



2023 Modern Slavery Report

MAY 23, 2024



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About this Report

In May 2023, the Canadian government enacted the Fighting Against Forced Labour and Child Labour in Supply Chains Act (referred to as the Modern Slavery Act and the “Act”), establishing a reporting requirement for larger Canadian businesses. The Act aims to reduce both Forced Labour and Child Labour by increasing transparency in supply chains.

This Modern Slavery Report (“Report”) has been prepared in accordance with the Act and has been approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Emera Inc. as a joint report on behalf of the following Canadian entities controlled by Emera Inc. (collectively the “Reporting Entities”):


<i>Emera Inc.</i>	<i>Emera Energy General Partner Inc.</i>	<i>Nova Scotia Power Inc.</i>
<i>Brooklyn Power Corporation</i>	<i>Emera Energy Inc.</i>	<i>NS Power Energy Marketing Inc.</i>
<i>Emera Brunswick Holdings Inc.</i>	<i>Emera Energy Limited Partnership</i>	<i>NSP Maritime Link Inc.</i>
<i>Emera Brunswick Pipeline Company Ltd.</i>	<i>Emera Newfoundland & Labrador Holdings Inc.</i>	


This Report applies to, and outlines the steps taken, by the Reporting Entities for the period of 1 January 2023 to 31 December 2023 (“2023” or the “Reporting Period”), to prevent and reduce the risk of Forced Labour or Child Labour being used at any step of the production of goods in Canada or elsewhere or of goods imported into Canada by the Reporting Entities.


References to “the Company”, “Emera”, “we”, “us” or “our” in this Report refers to the Reporting Entities, unless stated otherwise. References to “Forced Labour” or “Child Labour” refer to the definitions of such terms contained in the Act. References to “modern slavery” refer to both Forced Labour and Child Labour.


¹While the scope of this report applies to our Canadian operations, these figures include all of our operations across Canada, the US, and the Caribbean.
²As a percentage of total GWh generated compared to 2005 levels.


About Emera¹


**7,300+** employees across Canada, the US, and Caribbean


**\$39B** in assets and **\$7.6B** in revenue

**6** electric and gas utilities serving **2.5M** customers

**\$8.9B** capital plan with **\$5.5B** committed to decarbonization and reliability

**47%** reduction in CO2 emissions, since 2005

**77%** reduction in coal use², since 2005.

**\$12M** invested in our communities in 2023

Leadership Commitment

At Emera, our purpose is to energize modern life and deliver a cleaner energy future for all. In doing so we aim to live by our values of putting safety above all else, putting our customers at the centre of everything we do, valuing candour, respect, and collaboration, caring for each other, the environment, and our communities.

Core to our values is respect and care for each and every individual, no matter who they are, what they do, or where they work or live. We do not tolerate Forced Labour or Child Labour and are committed to respecting human rights in all forms. We support the principles of the United Nations Universal Declaration of Human Rights as well as the aims of the Act. We understand that the private sector plays a key role in the protection of human rights and recognize the importance of using our position to work collaboratively with our stakeholders and the Canadian business community to address the global problems of Forced Labour and Child Labour.

In 2023 we introduced our Reducing the Risk of Modern Slavery in Emera’s Business and Supply Chains Policy (the “Policy”), formalizing our commitment to identifying modern slavery risks in our operations and supply chain and addressing those risks with a process of continuous improvement and collaboration with all relevant stakeholders. Although the measures described in this Report apply specifically to our Canadian operations pursuant to the Act's requirements, we hold all of our operations to a high ethical standard and expect that all employees, boards of directors, and suppliers act with integrity and comply at all times with the letter and spirit of all applicable laws, regulations and rules. If instances arise where these expectations are not met, we will strive to respond in an appropriate manner.

This is our first annual Report in response to the Act. In addition to our new Policy, our focus during 2023 and in the period leading up to the publication of this Report has been to implement policies, systems and controls designed to help reduce the risk of Child Labour or Forced Labour in our operations and supply chains. We are very pleased to share the progress we have made thus far.



Scott Balfour
Director, President & CEO
Emera Inc.

