

Goldwind Science & Technology Co., Ltd.

Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act Joint Report for Fiscal Year 2023

Introduction

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) requires that businesses report on actions that they have taken during the previous fiscal year to prevent and reduce the risk of forced labour or child labour within their operations and supply chain.

This is a joint report by Goldwind Science & Technology Co., Ltd (“**Goldwind Science & Technology**”) and Goldwind International Holdings (HK) Limited (“**Goldwind International**”), which have an obligation to publish a report under the Act (collectively, “**Goldwind**”, the “**Companies**”, “**we**”, “**us**”).

We uphold a deep respect for human rights. Modern slavery has no place in our business, and we strictly prohibit the use of any form of child labour, forced labour, bonded labour, or the trafficking of persons throughout our operations and within our global supply chain. For purposes of this report, the term “modern slavery” is understood to include forced labour and child labour within the meaning of the Act.

This joint report addresses the steps taken during our most recent fiscal year, January 1, 2023 to December 31, 2023 (the “**Reporting Year**”) to prevent and reduce risks of forced labour and child labour at any step of the production of goods produced in Canada or elsewhere, or imported into Canada and provides supplemental information in compliance with the Act.

Neither Company has an anti-modern slavery reporting obligation in any other jurisdiction.

Our Structure, Activities, and Supply Chain

Goldwind Science & Technology, a PRC corporation based in Beijing, is publicly listed on two stock exchanges: the Shenzhen Stock Exchange (SZSE: 002202) and the Stock Exchange of Hong Kong Limited (HK: 2208).¹ It is the parent company of the Goldwind Group, consisting of 819 subsidiaries as at December 31, 2023 (collectively, the “**Goldwind Group**”). At its headquarters in Beijing, the Goldwind Group employs over 5,000 employees. It operates in 38 countries across six continents and is supported by over 11,000 employees worldwide.

Goldwind Science & Technology owns 100% of Goldwind International, a company incorporated in Hong Kong. Goldwind International is responsible for Goldwind Group’s international business operations.

¹ For more about Goldwind Science & Technology, including its growth strategy, corporate sustainability, and human rights commitment, including our annual sustainability reports, and company reports, please visit our corporate website at www.goldwind.com.

Activities

The Goldwind Group focuses on wind turbine research and development and manufacturing, wind farm investment and development, wind power operation and maintenance services and water utility related services, among other lines of business.

Goldwind Science & Technology carries out the following main activities that are related to the production of goods in China:

- R&D;
- Licensing of technology to produce certain major wind turbine components by subsidiaries or third parties; and
- Procurement of materials and
- Supply chain management.

As noted above, Goldwind International is responsible for Goldwind's international business. During the Reporting Year, Goldwind International imported wind turbine parts supplied by its affiliates in Beijing, China into Canada.

Supply Chain

Our supply chain consists of affiliated and third-party suppliers² and service providers (“**suppliers**”) that contribute to the production and supply of wind turbines and related goods.

Wind Turbine Components

The direct supply chain for wind turbines can be divided into two categories of components: major wind turbine components (e.g., generator, blades, nacelle, hub, towers) and internal and electrical components (e.g., yaw, pitch system, main bearing, converter system, atmospheric and weather sensors, and control system).

Goldwind International procures the majority of the major wind turbine components from its affiliates, who in turn may procure components from other affiliates or Tier 1 suppliers.

Component Materials

Raw materials for wind turbine components include steel, copper, rare-earth metals, and fiberglass. Due to China's depth of natural resources and its ability to extract, separate and process materials, many of the raw materials used in wind turbines are predominantly sourced from within China. Neither Goldwind Science & Technology nor Goldwind International engages directly in the procurement of raw materials.

Component Manufacturing

Goldwind procures a significant proportion of wind tower components from affiliates and Tier 1 suppliers in China and procures the balance from abroad.

Goldwind's supplier base for major wind turbine components is concentrated in Eastern China. Due to local content requirements and the logistics challenges in transporting and storing major wind turbine components, we procure these components from our affiliates and Tier 1 suppliers

² Tier 1 suppliers refers to direct third-party suppliers to the Goldwind Group.

located across mainland China based on proximity to wind farm projects and, for overseas markets, major transportation hubs.

Internal and electrical components are procured from affiliates and Tier 1 suppliers located in China or abroad.

Forced Labour and Child Labour Risk Areas

The Companies did not identify any instances of forced labour or child labour within their operations or supply chains during the Reporting Year.

