



**NEXTRACKER AUSTRALIA'S
MODERN SLAVERY STATEMENT
FOR
FISCAL YEAR 2022**



1. Reporting Entity and Company Overview

Nextracker LLC, formerly known as Nextracker Inc. ("Nextracker," "we," or "us," and which collectively includes all Nextracker subsidiaries), conducts business in Australia through its direct subsidiary, Nextracker Australia Pty Ltd ACN 610531345 ("Nextracker Australia"). Nextracker Australia is a controlled entity of Nextracker and is the "reporting entity" under Section 5 of the *Modern Slavery Act 2018* (Cth) (the "Act"). Unlike Nextracker's previous statement filed in October 2021 (published in January 2022) in which the parent entity, Nextracker, chose to voluntarily comply with the requirements imposed by the Act and submitted its statement jointly with Nextracker Australia and on behalf of its controlled entities, for this year, Nextracker Australia, solely, will be filing this modern slavery statement ("MSS") for the reporting period of April 1, 2021 to March 31, 2022 on behalf of itself and its one controlled entity. Notwithstanding the previous sentence, like Nextracker's previous year's MSS, this year's submission provides information and details regarding Nextracker's global operations and is not tailored exclusively to Nextracker Australia's operations.

Nextracker has been the world-wide market-share solar tracker leader in the solar industry for seven years and counting, according to global research firms, WoodMackenzie and IHS Markit. We have sold over 70 GW and delivered or fulfilled close to 65 GW of smart solar trackers for projects on five continents, including some of the largest solar farms in the world. From the company's earliest days, we've brought together some of the best minds in the business, and our people collectively represent hundreds of years of PV and solar tracker experience.

In this reporting period, as part of our continuous improvement approach in all operational areas, we have implemented a broad range of updates to our policies and codes in our ongoing commitment to social equity. We have updated and continue to improve our screening process and supplier contracts to help improve supplier compliance with our policies and codes. Modern slavery occurs in many forms such as forced labor, child labor, domestic servitude, human and sex trafficking, and workplace abuse. Throughout this MSS, we will use the phrase, "modern slavery," to encompass these various forms of forced or coerced labor.

2. Nextracker Structure, Operations, and Supply Chain

ENTITY	COUNTRY	STATUS UNDER THE ACT
Nextracker LLC	United States	Controlling entity (parent entity)
NEXTracker Australia Pty Ltd.	Australia	Reporting entity and controlled entity of parent entity
• Flextronics Australia Pty Ltd (Australia)	Australia	Controlled entity of reporting entity and parent entity
Nextracker International Holdings LLC	United States	Controlled entity of parent entity
• Nextracker Mexico S.de R.L. de C.V.*	Mexico	Controlled entity of parent entity
Nextracker India Private Limited**	India	Controlled entity of parent entity
Nextracker International Holdings II LLC	United States	Controlled entity of parent entity
• Nextracker Brasil Ltda.	Brazil	Controlled entity of parent entity
Nextracker Spain, SL.	Spain	Controlled entity of parent entity
Nextracker Saudi Energy	Saudi Arabia	Controlled entity of parent entity
Nextracker Solar (Shanghai) Co. Ltd.	China	Controlled entity of parent entity
Nextracker Chile SpA	Chile	Controlled entity of parent entity

Table Key:

* = Nextracker LLC owns .06127% while Nextracker International Holdings LLC owns the rest.

** = Nextracker International Holdings LLC owns .01% while Nextracker LLC owns the rest.

Structure

Nextracker is headquartered in Fremont, California, USA, and also has a Nashville, Tennessee office. Founded in 2013, we've operated since 2015 as an independent subsidiary of Flextronics International USA, Inc. ("Flex USA"). Flex Ltd. ("Flex"), the parent company of Flex USA, is a company with more than 200,000 employees worldwide, offering a strong balance sheet and a worldwide supply chain and distribution network. On February 1, 2022, Flex sold 1/6 of its interest in Nextracker to TPG RISE Flash, L.P. ("TPG RF"), the largest green energy fund in the world, which is part of TPG Inc., one of the largest and most successful private equity companies globally.

Operations

Nextracker conducts its operations in Australia through Nextracker Australia. With several projects spanning across Australia, most notably in solar farms located in Western Australia, New South Wales, and South Australia, Nextracker

Australia is a strong presence in the Australian market and commands around 60% of the Australian solar tracker market share. Nextracker employs over 500 workers globally, with a few dozen across Australia and Southeast Asia working in specialized and sophisticated roles for Nextracker Australia.

