



2025 REPORT



# 2025 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, 2025.

## 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 25 years, Canadian Solar has successfully delivered over 174 GW of premium-quality, solar photovoltaic modules to customers across the world. Through its subsidiary e-STORAGE, Canadian Solar has shipped over 18 GWh of battery energy storage solutions to global markets as of December 31, 2025, boasting a \$3.6 billion contracted backlog as of March 13, 2026. Since entering the project development business in 2010, Canadian Solar has developed, built, and connected approximately 12 GWp of solar power projects and 6.2 GWh of battery energy storage projects globally. Its geographically diversified project development pipeline includes 24 GWp of solar and 83 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.

## International Sustainability Recognitions and Initiatives

### Solar Stewardship Initiative (SSI)

Canadian Solar became a member of the SSI ([link](#)) in May 2024, a European industry initiative set in motion by SolarPower Europe and Solar Energy UK in March 2021 to promote sustainable production in the solar value chain. The SSI enjoys the endorsement of the International Finance Corporation and the European Investment Bank.



As a member of the SSI, Canadian Solar is committed to adhering to the SSI Standards, which offer a solar-industry-specific approach to advancing supply chain sustainability. SSI's ESG Standards cover key areas including governance and business ethics, responsible sourcing and due diligence, environment, and human and labor rights.

In 2025, our Suqian solar cell factory and Baotou ingot factory underwent the SSI ESG assessments and received the Silver and Bronze certifications ([link](#)), respectively. The assessments, conducted by Kiwa, confirmed that Canadian Solar's audited factories conformed with SSI's Freely Chosen Employment standard, which certifies that they are free of forced labor.

## Responsible Business Alliance (RBA) Validated Assessment Program (VAP)



The RBA VAP ([link](#)) is a global leading industry standard for on-site compliance verification conducted by RBA-accredited independent, third-party firms. The on-site audit program assesses a factory’s practices against the RBA Code of Conduct, covering five key areas: labor rights (including the prohibition of forced labor), health and safety, environment, ethics, and management systems. Established in 2004 and headquartered in Virginia, U.S. the RBA has grown to become the world’s largest industry coalition dedicated to advancing corporate social responsibility across global supply chains.

Canadian Solar’s solar cell factory in Suqian, Jiangsu Province, China earned the Silver-level recognition in April 2025, following the receipt of a Silver-level recognition at the Company’s solar module factory in Thailand in 2023. Both audit results exceeded country and industry-average levels and confirmed that Canadian Solar’s audited factories conformed with RBA’s Prohibition of Forced Labor standards, which certifies that they are free of forced labor.

## Institutional Shareholder Services (ISS) ESG Corporate Rating, Prime Status

Canadian Solar has once again achieved Prime ESG status, with our ISS ESG rating upgraded from B to B+ in April 2025. This achievement places Canadian Solar among the top 2% of companies in the semiconductor industry, underscores Canadian Solar’s sustained progress in ESG practice. A “Prime” status represents the highest level of ESG recognition, awarded to companies that demonstrate exceptional commitment to sustainability. ISS ESG solutions enable investors to develop and integrate responsible investing policies and practices, engage on responsible investment issues, and monitor portfolio company practices through screening solutions. ISS was founded in 1985 and headquartered in Maryland, United States.



## EcoVadis, Silver Sustainability Rating



In May 2025, Canadian Solar maintained its Silver rating from EcoVadis, one of the world’s largest and most trusted providers of business sustainability ratings, headquartered in Paris, France. This rating result places Canadian Solar within the top 4% of industry peers assessed by EcoVadis and among the top 9% of all companies evaluated worldwide.

EcoVadis’s evaluation was based on 21 corporate social responsibility indicators across four themes: environment, labor and human rights, ethics, and sustainable procurement. Notably, within the industry, Canadian Solar ranked among the top 3% and top 4% for environment and sustainable procurement respectively. This accomplishment underscores Canadian Solar’s unwavering dedication to sustainable practices.

