



2024 REPORT



2024 Report

This report has been prepared pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c. 9 (Canada).

This report relates to the financial reporting year ended December 31, 2024.

About Canadian Solar



Canadian Solar Inc. (the “Company” or “Canadian Solar”) is one of the world's largest solar technology and renewable energy companies. Founded in 2001 and headquartered in Kitchener, Ontario, the Company is a leading manufacturer of solar photovoltaic modules; provider of solar energy and battery energy storage solutions; and developer, owner, and operator of utility-scale solar power and battery energy storage projects. Over the past 24 years, Canadian Solar has successfully delivered nearly 157 GW of premium-quality, solar photovoltaic modules to customers across the world. Through its subsidiary e-STORAGE, Canadian Solar has shipped over 11 GWh of battery energy storage solutions to global markets as of March 31, 2025, boasting a \$3.2 billion contracted backlog as of March 31, 2025. Since entering the project development business in 2010, Canadian Solar has developed, built, and connected approximately 11.6 GWp of solar power projects and 4.5 GWh of battery energy storage projects globally. Its geographically diversified project development pipeline includes 27 GWp of solar and 76 GWh of battery energy storage capacity in various stages of development. Canadian Solar is one of the most bankable companies in the solar and renewable energy industry, having been publicly listed on the NASDAQ since 2006.

Committed to ethical practices across our operations and global supplier network, we achieved new milestones in responsible supply chain management.

Building on the success of the 2023 audit of our Thailand module facility, where we achieved a Silver-level recognition, we earned another Silver-level recognition under the RBA Validated Assessment Program (VAP) in 2025 for our solar cell factory in Suqian, Jiangsu Province, China. These independent assessments reaffirmed our adherence to the “Freely Chosen Employment” standard, confirming no forced labour in our operations and underscoring our alignment with global social, environmental, health and safety, and business ethics standards.

Beyond our own facilities, two polysilicon suppliers in Qinghai Province, China, initiated the RBA VAP audits at our request, extending our ethical standards upstream. We also executed 147 supplier ESG audits in 2024—including 31 on-site evaluations—surpassing 2023’s total of 129 audits and 29 on-site assessments. Following collaborative consultations and corrective action plans, all suppliers met our stringent ESG criteria.

Steps to prevent and reduce risks of forced labour and child labour

ESG Integration in Supply Chain Management Strategy

Our procurement management strategy is built on a centralized framework, overseen at the group level and executed through individual divisions. We integrate ESG criteria into our supply chain management to ensure alignment with our commitment to sustainability and responsible business conduct by developing robust supplier screening tools, practice management programs, and working directly with suppliers to improve transparency and traceability. To uphold our high standards for quality, cost, and ESG performance, we have a suite of supply chain-related policies and conduct comprehensive supplier screenings. In addition, our supplier auditing program further strengthens our efforts, ensuring an efficient and sustainability supply chain that aligns with the company's strategic goals and safeguards stakeholder interests.

(a) Structure, activities and supply chains

Structure

The Company has two business segments: **CSI Solar** and **Recurrent Energy**. The two businesses operate as follows:

- **CSI Solar** consists of solar module and battery energy storage manufacturing, and delivery of total system solutions, including inverters, solar system kits, and EPC (engineering, procurement, and construction) services. **CSI Solar's e-STORAGE** provides integrated utility-scale battery energy storage solutions, including turnkey and bankable system solutions across various applications, long-term service agreements, and future battery capacity augmentation services.
- **Recurrent Energy** is one of the world's largest clean energy project development platforms with 15 years of experience, having delivered approximately 11.6 GWp of solar power projects and 4.5 GWh of battery energy storage projects. It is vertically integrated and has strong expertise in greenfield origination, development, financing, construction, execution, operations and maintenance, and asset management.

Working at Canadian Solar

As of December 31, 2024, Canadian Solar's global workforce consisted of 17,018 individuals, including 16,861 full-time employees, 68 part-time employees, and 89 trainees. Specifically, 15,796 were employed at **CSI Solar**, and 1,222 were employed at **Recurrent Energy**. Additionally, we collaborated with approximately 1,014 contractors globally in 2024.

