



Emerson Impact Partner

**Spartan Controls Ltd.**

**Submission to**

**The Minister of Public Safety**

**2025 Submission Related To *Fighting  
Against Forced Labour and Child Labour  
in Supply Chains***

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# 1 ABOUT THIS REPORT

This *Report Related To Fighting Against Forced Labour and Child Labour in Supply Chains* (“**Report**”) aims to present the efforts and progress by Spartan Controls Ltd. (“**Spartan**”) progress in combating forced labor and child labor within our supply chains. The Report covers activities and data collected during the fiscal year 2024, focusing on supply chain practices and compliance with relevant legislation and is intended to fulfill legislated requirements under the former Bill S-211, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (the “**Act**”), demonstrating our commitment to ethical business practices.

We have engaged with various stakeholders, including our suppliers and customers, to ensure a comprehensive approach to this issue.

In this report, we may use certain terms including those that the Global Reporting Initiative (“**GRI**”) or other standards refer to as “material,” “substantive,” or “significant” to reflect the issues or priorities of that are important to us and our various stakeholders or topics or standards designated as such under the GRI or other applicable standards. These terms as used in this report are not intended to be construed as they have been defined by or construed in accordance with the securities laws or any other laws of Canada or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting. No part of this report constitutes, or shall be taken to constitute, an invitation or inducement to invest in Spartan or any other entity and shall not be relied upon in any way in connection with such decisions.

We expect to update this report annually. However, we undertake no obligation to update any statements herein to reflect later developments.

Any questions or comments regarding this report can be directed to:

[Human Resources](#)  
305 - 27 Street SE  
Calgary, Alberta, Canada  
T2A 7V2

## 2 ABOUT SPARTAN CONTROLS

Spartan is an employee-owned<sup>1</sup>, private corporation operating the business of industrial automation and control for over 60 years. We have over 1,500 employees<sup>2</sup> at fourteen locations across Western Canada that help provide the automation solutions, lifecycle support, and technical training that Spartan's customers require for safe and effective operation.

### Local Presence - just a screenshot of the working file



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<sup>1</sup> Via employee ownership of Spartan's parent corporation, Spartech 1991 Limited (AB Corp)

<sup>2</sup> All of which are Canadian citizens, residents of Canada, or are legally entitled to work in Canada and are therefore directly subject to Canadian laws.

















Spartan offers<sup>3</sup> a broad range of automation and control solutions and products across our three primary business lines: Measurement Instrumentation, Systems, Software & Solutions, and Valves & Actuation. We also offer customized products leveraging the basic control and measurement technology we create solutions for specific customer needs. A sample of our range of products and solution technologies is shown below:

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<sup>3</sup> Either through itself or through one of its affiliated organizations, BlueMarvel AI Inc. (AB Corp), which are not presently reporting entities themselves under the Act.

## Integrated Solutions & Services

Measurement Instrumentation (MI)	Systems, Software, & Solutions (S3)	Valves & Actuation (V&A)
Flow 	Process & Safety 	Control 
Measurement 	Power & Drives 	Isolation 
Remote Automation 	Fire & Safety 	Protection 
	Engine & Compression and Reliability Solutions 	Regulators 
	Combustion Management 	
	Industry Applications 	
	Digital Transformation 	

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## Spartan Manufactured Products

### Fluid Transport & Technologies

- TruckVue™
- RailVue™
- Transloading
- Bulk Water Fill

### Odorization Technologies (IOTA)

- Auto Bypass (ABO)
- Differential Pressure (DP)
- Pump Injection (PI)
- Pipeline Saturation Unit (PSU)
- Odorant Species Detection (DET)
- Pressurized Tank (PT)

### Hydrogen Solutions

- Hydrogen Blending
- Hydrogen Odorization

### Winterization Enclosures

### Pressure Control Solutions

- High Integrity Pipeline Protection Solutions (HIPPS)
- SpartanPro Surge Relief Control System

### Specialty Process Measurement & Analytical

- Bubbler panels

### SpartanPro™ CEMS



Spartan has designed a number of productized solutions for the industries we serve

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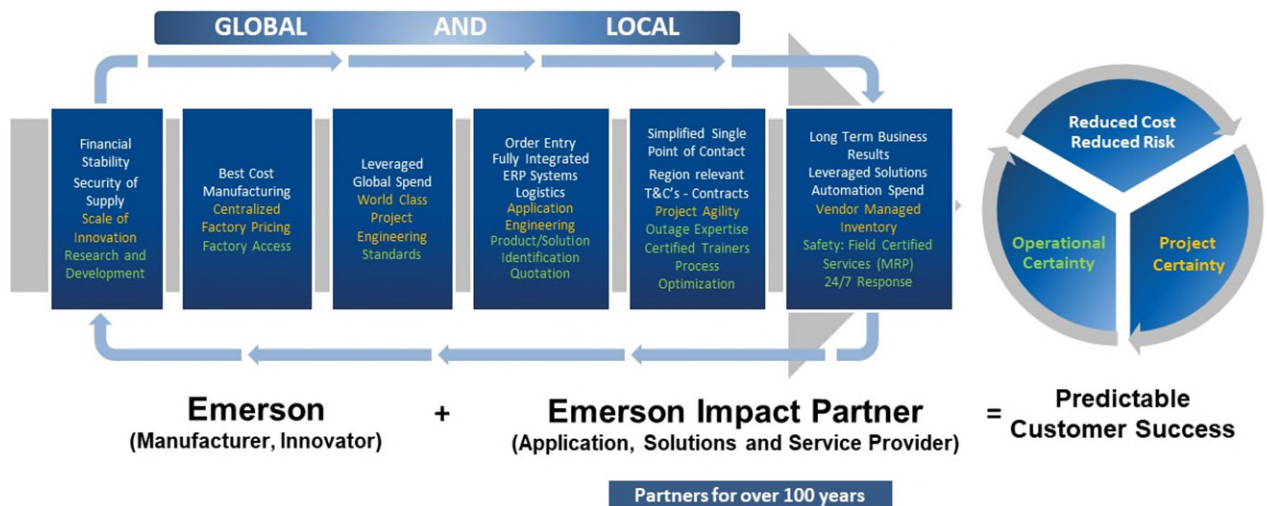


Spartan is an Emerson Impact Partner, meaning that we are the exclusive representative of Emerson Electric Co. (“**Emerson**”) products and services<sup>4</sup> in Western Canada. Emerson and its affiliates are Spartan’s primary supplier of goods that Spartan either resells in Western Canada or incorporates into its Solutions. Our long-term business relationship with Emerson

<sup>4</sup> Including products and services of or related to affiliates of Emerson.

allows Spartan to deliver operational certainty, project certainty, and reduced risk leading to our customers' success.

## Team Emerson



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Because of our drive to support customer results Spartan takes its obligations related to Human Rights very seriously. We are committed to improving upon our internal procedures and we only partner with organizations that we are confident can adhere to the highest standards of ethical conduct. The next section will focus on efforts made during the previous fiscal year in support of compliance with the *Act*.



### 3 STEPS TAKEN IN THE 2024 FISCAL YEAR

- 3.1 The steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.

