



# Modern Slavery Statement

LONGi Solar Australia Pty Ltd  
CY2023

## About This Statement

This statement has been prepared pursuant to Australian Modern Slavery Act 2018 (Cth) (the “Act”) on behalf of LONGi Solar Australia Pty Ltd (ACN 632 322 288) (**LONGi Australia**) for the period 01 January 2023 to 31 December 2023.

It sets out the actions we have taken to assess and address modern slavery risks in our operations and supply chains.

The definition of modern slavery in the Act is adopted in our statement, which includes slavery, servitude, forced labour, debt bondage, forced marriage, trafficking of persons, deceptive recruitment practices for labour/services, and the worst forms of child labour.

This statement has been approved by the Board of LONGi Australia on 24<sup>th</sup> June 2024.

## Consultation

Given that LONGi Australia does not have any owned or controlled entities, there is no requirement of consultation under this section. However, we have explained below the process by which this statement was developed within the LONGi Group.

As a subsidiary of Parent Company, LONGi Australia's approach to modern slavery is largely comprised of overarching policies, systems and processes that are designed to be consistently applied across the LONGi Group.

Prior to being put to the Board of LONGi Australia for review and approval, this statement was reviewed by the Directors of LONGi Australia, the Human Resources Business Partner of LONGi Australia, the Business Continuity Management Group and legal department.

## About Us

LONGi Australia is a company incorporated in Australia and a subsidiary of LONGi Solar Technology Co., LTD (**Parent Company**), headquartered in Xi'an, China. LONGi Australia does not have any owned or controlled entities. Our Parent Company is owned by LONGi Green Energy Technology Co., Ltd. (LONGi Group), which is a listed company in China. LONGi Group focuses on technological innovation and operates in five major business segments: monocrystalline silicon wafers, solar cell & modules, distributed PV solutions, ground-mounted PV solutions, and hydrogen energy equipment. LONGi's monocrystalline silicon wafer shipments have ranked first globally for many years, while its monocrystalline module shipments ranked second globally in 2023.

LONGi Group has more than 75,000 employees who present in over 150 countries and regions. As of December 2023, LONGi Australia has 17 full time employees that range from sales, solar engineers, supply chain, HR and other support staff.

LONGi Australia is committed to corporate social responsibility (including eliminating modern slavery) and to conduct business ethically. At LONGi Australia, we recognise that respecting the human rights of those affected by our business activities is important.

## Our Operations

LONGi Group has manufacturing facilities strategically located in China, Vietnam, and Malaysia, with sales offices in countries such as the United States, Europe, Japan, India, the United Arab Emirates, and others. Its business footprint spans across more than 150 countries and regions globally.

LONGi Australia's operations comprise of the marketing and sale of solar panels for Australian projects and developments. LONGi Australia plays a crucial role in adapting LONGi Group's strategies to the local market, ensuring compliance with regulations, and meeting the specific needs of Australian customers. The physical products that LONGi Australia receives are managed through third party logistics providers, including through warehouses located in Sydney, Melbourne, Brisbane and Perth.

LONGi Australia's core operations, including our supply of products and services, are mainly targeted to Australia. We also supply some products to New Zealand. LONGi Australia supports the overarching goals of LONGi Group, while addressing the unique demands necessary to serve to the growing demand for clean energy by providing high-quality solar modules to Australia and New Zealand.

## Our Supply Chain

As part of a vertically integrated group, we obtain our supply of solar panels and other monocrystalline materials from our Parent Company. We also work directly with a small number of suppliers who support us in operating our business. These suppliers are primarily located in Australia.

The main types of goods and services that we procure are monocrystalline silicon based solar panels and other goods and services in relation to our on-selling of those products, including:

- transportation and shipping services; and
- logistics services in connection with the import and export of materials.

The supply chain of our Parent Company involves various components and raw materials, including polysilicon, glasses, aluminium frames, connectors and junction boxes, etc. These materials are sourced by LONGi Group through suppliers mainly across China, Germany, Malaysia and other countries/regions.

We engage our suppliers on a long term and relatively stable basis. Our transportation service providers are engaged through formal contractual arrangements. When engaged, each transportation service provider enters into a Transportation Services Agreement and is required to carry out its services in accordance with the terms of that agreement. Our template Transportation Services Agreement includes a number of modern slavery related obligations including for service providers to:

- comply with LONGi Group policies relating to modern slavery;
- not engage in any conduct or omission which would amount to an offence involving modern slavery; and
- take reasonable steps to identify the risk of, and reduce or prevent the occurrence of, modern slavery within their operations or supply chains.

We also procure services from professional service providers including, for example, accountancy, audit and legal services.

As a result of the reliance on our Parent Company as our primary supplier of goods, we also have a number of indirect suppliers who provide materials required for the manufacturing processes undertaken by the broader LONGi Group.

