

**Renewable Energy & Human Rights Benchmark 2023
Company Profile**

Company name Canadian Solar
Sub-sector Solar Panel Manufacturer
Overall score 8.4% weighted average

Section score	Weighting	For section
19.1%	20%	1. UNGP core indicators
7.1%	40%	2. Salient human rights risks
0.0%	20%	3. Serious allegations
N/A	20%	4. ACT assessment as conducted by the World Benchmarking Alliance*

Please read the disclaimer at the end of this scorecard and refer to the full methodology when perusing this scorecard. The methodology as well as additional analysis can be found here: business-humanrights.org

The use of the label "Not met" in the research does not necessarily mean that the company does not meet the requirements as they are described in the accompanying bullet point short text. Rather, it means that the analysts could not find information in public sources that met the requirements as described in full in the 2023 Renewable Energy & Human Rights Methodology document. It is possible that a Company meets the criteria without yet publishing the relevant evidence of doing so. This may include cases where a company has claimed to meet the criteria in the engagement phase or otherwise but where the public record was still not sufficient to meet the criteria by the relevant cut off dates.

Detailed assessment

1. UNGP core indicators based on the 2022 CHRB methodology (20% of total)

A. Policy commitments and governance

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: General HRs commitment: The Company states that it 'complies with all applicable laws respecting human rights. The Company is committed to ensuring that all employees and persons impacted by our business are treated fairly, respectfully and with dignity and that it is not complicit in any human rights abuses.' However, this is not a strong enough statement, as it leaves open the question of what laws are 'applicable'. It is not made clear enough by the company that it is committed to international fundamental human rights under all circumstances. [Labor and Human Rights Policy, 26/07/2021: 20aa7ed9-5f17-4362-89e6-7d46a4d72387 (canadiansolar.com)] • Not Met: Universal Declaration of Human rights (UDHR) • Not Met: International Bill of Human Rights

* For information on the ACT methodology and scoring criteria please refer to the [World Benchmarking Alliance](https://www.worldbenchmarkingalliance.com/).

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to UNGPs: In May 2022, our Board passed a resolution mandating a third-party assessment, at 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 will 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). We have initiated our efforts to search for a reputable, international auditing firm to conduct this assessment at reasonable cost and expect to report back to the Board results of the audit in due course.' However, no evidence was found that the Company is currently committed to the UNGPs. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Commitment to OECD MNE Guidelines
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to ILO core principles: The Company states that 'The Company upholds a merit-based work environment and does not tolerate any form of discrimination based on ethnicity, race, color, gender, language, religion, political or other opinion, sexual orientation, gender identity or expression, age, disability status, and other distinguishing characteristics. [...] The Company does not tolerate any form of forced labor including bonded labor, indentured labor and slave labor, or human trafficking. [...] The Company does not tolerate the hiring of child labor under any circumstances. [...] <p>The Company respects employees' rights to form or join labor unions or equivalent organizations, and respects the right of collective bargaining in support of their interests without fear of punitive action.' [Labor and Human Rights Policy, 26/07/2021: 20aa7ed9-5f17-4362-89e6-7d46a4d72387 (canadiansolar.com)]</p> <ul style="list-style-type: none"> • Met: Explicitly lists all four ILO core principles: See above. [Labor and Human Rights Policy, 26/07/2021: 20aa7ed9-5f17-4362-89e6-7d46a4d72387 (canadiansolar.com)] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expects suppliers to commit to ILO core principles: The Company indicates that 'The Supplier will comply with the requirements of and the principles set forth in the Company's Labor and Human Rights Policy and Equal Employment Opportunity Policy.' [Supplier Code of Conduct, 27/06/2022: investors.canadiansolar.com] • Met: Explicitly lists all four ILO core principles for suppliers: See above. [Supplier Code of Conduct, 27/06/2022: investors.canadiansolar.com]
A.1.4	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Commitment to remedy adverse HRs impacts • Not Met: Expects suppliers to make this commitment <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to collaborate with judicial or non-judicial mechanisms • Not Met: Commitment to work with suppliers on remedy
A.2.1	Commitment from the top	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Board level responsibility for HRs: The Company indicates in its 2021 ESG report that 'ESG matters' are reviewed by the Sustainability Committee. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Describes HRs expertise of Board member <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Board member/CEO signal importance of HRs in their communications