Spartan's previous financial year ran from January 1, 2024 until December 31, 2024. Spartan's Human Rights Standard is available through Spartan's website at: <https://www.spartancontrols.com/human-rights-policy/>, a copy of which is included in Appendix A hereof). The Human Rights Standard specifically identifies our expectation that our suppliers and business partners will adhere to the highest ethical standard related to Forced labour and child labour, including, e.g.:

#### *3. Forced Labour and Human Trafficking*

*Spartan will not tolerate, and we forbid Spartans and Business Partners from using any form of forced, bonded or indentured labor, debt or involuntary servitude, any other form of modern slavery, or involuntary prison work in their operations or within their supply chain. Further, compensation practices should comply with applicable wage laws, including those relating to minimum wages, overtime compensation and legally mandated benefits.*

*Spartans and our Business Partners must have the right to freely terminate employment in accordance with applicable laws and regulations without fear of physical, psychological, sexual or verbal abuse.*

*Recruitment fees may not be charged to workers or potential workers.*

#### *4. Child Labour*

*Spartan will not tolerate the use of child labour and we forbid our Business Partners to use child labour in our operations or within our supply chain. We require that all Spartans and employees or contractors of our Business Partners be of the appropriate age as defined by applicable local and national laws.*

The Human Rights Standard provides for mechanisms by which anyone can report actual or suspected violations to Spartan Controls including through a confidential Ethics Reporting email address.

The Human Rights Standard was adopted by Spartan in December 2023 and posted online early in January 2024. Prior to the Human Rights Standard, Spartan had its Code of Ethics (see Appendix B), which indirectly addressed these issues as Spartan employees and contractors had to confirm acceptance of the Code of Ethics before



beginning employment with Spartan. The Code of Ethics included items such as respecting and complying with laws at all times (including the "... laws, rules, and regulations of any other countries where [Spartan employees] may be Working)...", and condemnation of any form of bribery or coercion.

In addition to drafting the Human Rights Standard, Spartan also looked to include language in new or renewing supplier agreements confirming supplier agreements with applicable law including compliance with the Act. The intent for the fiscal year January 1, 2024 to December 31, 2024 is to specifically reference the Act so that we can be certain that foreign suppliers understand their legal obligations and expectations by Spartan.

All Spartan employees are required to review and acknowledge their understanding of Spartan's Code of Ethics and the Human Rights Standard during the onboarding process. Beginning in 2025, Spartan will implement a regular schedule for employees to reaffirm their commitment to these documents.

3.2 Its structure, activities and supply chains.

Please see Section 2, above, *About Spartan Controls*.

3.3 Its policies and due diligence processes in relation to forced labour and child labour.

For policies related to forced labour and child labour please see Section 3.1, above.

For due diligence processes related to forced labour and child labour, Spartan has reviewed its major supplier's policies to confirm that they have taken steps to reduce the risk of forced labour or child labour being used in Spartan's supply chain. Examples of such policies are design in Section 3.4, below.

3.4 The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.

From the review of suppliers detailed above Spartan has identified that goods manufactured abroad are the portion of Spartan's business that may carry a risk of forced labour and/or child labour. The majority of goods, which are then predominantly distributed in Western Canada, are supplied by or through Emerson.

Emerson is a large multi-national with a proven history of placing ESG at the forefront of its business and taking industry-leading steps to ensure compliance with all laws and the highest ethical standard. Copies of Emerson's 2023 ESG Report<sup>5</sup> and 2024 ESG Response Letter<sup>6</sup> are attached as Appendix C. Information related to forced and child

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<sup>5</sup> Emerson's ESG report for the previous year is released in June, and therefore, Emerson's 2024 ESG report would not be timely released for submission of this Report.

<sup>6</sup> Which is provided to customers to provide summary information on Emerson's ESG initiatives.

labour is included at least at pages 126 and 164 of the 2023 ESG Report and at page 7 of the ESG Response Letter.

As a further example, of Spartan's non-Emerson scope of supply Yaskawa is one of the leading contributors. Yaskawa, similarly to Emerson, has a published Human Rights Policy and Due Diligence process. A copy of those policies and procedures is attached as Appendix D hereto.

3.5 Any measures taken to remediate any forced labour or child labour.

Not Applicable. No instances of forced labour or child labour reported or detected in 2024.

3.6 Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

Not Applicable. No instances of forced labour or child labour reported or detected in 2024.

3.7 The training provided to employees on forced labour and child labour.

Spartan is committed to raising awareness and promoting compliance with the Act among its employees, especially those who engage in procurement and sales activities with entities outside Canada.

In 2024, Spartan provided training sessions to its employees on the legislation and its purpose, as well as Spartan's existing and new policies and procedures to prevent and address any instances of forced labour or child labour in its business and supply chains. Spartan employees were instructed to pay close attention to the policies and procedures of customers and suppliers related to forced labour and child labour and report anything suspicious to Spartan's designated contact person.

3.8 How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.

Spartan is assessing its effectiveness by monitoring the reporting and compliance of its employees, customers and suppliers with respect to the Act and Spartan's policies and procedures. Spartan has established a designated contact team who is responsible for receiving and investigating any reports or complaints of forced labour or child labour in its business and supply chains via the Human Rights Policy posted on its website.

Spartan is also intending on conducting a review of its procurement processes and contracts to ensure that they comply with the Act and reflect Spartan's commitment to human rights. Spartan will evaluate the results of these reviews and take corrective action, if necessary, to prevent and address any issues of forced labour or child labour.

## 4 ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above:

Douglas Ndegwa

Full Name

President & CEO

Title

2025.05.27

Date

Whereas I have the authority to bind  
Spartan Controls Ltd.:



Signature

## APPENDIX A: Spartan Human Rights Standard

# Human Rights Standard

For all permanent and temporary Spartans and Contractors, and  
Spartan's suppliers and other business partners.



### PURPOSE

This Human Rights Standard (the "Standard") is designed to establish standards related to human rights and labour for all Spartan employees and contractors ("Spartans") and each of Spartan's suppliers and other business partners (the "Business Partners"). This Standard is informed by, among other things, the International Bill of Human Rights, the Canadian Act to enact the *Fighting Against Forced Labour and Child Labour in Supply Chains*, the United Nations Guiding Principles on Business and Human Rights, the Ten Principles of the United Nations Global Compact and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

Spartan requires our Business Partners to use best efforts to extend the principles embodied in this Standard to their suppliers and agents that are engaged in the production, supply and support of products or services for Spartan. Operating our worldwide business in accordance with these standards is imperative to ensuring that Spartan represents the highest ideals of ethics and integrity.

### Oversight, Implementation and Stakeholder Feedback

Spartan's Board of Directors maintains general oversight for the matters contemplated by this Standard. To ensure that we are listening to, learning from and taking into account all the various stakeholder views as we operate our business and administer this Standard, we are committed to continued engagement with all of our stakeholders.

### SPARTAN Training

When applicable, Spartans will receive training on requirements and principles within this Standard as part of their training on Spartan's Code of Ethics & Conduct. Additionally, our Business Partners are expected to provide training, aligned with the requirements and principles of this Standard, to their employees as appropriate.

### Human Rights Principles

As part of our commitment to human rights, we expect Spartans and Business Partners to adhere to these principles:

#### 1. Equal Opportunity, Non-Discrimination and Non-Harassment

We are committed to fostering a culture where every individual is valued and respected for their experiences and perspectives – and that reflects the world around us. We believe diverse viewpoints, cultures, races and genders, within an inclusive work environment, contributes to the rich exchange of ideas that inspires innovation and brings the best solutions to our customers. Further, Spartan strictly prohibits and requires Spartans and Business Partners to prohibit discrimination against or harassment of any employee or applicant on the basis of mental and physical disability, gender, gender identity, or gender expression, sexual orientation, race and color, religious beliefs, ancestry and place of origin, age, and marital and family status or other factors in accordance with the laws and regulations of each province and country where we do business. We expect Spartans and Business Partners to treat each individual with dignity and respect.

#### 2. Health and Safety

Protecting health and safety is a core value and it is against our guidelines and standards for any individual to work in unsafe conditions or in an unsafe manner. At Spartan, we are committed to providing a safe and healthy working environment that complies with applicable health and safety laws, regulations and internal requirements, and require our Business Partners to do the same in order to protect employees from short, immediate and long-term harm.