LONGi requires all its suppliers to sign the LONGi Supplier Code of Conduct<sup>1</sup> (**Supplier COC**), discussed further below. Under the terms of the Supplier COC, LONGi may conduct annual review/due diligence for the compliance of the requirements under the Supplier COC. If LONGi considers it is necessary or suspects that any supplier is not in compliance with the requirements, then LONGi may also carry out an audit at any time.

## Modern slavery risks

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<sup>1</sup> <https://www.longi.com/en/suppliers/guideline/>

We recognise that modern slavery may impact our business activities and we endeavour to take responsibility for reducing the risk that we might contribute to modern slavery through our operations and supply chains.

### ***Risk Assessment Methodology***

We developed a risk assessment methodology which considers a number of indicators of modern slavery risks including sector and industry, the type of products and services, geographical location and specific entity risk. We applied the risk methodology to our key direct suppliers and also the key indirect suppliers engaged by our Parent Company to supply materials needed for product manufacturing.

Our initial risk assessment indicated that the risk of LONGi causing or contributing to modern slavery within our Australian operations is low, considering Australia’s strong regulatory environment and LONGi policies and processes. We also determined that our indirect suppliers present a medium risk of modern slavery, based on an assessment of the recognised risk measures and relationship between the LONGi Group and the supplier.

Our risk profile is summarised in the table below.

### ***Risk Profile***

Risk	Description of risk
Sector / Industry	<p>The manufacture of renewable products forms part of the broader LONGi Group's operations. The procurement of raw materials used to manufacture these products, including solar panels, is doubted or challenged to involve a risk of modern slavery. However, to a large extent, such risks are mitigated by LONGi Australia as we solely procure our renewable technology supplies through our Parent Company, who have processes in place to address this risk, including:</p> <ul style="list-style-type: none"> <li>- Sustainable Development principles and practices;</li> <li>- a Supplier COC;</li> <li>- a process for supplier selection and certification requirements;</li> <li>- a whistleblower mechanism; and</li> <li>- a comprehensive risk monitoring mechanism, regularly assessing and updating supply chain risks.</li> </ul>
Product / Service	<p>The most significant modern slavery risks are present in our procurement and provision of solar products. As discussed above, this risk is largely at the manufacturing level and associated with the raw minerals used to produce these products further down the supply chain.</p> <p>The risk is largely mitigated in LONGi Australia's operations given the direct procurement relationship with our Parent Company, who have a number of mechanisms in place to limit modern slavery risk. We also have some visibility over these suppliers and understand that some of these services also require more specialised knowledge of employees, lowering the risk of employing base-level employees who are at a higher risk of being exposed to modern slavery.</p> <p>A large portion of our supply expenditure is also on services that assist with the transport and provision of the products procured from our Parent Company. This includes maritime container transport services and other logistics services. LONGi Australia acknowledges that an inherent sector risk exists further down the supply chains of some companies who deliver these services.</p> <p>Another contributor to our supply expenditure are services required for LONGi Australia's operational function. These services present minimal risk, with many of our direct suppliers either being Australian based, having internal policies in place to address modern slavery</p>

	risks and, in some cases, previously submitting Modern Slavery Statements for the purposes of the Modern Slavery Act.
Geographic	<p>Many of our direct suppliers are Australian-based and, as such, present a minimal geographic risk.</p> <p>Most, if not all, of our broader indirect suppliers engaged by our Parent Company in the upstream manufacturing process (including our Parent Company itself) are located in China. China has been identified as a high risk country, especially within this industry. We acknowledge that this gives rise to an increased inherent geographic risk of engagement in modern slavery practices. This geographic risk is minimised in respect to some suppliers who are located within more developed and sophisticated areas of China, such as Yangtze River Delta, many of which are also large publicly listed companies. This risk is also mitigated more generally as a result of the developed risk management processes and control measures applied by our Parent Company when engaging suppliers, including requiring that suppliers adhere to the Supplier COC, which mandates suppliers to not engage in a number of modern slavery related practices.</p>

### **Actions to Assess and Address Risks**

We understand the importance of working collaboratively with our employees, suppliers and the broader industry to combat modern slavery. LONGi strictly adheres to labor protection laws and regulations nationally and in the regions it operates. We also comply with labour practice standards including the United Nations Guiding Principles on Business and Human Rights (UNGPs) and Fundamental Conventions of the International Labour Organization (ILO) by formulating the LONGi Human Rights Policy to respect and protect human rights in our value chain. To proactively identify and assess potential impact and risks regarding human rights protection, we have in place company-wide risk-detection procedures and regular reviews, covering company operations, business activities and supply chains, and regular identification and audits of potential human rights violation risks. Together with employees, suppliers, and other business stakeholders, we are dedicated to creating a fair, open, peaceful, and inclusive workplace.