B Embedding respect and human rights due diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of 1 on A.1.2.a • Met: Senior responsibility for HRs implementation and decision making: The Company states that 'Our Chief Sustainability Officer (CSO), Ms. Hanbing Zhang, is responsible for our sustainability strategy and implementation. She leads an ESG working group with members from the Company's Strategy, R&D, Product Reliability, EHS, Human Resources, Global Energy, Investor Relations, and Global Marketing teams'. The Company includes human rights among its ESG issues. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes day-to-day responsibility for implementing HRs commitments: The Company indicates that the ESG team collaborates with the other management teams to integrate the ESG-strategy into the Company's strategic decision making process. However, no information on the day-to-day resource allocation was found. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Day-to-day resources and expertise allocation in own operations • Not Met: Resources and expertise allocation in supply chain
B.2.1	Identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes process of identifying risks in own operations: The Company mentions reviewing sustainability risks by its Sustainability Committee, but does not describe process of identifying risks in own operations. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Describes process for identifying risks in business relationships: The Company mentions ESG integration in Supply Chain Management Strategy, but does not describe processes. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes global risk identification system incl. stakeholder consultation: The Company mentions ongoing consultation and risk mitigation with communities globally, working with stakeholders, but not in Human Rights context. While the Company presents this in the local contexts of its activities, no information on a global system was found. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Describes how risk identification system is triggered by new circumstances • Not Met: Describes risks identified in relation to new circumstances
B.2.2	Assessing human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes assessment process and discloses salient HRs risks • Not Met: Describes how process applies to supply chain • Not Met: Public disclosure of results of HRs risk assessment <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Describes how assessment involved affected stakeholders
B.2.3	Integrating and acting on human rights risks and impact assessments	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes system to prevent, mitigate and remediate HRs issues • Not Met: Describes how global system applies to supply chain • Not Met: Example of actions decided on at least 1 salient HRs issue <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Describes how stakeholders involved in decisions about actions taken
B.2.4	Tracking the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes system for evaluation effectiveness of actions • Not Met: Example of lessons learned from evaluation effectiveness of actions <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Involves stakeholders in evaluation effectiveness of actions
B.2.5	Communicating on human rights impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Provides two examples of comms with stakeholders: The Company describes stakeholder and community engagement in Australia and Brazil, however, these do not present enough detail on the communication with the stakeholders. E.g. in Australia: 'Constant engagement with these stakeholders allows us to comprehensively address local concerns during the project development process.' Moreover, the examples given do not always relate to a human rights due diligence process. E.g. in Brazil: 'Social work and hiring in local communities are always performed whenever possible. For example, our Salgueiro project is located in a local community where quilombola (descendants of former enslaved Africans) reside. We built a community center with computers and printers and soccer fields, and organized social activities, such as dance classes and gardening.' [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> Not Met: Describes challenges to effective comms and how it is working to address them

C. Remedies and grievance mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance mechanism(s) for workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Grievance mechanism accessible to all workers: The Company indicates in its 2021 ESG report that it has a grievance mechanism and a zero tolerance for retaliation. In its Labor Human Rights Policy, the company details the mechanism of reporting violations: 1. notify direct manager, the Legal Department and the Corporate Compliance Office, 2. if not comfortable with 1, they should report via the Whistleblower Hotline or Email. [Labor and Human Rights Policy, 26/07/2021: 20aa7ed9-5f17-4362-89e6-7d46a4d72387 (canadiansolar.com)] & [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] <p>Score 2</p> <ul style="list-style-type: none"> Not Met: Grievance mechanism available in appropriate languages and workers made aware: The Company indicates in its 2021 ESG report that it has communication/ trainings available for workers about grievance mechanisms, however, no information was found on the grievance mechanism being made available in other languages than English. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] Met: Describes how workers in supply chain access grievance mechanism: The supplier code of conduct requires the following: 'If the Supplier suspects that a violation of this Code has or may have occurred (or may occur in the future) the Supplier must notify Canadian Solar promptly. In lieu thereof, the Supplier may report the suspected breach (or risk of breach) through Canadian Solar's Whistleblower hotline by phone or by e-mail. Such notifications will be managed in accordance with Canadian Solar's Whistleblower Policy. The Company may at any time make inquiries of the Supplier for the purpose of assessing the Supplier's compliance with this Code. The Supplier shall promptly provide all information and documents reasonably requested'. [Supplier Code of Conduct, 27/06/2022: investors.canadiansolar.com] Met: Expects suppliers to convey expectation to their suppliers: In its Supplier Code of Conduct, the Company lays down its expectation of suppliers to convey expectation to their suppliers: 'The Supplier will, at a minimum, require its own suppliers to act in a manner that is consistent with and at least as strict as the standards and requirements set forth in this Code and the policies referred to herein.' [Supplier Code of Conduct, 27/06/2022: investors.canadiansolar.com]
C.2	Grievance mechanism(s) for external individuals and communities	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Grievance mechanism accessible to all external individuals and communities: The Company has a Whistleblower Policy available to external individuals and communities: 'The Company's customers, suppliers and business partners and other external parties may also report Concerns.' [Whistleblower Policy, 30/04/2021: 6c23cd29-a9d7-4946-a657-6791b69b93c0 (canadiansolar.com)] <p>Score 2</p> <ul style="list-style-type: none"> Not Met: Grievance mechanism available in appropriate languages and affected stakeholders made aware Not Met: Describes how external individuals/communities access grievance mechanism: The Company has a Whistleblower Policy, which 'requires all employees to report concerns with respect to violations of the Code (the "Concerns"), including incidents of retaliation against employees who report Concerns in good faith. It is in the interests of all stakeholders of the Company that all Concerns be reported so that they can be properly addressed.' The Company also indicates that 'all employees have a responsibility to report Concerns, including Concerns reported by external parties such as customers and suppliers, and to cooperate with the investigation of reported Concerns.' However, no evidence found that the whistleblower channels are also available for suppliers' external individuals and communities to raise complaints or concerns. [Whistleblower Policy, 30/04/2021: 6c23cd29-a9d7-4946-a657-6791b69b93c0 (canadiansolar.com)] Met: Expects supplier to convey expectation to their suppliers: In its Supplier Code of Conduct, the Company sets its expectations for its suppliers to convey expectation to their suppliers. It does not specify all the requirements and policies to be followed, however, it is in the subtext that grievance mechanisms fall under

