



HEAVY EQUIPMENT

Report under the:

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

May 2025

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A.About this report

This report is made in accordance with Canada's *FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT* for the reporting period of January 1, 2024, to December 31, 2024. EMSCO Holdings LP has prepared this Report considering the supply chain we have for our Heavy Equipment sales, rental, parts, and service business and hereby submit this to the Minister of Public Safety and Emergency Preparedness on the steps taken during the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of EMSCO's supply chain.

B.Message to stakeholders & Attestation

EMSCO recognizes that modern slavery, including forced and child labour, is a complex issue that can exist in a variety of ways in supply chains. EMSCO is a privately held, family-owned business based in Regina, Saskatchewan, Canada that operates in the heavy equipment sales, rentals, parts, and service business. This report summarizes the actions and approaches that we have taken in 2024 to minimize modern slavery risks in our supply chain.

This report was approved by the President of EMSCO Holdings LP. 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. I have the authority to bind "EMSCO Holdings LP".



Rob Schaffer
President
April 30, 2025

C. Our Structure, Activities and Supply Chain

EMSCO Holdings LP is a privately held, family-owned business that was founded in 2015 and headquartered in the RM of Sherwood, Saskatchewan, Canada. We compete in the Heavy Equipment sales, rentals, parts, and service business, primarily with clients in Western Canada. EMSCO is proud to be the Hyundai Construction Equipment dealership for Saskatchewan, offering a range of new wheel loaders and excavators for sale, lease, or rent to clients in the province. Additionally, we operate a heavy equipment rental fleet across Canada comprised of equipment from manufacturers such as Caterpillar, Deere, and Hitachi in addition to Hyundai. We have parts and service capabilities to support all makes and models of heavy equipment, with work taking place in one of our service facilities, or at client locations in the field via our mobile service truck fleet. EMSCO employed approximately 55 full-time staff as of December 2024.

EMSCO operates from two branch locations, and one satellite parts-only operation. Our head office is at 1810 Industrial Drive, RM of Sherwood, SK, Canada, and we have a branch at 523 Cory Crescent South, Saskatoon, SK, Canada. Our parts facility is located at 7002 96th Street, Grande Prairie, Alberta, Canada.

Our supply chain encompasses whole goods and parts purchases from heavy equipment manufacturers and/or dealers including Hyundai Construction Equipment America's Inc, Cummins (for engines in a range of Hyundai products), Finning (for Caterpillar products), Brandt Tractor (for Deere products), and Ritchie Bros. Auctioneers (for a wide range of equipment brands). Beyond our heavy equipment specific supply chain, our other main suppliers provide us with goods and services such as shop consumables, machine attachments, office supplies, IT hardware/software, and transportation and logistics services.

D. Policies and Due Diligence Processes

EMSCO is committed to respecting human rights throughout our operations and we have several policies that all employees are trained on during their onboarding orientation that takes place immediately upon hire. We promote a safe and inclusive culture that ensures all individuals enjoy a work environment that is free from discrimination, bullying, harassment, or workplace violence. Policies at EMSCO that support this commitment include:

- Workplace Harassment & Discrimination Prevention Policy
- Workplace Violence Prevention Policy
- Anti-Corruption Policy
- Forced Labour and Human Trafficking Policy
- Human Resources Code of Conduct and Policy Acknowledgment

E. Determining the Risk of Forced or Child Labour

We believe that the risk of forced labour or child labour among our personnel and business activities is negligible. EMSCO operates primarily within the province of Saskatchewan, and our hiring and human resource practices are fully compliant with the employment and occupational health & safety requirements of both the province and the country of Canada.

Within our extended supply chain, we recognize that risks of modern slavery may vary and increase through our suppliers' supply chains. We mitigate this risk by dealing with top-tier, reputable companies primarily in Canada and the United States, and are prepared to take corrective actions without delay should we identify modern slavery concerns with any member of our supply chain.

F. Modern Slavery and our Supply Chain

As a company engaged in the heavy equipment sales, rental, parts, and service business, EMSCO utilizes a range of organizations in our supply chain. The variety of equipment brands in our fleet requires us to source from organizations such as Cummins (for engines in our Hyundai products), Finning (for items related to the Caterpillar brand), Brandt Tractor (for items related to the Deere brand), Wajax (for items related to the Hitachi brand), Ritchie Bros. Auctioneers (for multiple brands) to name some of our key suppliers. We understand that these organizations are headquartered in Canada and have robust, documented human resource processes and standards across their enterprises to support worker rights and we believe the risk of modern slavery within their extended supply chain to be low.

As a Hyundai construction equipment dealer, we have both whole goods and parts that are supplied from Hyundai Construction Equipment. We value our relationship with Hyundai Construction Equipment and understand that Hyundai believes the risk of modern slavery is low in its operations and those of its direct suppliers. We have found that Hyundai Construction Equipment has several controls, standards, and policies in place to support their efforts to eliminate and prohibit forced labour and child labour throughout their supply chain. They have a publicly available Supplier Code of Conduct that formally documents the requirements and behaviours expected of their suppliers and specifically rejects force labour and child labour in all forms. A copy of their code is available here:

<https://www.hdyundaice.com/assets/files/HD%20Hyundai%20Construction%20Equipment%20Supplier%20Code%20of%20Conduct.pdf>

Beyond heavy equipment, EMSCO sources items from reputable, high-calibre organizations based primarily in Canada and the United States. We therefore believe the risk of modern slavery in the operations of our direct suppliers to be low, in accordance with the laws of Canada and the USA.

G. Remediation Measures

For the duration of 2024, we have not identified any incident of forced labour or child labour in our activities or supply chain. We therefore did not need to take any measures to remediate an incident of forced labour or child labour.

If we do identify incidents of forced labour or child labour within our personnel, business activities, or supply chain, we will implement appropriate remediation strategies in compliance with all applicable laws, regulations, and our own corporate policies.

H. Training & 2024 Actions Taken

EMSCO provides all employees with fulsome orientation immediately upon their hire with the company that encompasses our policies, procedures, and occupational health and safety training. This ensures that all workers are aware of their rights and responsibilities, and we provide documented pathways for employees to bring any concerns related to their employment forward to the executive leadership team, or to an appropriate government authority, should that be the path desired.

In 2023 EMSCO implemented a formal policy on Forced Labour and Human trafficking that explicitly prohibits forced labour and child labour throughout our supply chain. This formally codified EMSCO's prohibition of forced or child labour and commits the organization to ongoing efforts to reject these practices anywhere that relates to our business. We believe we have many solid practices, procedures, and policies in place, and intend to further evaluate our supplier vetting processes in 2024.

I. Assessment of Efficacy

This is EMSCO Holdings LP's first report pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains* act, so we have been working to establish a baseline from which to measure our progress in subsequent years. It may be appropriate to identify measurable key performance indicators that we can monitor on a year-over-year basis to assess our effectiveness.