## United Nations Global Compact (UNGC)

Canadian Solar became a participant in the United Nations Global Compact (UNGC), the world’s largest voluntary corporate sustainability initiative ([link](#)), in June 2023. By joining UNGC, we are committed to aligning our business operations with the UNGC’s Ten Principles, covering human rights, labor, environmental stewardship, and anti-corruption, while supporting the achievement of the United Nations Sustainable Development Goals (SDGs). Our 2025 Communication on Progress (CoP) outlines our actions and progress in implementing the Ten Principles and UN SDGs.



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

### Sustainability at Canadian Solar

Canadian Solar is a global leader in solar technology and the renewable energy industry, generating 100% of our revenues from renewable energy solutions. Our mission is to power the world with solar energy and create a better and cleaner Earth for future generations. To support long-term sustainability, we are committed to continuously enhancing our practices and embedding Environmental, Social, and Governance (ESG) principles across our business operations and decision-making processes.

#### Environmental - working sustainably within our planetary boundaries

- GHG emissions, energy, water and waste intensities management
- 100% renewable energy commitment by 2030
- ≤ 10 months solar PV system and energy storage carbon payback period
- Circular economy
- Environmental stewardship in project development
- Assessing climate-related risks and opportunities

#### Social - committing to socially responsible and equitable outcomes

- Equal opportunity employer
- Talent strategy, training, and development
- Freedom of association and collective bargaining
- Occupational health and safety
- Community commitment and partnerships

#### Governance - demonstrating responsible conduct

- Policies and procedures
- Board-level oversight
- Appropriate due diligence processes
- Responsible supply chain management
- Robust sustainability reporting
- Transparency and risk management

The following corporate policies provide a framework for Canadian Solar's sustainability commitments:

#### Environmental

*Environment, Occupational Health, and Safety Policy ([link](#))*

#### Social

*Labor and Human Rights Policy ([link](#))*  
*Equal Employment Opportunity Policy ([link](#))*  
*Anti-Modern Slavery Policy ([link](#))*  
*Diversity Policy ([link](#))*  
*Supplier Code of Conduct ([link](#))*  
*Conflict Minerals Policy ([link](#))*

#### Governance

*Code of Business Conduct and Ethics ([link](#))*  
*Whistleblower Policy ([link](#))*  
*Insider Trading Policy ([link](#))*  
*Related-party Transactions ([link](#))*  
*Prohibition against Giving Bribes ([link](#))*  
*Prohibition against Accepting Bribes ([link](#))*  
*Antitrust Policy ([link](#))*

### Double Materiality Analysis

To ensure our sustainability strategy aligns with stakeholder expectations, we conducted double materiality assessments (DMAs) at the Manufacturing segment and at Recurrent Energy following applicable regulatory frameworks. A DMA identifies the sustainability topics most relevant to a company and its stakeholders by evaluating two dimensions: impact materiality—how a company's operations impact the environment and society (inside-out perspective), and financial materiality—how sustainability-related risks and opportunities affect its financial performance (outside-in perspective). The purpose of a DMA is to prioritize

sustainability topics, impacts, risks, and opportunities (IROs), enabling the development of an ESG program that effectively mitigates risks, captures opportunities, and addresses stakeholder expectations.

**Manufacturing** conducted the double materiality assessment (DMA) in 2025 to identify and prioritize key sustainability topics. The process began with a review of its operations and value chain, leading to 23 topics for evaluation. A cross-functional workshop assessed financial materiality based on likelihood and potential financial impact, while a stakeholder survey evaluated impact materiality regarding effects on society and the environment. By integrating insights from both assessments, Manufacturing identified ten priority sustainability topics, including climate change, product quality, and supply chain management. These findings guide Manufacturing's sustainability strategy, ensuring alignment with stakeholder expectations while supporting long-term value creation.