Canadian Solar Global Offices and Manufacturing Operations



Non-Governmental Organizations and Membership

Country	Organizations	
Australia	Australia Clean Energy Council	Smart Energy Council
	Modern Slavery Working Group	Clean Energy Investor Group
Belgium	Solar Power Europe	
Brazil	Brazilian Solar Photovoltaic Energy Association (ABSOLAR)	
Canada	Canadian Renewable Energy Association	
Chile	The Canadian Chamber of Commerce in Chile	The Chilean Association of Renewable Energies and Storage
Colombia	The Association of Renewable Energies Colombia (SER Colombia)	ACOSOL - Asociación Colombiana de Energía Solar
Costa Rica	The Costa Rican Solar Energy Association	

Country	Organizations	
China	China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME)	China Photovoltaic Industry Association (CPIA)
EU	Solar Power Europe	Solar Stewardship Initiatives
France	ENERPLAN	France Agrivoltaïsme
	Syndicat des Énergies Renouvelable (SER)	Elettricità Futura
Fiji	Pacific Power Association	
Germany	Bundesverband Solarwirtschaft (BSW)	Bundesverband Energiespeicher Systeme (BVES)
Greece	Hellenic Association of Photovoltaic Companies	
Ireland	Irish Solar Energy Association (ISEA)	Energy Storage Ireland
Italy	Associazione Italiana Agrivoltaico Sostenibile	Italia Solare
Japan	Asia Pacific Real Assets Association Limited (APREA)	Japan Photovoltaic Energy Association (JPEA)
	Energy Resources Aggregation (a business association)	Principles for Responsible Investment (PRI) Signatory
	Japan Climate Initiative (JCI)	Renewable Energy Association for Sustainable Power Supply (REASP)
	Japan Climate Leaders' Partnership (JCLP)	Investment Trusts Association, Japan (JITA)
	Japan Electrical Manufacturers' Association (JEMA)	
Mexico	The Mexican Solar Energy Association	The Canadian Chamber of Commerce in Mexico
Netherlands	Holland Solar	Energy Storage NL
New Zealand	Sustainable Energy Association of New Zealand (SEANZ)	
Peru	Peruvian Association of Renewable Energies (SPR)	
Portugal	The Portuguese Renewable Energy Association (APREN)	
Puerto Rico	Solar and Energy Storage Association (SESA)	
Romania	Romanian Photovoltaic Industry Association (RPIA)	
South Africa	South African Photovoltaic Industry Association (SAPVIA)	
Spain	Spanish Photovoltaic Union (UNEF)	SPAIN DC
	Association of Renewable Energy (APPA)	Asociación de Empresas de Mantenimiento de Energías Renovables (AEMER)
	Association of Storage (AEPIBAL)	Asociación Española del Hidrógeno (AeH2)
Sweden	Svensk Solenergi	
UK	Solar Energy UK	
USA	Kentucky Solar Industries Association (KYSEIA)	ACORE Executive
	Mid-Atlantic Renewable Energy Coalition (MAREC)	Advanced Power Alliance
	Solar Energy Industries Association (SEIA)	New York Battery and Energy Storage Technology (NY-BEST)
	Southern Renewable Energy Association (SREA)	Clean Grid Alliance
	Texas Solar Power Association	

Governance

At Canadian Solar, the Board of Directors (“Board”) is responsible for overseeing the management of the Company’s businesses and affairs. Our Board brings a broad spectrum of skills and extensive industry knowledge to the Company, which is crucial for supervising management performance, ensuring company success, and creating long-term value for our stakeholders.

Each director is required to stand for election at Canadian Solar’s Annual General Meeting (AGM). Our Corporate Governance Guidelines ([link](#)) serve as the guiding framework for the Board to exercise its responsibilities in the best interests of both the Company and our shareholders.

Mandate from the Board for Third-Party Audit of our Operations and Supply Chain

In May 2022, our Board passed a resolution mandating a third-party assessment, at a reasonable cost, on the extent to which Canadian Solar’s policies and procedures effectively protect against forced labour in its operations, supply chains, and business relationships. The assessment would draw upon international standards such as the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, and ILO Forced Labour Convention, 1930 (No. 29).

