Delivering
Critical
Connections

Supplemental sustainability disclosures
for the year ended 02 April 2023

Contents

Welcome to Volex's
2023 Supplemental Sustainability Disclosure Report

At Volex, we recognise that Environmental, Social and Governance (ESG) factors are critical to the success of our business, as well as to the sustainability of the planet and the wellbeing of society.

We also understand the importance of making transparent disclosures of detailed, relevant information that will help our stakeholders gain greater insight of our progress and performance throughout our ESG journey.

As we recognise that our stakeholders are increasingly interested in our ESG performance, we have decided, this year, to publish a more detailed document that sets out more information about our ESG performance and our sustainability roadmap.

Sustainable ratings

CDP
DRIVING SUSTAINABLE ECONOMIES

**Water: B-
Climate: C**

SILVER
2022
ecovadis
Sustainability
Rating

**Ecovadis
Silver Medal**

UN sustainable development goals

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

13 CLIMATE ACTION

Links to more Volex content

→ Annual Report FY2023

→ www.volex.com

→ Environmental Policy

Volex plc Supplemental sustainability disclosures 2023

Introduction

We are proud to partner with our customers, many of whom who are already leading the way in the shift towards a low carbon economy. Many of our products and assemblies are contributing to the more efficient use of electrical power and are supporting a sustainable future aligned with the UN's Sustainable Development Goals.

At Volex, we recognize the urgent need to address climate change and transition to a more sustainable world. In line with the Paris Agreement, we have commenced our transition to become a business that has net zero emissions. As our business continues to grow, absolute emissions will increase year on year, unless we can decouple our growth from the adverse impacts that our operations cause to the environment. We are aware that we must grow sustainably and build operations that embrace decarbonized energy systems. In FY2023, sales grew 17.6% but absolute emissions remained comparable to the previous year, demonstrating our ability to decouple production of scope 1 and 2 emissions from growth. We have improved our energy intensity ratio by 22% from our base year of FY2019 and we are committed to further improvements.

We can reduce our dependence on single-use plastics, and we can change our mindset about how we view waste by considering that it is a resource that can be reused. As a sustainable business, we aim to eliminate waste to landfill (to date 90% of our solid waste is recycled). We need to take steps to reduce any adverse consequences of our operations on the local environments and proactively support the transition to a circular economy. Our expertise in global supply chains allows us to support our suppliers in their efforts to adopt more sustainable practices. We are committed to working in accordance with the Science Based Targets initiative (SBTi) and we will publish robust and transparent performance data when it is available.

Our approach to corporate social responsibility is not limited to responding to the environmental issues that have implications for the climate crisis; we also address a range of issues that fall within the broader environmental, social and governance (ESG) framework.

We are conscious of the impact we have on our local communities and the societies in which we operate. This starts with safety and ensuring the health and wellbeing of our workforce. We are focused on eliminating lost time accidents and we have further strengthened our safety culture. In FY2023, our accident frequency rate was 1.24 accidents per million hours worked, comparing positively to 1.75 in FY2022. In recent years, we have expanded our investment in people and have reduced employee turnover and absence rates across the business. We are trialing a global employee engagement index, starting with our Suzhou, China site. This pilot sets out a foundation for a phased roll-out of a consistent employee engagement reporting, reinforcing our established framework of employee listening activities.

Good governance is important because it ensures transparency, accountability, and effective decision-making within an organization, promoting trust and confidence among stakeholders. Our governance framework is built from the foundation of our company's Code of Conduct, which evolves as our business grows. We have increased the number of sites that have accredited management systems such as ISO 9001, ISO 14001 and ISO 45001. We have invested in e-learning programmes in the areas of export trade and controls, modern slavery, and cyber security. We have enhanced the visibility for our whistleblowing system, investigating all concerns that are raised through our "Speak Up" programme.

Sustainability is an integral part of Volex. As a global specialist in power products and power connectivity solutions, we provide our customers with supply chain, manufacturing, assembly and testing expertise.

Nathaniel Rothschild
Executive Chairman

Jeffrey Jackson
Non-Executive Director

Alan Taylor
Group HR Director

Our procurement and supply chain teams are working to promote responsible sourcing activities. We operate within a complex supply chain ecosystem. We are codependent on the acts and emissions of our suppliers and customers and we will continue to collaborate on initiatives such as those promoted by the Responsible Business Alliance (RBA) that will advance the ESG performance of the wider electronics manufacturing sector.

These disclosures are being made on behalf of the Board's Safety, Environmental and Sustainability Committee as a supplement to the disclosures made within the FY2023 Annual Report and Accounts. The members of the Committee are Jeffrey Jackson (Chair), Nathaniel Rothschild and Alan Taylor (Secretary).

What Sustainability is at Volex

" The future of the planet depends on our ability to create a sustainable, low-carbon environment. Volex is committed to this mission and will use its innovation and global collaboration to make it a reality. "

Nathaniel Rothschild
Executive Chairman

Key Statistics
from FY2023

Accident Frequency Rate
Accidents per million hours worked

1.2

Accident Severity Rate
Days lost due to lost time accidents × 200,000 / total hours worked

0.04

Carbon Intensity
tCO_2e per $M revenue

27.7

Use of Renewables
Percentage of electricity sourced from renewable energy supplies

9%

Water Intensity
Metric tonnes of water consumed per $M revenue

265

Recycling Rate
Percentage of solid waste produced disposed of by a recycling process

90%

Waste to Landfill
The quantity (tonnes) of waste sent for landfill disposal

241.9

ISO 14001
Percentage of the workforce employed at an ISO 14001 certified factory

87%

Zero Waste to Landfill
Number of sites operating a zero waste to landfill status

7/19

FY2023 Highlights

At Volex, we recognise that Environmental, Social and Governance (ESG) factors are critical to the success of our business, as well as to the sustainability of the planet and the wellbeing of society.

