

Environment and Sustainability Policy

Global Policy

Revised May 2025

As a business committed to making the world safer and healthier, we have a responsibility to be good stewards of the environment in which we operate. A sensible approach to environmental policy makes us more efficient and reduces our liabilities, helping our business grow sustainably.

Our Policy

At OSI Systems, we recognize the importance of preserving natural resources for future generations while making the most efficient use of those resources as we grow the company. We are committed to the integration of sound environmental practices into our business decisions, as well as to complying with applicable environmental standards and regulations, and we aim to provide products and services that are of the highest standards in a way that respects the environment. As a part of this commitment, we have adopted six core principles:

- We will always comply with all applicable laws, directives and regulations governing environmental protection – we see this as a first necessary step toward environmental responsibility.
- We will act responsibly with respect to conditions that impact health, safety, or the environment, and will promote environmentally conscious practices inside and outside the company and encourage engagement at all levels of the Company.
- We will provide and maintain effective and practicable environmental controls which will minimize our impact on the environment and reduce our future liabilities. We will manage environmental aspects in a responsible manner and strategically operate manufacturing facilities to reduce environmental impacts.
- We will apply sensible sustainability principles aimed at increasing efficiencies and eliminating waste by reducing electricity and fuels consumption, increasing reliance on renewable energy sources and energy efficient equipment, and minimizing waste generation using practical source reduction methodologies and other best practices to reduce our consumption of resources, including water and other raw materials.
- We will strive to produce quality products designed with sustainability, longevity, and recyclability in mind to reduce impacts through all stages of the product's life cycle, from raw materials acquisition, manufacturing, product usage, and waste management.
- We will measure, review, and report our performance and strive for continual improvement.

Accountability

Environmental stewardship is a shared responsibility throughout the organization, and all employees will be held accountable for adherence to our policy.

Environmental Sustainability Goals

Our intention is to achieve meaningful reductions in energy and water use, waste generation, and greenhouse gas emissions, and increase our usage of renewable energy sources across our organization. We will focus our commitments, policies, and initiatives to drive sustainability activities and action across our organization through specific, measurable goals.

Our 2030 goals are focused on the following key areas:

GHG Emissions:

- We will reduce total Scope 1 GHG emissions by 25% from the FY2022 baseline year.
- We will reduce Scope 2 GHG emissions from purchased energy by 25% from the baseline.

Energy Utilization:

- We will decrease electricity usage by 25% from the 2022 baseline year.
- We will increase our reliance on renewable energy sources to a minimum of 50% globally.

Water Management:

- We will implement an integrated water resource management approach that considers all aspects of water management, including supply, demand, quality, and environmental impacts to mitigate our water risks.
- We will ensure that wastewater discharge from our manufacturing process meets all water quality standards.
- We will reduce domestic water usage by 10%.

Air Pollution:

- We will mitigate harmful air emissions from manufacturing processes.
- We will maintain compliance with all applicable air pollution standards.
- We will seek less-toxic alternatives to process chemicals.

Waste:

- We will identify new recycling opportunities to meet our target of 90% waste reuse, recycling, and recovery on the way to our goal to send zero operational waste to landfill.
- We will reduce our hazardous waste generation through the application of sensible waste minimization measures.

Our Products:

- We will commit to developing products that minimize harm to the environment during use.
- We will commit to the release of products that are safe for our customers.

Concurrently, we will:

- Collect baseline data for applicable Scope 3 elements to develop appropriate reduction goals.
- Conduct self-assessment and audits to ensure our compliance with this policy.

- Continue to track resource usage, air emissions, and waste generation and report progress internally and to corporate leadership.

Employee Expectations

As an OSI employee, you are expected to:

- Act and work responsibly.
- Care for yourself, your co-workers, and the environment.
- Recognize and report poor chemical handling practices.
- Participate in environmental training and sustainability programs.
- Recommend improvements and corrective actions.
- Minimize waste and preserve resources.
- Support our local communities.

Leadership Responsibilities

Managers and supervisors, line lead workers, and design, process, and manufacturing engineers must be familiar with the procedures mandated under this policy and assure their implementation.

OSI divisional leadership must ensure that appropriate resources are available to provide for adequate control equipment, awareness programs and the institution of best practices worldwide in consideration of the following: legal requirements and governmental policies, customer expectations and concerns, short- and long-term benefits, costs and liabilities, and viable material and process alternatives.

Implications for our Suppliers, Vendors, Sub-Contractors, and Affiliates

We expect our business partners to:

- Operate in a manner that is protective of the environment,
- Comply with all applicable environmental regulations and obtain all necessary environmental permits, licenses, or other relevant authorizations, and
- Establish systems to ensure the proper management of waste, air emissions, and wastewater discharges.
- Drive environmental, social, and corporate governance (ESG)-compliant practices with transparency.

Policy Enforcement

This policy is overseen by the Corporate Environmental, Health, and Safety (EHS) Compliance Department under the supervision of the Corporate Director of Global EHS Compliance, whose team will audit environmental compliance status on a scheduled basis, conduct regular and unplanned compliance inspections, set corporate objectives and review progress, receive and review incident reports, liaise with local and divisional leadership and EHS representatives, and provide guidance and support where needed to achieve environmental objectives and to respond to emergency incidents.



To report misconduct or behavior which is not compliant with this policy or the law, contact your manager, Compliance, or the OSI Ethics Hotline at:

<http://osi.ethicspoint.com>

Policy Information

Policy Owner

Tim Scroggins
Director, Global EHS Compliance
OSI System, Inc.

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Review Cycle

Biannual

Application

This policy applies to all officers, directors, employees, contractors, and part-time and temporary workers employed by, or under the control of, OSI Systems and all of its global subsidiaries.