



Emerson Impact Partner

Spartan Controls Ltd.

Submission to

The Minister of Public Safety

**2026 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 2025, 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-owned¹, private corporation operating the business of industrial automation and control for over 60 years. We have over 1,500 employees² 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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¹ Via employee ownership of Spartan's parent corporation, Spartech 1991 Limited (AB Corp)















² 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 offers³ 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:

³ 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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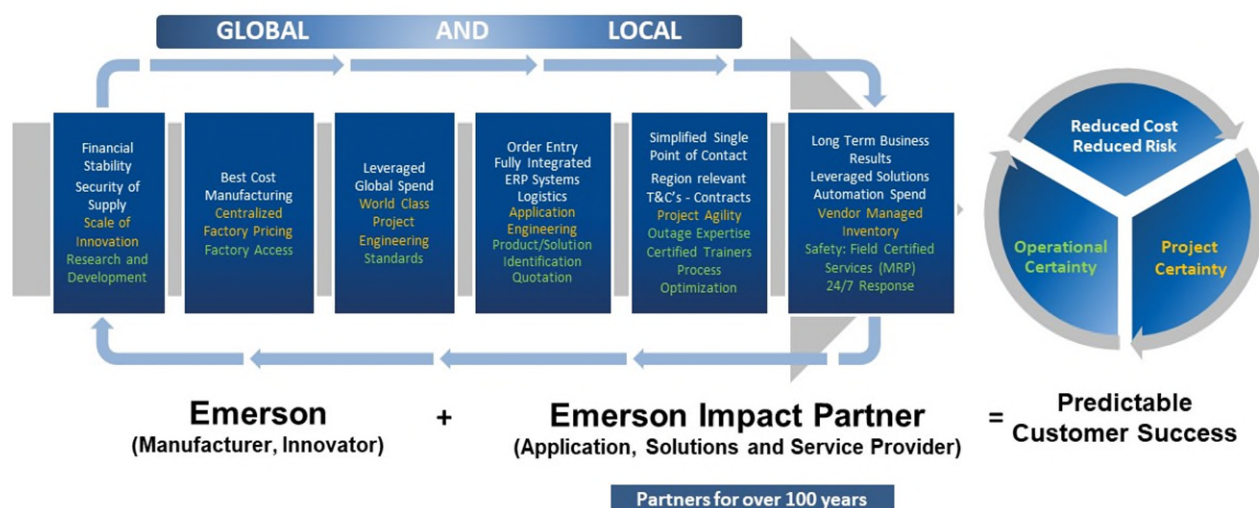


Spartan is an Emerson Impact Partner, meaning that we are the exclusive representative of Emerson Electric Co. (“**Emerson**”) products and services⁴ in Western Canada. Emerson and its affiliates are Spartan’s primary supplier of goods that Spartan either resells in Western Canada or incorporates into its Solutions. Our long-term business relationship with Emerson

⁴ 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 2025 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, 2025, until December 31, 2025. 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, 2025, to December 31, 2025, 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. Spartan has implemented an annual review and acknowledgment process of the Code of Ethics and Human Rights Standard for all Spartan employees.

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 2024 ESG Report⁵ and 2025 ESG Response Letter⁶ is attached as Appendix C. Information related to forced and child

⁵ Emerson's ESG report for the previous year is released in May/June, and therefore, Emerson's 2025 ESG report would not be timely released for submission of this Report.

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

labour is included at least at pages 68 and 89 of the 2024 ESG Report and at page 7 of the ESG Response Letter.

As a further example of Spartan's non-Emerson scope of supply, Danfoss is one of the leading contributors. Danfoss, similarly to Emerson, publishes a Modern Slavery Act Statement and due diligence process which aligns with the Canadian Supply Chains Act: [Modern Slavery Act Statement](#). 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 2025.

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 2025.

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 2025, 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

2026.05.27

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 2025 ESG Report

(see: <https://ir.emerson.com/sustainability>)

In 2025, Emerson completed its transformation into a global automation leader serving a diverse set of market verticals and customers. We have built a company positioned for long-term value creation with a differentiated portfolio and an unparalleled software-defined technology stack. With strong support and oversight from our Board of Directors, we are advancing sustainability initiatives that serve our customers and strengthen the efficiency and resilience of our operations.

PLANET

We are taking focused action to reduce the environmental impact of our operations and help customers advance their sustainability goals. Across the industries we serve, Emerson's leading technologies enable lower-carbon, efficient and reliable operations.

In 2025, we supported a broad range of decarbonization efforts, from hydropower and nuclear modernization to the development of large-scale green hydrogen production and transport. Customers leveraged Emerson's automation solutions and software to improve energy performance, optimize carbon capture systems and reduce emissions across critical operations. We also supported value chains essential to electrification and circularity, including the mining and advanced recycling sectors.

We are making meaningful progress within our own operations. Since 2021, we have reduced our absolute Scope 1 and 2 greenhouse gas emissions by 49%. This progress is primarily driven by targeted energy efficiency initiatives and increased use of renewable electricity, which accounted for 56% of our global electricity consumption in 2025.