We are committed to engaging with Spartans to continually improve health and safety in our workplaces, including the identification of hazards and remediation of health and safety issues.

### 3. Forced Labour and Human Trafficking

Spartan will not tolerate, and we forbid Spartans and Business Partners from using any form of forced, bonded or indentured labor, debt or involuntary servitude, any other form of modern slavery, or involuntary prison work in their operations or within their supply chain. Further, compensation practices should comply with applicable wage laws, including those relating to minimum wages, overtime compensation and legally mandated benefits.

Spartans and our Business Partners must have the right to freely terminate employment in accordance with applicable laws and regulations without fear of physical, psychological, sexual or verbal abuse. Recruitment fees may not be charged to workers or potential workers.

### 4. Child Labour

Spartan will not tolerate the use of child labour and we forbid our Business Partners to use child labour in our operations or within our supply chain. We require that all Spartans and employees or contractors of our Business Partners be of the appropriate age as defined by applicable local and national laws.

### 5. Employment Standards, Working Conditions and Compensation

Spartan operates within reasonable working hours and maintains a positive and productive work environment consistent with commonly accepted practices in each locale, and we require the same of our Business Partners. Spartan will not tolerate any form of harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse. Spartan requires our Business Partners to have a healthy and safe working environment in accordance with all applicable laws and regulations and to protect employees from short, immediate and long-term harm. Where housing is provided, Spartan requires a healthy and safe living environment for Spartans in accordance with all applicable laws and regulations. Additionally, we comply with all applicable wage and hour laws and regulations and provide legally mandated benefits, and we expect Business Partners to do the same.

### 6. Freedom of Association

Spartan and our Business Partners must respect the rights of workers to associate freely and seek representation in accordance with local laws.

### Reporting Concerns or Raising Questions

Spartans and our Business Partners may report any violations of this Standard or other concerns by:

- Contacting a local supervisor/manager or Human Resources; or
- Using Spartan's Ethics Reporting email address, please click [here](#) to file a confidential report:

We encourage employees of Business Partners to work through their own company to resolve internal ethics issues. However, Business Partners should promptly report violations of the principles within this Standard by using Spartan's Ethics Reporting email as referenced above. Spartan will not tolerate any form of reprisal against individuals who report concerns.



## Appendix B: Spartan Code of Ethics



SPARTAN STANDARD

# CODE OF ETHICS & CONDUCT

(For all permanent & temporary Spartans and Contractors)

Spartan's reputation, in industry, with our principals, among Spartans, and within the communities we work and reside, is a result of, in part, the honesty and integrity that Spartans consistently demonstrate in our business dealings and interactions with each other. To maintain our reputation, Spartans and contractors working on behalf of Spartan must behave with the highest ethical standards.

Spartan's Code of Ethics and Conduct (Code), is derived directly from our vision, mission, and shared values.

### Vision

Creating a Sustainable Modern World with Innovative Automation.

### Mission

Serve the Customer first, by creating, delivering, and sustaining value they want.

### Values

- **Customer First** - with the highest degree of responsiveness, knowledge, commitment, right the first time, and quality in our industry.
- **Earned loyalty** - with all stakeholders by acting with integrity, professionalism, reducing complexity, and sustaining a fair exchange of value.
- **Empowered** - to be exceptional, with a culture of ownership, entrepreneurship, resilience, collaboration, graciousness, and inclusiveness.
- **Differentiated leadership** - diverse, accountable, engaged, mentors, fair and consistent, with courage to act.
- **Innovation** - creative, agile, adaptable to change, delivering new value for our Customers and Spartan.
- **Continuous improvement** in all that we do - for Customers, fellow Spartans, our principal partners, and our business.
- **Sustainability** - for our Customers, Spartans and their families, and the communities in which we work and live.

All Spartans and contractors working on behalf of Spartan have a personal responsibility to ensure that business is conducted in a fair, honest, and ethical manner. Any breach of this Code is considered serious, and may result in disciplinary action up to, and including, immediate termination of employment or contract.

For reference throughout this Code, "Spartans" shall also refer to contractors working on behalf of Spartan.

### General Guidelines for Ethical Behaviour

Spartans are expected to accept certain responsibilities, adhere to acceptable legal business principles, and exhibit a high degree of personal integrity at all times. This includes refraining from behaviour that might be harmful to you, your co-workers, our Customers, or Spartan. The intent of this Code is not to place unreasonable restrictions on your personal actions, but to set the standards that you are expected to meet in your capacity as a Spartan.

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If you are ever in doubt about the right course of action in any circumstance, discuss it with your Manager, Senior Leader, or Human Resources directly. If your situation requires specific expertise, appropriate action will be taken to assist you in the decision-making process.

It is not practical to state guidelines for every ethical situation. Spartan's Code of Ethics and Conduct can be reduced to one question:

***If your decision or behaviour became public, would it bring credit upon you and Spartan?***

#### **Compliance with Laws, Rules, and Regulations**

***We respect the law at all times***

Spartans are expected to comply with all Canadian federal, provincial, and municipal laws, rules, and regulations, as well as laws, rules, and regulations of any other countries where they may be working.

#### **Conflicts of Interest**

***We act in the best interests of Spartan***

Spartans are expected to avoid activities and relationships that would be, or could be, perceived to conflict with their duties to Spartan, or the interests of Spartan.

Some examples where a conflict of interest may arise, includes, but is not limited to:

- Conducting business with a company that a Spartan employee owns, or has a financial interest in, without exercising due diligence in sourcing the market, and without disclosing the relationship to your Manager and Human Resources.
- Unlawfully obtaining information about our competitors. While collecting publicly available information is always permissible, obtaining confidential information by communicating directly with competitors is not. It is permissible to obtain information from former employees of competitors, but this information must not include trade secrets, or any information protected by confidentiality agreements or laws.
- Purchasing goods or services from suppliers who are relatives or friends of a Spartan, without exercising due diligence in sourcing the market, and without disclosing the relationship to your Manager and Human Resources.
- Using Spartan's facilities and/or resources to pursue personal business.
- Personal and business involvement with competitive organizations without informing your Manager and Human Resources.
- Accepting a position as director of or consultant to another business without first receiving permission from Human Resources and your Senior Leadership Team (SLT) member.
- Hiring friends and/or relatives to work at Spartan without exercising due diligence, and without disclosing the relationship to your Manager and Human Resources.
- Hiring a friend or family member into a position that directly reports to oneself.
- Dating or pursuing a relationship with a Spartan who is in a direct or indirect reporting relationship to oneself.

In such situations, it can be difficult for an individual to act fully in the best interests of Spartan. The expectation is that we not only do "the right thing", but that we do so in a transparent manner.

If a Conflict of Interest situation has occurred, or if you are facing a situation that may involve or lead to a Conflict of Interest, you must immediately disclose it to your Manager and Human Resources so that the situation can be understood or resolved in a fair and transparent manner.

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**Confidential Information**

***We value and protect our confidential information, and respect the confidential information of others***

Spartan's continued success depends on the use of its confidential information and non-disclosure to third parties. Unless required by law or authorized by a Senior Leader, Spartans shall not disclose confidential information or allow such disclosure. This obligation continues beyond the termination of employment. Furthermore, Spartans must use best efforts to avoid unintentional disclosure by applying special care when storing or transmitting confidential information.

Confidential information includes:

- Financial, Shareholder, and Business Performance
- Compensation and Personnel details
- Product, Sales, and Business Operations
- Proprietary Technology
- Marketing and Competitive Information
- Spartan's Strategic Business Plan
- Confidential Information of our Customers and Principals

Spartan respects that our Customers, principals, and suppliers have a similar interest in protecting their confidential information. Spartan will treat all such information shared by Customers, principals, and suppliers with the same care as if it was Spartan's confidential information.