We acknowledge that there are inherent forced labour and child labour risks in our supply chain and that we must proactively identify, assess, address, and mitigate these risks as part of our responsibility to respect human rights. We have identified areas of heightened inherent risk based on guidance from consultants, governmental authorities (such as the U.S. Department of Labor, Bureau of International Labor Affairs), and our participation in international organizations and in initiatives as discussed below in this report. It is important to note that these areas represent inherent modern slavery risks only. The Companies will continue to assess these areas on an annual basis to ensure they reflect our global landscape and evolving risk areas.

The Companies identified inherent forced labour and child labour risks related to:

- **Raw Materials:** Raw materials may be mined in areas that have been identified as being at risk for human rights issues and weak protections for labour rights.
- **Apparel and textile and information and communication technology (ICT) manufacturing sectors:** Personal protective equipment (PPE) and ICT hardware (e.g., phones, laptops) are industries that have been identified as being at risk due to working conditions and labour practices.
- **Third-party arrangements and sub-contracted labour:** Use of outsourced, contracted, or subcontracted labour for electrical and mechanical trade roles, transportation, and facilities management, have also been identified as being at risk for forced and child labour issues.

Goldwind has implemented a series of risk mitigation measures as further discussed below. Goldwind will continue to be transparent and pro-active in its approach to prohibit, reduce and mitigate the risk of any forced labour or child labour in our direct operations, as well as in our supply chains.

Policies and Due Diligence Processes

Since its founding more than 25 years ago, Goldwind has respected fundamental human rights and fair labour practices, setting high standards internally and within its supply chains. We strictly prohibit the use of any form of child labour, forced labour, bonded labour or the trafficking of persons throughout our company operations and within our supply chain.

This commitment is demonstrated from the very top by the Chairman's Commitment to Human Rights letter on our website and is embedded in our policies, systems and due diligence procedures outlined below.³ As a public company held to high standards, we publish an annual

³ <https://www.goldwind.com/en/assets/81b35d0272d3cfbc2b9bf6d359b9d093.pdf>

Sustainability Report available on our website, which includes our efforts to combat forced labour and child labour in our business and our supply chains.⁴

Policies, procedures and systems

We have a comprehensive suite of policies, processes, and systems in place to prohibit and mitigate the risk of forced labour and child labour in the business and supply chains. These policies are managed through Goldwind Science & Technology's **Social Responsibility Management System ("SRM System")** that is applicable to the entire Goldwind Group. The SRM System was updated during the Reporting Year based on GB/T39604 domestic social responsibility standards. This SRM System provides the strategic framework to govern policies, processes and procedures to ensure the Companies achieve their vision and social responsibility objectives including to prohibit and mitigate the risk of forced labour and child labour in their business or supply chains. The SRM System also covers other requirements relating to health and safety, environment, and business ethics.

The SRM System includes a suite of policies prohibiting and mitigating the risk of forced labour, child labour, including:

- **Commitment to Human Rights Policy.** The Commitment to Human Rights Policy states that the Goldwind Group is committed to respecting and supporting internationally recognized human rights standards and principles, including, inter alia, the Ten Principles of the UN Global Compact. To that end, the policy affirms that the Goldwind Group strictly prohibits the use of any form of child labour, forced labour, bonded labour, or the trafficking of persons throughout company operations and within its global supply chain.
- **Regulations Banning Child Labour:** Goldwind Science & Technology's Regulations Banning Child Labour prohibits the use of child labour within the Goldwind group and establishes procedures to prevent the recruitment of child labour and to remediate any instances of child labour, among other things.
- **Management Measures on Employee Rights and Interests:** This policy prohibits any form of child labour and forced labour, such as forcing employees to work or restricting employees by means of violence, threat or illegal restriction of personal freedom, corporal punishment, intimidation, harassment, abuse or any act of discrimination against employees, and stipulates that employees' rights to freedom of assembly and association according to law must be respected.
- **Anti-Modern Slavery Guidelines:** During the Reporting Year, Goldwind Science & Technology issued Anti-Modern Slavery Guidelines. These Guidelines state that the Companies have a zero tolerance policy for any forced labour, child labour or other forms of modern slavery in its business and encourage all employees to report violations and file complaints. These Guidelines were based on guidance from the United Nations Convention and the International Labour Organization Convention.
- **Goldwind International Code of Conduct:** Goldwind International's Code of Conduct sets forth the core values of the company. The Code of Conduct states that the Company does not tolerate any form of discrimination, harassment, or modern slavery in any part of its business. All employees of the Company and its subsidiaries are required to comply with the Code of Conduct, and their business partners, including but not limited to,

⁴ <https://www.goldwind.com/en/sustainability/>

contractors, sub-contractors, agents, and consultants are required to act in a manner to support the Code of Conduct and the policies and procedure therein.

