

Anti-Modern Slavery Statement—BYD Australia Pty Ltd

1. Reporting Entity

BYD Australia Pty Ltd (ACN 166 009 687) (“BYD AU/we/our”) was founded in Australia in 2013 and has offices in Sydney and Melbourne. BYD AU exists to import and trade BYD branded electric vehicles, storage energy and renewable energy products in Australia. BYD AU adheres to the principle of operating in good faith, abides by business ethics, and abides by all applicable laws and regulations, regulatory provisions, industrial norms, rules and regulations. BYD AU attaches importance to and continues to create a culture of compliance and honesty. The requirement for social responsibility is imbued into the entire operation and daily management of BYD. The improvement of existing management systems is an ongoing process, as we constantly seek to meet the higher standard of social responsibilities. The BYD Code of Conduct explicitly requires compliance with laws and regulations on human rights, antitrust, competition, and fair-trade in countries of operation, and prohibits activities of unfair competition.

This Statement is prepared in accordance with the requirements of the Modern Slavery Act 2018 (Cth) and addresses the work BYD have undertaken to mitigate the risks of modern slavery in operation and supply chains in Calendar year 2022. BYD AU is committed to operating zero tolerance to the modern slavery in all forms in our business.

2. Structure, Operation and Supply Chains

BYD AU is owned by BYD Auto Industry Company Limited and BYD (H.K.) Co., LTD jointly. BYD group is a leading technology company and one of the world top 500 companies devoted to leveraging innovations for a better life. Founded in February 1995, BYD Group is headquartered in Shenzhen, Guangdong, with over 280,000 employees. It is engaged in four major industries, i.e. auto, rail transit, renewable energy and electronics, and has been listed on both Hong Kong and Shenzhen stock exchanges.

With a strong sense of social responsibility and historical mission, BYD has established a green traffic system by popularizing electric vehicles to control pollution and launching the SkyShuttle to relieve traffic jams, in a bid to help realize the objective of “peaking carbon dioxide emission” and “realizing carbon neutrality”.

The supply chain involves multiple tiers of suppliers through the business chain. All vehicles and other BYD branded products are manufactured overseas within manufacturing facilities operated by BYD group and imported by BYD AU into the Australian market. The majority of our suppliers and the manufacturing locations are

located in China and Asian region.

BYD group implements most procurement and selects suppliers located in China. BYD group has more than 11,000 cooperative suppliers. In recent years, due to the increased demand and the expansion of passenger vehicles, batteries, tracks and other businesses, BYD has added factories in many places, and the number of suppliers in Eastern China (such as Changzhou, Fuzhou, etc.) is on the rise.

Each manufacturing facility is strictly controlled by BYD group in accordance with the BYD group guidance in relation to the manufacturing standard and process, supplier management, etc including measures and guidance to ensure human rights and anti-slavery outlined in detail in the following sections.

3. Risk of modern slavery

BYD AU fully adheres to BYD group's compliance management system, integrates compliance requirements into all business and management processes, and standardizes all activities of production, operation and management. BYD group undertook risk review of suppliers of most businesses and establish supplier routine management to supervise any potential modern slavery risk in CY 2021-2022.

During the review process, overall low prevalence of modern slavery was identified across the company governance, business operation and supply chain of BYD AU. BYD AU does not currently operate or have any top spend suppliers in the countries with the highest prevalence of modern slavery.

However, we recognize that our sub-suppliers may have a possibility to be connected to these countries or industry is high prevalence of modern slavery.

This result emphasized that we may need create more engagement with key suppliers to make sure they are abide by the human rights regarding to labor force and enforcing appropriate procurement process and management to mitigate their risk in subsequent supply chain and lower prevalence of modern slavery.

4. Modern Slavery Risk Mitigation

Based on the outcome of risk evaluation, BYD group implement comprehensive risk management. BYD group has formulated a series of supplier management systems such as BYD Supplier Requirements, Specific Measures for BYD Suppliers Review, Specific Measures for BYD Supplier Corporate Social Responsibility Management, which are optimized and updated annually with new laws and regulations of international, national, local and industry associations, as well as the latest requirements

of customers included.

The supplier management system defines the social responsibility requirements for supply chain partners from the aspects of labor standards, occupational health and safety, environmental management, etc. The same requirements extend to downstream suppliers, whom will be investigated by BYD. We have publicized BYD's corporate social responsibility requirements and BYD's high attention to corporate social responsibility to all suppliers through various ways.

BYD group has established a procurement taskforce, and formulated the BYD Procurement Risk Management Procedure. The procurement taskforce of the risk committee will regularly inspect the suppliers on site to evaluate its performance including the fulfilment of labor and human rights requirements.

BYD group has always adopted strict labor practice standards, human right standards and environmental standards for screening our suppliers, required suppliers to establish a management system that meets the requirements of ISO14001, promised to apply and promote a corporate social responsibility management system that meets the requirements of SA8000, and abided by BYD's Corporate Social Responsibility Clauses in the "Supplier Access Agreement" and "General Purchasing Rules".

