

SUSTAINABILITY REPORT



“

We end the year with renewed confidence that our sustainability strategy is fit for purpose, and will support the growth of our businesses as we look towards our 2030 targets and beyond.”

Rosalind Kainyah
Chair of the Sustainability Committee

Dear Shareholder,

Sustainability at discoverIE is central to both our purpose and our business model. Our strategy focuses on technologies that are crucial to solving some of the world’s most pressing social and environmental problems, and we partner with customers who share our goal of enabling technology for a sustainable world. In our own operations, we regard sustainability as a core business management tool. Throughout the past year, and despite the challenges in both geopolitical and regulatory landscapes, we have maintained our sustainability focus.

Our target markets are aligned to the following UN Sustainable Development Goals (“SDGs”):

- SDG 3 Good Health and Well-being;
- SDG 7 Affordable and Clean Energy;
- SDG 9 Industry, Innovation and Infrastructure;
- SDG 11 Sustainable Cities and Communities; and
- SDG 13 Climate Action.

We deliver sustainable growth for our business through the design and manufacture of innovative electronic components that support the transition to a low-carbon economy, promote better healthcare technologies, and bring people and communities together through connectivity solutions. Our over 30 operating businesses have a presence in 21 countries around the globe, providing employment to c.4,600 people. Most of our businesses are small or medium-sized, and our challenge is to balance relevant and actionable local programmes (such as carbon reduction, energy efficiency, or training and development) with the regulatory demands of a large multi-national group. We know that fostering a safe, inclusive and supportive environment for our employees, focused on their personal development and growth, not only reflects our values but is essential to our success. We also recognise

that the responsible use of resources such as energy, rare minerals, plastics and water, and active management of climate risks, are critical to our long-term resilience.

We are delighted to be able to report that we not only met but exceeded our short-term greenhouse gas emissions reduction target of a 65% reduction from our calendar year (“CY”) 2021 base year emissions in Scope 1 and 2, achieving a reduction of 68%. We also took a significant step forward in our ambition to reduce emissions from the use of natural gas in future by approving the replacement of our gas heating system at Noratel’s site in Poland with a fully electric system, capable of both heating and cooling. Not only will this allow our site to adapt more swiftly to a warming climate, and improve the working environment for colleagues, it also supports energy security and will remove over 100 tCO₂e from our annual greenhouse gas emissions.

It is a credit to the leaders and employees of our operating companies that even with a more stringent definition of a lost time incident introduced last year, the number of serious safety incidents declined during the year. However, we are not resting on our laurels. Every health and safety incident means there is room for improvement, and we continue to enhance our safety reporting, culture and knowledge-sharing across our businesses.

Although the uncertainty surrounding the future requirements of sustainability reporting (particularly the European Corporate Sustainability Reporting Directive) could have made it easy to lose focus on our sustainability pathway, we took the opportunity to review our Sustainability Strategy, and to carry out a materiality assessment of our sustainability risks and opportunities. This exercise deepened the interaction with operating businesses, and gave the Board, the Executives and the Group Sustainability Team renewed confidence that our strategy is fit for purpose, and will support the growth of our businesses as we look towards our 2030 business and sustainability targets.

Rosalind Kainyah
Chair of the Sustainability Committee
2 June 2026

Tonnes CO₂e abated

5,952

Scope 1 and 2 vs 2021

Employees protected

3,297

**under an ISO 45001
management system**

**Products manufactured
under ISO 9001**

96%

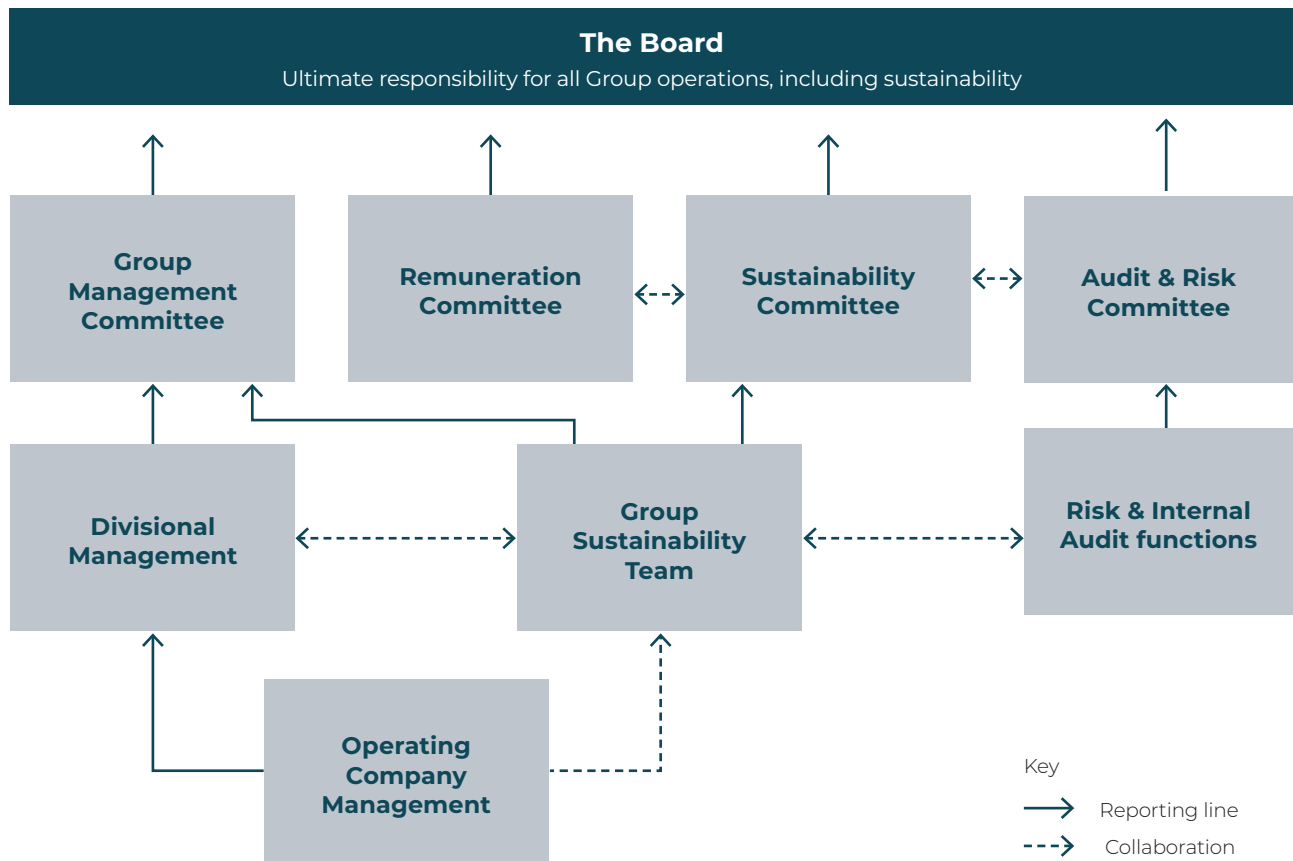
of annual revenue



SUSTAINABILITY REPORT CONTINUED

Sustainability governance

The Board has overall responsibility for overseeing our approach to sustainability and has delegated detailed consideration of sustainability strategy, policies and performance to the Sustainability Committee. The Committee monitors practices and performance throughout the organisation. This is supported by our wider governance structure, as outlined in the diagram below.