OUR PURPOSE

Energizing Modern Life & Delivering
a Cleaner Energy Future For All

OUR VISION

To be the energy provider of choice for our
customers, the employer of choice for our
people, and a preferred choice for investors.



WE PUT SAFETY ABOVE ALL ELSE.
We are relentlessly committed to a strong ‘speak up’ culture and an Emera where no one gets hurt.



WE PUT CUSTOMERS AT THE CENTRE OF EVERYTHING WE DO.
We listen to our customers, and we are working hard to meet and exceed their expectations.



WE VALUE CANDOUR, RESPECT, AND COLLABORATION.
We put issues on the table and share different perspectives in order to achieve better outcomes.



WE CARE FOR EACH OTHER, THE ENVIRONMENT, AND OUR COMMUNITIES.
We invest in our people and communities and share a commitment to building a more inclusive and sustainable future.



WE SET A HIGH BAR AND TAKE ON BIG THINGS.
We pursue excellence with innovation, tenacity, and integrity.

Structure and Activities

The Reporting Entities are Canadian wholly owned subsidiaries of Emera Inc., TSX: EMA (Emera). Headquartered in Halifax, Nova Scotia, Emera is a diverse energy and services company serving approximately 2.5 million electric and natural gas customers in Canada, the United States and the Caribbean. We play a vital role in connecting our customers to the energy that powers their lives.

In addition to Emera Inc., the following Canadian Reporting Entities are covered by this Report:



NOVA SCOTIA POWER INC.

Vertically integrated electric utility producing, distributing and transmitting electricity to approximately 550,000 customers in Nova Scotia.



NS POWER ENERGY MARKETING INC.

Wholesale natural gas and electricity marketing and trading.



NSP MARITIME LINK INC. AND EMERA NEWFOUNDLAND & LABRADOR HOLDINGS INC. (EMERA NEWFOUNDLAND & LABRADOR)

NSPML owns and operates the Maritime Link, a 170 km high voltage undersea cable connecting Nova Scotia and Newfoundland. NSPML is a subsidiary of ENL Holdings, a subsidiary of Emera Inc.



EMERA ENERGY INC., EMERA ENERGY LIMITED PARTNERSHIP, EMERA ENERGY GENERAL PARTNER INC. (EMERA ENERGY)

Wholesale natural gas and electricity marketing and trading, asset management and optimization, commercial management of third party power generation.



EMERA BRUNSWICK PIPELINE COMPANY LTD. AND EMERA BRUNSWICK HOLDINGS INC. (EMERA NEW BRUNSWICK)

Owns and operates the Brunswick Pipeline, a 145 km natural gas pipeline in New Brunswick.



BROOKLYN POWER CORPORATION

Owns and operates a 30 MW biomass fueled power plant in Brooklyn, Nova Scotia.

The Reporting Entities collectively employ approximately 2,500 people in Canada.



Supply Chains

Nova Scotia Power Inc. generates, and distributes electricity to customers in Nova Scotia. Brooklyn Power Corporation also generates electricity which is sold to Nova Scotia Power Inc. The other Reporting Entities do not produce goods in Canada or elsewhere. Each of the Reporting Entities periodically procures goods sourced from other countries, primarily from the United States. In some instances, the Reporting Entities are responsible for accounting for such goods under the Customs Act.

These goods and their respective supply chains generally fall into three categories as set out below:



GOODS, EQUIPMENT AND PARTS SOURCED FOR INTERNAL USE: Goods that are needed for capital investments in and for the operations and maintenance of our electrical generation, transmission and distribution systems in Nova Scotia and Newfoundland & Labrador, our natural gas transmission pipeline in New Brunswick, as well as for general corporate operations. These goods are sourced from suppliers, manufacturers, and distributors, both within Canada and from countries abroad.



FUEL SOURCED FOR POWER GENERATION: Nova Scotia Power Inc. consumes imported natural gas, coal, petcoke and fuel oil at its thermal power generation units in Nova Scotia. Natural gas is delivered via the Maritimes & Northeast Pipeline, a non-controlled affiliate of Emera, which connects with the North American natural gas pipeline network. Substantially all of the natural gas consumed by our power plants is produced in production basins in the United States and Canada¹. Nova Scotia Power Inc. procures coal that is produced at mines in the United States and Colombia. Petcoke and fuel oil are produced in refineries in the United States. Biomass is sourced from local Canadian suppliers.



