

Global Responsible Sourcing Policy

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Introduction and purpose of this document

At Emerson, we believe we have an important role to play in advancing new technologies and solutions that make the world healthier, safer, smarter, and more sustainable.

As part of our continued efforts to improve our supply chain resiliency, we remain focused on doing our part as a global business leader to drive tangible, sustainable business practices, and to partner with our suppliers around the world to do the same. This commitment is an integral part of the company's strategies, management processes, and operational practices across all our Emerson businesses.

This Policy establishes a hierarchy of expectations for supplier performance on ethics, human rights and labor, the environment, and security systems. It establishes Emerson's commitment to proactively support all Emerson global locations and Emerson suppliers in these areas of compliance and performance, to ensure equal opportunities for all suppliers, and to maintain resilient business processes all while satisfying our duties to our shareholders. Integrating this policy into Emerson business operations will be an ongoing journey, rather than an event, for both Emerson and our suppliers.

This Responsible Sourcing Policy (the "Policy") will be regularly reviewed and revised.

Scope

This Policy applies to all Emerson procurement operations and offices worldwide and the employees and contractors who work in them, and to all joint ventures and subsidiaries in which Emerson has management or operational control.

At the business unit level, Emerson must extend applicable expectations to their suppliers that are engaged in the production, supply and support of products or services for Emerson.

Responsible Sourcing Goals

Recognizing that our impact extends beyond our own operational control, we strive to integrate our [Causes and Values](#) into our internal supply chain operations and management systems, and have framed the following 5 goals:



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



Ensure equal **opportunities for all suppliers, including those** who reflect the communities where we live and work.



Reduce our upstream Scope 3 GHG emissions by **25% by 2030** and achieve **Net Zero by 2045**, compared to a 2021 baseline.



Ensure an **adaptable supply chain** network which anticipates evolving regulatory requirements and customer expectations.



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

Responsible Sourcing Expectations

Emerson's Supply Chain Business Owners ("SCBOs") conduct business with suppliers at various levels of maturity, risk, and strategic importance. To effectively scale Emerson's values and causes across our supply base, this Policy establishes tiered expectations for SCBOs to use when engaging suppliers:

- **"Minimum Requirements"** are mandatory behaviors and actions we expect all Emerson suppliers to comply with. These Minimum Requirements are set forth in the [Emerson Supplier Code of Conduct](#).
- **"Advanced Requirements"** are expected behaviors and actions applicable to "Selected" suppliers and encouraged for all suppliers. Selected suppliers will be identified and confirmed by the Program, the RSSC, and SCBOs based on their level of risk and strategic importance. Risk assessments will be conducted and will consider a supplier's location, size, industry, and impact on Emerson. The SCBOs will engage Selected suppliers to meet the Advanced Requirements.
- **"Best Practices"** are encouraged behaviors and actions for all Emerson suppliers. The SCBOs engage Selected suppliers to achieve Best Practices, where applicable, over a reasonable period of time.

Emerson acknowledges that local laws, regulations, or rules may impose requirements on suppliers that differ from these Policy expectations. In the event of any inconsistency between requirements or expectations established by this Policy and local law, the higher standard shall be applied.

Reinforcing the Minimum Requirements, our SCBOs engage suppliers on the following Advanced Requirements and Best Practices:

Ethics

Advanced Requirements:

1. **Grievance Procedures** — Emerson expects suppliers to have procedures in place, in the countries they operate, for their own employees and suppliers to report and disclose violations without fear of retaliation.

Human Rights & Labor

Advanced Requirements:

1. **Human Rights and Labor Policy and Implementation** — Emerson expects suppliers to have written policies which prohibit the use of child or forced labor, 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.
2. **Inhumane Treatment Policy and Implementation** — Emerson expects suppliers to have written policies which prohibit harsh or inhumane treatment of employees in their operations or within their supply chain.
3. **Additional Documented Evidence** — Suppliers are expected to provide evidence of actions taken to assess and eliminate the risk of such labor violations and inhumane treatment within their own operations and their supply chain, upon request.