The Sustainability Committee is supported by the Group Sustainability Team (“GST”), which reports to both the Committee and Group Management Committee (“GMC”). The GST consolidates sustainability data across the Group, reports performance and supports operating businesses in managing their key sustainability risks and priorities.

The responsibilities of the Committee are supported by our policies that define the standards expected across the Group and underpin the culture we expect in managing sustainability matters. These can be found on our website at www.discoverieplc.com/sustainability/company-policies.



Our policies

Policy	Comment
Anti-Bribery & Corruption Policy	<ul style="list-style-type: none"> The Group has a zero tolerance approach to bribery and corruption matters. This is supported by our policy, translated into all of the Group's predominant languages, and our mandatory global training programme for employees.
Board Diversity Policy	<ul style="list-style-type: none"> The Board adopted its first Diversity Policy in May 2021 and updated it in March 2025, revising its targets to align with the current size and composition of the Board whilst maintaining its commitment to diverse representation.
Business Ethics Policy	<ul style="list-style-type: none"> discoverIE is committed to strong ethical values and good corporate practice, and aims to conduct its operations on sound business principles with trust, honesty and integrity. This Policy defines the standards we expect from employees and business partners.
Conflict Minerals Policy	<ul style="list-style-type: none"> This Policy seeks to ensure that none of the Group's operations are exposed to sourcing conflict minerals anywhere in its operations.
Environmental Policy	<ul style="list-style-type: none"> This Policy defines the Group's environmental objectives and standards.
Human Rights Policy	<ul style="list-style-type: none"> Respect for the well-being of all people, staff, customers, suppliers and other stakeholders alike is at the core of who we are and how we work. Treating people fairly, with dignity and respect is essential to our long-term success. This Policy sets out the Group's expectations on the fair and respectful treatment of people.
Modern Slavery Statement	<ul style="list-style-type: none"> discoverIE is committed to ensuring that no forms of modern slavery exist in its business operations or supply chains. This statement sets out the steps taken to prevent modern slavery within the Group's operations and supply chain.
Supplier Code of Conduct	<ul style="list-style-type: none"> This Code defines the Group's basic requirements of suppliers, including their responsibilities to their stakeholders and the environment.
Sustainability Policy	<ul style="list-style-type: none"> This Policy sets out the Group's commitment and priorities on environmental and social matters considered important for the Group's long-term sustainability.
Group Tax Strategy	<ul style="list-style-type: none"> This Policy sets out the Group's approach to minimising our exposure to material tax risk, ensuring that tax affairs are managed efficiently, complying with tax laws in all jurisdictions and avoiding aggressive tax planning.
Whistleblowing Policy	<ul style="list-style-type: none"> The Group encourages a "speak up" culture at all levels, if any kind of risk exists or wrongdoing has occurred. This Policy supports this culture and provides a secure and confidential reporting mechanism, including a hotline to an independent third-party that has been made available and advertised to staff at all Group locations.
Stakeholder Engagement Policy	<ul style="list-style-type: none"> This Policy defines the Group's approach to engaging with all stakeholders appropriately and equitably.

The Board's knowledge, expertise and skills in sustainability matters are assessed regularly as part of a broader external Board evaluation process.

The Board is supported by the GST, which comprises members with sustainability, finance, legal and operations expertise. The GST works closely with the Group's auditors and other specialist sustainability advisors to ensure that the GST has the necessary skills to drive sustainability across the Group and support the operating businesses in the identification of sustainability-related risks and opportunities and the implementation of the Group's sustainability strategy.

The GST works closely with the Group Risk and Internal Audit and Group Finance teams to identify, assess and address sustainability-related risks and opportunities, including climate and social issues. These risks are incorporated into our Group-wide risk management processes along with all other organisational risks and opportunities. The Board oversees sustainability-related risks and opportunities that are financially material to the Group as part of this process.

In line with the Group's decentralised structure, sustainability topics are managed at the operating business level. Local management teams report to their respective business unit directors, who report to the GMC. Sustainability-related decisions are also taken at the operating company level, by managers best placed to understand their business. Financial resources to meet any requirements arising from these decisions are made available to the businesses through the Group's standard financial forecasting and budget cycles, and capital expenditure released through the normal approval channels.

The GST maintains day-to-day oversight of sustainability-related risks and opportunities through regular reports received from the operating businesses, and management updates received from business unit directors. These reports are used to drive consistency, coherence and best practice across the Group, and to consolidate Group performance, which is then reported to the GMC and the Sustainability Committee. The Sustainability Committee met in May and November 2025, and in March 2026, and received detailed updates from the GST at each meeting.

SUSTAINABILITY REPORT CONTINUED

Our sustainability strategy:

Our sustainability strategy has three pillars: Our Planet, Our People and Our Products, connected to the three aspects of sustainability: environmental, social and economic.

Our purpose is to create innovative electronics that help to improve the world and people's lives, now and in the future. Achieving this over the long term requires managing sustainability-related risks and opportunities across the Group.



Voluntary staff turnover

12%

(FY2025: 18%)

Lost Time Incident Frequency Rate

0.16

(FY2025: 0.25)



Our Planet



We understand the urgent need to preserve our planet for future generations and to mitigate the impact of climate change. At discoverIE, we contribute to the transition to a low-carbon economy through our products, which help others reduce their emissions, and through our operations by committing to become a net-zero emissions business.

Our focus areas

Reducing greenhouse gas emissions and energy intensity. We are targeting SBTi-aligned net-zero emissions for Scope 1 and 2 by 2030 and for Scope 3 by 2040.



