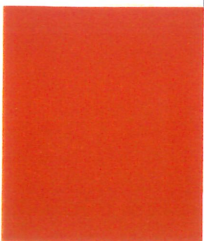


**Modern Slavery
Statement
2023-2024**



Modern Slavery Statement 2023-2024

Aiko Energy Australia Pty. Ltd (**Aiko Energy**) is committed to addressing the risks of modern slavery in its business and supply chain, ensuring that all employees are treated with respect, have the freedom to work by their own will, and receive fair compensation. Aiko Energy strongly condemns any violations of human rights, continuously improves governance measures, and aims to eradicate all forms of modern slavery globally.

This statement is issued by Aiko Energy Australia Pty. Ltd (ACN 669 787 357) for the period from August 1, 2023 to June 30, 2024

1. About Aiko Energy

Aiko Energy is a global-leading new energy technology company, focusing on the R&D manufacturing of solar generation products and PV-Storage-Charging integrated solutions. This statement elucidates Aiko Energy's vision and commitment to eliminate all forms of modern slavery within its business scope. It emphasizes potential risk areas related to human rights and labor rights, introduces policies and governance actions taken to address modern slavery risks, and outlines subsequent effectiveness assessments.

2. Our Vision and Commitment

As the driving force of a carbon-free world, our mission is "Empowering transformation towards a carbon-free era", and our vision is "To be a global leader in the PV industry". Our value proposition is to pursue cutting-edge technology, redefine photoelectric efficiency and quality aesthetics, build partnerships that add customer value.

Meanwhile, we commit to identifying and preventing modern slavery and human trafficking within the entire organization and supply chain by establishing robust internal supervisory mechanisms, improving risk assessments, and implementing various measures. This ensures our awareness of potential risks associated with modern slavery. Our practices include:

- 1) Strengthening the audit and assessment of supplier behavior, working towards greater transparency in the supply chain.
- 2) Ensuring our policies and procedures are regularly reviewed to guarantee their execution and implementation.
- 3) Strictly prohibiting any form of forced labor, prison labor, child labor, or any labor practices that violate national and/or local labor laws within our supply chain.

- 4) Ensuring that new suppliers we collaborate with understand our requirements in advance and confirming that existing suppliers comply with these requirements.

3. Modern Slavery Risks and Assessment

We recognize that there may be potential risks of modern slavery in the solar cell and module manufacturing industry due to manual labor associated with manufacturing industry or related to raw materials and service-related suppliers. Modern slavery risks may impact our business operations and we strive to eliminate the potential risks of modern slavery facilitated by our operations and supply chain by establishing policies and procedures, as well as monitoring the implementation of these policies and procedures.

We have assessed the risks of modern slavery in our supply chain, and the risk assessment methodology considers indicators of modern slavery, including sectors and industries, as well as the types of products and services procured. To engage in open and transparent business practices and ensure that our approach to modern slavery adheres to the requirements of *the Modern Slavery Act 2018 (Cth)* and associated legislation, we deployed self-assessment questionnaires (SAQS) to our suppliers and utilize third-party retrieval tools to retrieve information on the compliance of suppliers and partners with relevant acts and policies. This enables us to assess potential modern slavery risks in the supply chain and manage these risks accordingly.

4. Policies and Governance

Aiko Energy strictly prohibits modern slavery within our team and supply chain. To achieve this, we have developed a series of management policies and procedures. These policies and procedures ensure that our employees and suppliers clearly understand our expectations. The following policies are those that aim to prevent modern slavery amongst our team members and workers in our supply chains:

Policy/Procedure	Purpose
Supplier Code of Conduct	This code requires that all supplier partners comply with all applicable laws and all requirements and principles outlined in this code. It strictly prohibits the employment of child labor, involuntary labor, human trafficking, and slavery. It mandates ensuring the safety and health of employees, lawful payment of wages and benefits, proper scheduling of work hours, anti-discrimination measures, and imposes strict requirements on suppliers to provide employees with respect, dignity, and freedom of association.
Aiko Code of Conduct	Aiko Energy respects the Universal Declaration of Human Rights

	and the international conventions concerning employment and working conditions as laid down by the International Labor Organization (ILO).
Aiko Labor Policy	This policy applies to all employees of Aiko Energy and outlines their rights in various aspects, including prohibiting forced labor, preventing the employment of child labor, anti-discrimination measures, working hours, compensation and benefits, working conditions, the right to join unions, collective bargaining and association, and female employment. It specifies responsible authorities, publishes channels and mechanisms for complaints and communication, and establishes clear guidelines for employees' rights and responsibilities in these areas.
Employment of Labor Guideline	This guideline outlines the laws and principles that Aiko Energy must follow and adhere to in employment relationships.
Aiko Human Resources Development and Management Policy	This policy outlines the principles that Aiko Energy must adhere to in talent acquisition and selection, emphasizing strict compliance with relevant laws and regulations during the recruitment process. It underscores the importance of reasonably exploring, developing, and nurturing potential talent to establish a talent pool.
Aiko Business Ethics Management Policy	The Policy aims to furnish AIKO Energy with precise directives for ethical behavior, guaranteeing consistent adherence to ethical standards, legal compliance, and industry norms across all business and commercial endeavors.

We communicate our expectations regarding human rights and modern slavery to employees and suppliers through these policies. We also use a range of mechanisms to ensure the implementation of these policies in recruitment, employment contract signing, labor compensation, working conditions, and other areas. Additionally, we monitor and identify instances of modern slavery in our operations and supply chain.

