

STAKEHOLDER ENGAGEMENT POLICY

General Provisions:

The ESIO is committed to adding sustainable value for its stakeholders. Underscoring stakeholder value creation are ongoing stakeholder relationships, the central tenets of which are inclusivity, materiality and responsiveness, as well as the understanding that stakeholder perceptions affect the ESIO's reputation.

Such relationships ensure open, transparent and efficient communication with identified stakeholders and inform the ESIO's strategy and related activities.

Engagement Approach:

In the context of sustained value creation for all its stakeholders, ESIO's engagement with its stakeholders includes:

- An inclusive approach: consultation with stakeholders in developing and achieving an accountable and strategic response to ESIO initiatives;
- Materiality: determining the relevance and significance of issues to both the ESIO and its stakeholders. The materiality of issues concerns the legitimate interests and expectations of stakeholders.
- Responding appropriately to stakeholder issues through decisions, actions, performance and communication.
- ESIO ensures that appropriate stakeholder consultation policies, practices and reporting procedures are formulated and aligned to this policy in order to:
 1. Establish clear accountability for effective stakeholder engagement;
 2. Comply with relevant policies governing stakeholder relationships, and the standards and codes of practice to which ESIO subscribes;
 3. Promote awareness in ESIO programs and activities.

The ESIO strives to continually improve its stakeholder engagement performance, which processes are appropriately assessed through self-evaluation and, when necessary or appropriate, independent evaluation.

GUIDING PRINCIPLES

Stakeholder engagement and relationship management is integrated into the ongoing management activities of the ESIO. The CEO and Board of Directors are responsible and accountable for stakeholder engagement.

Stakeholder Engagement Objectives:

Key stakeholders are identified by objective criteria including:

1. **Role and/or Responsibility:** stakeholders to which ESIO has, or in the future may have, legal, financial or operational responsibilities enshrined in regulations, contracts, policies or codes of conduct;
2. **Influence:** Stakeholders that influence, or in future may be able to influence, the ability of ESIO to meet its goals;
3. **Proximity:** Stakeholders with whom ESIO interacts most;
4. **Dependency:** Stakeholders that are most dependent on ESIO; and
5. **Representation:** stakeholders that are entrusted to represent other individuals; e.g. representatives of government, local communities, trade unions and membership-based organizations;

Significant changes to business strategies and/or the business environment may indicate additional sets of stakeholders to be engaged.

Appropriate initiatives are implemented to ensure a process for proactively identifying and addressing the significant issues and concerns of stakeholders.

Appropriate stakeholder engagement methodologies and processes and systems are developed, recorded and implemented.

Engagements, both formal and informal, direct and indirect, are appropriately recorded and reported by:

1. Stakeholder group
2. Frequency
3. Type of engagement
4. Issues raised and addressed.

Risk Management Stakeholders:

Established risk management processes ensure that stakeholder risks are continually assessed, evaluated and addressed.

Through ongoing and appropriate stakeholder engagements, the ESIO strives to inform, in an appropriate and timely manner, stakeholders of the implications and impacts of its activities in a transparent manner. Also, to ensure that any disputes are resolved as effectively, efficiency and as expeditiously as possible.

Processes are implemented and sustained to ensure that the ESIO CEO and Board of Directors are fully informed about pertinent stakeholder concerns as well as the risks and opportunities which may emanate from these.

Policy Approved



**Chair ESIO
ESIO**

Date APRIL 18, 2018



Chief Executive Officer