Our People



Our employees are our most valuable asset. They are responsible for developing innovative solutions, creating high-quality products and services, and building lasting relationships with customers. Their contribution is critical to achieving our long-term success.

Our focus areas

Maintaining a positive and diverse work environment that fosters creativity, collaboration and teamwork.

Ensuring healthy and safe working conditions.

Investing in our people through learning and development to ensure employees can grow and thrive.



Our Products



We produce high-quality, reliable products that play a critical role in the functioning of our customers' products, which have zero tolerance to failure, and bring considerable benefits to customers and the environment alike.

Our focus areas

Product quality and reliability, which are paramount to our customers.

Products with long lifecycles, and which are integral to our customers' systems.

Products that support the transition to a low-carbon economy.

The Board has set targets for each pillar in our sustainability strategy. These are described in more detail in the Sustainability in Action section on pages 49 to 55.

The operating businesses' performances against the targets are incorporated into the annual bonus process, with a proportion of annual bonus contingent on achieving those targets.

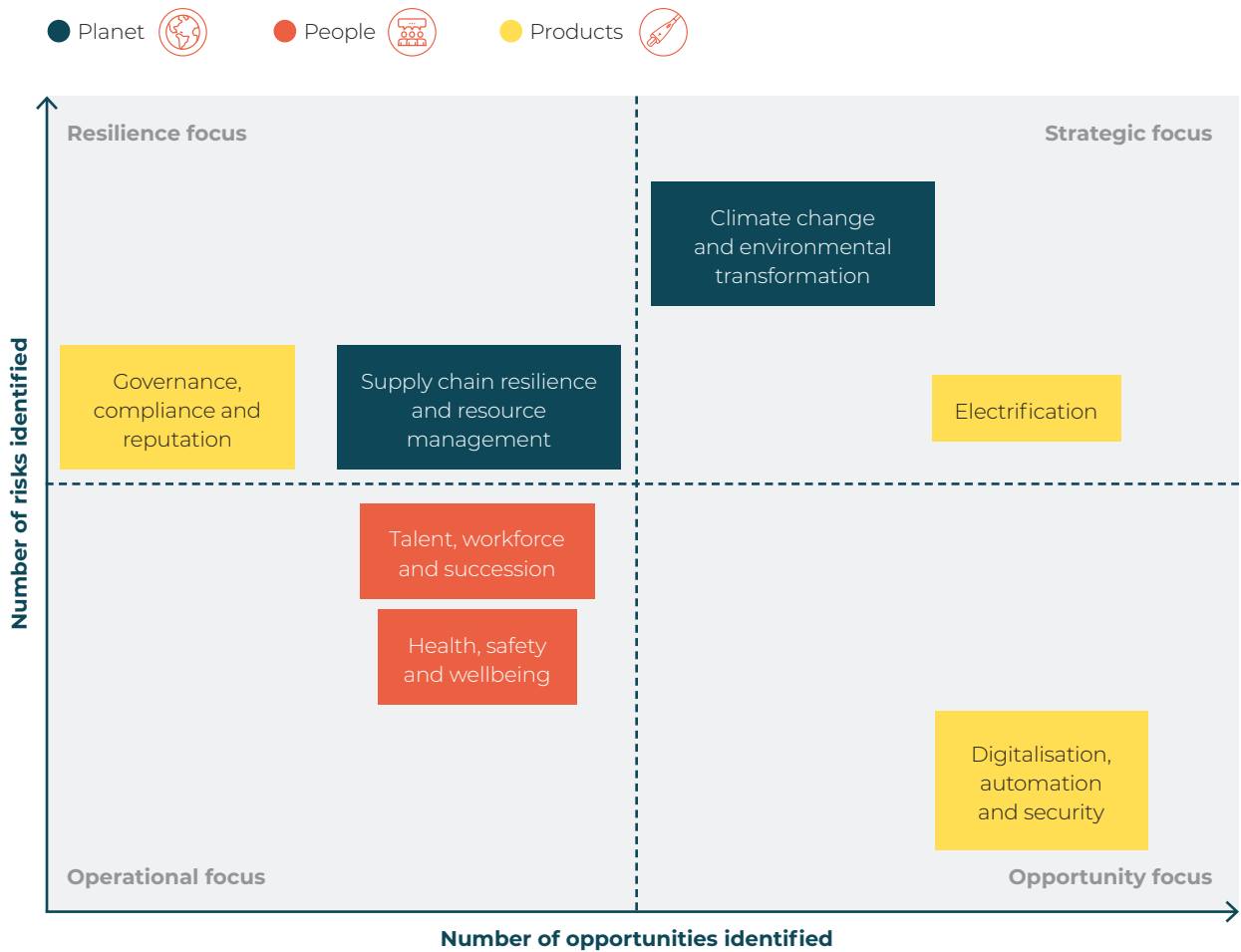
SUSTAINABILITY IN ACTION

Materiality Assessment

During the year, the GST carried out an internal review of sustainability-related risks and opportunities to assess whether our current Sustainability Strategy was still effective in its approach, and appropriate to our business operations.

This review drew on our Group Risk Register, business risk registers, 2025 TCFD Report, our business model and target markets. A long list of risks and opportunities was generated, which was then shared at sub-divisional level for review and validation.

The risks and opportunities identified as high priority were grouped by theme and mapped on to a matrix based on the number of risks and opportunities appearing in each theme. The assessment confirmed to the GST and the Board that the three pillars of our sustainability strategy remain appropriate to support our business.



The internal review revealed the topics above as important to the sustainable management of our businesses and resilience of the Group. All the topics identified are of high importance at the operating company level. However, due to the decentralised structure of the Group, not all topics are assessed as financially material at Group level, that is, likely to have a material impact on the Group's financial position or prospects.

We define "material" as any risk with a reasonable probability of impacting the financial position of the Group by £2.3m or more, in accordance with the materiality threshold set for the financial statements and agreed with the Group's auditors. Those that are believed to have a financially material impact are managed centrally by the GMC and Board. Those that are not financially material at the Group level are managed locally at the operating business level, in line with our decentralised approach.

SUSTAINABILITY IN ACTION

CONTINUED

The Climate Change risks and opportunities identified as material are described in detail in the Climate Analysis Report on pages 57 to 73. The opportunities identified under the Electrification and Security topics are explored in more detail in the Market Overview section on pages 18 to 23.

The Group's business model is aligned to the risks and opportunities identified during the materiality exercise. As a specialist supplier of bespoke products, we have close design relationships with our customers, and are well positioned to understand the impact of megatrends within our markets (such as electrification, digitalisation and urbanisation) on customers' portfolios.