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			the general description: 'The Supplier will, at a minimum, require its own suppliers to act in a manner that is consistent with and at least as strict as the standards and requirements set forth in this Code and the policies referred to herein.' [Supplier Code of Conduct, 27/06/2022: investors.canadiansolar.com]
C.7	Remediating adverse impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes approach taken to remedy adverse HRs impacts • Not Met: Describes how remedy would be provided if no adverse impact identified: The Company states that it will 'take immediate action to address grievances should they arise, thereby mitigating risk, limiting the impact of violations, and reinforcing a healthy and positive work environment.' However, no further details on how remedy would be provided for affected parties. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes changes to systems, processes and practices to prevent future impacts [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Describes approach to monitoring/implementing agreed remedy • Not Met: Describes approach to learning from incidents if no adverse impacts identified

CSI. Responsible lobbying and political engagement fundamentals

Indicator Code	Indicator name	Score (out of 2)	Explanation
CSI.18	Responsible lobbying and political engagement fundamentals	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Publicly available policy statement(s) (or policy(ies)) setting out lobbying and political engagement approach.: In its Code of Business Conduct and Ethics the Company states its prohibition of illegal political contributions in the section Compliance With Laws and Regulations: 'Each employee has an obligation to comply with all laws, rules and regulations applicable to the Company. These include laws covering bribery and kickbacks, copyrights, trademarks and trade secrets, information privacy, insider trading, illegal political contributions'. <p>However, this statement only refers to illegal political contributions. Information on the Company's approach to lobbying and legal forms of political engagement could not be found. [Code of Business Conduct and Ethics, 02/12/2021: investors.canadiansolar.com]</p> <ul style="list-style-type: none"> • Not Met: Publicly available policy statement that specifies the Company does not make political contributions <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Disclosure of expenditures on lobbying activities • Not Met: Requirement for third-party lobbyists to comply with the Company's lobbying and political engagement policy (or policies)

2. Salient human rights risks (40% of total)

D. Indigenous Peoples' and Affected Communities' Rights

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.M	Commitment to respect indigenous peoples' rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Expectation of project developer clients to have a public commitment to respect indigenous rights • Not Met: Expectation for suppliers in contracts or supplier codes of conduct to have public commitment to respect indigenous rights <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to only work with business partners that respect FPIC (in line with ILO No.169)
D.2.M	Engagement with all affected communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes how local communities identified and engaged in the last two years: For manufacturers, this criteria is looking for a process to engage with communities on potential impacts related to the operational phase of the project the manufacturer is involved in (ie: impacts of the construction, operation/maintenance on communities for example). • Not Met: Provides two examples of engagement with communities • Not Met: Examples of engagement refer to marginalised groups and provide additional detail: For manufacturers, this criteria is looking for an expectation that project developers have these elements in place in the consultations they undertake.

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> • Not Met: Analysis of stakeholder views on company's HRs issues • Not Met: Describes how stakeholders views influenced company's HRs approach
D.3.M	Benefit and ownership sharing policy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Rewards for clients that have a commitment to identify potential benefit and ownership sharing Score 2 <ul style="list-style-type: none"> • Not Met: Rewards for clients for disclosing statistics for each project (demographics of ownership sharing)
D.4.M	Local wind & solar energy access, affordability	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Actions taken to support access and affordability of renewable energy in the value chain • Not Met: Including a timebound action plan and reporting targets on supporting energy access and affordability in consultation with communities Score 2 <ul style="list-style-type: none"> • Not Met: Public support for government policies addressing energy access

