



ASX ANNOUNCEMENT

By e-lodgement

21 September 2022

VOLT FORMALLY ADOPTS ESG FRAMEWORK

Graphite producer and battery anode material developer **Volt Resources Limited (ASX: VRC)** ("**Volt**" or "**the Company**") is pleased to announce the formal adoption of an Environmental, Social and Governance (ESG) framework.

Volt develops and operates mines and plants that process minerals required for the manufacture of lithium-ion and other battery technologies. While our business exists to contribute to a low-carbon economy, our activities in pursuit of this goal have the potential to impact in either a positive or negative way. This places a responsibility on the Company to ensure that our activities are managed in line with best practices across all aspects of ESG.

Volt's Managing Director, Trevor Matthews, said: *"Volt aspires to become a leader in the battery minerals industry to support the transition to a carbon-free economy, while growing shareholder value through the sustainable development and operation of our assets.*

Key to realising this is defining our environmental, social and governance (ESG) strategy within the framework industry-agreed principles, and staying true to the values in our Company DNA of "Grow Together", "Do the right thing" and "Heshima Daima" (a Swahili saying that translates to "always respect").

"As we embark on our journey to embed our new ESG policy into every corporate, development and operational aspect of our business throughout their lifecycles, we do so believing that this approach will maximise the benefits our organisation delivers to all stakeholders for the long-term."

Volt has long supported positive ESG principles as testified by our vision statement, the ESIA for Bunyu's feasibility, and our conduct at Zavalievsky Graphite as an active graphite operation. In developing Volt's ESG Policy, with the assistance of UK-based consultancy, Uvuna Sustainability, the Board identified the World Economic Forum's (WEF) articulation of stakeholder capitalism to be most in line with our ESG principles and ambitions.

We believe that the pursuit of long-term value creation in a manner that accounts for the needs of society at large, and all of Volt’s stakeholders, is fundamental to ensuring that we can achieve our aspirations. WEF’s stakeholder capitalism metrics are organised under four pillars that are aligned with the United Nations Sustainable Development Goals (as per Figure 1).

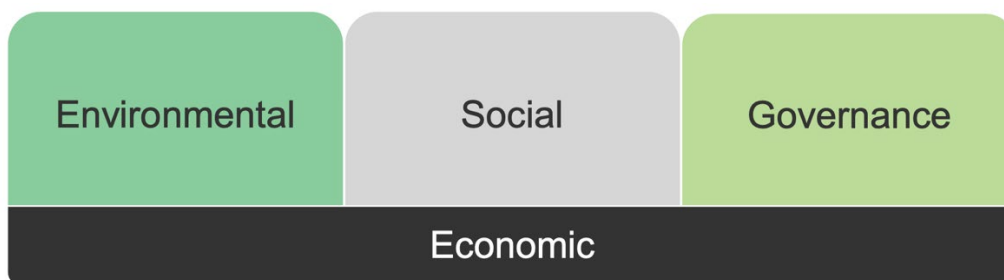


Figure 1: Volt's four-pillared ESG model is underpinned by the Economic enabler (ESG/E).

Importantly, in addition to environmental, social and governance considerations, the WEF framework above includes an ‘Economic’ pillar which recognises the role of businesses in driving economic growth, innovation, and shared wealth to establish and maintain prosperous societies.

Our newly adopted ESG Policy applies to our corporate offices, projects, and existing and new operating sites throughout their lifecycles. We expect our business partners to adhere to our Policy and will work with them to achieve compliance. In this inaugural ESG Policy, we have prioritised implementation to the components of our business that are actively progressing with their development / operation. Their scope of ESG management at this time is limited to within site boundaries, while recognising that these may have impacts beyond our boundaries.

We have evaluated ESG values that are pertinent to our business at this time, which are laid out in detail in the Volt ESG Policy attached, and on our website www.voltresources.com . We will review and expand the scope as our ESG journey matures.

-ENDS-

Authorised for release by the board of Volt Resources Ltd

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About Volt Resources Limited

Volt Resources Limited (“Volt”) is a graphite producer/developer and gold exploration company listed on the Australian Stock Exchange under the ASX code VRC. Volt has a 70% controlling interest in the Zavalievsky Graphite business in Ukraine. Zavalievsky is in close proximity to key markets with significant developments in LIB facilities planned to service the European based car makers and renewable energy sector. Zavalievsky benefits from an existing customer base and graphite product supply chains based on excellent transport infrastructure covering road, rail, river and sea freight combined with reliable grid power, ample potable ground water supply and good communications¹.