The Group's decentralised model allows our businesses to retain an entrepreneurial culture, which enables them to react quickly to emerging risks and opportunities. The divisional organisation of our businesses also helps to concentrate market expertise close to our customers. For example, our Magnetics subdivision serves our renewable energy customers, whilst Controls operates across the breadth and depth of Medical and Security markets.

Our strategy is designed to deliver sustainable returns to our shareholders. Investment decisions, including those relating to sustainability, are assessed on a case-by-case basis using the Group's standard capital allocation processes. These assessments consider expected financial returns and opportunity costs alongside relevant non-financial factors including carbon reduction and energy security.

Acquisitions are evaluated in line with the Group's strategy of sustainable growth. Where businesses we acquire have a significant pre-existing greenhouse gas emissions profile, we work to abate their emissions through similar actions to those which have already proved successful in reducing the emissions of our legacy businesses.

Our products are high-quality and designed for long, safe and efficient operation. In parallel, our focus on our sustainable growth markets ensures we prioritise relationships with customers who share our vision of enabling technology for a sustainable world. In focusing on planet and people, in addition to product, we have constructed a sustainability framework that supports growth whilst reinforcing processes to minimise the negative impact to employees and the environment.

Risk management

The Group assesses, prioritises and monitors sustainability-related risks as an integral part of our Enterprise Risk Management ("ERM") process. No separate sustainability risk process exists; sustainability risks are embedded within our ERM. As described in the Risk Management section on pages 74 to 78, two risk management processes are conducted in parallel. A central review of the Group Risk Register is conducted, whilst a bottom-up review is simultaneously undertaken by the management teams at each operating company. From a sustainability management perspective, this method works well in identifying systemic macro risks, such as climate change,

at the Group level, whilst specific operational factors, such as situational health and safety risks, are managed by knowledgeable teams at the local level.

During the year, the GST worked with the Group Risk and Internal Audit team to gather non-financial and non-carbon sustainability information in conjunction with the bottom-up risk management review completed by the leadership of each business. This was to enhance consideration of sustainability-related risks and opportunities more closely at operational level, and to encourage businesses to capture such risks and opportunities in their value chains. The process improved visibility of sustainability-related risks at operating business level and did not identify any material gaps.

A local review of businesses' Risk Registers was combined with a sustainability risk screening questionnaire, which encouraged local teams to think more broadly about non-financial risks in their operations. Output from the questionnaire was consolidated and reviewed centrally to identify common themes across businesses which might develop into a Group-wide or financially material risk.

The Group's corporate structure provides resilience against sustainability risks. Under the decentralised structure, operating companies are responsible for managing and monitoring their business risks, supported by central functions that provide guidance.

Whilst the Group's structure limits the extent to which an unforeseen or unmanageable risk at the local business level affects the wider Group, risks are actively managed through targeted reporting, central oversight, the sharing of best practices, and risk management processes across the businesses. Where risks emerge, we make financial resources available to support appropriate management and mitigation.

Material sustainability topics

Our risk management process has assured us that only the risks and opportunities relating to climate adaptation, electrification and security have the potential to be of material financial impact to the Group. Of these, only climate adaptation is believed to pose a material risk. However, our materiality analysis also demonstrated that there are common sustainability themes across the Group with the potential to impact key stakeholders, including employees, suppliers and customers. The Board, therefore, continues to oversee these themes and track operational progress.



Our Planet

The risks and opportunities presented by climate change represent financially material challenges to the Group. Our focus on clean technologies drives our growth strategies, whilst the evolving threat of climate change presents challenges to our supply chains and operations that demand our attention. These risks and opportunities are analysed further in our Climate Analysis Report on pages 57 to 73.

Greenhouse gas emissions

We also recognise the importance of all companies acting to mitigate their impact on the planet through careful stewardship of their own emissions. In November 2022, we announced our commitment to achieve net-zero emissions and set science-based targets for the medium and long term and, in May 2025, we received validation of our targets from the Science Based Targets initiative (“SBTi”). We report progress on our net-zero short-term targets for Scopes 1 and 2 against the 2021 baseline, restated to exclude divestments and include acquisitions, in accordance with the Greenhouse Gas (“GHG”) Protocol.

We aim to achieve net-zero emissions for Scope 1 and 2 by 2030 and for Scope 3 by 2040 and have published an updated transition plan for net-zero Scope 1 and 2 emissions by 2030. Further details of our net-zero plan can be found at: www.discoverieplc.com/sustainability/our-net-zero-commitment/default.aspx

Our net-zero plan for Scope 1 and 2 focuses primarily on addressing four of the Group’s largest emission sources: electricity, natural gas, company cars and refrigerants. We are pleased to report that our efforts have been successful, and we have achieved an absolute reduction of 68% of Scope 1 and 2 emissions in CY2025 against the CY2021 baseline, in excess of our 65% reduction target.

Since CY2021, Scope 1 and 2 emissions reduction

68%

(CY2024: 59%)

Electricity from renewable or clean sources

85%

(CY2024: 83%)

Sites with ISO 14001 accreditation

33

(2025: 32)

SUSTAINABILITY IN ACTION CONTINUED

Our targets

- Reduce Scope 1 and 2 emissions by 65% by 2025 against CY2021 baseline and to net-zero by 2030
- Source 80% of energy from zero-emission sources by 2025, and 100% by 2030
- 50% electric vehicles or hybrid in the company car fleet by 2025 and 100% by 2030
- Replace at least 50% of gas heating with lower-emission alternatives by 2030
- Reduce energy intensity by 10% by 2030
- 80% of revenue covered by ISO 14001 certification

Our progress

- In CY2025, we reduced Scope 1 and 2 emissions by 68% compared to the CY2021 baseline
- 85% of the Group's electricity is now sourced from renewable or clean sources
- 58% of the vehicles in our car fleet are now electric or hybrid
- In CY2025, natural gas emissions were 14% lower than the CY2021 baseline
- In CY2025, energy intensity was 27% lower than CY2021
- 74% of revenue is generated by operations with ISO 14001 certification

Further details of how we performed during CY2025 can be found in the Climate Analysis Report on pages 69 to 71.

We continue to make good progress in reducing our Scope 1 and 2 emissions across the Group. Key elements in achieving reductions to date include investing in solar panels at our Limator manufacturing plant in Hungary, installing heat pumps for space heating at our Variohm Eurosensor site in the UK and exploring funding for dual fuel heat pumps at Beacon in the USA. We are considering future investments in solar panels and electric heating at other sites, where economically appropriate. Where available, we have also switched our sites' electricity supplies to renewable energy sources.