E. Land and resource rights

Indicator Code	Indicator name	Score (out of 2)	Explanation
E.1.M	Respect for land and natural resource tenure rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Expectation for clients to have commitment to respect land ownership/natural resources as in VGGT • Not Met: Expectation for suppliers to have commitment to respect land ownership/natural resources as in VGGT Score 2 <ul style="list-style-type: none"> • Not Met: Steps taken to use leverage to resolve land rights issues or disclosure that no such issues arose
E.2.M	Just and fair physical and economic displacement policy implementation including free, prior and informed consent	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Expectations for clients to commit to IFC PS 5 for physical and economic displacements • Not Met: Expectations for suppliers to commit to IFC PS 5 for physical and economic displacements • Not Met: Expectation for suppliers to have a commitment not to relocate without FPIC and to providing compensation Score 2 <ul style="list-style-type: none"> • Not Met: Expectation for clients to disclose statistics on relocations (current and planned projects) • Not Met: Expectation for suppliers to publish statistics on relocations (current and planned projects) • Not Met: Expectation for clients to disclose reviews of living conditions of relocated communities • Not Met: Expectation for suppliers to publish reviews of living conditions of relocated communities • Not Met: Describes approach in relation to relocation

F. Security and conflict-affected areas (incl. responsible mineral sourcing)

Indicator Code	Indicator name	Score (out of 2)	Explanation
F.1.M	Operating in or sourcing from conflict-affected areas	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Commitment to heightened HRDD in conflict affected areas • Not Met: Steps taken to assess and mitigate these risks with conflict sensitive lens Score 2 <ul style="list-style-type: none"> • Not Met: How stakeholders are involved in the process to mitigate risks
F.2.M	Evidence of security provider human rights assessments	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Expectations for clients to regularly conduct risk assessments regarding security forces • Not Met: Expectations for suppliers to regularly conduct risk assessments regarding security forces • Not Met: Regularly conducts risk assessment regarding security forces Score 2 <ul style="list-style-type: none"> • Not Met: Expectation for clients to have commitment to Voluntary Principles on Security and HRs

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: Expectation for suppliers to have commitment to Voluntary Principles on Security and HRs • Not Met: If applicable, discloses use of private security providers and uses only ICoCA members. <p>If direct employment of security, commitment to follow ICoCA itself.</p>
F.3.M	Responsible sourcing of minerals: Arrangements with suppliers	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Statement on OECD Guidance aligned due diligence and requirement in contracts/codes with suppliers • Not Met: Describes work with suppliers on risk assessment and improving DD <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Disclosure of supply chain mapping: The Company states that 'we map our supplier base on an annual basis to identify critical suppliers based on purchase volumes and potential ESG risks associated with suppliers' industry sector, size, and type of work performed. We also split critical suppliers into three groups based on their ESG risks, as shown in the following table.' However, no evidence found details of suppliers' names or locations. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com]
F.4.M	Responsible sourcing of minerals: Risk identification in mineral supply chains	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes risk identification and disclosure in line with OECD Guidance: The Company states that 'All of our suppliers are required to sign the Declaration of Conflict-Free Minerals before contracting with us, especially suppliers of tin-containing products, as after reviewing all the materials used during the production of our products, we determined that tin was the only conflict mineral necessary to the functionality or production of products that we manufacture or contract to be manufactured from January 1, 2021 to December 31, 2021. We require our suppliers to describe the source of the tin used in their products and provide confirmation statement to ensure the tin used is not sourced from the Democratic Republic of the Congo or an adjoining country. We do not make purchases of raw ore or unrefined conflict minerals and makes no purchases in the Democratic Republic of the Congo or adjoining countries'. However, no evidence found on whether the identification and prioritisation process is conducted as set out in the OECD guidance, which also includes both conflict affected and high risk areas. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Describes process to identify smelters/refiners and assessment of whether these carried out due diligence in accordance with OECD Guidance <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Discloses smelters/refiners assessed in line with OECD Guidance • Not Met: Risk identification process covers all minerals
F.5.M	Responsible sourcing of minerals: Risk management in the mineral supply chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Steps taken to respond to risks in mineral supply chain • Not Met: Description of process to monitor performance of risk mitigation measures • Not Met: Disclosure of significant improvements over time <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: How suppliers and affected stakeholders engaged on strategy • Not Met: Processes cover all minerals

G. Protection of human rights and environmental defenders

Indicator Code	Indicator name	Score (out of 2)	Explanation
G.1.M	Commitment to respect the rights of human rights and environmental defenders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Zero tolerance of threats/attacks on HRDs • Not Met: Expectation on business partners in value chain to make this commitment <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Description of how working with HRDs to create safe and enabling environment

