

Modern Slavery Statement



Introduction

Solargain PV Pty Ltd (ABN 90 132 725 501) is pleased to submit this Modern Slavery Statement pursuant to the *Modern Slavery Act 2018 (Cth)* in respect of the financial year 1 July 2019 to 30 June 2020 (“FY20 Reporting Period”)

This statement covers the activities of Solargain PV Pty Ltd (ACN 132 725 501) and its owned and controlled entity Solargain (QLD) Pty Ltd (ACN 152 166 160).

In this Modern Slavery Statement, Solargain PV Pty Ltd and its controlled entities are referred to as “**Solargain**”

Addressing modern slavery risks is a business critical issue, as not only is it the right thing to do, it will also improve the integrity and quality of business operations and supply chains.

Structure and Operations

Solargain is an Australian Private Company first registered in August 2008, headquartered in Malaga, Western Australia with operations throughout Australia.

Solargain is one of the largest integrated solar power and solar hot water companies in Australia. Specialising in residential and commercial retail installations as well as wholesale supply to the renewable energy sector.

Our business covers the supply, installation and servicing of solar PV systems, energy storage systems and hot water systems, as well as the wholesale supply of solar products and the trading of renewable energy certificates. Solargain includes the trading names SG Wholesale and Service My Solar. Currently there is no trading activity in the Solargain (QLD) Pty Ltd entity.

In addition to our direct company operations, Solargain engages a number of small businesses in regional locations throughout Australia as Authorised Distributors.

Solargain employs a diverse range of people in operational, technical, sales, administration and professional roles. As of 30th June 2020, Solargain had approximately 165 direct employees operating from more than 10 sites across Australia. Our employees are employed under a contract and where applicable in accordance with and reference to relevant awards.

Supply Chain

The products and services (including labour) that contribute to Solargain’s products and service offerings include suppliers within Australia and overseas. In FY20, 65 per cent of the total spend was for products manufactured overseas and procured from suppliers with operational representation within Australia or through Australian distributors.

The suppliers we engage with are primarily based on long term arrangements and are located in a number of countries including China, South Korea, Austria, Mexico, Indonesia, Malaysia and Australia.

Our supply chain includes the following products and services:

- Support Services – accounting and finance services, marketing, IT services, consultants – engineering and legal and procurement.
- Construction Installation Services – residential and commercial Solar PV, energy storage and hot water systems installations and maintenance
- Product and Material Supply, including products that are manufactured overseas and supplied either direct from overseas manufacturers or via distributors located in Australia. Solargain does not manufacture any goods itself.

Our material supply chain is represented as:

65% - direct overseas manufacturers/suppliers (all with an Australian office)

5% - products manufactured overseas, sourced through an independent Australian distributor

30% - Generic other supplies and services, including subcontractors and indirect suppliers.

Solargain employs its own in-house installers (including electricians and plumbers). We also rely on the use of independent contractor installers and plumbers, all of whom are small businesses.

Modern Slavery Risk

Solargain recognises that modern slavery may impact our business activities and we are committed to our responsibility for reducing the risk that we might contribute to modern slavery through parts of our business operations and supply chains.

The majority of Solargain's purchases are for solar PV and hot water systems and components, all of which are manufactured overseas. Due to the products, product raw materials and the manufacturers' geographical location these may have higher prevalence of modern slavery risks. There is also some risk indirectly through the equipment used in corporate services (computers, laptops mobile phones and uniforms and safety equipment)

From Solargain's Australian operational view, the risk of modern slavery in the workforce is low. Apart from our direct employees, a large number of our suppliers are subcontractors who are small business operators with a majority of them working within their businesses.

We are seeking to engage with suppliers who lack awareness of modern slavery risks in order to help them improve their awareness.

Actions and Due Diligence to assess Modern Slavery Risk

Solargain is committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chain. Having a direct purchasing relationship with a majority of the manufacturers, we request the same high standards from all of our suppliers and other business partners.

Solargain prohibits the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, and we request that our suppliers hold themselves and their suppliers to the same accord.

Due Diligence

Solargain has undertaken an initial internal risk assessment to identify any key modern slavery risks that exist within our operations and supply chains. Following the risk

assessment, Solargain is either implementing or improving our process to address these risks.

Solargain undertakes an internal supplier assessment for all major suppliers as part of our due diligence, which is completed on an ongoing and regular basis. An assessment of modern slavery risk is being incorporated into the supplier assessment, which will include a modern slavery questionnaire to be completed by suppliers and submitted to Solargain annually. In the FY20 reporting period, major suppliers were requested to advise Solargain in relation to any of their modern slavery risks. The modern slavery assessment will be expanded to contractors in the FY21 reporting period.

Solargain also undertakes factory inspections of major suppliers. This is to meet with manufactures and inspect facilities to review quality and ethical practices. In 2019/2020 this included inspection of facilities in Austria, China, South Korea and Australia.

Plan for Remediation

Although Solargain is a major retailer in the Australian solar market, the Australian market only represents 2-3% of the global solar market, and as such we lack leverage over international manufacturers. In this way, we are reliant on the global renewable energy industry and governments to apply influence over the manufacturers' and suppliers' policies and processes in relation to modern slavery.

Indirectly however, Solargain through its larger business partnerships is working towards offering only those products where the manufacturers comply with modern slavery obligations.

Where it is identified that a manufacturer has engaged in modern slavery, where unable to work with the supplier to improve their modern slavery practices, Solargain will cease purchasing from that supplier.

Solargain will provide education and training for suppliers as to the existence of the Modern Slavery Act (Cth) and invite them to make their own statements, policies and procedures. We will also provide awareness training to employees to equip them with the knowledge to identify modern slavery risks.

Solargain has implemented a Modern Slavery Policy as part of our continued effort to have in place effective systems and controls to ensure modern slavery is not taking place anywhere within our own business or our supply chain.

In addition to the Modern Slavery Policy, Solargain will review and improve any policies and procedures relevant to actions in relation to Modern Slavery.

Assessment and Effectiveness

Solargain will continue to review the effectiveness of our actions and refine our process for mitigating the risk of modern slavery.

Senior management meet annually to consider and review:

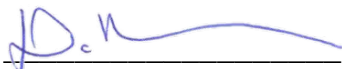
- Whether our modern slavery risks are being appropriately identified and evaluated.
- The number of actions that have been implemented in relation to modern slavery.
- Supplier evaluations including modern slavery assessments and responses.

- Supplier factory visits, observations, and results of discussions in relation to modern slavery.

We recognise that there are further steps we can take to assess and address the risk of modern slavery in our operations and supply chains and to work collaboratively with our employees and suppliers to recognise modern slavery risk. During the 2020-21 financial year we are committed to continually building on and improving our modern slavery approach.

Approval

This Statement was approved by the Board of Solargain PV Pty Ltd as the parent entity on 26th March 2021.



Domenico Mercuri
Executive Director and Secretary



Wayne Petridis
Director