ENERGY COMMODITIES SOURCED FOR WHOLESALE TRADE: Emera Energy procures natural gas for resale to local distribution companies, utilities, power generation facilities, end users and others in the natural gas wholesale markets. All or substantially all of this natural gas is sourced directly or indirectly from production basins in Canada or in the United States¹. If required, Emera Energy also imports, exports, and purchases electricity for resale in the wholesale electricity markets. This electricity is sourced from electricity markets, such as ISO-New England and the New York Independent System Operator, or directly from wind, hydro and natural gas power generation facilities located in Canada and the United States.

¹In the winter months natural gas supply also can include a small quantity of re-gasified liquified natural gas (LNG) that a third party imports via vessel from other countries, such as Trinidad and Tobago. This re-gasified LNG is transported via our Brunswick Pipeline to the Maritimes & Northeast Pipeline where it is part of the natural gas supply that serves New Brunswick, Nova Scotia, and the Northeast United States.



Steps Taken in 2023

As further described in this Report, in 2023 Emera undertook several actions to help reduce the risks of Forced Labour and Child Labour in our business and supply chains. We adopted a new Policy formalizing our commitment to identifying and mitigating modern slavery risks in our supply chain. We enhanced our supplier due diligence process and risk assessment tool to assess our suppliers against these risks. We incorporated specific provisions addressing Child Labour and Forced Labour into our standard form contracts and purchasing order terms and conditions. We trained our legal and procurement teams on the requirements of the Act, the Policy and our supplier due diligence process. In January 2024 we also implemented annual compliance certifications from senior leadership of each Reporting Entity.



Governance

The Emera Board of Directors is responsible for the stewardship and governance of Emera. This includes oversight of management's approach to addressing Emera's sustainability impacts, risks, and opportunities, as well as the review and approval of standards for ethical business conduct and monitoring compliance with these standards. The Emera Board of Directors has approved this Report as a joint report on behalf of each of the Reporting Entities listed herein.

The Emera Risk and Sustainability Committee (the "RSC") is a committee of the Board of Directors of Emera Inc. that assists the Board in carrying out its responsibilities for oversight of enterprise risk and sustainability. The RSC oversees Emera's risk management framework as well as Emera's approach to sustainability and performance related to its sustainability objectives. As part of its oversight of Emera's sustainability governance and program framework and policies, the RSC considers the modern slavery risks in our businesses, our proposed steps to mitigate such risks as well as receiving and reviewing this Report for recommendation to the Board. This responsibility was formalised in an amendment to the RSC Charter to expressly include the Modern Slavery Report as an area of responsibility and oversight.

In addition, each Reporting Entity has its own separate board of directors responsible for overall governance and oversight of that Reporting Entity's and risks. Each Reporting Entity board of directors has been consulted about this Report and has been informed of their Reporting Entity's ongoing efforts to mitigate the risks of Forced Labour and Child Labour in their respective businesses and supply chains. Beginning in 2024, we are requiring senior leadership of each Reporting Entity to annually certify compliance with the Act and the Policy.

Our Policies

In the Reporting Period, each of the Reporting Entities adopted a Reducing the Risk of Modern Slavery in Emera's Business and Supply Chains Policy. This Policy sets forth our commitment to not tolerate the use of Child Labour or Forced Labour, to act ethically and with integrity in all business dealings and relationships, and to implement and enforce risk-based processes and controls to reduce the risk of Child Labour or Forced Labour from taking place in our supply chains or operations.

As part of the Policy, we also require our employees to report any activity that could reasonably lead to the use of Child Labour or Forced Labour in our supply chains or operations to their leader, legal department or through our Ethics Hotline. The Ethics Hotline is available to all employees and contractors to report misconduct. It is secure, fully accessible, available 24/7, administered by a third party and reports may be made anonymously. A copy of the Policy is available in the Policies section on our corporate website at www.emera.com/sustainability/policies.