For further information, refer to: [Confidentiality Guideline](#)

**Intellectual Property (Inventions, Patents, Copyrights)**

***We value our intellectual property, and respect the intellectual property of others***

Spartans are expected to proactively communicate to their Manager any activities on which they are working that relate to inventions and technological advancements relevant to Spartan's business. Any unrelated business pursuits or activities will be addressed on a case-by-case basis and are also expected to be communicated proactively.

Any inventions or technological enhancements developed while working on behalf of Spartan Controls, or while on company time, are considered Company property. Any inventions or technological enhancements related to our business (e.g., products/service/solution offerings) that are developed outside of Spartan hours, also belong to Spartan.

The Senior Leadership Team, in conjunction with individual Spartans, will determine whether specific inventions or technological enhancements meet the criteria for intellectual property protection (e.g. patents, copyright, trademark, industrial design, etc.).

Spartans will honour the intellectual property rights of others, including patents, copyright, trademarks, and the consideration of software licencing agreements.

**Integrity of Accounting and Financial Reporting**

***We ensure that company information is accurate and timely***

Spartan's financial records are the basis for managing the company's business and fulfilling its obligations to various stakeholders. All financial records must be timely, accurate, and in line with Spartan's accounting standards.

Spartans must never engage in fraudulent or dishonest conduct involving financial reporting and accounting of Spartan or any third party. This includes submission of expense reports, time records, and documentation of sales transactions. Spartans are expected to report any issues relating to fraudulent or dishonest conduct to their Manager or Human Resources.

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**Protection of Company Assets*****We are honest and respect Spartan's assets and property***

Spartans are responsible for protecting the company's assets from loss, damage, misuse, theft, fraud, embezzlement, and destruction. Assets include, but are not limited to, physical property and buildings, data, software, intellectual property, equipment, supplies, credit cards, information networks, documents, and other confidential or proprietary information.

Access to the internet and email is meant to promote work-related research and enhance communications. Limited personal use of internet and email is permitted for purposes that are lawful, ethical, and consistent with the Code, as long as the use does not interfere with work obligations.

For further information, refer to: [ITSS Security User Acceptable Usage Standard, and Mobile Device Acceptable Usage Standard](#)

**Representing Spartan*****We protect the reputation of Spartan***

As part of our ongoing commitment to maintain Spartan's strong reputation, it is critical for Spartan to communicate clearly and consistently with the public.

The following are the spokespersons authorized to communicate formally on behalf of Spartan with Industry, Government & Related Agencies, and the Media:

- President & CEO
- members of the Spartan Board of Directors
- members of the Spartan Senior Leadership Team (SLT)
- Manager, Marketing Communications
- persons specifically authorized by the President & CEO

No other persons are authorized to communicate on behalf of Spartan unless specifically authorized in this Standard or by the President & CEO.

Spartans are encouraged to keep personal, political, and community involvement separate from their work. Any statements made to the media or the public should be made as an individual, and not on behalf of Spartan Controls.

Social events reflect upon Spartan's reputation as a company, as well as the professional reputation of Spartans attending the event. It is expected that Spartan employees who are representing Spartan at such events use good judgment and act in a responsible, professional, and respectful manner.

For further information, refer to: [Social Media Acceptable Use Guideline, Corporate Communications Standard, and Social Events Guideline](#).

**Antitrust and Fair Dealing*****We believe in the importance of free competition***

Spartan competes successfully in today's business environment and will always do so in full compliance with all applicable antitrust, competition, and fair dealing laws. Spartans must, at all times, adhere to the following rules:

- Commercial policy and prices will be set independently and will never be agreed to, formally or informally, with competitors or other non-related parties, whether directly or indirectly



- Customers, territories, or product markets will never be allocated between Spartan and its competitors but will always be the result of fair competition
- Customers and suppliers will be dealt with fairly

All Spartans, especially those who are involved in marketing, sales, and purchasing, or who are in regular contact with competitors, have a responsibility to ensure that they are familiar with applicable competition laws.

### **Bribery and Corruption**

#### ***We condemn any form of bribery and corruption***

Spartans must never, directly or through intermediaries, offer or promise any personal or improper financial or other advantage in order to obtain or retain a business or other advantage from a third party, whether public or private. Nor must they accept any such advantage in return for any preferential treatment of a third party. Moreover, Spartans must refrain from any activity or behaviour that could give rise to the appearance or suspicion of such conduct or the attempt thereof.

Spartans should be aware that the offering or giving of improper benefits in order to influence the decision of the recipient, even if they are not a government official, may not only lead to disciplinary actions, but may also result in criminal charges. Improper benefits may consist of anything of value for the recipient, including employment of consultancy contracts for closely related parties. Spartans must be aware that election laws in many jurisdictions generally prohibit political contributions by corporations to political parties or candidates. Any contributions must be approved by Spartan's Board of Directors.

### **Gifts and Entertainment**

#### ***We compete and do business based on the highest ethical standards***

The giving and receiving of gifts and entertainment are often involved when developing relationships with our Customers and suppliers. This can create ethical situations of which Spartans must be aware.

Some basic guidelines for Spartans to follow when giving or receiving gifts or entertainment are that the gift or entertainment:

- Is appropriate to the situation
- Aligns with the Code of Ethics and Conduct for both the Customer and Spartan
- Value is nominal, and will not be perceived to impair business judgement (i.e. contract pending)

It is not acceptable for Spartans to solicit gifts or entertainment from suppliers for personal gain. If you are unsure if a gift is legal or appropriate, please ask your Manager or Human Resources.

For further information, refer to: [Expenses – Customer, Principal, and Business Associate Entertainment](#)

### **Human Rights**

Spartan's Human Rights Standard establishes standards related to human rights and labour for all Spartan employees and contractors ("Spartans") and each of Spartan's suppliers and other business partners. This Standard is informed by, among other things, the International Bill of Human Rights, the Canadian Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains, the United Nations Guiding Principles on Business and Human Rights, the Ten Principles of the United Nations Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

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For further information, refer to: [Human Rights Standard](#)

### **Respectful Work Environment**

***We respect the personal dignity of everyone***

Spartan is committed to providing a work environment where respectful behaviour is the norm, and Spartans are free from harassment, bullying, violence, threats, and intimidation. Disrespectful behaviour compromises the integrity of the work environment and undermines the self-respect and productivity of Spartans.

Spartans are expected to conduct themselves – and to consider the behaviours of others – based on the principles of reasonableness and respect for the rights and dignity of others.

Spartans who may have experienced or witnessed situations where behaviour is disrespectful and causing a negative effect in the work environment should immediately contact their Manager and/or Human Resources.

For further information, refer to: [Respectful Work Environment Standard](#)

### **Diversity and Equal Opportunity**

***We believe diversity is strength***

Spartan believes that a diverse workforce is a successful workforce and we are always looking for opportunities to remove barriers to achieving diversity. Spartans can help by understanding personal unconscious bias and being open and welcoming to different points of view, characteristics, and backgrounds.

Employment decisions at Spartan are made based on bona fide occupational requirements, and without regard to mental and physical disability, gender, gender identity, gender expression, sexual orientation, race, colour, religious beliefs, ancestry and place of origin, age, marital and family status, or other factors in accordance with the laws and regulations of each province and country where we do business.

### **Safe, Healthy Work Environment**

***We are committed to providing a safe, healthy work environment***

Spartan is committed to a safe and healthy work environment and encourages all Spartans to work safely through communication, education, and participation. Spartans are expected to report for work fit for duty and in compliance with all applicable health and safety related laws and regulations, and Spartan guidelines and standards. Spartans are also expected to report all unsafe acts and conditions to their Manager and/or Safety.

