



May 2024

Canada Modern Slavery Act

Emerson Electric Canada Ltd. ("Emerson Canada")

Joint Report in accordance with the Reporting Obligation under the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act")

Reporting Period: October 1, 2022 to September 30, 2023

As defined in the [Emerson Global Human Rights Policy](#), it is the expressed Emerson policy to protect the human rights for all employees, suppliers, third parties and other business partners. Accordingly, Emerson expects all suppliers to adhere to this policy and the requirements defined in the [Emerson Supplier Code of Conduct](#). The [Emerson Supplier Code of Conduct](#) defines Emerson's specific requirements in relation to a supplier's Human Rights and Labour concerns, including conditions of employment, prohibitions of forced and child labour, humane treatment, discrimination, freedom to associate, and working and living conditions.

Emerson is committed to aiding our suppliers in meeting these requirements and expectations through educating supplier and investing in information technology systems and capabilities to better track compliance and drive continuous improvement. By regularly evaluating and updating these expectations, Emerson continues to build a supplier network that is true to Emerson's core values.

Emerson Electric Co. Structure, Activities and Supply Chain

Emerson Electric Co., including its subsidiaries within and outside of Canada, is a group of automation technologies manufacturing companies providing products, systems and after-sales expertise to our clients in the process, discrete manufacturing and tool industries. Additional information about our products and services can be found on the Emerson website: <https://www.emerson.com>.

The Emerson Canadian companies listed below are Canada-based subsidiaries of Emerson Electric Co. ("Emerson"). Emerson is headquartered in St. Louis, Missouri, USA.

As a broadly diversified business, Emerson purchases a wide variety of raw materials and component parts through its supply chain around the world. By sourcing materials in the same region as its factories and customers, Emerson can be more responsive to customers, reduce transit times, avoid port disruptions, and reduce overall carbon footprint for transportation. Over 80% of Emerson's materials have been regionalized to where they will be utilized and 40% of materials are available within one day of travel to our manufacturing facilities. Additionally, more than 60% of the Emerson global shipments are between Emerson related parties.

We are committed to working with suppliers to actively manage and demonstrate compliance with all applicable laws and regulations. Oversight of forced labor compliance is managed at the Emerson enterprise level and by the applicable business units. Forced Labor Reporting requirements are managed at the Emerson enterprise level as well.

Emerson Canada and the subsidiaries below employ more than 400 permanent full time and part time employees. This report is a joint report for these entities listed below.

Emerson Canadian Entities:



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Company Name	Tax ID
Appleton Group Canada, Ltd.	100236827
Bettis Canada Ltd.	101673978
Emerson Electric Canada Limited	896659695
Industrial Controls Canada ULC	703804120

This list excludes those Emerson Canadian entities that Emerson does not wholly own and which Emerson does not have operational control.

Risks of Modern Slavery Practices in the Emerson Supply Chain

Due to the global nature of our business transactions and supplier base, Emerson and its Canadian subsidiaries recognizes the increased risk of potential modern slavery and child slavery among suppliers located in jurisdictions where labour standards and enforcement may differ. Responsibly managing a global supply chain includes monitoring suppliers across diverse geographies, cultures and business practices, understanding laws and practices of the suppliers' jurisdictions, and the ability to recognize and address potential deviations.

Actions Taken to Prevent and Reduce Modern Slavery

At Emerson, we manage the mitigation of risk not only internally with our employees but also externally with our business partners. Emerson and its Canadian subsidiaries have instituted the following controls over the last several years:

1. Required annual ethics training for all employees to help ensure employees can engage effectively with stakeholders to communicate Emerson's priorities and expectations in relation to modern slavery and other areas of business ethics. Emerson has an Ethics Hotline which enables anyone to report business conduct concerns. All reports are handled by an independent company (called The Network) which provides the report to Emerson's corporate headquarters in St. Louis, Missouri (USA) and applicable Canada Emerson contacts, when applicable, for investigation and response. The Network does not track visitors to this website and visitors can choose to provide their name or remain anonymous unless prohibited by country regulations.
2. Supply contract language acknowledging the [Emerson Supplier Code of Conduct](#). Currently, approximately one third of the direct spend of Emerson's supply chain is under mutually executed contracts. The percentage of direct spend under mutually executed contract continues to expand. The [Emerson Supplier Code of Conduct](#) also sets the expectation that our suppliers maintain a management system that demonstrates adoption of the principles embodied in our Supplier Code of Conduct and that tracks and documents compliance with all applicable laws, government policies and regulations. Emerson has also implemented an online contract management platform. These steps provide a mechanism for collecting environmental, social and governance information from our suppliers and support compliance with our Supplier Code of Conduct.



