



Renewable Energy Systems Canada Inc.

5605 avenue de Gaspé, bureau 508

Montréal, Québec H2T 2A4, Canada

514 525 2113 | info@res-group.com

July 3, 2024

RE: MODERN SLAVERY REPORT FOR RENEWABLE ENERGY SYSTEMS CANADA INC.

1. INTRODUCTION

This Report is prepared on behalf of Renewable Energy Systems Canada Inc. (“**RES Canada**”, or the “**Company**”) and describes the actions taken by RES Canada during the financial year ending October 31, 2023 (“**Reporting Period**”) to assess, prevent and reduce the risk that forced labour or child labour is used at any step in its operations and supply chains pursuant to the requirements of *Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“**Act**”). In this Report, RES Canada uses the term “**Forced Labour**” to encompass both forced labour and child labour. This Report constitutes the first report prepared by RES Canada under the Act.

RES Canada and its parent group of companies, the RES Group (“**RES Group**” or, when used collectively with RES Canada, “**RES**”), supports the eradication and prevention of Forced Labour in all its forms including slavery, servitude and forced or compulsory labour, and human trafficking. RES does not permit, under any circumstances, the use of forced labour in its business and expect full compliance with all applicable legislation in this area.

2. ORGANIZATIONAL STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS RES GROUP

RES is a global business that develops and manages large scale renewable energy projects and related infrastructure. Headquartered in the United Kingdom, RES is the world’s largest independent renewable energy company and has been at the forefront of the renewable energy industry for more than 40 years. Over that period, RES has delivered more than 22 GW of renewable energy projects, and also currently supports a diverse global operational generation portfolio exceeding 9 GW. RES employs more than 3,000 people globally and has office in 20 countries, with each country being led by a country manager with input from RES Group senior management. It has strong in-house engineering and technical capability and operates in 4 main technology areas: onshore and offshore wind, solar, storage and electricity transmission / distribution.

RES CANADA

RES Canada is involved in the development, construction, and management of renewable energy projects. The company operates across various segments of the renewable energy sector, including wind, solar, energy storage, and transmission. The key activities and services provided by RES Canada are summarized below.

Project Development

- **Site Identification and Analysis:** Identifying and assessing potential sites for renewable energy projects based on factors such as resource availability (wind speeds, solar irradiance), land use, and environmental impact.
- **Permitting and Regulatory Compliance:** Securing the necessary permits and approvals from local, regional, and national regulatory bodies. This includes environmental impact assessments and community consultations.



- **Land Acquisition:** Negotiating land leases or purchases for the development of renewable energy projects.

Engineering, Procurement, and Construction (EPC)

- **Design and Engineering:** Providing detailed design and engineering services to optimize the performance and efficiency of renewable energy installations.
- **Procurement:** Sourcing high-quality components and materials, such as wind turbines, solar panels, inverters, and balance of plant (BOP) equipment, from reputable suppliers.
- **Construction Management:** Overseeing the construction process, including site preparation, installation of renewable energy systems, and commissioning of the projects to ensure they meet quality, safety, and performance standards.

Operations and Maintenance (O&M)

- **Monitoring and Control:** Utilizing advanced monitoring systems to oversee the performance of renewable energy assets in real-time, ensuring they operate efficiently and reliably.
- **Maintenance Services:** Conducting routine and preventive maintenance to maximize the lifespan and performance of the renewable energy systems. This includes troubleshooting and repairs as needed.
- **Asset Management:** Providing comprehensive management services to optimize the financial and operational performance of renewable energy projects.

Energy Storage Solutions

- **Battery Energy Storage Systems (BESS):** Designing and deploying energy storage solutions that complement renewable energy projects, providing grid stability, and enhancing energy reliability and flexibility.
- **Integration with Renewable Projects:** Ensuring seamless integration of storage systems with wind and solar installations to optimize energy usage and management.

Transmission and Infrastructure

- **Grid Connection:** Developing the necessary infrastructure to connect renewable energy projects to the electrical grid, including substations and transmission lines.
- **Grid Services:** Providing services that support grid stability and reliability, such as frequency regulation and demand response.

Sustainability and Innovation

- **Sustainable Practices:** Committing to sustainable development practices that minimize environmental impact, promote biodiversity, and support local communities.
- **Research and Development:** Investing in R&D to innovate and enhance renewable energy technologies, improve efficiency, and reduce costs.

Consulting and Advisory Services

- **Feasibility Studies:** Conducting comprehensive feasibility studies to evaluate the potential and viability of renewable energy projects.
- **Project Financing:** Assisting in securing financing for projects through partnerships, investors, and financial institutions.



- **Strategic Planning:** Providing strategic advice and planning services to optimize renewable energy portfolios and investment decisions.

Community Engagement

- **Stakeholder Engagement:** Engaging with local communities, stakeholders, and indigenous groups to ensure projects are developed with their input and support.
- **Corporate Social Responsibility (CSR):** Implementing CSR initiatives that benefit local communities and contribute to sustainable development.