We are committed to integrating ESG considerations into our decision-making processes and operations, and we believe that doing so, not only creates value for our stakeholders, but also contributes to the achievement of the United Nations' Sustainable Development Goals (UNSDGs).

Our ESG principles are aligned with the UN SDG goals, and we aim to make a positive impact on society and the environment, while delivering sustainable long-term growth for our business. By prioritising sustainability, we can build a better future for all stakeholders, including our customers, employees, shareholders, and the communities in which we operate.

In FY2023, we have made good progress in developing our ESG framework, which has been aligned to the UN SDGs since 2022. In November 2022, our Global Leadership team met and discussed our sustainability ambitions. We agreed to set up sustainability steering committees to drive and own the delivery of our work programme. We agreed that all sites would work to achieve the health and safety management standard ISO 45001 by the end of 2025. Currently, 8 of our 19 factories have reached this standard.

Since April 2022, we have encouraged all factories to identify local initiatives that they can adopt to improve their ESG performance within the guidance of our Group's Factory Sustainability Framework. As expected, our sites have responded excellently with many examples of kaizen activities being reported across the company.

Some locations have worked on reducing energy consumption with switch-off campaigns or by switching to LED lighting. Our Henggang, China factory was the first to install solar panels on site to support the decarbonisation of their energy supply.

The Henggang team have also gone further and reduced their water consumption by 17% in FY2023. Our Zhongshan plant in China was the first of our large plants to commence a transition to green energy. From January 2023, they are purchasing 25% of their electricity on a green-certified tariff. With 90% of our operational lighting already using LED technology, our teams are focused on addressing the last few locations that have not yet transitioned from conventional lighting systems.

We have introduced our model for governance, establishing a Global Sustainability Steering Committee (GSSC) reporting directly into the Board through the Safety, Environment and Sustainability Committee (SESCo). Through the GSSC, we ensure regional accountability and ownership for our sustainability agenda and we are in the process of establishing a regional sustainability steering committee in each of our operating regions to be chaired by each of our regional Chief Operating Officers.

FY2023 Highlights
(continued)

This model of governance ensures the accountability sits within the regions for the improvement programmes that we will need to deliver our net zero emission ambitions.

In FY2023, we completed our first materiality Assessment (see page 8) to identify and prioritise the material ESG risks impacting most on our business. This has been reviewed and approved by members of our Senior Management Team and our Board of Directors. We also worked with a specialist consultancy to conduct a comprehensive pre-disclosure assessment under the Taskforce for Climate-related Financial Disclosures (TCFD) framework. This work is now completed and, with our Board's approval, we have incorporated this into our FY2023 Annual Report and Accounts, a year before we are mandated to.

In 2023, we gained our Board's approval for our Net Zero ambitions and we will now work to achieve net zero on our scope 1 and 2 emissions by 2035. We will work to the standards defined by the Science Based Targets initiative (SBTi) demonstrating our commitment to sustainability and to taking concrete steps to reduce our environmental impact. By the end of FY2025, we will disclose our targets in line with the SBTi framework and we will align our decarbonisation agenda with our broader goals to reduce waste, improve our energy efficiency and decarbonise our value chain.

We have already started demonstrating our commitment to sustainability and to reinforcing our reputation as a responsible corporate citizen. We have formalised a comprehensive environmental policy containing 16 environmental commitments and this has been approved by our Board and management team.

Employee Safety

2023	**1.24**
2022	1.78
2021	2.00

Accident frequency rate – this is the number of lost time accidents per million hours worked. We report lost time accidents that cause the injured person to lose more than one day of time loss after the accident for all worker categories, including temporary workers and contractors.

Number of Lost time Accidents

|	
2023	**24**
2022	30
2021	27

Reducing the absolute number of lost time accidents towards zero is just as important to us reducing our accident frequency rate.

ISO Certification (%)

ISO 9001	**98.9**
ISO 14001	87.0
ISO 45001	61.0

This chart shows the percentage of our global workforce who are employed in locations that have achieved these ISO certifications. In FY2023, we have decided that all our sites should achieve the ISO 45001 safety management system standard.

Gender Diversity (%)

2023	**54**	**46**
2022	53	47
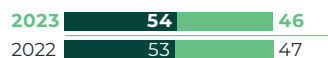
This chart shows the gender diversity within our total workforce.

Key ● Female ● Male

Carbon Intensity

2023	**27.7**
2022	32.1
2021	34.2

Our carbon intensity is calculated as the total tonnes of carbon dioxide equivalent emissions from our scope 1 and 2 energy consumption that is produced divided by $M revenue. As our revenues have grown, we have controlled the increases in absolute emissions to improve our carbon intensity.

Scope 1 and 2 carbon emissions (tCO$_2$e)

2023	**20,000**
2022	19,740
2021	15,157

The absolute tonnes of carbon dioxide equivalent emissions from our scope 1 and 2 energy consumption. We do not yet have a detailed understanding of our Scope 3 emissions, so we are excluding them from our disclosures this year.

Water Intensity

2023	**265**
2022	352
2021	403

This chart shows our water intensity. It is calculated based on the metric tonnes of water consumed, divided by $M revenue. As our sales have increased, we have controlled our water consumption, and so our water intensity has greatly improved since 2021.

Use of Renewables (%)

2023	**9.0**
2022	0.8

This chart shows our performance as at the year-end. It shows the % of energy consumption in the month that has come from our use of renewable energy.