5. Supplier Engagement

We will continue to collaborate closely with our product and service suppliers, establishing strong relationships. Upholding human rights, including addressing the challenges of modern slavery, is an integral part of our corporate sustainability strategy. From supplier assessments to contract management, considerations for modern slavery risks are incorporated at each stage of our procurement cycle. For instance, we have formulated the Supplier Code of Conduct, requiring suppliers' business practices to align with all applicable laws and the principles outlined in the code. Furthermore, suppliers must undergo inspections and supervision by Aiko Energy, including third-party audits of work and accommodation facilities. Suppliers are required to maintain transparency during the audit process and promptly provide access to facilities, records, and employee contact information.

Aiko Energy actively encourages its suppliers to establish, develop, and maintain good ESG and CSR practices. Through the establishment of incentive mechanisms, such as being listed as preferred supplier, Aiko Energy aims to foster a culture of excellence in environmental and corporate social responsibility within the supply chain. The purpose of these mechanisms is to promote the development of greater knowledge and awareness regarding environmental and corporate social responsibility throughout the supply chain.

6. Due diligence

In developing and identifying Aiko Energy's strategy and operations, local employment and labor rights are among the most important criteria to eliminate any risk of modern slavery across its global value chain. Not only Aiko Energy itself, but all suppliers and potential suppliers must commit to complying with local labor laws as a prerequisite for being qualified. Therefore, we implement due diligence activities to monitor the risk of modern slavery in its own operations and supply chain.

1) Internal control

Aiko Energy is dedicated to guaranteeing that no employee is compelled to work under duress. The Company upholds its promise to protect the freedom of its employees and refrains from demanding the surrender of government-issued identification documents. The HR Department and the Employee Union oversee these practices, conducting regular investigations into working conditions and interviewing employees to identify their requirements effectively.

2) Supply chain management

Aiko Energy has implemented a robust supplier management and evaluation process. It regularly assessing supplier performance in areas such as quality, delivery, pricing, service, and social responsibility, aiming to mitigate risks of modern slavery across supply chain.

Material suppliers undergo audits conducted by Aiko Energy, which may include third-party evaluations of both workplace and residential facilities, as well as confidential interviews with workers. Based on audit findings, Aiko Energy requires suppliers to promptly furnish detailed plans and measures for rectification, closely monitoring the progress of their corrective actions. Aiko Energy reserves the right (without assuming liability) to terminate corporations with any supplier found to be involved in practices such as child labor or forced labor, including instances where timely access to auditors is denied.

3) Reporting

The Audit Department of Aiko Energy has established a dedicated reporting channel to handle a broad spectrum of significant behavioral incidents. It promptly investigates allegations or detailed content to ascertain the presence of forced labor and makes impartial decisions in a timely manner. Aiko Energy assures the confidentiality of complaint content and the identity of reporting employees and partners, to guarantee that no employee or partner will suffer any

adverse consequences for reporting instances of forced labor.

7. Training

AIKO provides professional training and knowledge-sharing to supply chain partners and internal employees, especially those responsible for supply chain and procurement decisions. This training covers topics related to forced labor, promotes human rights principles, raises awareness of the risks associated with forced labor, and ensures a high level of understanding of these risks. Additional training will be conducted when legal regulations require changes in our supply chain and procurement decisions. We require our supply chain partners and internal teams to clearly identify potential risks of modern slavery, such as human trafficking, slavery, debt bondage, forced labor, deceptive recruitment of labor or services, and child labor, within their respective modules. They should also be aware of how to take appropriate measures to prevent these risks within their scope of responsibility.

8. Assessing Effectiveness

Aiko is committed to establishing robust management systems and protocols, conducting regular audits, and fulfilling supervisory responsibilities. We assess the effectiveness of our evaluations and plans through various means to identify and correct modern slavery risks. These include:

- 1) Aiko Energy provides various internal and external grievance channels, with some channels ensuring the anonymity of the reporter's identity, such as physical mail box, hotline numbers, internal platforms.
- 2) AIKO conducts internal and third-party annual audits to verify that corrective measures have been implemented on the ground.

We are committed to continuously monitoring the effectiveness of all established measures so far. We will continue to track our actions and results, collaborate with suppliers and other external partners, and conduct regular internal governance and external assurance processes. This will ensure that we can mitigate and address potential modern slavery risks and adhere to the UN Guiding Principles and all applicable labor and social compliance requirements.

9. Continuous Improvement


To fulfill our commitment of zero tolerance for modern slavery, it is necessary to continuously improve and enhance our practices in the future. Based on the results of the work in FY2023, in view of the existing measures and shortcomings, the anti-modern slavery work objectives in FY2024 mainly focus on the following aspects:

slavery issues and ensure their implementation.

- 2) Communicating clearly and effectively with suppliers regarding our commitment to compliance with *the Modern Slavery Act 2018 (Cth)* and our zero-tolerance attitude towards forced labor.
- 3) Continuing risk assessments, engaging with suppliers when necessary, including self-assessment questionnaires and external audits.
- 4) Sustaining an environment that encourages reporting and protects reporters, including improving policies and reporting mechanisms.
- 5) Enhancing training for internal employees and external suppliers through various channels such as the company's internal training website, offline lectures, promotional materials, etc., aiming to establish diverse and convenient training channels so that every member within our business activities and scope understands and follows our policies and governance measures.

10. Approval

This statement for Aiko Energy Australia Pty Ltd. was approved by the board of Shanghai Aiko Solar Energy Co. Ltd as the parent entity on June 30, 2024.



Chen Gang
Shanghai Aiko Solar Energy Co. Ltd, CEO



Xu Xinfeng
Aiko Energy Australia Pty Ltd., Director