We continue to embed sustainability into the design and procurement of our products and packaging, integrating material efficiency, energy performance and lifecycle thinking into the decisions we make.

OUR PEOPLE

Our people remain the driving force behind our achievements.

In 2025, we enhanced our performance management process to provide clearer expectations, stronger coaching and expanded development opportunities, helping employees connect their work to Emerson's purpose and strategy.

We are encouraged by the strong engagement across the company. Our global employee engagement survey achieved a 91% participation rate, with an overall engagement score of 79% and an inclusion index score of 79.9%, reflecting meaningful progress. Building on this momentum, we have set a company-wide goal to achieve an employee engagement score of 82% by 2030. This underscores our objective to foster a culture in which employees feel connected, valued and empowered to contribute.

INTEGRITY

Integrity is fundamental to how we do business at Emerson. We are committed to operating ethically and responsibly across our global operations and continue to strengthen our ethics and compliance program, reinforcing a culture of accountability and transparency. This includes training on ethical conduct and anti-corruption, improving processes to identify and manage risk and enhancing our cybersecurity, product security and product safety programs to ensure the reliability and resilience of our solutions in increasingly complex environments.

RESPONSIBLE SOURCING

We continue to strengthen our approach to supplier engagement by deepening collaboration, increasing transparency and aligning expectations around shared priorities. These efforts help protect our customers, enhance supply chain resilience and support long-term value creation across our value chain.

We are energized by the opportunities ahead as we focus on engineering the autonomous future, enabling customers to optimize operations and accelerate innovation. With a leading portfolio,

an engaged workforce and clear operational priorities, Emerson is well positioned to address the most complex technology challenges and to deliver innovation that contributes to a healthier, safer, smarter and more sustainable world.

Thank you for your continued trust and support.



Lal Karsanbhai
President and Chief Executive Officer



Report At-A-Glance

PLANET

Reduced Scope 1 and 2 absolute emissions by

49%

since 2021



Procured **56%** of electricity from renewable sources worldwide



Reduced energy intensity by **27%** since 2021



OUR PEOPLE

Reached

91% participation rate

in Emerson's employee engagement survey

0.25

improved Total Recordable Injury Rate in line with industry safety leaders

Active learners completed an average of **10** hours of online training across all disciplines

INTEGRITY

41,000+

Emerson employees completed at least one Regulatory Compliance training course

More than **97%**

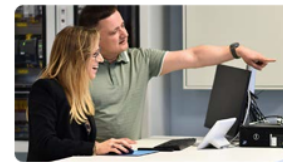
of all employees completed Emerson's ethics training in 2025

Key elements of our primary data centers, cloud environments and our enterprise IT organization are third-party certified under **ISO 27001**

RESPONSIBLE SOURCING

3,600+

employees were trained on the Supplier Code of Conduct and sustainability topics



Around **80%** of material spend is regionalized, allowing us to reduce lead and transit times



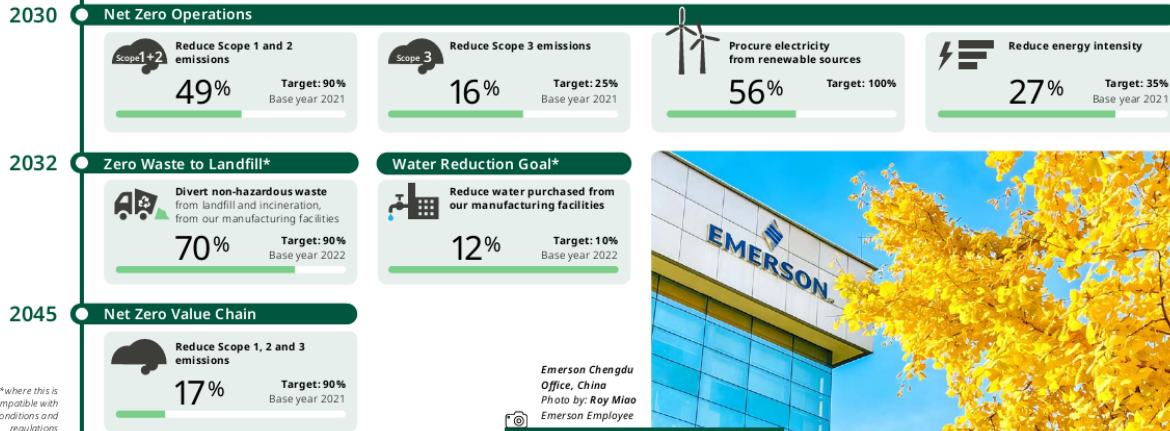
Emerson's Environmental Sustainability Goals and Progress



In fiscal 2022, the Science Based Targets initiative (SBTi) approved our near-term 2030 emissions goals. SBTi also approved our long-term net zero goals as being consistent with levels required to limit global average temperature rise to 1.5°C.

