

Corporate Governance

ESCATEC Conflict Minerals Policy

Introduction

Conflict Minerals refers to tin, tantalum, tungsten and gold and their derivatives columbite-tantalite (coltan), cassiterite, gold and wolframite. These minerals, commonly known as the 3TG (tin, tantalum and gold), have been determined by the US Secretary of State to be financing armed conflict in the Democratic Republic of Congo (DRC) and bordering countries (Covered Countries).

In August 2012, the US Securities and Exchange Commission (SEC) issued the final rule under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Conflict Minerals Rule). This rule requires public trading companies to annually report 3TG(s) and their origin, used in products they manufacture. This disclosure greatly reduces the profits of armed groups in the DRC and Covered Countries and protects human rights, labour abuses and environmental degradation.

In addition, the European Union has issued a Conflict Minerals regulation under Regulation (EU) 2017/821, which will take effect as of January 1, 2021. This new regulation is based on well-established rules from the Organisation for Economic Co-operation and Development (OECD) and will support EU-based customers wanting to stem the trading of Conflict Minerals.

ESCATEC fully supports the Conflict Minerals Policy

As an active member of the United Nations Global Compact (UNGC), ESCATEC fully supports the goals of ending violence, human rights violations and environmental damage in the Covered Countries. Therefore, ESCATEC is committed to comply with all applicable legal requirements under the US Conflict Minerals Rule and EU Conflict Minerals Regulation.

Our overall conflict minerals program is based on the OECD Guidance and we cooperatively work with our customers and supply chain partners/suppliers in implementing Conflict Minerals compliance programs.

(Continued...)

(ESCATEC Conflict Minerals Policy continued...)

We expect all of our supply chain partners/suppliers to provide us with completed conflict minerals declarations using the latest Responsible Business Alliance (RBA)/Global e-sustainability Initiative (GeSI) Conflict Minerals reporting template either through our compliance partner(s) or directly with our purchasing/procurement teams. We will reconsider our willingness to partner with or continue business with any supply chain partners/suppliers who do not comply with these expectations.

We expect all of our supply chain partners/suppliers to provide us with completed conflict minerals declarations using the latest Responsible Business Alliance (“RBA”)/Global e-sustainability Initiative (“GeSI”) Conflict Minerals reporting template either through our compliance partner(s) or directly with our purchasing/procurement teams. We will reconsider our willingness to partner/continue on business with any supply chain partners/suppliers who do not comply with these expectations.