Volt is also progressing the development of its large wholly-owned Bunyu Graphite Project in Tanzania, as well as gold exploration in Guinea leveraging the Company’s existing extensive networks in Africa.

The Bunyu Graphite Project is ideally located near to critical infrastructure with sealed roads running through the project area and ready access to the deep-water port of Mtwara 140km from the Project. In 2018, Volt reported the completion of the Feasibility Study (“FS”) into the Stage 1 development of the Bunyu Graphite Project. The Stage 1 development is based on a mining and processing plant annual throughput rate of 400,000 tonnes of ore to produce on average 23,700tpa of graphite products². A key objective of the Stage 1 development is to establish infrastructure and market position in support of the development of the significantly larger Stage 2 expansion project at Bunyu.

The Guinea Gold Projects comprise 6 permits in Guinea, West Africa having a total area of 348km. The Projects are located in the prolific Siguiiri Basin which forms part of the richly mineralised West African Birimian Gold Belt.

¹ Refer to Volt’s ASX announcements titled “Volt to Acquire European Graphite Business following Completion of Due Diligence” dated 14 May 2021 and “Completion of the ZG Group Transaction Following Execution of New Convertible Securities Facility” dated 26 July 2021.

² Refer to Volt’s ASX announcement titled “Positive Stage 1 Feasibility Study Bunyu Graphite Project” dated 31 July 2018. The



Environmental, Social and Governance (ESG) Policy

Based in Perth, Western Australia, **Volt Resources Limited** (“Volt”) is a unique multi-commodity battery minerals-focussed company. Listed on the ASX, we are poised to leverage key growth commodities that are essential to achieve global decarbonisation ambitions. Our integrated supply chain approach ensures consistent application of Company policies and principles from origin to the delivery of processed materials to battery cell manufacturers.

At Volt, we aspire to become a leader in the battery minerals industry, growing shareholder value through the sustainable development and operation of our assets. Key to realising this Vision is our **environmental, social and governance (ESG)** strategy that is built on our Values of “*grow together*”, “*do the right thing*” and “*heshima daima (always respect)*”.

What ESG means to us

At the core of our business lies our Code of Conduct which mandates that all of our Board members, employees, and business partners act ethically at all times; delivering on our commitment to integrity and fair dealing in all of our business affairs. Our pursuit of the highest standards of ethics is the driver for our Values. This ESG Policy supports and further elaborates on our commitments; it details what our stakeholders can expect from us.

In developing this Policy, we researched broadly to customise an interpretation of ESG that resonates with us as an organisation. We found that the World Economic Forum’s (WEF) articulation of *stakeholder capitalism*¹ best encapsulates our ESG ambitions. The pursuit of long-term value creation in a manner that accounts for the needs of all of Volt’s stakeholders, and society at large, is fundamental to ensuring that we can achieve our aspirations.

The stakeholder capitalism metrics are organised under four pillars which are aligned with the United Nations Sustainable Development Goals (SDGs). In addition to environmental, social and governance considerations, the WEF framework recognises the role of businesses in driving economic growth, innovation and shared wealth to establish and maintain prosperous societies.

The WEF’s stakeholder capitalism metrics resonate well with us and aligns with our aspirations and values. For this reason, we have adopted it as the base on which we are building our ESG strategy. We have simplified the WEF’s naming of the pillars for our purposes and consider

¹ Stakeholder Capitalism as proposed by Klaus Schwab is the basis of the Davos Manifesto 2020 which articulates the purpose of a company to “engage all its stakeholders in shared and sustained value creation” (www.wef.org)

environmental, social, governance and economic factors when we talk about our “ESG” Strategy.

As we embark on our journey to embed ESG into every corporate, developmental and operational aspect of our business throughout their lifecycles, we believe that our approach will maximise the benefits that our organisation delivers to all stakeholders for the long-term.

Our Context

Volt’s business exists to contribute to achieving the global imperative of a low- carbon economy. This places a responsibility on us to ensure that our activities are managed in line with good international industry practice in all aspects of ESG. We explore for, develop and operate mines that produce minerals required for the manufacture of batteries. We are also actively progressing to refine these minerals as part of our “downstream” business.

Our activities have the potential to impact positively and negatively on the environment and communities where we operate. We are active in geographies that experience, or are predicted to experience, water stress and our reliance on water as an essential business input may affect these stresses if we do not act appropriately. Our activities also require the transformation of land to extract and

/ or process minerals and to manage associated wastes. This could impact sensitive habitats and ecological processes, including ecosystem services, in the short to long-term. Host communities benefit from employment opportunities at our sites however they may also be receptors of impacts which we need to anticipate and address appropriately.

