



*Final Version
Adopted June 23, 2021*

Fluence Modern Day Slavery Statement

Introduction

Fluence Corporation Limited (A.C.N 127 734 196) and its subsidiaries (the “Company” and together with its subsidiaries, collectively referred to as the “Company Group”) is committed to limiting the risk of modern slavery occurring within its own business, infiltrating its supply chains or through any other business relationship. This is the first Modern Slavery Statement (this “Statement”) for the Company, as informed by the Federal Modern Slavery Act 2018 (the “Act”).

The purpose of this Statement is to outline the Company’s approach to ensuring that the Company Group has robust frameworks and processes in place to minimize the risk of modern slavery in our business operations and supply chain.

At Fluence, we recognize that slavery can occur in many forms, as considered in the Act. This can include slavery, servitude, human trafficking, forced marriage, forced labor, debt bondage, child labor and deceptive recruiting for labor or services.

The Company is fully committed to operating responsibly and establishing and adhering to the highest ethical standards across the Company Group. We will not tolerate any forms of slavery or human trafficking in our business.

The Company remains committed to combating the real and growing problem of modern slavery and trafficking. We recognize it can affect any industry and we take seriously our responsibility to be alert to the risks in our business and in our wider value chain. We expect our people, partners and suppliers to share our commitment to ensuring modern slavery does not exist in these areas.

This Statement has been approved by the Fluence Board of Directors.

Our Business, Structure, Operations and Supply Chain

The mission of Fluence is to make the world a better place by delivering sustainable water treatment solutions that produce high quality water, while saving energy and improving resilience.

The Company has a strong global presence with operating entities in the United States, Israel, Italy, China, Egypt, Dubai, Argentina and Brazil that offer water and wastewater treatment solutions to municipal and industrial customers worldwide. With headquarters in the United States, we have simplified our organization structure into six (6) Business Units (each a “BU” and collectively, the “BUs”) as follows:

- USA (Minneapolis, MN)

- Italy (Padova)
- China (Shanghai)
- Middle East (Dubai, UAE)
- Israel (Caesarea)
- South America (Mar del Plata, Argentina; Jundiai, Brazil)

As the Fluence Group, our supply chains are both local and global, with a total annual spend of ~\$50M for goods and services from more than 100 suppliers.

Combating modern slavery and human trafficking is a reality all organizations face. Our procurement teams in each BU have a number of risk mitigation and robust procurement processes in place including supplier engagement principles and supplier on-boarding requirements. These procedural controls will be reviewed and improved where necessary to ensure that we have robust processes in place to minimize the risk of modern slavery in our operations and supply chain.

We recognize there are many challenges that we, in common with other global organizations, face in full transparency across each tier of our supply chain. At present, we propose to focus our initial due diligence on those who supply goods and services directly to Fluence.

Policies and Procedures

There are formal policies already in place that are intended to promote ethical and legally compliant business conduct. Our policies contribute to our commitment to prevent violations of human rights such as modern forms of slavery in our business.

The Company will conduct risk assessments to determine which parts of the business and which supply chains, if any, are at risk of perpetrating modern slavery so that efforts can be focused on the areas that are most 'at risk'. Where appropriate, as informed by the risk assessment, the Company will engage directly with suppliers in respect of the Modern Slavery Policy in order to gain a proper understanding of the measures they have in place to ensure that modern slavery is not occurring within their own business.

The Company's contractual documentation will include compliance with law provisions and will, to the extent possible, incorporate specific prohibitions against slavery and servitude, the use of forced, compulsory and trafficked labor, and the use of child labor in line with this Policy. Also, where appropriate, the Company will make provision for contracted suppliers to hold their own suppliers to the same standards. We will also reserve the right wherever possible to terminate any contractual arrangement if there is a breach of this Policy.

The Company will set reporting timeframes and deadlines related to compliance with the Policy. For example, every six months the Board may receive a report on the implementation of the measures, whether there were any incidents, and if so, what sort of measures will be taken to mitigate, remediate or eliminate the risk or exposure to the slavery practices. The Company will allocate the modern slavery reporting responsibilities within the Company, e.g. establishing a dedicated team and/or involving existing teams within management, legal, risk, compliance, corporate social responsibility, procurement, sourcing, human resources, and finance.

The Company will take steps over the next year to address any actual or potential modern slavery risks identified and produce risk categorization of the operations, investments, and supply chains (e.g. by sector, geography, etc.) including:

- Implementing a modern slavery incident reporting and monitoring process (including mechanics to foster whistleblowing and reporting within the business);
- Creating a remediation framework to address the management of suppliers who perpetrate, or are at high risk of perpetrating, modern slavery offences;
- Implementing regular monitoring of the Company's modern slavery compliance measures;
- Establishing Key Performance Indicators to monitor the effectiveness of the Company's modern slavery and broader human rights strategy; and
- Provide specific training to the staff in modern slavery requirements.

All of the above procedural controls will be reviewed to ensure that we have robust processes in place to minimize the risk of modern slavery in our operations and supply chain.

This statement has been approved by the Board of Director on 23 June 2021.



Richard Irving
Managing Director and CEO of Fluence Corporation Limited
25 June 2021