For more information, refer to: [Alcohol & Drug Standard](#).

### **Protecting the Environment**

***We are committed to initiatives that protect the environment***

Spartan is committed to delivering solutions that enable our customers to operate at peak efficiency and performance. We help customers maximize reliability, reduce energy costs, automate processes, and avoid unexpected operational issues. These initiatives ultimately benefit the environment. Energy efficiency and reduced waste mean that the goods that society needs are produced with less of an impact on the environment and fewer natural resources. These efficiencies are good for business, and they also help our customers improve their environmental stewardship.



We are also committed to compliance with all relevant environmental laws and regulations in the countries in which we operate, and we seek to reduce energy consumption and carbon emissions by our facilities. Spartans are asked to further environmental stewardship in our operations and through initiatives brought forth by Spartan's Green Teams.

**Questions and/or How to Report Non-Compliant Conduct**

If you have questions about Spartan's Code of Ethics, or if you suspect that this Code is being violated, you are responsible to raise your concern with your Manager, Senior Leader, or Human Resources. Reporting such actions may be done anonymously. Spartan prohibits retaliatory action against any Spartan who, in good faith, reports a possible violation.

A "bad faith" complaint is when there is either no substance to the complaint, or it is erroneous, and the originator knowingly proceeds with the complaint. When there is a "bad faith" complaint, it may result in disciplinary action being taken against the offending Spartan.

**Failure to Comply**

All Spartans are responsible for ensuring full compliance with all provisions of this Code and should seek guidance where necessary from their Manager, Senior Leader, or Human Resources.

Behaving with the highest standards of integrity is each Spartan's personal responsibility. When in doubt, Spartans should always be guided by the basic principles stated in the introduction of this Code.

Any failure to comply with this Code may result in disciplinary action, including the possibility of termination and, if warranted, legal proceedings.


Appendix C: Emerson 2023 ESG Report

(see: <https://www.emerson.com/en-us/esg> )

CUSTOMER LETTER – EMERSON'S 2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PROGRESS

# Sustainability Performance and Progress

For decades, we have helped our customers advance their sustainability initiatives as we drive our own internal progress. Over the past few years, we have been on a tremendous journey to transform Emerson, and we made great progress towards our Environmental, Social and Governance goals in 2023. Our new Sustainability Report illustrates how we plan to navigate the complex challenges in business today, drive impactful solutions for decarbonization for customers and stakeholders and maintain our commitment to long-term value creation.



This document summarizes the key highlights from our report. For more details, please refer to our [2023 Sustainability Report](#) published in June 2024.

Dear Customer,

Emerson is a global leader in automation technology and software. We help customers in critical industries like energy, chemical, power, renewables, metals and mining, life sciences and factory automation operate more sustainably while improving productivity, energy security and reliability.

As an industry leader and a corporate citizen in our communities, we are actively working to advance our strategy and act around environmental, social and governance (ESG) issues. We are committed to ensuring our business practices are sustainable, and we have an integral role in enabling our customers and suppliers to achieve the same. A summary of our ESG-related targets and activities are described in this document.

Since 2010, we have disclosed Emerson's climate-related progress through CDP (formerly Climate Disclosure Project). In 2023, Emerson received a **CDP Climate Change A- score**. You can access our CDP report [here](#). Additionally, for the second consecutive year, we were included in CDP's **Supplier Engagement Leaderboard**, which represents the top 8% of companies assessed for supplier engagement on climate change.


Emerson also subscribes to EcoVadis, a provider of supplier ratings that seek to measure the quality of a company's ESG efforts through its policies, actions and results. In September 2023, Emerson Electric Co. received an **EcoVadis Silver medal, with a score of 64/100**. You can request to view our scorecard through the EcoVadis platform.

Emerson's CDP and EcoVadis scores reflect the tangible steps we are taking to meet our ESG goals and live our values. We aim to positively impact our global value chain through our initiatives, products and services, and important collaborations with our stakeholder partners.

More detailed information is available in our annual Sustainability Report at [emerson.com/esg](https://www.emerson.com/esg).


Thank you,

Your Emerson Team




A message from our President and CEO:  
[Our Tremendous Journey to Transform Emerson](#)

Lal Kansanbhai



A message from our Board Chair:  
[A Pivotal Year](#)

James Turley



# Report At-A-Glance

## ENVIRONMENT

**Net Zero Value Chain**  
emissions by 2045 from a 2021 baseline.

**Net Zero Operations**  
by 2030 from a 2021 baseline.

**Near-term and Net Zero targets**  
have been approved by the Science Based Targets initiative.

Reduced Scope 1 and 2 GHG emissions intensity by **52%** since 2021..

Reached **49%** of electricity procured from renewable sources at Emerson locations worldwide.

Achieved a **41%** reduction in energy intensity from 2018, surpassing the 25% reduction target in advance of 2030.

## SOCIAL

**40%** of global leadership targeted to be **women** by 2030.

**30%** of U.S. leadership targeted to be **minorities** by 2030.

8 Employee Resource Groups with over **13,000 members**.

Company-wide continuous listening strategy with **85%** employee participation and an employee engagement score of 78%.

Implemented company-wide **wellbeing programs** and policies.

## GOVERNANCE

**\$200M** pledged to address education equity over 10 years.

Goal to continuously work toward **zero recordable injuries**.

A **36%** reduction in first aid cases and a **23%** reduction in recordable injuries compared to FY2022.

**Nick Piazza** appointed Chief People Officer, August 2023.

The Board added **7 new Directors** in the last five years, underlining the Emerson Board's commitment to ongoing refreshment.\*

Achieved CDP Supplier Engagement Leader status for a second year.

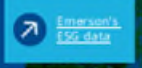
Key elements of our primary data centers, cloud environments and our enterprise IT organization are certified under ISO 27001.

**Michael Tang** appointed Chief Legal Officer, January 2024.

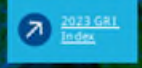
\* Depicts deterioration effective August 2024.  
This Executive Summary is not comprehensive and should be read in conjunction with our Sustainability Report in its entirety, including, without limitation, the "About This Report" section.

# Reporting and Disclosures

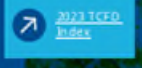
Review Emerson's alignment with leading Environmental, Social and Governance (ESG) reporting standards and frameworks:




[Emerson's ESG data](#)




[2023 GRI Index](#)




[2023 TCFD Index](#)



[2023 SASB Index](#)



[2023 CDP Climate Change](#)



[2023 UN SDGs Index](#)

Access our Reporting Center to see prior reports:  
<https://www.emerson.com/en-us/esg/reporting-center>



# Environmental Sustainability Progress

## Environmental Sustainability Governance

Mike Train, Emerson's Senior VP and Chief Sustainability Officer, leads the company's environmental sustainability strategy and oversees the Environmental Sustainability Steering Committee. Mike reports directly to Emerson's President and CEO Lal Karsanbhai and regularly presents to the Board of Directors on Emerson's sustainability initiatives.

Under Mike's leadership, Emerson's Environmental Sustainability Steering Committee is actively coordinating environmental sustainability-related activities and initiatives across the company's global value chain. This committee connects the priorities of our Board, leadership team and colleagues around the world, and includes representatives from all functional areas of the company.

We also drive action on focused topics through more specialized groups, for example: The Energy Sourcing Committee, the Scope 3 Emissions Data Governance Group and the Carbon Border Adjustment Mechanism (CBAM) Steering Committee.



Emerson's [Global Environmental Management and Sustainability Policy](#) articulates the guiding principles that are integrated into our internal environmental management practices and performance standards. This policy is reviewed on an annual basis.