H. Labour rights (incl. protection against forced labour)

Indicator Code	Indicator name	Score (out of 2)	Explanation
H.1.M	Health and safety	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Discloses quantitative information on H&S in own operations (injury rate or lost days and fatalities) in last reporting period: The Company reports that 'In 2021, our recordable injury (any injuries requiring medical treatment) rate was 0.68 cases per million working hours. However, the Company has not published data on fatalities in its own operations. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Expects disclosure of H&S information of relevant business relationships <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Sets targets for H&S performance (including injury rates or lost days and fatalities) • Not Met: Met targets or explains why not or how improve H&S management systems
H.2.M	Forced labour risk management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Board level oversight over policies on forced labour in supply chain. How relevant stakeholders informed board discussions • Not Met: Suppliers to have these arrangements in place <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Discloses ongoing efforts to prevent and mitigate forced labour in own ops and supply chain: The Company reports that 'In October 2021, for example, Canadian Solar established a dedicated Anti-Modern Slavery Task Force to bolster group-wide efforts to prevent modern slavery, such as forced labour. The task force is responsible for developing and communicating anti-modern slavery policies and procedures and implementing trainings and conducting due diligence to ensure the effectiveness of our antimodern slavery efforts. Members of this Task Force include management employees from HR, Legal, Compliance, procurement, Customer Services/Tech, and Safety, Quality, and Environment.' However, no information found on the Company's effort to prevent and mitigated forced labour in its own operations. Current evidence seems to focus in establishing a system rather than describing actions conducted for both own operations and supply chain. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Not Met: Factors to be considered when ending a business relationship
H.3.M	Prohibition of forced labour: Wage practices	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Pays workers regularly, in full and on time • Not Met: Payslips show wages and legitimate deductions <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Description of implementation and monitoring of this practice • Not Met: Assessment scope of failure to pay workers directly in supply chain • Not Met: Analysis of trends demonstrating progress
H.4.M	Prohibition of forced labour: Restrictions on workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Does not retain documents or restrict movement of workers: The Company states in its Supplier Code of Conduct that suppliers' obligations include 'not denying any worker their identity or immigration documents, including visas, work permits passports and other forms of identity or immigration documents, whether by withholding, concealing, confiscating, or destroying such documents'. [Supplier Code of Conduct, 27/06/2022: investors.canadiansolar.com] • Not Met: Describes working with suppliers on free movement of workers <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Description of implementation and monitoring of this practice
H.5.M	Freedom of association and collective bargaining	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Commitment on FoA/CB and requirements in suppliers codes and contracts: The Company states in its Labour and Human Rights Policy that it 'respects employees' rights to form or join labour unions or equivalent organizations and respects the right of collective bargaining in support of their interests without fear of punitive action.' However, no evidence found a commitment of prohibiting intimidation, harassment, retaliation and violence against trade union members or equivalent worker bodies and trade union representatives. Moreover, there is not a commitment of freedom of association and collective bargaining in its Supplier Code of Conduct. [Labor and Human Rights Policy, 26/07/2021: 20aa7ed9-5f17-4362-89e6-7d46a4d72387 (canadiansolar.com)] & [Supplier Code of Conduct, 27/06/2022: investors.canadiansolar.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: Describes work with suppliers on FoA/CB Score 2 <ul style="list-style-type: none"> • Not Met: Assessment of scope of restriction of FoA/CB in supply chain • Not Met: Analysis of trends demonstrating progress
H.6.M	Living wage (in supply chains)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Requirements on living wage in supplier codes and contracts: The Company states in its Supplier Code of Conduct that suppliers' obligations include 'Providing fair and equitable compensation and other benefits of employment which, at a minimum, must meet the legal requirements applicable to you and the location in which the employee is engaged.' However, 'meeting the legal requirements' is not considered as a commitment to paying living wage. [Supplier Code of Conduct, 27/06/2022: investors.canadiansolar.com] Score 2 <ul style="list-style-type: none"> • Not Met: Describes work with suppliers on living wage • Not Met: The company provides evidence that its suppliers pay a living wage • Not Met: Requirement for suppliers to regularly review definition of living wages with relevant trade unions

I. Right to a healthy and clean environment

Indicator Code	Indicator name	Score (out of 2)	Explanation
I.1.M	Environmental impact assessment and remediation	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Commitment to only supply projects that conduct public EIA and CIA Score 2 <ul style="list-style-type: none"> • Not Met: Commitment to only supply projects that guarantee compensation for environment and people affected
I.2.M	Life cycle assessment	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Conducts regular public life cycle assessments (including risks related to raw material sourcing, waste, and decommissioning): The Company states that 'We adhere to a variety of different methodologies to evaluate our environmental performance more rigorously, such as French CRE standards and Life Cycle Assessment (LCA) analysis per ISO14040/44:2006 environmental management standards.' The Company also reports that 'When we expanded our competitive low carbon footprint supply chain to include our BiHiKu6 and BiHiKu7 products in 2021, we also implemented new third party Life Cycle Assessment (LCA) analysis in our most recent production facilities in accordance with ISO14040/44:2006 environmental management standards. LCA methodology requires analysis of all stages of product manufacturing, including raw material extraction and making of materials used; transportation of raw materials and intermediate products; manufacturing of all components, including packaging, energy and water consumption, emissions, and waste, as well as infrastructure dedicated to product manufacturing.' [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] Score 2 <ul style="list-style-type: none"> • Not Met: Action plans to address adverse impacts identified • Not Met: Reports on progress made on action plan (including recycling/end-of-life)