In response, the Company engaged RBA to conduct VAP audits at our operations and suppliers. The VAP audit is an extensive on-site review carried out by an RBA-accredited auditing firm, verifying a company’s compliance with the **RBA Code of Conduct** ([link](#)) through document reviews, facility tours, and employee interviews. This on-site audit covers labour practice (including no force labour), health and safety, environment, ethics, and management systems. The RBA audit is an industry gold standard in manufacturing facility on-site evaluations.

In 2023, we initiated an RBA VAP audit at our solar module manufacturing facility in Thailand, achieving silver-level recognition. In 2024, building on this success, we initiated another RBA VAP audit at our solar cell factory in Suqian, Jiangsu Province, China and earned silver level recognition. **Both audits demonstrate that Canadian Solar is in full compliance with the “Freely Chosen Employment” rules – in other words, no presence of forced labour in our operations.** Beyond our own audits, two of our polysilicon suppliers in Qinghai Province, China have initiated the RBA VAP audits at our request - audits are expected to be completed in the second half of 2025.

Responsible Supply Chain

Canadian Solar is committed to ethical sourcing and maintaining a responsible supply chain.

CSI Solar collaborates with third-party suppliers to ensure a responsible, reliable, and sustainable supply of all raw materials and components. These include solar silicon, ingots, wafers, cells, PV glass, aluminum, silver metallization paste, back sheets, and ethylene vinyl acetate encapsulants (EVA) for solar modules, as well as lithium iron phosphate (LFP) battery cells for our battery energy storage products. To strengthen supply chain control and cost efficiency, we have increased the level of integration of our in-house solar manufacturing capacity structure and are expanding our battery energy storage solution manufacturing capacity, while ramping up our manufacturing capacity for battery cells. This will further enhance product quality as well as our industry-leading position in both the solar and battery energy storage sectors.

Recurrent Energy is committed to embedding sustainability and ethical practices throughout our entire value chain. To mitigate ESG risks, we have developed robust supplier screening tools, implemented proactive management programs, and worked directly with suppliers to improve transparency and traceability. Additionally, by leveraging our operational scale, **Recurrent Energy** employs a centralized procurement strategy to ensure a stable and cost-effective supply of essential equipment for our project development business.

(b) Policies and due diligence processes

Policy Development, Communication, Training, and Compliance

Canadian Solar has established cross-functional teams, comprising compliance, HR, legal, procurement and ESG professionals, to develop and implement anti-modern slavery policies and procedures. These teams are responsible for delivering training programs and conducting due diligence to ensure the effectiveness of our anti-modern slavery policies and initiatives.

- Anti-Modern Slavery Policy ([link](#))
- Labor and Human Rights Policy ([link](#))
- Supplier Code of Conduct ([link](#))
- Code of Business Conduct and Ethics ([link](#))

(c) Forced labour and child labour risks

Anti-Modern Slavery Efforts in Our Own Operations

All our global manufacturing entities are required to sign a “Statement of Anti-Modern Slavery Risk Management” on an annual basis. As part of this process, our HR directors or managers are required to confirm that their respective manufacturing entities comply with all applicable laws, regulations, and company policies regarding forced labour. They must explicitly affirm that their respective factories are not involved in any activities associated with forced labour. This statement has been developed based on key internationally recognized principles and guidance, including the Ten Principles of the UN Global Compact (UNGC) ([link](#)) and the International Labour Office Indicators of Forced Labour, from which the UNGC Principles are partially derived.

Furthermore, we administer mandatory training on anti-modern slavery, both as part of our employee onboarding process and through annual training sessions. These programs aim to heighten our employees' awareness of anti-modern slavery initiatives, with a particular focus on combating forced labour.

Canadian Solar's manufacturing sites have undergone multiple third-party ESG audits. In addition to the self-initiated RBA VAP audits conducted at our Thailand and Suqian factories in 2023 and 2024, respectively, many of our factories have successfully completed and passed external third-party ESG audits requested by our customers. These audits involved a detailed review of our environmental, health and safety practices as well as our labour practices, and were conducted by leading independent international audit firms such as Achilles, BSI, Kiwa, STS, and TÜV Rheinland. Moreover, we have worked closely with our customers and their advisors to develop and deliver human rights training to the relevant Canadian Solar business areas.