Suppliers are required to ensure that they do not use any form of forced labor, bonded labor (including debt mortgage) or indentured labor. They shall not use child labor at any stage of the business process. They shall treat employees fairly and offer equal pay for equal work, and do not discriminate against employees because of race, color, age, gender, ethnicity, religion, belief, etc. Suppliers must provide employees with a safe, healthy and pollution-free environment to minimize potential hazards in the workplace. Suppliers are required to consider the impact on the environment in the process of product design and production, and implement continuous improvement programs to deal with these impacts, including replacing materials, reducing carbon emissions and improving the treatment and control methods of waste affecting air, water, and soil. The raw materials or products provided by the supplier to BYD group must comply with the national standards and local regulations of the place of production and sales, as well as BYD's requirements for toxic and hazardous substances.

At global level, BYD group is committed to sustainable development and safe, healthy and hygienic working conditions for its employees. Commitment to comply with health and safety related laws and regulations and other requirements, strive for accident prevention and continuous performance improvement. BYD group implements the safety production policies, establishes the safety responsibility system for all employees according to regulations and standards, sets up EHS (Environment, Occupational Health and Safety) committee at different levels in the group and business division, is responsible for specific occupational health and safety work, and continuously improves the occupational health management system (ISO45001). BYD group will

timely revise and adjust the management system and procedures, refine the EHS management code of conduct, establish a long-term mechanism to protect the occupational health and safety of employees, and constantly improve and enhance the production and office safety of employees.

4.1 Selection of new supplier

Before introducing new suppliers, BYD group will conduct an investigation for their necessary credentials, and record Responsibility of BYD Supplier Investigation Form. The suppliers will not be selected if they don't meet the required standards. Before introducing new suppliers, BYD will sign the relevant cooperation agreement which contained labor force compliance provisions (supplier access agreement and general procurement rules) with such suppliers to guide and supervise the suppliers to respect human rights, treat employees preferentially, and protect the environment. The BYD Supplier Review Sheet is the basis of such investigation. The Sheet features dedicated sections such as "corporate social responsibility", "safety, information, and intellectual property rights", "hazardous substance control", comprehensively rating suppliers and their downstream supply chains in terms of humanity, environment, safety and compliance. All information will be verified on site, with multiple provisions of veto power.

4.2 Routine review and evaluation of suppliers

BYD group regularly investigates and reviews our suppliers' corporate social responsibility performance and compare against labor force compliance requirements of the BYD Suppliers Review Sheet on site. Those failing the review will be provided with interviews, tutoring, and training from BYD to facilitate improvement. Suppliers failing to rectify to the standard within the given time may be severed from BYD's supplier network, depending on the actual situation.

4.3 Recruit

BYD's AU approaches are guided by the principle of "employees first". We respect every employee's rights, help them to grow, and encourage technological innovation. We are trying our best to create an environment that is fair, just, and open, for our employees to work in and develop a career.

In accordance with the Labor Law and the Labor Contract Law of the People's Republic of China, as well as the employment laws and regulations of the countries where it operates, and integrating various standards systems regarding quality management, occupational health, environmental safety and social responsibility, BYD group has established its own code of conduct and relevant systems for human resources management, recruitment management and prohibition of forced labor. BYD group follows the guideline of "equal opportunity, recruitment based on capability",

eliminating discrimination in recruitment and prohibiting forced labor, labor trafficking and child labor.

BYD AU recruits abiding by the Prohibition of Forced Labor and Disciplinary Measures Management Provision (WI-03-004) of BYD group. All workers employed must be on a voluntary basis. BYD AU prohibits forced labor in any forms including deception to induce to work, threats of violence or other restrictions on the personal freedom of workers to force them and child labor (Refer to Child Labor and Youth Labor Management Procedures of BYD group WI-03-0039). And acts of humiliation (corporal punishment/beating/illegal search and detention of workers) are strictly prohibited.

4.4 Whistleblower

BYD AU is abiding by the BYD's Internal Communication Management Regulations (WI-20-0006) and Whistleblower Protection and Reward Regulations (WI-03-0054). Employees are able to complain and report on violations of company requirements through the general manager mailbox and complaint telephone set up by each business department. Management departments at all levels of the company deals with complaints and appeals in accordance with the Employee Confessions and Complaints Management Procedures.

5. Assessment of effectiveness of our actions

At global level, BYD group has established a discipline inspection and audit department and risk management committee who will supervise the operation of each business division and investigate any claims and potential risks. The risk management committee will cooperate with each department including human resources department to identify potential modern slavery regularly and inspect the relevant department to improve their management and operation to make sure the compliance.

BYD group is committed to improving and enhancing the working environment of employees and protecting the health and safety of employees. To achieve that, BYD group continues to build and improve occupational health and safety management system, regularly carry out site testing and adopt health protection measures.

BYD AU is continuing to develop our anti-modern slavery framework and ensure our governance and risk management processes and policies are aligned with BYD group. BYD AU is committed to make sure an ongoing assessment on the actions taken to address modern slavery risks to ensure the actions are effective and improve the processes and policies according to the assessment.

6. Consultation

BYD AU sought information regarding to supply chain from, and consulted with BYD HQ procurement department in relation to supply chain management processes and policies. BYD AU also consults BYD HQ relevant departments including HR team members in relation to the human rights and labor force compliance. We are working closely with BYD group to identify, assess and address the risks of modern slavery.

7. Approval

This statement has been approved by the board of BYD Australia Pty Ltd on 25th June, 2023.



Wing You
General Manager, BYD Australia Pty Ltd