J. Transparency and anti-corruption

Indicator Code	Indicator name	Score (out of 2)	Explanation
J.1.M	Anti-corruption due diligence and reporting	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to prohibiting bribes to public officials: The Company states that 'Canadian Solar Inc. ("CSI") and its subsidiary entities (together with CSI, the "Company") are committed to conducting business in accordance with all applicable laws, rules and regulations and the highest ethical standards. This commitment is embodied in the Company's Code of Business Conduct and Ethics (the "Code") which, among other things, requires the Company and its directors, officers and employees to comply with the provisions of the United States Foreign Corrupt Practices Act (FCPA), the Canada Corruption of Foreign Public Officials Act (COFPA), the United Kingdom Bribery Act (Bribery Act) and other antibribery and anti-corruption laws, rules and regulations applicable in countries where the Company carries on business. The FCPA, the COFPA and the Bribery Act prohibit offering, promising, paying, or authorizing the payment of bribes to foreign government officials. Since the Company is subject to all of these laws, however, US, Canadian and UK government officials are all foreign government officials'. [Prohibition Against Accepting Bribes, 02/12/2021: investors.canadiansolar.com] & [Prohibition Against Giving Bribes, 02/12/2021: investors.canadiansolar.com] • Not Met: Expectation extends to relevant business relationships <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Reports on any complaints on corruption and bribery • Not Met: Reports that no such complaints were made
J.2.M	Payments to governments & contract transparency	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Publishing a tax CbCR in line with GRI 207-4, or expecting project developers clients to disclose payments to governments at project level (including on land and natural resources): No information has been identified in the company's reports and policies available on its website. In future assessments, the Company will be expected to demonstrate it publishes a tax CbCR and expects project developers clients to report on its payments to governments at project level, including for purchase or rent of land or natural resources related to their renewable energy projects. • Not Met: Disclosure of terms, contracts, agreements for those payments • Not Met: Expectation for business relationships to disclose this information <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Supports governments to disclose contracts and licenses on renewable energy project in line with EITI

K. Diversity, equality and inclusion

Indicator Code	Indicator name	Score (out of 2)	Explanation
K.1.M	Diversity, equality & inclusion training for management and employees	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Provides mandatory and regular training as per ILO No 190: The Company states that it implements 'unconscious bias training across our global operations has also been a major part of Canadian Solar's push for more inclusivity in the workplace.' Some of the trainings include 'Micromessaging' led by experts on diversity and inclusion and 'Diversity and Inclusion' led by expert on diversity and inclusion strategies. However, no evidence found the Company provides mandatory and regular training per ILO Convention 190 including policies and mechanisms to address these issues. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Requires suppliers to do the same • Not Met: Provides materials and access to resources for trainings
K.2.M	Gender balance and sensitivity	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Timebound action plan to integrate gender lens to all relevant documents including on value chain • Not Met: Demonstrates progress through annual reporting <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Women and non-binary people make up at least 40% of the Company's board of directors and executives, or executive board: The Company reports that in 2021, 8% of Senior Management and 25% of Middle Management are female. However, the percentage does not fit the range 40%~60%. Moreover, no evidence found on the percentage of female directors, executives, or executive board. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
K.3.M	Gender wage gap reporting	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Has closed gender wage gap • Not Met: Timebound commitment to close gender wage gap • Not Met: Reports information at company level across multiple pay bands: The Company states that 'we engage external parties to conduct pay equity studies, including periodical pay equity reviews, to ensure that our female employees are paid fairly and equally to male counterparts who have similar responsibilities and achievements.' However, the Company has not reported gender wage gap information at the company level across multiple pay bands. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Expects business relationships to do the same