Goals

Progress 2025



*where this is compatible with local conditions and regulations

Greening Of Emerson – Overview and Governance

We are driving continuous improvements in environmental performance throughout our global operations.

Our Approach to Environmental Sustainability and a Net Zero Future

Environmental sustainability is a business priority at Emerson. As an automation company, we recognize both our responsibility and our opportunity. We are accountable for reducing the environmental impact of our operations and value chain, while enabling our customers to operate more efficiently and sustainably.

Supported by our executive leadership, we work to embed environmental sustainability in our strategy and to integrate it into our operating model. Driving progress requires disciplined execution, cross-functional collaboration and clear governance, from the Board and executive leadership to teams across our global sites.

Our approach focuses on measurable action. We prioritize areas where we can have the greatest impact, including energy use and emissions in our operations, product design and innovation, and engagement across our supply chain. We set goals, track performance and strengthen our processes to improve results.

For the past five years, our efforts have been guided by our Greening OF, Greening BY and Greening WITH framework. This structure has provided consistency, clarity and accountability as our program has evolved. Over time, this framework has proven effective and easy to understand. Investors, employees, customers and suppliers consistently recognize it as a clear expression of how we create environmental value, both within the Company and beyond it.

The following sections outline how we are advancing each pillar and working to deliver on our objectives.

➔ For more information, please see [Emerson's Environmental Sustainability](#) web page.

THE FOLLOWING SECTIONS ARE ORGANIZED ACCORDING TO THIS 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 and engage stakeholders beyond our value chain

 Greening Of Emerson – Overview and Governance

Environmental Sustainability Leadership Founded on Strong Governance and Transparency

Emerson's environmental sustainability leadership is grounded in a strong governance framework that promotes accountability, strategic alignment and transparency across the organization.

Environmental Sustainability Governance and Oversight

Oversight begins with Senior Vice President and Chief Sustainability Officer, Mike Train, leading the Environmental Sustainability Steering Committee. This cross-functional decision-making group meets regularly to guide enterprise-wide sustainability strategy, reports directly to CEO Lal Karsanbhai and provides ongoing updates to the Board to ensure alignment between corporate leadership and global teams.

Board engagement is further strengthened through the Technology and Environmental Sustainability Committee, which oversees product security, technology, innovation and environmental sustainability strategy. In 2025, the Committee continued to serve as a key platform for integrating sustainability into business planning and for monitoring emerging regulatory and market developments.

To reinforce transparency and prepare for rapidly evolving disclosure requirements, Emerson established a formal sustainability reporting governance framework in 2024. A cross-functional advisory team – representing finance, audit, sustainability, legal, information technology and human resources – supports this framework by advising leadership and coordinating efforts across functions, enhancing the Company's ability to navigate regulatory change.

Our sustainability strategy focuses on areas where we can drive the greatest impact: reducing emissions, optimizing energy use, minimizing waste and conserving water. To advance progress in these priorities, several specialized cross-functional groups guide enterprise-level actions:

- The **Energy Sourcing Committee** centrally identifies opportunities and procures global renewable energy.
- The **Responsible Sourcing Committee** drives and embeds sustainability best practices across supply chain activities.
- The **Scope 3 Data Governance Group** oversees reporting methodologies and data quality for Scope 3 emissions reporting.
- The **Sustainability External Reporting Steering Committee** monitors disclosure regulations, implements compliance plans and advises leadership on emerging requirements.

These groups ensure consistency, coordination and rigor across Emerson.

At the operational level, Environmental Health and Safety (EHS) and sustainability leaders at each facility put our global strategy into practice by implementing programs that reduce energy use, emissions, water consumption and waste. Their work is guided by Emerson's [Global Environmental Management and Sustainability Policy](#), which establishes consistent expectations worldwide and supports continued improvement as new challenges arise.

To further strengthen local engagement, employee-driven Green Teams promote site-level sustainability action and help translate global goals into day-to-day progress (see section on Fostering a Culture of Sustainability).

For a more detailed overview of Emerson's environmental sustainability governance structure see [page 19](#).

Gilman, Iowa, U.S.
Photo by: Sam Benzing
Emerson Employee



Greening By Emerson – Customer Impact and Engagement

Industry's Path to Net Zero: What Must Change

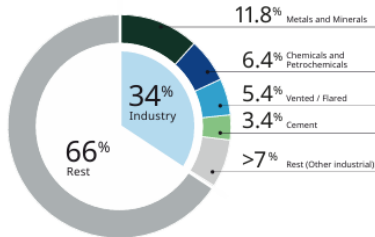
Industrial emissions arise primarily from three sources: direct process emissions, the combustion of fuels for heat and steam, and the electricity required to operate industrial facilities. Together, these sources account for over a third of global GHG emissions, with the largest contributions coming from energy-intensive sectors such as power generation, oil and gas, chemicals, cement, metals and mining, and broader manufacturing.*

To achieve global ambitions toward net zero emissions, progress must be made across four strategic focus areas: **energy source decarbonization** through low-carbon power

and fuels; **energy and emissions management** to drive efficiency, optimization and emissions reduction; **electrification and grid systems** to enable cleaner, more resilient operations at scale; and **circularity and waste reduction** to extend asset life and reduce material intensity. Together, these decarbonization pillars form the foundation of credible, large-scale industrial decarbonization.