Responding to
the Climate Crisis

At Volex, we recognise that the world's climate is changing rapidly and that humanity must transition to a world that rebalances our use of carbon whilst matching levels of resource demand with resource availability. In line with the requirements of UN SDG 7 and 13, as well as our obligations under the Paris Agreement, we have commenced our transition to become a business that has net zero emissions.

Task Force on Climate-Related Financial Disclosures (TCFD)

Given the timing of Volex's financial year end, we are not mandated to disclose under the TCFD requirements until FY2024. However, the FCA requires UK companies to provide a statement as to the extent of the consistency of their reporting with the TCFD's recommendations. The underlying ethos of TCFD is that climate change is real, and that the associated physical and transition risks may have significant impacts on the value of companies and their assets. Companies are, therefore, required to demonstrate that they proactively consider their exposure and demonstrate that climate change is incorporated into their risk management processes and business strategy.

If any material impacts or mitigation actions are quantifiable, then they should be integrated into business planning and into adjustments to financial statements if required. Our TCFD report and disclosures are contained within our FY2023 Annual Report and Accounts on pages 58 to 65.

Net Zero ambition

Volex has committed to set near- and long-term financial/operational company-wide emission reductions in line with science-based net-zero with the SBTi. We have responded to the SBTi's urgent call for corporate climate action by committing to align with 1.5°C and net-zero through the Business Ambition for 1.5°C campaign. We will bring our total scope 1, 2 and 3 emissions to net zero by 2050 or earlier if agreed otherwise by the international community.

Science Based Targets initiative (SBTi)

We will determine our targets in accordance with the Science Based Targets initiative and we will disclose a detailed roadmap and targets by the end of FY2025.

Through the implementation of this roadmap, we are confident of our ability to contribute to the transition to a low carbon future. Our participation in SBTi demonstrates our commitment to sustainability and to our desire to reduce our impact on the environment. By reducing our greenhouse gas emissions, we are not only helping to address the urgent issue of climate change, but we are also improving our operational efficiency and reducing our energy costs.

Our Environmental Policy

At Volex, we are committed to conducting our business in an environmentally responsible way so as to benefit our shareholders, the environment and other stakeholders. We recognise the challenges facing the modern world from climate change and the urgent need for substantive action. During FY2023, we developed a comprehensive environmental policy with 16 policy principles (see panel below) that has been reviewed and approved by our Board of Directors.

Many of our sites are already making positive impacts to enhance the local environment around our operational locations. Our sites are actively involved in their local communities with some undertaking tree planting initiatives. In FY2024, we will work to activate our Environmental policy and further strengthen local programmes to demonstrate our compliance and commitment to our policy principles.

Read more about TCFD **here**

Read more about Companies taking action **here**

Our policy principles are:

- Responding to the challenges of climate change
- Reducing our energy consumption
- Using natural resources or energy more efficiently
- Reducing our water consumption

- Reducing our atmospheric emissions that are not related to our energy consumption
- Reducing our emissions, releases and waste
- Responsible sourcing
- Making our products and services more sustainable

- Respecting legally designated protected areas and to avoid causing any negative impacts on threatened and protected species
- Protecting biodiversity
- Preventing and managing the risks of accidental pollution into the soil or ground

- Protecting the environment
- Monitoring the company's environmental performance
- Reporting regularly on environmental issues
- Implementing an environmental management system
- Promoting environmental awareness

Responding to the Climate Crisis
Our Roadmap to Net Zero

Through this policy statement, and the commitments and actions described on page 6, we demonstrate our commitment to building a sustainable business and minimising the potential negative impacts that our business and operations may have on the environment over the longer term.

We will continue to work towards our science-based targets in the coming years, and we remain committed to making meaningful progress towards a more sustainable future.

Our Roadmap to Net Zero

As a global manufacturer with a relatively light industrial manufacturing model, we consider our emissions profile to be modest compared to other industrial sectors. Within our scope 1 and 2 emissions (those emissions directly linked to the operation of our business), we know that 83% of emissions comes from the electricity we consume.

We can reduce these to zero through making changes in our energy supply, fuel types and heating systems, without causing significant disruptive impacts on our operations and on our business strategy. We consider there to be significant positives in undertaking these changes as they will ensure that we become a more resilient business and will reduce our risk exposure to the unpredictable pricing of energy supply.

At the end of FY2023, we have reduced our energy intensity by 21% compared to our base year of 2019 (and this is inclusive of disposals and acquisitions that have occurred in the last two years). We have now committed to taking further steps by reducing our carbon emissions (scope 1 and 2) to net zero by 2035 and to reduce our total carbon emissions to net zero no later than 2050 or earlier if required by the international community. We have committed to reporting under the SBTi framework and we will publish more detailed action plans for decarbonisation in our FY2025 disclosures.

Our GHG reporting principles

Organisational boundary – we have adopted the financial/operational control approach to determine our organisational boundaries, so we report on all operations where we have greater than 51% control.

Our GHG emissions are in tCO_2e. Emissions include all GHGs in addition to carbon dioxide and have been calculated in accordance with the principles and requirements of the World Resources Institute (WRI) GHG Protocol: A Corporate Accounting and Reporting Standard (revised version), the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the GHG

Protocol Technical Guidance for Calculating Scope 3 Emissions, as required. Our emissions data covers 100% of our operations.

Scope assessment – we report fully against scope 1 and scope 2 GHG emission categories and disclose limited data against some of the scope 3 GHG emission categories. We estimate that a further 70% of our total emissions could fall within scope 3 emission categories and we are working to provide a more comprehensive analysis of our scope 3 emissions.

Location or market based reporting

We report on a location-based approach, which reflects the average emissions from the electricity supplied by the National Grid in the countries in which our operations are based.

Emission factors

Our Sustainability Reporting System applies DEFRA and BEIS emission factor libraries to our energy consumption data. These emission factors are updated annually.

