

CONFLICT MINERALS POLICY STATEMENT

Adopted May 2014

Reviewed by Audit Committee May 2017

Background

The U.S. Securities and Exchange Commission (“SEC”) enacted a new rule under Section 1502(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Act”), which requires all U.S. stock exchange listed companies and their suppliers to publicly disclose their use of certain minerals which are classified as conflict minerals (“Conflict Minerals”). Currently, these minerals include tantalum, tin, tungsten, and gold. The new reporting requirements are based on concerns that revenues obtained from mining and transport of Conflict Minerals directly or indirectly finance or benefit armed groups involved in the ongoing conflict in the Democratic Republic Congo (“DRC”) and surrounding countries (as defined in the Act), and the resulting humanitarian crisis.

Policy Statement

ESI fully supports the goals and objectives of this initiative and is committed to complying with the reporting obligations required under the Act. ESI has adopted the Organisation for Economic Co-operation and Development’s (“OECD”) guidance on supply chain due diligence to ensure transparency in our supply chain. ESI has either obtained, or is in the process of obtaining, information from our current suppliers concerning the origin of the metals that are used in the manufacture of ESI products, in accordance with SEC and OECD guidance. In ESI’s effort to comply with the Act and in support of the goal of reducing the trade and exploitation of Conflict Minerals, ESI expects its suppliers to comply with the following obligations:

- Suppliers should source materials from socially responsible suppliers.
- Suppliers should comply with the Act and adopt policies and management systems with respect to Conflict Minerals and require their suppliers to adopt similar policies and systems.
- Suppliers should provide ESI with all necessary declarations and due diligence documentation, as may be requested by ESI.

ESI is committed to supply chain initiatives and overall corporate social responsibility that work towards a conflict free supply chain. ESI will evaluate its relationships with its suppliers on an ongoing basis to ensure continued compliance with this policy.

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