Each of these focus areas applies across both established industrial operations and emerging low-carbon value chains. Together, they define what must change across industry to meaningfully reduce emissions.

GLOBAL EMISSIONS BY SECTOR



* Where Do Emissions Come From? <https://www.wri.org/insights/4-charts-explain-greenhouse-gas-emissions-countries-and-sectors>

1 ENERGY SOURCE DECARBONIZATION			
Low-carbon power (solar, wind, hydro, nuclear, biomass)	Low-carbon fuels (biofuels, biogas, LNG)	Hydrogen and hydrogen-based fuels	
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 (value chain)
4 CIRCULARITY & WASTE REDUCTION			
New molecules production (bio-based materials)	Materials and minerals recycling and circulation	Water and waste management	

Emerson's Culture Strategy

Emerson's culture is formed from our actions and the genuine care for one another that we consistently demonstrate across the Company. From our leaders to our individual employees, we are steadfast in our commitment to creating a collaborative, inclusive environment where togetherness strengthens our ties to each other and drives innovation.

Our Unique Employee Experience

Collectively, we recognize that maintaining our culture requires aligning words with actions, and we are actively working to create an environment where each of our employees always feels valued, heard and connected to Emerson's purpose of making the world healthier, safer, smarter and more sustainable. Through their daily work and interactions with each other and our surrounding communities, our employees are living our values and driving our mission across five key dimensions to create a truly unique and empowering employee experience.

Challenging, Purposeful Work

Our position as an automation leader means that our employees are engaging in work that is relevant to shaping the world. We are helping companies in critical industries such as energy, chemical, power, life sciences, semiconductors and aerospace and defense to optimize production, improve reliability and safety, and operate more sustainably. We believe that everyone in our Company has a role in furthering our mission and can create real, positive impact.

Legacy of Innovation

Emerson has developed a rich history of unlocking manufacturing potential through our technologies and expertise. This is a legacy we continue to develop. As perpetual problem-solvers, we are invigorated by challenges, and we are continuously innovating automation technology and software that helps advance the world's most essential industries.

Our People, Working Together

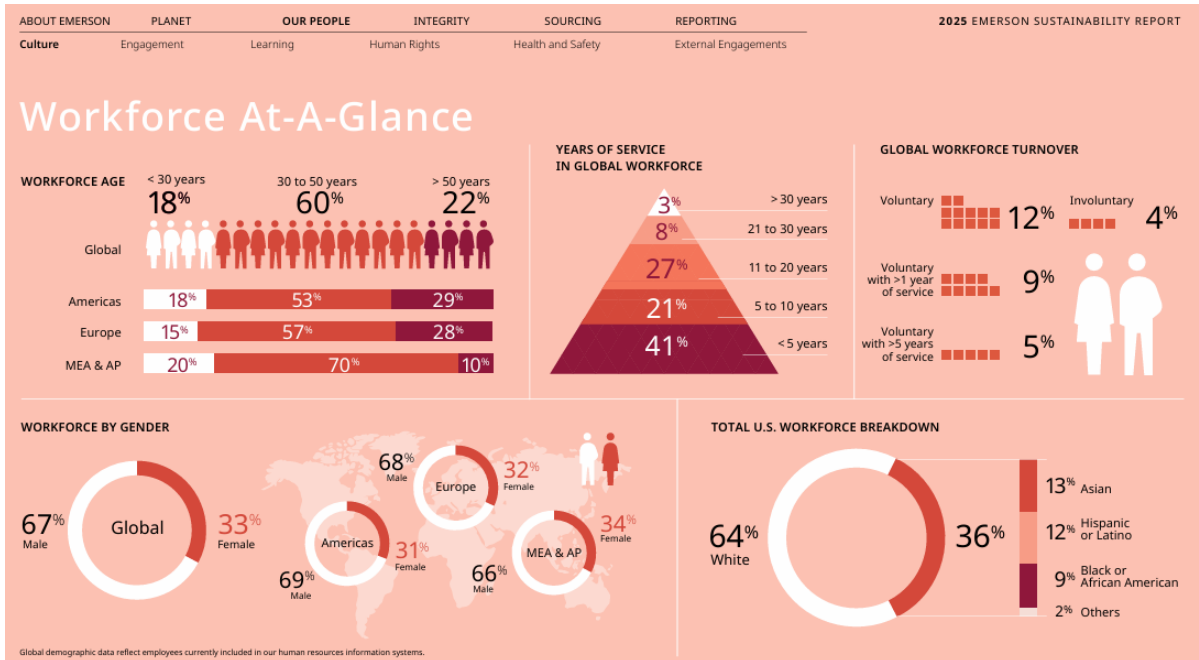
We recognize that a diversity of perspectives makes us stronger. As a global company with approximately 71,000 employees across 150 countries, we are committed to cultivating a work environment where every employee has a voice, feels a sense of belonging and can collaborate across functions, businesses and world areas.