Nextracker's employees are required to comply with our collection of policies including our Diversity and Inclusion Policy and our Code of Business Conduct and Ethics, which ensure an ongoing commitment to principles, standards, and responsibilities. The policies help prevent unethical behavior and set key compliance areas for our employees while mandating compliance with the legal framework in our operational jurisdictions. Our HR department maintains significant standards of quality in their operations and is responsible for the hiring and onboarding of employees in an ethical manner and ensuring compliance with Australian laws, including our policies to reduce and eliminate any potential risk of modern slavery in our operations.

3. Modern Slavery Risks in Nextracker Operations and Supply Chain

Nextracker's supply chain spans a broad number of industries and geographies. Nextracker is conscious of the heightened modern slavery risk occurring in certain regions and countries that Nextracker sources from. In order to mitigate the modern slavery risk of certain suppliers, Nextracker instituted a number of supplier contract reforms as outlined in the following sections. These reforms and policy updates resulted in an expansion of our supplier vetting process, as well as more effective corrective action mechanisms to remedy supplier non-compliance.

Our prior supply chain mapping revealed that much of our modern slavery risk is within the first three tiers of our supply chain. Accordingly, by leveraging our spending with those suppliers, Nextracker can exert greater influence on them specific to their identified modern slavery risks. We currently subject potential suppliers within the riskier industries and geographies to a more rigorous level of diligence, training, and compliance checks. In Sections 4 and 5 of this MSS, more detail is provided regarding Nextracker's Responsible Procurement Principles ("RPP"), the regular risk assessments ("RA") suppliers are required to complete, the corrective action plans ("CAP") suppliers may be subject to, as well as the audits that are performed at supplier sites.

4. Actions Taken to Address Risks

In continuing our commitment to reducing modern slavery risk in our operations and supply chain, Nextracker has a suite of policies and codes consisting of revisions to pre-existing documentation as well as new policies that articulate our values and our commitment to internationally recognized conventions.

Code of Business Conduct and Ethics ("Code")

As an independent subsidiary of Flex, we comply with Flex codes and policies with broad application to our modern slavery reduction efforts, including the Labor and Human Rights Policy (hereinafter, the "LHRP") and the Code of Business Conduct and Ethics (hereinafter, the "Code"). Every Nextracker employee must know, understand, and follow the Code as well as the referenced procedures and related policies. We rely on the Code when we work collaboratively, interact with customers, collaborate with business partners and suppliers, and contribute to our communities. Accordingly, Nextracker has firmly embedded the foundational principles of the Code in our previously referenced RPP.

Nextracker continues to improve an integrated approach to managing human rights across our business, including evaluating modern slavery risks and implementing comprehensive policies that reinforce our company commitment to zero-tolerance for modern slavery. While the Code governs other areas of Nextracker's business behavior, how it influences and drives Nextracker's policies covering modern slavery can be summarized in the following list:

- We forbid discrimination against anyone on the basis of race, color, gender, age, national origin, religion, or any other legally protected characteristic;
- We strive to maintain a workplace where workers are free from all forms of harassment or abuse;
- We provide fair and safe employment opportunities compliant with local laws and regulations;
- We do not use child, forced, indentured, or bonded labor, and we maintain a minimum-age work requirement;
- We value honesty and integrity and believe in respecting our workers;
- We recognize the rights of our staff to freely associate;
- We forbid retaliation against anyone who raises a concern about discrimination, harassment, or any labor and employment practice; and
- We expect all business partners to meet these same standards.

Labor and Human Rights Policy (“LHRP”)

The LHRP is deliberately structured and drafted to align with the United Nations (the “U.N.”) Guiding Principles on Business and Human Rights. The LHRP includes a reporting and escalation process for suspected issues and it extends to NextTracker’s affiliates, all employees worldwide, and NextTracker’s entire supply chain. These principles are reinforced by NextTracker’s commitment to the U.N. Global Compact, which supports respect for and recognizes international human rights as well as the elimination of all forms of coerced labor.

Suppliers

For suppliers, NextTracker’s modern slavery protocols are set out in our RPP and the RPP Process Form (“RPP PF”) for strategic suppliers. These policies help NextTracker employees and our suppliers understand our commitment to identifying and eliminating modern slavery and ensuring the welfare and ethical treatment of workers. The policies underpin our supplier onboarding process and our regular RA’s to maintain confidence in our suppliers and the steps they are taking to ensure greater outcomes for their respective workforces.

NextTracker’s Responsible Procurement Principles (RPP)

NextTracker sets clear expectations for our suppliers within the vast majority of our supplier contracts and purchase order terms that contain language requiring suppliers to comply with these provisions and labor practices as well as complying with all applicable laws in the country or countries in which they do business. The RPP requires our suppliers to comply with internationally recognized standards on freely chosen employment, young workers, working hours, wages, benefits, humane treatment, non-discrimination, and freedom of association.