RES Canada's supply chain is integral to its operations, focusing on the development, construction, and management of renewable energy projects. Here's an overview of RES Canada's supply chain and component sourcing:

- **Wind Turbines and Solar Panels:** Sourcing wind turbines and solar panels from leading manufacturers using the due diligence policies and procedures described in this Report.
- **Balance of Plant (BOP) Components:** This includes electrical systems, substations, transformers, and other necessary infrastructure components, typically sourced from specialized manufacturers.

Overall, RES Canada's supply chain is designed to support its goal of delivering high-quality renewable energy projects efficiently and sustainably. It involves a comprehensive approach that integrates sourcing, logistics, project management, and maintenance, all underpinned by a commitment to sustainability and innovation.

3. POLICIES AND DUE DILIGENCE PROCESSES

RES Canada works within and applies a policy framework set at the RES Group level, which includes: RES Group Supply Chain Code of Conduct (Supply Code of Conduct), RES Group procurement policies and RES Group Modern Slavery and Human Trafficking Policy.

Supply Code of Conduct

The supply code of conduct sets out minimum behavioral standards that RES expects of its partners and suppliers in all countries in which RES operates or procures goods and services, all employees including subcontracted labour, and all suppliers of goods and services. This includes standards in relation to modern slavery, human rights and labour practices. Our supply chain partners must not engage in or benefit from forced or compulsory labour or human trafficking in any form. Employees must have the freedom of movement during their employment and the right to terminate their contracts at any time, provided they give reasonable notice. Wages, identity cards, travel documents, or other essential documents must not be withheld to prevent an employee from leaving their job. Recruitment fees or "deposits" from workers are prohibited, and no employment fees or costs should be charged, either fully or partially, to employees. The use of child labour is strictly prohibited in our operations and throughout our supply chain. RES' Supply Code of Conduct is being progressively applied to its key global suppliers and other suppliers, either contractually, or as a separate instrument signed by a senior representatives of the supplier.



Procurement Policies

RES procurement policies take account of the principles behind relevant global initiatives, including the UN Global Compact and Ethical Trading Initiative Base Code. RES is a member of the United Nations Global Compact (UNGC) reinforcing its dedication to sustainable business practices. RES works with a broad supply chain including specialist equipment manufacturers. We believe that our suppliers should be working to ensure modern slavery does not occur. This includes our suppliers' subcontractors, who may use temporary and agency employees.

Modern Slavery and Human Trafficking Policy

RES Group's Modern Slavery and Human Trafficking Policy sets out RES Group's commitment to do all that is reasonably practicable to support the eradication and prevention of modern slavery and human trafficking. Like the Supply Code of Conduct, this policy applies to RES business activities in all countries in which RES operates or procures goods and services and all employees including subcontracted labour.

Due Diligence

RES periodically reviews risks related to modern slavery, focusing on major suppliers with a global manufacturing footprint, such as those providing wind turbines and electrical equipment for our projects. We have addressed the modern slavery issues with some of our closest partners in this sector. Measures taken by these partners include membership in the UN Global Compact, the publication of human rights policies, the establishment of sustainability committees, codes of conduct, and communication routes for staff specifically addressing business ethics. Additionally, RES conducts social and environmental due diligence on projects and implements responsible supply chain management practices, which include a code of conduct for suppliers, the monitoring of their suppliers, audits, and follow-up actions.

4. RISK OF FORCED LABOUR BEING USED AND REMEDIATION MEASURES

In assessing the risk in relation to Forced Labour, RES Canada works with suppliers of major equipment to identify any component manufacturing or sourcing from countries that could be considered higher risk (by reference to the latest edition of The Global Slavery Index). Through this RES Canada has identified that the vast majority of its project development, construction and operation activities are all taking place in countries considered relatively low-risk and take the steps set out above in relation to the activities of our supply chain. Despite this, RES Canada has identified forced labour risks associated with the types of products it produces, purchases or distributes and the types of products it sources, based on the locations of where some of its components are indirectly sourced from.

During the Reporting Period, RES Canada did not identify any instances of Forced Labour in its activities and supply chains. Further, during the Reporting Period RES Canada did not identify any instances of loss of income of the vulnerable families as a result of the steps RES Canada has taken to eliminate risks of Forced Labour. For this reason, no remediation measures regarding these issues has been necessary.



5. TRAINING

At the moment, RES Canada does not provide a training dedicated to Forced Labour issues specifically.

6. ASSESSING EFFECTIVENESS

Though RES Canada does not currently have in place significant measures to assess its effectiveness in combatting Forced Labour, RES does conduct regular reviews and audits of its policies and procedures concerning Forced Labour and, in these reviews, considers how these policies and procedures could be improved.

RES Canada employs a systematic approach to audit its policies and procedures to ensure compliance, efficiency, and continuous improvement.