Global and Local Impact

We embrace our responsibility to advance our planet and humankind by driving meaningful change within the industries we serve and in our surrounding communities. We do this through our technological innovations, our workforce development initiatives, our commitment to developing the next generation of big thinkers and our charitable and goodwill outreach efforts.

Limitless Growth

Our people are foundational to our success. To help them maximize their potential, we offer training and development opportunities that build skills and drive internal mobility through promotion and leadership development programs. Our management system encourages strategic risk taking and innovation while equally emphasizing operational execution – all with the aim of enabling our people to own their careers and reach new heights.



Human and Labor Rights

Supporting Our Employees and the Employee Experience

Labor Relations

We respect our employees' right to freedom of association in choosing labor organizations to represent them. We collaborate with the unions, works councils and employee associations that represent many of our employees to maintain positive relationships. In the United States, around 3% of our workforce was part of a union in 2025. Worldwide, around 24% of our employees are represented by an employee representative organization, such as a union, works council or employee association. Due to our strong relationships with these entities, there were no strikes or work stoppages at any of our sites in 2025.

Wages and Benefits

Our company value is reflected in efforts to provide competitive wages and benefits in the markets where we operate worldwide. Our compensation practices comply with applicable wage laws and international standards, including those relating to minimum wages, overtime compensation and legally mandated benefits. Documentation of payment details is provided through pay stubs or similar written communication in a timely manner.

In the United States, our full-time employees receive a standard benefits package that includes health care, life insurance, disability coverage, paid parental leave, access to a retirement savings program and telehealth coverage to simplify connecting to medical resources. Benefits packages for full-time employees in other countries vary in accordance with legal mandates.

Global Hybrid Working Policy

We have implemented hybrid remote work policies around the world to support employees' pursuit of a healthy work-life balance while creating an environment aligned with our core value of collaboration. While designed to provide greater flexibility, these policies also consider the need for in-person collaboration to support innovation, professional skills development and company culture. These policies may differ by job duties, world area, and local rules and regulations.

Global Paid Parental Leave

At Emerson, we understand the importance of work-life integration and strive to provide comprehensive benefits that resonate with the diverse needs of our workforce. We recently enhanced our offerings to assist employees in their unique family formation journeys. Globally, employees can utilize a Parental Bonding, Childbirth Recovery and Adoption Primary Caregiver (PCA) benefit that provides four weeks of paid leave to bond with a new family member, in addition to eight weeks for recovery from childbirth and eight weeks for adoption primary caretakers. In the United States, Emerson provides fertility treatment, breast milk storage and shipment services for nursing parents on business travel as well as adoption and surrogacy expense reimbursement.

Employee Assistance Program

Our global Employee Assistance Program offers a variety of resources to make sure our employees are supported in challenging times. The Emerson Cares initiative houses the Support Our People Fund, which is dedicated to providing financial assistance for any Emerson employee in need due to reasons such as natural disaster, damage to primary residence, or death of employee or family member. Under the Emerson Cares umbrella, this fund joins our existing Employee Assistance Program, which we expanded globally to provide all employees with mental health resources.

No Discrimination, Harassment or Retaliation

Emerson values the contributions of all employees and does not tolerate any discrimination, harassment or retaliation. All employees are required to attend annual ethics training that reinforces this. We are an equal opportunity employer that recruits, hires, trains and promotes people in all job classifications without regard to sex, race, color, religion, national origin, age, marital status, political affiliation, sexual orientation, gender identity, genetic information, disability or protected veteran status. We do not condone any form of discrimination, harassment or retaliation. We provide training for supervisors and managers to enhance employee relations and help support compliance with all applicable laws.

Corporate Governance

At Emerson, we take the necessary steps to support our Company in acting responsibly and in alignment with our purpose. Our focus on sustainability and governance strengthens trust and confidence among our employees, customers, suppliers, communities and shareholders.

As a global organization, we have established a comprehensive approach to governance. From our Board and executive leadership to our employees and suppliers, we expect those who represent Emerson to uphold a high level of integrity.



For more on Emerson's Corporate Governance and the Board, see our most recent [Proxy Statement](#).



For more information, see our [Corporate Governance](#) webpages.



For more on Emerson's Environmental Sustainability Governance Structure, see [page 18](#).

The Board's Role in Sustainability

Our Board and its Committees oversee our sustainability strategy as part of their oversight of our overall strategy and risk management. This oversight is supported by a process designed to provide timely visibility into the identification, reporting, assessment and management of sustainability issues.

- The **Governance and Nominating Committee** is responsible for assisting the Board in overseeing the Company's sustainability strategy, engaging with shareholders on sustainability-related inquiries and establishing sustainability principles and policies, including matters addressed in the Company's sustainability report.
- Our **Audit Committee** provides oversight of enterprise cybersecurity and of the integrity of sustainability data in the Company's disclosures; it annually reviews summaries of the Company's sustainability activities, as well as anticipated environmental audits and expenditures.
- The **Technology and Environmental Sustainability Committee** is responsible for overseeing risks related to innovation, product technology, product security and environmental sustainability policies and programs.