In CY2025, natural gas became our single biggest source of Scope 1 and 2 emissions, overtaking electricity. Our gas emissions from companies that have been members of the Group since CY2021 were 11% lower than in CY2021. Gas emissions from companies excluding Burster (acquired during CY2025) were equal to CY2024, as reduction opportunities identified over the last year will take time to generate reported GHG emission savings. As we understand our emissions profile more clearly, and as we investigate gas alternatives, we have increasingly come to understand that there is often not a cost-effective alternative technology available, even when factoring in the benefit of the GHG emissions saved. We have therefore updated our original target of a 90% reduction in natural gas emissions from

CY2021 to CY2029 to the more realistic 50% reduction from CY2021 by CY2030. We are confident that this will not prevent us from reaching our overall net-zero in Scope 1 and 2 by 2030 target, as we intend to achieve a 100% reduction in electricity emissions, offsetting the smaller planned gas reduction. We continue to balance increased activity with the identification of viable and cost-effective technologies to replace gas at our remaining sites.

In addition, the prevalence of natural gas as a fuel for heating in industrial applications means we often acquire new natural gas emissions with new businesses. 32% of our emissions from natural gas in CY2025 were generated by companies acquired since CY2021.

In March 2025, the GMC approved plans to replace all gas heating at the Noratel operating facility in Poland with an electric alternative, which is expected to reduce our GHG emissions from natural gas by over 100 tCO₂e p.a. from installation (expected in the second half of CY2026).

To ensure accuracy and fair representation of our greenhouse gas emissions and their reduction, we have engaged Carbon Footprint Ltd to provide independent assurance of our reported Scope 1 and 2 emissions for the second year running. Carbon Footprint have verified emissions reported for CY2021 (our base year), CY2024 and CY2025 in accordance with ISO 14064 Part 3, to a limited level of assurance.

During the year, we continued our efforts to identify and calculate Scope 3 emissions. The exercise covered the upstream emissions of the entire Group (100% of all Group companies) and included enhanced data for downstream transport emissions. Given the high-level calculation necessary to estimate our other downstream Scope 3 emissions (chiefly our emissions in use calculation) we are still reliant on general assumptions and approximations to gauge their impact. We will continue to refine our processes and methodology to incorporate all relevant reporting, whilst maintaining a practical balance between the effort required and the accuracy achievable. In parallel, we will use the enhanced understanding of the sources of our emissions to develop our future reduction plans and enhance our products' GHG performance, to effect real reductions. More information on our Scope 3 emissions can be found on pages 72 to 73.

Use of resources

Energy usage

Energy consumption during CY2025 was 2% higher, due to the acquisition of Burster. Like-for-like energy intensity increased by 2% in CY2025 compared to CY2024, and decreased by 27% compared to CY2021. This exceeds our target to reduce consumption by 10% by 2030. Almost all our operating company sites have implemented simple energy-saving measures, such as replacing lighting with energy-efficient LED alternatives. We must now start to explore more complex processes and operational improvements.



Water usage

Our production processes typically require no or very little water, with less than 10% of our water consumption used in production processes. Where water is used in production, it is mainly for cooling purposes, where recycled water is used. The main source of our water consumption is for drinking and sanitation purposes, and therefore the risk of water scarcity is not a material concern for the Group. However, we also recognise that water is a finite resource, particularly for our businesses in areas of high water stress, such as Thailand and India, and reducing water consumption is an essential step in preserving the environment. About half of our water is consumed in countries rated as 'High' or 'Very High' risk by the WRI Water Risk Atlas. We will continue work to understand risk, increase awareness and promote water-saving practices throughout the Group.

Waste management

We take measures to minimise waste in the manufacture of products, use recycling options where available and reduce packaging.

The majority of our products are non-hazardous. Where hazardous items are involved, environmental risks are minimised by use of appropriate labelling and technical information, in conjunction with training and procedures for handling, storage and disposal.

As an electronics and electrical manufacturer, we follow all relevant laws and regulations, including those governing electronic waste handling, storage and disposal.

By managing components and packaging to reduce our use of non-recyclable materials, we are helping to reduce our environmental footprint and promote more sustainable business practices. In addition, we are in the early stages of exploring the opportunities offered by circular economy principles. Our products are integrated into our customers' technologies, and they are built to last for as long as the systems will be in operation. Nevertheless, we also encourage our engineers to consider circularity principles

CASE STUDY

Limitor Hungary save carbon and costs

In January 2026 our factory in Pécs, Hungary, became the latest addition to our solar panel fleet. In its first four months of operation, the system has already saved almost £7,000 of electricity cost and reduced the GHG emissions of the site by over 26 tCO₂e. With an annual estimated output of 65 MWh, the solar power installation is expected to generate approximately 30% of the site's current electricity usage, and to pay for itself within two years.

(such as ease of reuse, replacement and recyclability) when designing new solutions for our customers. We recognise that this expertise is in its infancy, and we will need to continue to work closely with our customers to understand more fully the benefits circular design can bring in future.