JT. Just transition

Indicator Code	Indicator name	Score (out of 2)	Explanation
JT.3.M	Fundamentals of creating and providing or supporting access to green and decent jobs for an inclusive and balanced workforce	2	<p>The individual elements of the assessment are met or not as follows:</p> <ul style="list-style-type: none"> • Met: Public Commitment to create and provide or support access to green and decent jobs, as part of the low carbon transition.: The Company states that 'We aim to increase female employees' representation in our global workforce from 32% to 40%, their representation in middle management from 26% to 30%, and their representation in senior management from 7% to 10% from 2022 levels by 2027. We also plan to increase the share of our employees with people with disabilities to 1-2% by 2027 from 0.6% in 2022.' The jobs provided can be considered to be part of the low carbon transition. [ESG (web): canadiansolar.com] • Met: Demonstrates measures taken to create and support access to green and decent jobs for affected stakeholders.: The Company indicates that 'job creation' is one of its focus area when engaging with local communities. [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com] • Met: Demonstrates measures taken to ensure green and decent jobs promoting equality of opportunity for women and vulnerable groups: The Company discloses its WIRE program: 'Recurrent Energy, Canadian Solar's wholly owned subsidiary for North America's project development business, founded Women in Renewable Energy (WIRE), an internal affinity group focused on supporting women in renewable energy, in the U.S in 2015. WIRE was expanded to cover all female employees of Canadian Solar after Recurrent Energy's acquisition during the same year. WIRE's steering committee organizes many events during the year that include initiatives to attract female talent, leadership development, and group discussions. International Women's Day's celebrations are also part of WIRE's annual programming' [2021 ESG Sustainability Report, 31/12/2021: canadiansolar.com]
JT.4.M	Fundamentals of retaining and re-and/or up-skilling workers for an inclusive and balanced workforce	0	<p>The individual elements of the assessment are met or not as follows:</p> <ul style="list-style-type: none"> • Not Met: Public commitment to re-and/or up-skills workers displaced by the transition to a low carbon economy. • Not Met: Disclosure of its process(es) for identifying skills gaps for workers and affected stakeholders, in the context of the low carbon transition. • Not Met: Demonstrates measures taken to provide re-and/or upskilling, training or education opportunities for relevant stakeholders. • Not Met: Demonstrates measures taken to ensure that the re-and/or upskilling, training or education opportunities promoting equality of opportunity for women and vulnerable groups.
JT.6.M	Fundamentals of advocacy for policies and regulation on green and decent job creation, employee retention, education and reskilling, and social protection supporting a just transition	0	<p>The individual elements of the assessment are met or not as follows:</p> <ul style="list-style-type: none"> • Not Met: Discloses process(es) for aligning its lobbying activities with policies and regulation supporting the just transition. • Not Met: Discloses where its lobbying activities do not align with policies and regulation that support the just transition. • Not Met: Discloses action plan addressing misalignment of lobbying activities with policies and regulation that support just transition. • Not Met: Demonstrates lobbying for just transition and regulations enabling green and decent jobs, reskilling and/or social protection

M. Responses to Serious Allegations (20% of total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
M(0).0	Serious risks of supply chain forced labour		<p>According to recent data, approximately 35% of the world's polysilicon, and 32% of global metallurgical grade polysilicon, the material from which polysilicon is made, is produced in Xinjiang Uyghur Autonomous Region (XUAR). Investigations by UN bodies, academics and journalists have presented evidence on a number of human rights abuses including the use of forced labour in XUAR. In its July 2022 report to the UN General Assembly, the UN Special Rapporteur on Contemporary Forms of Slavery "regards it as reasonable to conclude that forced labour among Uyghur, Kazakh and other ethnic minorities has been occurring in the Xinjiang Uyghur Autonomous Region of China" and finds that some instances of forced labour in the Region "may amount to enslavement as a crime against humanity". The Special Rapporteur states he "considers that indicators of forced labour pointing to the involuntary nature of work rendered by affected communities have been present in many cases" in the context of "State-mandated systems". Further analysis by independent UN experts concluded that the violations in the Region "may constitute international crimes, in particular crimes against humanity" and have urged China to address their "repeatedly raised concerns about widespread violations of the rights of Uyghurs and other Muslim minorities in the Xinjiang Uyghur Autonomous Region (XUAR) on the basis of religion or belief and under the pretext of national security and preventing extremism".</p> <p>The research found that Canadian Solar's primary exposure to forced labour in the Uyghur Region is through supplier GCL-Poly. The Company is also operating a solar farm in the region. [United Nations General Assembly, 19/07/2022, "Contemporary forms of slavery affecting persons belonging to ethnic, religious and linguistic minority communities - Report of the Special Rapporteur on contemporary forms of slavery, including its causes and consequences": documents-dds-ny.un.org] [United Nations Special Procedures, 07/09/2022, "Xinjiang report: China must address grave human rights violations and the world must not turn a blind eye, say UN experts": ohchr.org] [Sheffield Hallam University, May 2021, "In Broad Daylight - Uyghur Forced Labour and Global Solar Supply Chains": shu.ac.uk] [Business and Human Rights Resource Centre, 02/08/2021, "China: Significant proportion of global solar value chain vulnerable to alleged forced labour in Uyghur Region, says major study": business-humanrights.org]</p>
M(0).1	Publication of independently verified full solar panel supply chains to raw materials level, including names of suppliers and locations for all destination markets	0	<ul style="list-style-type: none"> • Not Met: No public information found that meet the requirements of this indicator.

