



SMA Solar Technology AG

Joint Modern Slavery Statement 2024

This statement is made in accordance with part II, section 13 of the Australian Modern Slavery Act 2018 (Cth), part 6, section 54 of the UK Modern Slavery Act 2015 and part 2, subparagraph 11(4)(b)(i) of the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023. It covers the period 1 January 2024 to 31 December 2024. This statement is a joint statement for SMA Solar Technology AG (SMA AG) and its wholly owned subsidiaries SMA Australia Pty. Ltd. (SMA Australia), SMA Solar UK Ltd. (SMA UK), SMA Solar Technology America LLC (SMA America) and SMA Altenso GmbH (SMA Altenso). SMA AG and its subsidiaries are collectively referred to below as the "SMA Group".

Our commitment

By signing the UN Global Compact in 2011, the Managing Board of SMA AG committed the SMA Group to the ten embedded principles covering human rights, labor standards, environmental protection and anti-corruption. In addition, the Managing Board of SMA AG has committed the SMA Group to the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights and the core labor standards of the International Labour Organization (ILO) in 2022. We ensure compliance with these standards as part of our human rights strategy.

Our human rights strategy

The SMA Group pursues the strategic goal of holistic sustainability and thus endeavors to put sustainability into practice, not only in its own business area but also along the value chain. As part of its sustainability strategy, the human rights strategy ensures compliance with regulatory requirements and international human rights standards. Our principles for respecting human rights and the environment as well as our risk management approach are described in the Policy Statement on Human Rights and Environmental Due Diligence. The Policy Statement and a detailed description of the prioritized risks can be found on our corporate [website](#).

To strategically integrate and advance sustainable thinking and action into the organization, the Managing Board of SMA AG has established the Sustainability Committee. The Sustainability Committee controls the implementation of the



sustainability and human rights strategies and makes decisions on sustainability issues. The Managing Board has appointed in writing a Human Rights Officer charged with overseeing the due diligence obligations. By monitoring the effectiveness of the risk management system, the success of the measures and actions and the continuous improvement of processes is ensured. As part of the Sustainability Committee, the Managing Board is kept regularly informed about the work of the Human Rights Officer.

Our organization & business

SMA AG is a public company headquartered in Germany and listed on the Prime Standard of the Frankfurt Stock Exchange. With more than 4,200 employees in 19 countries around the world, SMA Group develops, produces, and sells systems and solutions for the efficient and sustainable generation, storage, and use of energy. These include PV and battery inverters, monitoring systems for PV systems, charging solutions for electric vehicles as well as intelligent energy management systems and digital services for future energy supply. Extensive services including operation and maintenance services for photovoltaic power plants (O&M business) as well as medium-voltage technology and power supplies for hydrogen production round off the product range. With its products and services, the SMA Group actively contributes to making a sustainable, secure and cost-effective energy supply a reality worldwide.

Established in August 2007, SMA Australia operates as a private company and is a wholly owned subsidiary of SMA AG. The corporate head office is located in Sydney, with sales staff based in Brisbane and Melbourne, and field service staff distributed across Australia. SMA Australia has no subsidiaries or controlled entities as defined under section 50AA of the Corporations Act 2001 (Cth). The company is responsible for the sales, marketing, promotion, distribution, and service of SMA branded power electronics equipment. SMA Australia supports business in residential and commercial markets, as well as large-scale utility solar markets throughout Australia, New Zealand, and the Pacific Islands. To date, SMA Australia has delivered over eleven gigawatts of inverter capacity in these markets.

SMA UK was incorporated in November 2010 as a Private Limited company. SMA UK is a wholly owned subsidiary of SMA AG. The head office of SMA UK is based in Milton Keynes. SMA UK is a sales agent on behalf of SMA AG in the UK and responsible for the sales, marketing, and service of the SMA product portfolio in the UK and Irish markets within the residential, commercial, and utility sectors.

Founded in 2000, SMA America is a wholly owned subsidiary of SMA AG, with corporate headquarters in Rocklin, California. The company employs 261 sales professionals and remote staff across the United States and Canada. As a leader in the solar industry, SMA America is responsible for the sales, marketing, promotion, distribution, and service of SMA-branded power electronics equipment. The company supports the residential, commercial, and large-scale utility solar markets throughout the United States, Canada, and Puerto Rico. To date, SMA America has delivered over 25 gigawatts of inverter capacity across these regions, driving the transition to a more sustainable energy future.