Emerson utilizes a framework that groups our environmental sustainability efforts into three broad pillars: Greening Of Emerson, Greening By Emerson, and Greening With Emerson.

This strategic framework continues to guide our sustainability programs and strategies. It remains a cornerstone in how Emerson conceptualizes and conveys our dedication to sustainable progress.

### Our Environmental Sustainability Framework



**GREENING OF**  
How we improve our internal environmental sustainability performance.



**GREENING BY**  
How we support and enable our customers' decarbonization and environmental sustainability efforts.



**GREENING WITH**  
How we foster collaboration among stakeholders.

## Targets vs Progress

The Science Based Target Initiative (SBTi) has approved both Emerson's near-term 2030 emissions targets and long-term net-zero targets. These are consistent with levels required to limit global average temperature rise to 1.5°C.

	TARGET	PROGRESS
2045	Net Zero Value Chain Emissions from 2021 baseline - 90% reduction across Scope 1, 2, and 3 emissions	See progress below for 2030 near-term milestones.
2030	Net Zero Operations from 2021 baseline - 90% reduction of Scope 1 and 2 emissions	In 2023, we achieved 44% reduction of Scope 1 and 2.
	Reduce Absolute Scope 3 Emissions by 25% from 2021 baseline	In 2023, we achieved 4% absolute reduction of Scope 3.*
	Updated target to reduce energy intensity by 35% across our global operations from 2021 baseline	In 2023, we achieved a 41% reduction in energy intensity from 2018, surpassing the 25% reduction target in advance of 2030.
	Procure 100% of electricity from Renewable Resources	In 2023, 49% of electricity is from renewable resources and we currently have over 10 MW of on-site installed capacity globally.
2032	Operational Zero Waste to Landfill from 2022 baseline	In 2023, we achieved 56% waste diversion rate across our manufacturing sites globally.

\* Excluding Scope 3 Category 15, Investments



Emerson's ESG data



## GREENING OF EMERSON:

### How we improve our internal environmental sustainability performance.

#### Achieving More Energy Efficiency Improvements.

- To date, more than half of our emission reductions are attributed to energy efficiency actions.
- We typically identify 10-15% in energy savings opportunities during an Energy Treasure Hunt.

#### Renewable Electricity Sourcing and On-site Generation Systems.

- In 2023, renewable sources accounted for 49% of the power consumed by global operations.
- To date, a third of our emission reductions are attributed to the shift to renewable electricity.
- Our Energy Sourcing Committee ensures our purchases comply with RE100's global corporate standards.

#### Scope 1 Emission Abatement Through Electrification and Low-Carbon Fuels.

- Electric and hybrid vehicles now compose 12% of our global vehicle fleet, a year-over-year increase of more than 70%.
- The electrification of manufacturing processes and comfort space heating
- The transition of our fleet vehicles to zero emissions models
- Use of hydrogen or alternative fuels for high-temperature processes where electrification is impractical

#### Driving Toward Zero Waste to Landfill.

Our strategy organizes waste management practices hierarchically, focusing on extending the useful life of products and reducing waste production.

#### Managing Water Consumption.

- Our manufacturing facilities monitor and report water usage quarterly.
- In 2023, we reduced purchased water by 3%, compared to 2022, thanks to water use reduction projects at our facilities.

#### Driving Local Action Through Green Teams.

- In 2023, we established a Global Green Teams Council, comprised of our Enterprise Sustainability team, EHS directors and sustainability enthusiasts from around the world.
- Over the last few years, more than 120 green teams have been established across our facilities worldwide.



Read about our environmental sustainability programs in our 2023 Sustainability Report [pages 26-61](#).





## GREENING BY EMERSON:

### How we support and enable our customers' decarbonization and environmental sustainability efforts.

We are privileged to be considered a trusted automation partner by sustainability-leading companies in various industries. Our solutions support the environmental sustainability progress of our customers in four strategic areas:

- 1 ENERGY SOURCE DECARBONIZATION**
  - Low-carbon power (solar, wind, hydro, nuclear, biomass)
  - Low-carbon fuels (biofuels, biogas, LNG)
  - Hydrogen and hybrid hydrogen-fuel
- 2 ENERGY & EMISSIONS MANAGEMENT**
  - Emissions monitoring and control
  - Carbon capture, utilization, storage and removal
  - Advanced controls, analytics and simulation
- 3 ELECTRIFICATION & GRID SYSTEMS**
  - Smart grid and network management
  - Energy transport and storage
  - Workforce safety and productivity
  - Critical minerals (rare earths)
- 4 CIRCULARITY & WASTE REDUCTION**
  - New molecules (production (bio-based materials))
  - Materials and minerals recycling and circularity
  - Water and waste management

Read about our environmental sustainability programs in our 2023 Sustainability Report [pages 62-83](#)

## GREENING WITH EMERSON:

### How we foster collaboration among stakeholders.

We are bringing our unique technical expertise and global presence to engage and dialogue with governments and policy groups, research institutions, NGOs, industry associations and communities on the path toward a more sustainable future. Emerson's collaboration efforts are driven by three main strategies:

1. Engaging governments and industry groups.
2. Collaborating with leading research and educational institutions.
3. Convening leaders and communities.

Read about our environmental sustainability programs in our 2023 Sustainability Report [pages 84-95](#)



## Social Responsibility

At Emerson, our people are at the center of what we do, and they are foundational to our value-creation strategy. We are building an environment where our employees are inspired and empowered to reach their fullest potential, creating value for themselves, our company and our world.

Read more about Emerson's Social Responsibility strategy on [pages 96-140](#) of our 2023 Sustainability Report.



## Diversity, Equity, and Inclusion

### DE&I Goals

**40%** of our leadership will be represented by women globally by 2030

**30%** of our leadership will be represented by U.S. minorities by 2030

### 3 Key charters of our DE&I roadmap

1. Sourcing and Selecting Diverse Talent
2. Engaging and Retaining Diverse Talent
3. Developing an Inclusive and Connected Organization

### Workforce by the numbers\*

Gender	Women in leadership (global, targeting 40% by 2030)	23%
	Women, percentage of total workforce (global)	33%
Minorities	Minorities in leadership (U.S., targeting 30% by 2030)	21%
	Minorities, percentage of total workforce (U.S.)	35%
Voluntary Turnover	Voluntary Turnover (global)	16%
	Voluntary Turnover for those with 1 or more years of Service (global)	9%
	Voluntary Turnover for those with 5 or more years of Service (global)	7%

\* In this data set, leadership is defined as individuals at the Director level and above. Global data reflects countries that are included in our human resources information system and excludes countries not yet transitioned onto the same system. Minorities include: Asian, American Indian or Alaska Native, Black or African American, Hispanic, Native Hawaiian or Other Pacific Islander and two or more races.

### Employee Resource Groups (ERGs)

Emerson has built a robust network of ERGs that support our focus on inclusion. Passionate volunteers lead these groups worldwide at both the company and regional levels and are sponsored by Emerson's executive leadership. These ERGs have grown organically from the ground up and now have

**more than 13,000 members.**

Asian & Pacific Islander Alliance  
Black Employee Alliance  
Diverse Abilities  
Mosaic  
Pride  
Somos  
Veterans Resource Group  
Women's Impact Network

### Employee Engagement

Our employees are our greatest strength, and we continually provide avenues where employees can share their valuable perspectives. This past year saw the launch of our Your Voice Counts listening strategy.

More than 85% of employees participated in Emerson's first company-wide employee engagement survey, with an overall engagement score of 78%.