Internal Audits

- **Regular Internal Reviews:** Conducting regular internal audits to review compliance with company policies, industry standards, and regulatory requirements. These audits help identify areas for improvement and ensure adherence to best practices.
- **Departmental Audits:** Each department, such as procurement, health and safety, environmental compliance, and project management, may undergo periodic audits to ensure they follow established protocols and guidelines.

Compliance Audits

- **Regulatory Compliance:** Ensuring compliance with local, provincial, and national regulations through regular audits. This includes environmental regulations, health and safety standards, and industry-specific requirements.
- **Contract Compliance:** Auditing compliance with contractual obligations to partners, suppliers, and clients, ensuring all terms and conditions are met.
- **On-site Audits:** Auditing compliance with subcontractors ensuring all terms and conditions are met.

Continuous Improvement

- **Feedback Mechanisms:** Implementing systems to collect feedback from employees, clients, and stakeholders. This feedback is used to continuously improve policies and procedures.
- **Corrective Actions:** Establishing a framework for corrective actions based on audit findings. This includes identifying root causes, implementing solutions, and monitoring the effectiveness of these actions.

Governance and Oversight

- **Board and Executive Oversight:** Ensuring that the board of directors and executive management provide oversight of the auditing process. This includes reviewing audit reports, endorsing corrective actions, and monitoring compliance.
- **Audit Committees:** Establishing dedicated audit committees that oversee the auditing process, ensuring it is thorough, unbiased, and aligned with the company's strategic objectives.



By employing a combination of these methods, RES Canada can effectively audit its policies and procedures, ensuring they are robust, compliant, and aligned with industry best practices.

7. APPROVAL AND ATTESTATION

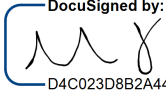
This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Renewable Energy Systems Canada Inc.

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.

Full name: André Canguçu

Title: President and Chief Executive Officer

Date: July 3, 2024

Signature: A digital signature block for DocuSign. It features a blue bracket on the left side of a white box. Inside the box is a handwritten signature in black ink. Above the signature, the text 'DocuSigned by:' is written in a small, blue font. Below the signature, a long alphanumeric hash is partially visible: 'D4C023D8B2A448F...'

I have the authority to bind Renewable Energy Systems Canada Inc.

RESOLUTIONS OF THE DIRECTORS
of
SYSTÈMES D'ÉNERGIE RENOUVELABLE CANADA INC.
and its version
RENEWABLE ENERGY SYSTEMS CANADA INC.
(the "Corporation")

The undersigned, being all of the directors of the Corporation, and being entitled to vote on the resolutions hereinafter set forth as if the same had been submitted at a meeting of the directors of the Corporation duly called and held for the purpose of acting on such resolutions, do hereby resolve, in lieu of a meeting of the directors of the Corporation as follows:

Annual Report

RECITALS:

- A. On or before May 31, 2024, the Corporation is required to report (the "**Report**") to the Minister of Public Safety and Emergency Preparedness under the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "**Act**") on the steps the Corporation has taken during its previous financial year to prevent and reduce the risk that forced child labour is used at any step of the production of goods in Canada or elsewhere by the Corporation or of goods imported into Canada by the Corporation.
- B. The Corporation is also required to complete a questionnaire (the "**PSC Questionnaire**") when submitting the Report.
- C. A Report and PSC Questionnaire were filed by the Corporation on May 31, 2024.
- D. The Corporation is seeking to file revised versions of the Report and PSC Questionnaire.
- E. A Draft of the revised version of the Report has been provided to the directors of the Corporation.

RESOLVED:

THAT pursuant to paragraph 11(4) of the Act, the Report in the form of draft provided to the directors of the Company is authorized and approved.

THAT each director and officer of the Company, acting alone, is authorized to do all such acts deliver all such other documents as in such director's or officer's opinion may be necessary or desirable to complete the transactions hereby approved and authorized.

General

RESOLVED:

THAT the present resolutions may be executed by the parties hereto by means of electronic mail or telecopy; they may also be executed in separate counterparts, each of which, when so executed, shall be an original, but all such counterparts together shall constitute one and the same document.

[Signature page follows]

THE FOREGOING RESOLUTIONS ARE HEREBY CONSENTED TO AND SIGNED BY THE DIRECTORS OF THE CORPORATION, THE WHOLE PURSUANT TO THE *BUSINESS CORPORATIONS ACT* (QUÉBEC), AS OF JULY 3, 2024.

DocuSigned by:
Eduardo Medina
DCEC8D88A542408...
Eduardo Medina

DocuSigned by:
André Canguçu
D4C023D8B2A448F...
André Canguçu

DocuSigned by:
Henrik Brandt
A58DBB34FA0244D...
Henrik Brandt

DocuSigned by:
Douglas McAlpine
72A4B2B15170470...
Douglas McAlpine