SMA Altenso was established in 2014 as SMA Sunbelt Energy GmbH and is headquartered in Niestetal, Germany. The company's purpose is the sale of components and systems as well as project-related services for photovoltaic systems, solar hybrid systems, battery storage and hydrogen production systems. The focus lies increasingly on the system integration of large battery storage systems to stabilize the grid frequency and to balance the fluctuating electricity feed-in from renewable energies, as well as on solutions for hydrogen production plants. SMA Altenso is a wholly owned subsidiary of SMA AG.

Our people

As of December 31, 2024, the SMA Group had 4,282 employees worldwide (SMA AG: 3,040; SMA Australia: 85; SMA UK: 25; SMA America: 273; SMA Altenso: 93). The numbers include employees, trainees and learners. As of December 31, 2024, the SMA Group employed 219 non-employees (2023: 791). The background to the significant decline is the targeted reduction in non-employees due to the deteriorating order situation in the reporting year. Non-employees at the SMA Group receive the same hourly wage as SMA Group employees performing similar duties.

Given the SMA Group's strong technology orientation, the proportion of male employees is comparatively high. Based on the total number of employees excluding trainees, learners and temporary workers, as of December 31, 2024, 73% of employees were male and 27% female (SMA AG: 25% female; SMA Australia: 22.4% female; SMA UK: 32% female; SMA America: 28.4% female; SMA Altenso: 28.1% female). In the SMA Group, 20.8% of leadership roles were filled by women (SMA AG: 17.5%; SMA Australia: 17.4%; SMA UK: 0%; SMA America: 28.6%; SMA Altenso: 20%). As part of our sustainability strategy, we have set ourselves targets for increasing the proportion of women, which we report annually in detail in our non-financial statement which is part of our Annual Report. The Annual Report 2024 can be found on our corporate [website](#).

Our supply chain

The SMA Group distributes its systems and solutions worldwide. The supply chains necessary for the business activities of the SMA Group result in a global supplier base. Part of these supply chains are 424 direct suppliers from 24 countries that provide direct material for production. The SMA Group purchased goods from these suppliers in the regions of Europe, North and South America and Asia-Pacific in 2024.

SMA Australia is the exclusive distributor of SMA AG products in Australia, with SMA AG supplying 98% of the products for on-sale and supply. The remaining 2% of suppliers to SMA Australia are predominantly Australian entities, with a small proportion sourced from overseas entities in Europe, Mexico, and the USA. This 2% includes:



- General suppliers of goods and services for corporate operation functions such as sales and marketing, event suppliers, property leasing, office supplies and equipment, technology goods and services, training, and professional service providers (payroll, legal, tax).
- Suppliers for the delivery of products packaged with grid modelling, technical and engineering services, software and product integration services. This also includes servicing products using contact center services, contracted service providers, tooling and equipment suppliers, vehicles and labor services, and smaller parts providers (e.g., electronic components, copper, iron, rubber).
- Logistics and warehousing providers, and freight forwarders for product import and delivery.

At SMA UK, the only supplier for direct materials is SMA AG. In addition, SMA UK contracts local companies for services and indirect material. The following are amongst SMA UK's supply chain:

- Office administration support, including printing of media, postal and courier activities and legal and accounting services
- On-site services consisting of repair and installation of equipment, services to buildings and landscape activities
- Warehousing and support activities for transportation

As the exclusive distributor of SMA AG's product line in the United States, Canada, and Puerto Rico, SMA America operates within a robust supply chain network comprising 187 suppliers for indirect material. The majority of these suppliers are based in the United States (88.2%), with an additional 7% sourced from Canada. SMA America's supply chain is structured into three key categories:

- General Suppliers: These partners support corporate operations by providing essential goods and services, including sales and marketing support, event management, property leasing, office supplies, technology solutions, training programs, and professional services such as payroll, legal, and tax consultancy.
- Product Servicing Providers: This category includes contact center services, contracted service providers, tooling and equipment suppliers (including vehicles and labor services), and smaller parts providers.
- Product Delivery & Logistics: To ensure seamless distribution, SMA America partners with logistics and warehousing providers, as well as freight forwarders, to manage product transportation and delivery across its markets.

SMA Altenso's supply chain activities are centralized within the procurement department. The supply chain activities are dedicated to the supply of products for the two business units, Battery Energy Storage (BESS) and hydrogen projects (P2G; Power-to-Gas), where SMA Altenso mostly acts as a system integrator. SMA AG is the largest supplier for direct material. The supply chain also includes:

- Battery Energy Storage: For BESS projects, SMA Altenso purchases batteries either from China or South Korea from three global player companies, additional material is purchased from European suppliers.



- Power-to-Gas: In addition to SMA power converters, the materials comprise transformers from Italy or Turkey and switch gears from Germany, which are then assembled by a system integrator in Italy.
- Product Delivery Logistics: Material and products are delivered on-site via road transport or sea freight providers.