ISO 14001 accreditation

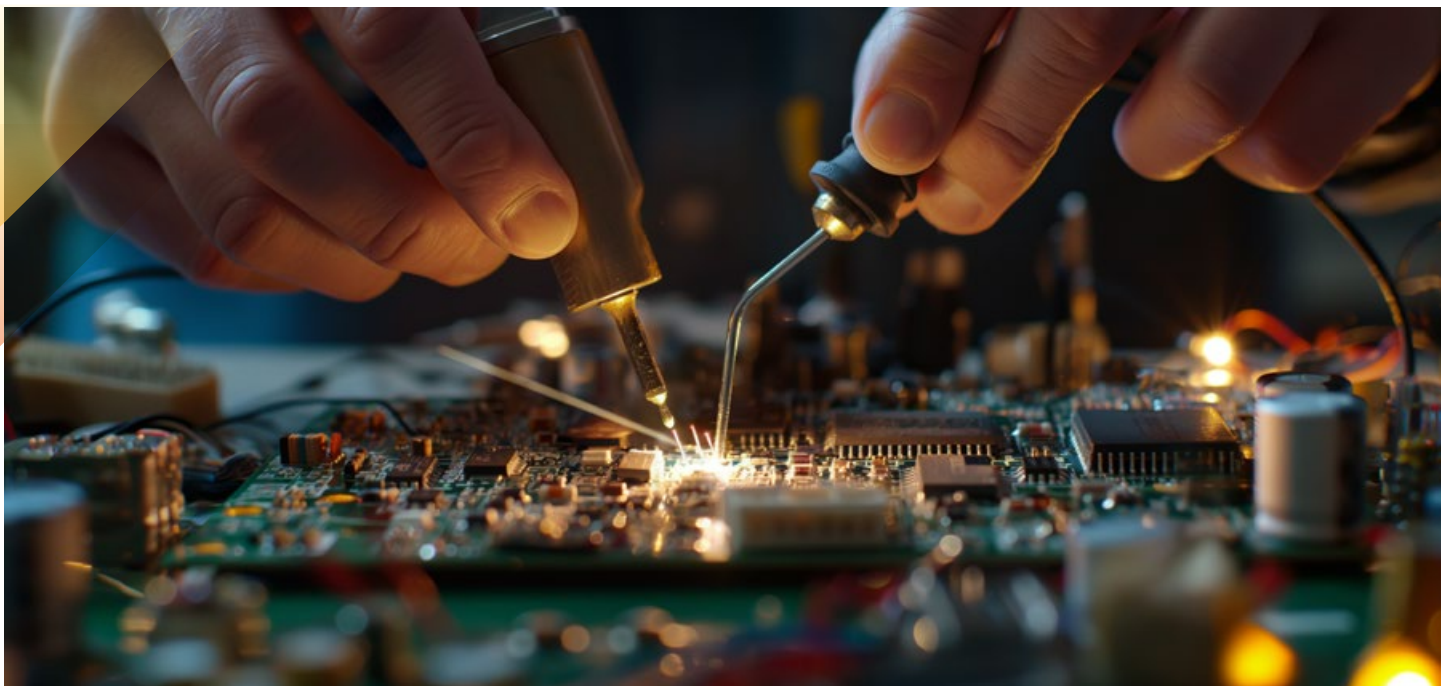
The ISO 14001 (Environmental Management System) accreditation is an internationally recognised standard that sets out certain requirements for environmental management. It helps organisations improve environmental performance through more efficient use of resources and reduction of waste, and provides an objective, independent view of an organisation's environmental credentials.

One further site achieved ISO 14001 accreditation in FY 2025/26. 33 of our 69 sites are now covered by this accreditation, generating 74% of Group revenue (FY 2024/25: 74%). This certification is becoming more important as customers place increasing focus on the environmental credentials of their value chain.

There were no fines relating to environmental non-compliance during the year or the previous three years.

SUSTAINABILITY IN ACTION

CONTINUED



Our People

Our employees are the engine of our business. Although we do not believe that there are any over-arching social risks or opportunities with the ability to have a material financial impact on the Group as a whole, we recognise the fundamental importance of a healthy and fairly paid workforce. The people pillar of our sustainability strategy seeks to support the key social aspects of our business.

Our culture

At discoverIE, we believe that a strong culture is key to achieving our mission and supporting our values. Our culture is built on a foundation of respect, fairness, and equality. We are committed to creating an inclusive workplace where everyone feels valued and empowered to contribute their best work.

Our targets

- Maintain the proportion of our global workforce working in operations with ISO 45001 accreditation

Our progress

- 72% of employees covered by an ISO 45001 certification (FY 2024/25: 73%)

Our culture is characterised by:

Diligence and determination:

We are dedicated to our work and take pride in delivering high-quality products and services to our customers.

Customer-centricity:

We prioritise our customers' needs and work closely with them to develop innovative solutions that meet their requirements.

Respect, fairness and courtesy:

We treat our colleagues with respect, fairness and courtesy, recognising that everyone's contributions are important to our success.

Open and constructive communication:

We believe in open and honest communication, with a willingness to listen and consider different perspectives.

Diversity and inclusion:

We value diversity and strive to create an open and inclusive environment where everyone has an equal opportunity to succeed.

High performance and target driven:

We are go-getters, driven by a desire to achieve excellence in everything we do.

Diversity and inclusion

We are committed to creating an inclusive and welcoming environment for all our employees. We believe that diversity is a strength and that everyone should be treated with respect, dignity and fairness. We are dedicated to providing equal opportunities for all individuals, regardless of their gender, race, ethnicity, social background, religion, sexual orientation, family responsibilities, disabilities, political opinion, age, sensitive medical condition or trade union membership. We foster a culture that values diversity and inclusion, where everyone feels respected, empowered and appropriately rewarded.

Our employment policies are fair, equitable and consistent with the skills and abilities of our employees and the needs of our businesses. Our policies aim to ensure that everyone is accorded equal opportunity for recruitment, training and promotion. We do not tolerate any form of discrimination, harassment or bias in the workplace, whether it be sexual, physical or psychological.

We recognise that diverse perspectives and backgrounds are essential to driving innovation, creativity and growth in our business. Therefore, we are committed to improving the diversity of our workforce and management team by promoting from within and proactively managing our recruitment process.

Our Board Diversity Policy sets out our aim to achieve a Board that is diverse, not only in gender and race, but also in cultural background, experience and expertise. Our Board Diversity Policy can be found on our website: www.discoverIEplc.com. See page 56 for further details of our diversity.

With two female Non-Executive Directors (one of whom is the Senior Independent Director) and one Non-Executive Director from a non-white ethnic minority background, we have met our target of 33% female representation at Board level and our target of having at least one person from a non-white ethnic minority background on the Board.

Gender diversity in the senior management team overall increased from 23% to 32% female. This increase was the result of a change in the management structure, under which operational Managing Directors now report to business unit directors, rather than directly to the GMC, reducing the number of roles held by men classified as senior management at Group level.

We recognise that this does not represent a substantive improvement in gender diversity and remain focused on initiatives to encourage more female colleagues to develop into positions at more senior levels.

Health and safety

We are committed to providing healthy and safe working conditions across our operations. In addition to compliance with local regulations, discoverIE promotes working practices that protect the health, safety and well-being of its employees and other persons who enter its premises.

During FY 2025/26, we were delighted to achieve a lower LTIFR than in recent years, dropping to 0.16 incidents per 100,000 hours worked, despite the stricter definition of a lost time incident introduced in FY 2024/25. Our employees suffered 15 incidents that resulted in the loss of one working day or more. Although we are pleased by the reduction, we recognise the severity of the impact an accident at work can have on anyone who suffers from such incidents. We therefore continue in our ambition to reduce this rate to as close to zero as possible.