**Recurrent Energy** performed an in-depth DMA in 2024 using a multi-dimensional approach, analyzing its operations, stakeholder interactions, and industry context from both internal and external perspectives. The process identified five key trends—climate change, supply chain transparency, technology advancement, biodiversity preservation, and reporting/transparency—which shaped its ESG topics. Ultimately, Recurrent Energy identified 14 material topics, including climate change, ecosystem and land use, and responsible supply chain, closely aligning with the European Sustainability Reporting Standards (ESRS).

## Human Rights Due Diligence

Canadian Solar is committed to respecting, protecting, and promoting human rights across all aspects of our global operations and supply chain. To translate this commitment into systematic action, we are establishing a management system in 2026 to enhance our human rights due diligence practices. This system applies to all employees in our manufacturing facilities and offices, as well as to our business partners, including suppliers and contractors.

Guided by key international principles, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises, our human rights due diligence system is designed to identify, prevent, mitigate, and address actual and potential human rights impacts. The system also aligns with the applicable local laws and integrates human rights considerations into corporate policies such as Labor and Human Rights Policy ([link](#)) and Supplier Code of Conduct ([link](#)). Human rights due diligence is conducted on an annual basis to ensure ongoing monitoring and continuous improvement.

A structured, risk-based approach is applied to identify and assess human rights risks across operations and the supply chain. This includes employee and supplier surveys, internal assessments, and third-party audits. Key focus areas include freely chosen employment, child and young worker protection, non-discrimination, fair wages and working hours, occupational health and safety, ethical recruitment, and freedom of association. Identified risks are prioritized based on severity and likelihood, enabling the Company to allocate resources effectively and implement targeted mitigation measures.

To ensure accountability and effectiveness, we have defined clear governance responsibilities, tracking mechanisms, and grievance channels. Corrective actions are implemented for the identified risks, including immediate intervention in cases of severe violations. Canadian Solar will transparently report through our sustainability disclosures and provides accessible grievance mechanisms to employees and supply chain workers. Through continuous review and stakeholder engagement, Canadian Solar aims to strengthen our human rights performance and support long-term sustainable value creation.

## (a) Structure, activities and supply chains

### Structure

On December 1, 2025, Canadian Solar announced a strategic initiative to resume direct oversight of its U.S. operations. The Company has formed a new joint venture with its majority-owned subsidiary, CSI Solar Co., Ltd. (“CSI Solar”), by holding a 75.1% controlling stake in CS PowerTech Inc. (“CS PowerTech”), which operates U.S.-based manufacturing and sales of solar modules, solar cells, and advanced energy storage systems. Following the consummation of this strategic initiative, Canadian Solar’s business is organized into two segments:

- **Manufacturing**, comprising CS PowerTech, which focuses on the manufacturing and sales of solar products, battery energy storage products, and other power technology products for the U.S. market, and CSI Solar, which serves all other global markets; and
- **Recurrent Energy**, which focuses on solar power and battery storage project development, asset sales, power services, and electricity revenue from its operating portfolio.

### Canadian Solar Global Offices and Manufacturing Operations



Select locations listed.

## Working at Canadian Solar

As of December 31, 2025, Canadian Solar's global workforce consisted of 12,587 individuals, including 12,506 full-time employees and 81 trainees. Among these, 11,340 individuals were employed at Manufacturing and 1,189 at Recurrent Energy, with the remaining 58 at corporate level. Additionally, we collaborated with approximately 958 contractors globally in 2025.

