsibility, ethical business conduct, and social impact. We prioritise suppliers that demonstrate strong environmental management practices, compliance with sustainability standards, and alignment with our goals for reducing carbon emissions and promoting responsible resource use.

Metrics

Our performance and progress towards sustainable procurement targets will be reported to our Board's Safety, Environment and Sustainability Committee on a regular basis. Results will also be disclosed in our Annual Report and Accounts, on our website, and through sustainability platforms such as EcoVadis and CDP.

We are committed to continuous improvement by setting measurable performance indicators and benchmarking our progress through recognised external assessments such as EcoVadis and CDP. Insights gained from these evaluations, as well as from our Annual Report and internal performance reviews, will be used to identify areas for enhancement, drive measurable progress, and strengthen our overall sustainability performance year on year.

Review of the policy

This policy will be reviewed at least annually.

Our Policy Principles

Environment

Principle 1 - Alignment with International Frameworks

Suppliers are expected to align their operations and practices with internationally recognized standards, including the UN Global Compact, OECD Guidelines for Multinational Enterprises, the Responsible Business Alliance (RBA) Code of Conduct, and ISO 20400 on sustainable procurement, ensuring that ethical, social, and environmental principles are consistently upheld across the supply chain.

Principle 2 - Controlled & Restricted Substances Declaration (BCS)

Suppliers must comply with our Controlled & Restricted Substances requirements and provide accurate declarations (BCS) to ensure transparency regarding substances present in supplied materials, components, or products. All substances must meet applicable regulatory requirements, for example CMRT, REACH, RoHS, POPs, Proposition 65, and TSCA, and suppliers are responsible for proactively monitoring regulatory updates. Where products or components are manufactured for applications subject to regulatory exemptions or limitations- such as medical, military, or defense-related usesfull compliance with REACH and/or RoHS may not be achievable; in such cases, suppliers must clearly document the applicable exemption, ensure compliance with all other relevant regulations, provide full substance disclosure, and implement appropriate controls to minimize hazardous substances and ensure safe handling and responsible chemical management throughout the supply chain.

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Principle 3 - Carbon Footprint Reduction (Scope 3)
We are committed to reducing greenhouse gas emissions throughout our value chain, with a particular focus on Scope 3 impacts. To support this, suppliers are expected to measure, disclose, and actively work to lower their emissions by improving energy efficiency, transitioning to renewable energy sources, and implementing low-carbon transportation and logistics practices.

Principle 4 - Circular Economy Focus
We encourage suppliers to adopt circular economy principles when designing products and processes that prioritise reuse, repair, and recycling. Suppliers should minimise reliance on single-use materials, extend product lifecycles, and utilise recycled or recyclable inputs to retain value within the supply chain.

Principle 5 - Hazardous Waste & Chemicals Management
Suppliers must ensure responsible management of waste, with particular attention to hazardous substances and auxiliary chemicals that may pose risks to human health or the environment. Chemicals with potential reproductive, developmental, or other toxic effects must be strictly controlled, minimized, or replaced with safer alternatives. Proper handling, storage, disposal, and documentation of hazardous materials are required, in full compliance with applicable international standards and local regulations.

Principle 6 - Resource Efficiency & Packaging
Suppliers should optimize the use of energy, water, and materials while minimizing waste. Packaging must be reduced, designed for recyclability and/or reusability, and aligned with strategies to minimize the overall environmental footprint of products and logistics.

Social

Principle 7 - Fair Labor
We uphold fair labor practices across our supply chain, requiring suppliers to prohibit forced labor, child labor, and any form of discrimination. Workers' rights to fair wages, lawful working hours, safe conditions, and respectful treatment must be fully respected and maintained.

Principle 8 - Diversity, Equity & Inclusion (DEI)
Suppliers are expected to promote diversity, equity, and inclusion throughout their operations. This includes implementing practices that ensure fair representation, inclusive hiring, and equitable access to development and leadership opportunities for all employees.

Principle 9 - Workers' Voice & Grievance Mechanisms
Suppliers must provide safe, accessible, and confidential channels for employees to raise concerns. Retaliation against employees exercising their rights or submitting grievances is strictly prohibited, ensuring transparency and trust in the workplace.

Principle 10 - Health & Safety (H&S)
Suppliers are expected to implement comprehensive health and safety systems, provide training, and continuously assess risks to protect worker well-being. Preventive measures must be in place to eliminate hazards and promote a culture of safety across all operations.

Governance

Principle 11 - Conflict of Interest
Suppliers must disclose any actual or potential conflicts of interest that could compromise integrity, ensuring transparency, accountability, and ethical conduct in all business dealings. In alignment with our ESG contractual obligations, suppliers are required to proactively report such conflicts through established escalation pathways. Independent third-party reviews or audits may be initiated where conflicts could impact ethical decision-making or business integrity.

Principle 12 - Supplier Due Diligence (OECD Standards)
Suppliers are required to conduct robust due diligence in accordance with the OECD Guidelines for Multinational Enterprises, identifying, preventing, and mitigating ESG-related risks across their operations and supply chains. This includes adhering to ESG contractual clauses, maintaining transparent escalation pathways for risk reporting, and cooperating with independent third-party audits or assessments to verify compliance and continuous improvement.

Principle 13 - Anti-Bribery & Corruption
We maintain zero tolerance for bribery, corruption, or any form of unethical conduct. Suppliers must implement effective internal controls and compliance systems to ensure adherence to all applicable anti-corruption laws and regulations. ESG contractual clauses form part of our governance framework, and suppliers are expected to support verification through escalation processes and, where necessary, independent third-party audits to uphold integrity and accountability across all transactions.

Principle 14 - Supplier Audits & Capacity Building
Suppliers will undergo regular assessments to verify compliance with sustainability, ethical, and operational standards. Beyond monitoring, we collaborate to build capacity, share best practices, and drive continuous improvement throughout the supply chain.

Principle 15 - Business Continuity Planning (BCP)
Suppliers must maintain robust Business Continuity Plans to ensure resilience and uninterrupted supply, addressing risks such as natural disasters, pandemics, cyber threats, geopolitical instability, and critical material shortages. Plans must be regularly tested, updated, and communicated proactively.

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