- **Goldwind International Employee Grievance Directive:** During the Reporting Year, Goldwind International issued the Employee Grievance Directive to provide employees with a constructive way to voice their concerns and complaints regarding legal compliance, working conditions, work environment, occupational safety and sanitation, social security grievances, policy violations, or any action, behavior, negligence, decision or situation which is perceived by the employee to be unfair, unjust or discriminatory and to ensure that such complaints are resolved in a timely and fair manner.
- **Goldwind International Equal Employment and Occupation Directive:** During the Reporting Year, Goldwind International issued the Equal Employment and Occupation Directive designed to encourage professional and respectful behavior and prevent discrimination against employees.⁵ Any Goldwind International employee that breaches this policy will be subject to disciplinary action, up to and including dismissal.
- **Goldwind International Anti-Harassment and Bullying Directive:** Recognizing that all employees have the right to be treated with dignity and respect and that harassment and bullying are unacceptable in any form, Goldwind International issued, during the Reporting Year, the Anti-Harassment and Bullying Directive. The Directive is designed to provide a professional working and learning environment free from harassment and bullying of any form and applies to all Goldwind International subsidiaries. Any employee that breaches this policy will be subject to disciplinary action, up to and including dismissal.

The SRM System also features the Goldwind Group's supply chain management policies and procedures. Goldwind Science & Technology promotes the social responsibility of its supply chain by continuously optimizing its supplier social responsibility processes and system, conducting internal and external social responsibility audits, and implementing corrective measures. These policies and procedures apply across the Goldwind Group.

- **Procurement Management System and the Supplier Approval Management System:** The Goldwind Group follows a set of procurement principles – openness and transparency, fair competition, compliance with laws and regulations, and honesty and trustworthiness – to continuously improve its supply chain management system. We implement these principles through policies and procedures such as the Procurement Management System and the Supplier Approval Management System. These procurement policies and procedures establish procurement management methods to manage potential risks in our supply chain, and to ensure fair, just, and open cooperation among suppliers.
- **Supplier Social Responsibility Code of Conduct ("SSR COC"):** The Supplier Social Responsibility Code of Conduct sets out Goldwind's compliance requirements regarding labour rights, human rights, health and safety, environment, business ethics and management systems. The SSR COC applies to all suppliers that supply products and services to the Goldwind Group. The SSR COC requires suppliers to maintain a high standard of corporate social responsibility including by taking measures to prohibit and

⁵ The Goldwind International Equal Employment and Occupation Directive prohibits discrimination on the basis of race, colour, caste, religion, national origin, ancestry, citizenship, household registration, disability, medical condition, genetic information, marital status, gender (including pregnancy, childbirth, breastfeeding), gender identity, gender expression, age, sexual orientation, veteran or military status, protected medical information, domestic violence victim status, political affiliation and any other characteristic protected by local anti-discrimination law.

address the risk of forced labour, child labour and other forms of modern slavery in their operations. Tier 1 suppliers are required to develop their own supplier social responsibility assessment system (and to cause their suppliers to do so) to have oversight over their own suppliers and we support them through training to bring their assessment systems to our standards.

- **Social Responsibility Commitment Letter:** As part of the supplier approval process, Tier 1 suppliers are required to sign the Social Responsibility Commitment Letter. This letter requires our Tier 1 suppliers to commit to comply with social responsibility requirements such as workers' rights and human rights, health and safety, environment, and business ethics. The letter includes a section specifically addressing prohibited forms of labour, including forced and child labour. The Social Responsibility Commitment Letter forms part of supply agreements between members of the Goldwind Group and Tier 1 suppliers.
- **Corporate Social Responsibility Evaluation System:** We implemented an annual supplier Corporate Social Responsibility evaluation system to comprehensively evaluate Tier 1 suppliers' compliance with laws, employees' rights and interests, health and safety, environmental protection, and business ethics. As part of the Corporate Social Responsibility evaluation system, we audit Tier 1 suppliers against their obligations under the SSR COC and related commitments to assess compliance and impose remedial measures, as necessary. These audits include a review of Tier 1 Suppliers' policies, procedures and practices to identify and prohibit the use of forced labour and/or child labour in their activities and supply chains.