To address compliance-related issues, we have fully aligned the RPP with the Responsible Business Alliance (“RBA”) Code of Conduct. There is thorough guidance and direction provided to alert existing and prospective suppliers of what labor practices are forbidden as well as suggestions and best practices for suppliers to follow. In order to foster better RPP adoption, we train our new and existing material suppliers on our RPP. These RPP trainings help us increase capacity with certain suppliers and keep us more engaged with them for RPP-related compliance issues.

For each new supplier, there are three initial trainings: (1) the RPP introduction call; (2) explaining the RA process call; and (3) the RPP CSR (Corporate Social Responsibility) audit preparation call. A supplier then is required to complete an RA that is an online questionnaire, which when completed is then uploaded by the supplier into a managed SharePoint platform. These RA’s were designed and drafted by NextTracker’s internal ESG (Environmental, Social, and Governance) specialists and a third-party consultant and auditing services partner (hereinafter, “3P Auditor”), who we have engaged to assist with RA’s, audits, and CAP’s. The RA’s are expansive and contain dozens of questions that cover nearly the entire ESG spectrum, especially topics and issues specific to modern slavery. If an audit is necessary based upon the results of an RA, and there is non-compliance by a supplier discovered during the audit, the final step is a CAP, which is further detailed along with the audit process in the following subsection. Our 3P Auditor also helps NextTracker guide suppliers in how to complete the CAP and the progress is tracked via the previously mentioned SharePoint platform, which is also managed by our 3P Auditor.

Audits of Supply Chain Entities

NextTracker’s CSR audit is aligned with the RBA Code of Conduct. While the pandemic has continued to challenge our capacity to detect forced labor in our supply chain, we have been able to perform onsite audits regularly, and in the situations where an onsite audit is not possible, we can conduct the audit remotely.

Suppliers who present risks of modern slavery are immediately required to present CAP’s that are closely monitored and which must be approved by NextTracker. Failure to complete those plans and substantially resolve the risk shall result in termination of the supplier relationship. A CAP will outline how the supplier will resolve the issue(s) following an 8D problem-solving methodology, addressing containment, root-cause analysis, correction, preventive action, as well as assignment of action owners and a timeline for completion. If forced labor is detected, per the RBA methodology, it is considered a “priority finding,” which will require the supplier to conduct an onsite, priority-issue closure audit. For priority findings, suppliers must correct and improve their areas of deficiency within ninety days of the audit. NextTracker monitors, reviews, and reports on compliance with these requirements using a corrective-action tracker to initiate the request, track response times, and report on response status and outstanding supplier deficiencies.

To summarize NextTracker’s revised process, following NextTracker’s last year’s MSS, we started onboarding new suppliers and managing existing suppliers with these updated mandatory obligations and standards:

- Prospective and existing suppliers who fail to demonstrate a clear commitment to internationally recognized labor and

human rights will not be allowed to be Nextracker suppliers.

- For the RA process:
 - New suppliers are required to provide a recent CSR onsite audit report.
 - Existing suppliers, especially strategic suppliers, based on the results of the RA's, may be required to undergo external-party CSR audits covering standard CSR topics, including modern slavery.
 - The RA result is determined by a risk assessment tool, previous audit history (for CSR), country risk, and also factors in the nature of the supplier's operations (i.e., labor intensive, machinery used, etc.).
 - If an audit is performed, which is performed by our 3P Auditor, and which results in a priority finding:
 - The supplier must do an onsite priority closure verification audit within six months; and
 - If the priority issue is for forced labor or child labor, that onsite closure verification audit must be completed within three months.
- Suppliers in high-risk areas must perform audits of labor providers, security guards, cleaning entities, and canteen services those suppliers use, as indirect services often pose heightened risks of modern slavery.

Grievance Policy and Whistleblower or Ethics Hotline

With use of our Ethics Hotline, Nextracker stakeholders can report potential violations of the Code concerning modern slavery and other ethical issues. Globally, Nextracker ensures that all employees, suppliers, customers, and other stakeholders have access to the anonymous toll-free hotline to facilitate reporting of suspected violations of the Code. To enhance accessibility, the Ethics Hotline is available 24-7, online, and in multiple languages.

The Ethics Hotline facilitates the effective detection, investigation, and management of ethical problems. All reports are thoroughly investigated through an internal audit with the support of compliance subject matter experts and the legal departments of Flex and Nextracker as required. With this reporting system, Nextracker can take steps to prevent modern slavery risks from arising in the future.