Modern Slavery Risk Assessment and Contractual Assurance from Suppliers

We extend our anti-modern slavery initiatives to include our supply chain. Before engaging with new manufacturing suppliers, our central procurement team conducts a comprehensive modern slavery risk assessment. We also require our suppliers to provide contractual assurances confirming that they are not involved in any form of modern slavery, which requires them to investigate their own supply chains to ensure their suppliers do not engage in modern slavery.

Supplier Code of Conduct

To maintain a responsible supply chain, we require all our suppliers to adhere to Canadian Solar's Supplier Code of Conduct ([link](#), the "Code"). Our Code is primarily derived from the RBA Code of Conduct and extends beyond the basic requirement of prohibiting modern slavery. It addresses broader issues related to the environment, health and safety (EHS), labour, human rights, and business ethics. Specifically, suppliers must comply with relevant regulations, control hazards and pollution, and provide necessary training as well as a safe working environment. In terms of labour standards, the use of child labour, forced labour, and modern slavery is strictly prohibited. In addition, upholding human rights and promoting equal employment opportunities are essential aspects of our Code. In the area of business ethics, suppliers are required to maintain high ethical standards, including following anti-corruption laws and disclosing third-party relationships with written approval.

Compliance with our Code, serves as an integral part of our due diligence process for assessing suppliers. Furthermore, we require our suppliers to ensure that their own supply chains operate in accordance with the Code's principles. This ensures that not only our direct suppliers but also our indirect suppliers - our suppliers' suppliers - uphold the obligation set forth in the Code, promoting ethical business practices throughout the network.

(d) Remediation measures

We have not identified any forced labour or child labour in our activities and supply chains. Therefore, we have not had to take any measures to remediate such practices.

(e) Remediation of loss of income

We have not identified any loss of income to vulnerable families as we have not had to take any measures to eliminate the use of forced labour or child labour in our activities and supply chains.

(f) Training

Anti-Modern Slavery Initiatives

Canadian Solar does not tolerate forced labour or any form of modern slavery. We are committed to ensuring that modern slavery does not take place anywhere in our businesses, including our supply chain. To achieve this, we have implemented robust anti-forced labour measures, including the development of policies, targeted training, enforcement, and compliance.

Business Ethics Awareness and Compliance Trainings

At Canadian Solar, we ensure that all our employees are well-informed and trained on our compliance policies, which are publicly available on our website ([link](#)). We conduct annual training sessions for existing employees. These sessions cover key definitions, responsibilities of Canadian Solar employees, supplier expectations, among other topics. As part of our training process, we may also administer assessments to measure the successful completion of each training by our employees. Below are examples of business ethics awareness and compliance training sessions offered to our employees at Canadian Solar:

Training / Result Review	Scope	Frequency
Business ethics training (including on the Foreign Corrupt Practices Act (FCPA))	All employees	Annual and at least quarterly for new employees
Anti-modern slavery training	All employees	Annual and at least quarterly for new employees
Data Protection	Employees in designated functions	Annual and at least quarterly for new employees
Compliance declaration and questionnaire, declaring any conflicts of interest and related party transactions, and acknowledging and adhering to Canadian Solar's policies and procedures	All employees from the sales, procurement, and business development departments, as well as all managers and above from other departments	Annual
Compliance test on compliance awareness and Canadian Solar's policies and procedures	All employees	Annual