# Social Responsibility

(continued)

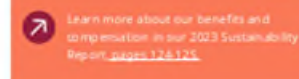
## Labor Relations

We respect our employees' right to freedom of association in choosing labor organizations to represent them. Worldwide, approximately 25% of our employees are represented by an employee representative organization, such as a union, works council or employee association.



## Global Hybrid Working Policy

Emerson has implemented hybrid remote work policies worldwide to support employees' pursuit of a healthy work-life balance while creating an environment aligned with Emerson's core value of collaboration.



Learn more about our benefits and compensation in our 2023 Sustainability Report, [pages 126-129](#).

## Human rights

As members of the United Nations Global Compact, Emerson respects and promotes human rights in all our business operations worldwide.



Emerson's Global Human Rights Policy is designed to establish global standards related to human rights and labor for all employees, suppliers, third parties and other business partners, and to ensure compliance with those expectations.

This policy is informed by, among other things, the International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the Ten Principles of the United Nations Global Compact and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

## Workplace Health and Safety

Employee health and safety impact every aspect of our operations and the lives of our employees. Our safety culture focuses on employee participation, innovative practices and unwavering leadership commitment. To ensure continuous improvement, all Emerson employees must take an active role in the prevention of injuries and accidents.

### Key highlights

- Achieved a reduction of **36%** in First Aid Cases and 23% in recordable injuries compared to 2022.
- More than **84%** of Emerson's employees work at manufacturing locations that have completed H&S risk assessments.
- More than **80%** of Emerson's workforce worldwide was engaged in a robust H&S dialogue through formal joint management-worker health and safety committees.



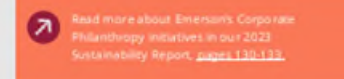
More on our performance on health and safety can be found in our 2023 Sustainability Report, [pages 126-160](#).

## Corporate Philanthropy

Emerson's corporate philanthropy is strengthening our communities and creating a more equitable future for all through charitable contributions, employee volunteerism, and nonprofit partnerships.

This past year, **\$626,000** was donated on behalf of our employee matching gifts program.

- Emerson also awarded **170 college scholarships** to children of employees through National Merit and Emerson's scholarship programs.
- Emerson and the Emerson Charitable Trust made contributions totaling **\$22 million** to nonprofit organizations, educational institutions and for the company's scholarship and teacher recognition programs.
- In 2021, Emerson pledged **\$200M** over 10 years focusing on education equity in the communities in which we operate. In 2023, 66% of the budget was directed to education organizations or programming, up from 42% in 2022 and 27% in 2021.



Read more about Emerson's Corporate Philanthropy initiatives in our 2023 Sustainability Report, [pages 130-133](#).

# Governance and Accountability

From our Board of Directors and executive leadership team to our employees and suppliers, we expect those who represent Emerson to uphold a high level of integrity.

## Corporate Governance

### Key highlights

- The Board of Directors adopted Director term limits and further enhanced its oversight of cybersecurity, human capital management, and environmental sustainability.
- The Board added **seven new Directors** in the last five years, underscoring the Emerson Board's commitment to ongoing refreshment.\*
- 50%** of Directors are women or persons of color.\*
- 2/3** of required Board Committees are chaired by women.
- In coordination with the Board, Emerson leadership compensation programs in 2023 utilized a metrics-based approach incorporating both financial and sustainability targets with a focus on greenhouse gas emissions reductions and human capital management goals.

\* Depicts data/information effective August 2024

More on Emerson's Corporate Governance Actions can be found in our 2023 Sustainability Report, [pages 143-148](#).

## Board Oversight of Sustainability

Emerson recently amended the charters of its Board committees to emphasize their role in overseeing important public policy and issues of social responsibility, including product safety and environmental and sustainability policies and reporting.

## Sustainability External Reporting Governance

Emerson recently established a more formalized sustainability reporting governance framework in anticipation of meeting the diverse range of sustainability disclosure regulations being introduced globally. The governance oversight committee includes cross-functional departments underscoring the comprehensive approach we are taking to ensure compliance and leadership in sustainability governance. Key updates are provided to the Audit Committee and the Technology and Environmental Sustainability Committee of the board of directors.

## Integrity and Ethics

We have established clearly defined policies and practices for employees through our Ethics and Compliance Program. Our [Employee Code of Conduct](#) handbook serves as the foundation for how Emerson employees conduct business worldwide. Available to all employees and the public at [emerson.com/ethics](#), the latest version has been translated into 23 languages.



Our ethics reporting program provides employees with an efficient and trusted mechanism by which they can anonymously and confidentially report suspected or actual misconduct, ask questions, or express concerns while protecting their employment status. The ethics reporting website and hotline are operated by an independent third party and allow for employee anonymity and access to reporting in over 30 different languages.

All cases are to be investigated and closed within 90 days and average a case closure time of 42 days. Significant ethics allegations meeting Emerson's set criteria must be immediately reported to the Chief Compliance Officer and the Chair of the Audit Committee of the Board of Directors.

### Key highlights

- All employees are required to complete our company's annual ethics training.
- 0.48** reports per 100 employees, compared to 0.53 in 2022.
- In 2023, **73%** of our business integrity claims and financial claims came from named sources, indicating trust in our program.



# Governance and Accountability

(continued)

## Anti-Corruption Controls

Emerson has implemented detailed processes intended to prevent corruption across its global operations. Each business unit is required to certify an Internal Control Questionnaire quarterly, which includes anti-corruption controls. Emerson's internal audit team conducts annual on-site anti-corruption audits for specific identified risks, as well as quarterly audits of data analytics procedures.

Several live anti-corruption training courses are provided annually, including detailed training for personnel involved in third-party intermediary due diligence focusing on the due diligence process, anti-corruption compliance risk, and bribery red flags.

**150,000 annual compliance training courses were completed in 2023.**

### Areas of Compliance Risk Oversight at Emerson

- |                             |                                   |                                     |
|-----------------------------|-----------------------------------|-------------------------------------|
| • Antitrust/Competition Law | • Cybersecurity and Data Privacy  | • People Treatment                  |
| • Anti-Corruption           | • Diversity, Equity and Inclusion | • Product-Related Environmental Law |
| • Anti-Money Laundering     | • Environmental                   | • Product Safety                    |
| • Conflict Minerals         | • Ethics Allegations              | • Records Management                |
| • Conflicts of Interest     | • Health and Safety               | • Trade Compliance                  |



More on Emerson's Ethics Program can be found in our 2023 Sustainability Report, [pages 149-153](#).

## Cybersecurity

### Enterprise Cybersecurity and Privacy

Emerson operates a global 24x7 incident response capability supported by leading cybersecurity tools that detect and respond to threats as they occur.

To test and reinforce Emerson's internal cybersecurity processes, we utilize an accredited and independent third-party to audit and certify key elements of our primary data centers, cloud environments and our enterprise IT organization. The audits are conducted according to ISO 27001, an international standard for information security management. For the elements in scope, this ISO 27001 certification is active and in effect.

Emerson's Cybersecurity Awareness Team continues to drive a global information security culture through awareness and education programs.

### Product Security

Emerson is committed to developing products that are cyber-secure and has adopted the IS/IEC 62443 standards as a baseline for our secure development lifecycle (SDL) practices.

We have established a product security policy and processes that govern and manage related risk. In fiscal 2023, a leading cybersecurity consulting firm moderated a limited-scope product security tabletop exercise that tested our ability to respond to a product security incident involving both executive and technical stakeholders.



Refer to [pages 168-171](#) in our 2023 Sustainability Report for more information.