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3. Periodic reviews with suppliers, which can include onsite discussions of social issues such as safety, labour practices and environmental compliance. There is continuous engagement with the Emerson supply chain stakeholders to determine the most effective means of confirming compliance with Emerson's expectations.
4. Annual Supplier Code of Conduct survey which reinforces the Emerson Supplier Code of Conduct requirements. The survey evaluates supplier awareness of and compliance with the Emerson Supplier Code of Conduct. The survey is sent to suppliers accounting for approximately 70% of Emerson's annual direct spend, including those suppliers located in countries identified as having modern slavery concerns for the applicable Emerson commodities. These countries are identified through the U.S. Department of Labor. The Supplier Code of Conduct Survey process also includes escalation to the supply chain vice president and/or the Emerson legal department if a response to the questions related to forced and/or child labour is incomplete or indicates a potential problem.
5. Emerson Supplier Code of Conduct online training courses to further educate suppliers and Emerson employees working within supply chain. The supplier training is delivered to the suppliers through a third-party training tool. Employee training is managed through Emerson Learn, the Emerson training tool. The training for both suppliers and employees explains the Emerson Supplier Code of Conduct requirements and what is expected to be compliant to these requirements.
6. Emerson is currently adhering to the Modern Slavery/Forced Labour reporting requirements in the United Kingdom, Australia, Canada, Turkey, and Germany.
7. To improve resiliency and create a predictive data tool for identifying future shortages, Emerson launched the Supply Chain Visibility Project in fiscal 2022, focused on electronic components. Once fully implemented, the tool will consolidate reporting information from Emerson business units, electronics contract manufacturers and distributors into a single set of dashboards, supporting and providing a more holistic and dynamic view of the electronics supply chain. Having this additional visibility to electronics suppliers will continue to aid Emerson in more closely vetting and monitoring suppliers of electronics for forced and/or child labour.
8. Emerson has strict employment standards which are monitored and upheld by all Emerson locations.

Methods Used to Assess the Effectiveness of Risk Management

All of the procurement processes and supplier/contractor management are overseen by Emerson Electric Co. Supply Chain and Law Department on behalf of its subsidiary entities. The effectiveness of Emerson Electric Co.'s processes and policies are regularly reviewed through:

1. Emerson has updated its Supplier Code of Conduct substantially over the past few years in view of recent legal developments, especially those relating to modern slavery and environmental controls. The Supplier Code of Conduct has undergone additional review and updates (with the updated version expected to be published in 2024). Emerson plans to conduct ongoing reviews of its Supplier Code of Conduct Survey.
2. The Supplier Code of Conduct Survey is a key tool with which Emerson manages the risk of forced and/or child labour in its supply chain. Emerson has assessed the effectiveness of this tool by tracking, among other things, the number of suppliers engaged through the



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survey, suppliers in high risk areas (based on the U.S. Department of Labor [List of Products Produced by Forced or Indentured Child Labor](#)), the survey response rate, the percentage of Emerson's spend represented by the suppliers thus surveyed, and those suppliers whose responses to survey questions on forced and/or child labour are not satisfactory. Emerson also tracks the number of employees and suppliers that have attended Emerson's training on the Supplier Code of Conduct.

- 3. As of the date of this report and to the best of its knowledge, Emerson Canada has not identified or been made aware of any child or forced labour in its operations and supply chains of the entities subject to this report. Accordingly, Emerson Canada has taken no steps to remediate child and forced labour, including those related to the loss of income associated with remediation efforts.

This report was approved by the Board of Directors for Emerson Canada, on behalf of itself and the other reporting entities listed in this report, pursuant to section 11(4)(b)(ii) of the Act.

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.

- Full name: Ilario Spagnolo
- Title: Director
- Date: 5/23/2024

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I have the authority to bind Emerson Electric Canada Ltd.

- Full name: Fong Yuen
- Title: Director
- Date: 5/29/2024

I have the authority to bind Emerson Electric Canada Ltd.