Due diligence and audits

Our due diligence and related monitoring processes regarding modern slavery risks in our operations and supply chain form part of the SRM System. Here are some of the notable activities relating to our anti-modern slavery due diligence and monitoring activities in the Reporting Year:

- Goldwind Science & Technology updated its Corporate Social Responsibility Evaluation System by expanding the scope of the supplier social responsibility audits.
- During the Reporting Year, Goldwind Science & Technology engaged an independent third party to perform the annual supplier social responsibility assessments. The independent third-party auditor completed audits of 226 Tier 1 suppliers, including 100% of the Tier 1 suppliers of the main components of wind turbines. The audit scope covered 99 indicators, including zero-tolerance indicators such as forced labour, child labour, discrimination against employees, fatal safety accidents, among others. No zero tolerance indicators were identified by the independent auditor.
- For the second year in a row, a globally recognized leader in testing, inspection and certification conducted on-site ESG audits at Goldwind's manufacturing facilities and the manufacturing facilities of Tier 1 suppliers in China for the Goldwind's new generation wind turbines for overseas markets.

- The scope of the audit covered a customised audit checklist⁶ that included topics such as social & labour (including modern slavery), business ethics, health & safety and responsible procurement.
 - The audits included on-site visits by two experienced, local auditors who have extensive knowledge on relevant local legislation, language and cultural sensitivities.
 - The auditors found no evidence of any modern slavery at the facilities subject to the audits.
- In 2023, we expanded our mapping of product-specific supply chains for products imported into the North American market, including Canada, and trained our Tier 1 suppliers for those products on how to map their supply chains.
 - We reviewed supply contracts signed during the Reporting Year with Tier 1 suppliers to ensure that they included anti-forced labour and/or anti-child labour contractual clauses.

Remediation Measures

During the Reporting Year, we did not identify any instances or significant risks of forced labour or child labour in our activities and supply chains that would require remediation measures. Goldwind accordingly did not undertake any measures to remediate the loss of income to the most vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains. Goldwind is committed to working with its suppliers to assess and monitor risks and to respond appropriately to remediate the impact in accordance with Goldwind's policies and processes.

Training

The Companies have rolled out mandatory modern slavery and human rights compliance training to all employees which includes an assessment to determine each employee's understanding of the training and providing re-training as necessary. The topics of the training include:

- Definition of modern slavery and human rights
- Types of modern slavery, and identification of modern slavery red flags
- Modern slavery policies and procedures
- Grievance mechanisms

Goldwind also provides annual training to its Tier 1 suppliers on the SSR COC requirements.

Assessing the effectiveness of our actions

Goldwind regularly assesses the effectiveness of its anti-forced labour and anti-child labour controls.

⁶ The checklist was developed in line with a range of industry standards such as the International Organisation for Standardisation (ISO); Business Social Compliance Initiative (BSCI); Supplier Ethical Data Exchange (SEDEX) and Social Accountability International (SA 8000) among others.

- As part of the SRM System, Goldwind Science & Technology regularly reviews and audits its policies and procedures related to forced labour and child labour and their implementation. The SRM System is also reviewed by external third parties to assess its effectiveness.
- Goldwind has engaged EcoVadis, the world's largest provider of universal business sustainability ratings, to conduct a sustainable supply chain assessment and report, which focuses on four core areas – environment, labour and human rights, ethics, and sustainable procurement. EcoVadis has more than 75,000 registered company ratings which include global organizations like Coca-Cola, Johnson & Johnson, LVMH, Henkel and Schneider Electric, among others. During the Reporting Year, Goldwind achieved a silver Sustainability Rating from EcoVadis for sustainable procurement, placing us in the top 2% of manufacturers of machinery rated by EcoVadis.
- Goldwind recognizes that sustainable development requires the cooperation of all parties. We actively engage with international organizations and in initiatives which allows us not only to benchmark, assess, and continue to improve our efforts and actions in this area, but also to cooperate with others in the industry to address the risks of forced labour and child labour:
 - In April 2021, Goldwind joined the United Nations Global Compact (UNGC) and is committed to abiding by its ten principles covering human rights, labour, environment, and anti-corruption.
 - Goldwind is a founding member of the Global Alliance for Sustainable Energy, an independent global alliance open to all recognizing the urgency of tackling the climate emergency according to the 'just transition' principles and the need to promote and embed sustainability and social responsibility in the renewable energy industry.
 - In 2019, Goldwind joined the China ESG Leaders Association, an association that is committed to jointly promoting and practicing values including leading the best ESG practices in the industry.
- Finally, Goldwind Science & Technology works with its Tier 1 suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators through the annual supplier social responsibility audits mentioned above.

We will continue to engage with all our key stakeholders including our employees, executive management team, suppliers, customers, and lenders to assess and gather feedback on the effectiveness of our actions.

Approval and Attestation

This report was approved by the governing body of Goldwind Science & Technology Co., Ltd. on May 31, 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 the entity or entities listed above. 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 reporting year listed above.



Printed Name: WU GANG
Title: CHAIRMAN
Date: May 31, 2024

I have the authority to bind Goldwind Science & Technology Co., Ltd.