All Emera employees are bound by our Code of Conduct, which is publicly available at www.emera.com/codeofconduct. Our Code of Conduct sets out the standards of ethical business conduct that is expected from all of our board members, officers and employees and affirms the expectation that we will act with integrity and treat others with respect. This includes our commitment to maintaining safe and healthy workplaces, conducting business in an environmentally responsible manner, giving back to our communities and complying with all applicable laws, rules and regulations. All employees are required to take Code of Conduct training annually.

Our employment policies and procedures help ensure that all of employees are afforded all employment rights prescribed by law and are employed in accordance with all local employment legislation and regulations, including with respect to minimum age and minimum wage requirements. Compliance with these laws and regulations is certified by senior leadership quarterly.

Our Respectful Workplace Policy (also available at the Policies link above) helps ensure that our employees are provided a safe, healthy, supportive and secure workplace free of discrimination, harassment, sexual harassment or bullying, and where employees are empowered to speak up. Our Occupational Safety and Health Policy (also available at the Policies link above) and Safety Management System demonstrate our commitment to safety and health and to relentlessly focusing on world class safety to prevent workplace injuries and illness for our employees, contractors and visitors.



Supplier Due Diligence

In 2023 we developed a specific supplier due diligence process and assessment for screening for Child Labour and Forced Labour risk. This has been embedded into our overall third-party risk management program to include this risk within our sourcing and contracting process.

As part of our due diligence process and assessment, our procurement teams also screen new suppliers against the U.S. Department of Labour List of Goods Produced by Child Labor or Forced Labor Report based on the type of good and the geographic region where the goods are being imported from. We also utilize Dow Jones Factiva, a comprehensive global news and business intelligence platform to screen new suppliers, and to the extent known, their downstream suppliers, for any indications of Child Labour or Forced Labour. Existing suppliers will also be screened against these criteria as their contracts are renewed.

Any suppliers which are identified as higher risk will then be sent a detailed questionnaire with questions specific to their Child Labour and Forced Labour policies and processes, management oversight, employee training, supply chain diligence, incident management, purchasing practices, employment conditions, and, if available, the result of any third-party audits. The results of this questionnaire will inform any contractual terms and associated procurement decisions. In some circumstances we may require our suppliers to have in place their own policies and procedures for identifying and prohibiting the use of Forced Labour and/or Child Labour in their own activities and supply chains.

In 2023 we also initiated the incorporation of specific provisions addressing Child Labour and Forced Labour in our standard form contracts and purchase order terms and conditions.

Remediation Measures

In the Reporting Period, the Reporting Entities have not identified any Forced Labour or Child Labour in our activities and supply chains.

As a result, Emera has not taken any measures to specific steps to remediate Forced Labour or Child Labour or to remediate any resulting loss of income to the most vulnerable families.



Risk Assessment

We have assessed the activities of the Reporting Entities as having a low risk for Forced Labour or Child Labour. Our employment policies and procedures are intended to ensure that all of the employees of the Reporting Entities are employed in accordance with all applicable employment legislation and regulations, including with respect to minimum age and minimum wage requirements. Compliance with these laws and regulations is certified by senior leadership quarterly.

With respect to our supply chains, we have advanced the process of identifying and assessing such risks. Emera’s supply chain involves purchasing a broad range of goods and services from international, national, regional and local suppliers. We recognize that certain sectors in some jurisdictions may pose a greater risk of modern slavery including: agriculture, construction, electronics & electrical, extractives, mining & metals, manufacturing, textiles & apparel, transportation and warehousing. In 2023 we assessed battery and coal supply chains as carrying more risk and took the following steps to assess and manage that risk in our specific supply chains.



BATTERIES: In 2023 Nova Scotia Power Inc. released its Path to 2030, which is the utility’s plan to phase out coal and reach 80% renewable energy in the province of Nova Scotia by 2030. This will require several different investments, including the addition of a significant amount of utility scale battery storage at sites across the Province enabling us to store renewable energy and bring more of it onto the power grid.