## Non-Governmental Organizations and Membership

Country	Organizations (2025)	
Australia	Australia Clean Energy Council Modern Slavery Working Group	Clean Energy Investor Group
	CEC Market Operations and Grid Directorate	Smart Energy Council
Brazil	Brazilian Solar Photovoltaic Energy Association (ABSOLAR)	Brazilian Energy Storage Association (ABSAE)
Canada	Canadian Renewable Energy Association	
Chile	The Chilean Association of Renewable Energies and Storage	
Colombia	The Association of Renewable Energies Colombia (SER Colombia)	
Costa Rica	The Costa Rican Solar Energy Association	
China	China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME)	China Photovoltaic Industry Association (CPIA)
France	Syndicat des Énergies Renouvelable (SER)	France Agrivoltaïsme
Fiji	Pacific Power Association	
Germany	Bundesverband Solarwirtschaft (BSW)	Bundesverband Energiespeicher Systeme (BVES)
Ireland	Irish Solar Energy Association (ISEA)	Energy Storage Ireland
Italy	Elletricita Futura	Italia Solare
Japan	Energy Resources Aggregation (a business association)	Japan Photovoltaic Energy Association (JPEA)
	Japan Climate Initiative (JCI)	Principles for Responsible Investment (PRI) Signatory
	Japan Climate Leaders' Partnership (JCLP)	Renewable Energy Association for Sustainable Power Supply (REASP)
	Japan Electrical Manufacturers' Association (JEMA)	Investment Trusts Association, Japan (JITA)
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)	
Portugal	The Portuguese Renewable Energy Association (APREN)	
Romania	Romanian Photovoltaic Industry Association (RPIA)	
South Africa	South African Photovoltaic Industry Association (SAPVIA)	

<b>Spain</b>	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)
<b>Sweden</b>	Svensk Solenergi	
<b>United Kingdom</b>	Solar Energy UK	
<b>United States</b>	Kentucky Solar Industries Association (KYSEIA)	Texas Solar Power Association
	Mid-Atlantic Renewable Energy Coalition (MAREC)	ACORE Executive
	Solar Energy Industries Association (SEIA)	Advanced Power Alliance
	American Clean Power Association	New York Battery and Energy Storage Technology (NY-BEST)
	Southern Renewable Energy Association (SREA)	Clean Grid Alliance

## Governance

Effective governance underpins Canadian Solar’s commitment to responsible business practices and sustainable growth. Our Board of Directors (“Board”) and independent committees oversee strategic direction, risk management, and sustainability performance, ensuring accountability and transparency throughout the organization. Comprehensive policies on business ethics, compliance, and stakeholder engagement guide our operations worldwide, while regular board-level review of sustainability priorities ensures that sustainability remains integral to our decision-making and long-term value creation.

Each director stands for election annually at Canadian Solar's Annual General Meeting (AGM). Our Corporate Governance Guidelines ([link](#)) provide the framework for the Board to exercise its responsibilities in the best interests of the Company and our shareholders.

## Board Committees

To effectively fulfill its responsibilities, our Board has established five specialized committees. These include the Sustainability Committee, Audit Committee, Compensation Committee, a Nominating and Corporate Governance Committee, and Technology Committee, all of which are chaired by independent board members. These committees convene regularly with our senior management team and external auditor to conduct a comprehensive evaluation of the Company's business performance and risk management practices.

<b>Committee Name</b>	<b>Responsibilities</b>
<b>Sustainability Committee</b>	The Committee's responsibilities encompass overseeing the Company’s sustainability strategy, targets and key performance indicators. The committee also reviews and approves all material disclosure regarding sustainability issues, including the Company’s annual sustainability Report.

<b>Audit Committee</b>	The Committee oversees the Company's accounting and financial reporting processes, as well as the auditing of the Company's financial statements.
<b>Compensation Committee</b>	The Committee conducts reviews and evaluations of the Company's compensation plans, policies, and programs. The Committee ensures that compensation programs are designed to encourage high performance, promote accountability and assure that employee interests are aligned with the interests of the Company's shareholders.
<b>Nominating and Corporate Governance Committee</b>	The Committee identifies qualified candidates for the Board, selects nominees for election as directors at the next annual meeting of stockholders, and selects candidates to fill any vacancies on the Board. Additionally, it develops and recommends a set of corporate governance guidelines and principles for the Board's consideration, which are applicable to the Company. The committee oversees the evaluation of both the Board and Company management, while also monitoring compliance with the Company's Code of Business Conduct and Ethics.
<b>Technology Committee</b>	The Committee reviews, provides guidance, and offers recommendations to both the Company's management and the Board on matters pertaining to the Company's technology strategy, initiatives, and investments, all in support of the Company's overarching strategy and performance.