Carbon emissions

Scope 1 and 2

We have established a robust data set for our scope 1 and 2 emissions (see page 12). Each site submits fuel and energy consumption data on a monthly basis.

Scope 3

In FY2024, we will start a detailed review of our scope 3 emissions. We are investigating our scope 3 emissions to first identify the most efficient ways to measure these complex emissions.

Read our environmental policy document **here**

Our model is simple:

A. Increase our energy efficiency

B. Decarbonise our energy supply through switching to low carbon sources including on-site renewables

C. Eliminate those emissions that cannot be replaced or reduced

Our action plan:

1. Increase use of renewables by installing on-site solar where it is financially viable to do so

2. Decarbonise our energy supply by switching to green energy contracts

3. Increase energy efficiency through LED adoption and other kaizen actions

4. Switch to low carbon emission fuels and refrigerants within our operations.

Our Sustainability Framework

Materiality assessment

As Volex started its journey to becoming a more sustainable, responsible and trusted business it was important for us to complete our first materiality assessment.

Through this process, we leveraged the insights from the industry-based guidance provided by the Sustainability Accounting Standards Board (SASB). These standards help companies disclose relevant sustainability information to investors. SASB standards provide the foundation alongside the TCFD recommendations for the IFRS Sustainability Disclosure standards which have recently been launched. According to the Global Reporting Initiative, the SASB standards enable an organisation to disclose its most significant impacts on the economy, environment and people. As they are industry-based we have been able to select the most relevant disclosure standard for our industry (Electrical and Electronic Equipment) as the basis for our materiality assessment.

Once a draft was prepared we then sought additional insights and refined our assessment with the inputs of our senior management team and our Board of Directors.
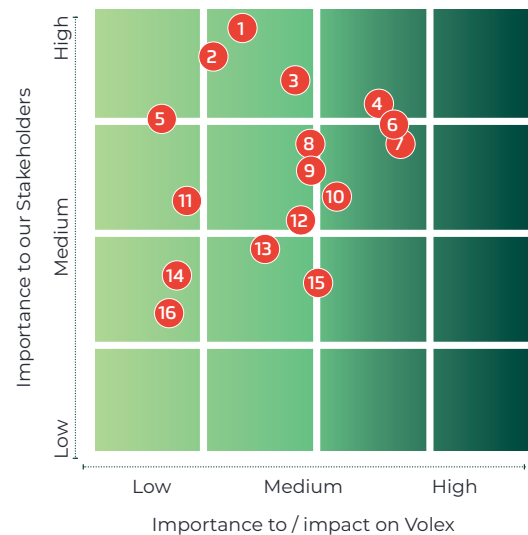
Our Sustainability Reporting System

In FY2022 we prioritised the implementation of our Sustainability Reporting System. Throughout FY2023 we have worked to improve the completeness and accuracy of our data. We have now established a standardised set of ESG-related indicators across all of our operating locations, including our recently acquired operations.

We selected the UL360 Essentials solution as our reporting platform and, with this capability, we can now ensure that ESG data is captured consistently across all parts of our business. We call this platform the Volex Sustainability Reporting System ('V-SRS'). Not only does this investment deliver a consistent set of management insights across a wide array of environmental, social and governance-related performance indicators, but it also enables us to efficiently calculate our global carbon emissions, ensuring that we can be more granular and responsive in our disclosures to our external stakeholders.

Key material ESG issues

Importance to our Stakeholders (vertical axis: High / Medium / Low)

Importance to / impact on Volex (horizontal axis: Low / Medium / High)

1. Child labour, forced labour and human trafficking
2. Energy management (consumption and greenhouse gases)
3. Anti-bribery / anti-corruption
4. Materials sourcing and efficiency
5. Water use
6. Employee health, safety, and welfare
7. Talent attraction and retention
8. Working conditions
9. Anti-competitive practices
10. Responsible supply chain (responsible minerals)
11. Diversity, equal opportunity and inclusion
12. Business ethics
13. Product design, product safety and lifecycle management
14. Waste management
15. Energy management
16. Social dialogue

Our Sustainability Framework
(continued)

Our Factory Sustainability Framework

Each of our factories is quite different and, therefore, their environmental impacts vary considerably. It is important that we give each of our manufacturing facilities flexibility to determine their path for a more sustainable future. This framework allows each of our sites to pick priority improvement actions that engage their teams and have a positive impact on the communities and the local environment in which they operate.

Our Governance

Effective governance is essential to ensure that the improvement actions are delivered so that we achieve our targets. Whilst our Board of Directors is ultimately responsible for the sustainability performance of the Group, they delegate this responsibility to a sub-committee. Our commitment to sound environmental stewardship is enshrined within the Group's Code of Conduct, which has Board approval and oversight through the Safety, Environment and Sustainability Committee. We are committed to minimising the impact of our business on the local environment in which we operate. In FY2023, we have aligned our sustainability strategy to the United Nations' Sustainable Development Goals to ensure that, as we develop our strategy, we are clear on how our efforts can be aligned to the wider sustainability agenda. In FY2023, we agreed to enhanced governance structure reporting into our Board to ensure that responsibilities and accountabilities for delivering on our commitments in sustainability are properly cascaded into our regional management teams, who are best placed to drive improvement activities within their regions.

Read the SESCO's Report for FY2023 **here**

Read the SESCO's Terms of Reference **here**

Introduction to ESG

At Volex, **Environmental, Social, and Governance (ESG)** issues are a top priority, and we are committed to integrating these considerations into our business strategy and operations. Our goal is to become a sustainable, responsible and trusted business.