We have also undertaken a number of specific steps to assess and address modern slavery in our operations and supply chains. This includes:

- imposing contractual obligations on suppliers (through the Supplier COC) to take steps to reduce modern slavery;
- conducting annual due diligence surveys to identify suppliers ESG risks, covering environmental management, human rights and labour protection, health and safety, business ethics, and corruption prevention. Based on scores and findings, suppliers were categorized and managed accordingly;
- conducting rigorous social responsibility risk screenings;
- requiring module suppliers (tier 1), component suppliers (tier 2), and key raw material suppliers (tier 3) to adhere to the core conventions and fair provisions of the International Labour Organization (ILO);
- setting up a digital traceability system that enables full chain traceability, from components to silicon mines, using a series of key production and sales information;
- engaging with suppliers to address forced labour risks, including:
  - o direct dialogue with suppliers at the management level;
  - o work-level communication on compliance requirements;
  - o factory visits;
  - o on-site audits; and
  - o compliance monitoring, through requests for information.

#### ***Highlights of Action in 2023***

- In calendar year 2023, LONGi has:
- 100% of suppliers have signed the LONGi Supplier COC and the integrity agreement;
- engaged directly with suppliers to address and mitigate risks related to forced labor;

- launched the Supplier ESG Capacity Building Plan (2024-2028)
- developed the Supplier Due Diligence Management Measures, and regularly audited suppliers for compliance with the Supplier COC;
- the proportion of new suppliers being screened by social and environmental criteria reached 100%;
- invited human rights experts to train employees on UNGPs;
- conducted 158 annual due diligence surveys to assess compliance with human rights and identify potential ESG risks; For 28 on-site ESG audits, we provided active coaching for rectification and conducted regular re-audits to ensure closed-loop corrections. During the report period, all non-conformity findings were resolved.

## **Policies and Governance**

### ***Policies***

We operate with reference to the LONGi Group's policies and procedures regarding compliance and risk management, including the Compliance Management Policy, Internal Control Management Policy, Supervision Management Policy, Management Measures on Anti-Commercial Bribery, Complaints and Reporting Management Measures, Supplier CSR Management Measures, Supplier Due Diligence Management Measures. These procedures provide frameworks for managing risks in our operations, including through the use of control measures.

LONGi established the Recruitment Management Measures, the Human Resources Management Guidelines, and the Guidebook on Employee On-boarding, Regularization, Transfer, and Off-boarding. The Labour Dispute Management Measures and other internal policies. We have fully implemented the labour contract and collective contract system and ensured fundamental employee rights and interests in compensation, time-off, occupational health and safety, social security and vocational skills training in line with relevant laws and regulations.

During CY2023 we continued the process of reviewing a number of our existing policies and procedures to ensure we have strong frameworks to enable us to assess and address modern slavery risks. Above all, the LONGi Code of Business Conduct<sup>2</sup> (LONGi COC) was reviewed, updated and published. The LONGi COC highlights the LONGi Group's commitment as a member of the United Nations Global Compact and upholds a commitment to maintain respect for the basic human rights of all internal and external workers, including through:

- mandating a minimum age for employees;
- recognising employees' rights to freedom of association and joining trade unions;
- prohibiting child labour, prison labour, slavery and human trafficking;
- providing a commitment that we do not engage in or tolerate any form of modern slavery, forced labour or human trafficking;
- committing to ensuring that our use and sale of any goods does not contribute to any form of forced labour; and
- complying with applicable laws on wage, working hours and benefits

LONGi Group requests that all new suppliers to sign and strictly abide by the Supplier COC, which mandates labor protection and responsible supply chain, including a request that requires the supplier to not employ children, pay fair wages to employees, not engage in or tolerate any form of violations of labour laws or regulations and recognise their employees' rights to freedom of assembly and association. The compliance with the Supplier COC is a contractual obligation of any supplier. Material violation of the obligation will trigger termination of the supplier relationship with LONGi. LONGi Supplier COC also extends LONGi's requirements to its indirect suppliers by requiring that "Suppliers shall oblige their suppliers/partners not to violate labour protection principles or purchase products or raw materials produced in violation of labour protection principles, etc."

LONGi Group has published its Sustainability & Social Responsibility Report<sup>3</sup> since 2018 and the most recent one was released in April 2023. This annual report articulates LONGi's commitments and contributions to the economic, environmental, social, and governance areas in an objective, standardized, transparent, and comprehensive way.