Our policies

The Employee Code of Conduct forms a uniform framework throughout the company, which helps all employees to consistently make the right decisions in the interests of the SMA Group. It underlines the will of the SMA Group to fully comply with and implement all legal and regulatory requirements. In addition, it obligates all SMA employees to act ethically, with integrity and sustainably at all times, to assume corporate responsibility and to treat others with respect.

The Business Partner Code of Conduct formulates the SMA Group's expectations of business partners, such as suppliers. It is based on principles of fairness and integrity. The Sustainable Procurement Policy provides an overview of all sustainability-related requirements that are relevant to procurement. It is intended to set out standards and the expectations of suppliers and other business partners with respect to the recognition of international values and principles, health protection, occupational safety and product quality, respect for human rights and fair labor practices, fair competition, protection of confidentiality, information and property, and environmental protection and responsible energy use. In 2024 all strategically relevant direct suppliers of the SMA Group were informed about the documents and asked to take the requirements into consideration in their business decisions. The documents can be found on the corporate [website](#).

Risk management

Our risk management system is based on a process of risk analysis that covers our own business area and our direct suppliers. In 2024 the risk management system was rolled out across the SMA Group and includes all direct suppliers of all SMA Group companies. The risk analysis is updated on an annual and ad hoc basis. For instance, we conduct a risk analysis for a new direct supplier for direct material before establishing business relationships. If there is substantiated knowledge of possible violations by indirect suppliers, these are also included in the risk analysis. Substantiated knowledge means we have actual evidence that an obligation has been violated. We use system-based processes, available risk information and knowledge gained in the course of our investigations to carry out the risk analysis.

Risk identification

Risks concerning our own business area and direct suppliers are systematically identified with the help of external data sources. Risks in connection with the type of activity, as defined by the NACE-Codes, and country-specific risks are evaluated for all risk categories in our own business area. Similarly, country-specific risks and product group risks in connection with the economic activity of direct suppliers are identified for direct suppliers.



Risk assessment

As part of the risk assessment, the identified risks are evaluated with the help of questionnaires. Detailed audit results, reports from complaint mechanisms and information from risk monitoring systems help substantiate the identified risks and enable assessment of these risks. This step results in an actual risk disposition and an image of the negative implications for people and the environment.

Risk prioritization

In the final step of the risk analysis, risks are prioritized based on the criteria of severity and probability of occurrence. The assessment of severity includes the factors of the degree and number of people affected and the factor of irreversibility. The results help to set priorities when adapting our internal guidelines, actions and training measures to ensure compliance with our due diligence obligations. The following risks were prioritized as part of our risk analysis and published on our company [website](#):

- Working conditions in the upstream value chain
- Occupational health & safety in the upstream value chain, our own operations and in the use phase & service activities
- Environmental protection along the entire value chain
- Diversity & equal opportunities in our own operations

Consequently, high risk suppliers of the SMA Group were identified under consideration of the appropriateness criteria influence and contribution to causation. For the SMA AG, 28 high risk suppliers were identified whereas for SMA Australia, SMA UK, SMA America and SMA Altenso no high risk suppliers were identified.

Actions to address risks

Training

The global staff of the SMA Group participates annually in a mandatory online course covering the SMA Employee Code of Conduct. The goal of the course is to promote employee awareness of the importance of ethics and the business principles the SMA Group has committed itself to. In 2024, this course was completed by 3,432 employees (including trainees, learners and temporary workers). Additionally, a mandatory training program specifically for Commodity Managers in the Global Procurement department who purchase direct and indirect materials was conducted to explain the due diligence process and create awareness for human rights and environmental risks in the supply chain. In 2024, 100% of the Commodity Managers in Global Procurement completed the training.

At SMA Australia, the identification of risks was crucial in the development of a specialized modern slavery training program. This program, which includes case studies on recognizing and reporting modern slavery risks, was established



as a preventive measure in 2023. All new employees are required to complete this training during their onboarding process. By the end of 2024, every SMA Australia employee successfully completed the training. This requirement will continue for new employees throughout 2025.

To raise awareness of human rights and environmental issues among our suppliers, we have launched a supplier training campaign in 2024. With the support of an external partner, we have set ourselves the goal of training all of the SMA Group's direct high risk suppliers. The online courses have been assigned to suppliers based on the identified risks and the completion is tracked by the commodity managers. The completion of the training courses of our suppliers is planned for 2025.

Internal auditing

All SMA Group companies with active business operations are continuously audited against human rights standards. In total, 67% of 21 Group companies were covered by the due diligence process by the end of 2024. Based on the results, the audit team defines remedial or improvement measures, the implementation of which is monitored. In 2024, no legal violations of statutory labor regulations were identified at the sites of the SMA Group, and there were no relevant legally binding convictions in labor law.