## **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 labor 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 Labor Convention, 1930 (No. 29).

In response, the Company engaged globally recognized third party agencies to conduct ESG audits.

In 2023, we completed an RBA VAP audit at our solar module manufacturing facility in Thailand, achieving Silver-level recognition. In 2025, building on this success, we completed another RBA VAP audit at our solar cell factory in Suqian, Jiangsu Province, China, and earned Silver-level recognition. The VAP audit is an extensive on-site review that verifies a company's compliance with the RBA Code of Conduct ([link](#)), covering labor practice (including the prohibition of forced labor), health and safety, environment, ethics, and management systems.

In 2025, we also completed the European Solar Stewardship Initiative (SSI) ESG audits ([link](#)) at our solar cell factory in Suqian, Jiangsu Province, and our solar ingot factory in Baotou, Inner Mongolia, China, receiving Silver and Bronze certifications, respectively. The SSI ESG audits cover key areas including governance and business ethics, responsible sourcing and due diligence, environment, and human and labor rights.

Both the RBA and SSI assessments confirmed that Canadian Solar's audited facilities conformed with the Freely Chosen Employment standards, which certifies that they are free of forced labor.

Beyond third-party audits at our own operations, two of our polysilicon suppliers in Qinghai Province, China completed the RBA VAP audits in 2025 at our request, and each earned a Silver-level recognition. The audits also revealed no forced labor at the operations of these two suppliers.

## Responsible Supply Chain

At Canadian Solar, we are committed to building a responsible, transparent, and resilient supply chain that reflects our core values and enables sustainable growth. We partner with suppliers to uphold rigorous standards of environmental stewardship, ethical business conduct, and human rights, guided by our Supplier Code of Conduct and aligned with internationally recognized frameworks. Through robust due diligence, continuous monitoring, and targeted capacity-building, we aim to cultivate long-term supplier relationships grounded in shared accountability and a mutual commitment to sustainability.

For our **Manufacturing** operations, we collaborate with third-party suppliers to secure a responsible, stable, and cost-effective supply of raw materials and components across our product portfolio. These include solar silicon, ingots, wafers, cells, PV glass, aluminum, silver metallization paste, back sheets, and ethylene vinyl acetate (EVA) encapsulants for solar modules, as well as lithium iron phosphate (LFP) battery cells for our battery energy storage products.

**Recurrent Energy** procures solar modules and battery energy storage products from CS PowerTech and CSI Solar in transactions intended to be priced on an arm's length basis, as well as from certain third-party suppliers. We have centralized procurement operations to optimize project construction costs and secure competitive terms with key suppliers, enhancing our ability to compete on cost given the large procurement quantities.

### (b) Policies and due diligence processes

#### Policy Development, Communication, Training, and Compliance

To support and strengthen our approach to preventing modern slavery, Canadian Solar has cross-functional teams comprising professionals from human resources, compliance, legal, procurement, supplier quality engineering, and ESG functions. These teams advance the Company's policies and procedures, lead targeted training programs, and conduct due diligence activities to embed our anti-modern slavery requirements across our operations and supply chain.