### ***Governance***

LONGi Australia has a set of values that recognises our responsibilities to all stakeholders. These values are largely set out in the LONGi Group's Code of Conduct, which is the overarching mechanism governing the corporate

<sup>2</sup> <https://www.longi.com/en/legal-and-compliance/code-of-conduct/>

<sup>3</sup> [https://static.longi.com/2023\\_longi-sustainability-report.pdf](https://static.longi.com/2023_longi-sustainability-report.pdf)

behaviour of all entities in the LONGi Group. Staff of LONGi Australia are responsible for upholding these values and acting in accordance with them when engaging in business on behalf of LONGi Australia.

We have well-established teams who are responsible for developing and monitoring compliance with all our policies and processes in relation to human rights (including modern slavery). At group level, our legal, compliance, purchase and supplier management and human resource departments are actively involved in ensuring our compliance with all applicable laws and regulations in relation to forced labour or modern slavery. In addition, LONGi has established a three-tier ESG governance structure covering the governance, management, and execution levels. The Board of Directors and its Strategy and Sustainability Committee serve as the highest decision-making bodies, while the Strategy Management Committee oversees the coordination and management of ESG efforts, covering human rights-modern slavery matters.

We have developed a plan for enhancing our modern slavery governance and accountability framework, including through reviewing our company policies to ensure that modern slavery considerations are appropriately captured and establishing our CSR compliance management system.

### ***Training***

During CY2023, modern Slavery awareness and compliance training was delivered to all the employees of LONGi Australia. This training is intended to raise awareness of modern slavery risks and where they may arise in our business including with respect to:

- how to identify modern slavery risks;
- how to exercise leverage;
- the requirements of modern slavery legislation more generally; and
- recent developments in the modern slavery space.

This training is also intended to make reference to a number of case studies and provide examples of practical issues which may arise, to assist to identify and assess modern slavery risks on a more practical level.

In addition, we also conducted:

- a training on LONGi COC for all employees;
- a training on forced labour risks for LONGi Group employees who interact with suppliers and execute supplier reviews;
- anti-corruption training for employees at medium and high risk;
- EHS training;
- On-site training covering the LONGi Supplier COC for major suppliers;
- supplier CSR system construction empowerment training, including training sessions about the SA8000 standard for suppliers; and
- Suppliers' integrity and compliance training.

### **Assessment of Effectiveness**

We are committed to reviewing the effectiveness of our actions with respect to managing modern slavery risks in our operations and supply chains and have maintained a focus on our broader CSR compliance since 2020. We are committed to:

- regularly reviewing our modern slavery processes;
- assessing whether our existing risk management processes are appropriate each time that a new operation is commenced or a new supplier is engaged;
- working across all departments within our company (legal, compliance, purchase and supplier management and human resources) to address the risks of modern slavery and ensure compliance with modern slavery laws; and
- considering reports of concerns about modern slavery in our business from employees, business partners and suppliers.

We also adopt the LONGi Group's due diligence/audit processes, which assist us to evaluate the effectiveness of the modern slavery risk assessments that we undertake in respect of our suppliers. As part of this, we obtain the benefit of LONGi Group's annual due diligence survey of important suppliers and supplier performance evaluations where it is deemed necessary. During the reporting period, LONGi conducted 28 on-site supplier audits, and did not find any violation of child labour or forced labour; other findings were closed under LONGi's coach and monitoring. LONGi's sustainability efforts were audited by EcoVadis, an independent rating auditor as one of the largest and most trusted providers of independent business sustainability ratings, and LONGi was granted Bronze Prize in October 2023.

## **Continued Improvement**

We have the following priorities for continuing to strengthen our modern slavery approach looking forward:

- insert revised modern slavery clauses into more of our contracts with our suppliers and contractors;
- finalise and publish LONGi Human Rights Policy;
- continue to improve our due diligence approach for suppliers;
- formulate and publish Prohibition of Forced Labour, Child Labour and Modern Slavery Policy;
- conduct ongoing training to board members, staff and suppliers on human rights risk identification, reporting and mitigation;
- establish and continuously improve compliance management system;
- continuously improve supply chain traceability system and supply chain mapping to gain greater visibility of the supply chains of high-risk categories beyond tier 1 suppliers;
- further expand our commitment to corporate social accountability, including through obtaining SA8000 (social accountability) certification for more LONGi Group manufacturing facilities which provides a framework for organisations of all types, in any industry, and in any country to conduct business in a way that is fair and decent for workers and to demonstrate their adherence to the highest social standards.

These priorities have been identified with the objective of continuously improving our actions and approach to addressing modern slavery risks in our operations and our supply chain, and acknowledge some of these priorities may span over a number of reporting periods.

This statement was approved by the Board of Directors of LONGi Australia, in their capacity as principal governing body of LONGi Australia on 24<sup>th</sup> June 2024.

This statement was signed by Daniel Lin in his capacity as Director and board member of LONGi Australia.



Daniel Lin

Director

LONGi Solar Australia Pty Ltd