Management of our carbon footprint is required throughout the lifecycle of our business and across all activities. We cannot rely on the fact that we produce minerals that are critical to the energy transition as the sole demonstration of our ESG credentials. Proactive management of our own carbon emissions, combined with our contribution to the energy transition makes us well positioned to contribute to both the mitigation of and adaptation to climate change.

Due to our multiple roles in society as an employer, neighbour, taxpayer, customer, supplier, custodian of investments, business partner and economic stimulator, we have the potential to impact the daily lives of people within and beyond our site boundaries. These interactions will leave lasting impressions of the way in which we live out our Values and deliver on our commitments.

Scope of our ESG Policy

This ESG Policy applies to our corporate offices, projects and operating sites throughout their lifecycles. We expect all of our business partners to adhere to our Policy and, where appropriate, will work with them to advance their ability to do so.

In this inaugural ESG Policy, we have prioritised implementation to the components of our business that are actively progressing with their development/operation. For these assets, the scope of ESG management at this time includes the activities, products and services occurring within our site boundaries, recognising that these may have impacts beyond our fence lines. We will review and expand the scope of our ESG Policy to each asset’s full zone of influence and throughout our supply chain as our ESG journey matures.

Our Commitments

We have evaluated ESG issues that are pertinent to our business at this time. Arising from this assessment is a set of commitments that will shape our company going forward.

Environmental Factors

Our environmental commitments provide the framework within which we undertake environmental management activities across our business. We commit to:

- Apply the mitigation hierarchy to avoid, minimise and mitigate environmental impacts from the earliest stage in a project development life- cycle;
- Develop water models and associated monitoring and measurement frameworks in pursuit of establishing water improvement objectives;
- Prioritise the use of mine-generated or mine-impacted water to reduce our reliance on fresh water; minimising our impact on host catchments;
- Undertake appropriate assessments to improve our understanding of biodiversity attributes and ecosystem services;
- Where significant impacts to biodiversity are identified, develop biodiversity management plans aligned with international good practice;
- Prepare emissions inventories for all Scope 1 and Scope 2 greenhouse gas emissions and associated emissions reductions targets;
- Undertake climate vulnerability assessments and develop plans to implement the resulting recommendations.

Social Factors

Our **Health and Safety Policy, Diversity Policy and Whistleblower Policy** outline some aspects of our approach to social responsibility. Our additional commitments include:

- Ensure that our actions and organisational culture uphold the Human Rights of all people with whom we engage;
- Assess our potential exposure to Human Rights and Modern Slavery risks within our organisation and primary supply chain, and develop responses as appropriate;
- Ensure that all employees who wish to do so, are afforded the opportunity to join worker representation organisations;
- Provide clear employment terms and conditions including mechanisms for employee engagement and grievance resolution;
- Evaluate our employment and remuneration systems across all levels to maintain a non-discriminatory employment environment;
- Ensure that the management systems we implement will specifically consider and address the potential impacts of our activities on host communities;
- Wherever possible, implement measures to avoid the displacement of communities and, where no alternative exists, undertake resettlement processes in compliance with national legislation and in pursuit of alignment with international good practice.

Governance Factors

Sound governance practices are fundamental to enabling us to achieve our business objectives including our ESG ambitions. In line with our **Code of Conduct** and corporate governance policies we will:

- Comply with applicable legislation of the host countries in which we operate;
- Provide the necessary human and financial resources to ensure the effective implementation of our ESG Policy;
- Implement pragmatic environmental and social management systems that deliver on business imperatives and are aligned with good international practice;
- Implement mechanisms to assess the ability of our primary² suppliers to align with our ESG requirements and obtain their commitment to do so;
- Evaluate our current compliance with industry best practice design and management of tailings facilities and develop action plans to address any gaps;
- Design, implement and test robust emergency preparedness and response plans that address both onsite and offsite incidents and their related impacts.

Economic Factors

As our contribution to strengthening the economies of our host countries we commit to:

- Prioritising the employment of persons and engagement of suppliers local to our operations wherever possible;
- Ensuring that our share of taxes and royalties are paid in the correct jurisdictions and at the right time;
- Maintaining sound financial management practices aimed at sustaining business continuity and in pursuit of long-term value creation.

Review of our ESG Policy

This policy will be regularly reviewed and updated to maintain its continued adequacy, suitability, and effectiveness in response to our evolving business and context.

Signed



Trevor Matthews

Managing Director

20 September 2022

Date

² Primary suppliers are those suppliers who, on an ongoing basis, provide goods or materials essential for the core business processes of an asset.