

# FORCED LABOUR & CHILD LABOUR COMPLIANCE REPORT 2023

Prepared by **Charge Solar Renewables Inc.** 

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#### Forced Labour and Child Labour Compliance Report 2023

#### 1.0 - Introduction

The Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"), which came into force on January 1, 2024, requires that every eligible entity report the steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.

This report is produced by Charge Solar Renewables Inc. ("**Charge Solar**" or "**we**" or "**our**") and covers the fiscal year of January 1, 2023 to December 31, 2023. This report outlines the steps taken by Charge Solar to prevent and mitigate the risks of forced labour or child labour across the supply chains that we use.

#### 2.0 - Charge Solar's Structure, Activities and Supply Chains

Charge Solar Renewables Inc. is a privately owned entity with Headquarters in Victoria, British Columbia. We are Canada's largest solar distribution and engineering services company.

Charge Solar's Vision – **Renewable Energy for all** – is what we strive for. We offer solar, battery energy storage systems, and EV charging products, services and solutions for residential, commercial and industrial applications. The technology behind solar power, which plays a large role toward a sustainable future, is rapidly advancing. It is now more affordable than ever for homeowners, and business owners to benefit from the power of the sun.

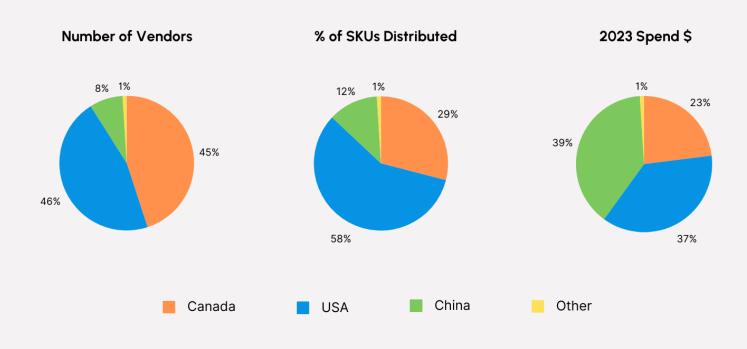
Charge Solar Renewable Inc. is Canada's full-service provider of custom system designs and engineered solutions. We have one of the largest, most experienced solar engineering teams capable of solving the most complex and technical problems. We have designed and developed solar electric systems for commercial, industrial, institutional, military, multi-residential, and telecom applications.

Charge Solar Renewables Inc. is committed to offering products for the best solar solutions, for all applications. We proudly serve Canada from coast to coast to coast with warehouses in Victoria, Vancouver, Edmonton, Calgary, Barrie, Montreal, and Dartmouth. As Canada's market leader, we continue to offer our customers the best in class products from the best brands.

We distribute products from 76 different vendors. 91% of our vendors are located within Canada or the USA. These vendors supply 87% of our total distribution supply lineup and make up 60% of our total vendor spend. There are an additional 8% of our vendors, located in China, supplying Charge Solar with 12% of our total distribution supply lineup and make up 39% of our total vendor spend.



#### Charge Solar's Vendor Distribution based on:



# 3.0 - Steps Taken to Prevent and Reduce Risk that Forced Labour or Child Labour is Used at Any Step of the Production of Goods in Canada or Elsewhere

Charge Solar Renewables Inc. takes the issues of forced labour and child labour very seriously and we are committed to doing our part by responsibly managing our supply chains and requiring our vendors to do the same.

Charge Solar is aware of and recognized the potential Canadian impact of the Uyghur Forced Labor Prevention Act (UFLPA), which was signed into law on December 23, 2021, in the United States. As this legislation focused on the imports of all goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region (Xinjiang) of the People's Republic of China (PRC), or even goods that include inputs made in Xinjiang, we focused our attention on those vendors in our supply chain that used raw materials potentially mined or manufactured in China.

There were 4 vendors identified as a potential risk of using raw materials mined in China. Those vendors were contacted and were requested to supply Charge Solar with Authorized Declarations / Statements from their companies indicating that they did not have any forced labour or child labour in the manufacturing of the goods that they supply Charge Solar with.



Charge Solar continued to have open dialogue with our other vendors, that were not deemed high risk, to make them aware that they cannot use forced labour or child labour in their process or in their supply chain.

We will continue to monitor and assess our supply chain for potential risk of forced labour or child labour. We will continue to require our vendors to verify that the products that they supply Charge Solar Renewables Inc. with comply with all international standards and applicable laws regarding forced labour or child labour.