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

#### Ethical Business Conduct



At Canadian Solar, we are committed to conducting business with the highest standards of integrity, transparency, and accountability. Our commitment to integrity is embedded in a comprehensive ethics framework that includes a Code of Business Conduct, anti-corruption policies, and whistleblower protections. We enforce zero tolerance for unethical behavior and expect the same standards from our partners and suppliers. Through ongoing training, independent oversight, and a speak-up culture, we foster an environment where employees at every level are empowered to act responsibly and report concerns without fear of retaliation, reinforcing our commitment to trust, fairness, and long-term value creation.

Below is a summary of our principal governance documents and guidelines:

Policy	Area of Focus
<b>Code of Business Conduct and Ethics</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Environment, health, and safety</li> <li>• Harassment and discrimination</li> <li>• Employment practices (including anti-discrimination, freedom of association, collective bargaining, and privacy)</li> <li>• Conflicts of interest</li> <li>• Confidential information</li> <li>• Competition and fair dealing</li> <li>• Gifts and entertainment expenses</li> </ul>
<b>Whistleblower Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Provides a 24/7 reporting channel where internal and external stakeholders can report their concerns on fraud, financial reporting, breaches of compliance policies, etc. to the Board</li> <li>• Protection from retaliation for whistleblowers</li> <li>• Anonymous reporting and confidentiality</li> </ul>
<b>Insider Trading Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Procedure for preventing insider trading</li> </ul>
<b>Related-Party Transactions</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Policy and procedures on reporting, approval, and disclosure of related-party transactions</li> </ul>
<b>Anti-Corruption Policies</b>	<ul style="list-style-type: none"> <li>• Prohibition against Giving Bribes <a href="#">(link)</a></li> <li>• Prohibition against Accepting Bribes <a href="#">(link)</a></li> </ul>
<b>Anti-Modern Slavery Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Measures taken to ensure modern slavery does not occur anywhere in Canadian Solar’s businesses, including through our supply chain</li> </ul>
<b>Labor and Human Rights Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• The labor and human rights standards to which Canadian Solar’s employees are entitled</li> </ul>
<b>Equal Employment Opportunity Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Canadian Solar’s commitment to providing an equal opportunity and discrimination-free workplace</li> </ul>
<b>Diversity Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Canadian Solar's commitment to fostering a workplace where all individuals are treated with respect, dignity, and fairness, and feel valued, included, and empowered to contribute to shared goals</li> </ul>
<b>EHS Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Canadian Solar’s guiding principles and objectives for environmental preservation and providing a healthy and safe workplace for employees</li> </ul>
<b>Supplier Code of Conduct</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Canadian Solar’s standards on human rights, environmental protection, health, safety, and business ethics for our suppliers and their suppliers</li> </ul>
<b>Conflict Minerals Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Measures taken to ensure Canadian Solar’s supply chain remains free of conflict minerals illegally produced in the Democratic Republic of Congo and its neighboring countries</li> </ul>
<b>Antitrust Policy</b> <a href="#">(link)</a>	<ul style="list-style-type: none"> <li>• Canadian Solar's commitment to promoting free and open competition in line with our core values of conducting all business activities with the highest legal and ethical standards</li> </ul>

## **(c) Forced labour and child labour risks**

### **Anti-Modern Slavery Efforts in Our Own Operations**

Anti-modern slavery is a priority topic with the HR head of each global manufacturing sites being required to provide a "Statement of Anti-Modern Slavery Risk Management", confirming that their respective factories comply with all applicable laws, regulations, and company policies on anti-forced labor, and explicitly affirming that no forced labor activities occur within the factories. This statement is grounded in internationally recognized principles and guidance, including the Ten Principles of the UN Global Compact (UNGC) and the International Labor Office Indicators of Forced Labor, from which the UNGC Principles are partially derived.

We also require all employees to complete mandatory anti-modern slavery training, delivered during onboarding and through annual refresher sessions. These programs strengthen employee awareness of our anti-modern slavery initiatives, with particular emphasis on identifying and preventing forced labor.