Through the establishment of organizational structures, targeted investment of resources and integration of sustainability into operations and strategic management, our Board and leadership maintain a strong and ongoing focus on sustainability.



Integrity

ETHICS AND COMPLIANCE

41,000+ Emerson employees completed at least one Regulatory Compliance training course

97% More than of all employees completed Emerson's ethics training in 2025

31 days, average time to close escalated ethics cases in 2025

CYBERSECURITY

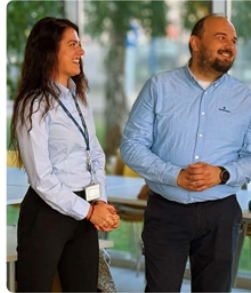
We regularly engage independent cybersecurity experts to evaluate our cybersecurity maturity and test the effectiveness of overall cybersecurity controls

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

24x7 incident response capability detects and responds to threats as they occur, globally

PRODUCT SECURITY

Some critical product development organizations and products are certified to the IEC 62443 series of standards through third-party entities



PRODUCT SAFETY

Emerson products are tested and certified to numerous relevant industry safety standards as required by our Product Safety Policy



Teams of engineers and product experts are dedicated to creating safe product designs and supporting our products in the field

Ethics and Compliance

Anti-Corruption Controls

Emerson's anti-corruption program is founded on a comprehensive policy that guides the procedures and the required internal controls with respect to anti-bribery, prohibition of facilitation payments, cooperation with internal investigations, gifts, accurate books and records, anti-money laundering and third-party intermediary due diligence and management, among other related topics. The policy is translated into eight languages and is available electronically to every employee globally. Our program is in material compliance with the United Nations Convention Against Bribery.

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

We also administer a comprehensive, multi-tiered anti-corruption compliance training program. This annual program includes four elements:

- First, employees globally receive annual ethics training that includes an anti-corruption component.
- Second, we conduct an online training course for salaried employees and new hires on a three-year cycle. This course is translated into 14 languages, with content refreshed to address new and emerging risks and delivered at the beginning of each three-year cycle.
- Third, salaried employees are required to take functional department training focused on relevant regulatory compliance topics on a three-year cycle.
- Finally, we provide several live anti-corruption training courses 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.

Our policies and trainings are supplemented by a risk-based third-party intermediary due diligence program. Prospective third parties that engage in business with Emerson are required to complete a due diligence process before an order can be processed.

Additionally, third parties are screened against real-time data and regulatory requirements, including various sanctions, anti-corruption and money laundering lists. They are subject to internal and external due diligence processes, focusing on locations and intermediaries that operate in high-risk countries and industries.

We continue to refine our program when appropriate. In 2023, we implemented a fully automated third-party due diligence system that includes enhanced reporting and auditing abilities. We also engage outside experts to perform periodic reviews of our program and have processes to address any identified areas for improvement.



Regulatory Compliance Training

We manage an annual Regulatory Compliance training program globally. The program covers a variety of compliance topics such as Sanctions and International Trade, Anti-Corruption and Third Party Intermediary Due Diligence, Antitrust, Product Environmental Compliance, Environmental, Conflict Minerals, Data Privacy, Product Security and Cybersecurity. In 2025, more than 41,000 Emerson employees completed at least one Regulatory Compliance training course.

Conflict of Interest Evaluation and Reporting

Conflicts of interest are taken seriously at Emerson. Our Board and senior members of management complete an annual questionnaire to identify potential conflicts of interest. All newly reported conflict of interest cases are investigated and acted on within 30 days. This questionnaire is provided in 22 languages and distributed to around 1,800 individuals. In addition, interactive online conflict of interest training to promote understanding and declaration of potential conflicts is provided to around 40,000 employees globally. Any potential conflicts identified through the training process are also investigated.

Compliance Risk Oversight

The Compliance Committee, which consists of leadership from compliance functions in the Company, meets quarterly to review emerging and existing compliance risks. We also regularly engage an independent third party to review our Ethics and Compliance Program and assess its alignment with U.S. Department of Justice guidelines, the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework and other leading practices. The most recent assessment confirmed the program's strong alignment with these standards.

Cybersecurity

Emerson's Board provides oversight for cybersecurity through delegation to its Audit Committee. Emerson is committed to protecting the personal information of our employees, customers and suppliers as well as Company information and the information technology supporting the organization. We have adopted a defense-in-depth strategy, leveraging multiple layers of security controls across our systems with a comprehensive set of cybersecurity and data privacy policies and standards. In addition, we have adopted security controls specific to the use of AI by the Company.

We maintain cybersecurity policies and standards aligned with the U.S. National Institute of Standards and Technology Cybersecurity Framework to help ensure that our enterprise IT infrastructure, cybersecurity solutions and services provided to customers remain robust and effective. We regularly engage independent cybersecurity experts to evaluate our cybersecurity maturity and test the effectiveness of overall cybersecurity controls.