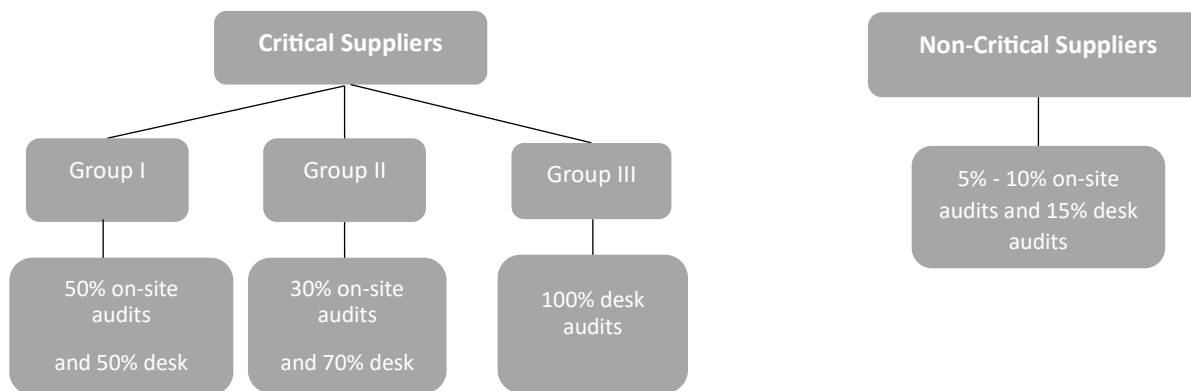
(g) Assessing effectiveness

Supplier ESG Audits

We have implemented a rigorous ESG auditing program to ensure that our suppliers adhere to our ESG standards as outlined in the Code and to effectively manage ESG risks across our supply chain. This program covers key areas such as quality, human rights, EHS, and business ethics. The auditing process includes

both on-site and desk-based evaluations. Those who fail to meet our standards risk severing their business relationship with the Company, particularly if they fail to adequately address our warnings. To support our suppliers, we provide compliance training on the Code and consultations to help them enhance their practices in line with our ESG priorities.

Each year, we conduct a thorough mapping of our supplier base to identify our critical suppliers based on our purchasing expenditure and the potential ESG risks associated with their industry, size, and operations. These critical suppliers are then classified into different groups based on their risk level and are subject to either onsite or desk audits depending on their risk profile. Additionally, our auditing program extends to a subset of non-critical suppliers, ensuring a holistic approach to managing ESG risks across our supply chain.



Our auditing program requires suppliers to respond to the Company’s questionnaires and provide supporting documentation. Responses are assessed using a system of "veto" and "scored" criteria. A negative response in the veto criteria, such as the potential presence of forced or child labour, will result in the immediate disqualification of the supplier. To pass, suppliers must attain a minimum score of 60 on our audits. Those who fail to meet this threshold receive warnings and are offered consultation to help them address the identified issues. If they continue to fall short of our required standards within a specified period of 1 to 6 months post-consultation, they will be disqualified. Our ESG questionnaires are regularly reviewed to incorporate prevailing ESG standards. For example, in 2024, we updated our questionnaire to collect scopes 1 and 2 GHG emissions data from our suppliers.

In 2024, we conducted a total of 147 supplier ESG audits, including 31 on-site audits—an increase from 129 total audits and 29 on-site audits in 2023. The major findings primarily involved environmental issues, with no cases of forced or child labour identified. Specifically, the top five criteria for which scores were deducted among our suppliers related to whether the company obtained ISO 50001 energy management system certification; whether the company regularly publishes a sustainability report; whether the company has conducted a life cycle assessment of its products in accordance with ISO 14040/44; whether the company monitors and reports GHG emissions; and whether the company has established procedures to manage the use of declarable substances listed in IEC62474 within its products. Of the 147 suppliers audited, approximately 82% achieved ISO 14001 environmental management system certification, and 73% achieved ISO 45001 occupational health and safety management certification. To improve our suppliers' environmental practices, we partner with them by

providing training and support on best practices and collaboratively developing public time-bound action plans. Following consultation and the implementation of corrective action plans, all suppliers successfully passed our 2024 ESG audits.

Beyond our own audits, two of our polysilicon suppliers in Qinghai Province, China have initiated the RBA VAP audits at our request - audits are expected to be completed in the second half of 2025.

About this report

This report was produced as a collective effort across various departments in Canadian Solar. We would like to express our gratitude to those who contributed to the production of this report.

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Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c. 9 (the Act), and in particular section 11 thereof, I attest that I have reviewed the information contained in the report on behalf of the governing body of the entity listed above (Canadian Solar Inc.). Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report. This report was approved pursuant to section 11(4)(a) of the Act, being approval by the entity's governing body.

xinbo.zhu 朱昕波

Signed: _____

Name: Xinbo Zhu

Title: Director

Date: 05/28/2025

As a member of its Board of Directors, I have the authority to bind Canadian Solar Inc.