Canadian Solar's global manufacturing sites have undergone multiple third-party ESG audits. We completed self-initiated RBA VAP audits at our Thailand solar module factory in 2023 and our Suqian solar cell factory in China in 2025, each earning Silver-level recognition. We also completed SSI ESG audits at our Suqian solar cell factory and Baotou ingot factory in 2025, receiving Silver and Bronze certifications respectively. In addition, external audits were conducted at multiple sites to meet customer requirements. These independent assessments, performed by internationally recognized firms including Achilles, BSI, Kiwa, STS, and TÜV Rheinland, evaluated key areas including environmental performance, health and safety management, and labor practices. We leverage these third-party audits and ongoing stakeholder engagement to drive continuous improvement across our operations.

### **Modern Slavery Risk Assessment and Contractual Assurance from Suppliers**

Our anti-modern slavery commitments extend to our supply chain. Prior to engaging new manufacturing suppliers, our central procurement team performs a comprehensive modern slavery risk assessment. We further require all suppliers to provide contractual assurances confirming that neither they nor their supply chain partners engage in any form of modern slavery and that they will take appropriate steps to prevent, identify, and address modern slavery risks in their own supply chains. This obligation requires them to investigate their upstream supply chains to ensure their suppliers do not engage in modern slavery.

### **Supplier Code of Conduct**

To ensure responsible sourcing, Canadian Solar expects all suppliers to adhere to our Supplier Code of Conduct ([link](#), "Code"), which is grounded in the principles of the RBA Code of Conduct ([link](#)). Our Code also sets out clear expectations for suppliers' business conduct, aligned where applicable with internationally recognized frameworks, including the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

Our Supplier Code of Conduct establishes standards for labor rights, occupational health and safety, environmental responsibility, and business ethics throughout the supply chain. Specifically, suppliers must comply with all applicable laws and regulations, control hazards and pollution, provide necessary training, and maintain a safe working environment. In terms of labor standards, the use of child labor, forced labor, and modern slavery is strictly forbidden. In addition,

upholding human rights and promoting equal employment opportunities are essential requirements. In the area of business ethics, suppliers are required to maintain high standards, including adherence to anti-corruption laws.

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 obligations set forth in the Code, promoting ethical business practices throughout the entire 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 has zero tolerance for forced labor and all forms of modern slavery. We are committed to ensuring that modern slavery does not occur in any part of our operations or supply chain. To uphold this commitment, we have embedded comprehensive anti-modern slavery measures, including development of policies, targeted training, rigorous enforcement mechanisms, and ongoing compliance monitoring.

**Business Ethics Awareness and Compliance Training**

Canadian Solar is committed to ensuring that all employees understand and adhere to our compliance policies, which are publicly available on our website ([link](#)). We support this commitment through regular training programs. These courses address core policy definitions and employee responsibilities. To reinforce learning and verify comprehension, we conduct assessments to evaluate employees' understanding and training completion. Examples of our business ethics and compliance awareness training programs, along with associated compliance program activities and results reviews, are outlined below.

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 training	Employees in designated functions	Annual and at least quarterly for new employees
Annual assessment on Canadian Solar's policies, procedures and employees' understanding of their roles and responsibilities	All employees	Annual
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