Indicator Code	Indicator name	Score (out of 2)	Explanation
M(0).2	<p>If mapping identifies suppliers linked to regions where there is a high risk of forced labour including those identified by UN bodies, the company explains steps taken and how these align with steps expected by the UN Guiding Principles (including reference to assessment of severity of risks, leverage, and crucial nature of business relationships). The company indicates that this information is relevant to all destination markets.</p> <p>•Note: Any disengagement needs to be verified and decision-making to continue engagement with “crucial business relationships” in high-risk area needs to be explained, in line with OHCHR Guidance on Business & Human Rights in Challenging Contexts: “Where a business enterprise has determined that a relationship is indeed “crucial” within the meaning of Guiding Principle 19, and that it will be continuing with the relationship on that basis, it should be transparent with stakeholders and the public at large about the decision-making process used to arrive at that determination and the criteria used, which should be objectively reasonable.”</p>	0	<p>• Not Met: According to media sources Canadian Solar 'claimed no Uyghurs were employed at its 30-MW solar farm in China's Xinjiang region, nor were any members of the persecuted Muslim community being forced into labour anywhere along its solar supply chain.' The Company is further cited to claim 'that all of the seven people who work at its solar farm in Xinjiang are ethnic Han, “the majority group in China that make up more than 90% of the population,”’ A representative for Canadian Solar told a media source that 'the company doesn't believe 'there is forced labour in our industry'.' Despite denying the allegations, the Company is cited by media sources to have 'stated intent to audit its supply chain'. However, the company's response did not meet the criteria on explaining how steps taken align with steps expected by the UN Guiding Principles (including reference to assessment of severity of risks, leverage, and crucial nature of business relationships) at the time this research is conducted. [The Energy Mix, 22/12/2021, "Major Canadian Solar Firm Denied Reports of Forced Labour": theenergymix.com] [Sheffield Hallam University, August 2023, "Over-Exposed Annex A corporate Responses": shu.ac.uk] [Sheffield Hallam University, August 2023, "Over-exposed: Uyghur Region Exposure Assessment for Solar Industry Sourcing": shu.ac.uk]</p>

Disclaimer

This scorecard is based on assessments of publicly available documents on companies' websites by the EIRIS Foundation and BHRRC. Preliminary assessments were shared with companies for feedback. Feedback provided by companies has been analysed and incorporated when relevant to the indicator assessed. Information published or provided by companies after established and communicated cut-off dates[†] are not included for this year's Benchmark. As such this scorecard should be seen as a reflection of feedback received as of September 2023[‡].

The use of the label "Not met" in the research does not necessarily mean that the company does not meet the requirements as they are described in the accompanying bullet point short text. Rather, it means that the analysts could not find information in public sources that met the requirements as described in full in the 2023 Renewable Energy & Human Rights Methodology document. It is possible that a Company meets the criteria without yet publishing the relevant evidence of doing so. This may include cases where a company has claimed to meet the criteria in the engagement phase or otherwise but where the public record was still not sufficient to meet the criteria by the relevant cut off dates.

While the EIRIS Foundations and BHRRC have made reasonable endeavours to ensure that the methodology reflects best and emerging business and human rights practice in identifying, preventing, mitigating and remedying human rights harms as well as other responsible business conduct, it is not currently possible to measure certain human rights harms or other negative impacts directly. As such, a low score in respect of a particular indicator should not be read as implying that harms are necessarily taking place: rather it is a sign that companies have not demonstrated the steps set out in the methodology to reduce the risk of such harms or to uphold other responsible business conduct in the ways described. Conversely, a high score in a particular section or for a specific indicator should not be interpreted as a guarantee of future absence of human rights harm.

Scores for companies in the different project developer sub-categories (electric utilities, oil and gas, independent power producers) should not be compared to one another as these categories have been designed to allow for integration of an assessment of efforts towards full decarbonisation of energy production for electric utilities and oil and gas companies, based on the World Benchmarking Alliance's Oil & Gas and Electric Utilities Benchmark, using ACT methodologies. **Scores for equipment (wind turbines and solar) manufacturers should not be compared to project developer scores** as indicators have been tailored to reflect their position in renewable energy value chains.

Caution should be exercised in interpreting small differences in scores between companies within the same category and particularly small differences in the overall weighted scores because of the diversity of independent elements that are combined to produce the overall weighted scores. Scores should be understood in the context of the methods and weightings explained in the Methodology.

[†] Cut-off dates: 30 June 2023 for companies that did not engage with the benchmark; the expiration of the feedback period (between Aug/Sep 2023) for companies that engaged with the benchmark.

[‡] Further outreach and engagement with a subset of companies on the specific issue of exposure to forced labour risks was conducted in October 2023.

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