To better understand the supply chain and risks associated with batteries, which are primarily manufactured in China, in 2023 we engaged with our prospective supplier and completed a due diligence review of its sustainability policies, including its anti-modern slavery, labour and human rights policy, supplier code of conduct and conflict minerals policy. In addition, we obtained further information about our supplier’s efforts to trace its own supply chain and audit the materials used in the manufacturing process. The supplier also provided an affidavit for all the primary components of its battery cells.



COAL: The majority of the coal purchased by Nova Scotia Power Inc. comes from mining operations that participate in the Bettercoal Code, which is an internationally recognized standard for ethical, environmental and social performance in the coal mining supply chain, including with respect to Child Labour and Forced Labour. To the extent coal is procured from operations not governed by the Bettercoal Code, Nova Scotia Power Inc. has obtained commitments that its suppliers are in compliance with domestic (i.e., Colombian) laws regarding Child Labour and Forced Labour. According to the U.S. Department of Labor, Columbia has ratified all key international conventions concerning Child Labour.

Assessing our Effectiveness

With the focus during 2023 being the implementation of our Policy, due diligence processes, and the other controls described above, the Reporting Entities have not yet had the opportunity to assess our effectiveness in helping ensure that Forced Labour and Child Labour are not being used in our activities and supply chains. To date no instances of Forced Labour or Child Labour related to our suppliers have been identified through our supplier due diligence procedures.

Beginning in 2024, we are requiring senior leadership of each Reporting Entity to annually certify compliance with the Act and the Policy.

As part of continuous improvement, in the future Emera aims to explore and adopt appropriate key performance indicators and other measures to track our progress.



Training

During the 2023 Reporting Period, we undertook the following training efforts:



External legal counsel presented a session on modern slavery as part of a sustainability session for members of Emera and its subsidiary legal teams;



Procurement leads of the Reporting Entities are included in our cross-affiliate third party risk management working group and have thus been involved in and have detailed awareness of the requirements of the Act, our Policy, and due diligence processes;



Our procurement teams received training on our Policy and due diligence processes;



An awareness communication was sent to all employees of the Reporting Entities in conjunction with the roll-out of the Policy in December 2023; and



The Emera Inc. Board of Directors, the RSC, and each other Reporting Entity's respective board of directors were given detailed information about the requirements of the Act and the steps we are taking to reduce the risk of Forced Labour and Child Labour in our supply chains and business.

In 2024, we have launched a further training and awareness module for in-scope employees about the Act, the risks of Forced Labour and Child Labour, and the requirements of our Policy.

Attestation

Emera remains committed to reducing the risk of Forced Labour and Child Labour from taking place in our businesses and in our supply chains. We will continue to review our policies and processes and address any identified risks with a process of continuous improvement and collaboration with all relevant stakeholders.

This Modern Slavery Report has been approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Emera Inc. as a joint report on behalf of each of the Reporting Entities listed herein.

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 Reporting 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.



Scott Balfour
Director, President & CEO
Emera Inc.

May 23, 2024
I have authority to bind Emera Inc. and the other Reporting Entities listed herein.

Forward-Looking Information

This Modern Slavery Report contains forward-looking information within the meaning of applicable securities laws. By its nature, forward-looking information requires Emera to make assumptions and is subject to inherent risks and uncertainties. These statements reflect Emera management's current beliefs and are based on information currently available to Emera management. These statements include statements regarding: our decarbonization and reliability commitments; purpose; steps we will take in the future to help minimise the risk of Forced Labour and Child Labour and commitment to continuous improvement; and Nova Scotia Power Inc.'s Path to 2030 and related investments. There is a risk that predictions, forecasts, conclusions and projections that constitute forward-looking information will not prove to be accurate, that Emera's assumptions may not be correct and that actual results may differ materially from such forward-looking information. Additional detailed information about these assumptions, risks and uncertainties is included in Emera's securities regulatory filings, including under the heading "Enterprise Risk and Risk Management" in Emera's annual Management's Discussion and Analysis, and under the heading "Principal Financial Risks and Uncertainties" in the notes to Emera's annual and interim financial statements, which can be found on SEDAR+ at www.sedarplus.com.