In order to deepen our understanding of working patterns across the Group, and to support our engagement with employees, this year we have strengthened our reporting of working practices across our operating businesses. In addition to enhanced employee turnover information, we have also collected more detailed information on both employees' working patterns and their pay relative to living wage standards. We hope in future to build upon these developments to further strengthen our due diligence around modern slavery risks, and to enable sharing of best practices between our different operations.

We use the framework provided by ISO 45001 (Occupational Health and Safety Management System) to support our health and safety management processes locally. 72% of the Group's workforce work in operations with the accreditation (FY 2024/25: 73%), covering 21 of our 69 sites. The percentage of employees covered dropped 1% from last year due to the inclusion of new employees following our acquisition of Storm during the year. All sites with the accreditation retained their certifications, with 3,297 employees covered (FY 2024/25: 3,291).

There have been no work-related fatalities in the last five years.

Learning and development

Our operating companies plan for short- and long-term employment needs and skills requirements. All employees are encouraged to actively engage in career development and training opportunities that are available across the Group. Employees are also supported in developing their skills through role-specific training, which is scheduled and tracked.

The Group supports the learning and development of our employees through two digital channels. The first one is a series of webinars, covering a variety of topics, such as a technology deep dive, greenhouse gas emissions management, marketing and finance. The aim is to encourage knowledge and best practice sharing across the Group. The second is an online learning and development platform, which enables our operating businesses to manage their talent development and skill gaps, and our employees to take control of their learning experience. To date, ten operating businesses have adopted the platform. Time spent on learning per active user increased by 25% compared to the prior year.

SUSTAINABILITY IN ACTION

CONTINUED

Over 80% of employees receive annual performance appraisals, which include identifying their development needs.

Recruitment and retention

Clear, fair and competitive terms of employment are in place. It is Group policy to communicate with employees on major matters to encourage them to take an interest in the affairs of their employing company and the Group. Each operating business is encouraged to maintain effective employee engagement arrangements, including keeping employees aware of the financial and economic factors affecting their employing company's performance. Please see pages 38 and 39 for further details of our engagement.

We support the employment and advancement of disabled persons. Full consideration is given to applications for employment from disabled persons, where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion. Where existing employees become disabled, it is the Group's policy to provide continuing employment in the same or an alternative position wherever practicable, and to provide appropriate training and support to achieve this aim.

We are committed to retaining our talented and skilled workforce. We achieve this by offering clear and fair terms of employment, competitive remuneration packages and regular communication with our employees on major matters. Consequently, we were pleased to see our voluntary staff turnover rate decrease from 18% in FY 2024/25 to 12% in FY 2025/26.

We balance offering employees secure employment with the demands of maintaining a flexible cost base. Whilst 90% of staff are employed by the Group, the remaining 10% are engaged as contractors or through carefully selected third-party agencies. Where employees are engaged through agencies, we ensure that the pay and conditions offered to them are commensurate with that of our own employees.

Community engagement

We value community engagement and strive to be an active participant in the local communities where we operate. We support local good causes by offering opportunities for employees to volunteer and through charitable donations.

Our commitment to community engagement is highlighted by the Group's support of the Community Foundation for Surrey and other employee volunteering opportunities.

As well as supporting the causes themselves, initiatives such as these motivate employees and increase their sense of purpose in working for an organisation that is keen to play a positive role in society.

No donations are made to political causes.

CASE STUDY

Noratel put their values into action supporting their local community

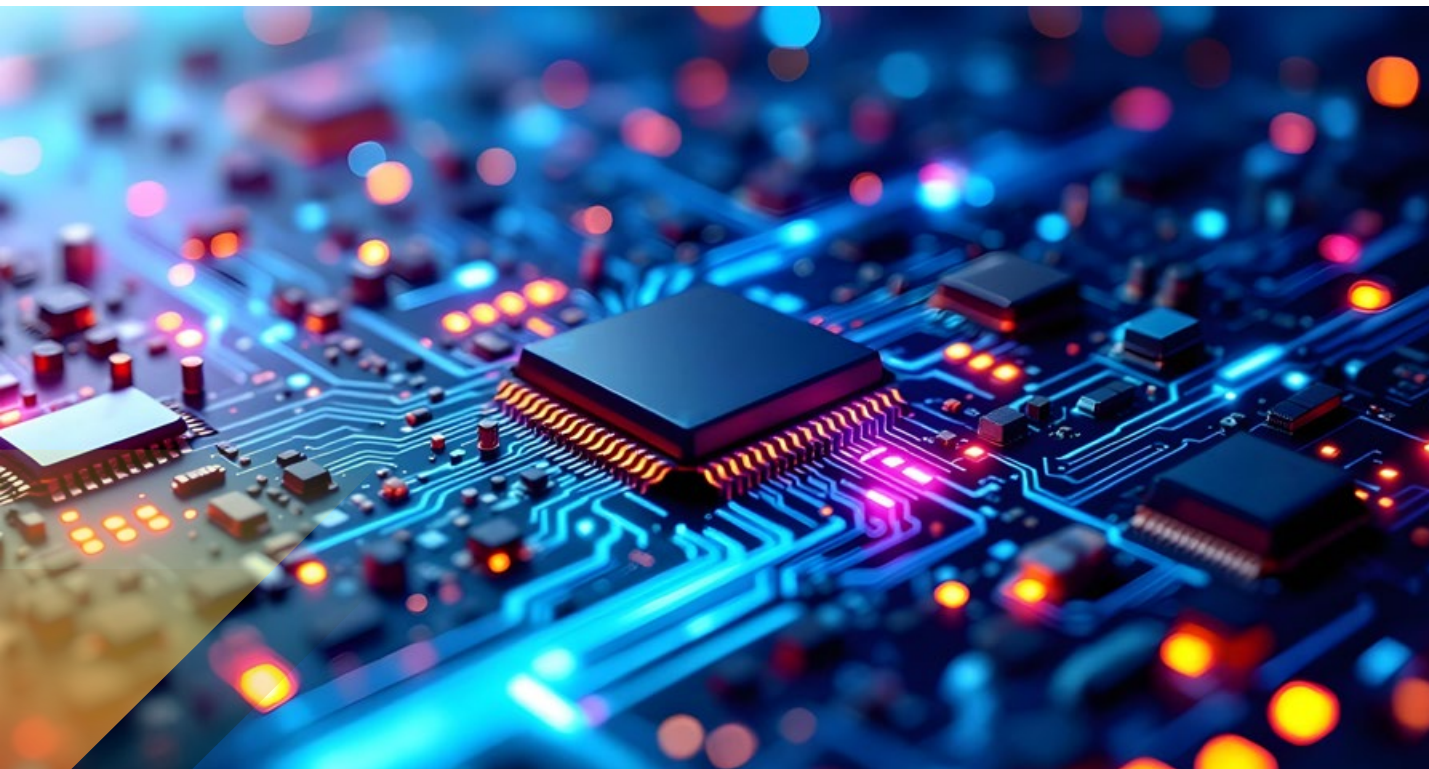
Early in the year, the Noratel team put three of their core values of care, teamwork and excellence into action. The team in Sri Lanka supported the development of the local community by completing a targeted infrastructure upgrade project at Sri Sarananda Vidyalaya, a school in the village of Manankattiya with more than 125 years of history, serving generations of students despite limited resources.