Environment

Advanced Requirements:

1. **Climate Action & Greenhouse Gas (GHG) Emissions** — Emerson is committed to achieving Net Zero for Scope 1+2 emissions by 2030, and Scope 3 emissions by 2045, compared to a 2021 baseline. Emerson has a validated science-based near-term target to reduce Scope 3 emissions by 25% by 2030, compared to a 2021 baseline. Suppliers are expected to calculate their Scope 1, 2 and 3 emissions, set an emissions reduction target, assess reduction opportunities, and annually report this information to Emerson.

Best Practices:

1. **Renewable Energy** — Emerson has committed to sourcing 100% of renewable electricity across its operations by 2030. Suppliers are encouraged to purchase energy from renewable sources for use in their operations and facilities.
2. **Science-Based Targets** — Emerson's near-term and long-term Net Zero targets have been approved by the [Science-Based Target Initiative \(SBTi\)](#). We encourage suppliers to align their climate strategies with the goals of the Paris Agreement by, at a minimum, setting a near-term science-based target to be achieved within 5 to 10 years.
3. **Waste** — Emerson has established a zero waste to landfill goal. We are targeting to send zero waste to landfills in our manufacturing facilities by 2032, compared to a 2022 baseline, wherever this is compatible with local conditions and regulations. In line with widely accepted certification programs and best-practice industry standards, we define zero waste to landfill as at least 90% diversion rate. We encourage suppliers to have goals and strategies in place to ensure the safe handling, movement, storage, disposal, recycling, reuse, or management of waste.
4. **Water** — Emerson encourages suppliers to monitor and review water consumption practices, develop usage baselines, and identify potential reduction opportunities.
5. **Product Sustainability** — Emerson encourages suppliers to support data collection needs for Life Cycle Assessments (LCAs) and to participate in collaborative opportunities with Emerson related to embedding eco-design principles into New Product Development, packaging, and transportation.

Supply Chain Security

Advanced Requirements:

1. **Supply Chain Security Policy** — Emerson expects suppliers to have written policies which require supply chain security controls within their facilities, with their employees, and with supply chain partners. These controls must address those set forth in the [Supplier Supply Chain Security Requirements](#).

Best practices:

1. **Security Partnerships** — Emerson encourages suppliers to register and become formal partners with the applicable government-industry supply chain security partnership program(s) such as the Authorized Economic Operator ("AEO") program and the Customs Trade Partnership Against Terrorism ("CTPAT") program of the U.S. Customs and Border Protection.

Roles and Responsibilities

Vice President of Global Supply Chain Operations

The Vice President of Global Supply Chain Operations has the responsibility of overseeing Emerson's Responsible Sourcing Program, leading the Responsible Sourcing Steering Committee and reporting updates to the Environmental Sustainability Steering Committee bi-annually.

Responsible Sourcing Steering Committee

Emerson's Responsible Sourcing Steering Committee ("RSSC"), formed in 2022, recommends and implements strategies that drive the advancement of the company-wide integration of Emerson causes and values into sourcing decisions. RSSC members include supply chain leaders from our businesses and other cross-functional Environmental Social Governance teams, who review and approve recommendations on target-setting, communications, and incentives for compliance with this Policy.

Responsible Sourcing Program

Emerson's Responsible Sourcing Program ("Program") has the responsibility of ensuring an aligned approach for businesses to engage suppliers and measure performance against Responsible Sourcing KPIs. The Program leverages common processes, where applicable, and establishes common definitions, KPIs, and reporting mechanisms to enable business implementation of this policy.

The Program also has the responsibility of maintaining a database to assess how our supply chain ensures equal opportunity with all suppliers, including those who reflect the communities where we live and work. Understanding that diversity is defined differently across geographies, Emerson will take a regional approach to identifying diverse businesses in its supply base.

Supply Chain Business Owners

Emerson's Supply Chain Business Owners ("SCBOs") are employees who manage business relationships with suppliers and employees who maintain systems to assess supply chain compliance. The SCBOs are responsible for driving supplier compliance and progress towards the Responsible Sourcing goals, collecting data on supplier performance against Responsible Sourcing KPIs, and reporting measures on supplier engagements to the Program. The SCBOs have the responsibility of continually maintaining and evolving management systems to align with Program goals and strategy.

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