We operate a global 24x7 incident response capability supported by leading cybersecurity tools that detect and respond to threats as they occur. To test and reinforce our internal cybersecurity processes, we use 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.

Emerson's global data privacy program requires all Emerson businesses to adhere to core data handling and documentation requirements aligned with multiple global privacy regulations, including the European General Data Protection Regulation (GDPR). Our privacy program is supported by a privacy policy, integrated impact assessments, privacy handbooks and training.

Product Security

Emerson seeks to integrate cybersecurity considerations into our product development processes and has adopted the ISA/IEC 62443 standards as a reference framework for our secure development lifecycle (SDL) practices. Our Product Security function is organized under our Chief Technology Officer, who provides regular briefings on product security to our Board through the Technology and Environmental Sustainability Committee to maintain strong governance of our product security programs across the Company.

To address a dynamic global regulatory landscape (e.g., EU Cyber Resilience Act and Network Information Security (NIS2) Directive), Emerson continues to evolve its product security policies and processes in alignment with applicable regulatory requirements and market-driven objectives. Our businesses may additionally use security frameworks such as the U.S. National Institute of Standards and Technology Cybersecurity Framework, the International Electrotechnical Commission (IEC), the International Society of Automation (ISA) and the SOC2 assurance framework, including obtaining certifications where appropriate.

Our SDL practices typically include various manual and automated security testing regimens applied throughout the lifecycle phases, from design, engineering, development, testing and integration to the delivery of services and support. Some

critical product development organizations are certified to the IEC 62443-4-1 standard through third-party entities to drive a secure development lifecycle of our automation products.

Additionally, Emerson monitors various industry-specific cyber intelligence agencies as well as supplier and open-source intelligence channels for relative threats and vulnerabilities. We use Product Security Incident Response Teams (PSIRT) and processes to evaluate, manage and respond to potential security risks to our product portfolio.

Emerson's DeltaV™ automation platform was the first control system to be certified under ISA Secure System Security Assurance (SSA) Level 1. In December 2023, we completed a year-long process to renew certification for IEC 62443-4-1 for the development of Ovation™ products. In September 2023, Ovation™ achieved its first IEC 62443-4-2 certification for an embedded device on the OCR1100 controller product. This first-time achievement sets the groundwork for future certification of embedded Ovation™ products.

Emerson participates in key industry forums such as International Society of Automation ISA99 cybersecurity standards working groups, U.S. Cybersecurity and Infrastructure Agency (CISA) collaborations and Bio-Phorum, where the global pharmaceutical and medical device industry works on multiple standards including cybersecurity.

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

Responsible Sourcing At-A-Glance

RESPONSIBLE SOURCING STRATEGY

66%

of direct material suppliers, by spend, completed the Supplier Code of Conduct self-assessment survey



ENGAGING OUR SUPPLIERS

750+ suppliers

have attended our Responsible Sourcing Webinars since 2023

Since 2024, we have engaged our top 500 suppliers through greenhouse gas emissions data collection

RESILIENT, AGILE SUPPLY CHAIN



2,200+ suppliers are actively monitored for potential and actual risks, not limited to finances, natural disasters and geopolitics

3,300+

employees have been trained on the Supplier Code of Conduct and sustainability topics



~80%

of our material spend is regionalized, allowing us to reduce lead and transit times

Responsible Sourcing Strategy

As a large, global automation leader serving a diverse set of market verticals and customers, Emerson manages a complex supply chain. In 2025, we sourced commodities – such as plastics, electronics, steel, machined parts and non-ferrous materials – from over 13,000 direct material suppliers. Around 3,000 Emerson employees participate directly in the management of our global supply chain, from strategic materials and energy sourcing for our own facilities, to the fulfillment of finished goods for our customers worldwide.

To manage this complexity, we maintain resilient supply chain operations through multi-sourcing, regionalization, digital solutions, an agile logistics network and collaboration with our supply chain partners. We expect our suppliers to uphold the highest level of integrity toward people, stewardship of natural resources and ethical practices. Our Responsible Sourcing Framework guides our efforts.

Responsible Sourcing Policy

In 2024, we published our [Responsible Sourcing Policy](#), which guides supplier performance management processes by establishing tiered supplier expectations. These tiered expectations range from minimum standards to best practices, such as calculating greenhouse gas emissions, setting emissions reduction goals and implementing human rights and labor due diligence practices. The policy also establishes Emerson's responsibility to measure and drive supplier performance in these areas by maintaining and evolving management systems.

Supplier Code of Conduct

Because our suppliers play a pivotal role in our sustainability-oriented value chain, we require them to adhere to the [Emerson Supplier Code of Conduct \(SCoC\)](#). Aligning with the Responsible Sourcing Framework, the SCoC sets expectations related to ethics, human rights and labor, environmental sustainability, management systems, supply chain management and security, and cybersecurity. These are the minimum standards that suppliers are expected to meet and are referenced in the Terms and Conditions of Emerson purchase orders and standard supply agreements.