### 4.0 - Parts of our Business and Supply Chains that Carry a Risk of Force Labour or Child Labour

Charge Solar Renewables Inc. is Canada's most trusted source for anything solar, including solar modules. Many of the world's solar module supply chains include mining and downstream production steps completed in China. Given that there are certain regions in China which have been accused of using forced labour or child labour, solar modules carry with them a particular risk of forced labour or child labour. All importers of solar modules in Canada must focus on working with reputable manufacturers and understanding their manufacturer's upstream supply chains.

#### 4.1 - Steps Taken to Manage the Above Risk

Charge Solar reviewed and identified those vendors in our supply chain that potentially posed a risk of using raw materials mined or manufactured in China. We contacted 4 key vendors and requested them to supply Charge Solar with Authorized Statements / Declarations from their Companies stating that all stages of their production and their supply chain activities were free from Forced Labour or Child Labour. Statements and Declarations received also included their commitments to compliance to international labour laws and regulations, as well as ensuring that their suppliers were also compliant and free from any form of forced labour or child labour.

We are expanding the request for authorized Declarations / Statements to all of our vendors. This information will be tracked, and responses monitored for compliance.

#### 5.0 - Training Provided to Employees on Forced Labour and Child Labour

For Charge Solar Renewables Inc., the goal of preventing forced labour and child labour starts at the board level and is emphasized through out the organization. The board ensures adequate resources are allocated to train our leadership group and review our supply chain to ensure high risk areas are investigated and documented, ensuring the products we distribute do not contain forced labour or child labour. During 2023 our board members attended seminars presented by professional legal and accounting firms regarding issues and risk surrounding the Anti Slavery Act.



Charge Solar, in an effort to ensure we understood the requirements, had key members from our executive team attend webinars and information sessions with experts. The information learned at these webinars / sessions was shared with Charge Solar Leadership and Board Members.

Charge Solar Renewables Inc. remains committed to ensuring that certain roles are aware of Forced Labour and Child Labour in Canadian Supply Chains and will be conducting further training in the year to come.

## 6.0 - Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour

Charge Solar Renewables Inc. has proactively taken measures to prevent and reduce the risk that forced labour and child labour exists in our activities and in our supply chain. Although several measures were put in place related to forced labour and child labour in the previous financial reporting year, Charge Solar did not have any formal policies or due diligence processes in place. The implementation of policies and due diligence processes is planned in our 2024 financial report year.

#### 7.0 - Measures Taken to Remediate Any Forced Labour or Child Labour

To date, Charge Solar Renewables Inc. has not identified any source of forced labour or child labour either in our corporation, or in our supply chain. As such we do not currently have a need to remediate any forced labour or child labour.

Charge Solar is committed to continually doing our part by responsibly managing our supply chains and requiring our vendors to do the same. We will continue to require our vendors to comply with all international standards and applicable laws regarding forced labour or child labour. If at any time, a potential risk of forced labour or child labour surfaces, Charge Solar Renewables Inc. will implement measures to remediate the situation.

# 7.1 - Measures Taken to Remediate the Loss of Income to the Most Vulnerable Families that Results from any Measure Taken to Eliminate the Use of Forced Labour or Child Labour in its Activities and Supply Chains

Charge Solar Renewables Inc. has not identified any forced labour or child labour in our activities and supply chains. As a result, there is no current need to implement any measures to remediate the loss of income to the most vulnerable families because of measures taken to eliminate the use of forced labour or child labour in our activities and supply chain at this time.



Charge Solar will continue to monitor and assess our supply chain for potential risk of forced labour or child labour. If a potential risk of forced labour or child labour is identified as part of our ongoing monitoring process, steps will be taken to remediate the situation, including the potential of remediating the loss of income to the most vulnerable families that results from any measures taken to remediate the situation.

# 8.0 - Assessment of Effectiveness in Ensuring that Forced Labour and Child Labour Are Not Being Used in Our Supply Chains

Charge Solar Renewables Inc. has a few measures in place to prevent and reduce the risk that forced labour or child labour is used in any of the products that we distribute. While we have not yet taken any actions to assess the effectiveness of those actions, Charge Solar intends to implement means of assessing its effectiveness in preventing and reducing the risks of forced labour or child labour at a later date.

#### 9.0 - Approval and Attestation

This report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Charge Solar Renewables Inc. on May 27, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Charge Solar Renewables Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the 2023 financial reporting year as listed above.

I have the authority to bind Charge Solar Renewables Inc.

Jeff MacAulay

Chief Executive Officer (CEO)

May 27, 2024