Training

Nextracker provides mandatory training to all its employees on the Code. Every employee of our organization must know, understand, and follow the Code and its referenced procedures and policies. For suppliers, they are trained how to comply with the RPP upon their onboarding and annually to refresh their understanding of the RPP and to address any changes from previously provided versions. In addition, Nextracker disseminates the LHRP and provides training on it to our employees, agency workers, contractors, customers, and other stakeholders.

In addition, to better foster supplier engagement, in November and December 2021, Nextracker held a four-day SA8000 webinar training with and for our global suppliers, in which 47 suppliers (representing 61 factories) attended and participated. In January 2022, Nextracker held its RPP CSR audit introduction training, with over 40 suppliers who attended. More recently, we've held webinars regarding ESG data and life cycle assessment, while Nextracker's internal ESG team continues to conduct ongoing one-to-one training calls with suppliers throughout the world.

5. How Risk Assessment Actions and Policies are Audited for Efficacy

As detailed in Section 4, Nextracker has engaged a 3P Auditor to assist us in developing our supplier vetting and modern slavery risk reduction practices. Our 3P Auditor is involved in the RA's, the audits, and the CAP process when those are required per certain audit findings. In addition, in order to ensure our own compliance and encourage continuous improvement, we consult various third parties to identify any gaps in our own regulatory programs and to learn about and implement new best practices developed within the solar industry as well as other business areas. The combination of the foregoing methods allows Nextracker to accurately assess the efficacy of its actions with both qualitative and quantitative data derived from supplier audits, internal governance, and regular due diligence. The data is used to drive ongoing refinements to our modern slavery prevention strategy. As we continue to build out our own programs and policies for ESG and CSR purposes, Nextracker expects to involve third-party consultants on an ongoing basis to ensure that our methods comply with or exceed best practices.

6. Consultation with Nextracker Subsidiaries and External Bodies

Nextracker conducts regular communications between business units and entities across the world, with members of the leadership team and the legal department liaising with individuals across the group to understand the potential risks that we incur throughout our business. Within Australia, Flextronics Australia is a subsidiary to NX Australia, but there are no current operations of Flextronics Australia, which is subject to NX Australia's control and policies if and when Flextronics Australia becomes operational. In recent years, we extended our consultation process beyond our corporate group to

external partners and industry bodies and joined SEIA to sign the Solar Industry Forced Labor Prevention Pledge. In addition to our internal programs, NextTracker partners with like-minded national and global organizations to promote diversity and social equity, such as Renewables Forward, CELI, GRID Alternatives, Little Sun, Navajo Nation, Vote Solar, WRISE, The Hidden Genius Project, and Women in Cleantech and Sustainability (WCS).

We are committed to diversity, equity, and inclusion. NextTracker knows that these are key drivers of success for any organization and which are also instrumental in detecting and eliminating modern slavery. While these values have always been a focus for NextTracker, since our 2021 MSS, we have augmented our efforts in this area and have hired a Director of Culture, Diversity, Equity, and Inclusion to strengthen our HR team and to create better awareness and understanding of these crucial initiatives.

7. Additional Relevant Information

NextTracker has recently partnered with a number of U.S. steel producers in order to improve project logistics and reduce the delays that are negatively affecting the global supply chain. By doing so, NextTracker can source many steel components, such as torque tubes, from U.S. companies, in lieu of sourcing those components abroad, as the U.S. remains the number one market for NextTracker's products. Because of the labor laws and standards in America, this should accordingly reduce the modern slavery risk in NextTracker's global supply chain. In addition, NextTracker is currently preparing its first ESG report following GRI and SABS reporting guidelines, which will also contain aspects in the area of labor and human rights, which are embedded in our RPP goals for our supply chain. NextTracker started this ESG report effort in 2021 to develop the foundation for a robust ESG program, and our first ESG report will be one of our key milestones in the near future when published.

NextTracker will continue to develop and implement best practices in its procurement activities in order to detect and reduce modern slavery in our supply chain. Even in the face of constantly changing market dynamics and knowing how elusive the total elimination of modern slavery may be, one of NextTracker's core company values is optimism, and we fully embrace the ongoing challenge we have to root out modern slavery in (i) our industry, (ii) all of the companies we work with, and (iii) all of the communities we serve globally.

Signature Section

This MSS has been approved by the board of directors of NextTracker Australia Pty Ltd (ACN 610531345) on December 14, 2022, pursuant to Section 13(2) of the *Modern Slavery Act 2018* (Cth).



Peter Davis Wheale
Dir. of NextTracker Australia Pty Ltd (ACN 610 531 345)
December 14, 2022



David Mark Henderson
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December 14, 2022