Business partner commitment to our policies

To ensure that the Business Partner Code of Conduct is recognized and adhered to by the business partners of SMA AG, it was made binding for all suppliers as part of the general terms and conditions. Suppliers of SMA AG also undertake to pass on this requirement in the supply chain. In order to contractually oblige the suppliers of direct material to comply with human rights and environmental due diligence obligations, specific contractual clauses were formulated in addition to our Business Partner Code of Conduct. With SMA AG being the biggest supplier of direct material for the SMA Group companies, this action also covers their supply chains. As of December 31, 2024, more than 50% of the suppliers addressed have recognized the supplementary contract clauses. The process for supplier's acknowledgment of the human rights and environmental contractual clauses and the Business Partner Code of Conduct was expanded to direct suppliers of the SMA Group companies in 2024.

Supplier monitoring and sustainability performance assessment

To ensure that our expectations are met by our direct suppliers and to identify possible violations, an additional supplier monitoring software is used. With the help of the software, sustainability risks such as corruption risks, human rights risks and regulatory risks are monitored. If there is reasonable knowledge of a violation, measures will be initiated in collaboration with the supplier. The SMA Group reserves the right to pause or terminate the business relationship if the violation is not corrected within a specified timeframe. In 2024, one substantiated incident of violations in the supply



chain was brought up by the supplier monitoring system. The supplier was contacted, and appropriate measures were initiated. In addition, we started to conduct risk-based ESG supplier audits in 2024.

Since 2017, we have been continuously monitoring the sustainability performance of the suppliers of direct material to SMA AG through the supplier evaluation program. As of December 31, 2024, 90% of all A and B suppliers of SMA AG existing at that time were covered by the sustainability performance assessment, which represented a share of 90.3% of the direct material purchasing volume of SMA AG. The sustainability performance of our suppliers is incorporated into a corporate decision-making process for supplier selection.

Whistleblower system

Because there are situations in which it may be difficult to speak openly about serious compliance violations, it is important to offer a tool for anonymous reporting of suspected compliance violations. Whistleblower systems are mechanisms to avoid and reduce the possibility of violations. The SMA Speak-Up Line is available to employees and external parties. The whistleblower system is operated by an external provider and can be used in various languages. At the request of the whistleblowers, their anonymity will be preserved. The SMA Group guarantees all employees freedom from sanctions for reports made in good faith. Details of this, together with a full description of the procedure for reporting misconduct, can be found on the company [website](#) and the employee intranet. Business partners are made aware of the Speak-Up Line through the Business Partner Code of Conduct and corporate website, and employees through the company intranet and regular employee training. The functionality of the system is tested as necessary.

Assessment of effectiveness

The Human Rights Working Group is comprised of representatives from various departments, including Sustainability, Global Strategic Procurement, Global Human Resources, Group Compliance, Health & Safety, Environment, Legal, Corporate Audit, Risk & Information Security, as well as members of the Works Council. The Human Rights Working Group monitors the implementation and effectiveness of the organization's human rights and environmental risk management system and the associated requirements. The effectiveness of its risk management system is monitored by using appropriate key performance indicators and through regular reviews of work packages. As chair of the Human Rights Working Group, the Human Rights Officer discusses challenges and regularly reports to the Managing Board on the group's work.



Approval and attestation

In accordance with the requirements of the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

SMA Solar Technology AG

This statement was approved by the board of directors of SMA AG.

DocuSigned by:

Jürgen Reinert

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I have the authority to bind SMA Solar Technology AG

Dr. Jürgen Reinert, CEO

SMA Australia Pty. Ltd.

This statement was approved by the principal governing body of SMA Australia by way of resolution on 08 May 2025.

Signed by:

John Alexander

ABC28F53EF4C1FA

John Alexander, Director, Sheng Yang, Director

Signed by:

Sheng Yang

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SMA Solar UK Ltd.

This statement was approved by the principal governing body of SMA UK.

DocuSigned by:

Johannes Eillebrecht

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Johannes Eillebrecht, Managing Director

SMA America LLC

This statement was approved by SMA AG as the ultimate shareholder of SMA America.

DocuSigned by:

Jürgen Reinert

D28181DF7469451

I have the authority to bind SMA America LLC as the ultimate shareholder

Dr. Jürgen Reinert, CEO

SMA Altensio GmbH

This statement was approved by the principal governing body of SMA Altensio.

Signiert von:

Burkhard Söhngen

G30E2260E8E9477

I have the authority to bind SMA Altensio GmbH

Burkhard Söhngen, Managing Director