To this end, we have established a robust ESG framework that focuses on key areas such as climate change, human rights, diversity and inclusion, ethical business conduct, and supply chain sustainability. Our framework aligns with a number of the UNSDG principles. We regularly assess and report on our ESG performance in our Board meetings (Safety, Environment and Sustainability Commitee), and we engage with our stakeholders to understand their concerns and feedback.

At Volex, we view ESG not only as a responsibility, but also as an opportunity to create positive impact and drive sustainable growth for our business and society as a whole. We believe that by addressing ESG risks and opportunities, we can create long-term value for our stakeholders, including our customers, employees, investors, and the communities in which we operate.

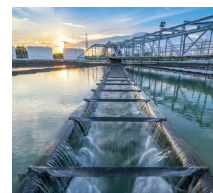# Building a
Sustainable Business

As a sustainable business that is growing rapidly, we know that our absolute emissions will increase year on year, unless we can decouple our growth from the adverse impacts caused by our operations. Over the last two years, we have developed our strategy, strengthened our governance, implemented a global sustainability reporting platform, standardised our ESG metrics to better understand our data and worked to align closely with the UN's framework of Sustainable Development Goals.

In FY2023, we completed our first materiality assessment and established our ambitions to become a net zero business. In our FY2023 Annual Report and Accounts, we report against the TCFD regulations a year before we are mandated to by law. We have a factory sustainability framework that encourages all sites to complete local improvement actions. Through the development of our first Environmental Policy, we have agreed clear environmental ambitions. We have committed to becoming a net zero business (in terms of scope 1 and 2 emissions) by 2035 in line with our peers and we will set targets in alignment with the SBTi. We have controlled our emissions increase to below 2% year on year, despite annual revenue growth of over 17%. We have increased our use of renewable energy contracts and installed our first on-site solar power-generating facilities. We know that by increasing the engagement of all our teams in environmentally-focused kaizen activities, we can accelerate many aspects of our sustainability performance.

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

Solar power and renewables

Our Henggang plant became our first plant to install a 100KW solar installation to support the decarbonisation of its power supply. The acquisition of InYantra included an on-site solar powerplant and further solar power installations are being studied and will be used where the cost and benefits are viable.

Engaging our sites in sustainability excellence

In FY2021, we started our Volex Site Excellence Awards programme to recognise and encourage our sites to achieve great results. With award categories including quality, safety and customer service, we decided, in FY2023, to add a new category for sustainability and, in the first year, this award was won by our Henggang plant in China.
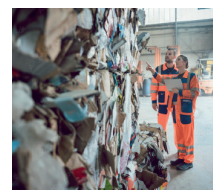
Water reduction

We are not a major consumer of water as most of our plants do not require water in their production processes. We know that we have plenty of opportunities to manage our water consumption better. In FY2023, our Henggang plant achieved a 17% reduction in its water consumption with 11% coming from simple kaizen measures.

Reducing our waste to landfill

Seven of our nineteen factories now operate to a zero-waste-to-landfill standard. This means that the majority of their solid waste is disposed of through a recycling or incineration process. In FY2023, all sites were required to report waste data on a monthly basis. 17/19 sites now achieve this requirement.
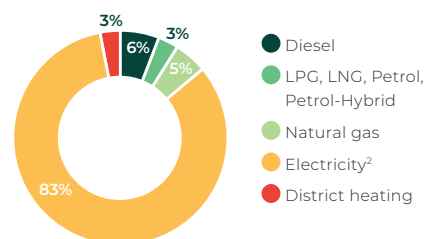
Building a
Sustainable Business (continued)

## Energy and Emissions data

FY2023 emissions profile

- Scope 1
- Scope 2
- Scope 3
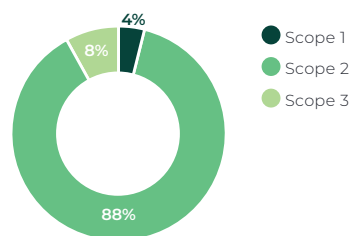
	FY2023 tCO$_2$e	FY2022 tCO$_2$e
Total emissions	21,845	21,423
Scope 1	830	1,002
Scope 2	19,170	18,736
Scope 3[1]	1,845	1,685

Energy consumption by source

- Diesel
- LPG, LNG, Petrol, Petrol-Hybrid
- Natural gas
- Electricity[2]
- District heating

	FY2023 MWh	FY2022 MWh
Total	41,047	39,509
Diesel	2,504	2,670
LPG, LNG, Petrol, Petrol Hybrid	1,146	701
Natural gas	1,918	2,394
Electricity[2]	34,102	32,192
District heating	1,377	1,551

Energy consumption by region

- America
- APAC
- China
- Europe
- UK
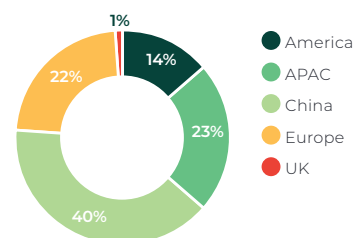
	FY2023 MWh	FY2022 MWh
Total energy consumption	41,047	39,509
America	5,596	4,122
APAC	9,584	6,690
China	16,330	18,354
EU	9,140	10,189
UK	397	154

Additional metrics

Energy efficiency	Units	FY2023	FY2022
Energy per thousand worked hour[3]	kWh/000hr	2.1	2.4
Energy per headcount[4]	MWh/ employee	4.7	5.1

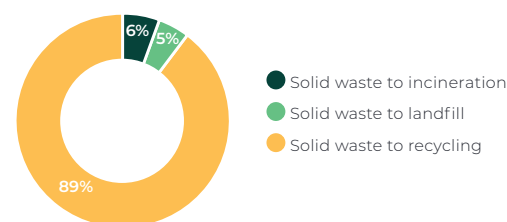| Use of renewables	Units	FY2023	FY2022
Electricity from on-site solar generation[5]	MWh	115.5	0
Green electricity supplied[6]	MWh	442	77.1
Total green energy	MWh	557.6	77.1
% of total electricity consumption from renewables[7]	%	9	0.8