Responsible Sourcing Champions in Boulder, Colorado, U.S.

Driving Implementation

The Responsible Sourcing Steering Committee, consisting of supply chain leaders from our businesses and other cross-functional teams, meets regularly to review and approve strategy and implementation decisions.

Responsible Sourcing Champions from our businesses contribute their perspectives on supplier management, influencing processes and tools used to engage suppliers on meeting expectations. They coordinate with our regional commodity teams to communicate supplier sustainability expectations through Responsible Sourcing webinars, training modules and supplier business reviews. Our Supply Chain Center of Excellence team enables our use of supplier performance data to benchmark and target engagement with our most impactful suppliers.

We have trained over 3,300 employees on our Supplier Code of Conduct, Energy Treasure Hunts, Scope 1, 2, and 3 calculations and how our purchases of different commodity types influence Emerson's GHG footprint. These training modules are also shared with our supply chain partners, supporting them in their sustainability initiatives.

➔ For more information, see [Emerson's Responsible Sourcing Policy](#).

3,300 employees
have been trained on our Supplier Code of Conduct and sustainability-related topics.

RESPONSIBLE SOURCING FRAMEWORK

- 

Partner with Emerson suppliers who demonstrate a commitment to **integrity, respect, fairness and honesty** to their employees.
- 

Provide **opportunities for all suppliers**, including those from the communities where we operate.
- 

Partner with Emerson suppliers to achieve our Scope 3 GHG emissions reduction targets of **25% by 2030 and net zero by 2045**, compared to a 2021 base year.
- 

Provide an **adaptable supply chain network** that proactively anticipates and responds to regulatory requirements and customer expectations.
- 

Develop the **next generation of supply chain leaders** by partnering and innovating with educational institutions to explore solutions to global challenges.

Appendix D: Danfoss Human Rights Policies and Reporting

Human Rights Policy

We ensure that Danfoss' name is associated with respect for human rights, proper working conditions and social and environmental considerations.

This means that we:

- **Acknowledge** that it is our responsibility to respect human rights and to use our influence to secure dignity for all
- **Respect** the rights outlined in the International Bill of Human Rights, ILO's core conventions on labor rights, and the UN Guiding Principles on Business and Human Rights as a signatory to the UN Global Compact
- Are **committed** to respecting human rights in all of our activities across our value chain, and for affected communities with a particular focus on vulnerable groups, forced labor and child labor
- Our commitment is **embedded** into our values, policies and guidelines, as well as the Danfoss Ethics Handbook



We continuously strive to:

- **Identify** risks and adverse impacts in our value chain. Thus, the established grievance mechanism, which is accessible to everyone, plays an important role.
- **Mitigate and prevent** any identified risks and adverse impacts we may cause, link to or contribute to.
- **Monitor** our performance to ensure progress of our risk prevention and risk mitigation activities.
- **Communicate** our policies, results and performance on an annual basis through our regular reporting.
- **Remedy** any potential adverse impacts Danfoss caused or contributed to and provide reparation for harm suffered to redress any violations.

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9 | Classified according to 500B1301

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Human rights policies and reporting

Policies

At Danfoss, we are deeply committed to fulfilling our responsibilities to respecting human and labor rights across our value chain. Since 2002, we have been a member of the UN Global Compact and have committed to the UN Guiding Principles for Human Rights. Our commitment towards upholding human and labor rights is anchored in our global [Human Rights Policy](#), approved by our CEO, and is based on the International Bill of Human Rights and the ILO Core Conventions on Labor Standards.

For our employees, the [Danfoss Ethics Handbook](#) outlines internal rules and requirements on ethics, anti-corruption, and human rights, guiding the behavior expected from them. All employees are responsible for ensuring their actions align with the guidelines in the Handbook.

For our suppliers, we have a dedicated [Supplier Code of Conduct](#) (S-CoC) which, among other things, defines our expectations towards our suppliers regarding human and labor rights we have identified as most salient in our upstream value chain; the topics covered include: forced labor, child labor, wages and benefits, freedom of association and collective bargaining, discrimination and harassment.

Reporting

On an annual basis, we also publish a [Modern Slavery Act Statement](#), and as part of our membership in the UN Global Compact, we report on the [Communication on Progress](#) (COP).

Danfoss is in scope of the Norwegian Transparency Act, which requires larger enterprises to conduct human rights and working conditions due diligence across their operations and supply chains, and to report on these efforts publicly. Our 2025 report can be accessed [here](#).

Danfoss is also in scope of the German Supply Chain Act (LkSG), which regulates corporate due diligence obligations to protect environmental and human rights in the value chain. The documents below outline the official grievance mechanism of Danfoss and the local statement of the Danfoss plant in Neumünster.

- [Rules of Procedure – LkSG Complaints \(English\)](#)
- [Rules of Procedure – LkSG Complaints \(German\)](#)
- [Human rights statement \(English\)](#)
- [Human rights statement \(German\)](#)