Lake Superior at Mallow Rock, Grand Portage, MN  
Photo by: Daniel E. Vande Vusse | Emerson Employee



# Governance and Accountability

(continued)

## Supply Chain: Responsible Sourcing Program

In 2023, Emerson sourced commodities, not limited to plastics, electronics, steel, machined parts and non-ferrous materials, from over 15,000 direct material suppliers. Our Responsible Sourcing

Program is the framework that brings Emerson's causes into a supply chain context. Emerson uses its [Responsible Sourcing Policy](#) and [Supplier Code of Conduct](#) to guide sourcing procedures and engagements with supply chain partners.

The [Responsible Sourcing Policy](#) sets expectations for Emerson's supply chain organization to ensure suppliers' sustainability programs evolve with Emerson. The aim is to guide our suppliers' performance management processes through tiered expectations.

We are working with a third-party service to collect GHG emissions data from our top 500 suppliers in 2024.

This year, we launched our inaugural Supplier Sustainability Awards, inviting strategic suppliers across all business groups to participate. We assessed submissions based on criteria that we consider to be foundational, and achievable by suppliers of all sizes and industries.



Learn more about Emerson's Responsible Sourcing program and initiatives on [pages 156-162](#) in our 2023 Sustainability Report.

### Key highlights

- Achieved **CDP Supplier Engagement Leader** status for a second year.
- In 2022, the **Responsible Sourcing Steering Committee** was established to oversee Emerson's Responsible Sourcing Program, integrating ESG values into our supply chain processes.
- We trained over **3,700 employees** on our Supplier Code of Conduct, Energy Treasure Hunts, Scope 1 and 2 calculations and the use of dashboards to model how purchases of different commodity types influence Emerson's greenhouse gas footprint.
- Since 2021, Emerson has hosted **Six Greening Together Summits**, engaging over 40 suppliers who represent about 20% of our direct material and logistics greenhouse gas emissions.



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## Appendix D: Yaskawa Global Human Rights Policy and Due Diligence

Global

[Contact](#)
[A A](#)
[E](#)

Region

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[Products & solution](#)
[Service](#)
[Company](#)
[Technology](#)
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[Sustainability](#)

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[Home](#) > [Company](#) > [Sustainability](#) > [Human rights](#) > Human rights due diligence

## Human rights due diligence

In accordance with the United Nations Guiding Principles on Business and Human Rights, we have established a human rights policy, human rights due diligence and mechanisms for remedial measures.

Through these initiatives, we will continuously respond to ever-changing social demands and challenges regarding human rights.

### Human Rights Due Diligence

We will make appropriate and continuous efforts for human rights.

Specifically, we will identify and assess negative impacts and risks on human rights, implement appropriate measures, conduct follow-up surveys and monitoring, and disclose information.

### Priority issues for human rights

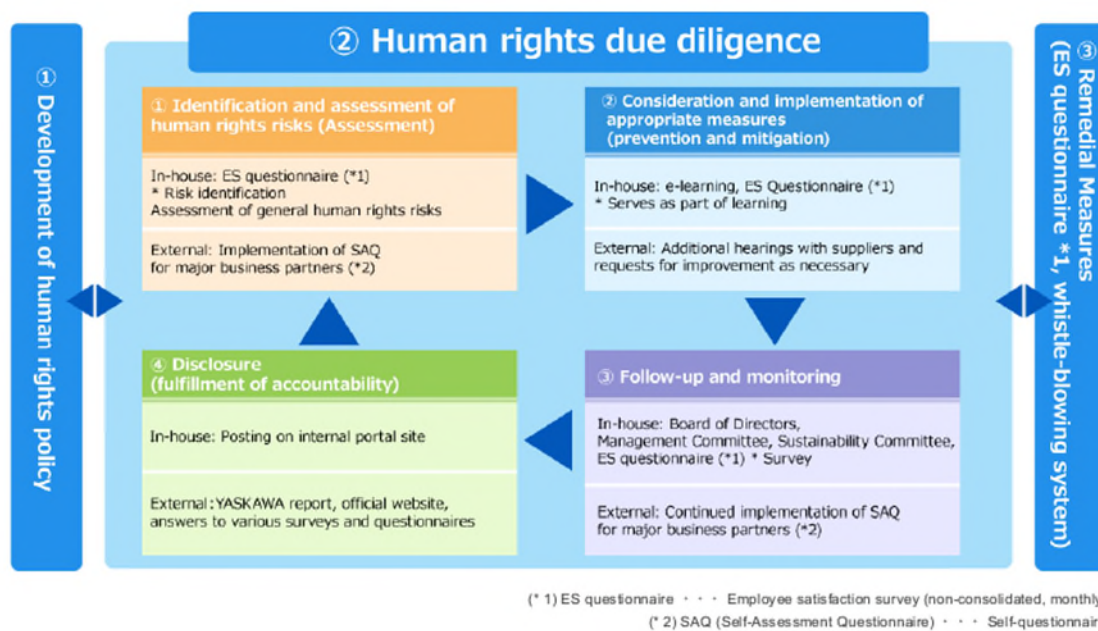
Yaskawa has identified the following items as priority human rights issues to address.

- Prevention of excessive and unfair working hours
- Ensuring a safe and healthy working environment
- Prohibition of discrimination based on race, disability, religion, social origin or gender
- Prohibition of forced or child labor
- Respecting freedom of relocation
- Prevention of non-payment of wages
- Respect for freedom of association and the right to collective bargaining
- Respect for the rights of indigenous peoples and local populations

### Remedial measures

Consultations are received through the monthly ES (Employee Satisfaction) survey (for all non-consolidated employees) and the whistle-blowing system (Compliance Hotline), and appropriate measures are taken.

Image



## Human rights policy

### Basic Policy

Based on the Universal Declaration of Human Rights, the United Nations Guiding Principles for Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work, Yaskawa Group has stipulated respect for human rights in Yaskawa Group Code of Conduct and manages businesses respecting the human rights of all people.

### Yaskawa Group Code of Conduct

In order to fulfill Yaskawa Group Principle of Management, which states Group mission is to leverage the pursuit of the business to contribute to the advancement of society and the well-being of humankind, as a member of global community, Yaskawa Group assumes that it is essential to conduct business in a fair and faithful manner and to solidify a trusting relationship with global community. In accordance with the principles set on its own, Yaskawa Group commit to respecting human rights, comply with applicable laws and regulations, and the spirit thereof, and proactively act toward the creation of a sustainable society based on good social conscience.

### Human Rights Principles

- Yaskawa Group contributes to the advancement of society and the well-being of humankind through its operations. Given the above premises, Yaskawa Group respects global communities and culture and custom in each country or region, complies with laws and regulations and ensures company policies are in accordance with applicable legislation. In the absence of legislation or policy Yaskawa Group chooses a course of action based on integrity.
- Yaskawa Group complies with applicable labor laws and regulations set by countries, regions and local governments.
- Yaskawa Group respects individual human rights and diversity of values and carries out activities in line with our worldwide "Yaskawa HR Values."

### Labor Standard

The Yaskawa Group prohibits all forced labor and child labor, including those of suppliers in its Code of Conduct.

Our basic policy is to take measures to prevent long working hours and to comply with the provisions of the act on the prevention of low-wage work (less than the minimum wage and living wage).

### Prevention of Harassment

Yaskawa Group Code of Conduct prohibits all harassment. We will eliminate all forms of discrimination from the workplace environment and strive to prevent harassment.

### Freedom of Association

Yaskawa and its domestic affiliates, which organize labor unions, have concluded collective agreements with the labor unions of each company and, by respecting each other's standpoint, have established orderly labor-management relations and proper working conditions, with the objective of maintaining peace between the two sides.

In order to conduct smooth operations based on its administration rights with understanding and trust from the union, the company holds a joint management council for the company president, managements and workers union officials once every half-year to discuss business and labor issues, as well as a regular monthly meeting to share and discuss business situations and other topics. A labor-management committee is also held to improve working conditions and treatment of union members.