Notes:
1. We currently report the following scope 3 categories (transmission and distribution of district heating and non-renewable grid electricity and emissions from car hire and grey fleet car travel).
2. Electricity is the total consumption of renewable and non-renewable electricity.
3. Working hours during FY2023 averaged over the 12 months.
4. An indicator of energy efficiency, total energy consumed divided by the total workforce employed during FY2023 averaged over the 12 months.
5. Energy supplied from on-site solar generation.
6. Energy supplied from grid-electricity from certified renewable sources.
7. Calculated as the percentage of total electricity consumed in the last month of FY2023 that is from renewable sources.
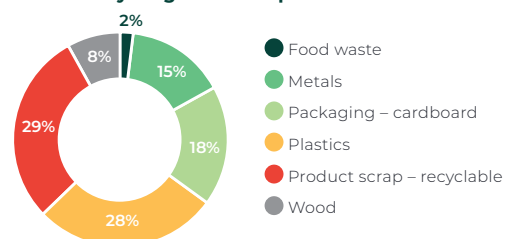
Building a
Sustainable Business (continued)

FY2023 is the first year where we have a comprehensive data set for waste produced across the business with 17/19 sites reporting representing 96% of our workforce. In FY2022 only 9 of our factories reported waste data. This is the reason why we are showing a significant increase year on year.
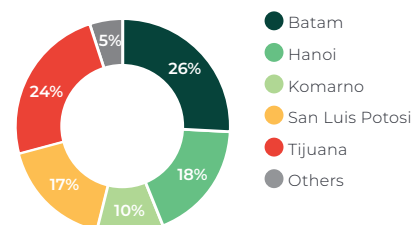
FY2023 total solid waste

- Solid waste to incineration
- Solid waste to landfill
- Solid waste to recycling

FY2023 recycling materials profile

- Food waste
- Metals
- Packaging – cardboard
- Plastics
- Product scrap – recyclable
- Wood

FY2023 solid waste to landfill by key location

- Batam
- Hanoi
- Komarno
- San Luis Potosi
- Tijuana
- Others

Waste

Waste (all units are tonnes unless stated otherwise)	Units	FY2023	FY2022
Total solid waste		5,198	1,085
Solid waste to recycling		4,655	892
Solid waste to incineration		301	42
Solid waste to landfill		242	152
Solid waste to recycling		4,655	892
Product scrap – recyclable		1,340	294
Plastics		1,276	150
Packaging – cardboard		838	210
Metals		717	107
Wood		377	93
Food waste		92	21
Paper		14	16
Electrical waste		1	1

Additional Metrics

	Units	FY2023	FY2022
Hazardous Waste		40	13
Hazardous Waste Intensity Ratio[2]	t/$M	0.05	0.02
Percentage recycling[3]	%	90	82
Waste to landfill per headcount	kg / employee	28	20

Solid Waste to landfill by location[1]

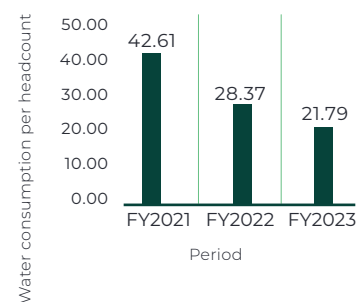|	FY2023	FY2022
Group	242	152
Batam	63	71
Hanoi	44	10
Komarno	24	23
San Luis Potosi	40	0
Tijuana	58	9
Others	12	39

Notes:

[1] These 5 sites below account for 95% of our groups solid waste to landfill in FY2023.

[2] The total amount of hazardous waste in tonnes per $M revenue.

[3] The total amount of solid waste recycled shown as a percentage of the total solid waste produced.

[4] The amount of waste sent to landfill in kgs divided by the average headcount for the financial year.
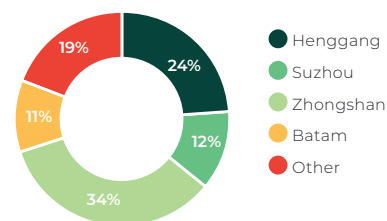
Building a
Sustainable Business (continued)

Water intensity ratio
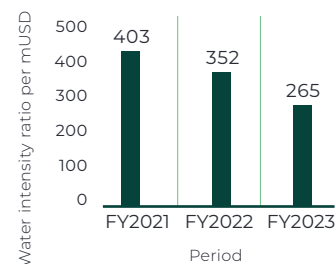
Water consumption
(All units are Metric tonnes unless stated otherwise)

		FY2023	FY2022
Water consumption		**191,478**	216,373
Water consumption – third-party sources		**184,577**	210,793
Water consumption – groundwater		**3,343**	4,653
Water consumption – fresh surface water		**2,198**	757
Water consumption – recycled / reused water		**1,361**	170
Water discharge		**166,407**	183,270
Water discharge – third-party destinations		**165,885**	182,399
Water usage or loss		**25,071**	33,103
Water discharge – surface water		**408**	–
Water discharge – groundwater		**113**	871

Additional Metrics

		FY2023	FY2022
Water consumption – intensity ratio 000m³ per $M[1]	000m³ / $M	**265**	352
Water consumption per headcount[2]	000m³ / employee	**21.79**	28.37

Water consumption per headcount

Water consumption by location[3]

	FY2023	FY2022
Group	**191,478**	216,373
Henggang	**46,306**	55,939
Suzhou	**23,556**	22,373
Zhongshan	**64,896**	81,450
Batam	**20,702**	16,860
Other	**36,018**	39,751

Notes:

[1] Metric tonnes of water consumed per $M revenue.

