

Responsible Minerals Sourcing Policy

Introduction

As Volex we are committed to sourcing responsibly and as a global manufacturer with complex global supply chains we understand and respect the obligations placed on us as a 'downstream' company by international legislation including the European Union's (EU) Conflict Minerals Regulation, the US Dodd-Frank Act and China's Conflict Mineral Standard.

Since 2014 we have published our commitments in the form of a Conflict Mineral Policy Statement but in light of changing international best practices we have now updated our policy to focus on responsible minerals sourcing.

One such source of guidance internationally comes from the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and as a UK-listed company we are encouraged to comply with the OECD's guiding principles.

Our Expectations

We recognise that there are risks of significant adverse impacts which may be associated with extracting, trading, handling and exporting minerals from conflict-affected and high-risk areas, and we recognise that we have the responsibility to respect human rights and not contribute to conflict. We commit to adopt, disseminate and incorporate into our contracts and/or our agreements with suppliers the following policy on responsible sourcing of minerals from conflict-affected and high-risk areas, as representing a common reference for conflict-sensitive sourcing practices and suppliers' risk awareness from the point of extraction until end user.

We commit to refraining from any action which contributes to the financing of conflict and we commit to comply with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions.

Scope

This policy is applicable to all of our global operations including all of our subsidiaries in which we have a majority ownership (collectively 'Volex' or the 'Group').

Minerals

The minerals in scope of this policy are tin, tungsten, tantalum and gold, also referred to as 3TG and their ores, concentrates and alloys. According to the EU these four minerals are most often linked to armed-conflicts and related human rights abuses. This policy may periodically be updated to include, or employees advised the Group of, additions to the EU list of conflict-linked minerals, or based on any other international advice with regards to minerals which are linked to armed conflict or human rights abuses.

Countries and scope

When determining the risks around the responsible sourcing of minerals we have adapted our approach in line with the EU regulations and consider any conflict-affected and other high-risk areas (CAHRAs). According to the definition provided by the Responsible Minerals Initiative these are areas in a state of armed conflict, fragile post-conflict areas, as well as areas witnessing weak or non-existing governance and security, such as failed states, and widespread and systematic violations of international law, including human rights abuses.

Responsibility

Compliance with this policy is the responsibility of the Board of Directors and will be monitored through our Audit Committee.

Review of the policy

This policy will be reviewed at least annually.

Our Policy Principles

Principle 1 - Regarding serious abuses associated with the extraction, transport or trade of minerals associated within the Volex supply chain

At Volex we will not tolerate, or by any means, knowingly profit from, contribute to, assist with or facilitate the commission by any party of:

- any forms of torture, cruel, inhuman and degrading treatment;
- any forms of forced or compulsory labour, which means work or service which is extracted from any person under the menace of penalty and for which said person has not offered himself voluntarily;
- of child labour;
- other gross human rights violations and abuses such as widespread sexual violence;
- war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

Principle 2 - Regarding risk management of serious abuses

We will immediately suspend or discontinue engagement with any upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party committing serious abuses as defined in Principle 1.

Principle 3 - Regarding direct or indirect support to non-state armed groups

We will not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals within our upstream supply chain as defined in Annex 2 of the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals.

Principle 4 - Regarding risk management of direct or indirect support to non-state armed groups

We will immediately suspend or discontinue engagement with any upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party providing direct or indirect support to non-state armed groups as defined in Principle 3.

Principle 5 - Regarding public or private security forces

Where any such risk can be identified within our upstream supply chain we will work with our suppliers to eliminate, in accordance with Principle 10, any direct or indirect support to public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain; illegally tax or extort money or minerals at point of access to mine sites, along transportation routes or at points where minerals are traded; or illegally tax or extort intermediaries, export companies or international traders.

Principle 6 - Regarding risk management of public or private security forces

In accordance with the specific position of the Group in the supply chain, we will immediately devise, adopt and implement a risk management plan with upstream suppliers and other stakeholders to prevent or mitigate the risk of direct or indirect support to public or private security forces, as identified in Principle 5, where we identify that such a reasonable risk exists. In such cases, we will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation within six months from the adoption

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of the risk management plan. Where we identify a reasonable risk of activities being inconsistent with Principles 8 and 9, we will respond in the same vein.

Principle 7 - Regarding bribery and fraudulent misrepresentation of the origin of minerals

We will not offer, promise, give or demand any bribes, and will resist the solicitation of bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport and export. We have a separate policy on Anti-Bribery and Anti-Corruption and all relevant employees undertake mandatory refresher training each year.

Principle 8 - Regarding money laundering

We will support efforts, or take steps, to contribute to the effective elimination of money laundering where we identify a reasonable risk of money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of minerals derived from the illegal taxation or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers.

Principle 9 - Regarding the payment of taxes, fees and royalties due to governments

We will ensure that all taxes, fees, and royalties due to governments related to mineral extraction, trade and export from conflict-affected and high-risk areas are paid to governments and, in accordance with the company's position in the supply chain, we commit to disclose such payments in accordance with the principles set forth under the Extractive Industry Transparency Initiative (EITI).

Principle 10 - Regarding risk management of bribery and fraudulent misrepresentation of the origin of minerals, money-laundering and payment of taxes, fees and royalties to governments

In accordance with the specific position of the company in the supply chain, we commit to engage with suppliers, central or local governmental authorities, international organisations, civil society and affected third parties, as appropriate, to improve and track performance with a view to preventing or mitigating risks of adverse impacts through measurable steps taken in reasonable timescales. We will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation

Our action framework

In line with our international obligations we:

- have established an effective management system;
- identify and assess risk in the supply chain;
- have designed and implemented our strategy to respond to identified risks;
- we work with our customers to ensure that where customers-nominate a supplier to us that the appropriate due diligence has been conducted to control these risks in their supply chain;
- we carry out a series of audits of our supply chain and always conduct due diligence when onboarding new suppliers; and
- we report annually on supply chain due diligence.

Whistleblowing

We have a comprehensive whistleblowing procedure called Speak Up and this allows any interested party to voice their concerns around any potential risks within our supply chain. Alternatively any concerns can be raised with Group Legal (legal@volex.com).



Voex's Speak Up Reporting System