The project focused on practical improvements with immediate and lasting impact:

- Installed a 5kW solar hybrid power system providing reliable, renewable energy
- Installed a purification system providing access to clean drinking water
- Renovated school facilities and electrical infrastructure
- Improved sanitation and hygiene conditions

During their visit to the Sri Lanka facilities, the Noratel Group Leadership Team also joined the volunteer effort and worked alongside the local team. After the project was completed, the team's pride and satisfaction were reflected in the pupils' smiles and excitement.





Our Products

Our products are our business, and consequently we place great importance on their stewardship and development. Whilst our broad portfolio of products reduces the risk of a failure of any one product or class of products causing a material adverse impact on the financial performance of the Group, we nevertheless seek to maintain the high quality on which our customers rely.

Product responsibility

Our products are essential components of electrical systems and electronic devices and play a critical role in the functioning of larger systems, which tend to have long lifespans. Quality and reliability are paramount to our customers. In addition to designing for durability, the high quality and standards of our products are ensured and monitored through rigorous testing (which is often above the requirements of our customers) and the adoption of ISO 9001 Quality Management Systems. As a result, the overall rejection rates for our products due to quality issues are negligible.

Product sustainability

The sustainability of our products is a priority. We ensure raw materials used are from responsible sources, which are procured in accordance with the principles of our Supplier Code of Conduct, Modern Slavery Statement and Conflict Minerals Policy (all are available at www.discoverIEplc.com). These are verified and monitored through regular local checks and supplier audits. In the event of non-compliance, we would engage with the supplier to seek measures to rectify the non-compliance, or seek alternative suppliers if appropriate. During the year, we completed the fifth phase of our Group-wide supplier audit programme.

Our targets

- 80% of Group products manufactured under ISO 9001

Our progress

- 96% of the Group's products, measured by revenue, were manufactured under ISO 9001 Quality Management Systems (FY 2024/25: 94%)

Having audited over half of Group Suppliers (measured by spend) over the last four years, this year we refreshed our sampling process to revisit those suppliers with the highest Group spend (>£0.25m p.a.) and those with material risk associated with them (e.g. single-sources of critical components), representing almost £80m annual spend in total.

Our magnetic components use raw materials, such as copper and aluminium, which are essential to electrical equipment. Where it is possible, and with customer permission, recycled raw materials are used in production processes. We also proactively reduce and recycle packaging and replace plastics with recyclable materials such as paper and cardboard.

Our products are components that are often embedded in larger systems, which means that the likelihood of replacements being required must be minimised. As such, our products are designed for long lifespans and are intended to be energy efficient in order to reduce downtime.

SUSTAINABILITY IN ACTION CONTINUED

Key metrics

Details of our greenhouse gas emissions from CY2021 to CY2025, energy intensity and net-zero KPIs can be found in the Climate Analysis Report on page 71.

Health and safety

Lost time incident frequency rate ("LTIFR") information.

	FY22	FY23	FY24	FY25	FY26
Lost time incidents ("LTIs") ¹	26	24	19	23	15
Average headcount ²	4,522	4,863	4,441	4,492	4,557
LTIFR ³	0.31	0.27	0.20	0.25	0.16

¹ LTI is defined as a work-related incident resulting in employees being unable to attend work the following day. Prior to FY25, our definition was any incident which resulted in five or more days lost. Prior year figures have been restated for this change in policy.

² Reported headcount includes all full-time and part-time employees, contractors and agency labour.

³ LTIFR is the number of LTIs divided by the total working hours in the period, multiplied by 100,000 (representing the approximate number of working hours in an employee's lifetime).

There were no fatalities among the Group's employees or contractors during any of the five years stated above.

Gender diversity¹

	Group Management Committee			Senior Management ²			Operational Management ³			All Employees ⁴		
	FY26 (No.)	FY26 (%)	FY25 (%)	FY26 (No.)	FY26 (%)	FY25 (%)	FY26 (No.)	FY26 (%)	FY25 (%)	FY26 (No.)	FY26 (%)	FY25 (%)
Total	11	–	–	34	–	–	89	–	–	4,200	–	–
Male	8	73%	75%	23	68%	77%	58	65%	62%	2,070	49%	50%
Female	3	27%	25%	11	32%	23%	31	35%	38%	2,130	51%	50%

¹ As at 31 March 2026 and 2025.

² Senior Management is the Group Management Committee and direct reports.

³ Operational Management is the most senior managers in the Group's operating businesses.

⁴ All Employees comprises all full-time and part-time employees and contractors, but excludes agency labour.

Other ESG KPIs

	FY25	FY26	Target
Our Planet			
ISO 14001 accreditation ¹	74%	74%	80%
Company cars (EV/hybrid) ²	50%	58%	50%
Our People			
ISO 45001 accreditation ³	73%	72%	80%
Voluntary staff turnover ⁴	18%	12%	<15%
Our Products			
ISO 9001 accreditation ⁵	94%	96%	80%

¹ Measured as a percentage of Group revenue generated by operations with ISO 14001 accreditation.

² Measured as the percentage of Group company cars that are electric or hybrid.

³ Measured as the percentage of Group employees who work in operations covered by an ISO 45001 accreditation.

⁴ FY25 was adjusted in the previous Annual Report to exclude seasonal labour fluctuations linked to the lunar new year in China. Ongoing analysis of employee turn in China suggests that, whilst the FY25 number was higher than usual, it is a characteristic of the labour market in the region that turn is always higher than the rest of the Group. Nevertheless, we are pleased to report that voluntary leavers amongst our Chinese employees was lower in FY26 than in FY25, driving the overall year-on-year reduction in employee turn. Both years are reported above including all voluntary leavers across the Group.

⁵ Measured as a percentage of Group revenue generated by operations with ISO 9001 accreditation.