## **(g) Assessing effectiveness**

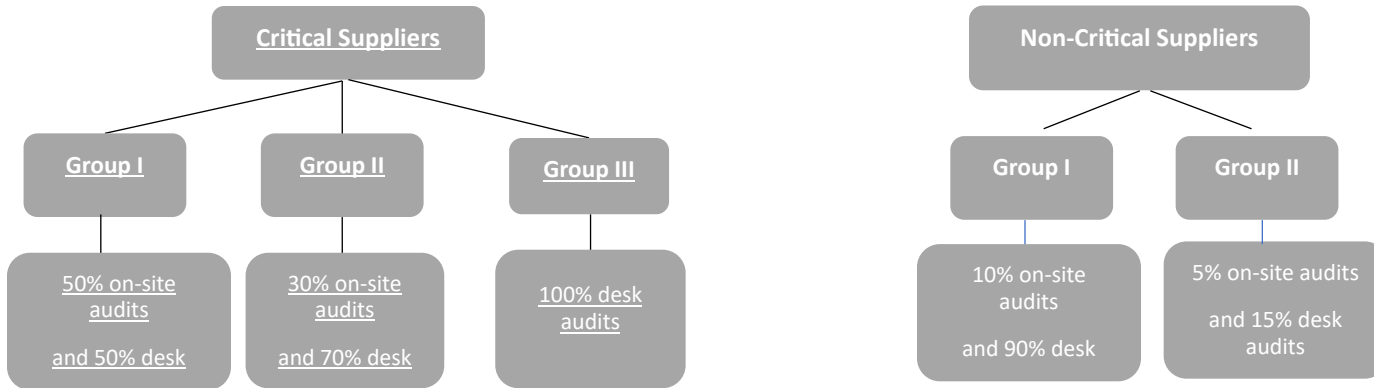
### **Supplier ESG Audits**

We have implemented a rigorous ESG auditing program for our Manufacturing operations to ensure that our suppliers adhere to our ESG standards as outlined in our Supplier Code of Conduct and to effectively manage ESG risks across our supply chain. This program covers key areas such as quality, human rights, occupational health and safety, 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.

Every year, we perform a comprehensive mapping of our supplier base to identify critical suppliers. This identification process considers both purchasing expenditure and potential ESG risks associated with each supplier's industry and operational scale. Critical suppliers are categorized according to their risk profile, with higher-risk suppliers prioritized for on-site audits and lower-risk suppliers subject to desk-based evaluations. The program also includes a representative sample of non-critical suppliers to ensure comprehensive risk coverage.

Participating suppliers are required to complete our ESG questionnaires and submit supporting documentation. Our assessment framework employs two types of criteria: "veto" criteria and "scored" criteria. A negative finding on any veto criterion, for example, evidence suggesting the presence of forced labor or child labor, leads to automatic disqualification. To pass the audit, suppliers must achieve a minimum score of 60. Suppliers scoring below this threshold receive formal warnings and are offered consultations to address identified deficiencies. Should a supplier continue to fall short of the required standards within one to six months following consultation, they will be disqualified from the supply base.

Our ESG questionnaires are subject to regular review to ensure alignment with prevailing ESG standards and best practices. For instance, in 2025, we added a requirement for suppliers to report on whether they have set energy consumption and GHG emission reduction targets, or whether they have joined the Science Based Targets initiative (SBTi).



In 2025, we completed 121 supplier ESG audits, including 47 on-site audits, compared to 147 total audits and 31 on-site audits in 2024. While the total volume of audits decreased due to a reduction in our total number of suppliers, we increased the number of on-site audits as we prioritized and expanded our audit schedule for silicon-based suppliers.

The 2025 audit primarily identified issues related to the lack of product life cycle assessment, insufficient GHG emissions management, and inadequate sustainability disclosure. To address these gaps, we plan to engage suppliers through targeted capacity building training programs, covering the SBTi, product lifecycle assessment and sustainability disclosure.

Of the audited suppliers, approximately 87% achieved ISO 14001 environmental management system certification and 74% achieved ISO 45001 occupational health and safety management system certification, up from 82% and 73% in 2024, respectively. After consultation and the implementation of corrective action plans, all our suppliers passed our audits, with no presence of forced labor.

Beyond our own audits, two of our key polysilicon suppliers in Qinghai Province, China, completed RBA VAP audits at our request in 2025, each achieving Silver-level recognition, a result higher than the country and industry averages. The RBA VAP audits also revealed no forced labor at the operations of these two suppliers.


### 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.

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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.

Signed:  \_\_\_\_\_

Name: Colin Parkin

Title: Director, Chief Executive Officer

Date: May 31, 2026

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