[2] The amount of water consumed divided by the average headcount for the financial year.

[3] The 4 sites mentioned above account for 81% of the Group's total water consumption.

FY2023 water consumption by location

- Henggang
- Suzhou
- Zhongshan
- Batam
- Other

Building a
Responsible Business

Being a responsible business, Volex places great emphasis on social issues as part of its environmental, social and governance (ESG) strategy. This means not only minimising its environmental impact and practicing ethical business practices, but also actively seeking ways to contribute to society and support the safety, health and wellbeing of our greatest asset, our workplace. We have aligned our ambitions to support the UN's SDGs.

At Volex, we believe that being a responsible business starts with ensuring the health and safety and wellbeing of its workforce. Creating a safe working environment is a foundation to building an engaged and stable workforce within any manufacturing organisation. With a great safety culture in place, we can progress to develop a world class culture that values diversity and inclusion, learning and employee engagement. Our goal is to improve the physical and mental health and wellbeing of our employees and to provide them with a safe place to work. We are committed to ensuring that all of our employees have a safe place to work and we achieve this through ensuring robust health and safety management systems and through applying risk reduction and accident and injury prevention principles.

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

Engaging with our communities

Our communities are immensely important to us as we draw our workforce from them. At the end of each day, our workers return to their homes and families within these communities. Most of our sites organise community-specific fundraising or environmental improvement actions that many repeat each year.

Building exceptional talent

Our exceptionally talented workforce drives and delivers everything that we achieve. We work with universities and colleges to bring in talent. We are also driving an increase in the use of employee referrals to bring new talent in on recommendations from an existing employee. We work hard to develop our internal talent and will increase the number of people being promoted into key management positions.

Building a great culture

Driving and developing a great culture is really important to us and, again, the most important aspect of this is what happens locally. Our local teams celebrate national holidays, religious festivals or other global events such as International Women's Day. We share these stories internally through our communication systems.

### Building emergency resilience and readiness

Over 95% of our workforce works at one of our factories. It is essential that we manage our emergency readiness and business continuity plans effectively at each location. Most of our factories hold annual emergency readiness evacuations often working in active partnership with our local emergency response organisations.
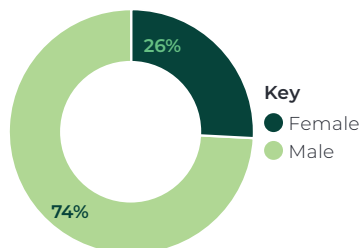
Building a
Responsible Business (continued)

Total Workforce

54%

46%

Key
- Female
- Male

The Board

17%

83%

Key
- Female
- Male

Management

26%

74%

Key
- Female
- Male
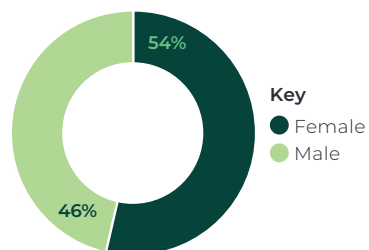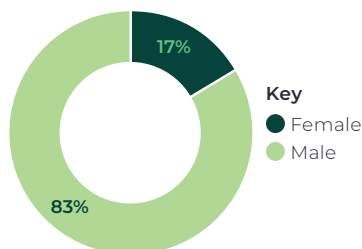
| Safety performance	FY2023	FY2022
Number of fatalities	0	0
Number of lost time accidents[1]	24	30
All injury accidents[2]	186	32
Frequency rates		
Accident frequency rate[3]	1.2	1.8
Accident frequency rate per thousand people[4]	0.5	0.6
OSHA incident rate (TRIR)[5]	0.2	0.4
Severity		
Days of absence caused by lost time accidents[6]	716	541
Accident severity rate[7]	0.04	0.03
Injury typology		
Primary cause of accident		
Contact with moving machinery[8]	11	12
Other people metrics		
Turnover – total workforce turnover[9]	5.24	4.13
Turnover – workforce turnover (adjusted)[10]	3.92	3.36
Absenteeism – total workforce absence[11]	7.40	7.90
Absenteeism – workforce absence (adjusted)[12]	3.60	3.86
Recruitment – employee referral rate[13]	11%	n/a

Notes:

[1] We report all lost time accidents involving more than 1 day time loss for all worker categories including contracted labour and other temporary or agency workers.

[2] All injury accidents without lost time. We started company-wide reporting of this data in FY2023 hence the significant year on year increase. In FY2024 we will start to report on near-miss incidents.

[3] The number of lost time accidents per million worked hours.

[4] The number of lost time accidents per 1000 workers.

[5] Uses the OSHA incident rate methodology which the number of lost time accidents x 200,000 divided by the total working hour.

[6] The number of working days falling within the financial year that were lost due to injury from a lost time accident.

[7] Uses the EcoVadis calculation methodology which is the number of days lost due to a lost time accident x 1000 divided by the total working hours.

[8] Number of lost time accidents with this causation.

[9] The number of leavers divided by the total workforce as a percentage. We report the monthly average turnover across the financial year.

[10] The number of leavers divided by the total workforce as a percentage. We report the monthly average turnover across the financial year and exclude all leavers caused by the expiry of short-term or fixed term contracts.

[11] Absence is calculated as the number of hours lost as a percentage of the total worked hours. We report the average monthly absence as a percentage.

[12] Absence is calculated as the number of hours lost as a percentage of the total worked hours. We report the average monthly absence as a percentage with the hours for holiday, off the job training and maternity leave excluded.

[13] The percentage of new hires (averaged over the financial year) from candidates referred to Volex by current employees.

Building a
Trusted Business

At Volex, we believe that being a trusted business starts with us understanding our stakeholders's expectations. Our focus is to continuously strengthen our governance across the business to establish clear performance and behavioural expectations to all our employees. Through our annual reporting cycle, we then provide transparent and robust disclosures to enable our stakeholders to form an accurate view of our internal controls, key policies and our performance against the commitments we make.

Through our Board of Directors and our senior leadership team, we cascade our expectations to all employees. With our Code of Conduct and our policy frameworks, we have established a robust governance system. We provide training to our employees in a variety of topics including cybersecurity and our anti-bribery and anti-corruption policies to underpin the expectations set within our Code of Conduct and our key policy framework. An important part of our governance are the external ISO certifications as these ensure that our operations are being regularly inspected by independent auditors providing their own assurance on the strength of our management systems. We have a global whistleblowing policy and reporting system that we call Speak Up. This provides a mechanism for individuals to report their concerns if they believe the conduct of an individual, team, function or site may have fallen below the standards that we expect. All case reports are investigated, actioned accordingly and all cases are notified to the Board through the Audit Committee.
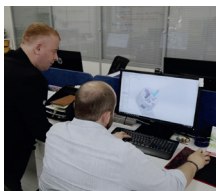
E-learning programmes

We utilise a variety of global e-learning programmes to ensure key personnel have the knowledge and skills they need to perform competently.
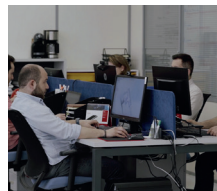
Speak Up and whistleblowing

We partner with Navex and their EthicsPoint solution to provide a global whistleblowing framework that is accessible to all employees in their local language.

Certification to external standards

100% of our manufacturing sites are certified to ISO 9001, the international standard for quality management systems.

Responsible minerals and sourcing

With our responsible minerals policy and procedures, we ensure we manage supply chain risks that relate to the sourcing of our materials.

Code of Conduct

Our Code of Conduct is deployed across the business and communicated to all employees, including those who join the team through one of our acquisitions.

RBA compliance

Some of our biggest sites are audited by the RBA. Our biggest site is GOLD certified and two of our China plants are SILVER certified.

Building a
Trusted Business (continued)

Sustainable products

Our products are designed responsibly to comply with appropriate standards, including EU RoHS and EU Reach. We offer products that are free from MCCP, phthalates, lead and DINP as well as offering halogen-free cables. Our product design teams continuously assess ways to improve the sustainability of our products, through improving their design, reduce their weight, the selection of materials and also through working with our customers to improve the sustainability of our transit packaging.

Sustainable procurement

Our supply chain teams are committed to sourcing responsibly and our Responsible Minerals Policy is available on our website. In addition, we manage the risks of slavery within our business and within our supply chain within the parameters of our Modern Slavery policy. We publish our Modern Slavery Statement annually onto our website and onto the UK Government's Modern Slavery registration system.

Summary

We have started our journey to becoming a more sustainable business. Our framework sets out our ambitions to be a sustainable, responsible and trusted business and we are working to align our improvements with the standards being established by international organisations such as the UN, ILO, CDP, RBA and EcoVadis. We have improved our data and understanding of the impacts of our business and we are using this data to drive a coordinated improvement agenda powered by site excellence.

We have lots still to do, but we are excited about playing our part in responding to the global climate crisis as this both brings risks, and tremendous opportunities for our business.

A summary of our commitments:

Climate	▶ We will become a net zero business (for our scope 1 and 2 emissions) by 2035.
	▶ We will become a net zero business no later than 2050.
Safety, health and wellbeing	▶ We will strengthen our safety culture and our safety management system to ensure that we deliver year-on-year improvements to levels of safety, health and wellbeing across our workforce.
	▶ We will ensure that all our factories operate to ISO 45001 certified standards.
Environmental (non-climate)	▶ We will increase the percentage of waste that we recycle beyond our current level of 90%.
	▶ We will increase the use of LED lighting wherever possible, beyond our current level of 90% utilisation.
	▶ We will ensure that all our factories work towards ISO 14001 certified standards.
Social	▶ We will work to reduce levels of absence and turnover in our business.
Governance	▶ We will work to ensure zero human rights violations each year.

Read our Responsible Minerals policy **here**

Read our modern slavery statement **here**

Building a
Trusted Business (continued)

	FY2023	FY2022
Governance and compliance		
Human rights violations reported	**0**	0
Speak Up and whistleblowing cases	**18**	0
RBA Gold Sites	**1**	0
RBA Silver Sites	**2**	0
Training		
Training – employees receiving health and safety training	**6,544**	6,712
Training – employees receiving equal opportunities training	**5,642**	6,384
Training – employees receiving cyber-security training	**1,680**	1,471
Sustainable products		
% of our Revenues from green products (EV)	**19%**	n/a
Sustainable procurement		
Key supplier audits conducted to fulfil our modern slavery commitments	**112**	67

	FY2023	FY2022
Management system certifications[2]		
ISO 9001	**98.9%**	98.9%
ISO 45001	**61%**	51%
ISO 14001	**87%**	79%

	FY2023	FY2022
External disclosures		
CDP climate score	**C**	D
CDP water score	**B-**	B-
EcoVadis score	**56/100**	n/a

	FY2023	FY2022
Headcount		
Production	**6,271**	6,009
Sales and distribution	**626**	541
Administration	**536**	575
Total average workforce[1]	**8,786**	7,628
Total working hours		
Actual total working hours (million worked hours)	**19.3**	16.8

[1] Total average workforce over the year. This includes our on-payroll employees and our variable workforce (includes our use of agency / temporary and outsourced workers).

[2] The percentage of our workforce employed at a factory certified to this international standard. All of our certificates are available on our website.

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