CanadianSolar

MAKE THE DIFFERENCE

2020 ESG

Sustainability Report

Brockville II 9 MW Solar Plant, Canada

Wuhai 100 MW Solar Plant, Inner Mongolia, China

Forward-Looking Statements

This report has been prepared by the Company solely to facilitate the understanding of the Company's performance and strategies on sustainability-related topics. The information contained in this report has not been independently verified. None of the Company or any of its affiliates, advisers or representatives will be liable (in negligence or otherwise) for any loss howsoever arising from any use of this report or its contents or otherwise arising in connection with the report.

Certain statements in this report are forward-looking statements that involve a number of risks and uncertainties that could cause actual results to differ materially. These statements are made under the "Safe Harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by such terms as "believes," "expects," "anticipates," "intends," "estimates," the negative of these terms, or other comparable terminology. Although we believe our expectations expressed in such forward-looking statements are reasonable, we cannot assure you that they will be realized, and therefore we refer you to a more detailed discussion of the risks and uncertainties contained in the Company's annual report on Form 20-F as well as other documents filed with the Securities & Exchange Commission. In addition, all information provided in this report, including these forward-looking statements, is as of the current date, unless otherwise stated, and the Company undertakes no duty to update such information, except as required under applicable law.

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Message from the Chief Executive and Chief Sustainability Officers

Shawn Qu
Chairman and
Chief Executive Officer

Hanbing Zhang
Chief Sustainability Officer

Dear fellow shareholders and partners,

The coronavirus pandemic has served as a sobering reminder of our fragile connection with the environment and underscored the vital importance of the work we do. Importantly, it has helped crystallize the case for sustainable development.

During this crisis, our priority has been to ensure the health and safety of our employees and support our business partners. As we worked to address urgent matters, such as establishing safety protocols and procuring personal protective equipment for our employees, we also took the time to listen to our customers, investors, financial partners, employees and other stakeholders, and reflect upon the really important matters that will shape our long-term role in society and legacy of our company.

Thus, we have rekindled our efforts and put together a fully revamped sustainability strategy. As a first, we appointed a new Chief Sustainability Officer to lead our efforts in improving our environmental, social and governance (ESG) practices. We have dissected our business from top to bottom to understand what we are doing well and what we could do better. With that analysis, we have started tracking sustainability-related key performance indicators, we have set ambitious targets, and instituted structures to ensure that ESG is incorporated in every major business decision we make.

The saying goes that "what doesn't get measured doesn't get managed", so now we are rigorously monitoring a range of sustainability factors. Our goal is to ensure that we are not only helping our customers to reduce their carbon emissions and environmental footprint, but that we are also doing it throughout our own operations. In fact, we are now committing to powering 100% of our operations with renewable energy before the end of this decade.

As a renewable energy company, it is easy to be complacent, to conclude that we are already part of the solution. But that would be a mistake. For us, sustainability is more than just environmental sustainability. We are strongly committed to building a safe, diverse and inclusive culture, and to contributing to a responsible supply chain. We also believe it is important to hold ourselves accountable, which is why we have established the Sustainability Committee, the members of which are appointed by our board of directors.

The output of this exercise is presented in this report. We have aligned our sustainability disclosures with global standards, namely SASB (Sustainability Accounting Standards Board), TCFD (Task Force on Climate-Related Financial Disclosures) and GRI (Global Reporting Initiative). We will continue to polish both our practices and disclosures over the coming years and look forward to engaging with you on the ways in which we can improve further.

In the meantime, we will continue to work hard to deliver clean, affordable and reliable energy to our customers; lead the global effort to decarbonize our economies; and Make the Difference to all our stakeholders.

Thank you for your interest in learning about Canadian Solar and for your continued support.

Shawn Qu
Chairman and
Chief Executive Officer

Hanbing Zhang
Chief Sustainability Officer

Highlights

20-year
track record as
a global tier 1 player
in the solar industry

Over
55 GW
of **solar modules delivered** to
customers across the world

Over
5.7 GWp
of **solar projects**
energized globally

Established a **Sustainability Committee** at the board level and appointed **Chief Sustainability Officer**

CO_2 **20%**
in **greenhouse gas emission intensity**
(2017-20)

19%
in **energy intensity**
(2017-20)

44%
in **water intensity**
(2017-20)

18%
in **waste intensity**
(2017-20)

1.1 years
GHG payback time of crystalline solar modules (after which they become carbon negative assets that last for 30-40 years or longer)

Close to
14,000
employees
globally

Supporting **UN SDGs** (Sustainable Development Goals) on affordable and clean energy; climate action; industry, innovation and infrastructure; gender equality; reduced inequalities

35%
female workforce
and **22% women in management**
positions

1 About Canadian Solar


Guimarania 81 MW Solar Plant, Minas Gerais, Brazil

Canadian Solar was founded in 2001 in Canada and is one of the world's largest solar technology and renewable energy companies. It is a leading solar photovoltaic module brand, provider of solar energy and battery storage solutions, and developer of utility-scale solar power and battery storage projects with a geographically diversified pipeline in various stages of development. Over the past 20 years, Canadian Solar has successfully delivered over 55 GW of premium-quality, solar photovoltaic modules to customers across the world. Likewise, since entering the solar project development business in 2010, Canadian Solar has developed, built and connected over 5.7 GWp in over 20 countries across the world. Currently, the Company has around 500 MWp of projects in operation, nearly 6 GWp of projects under construction or in backlog (late-stage), and an additional 15 GWp of projects in pipeline (mid- to early- stage). Additionally, Canadian Solar has 1.2 GWh of battery storage projects under construction, and nearly 17 GWh of battery storage projects in backlog or pipeline. Canadian Solar is one of the most bankable companies in the solar and renewable energy industry, having been publicly listed on the NASDAQ as CSIQ since 2006.

Market leader in solar energy with a global footprint in project development and module manufacturing and sales

CSI Solar: 18 countries with 13 factories in 4 countries
Global Energy: 17 countries


Extreme Home 4.8 kW Solar Rooftop System, USA

North America

Canada
Guelph: Global HQ
Calgary

U.S.
Walnut Creek: North America HQ
San Francisco
Austin
New York City
Princeton

Europe

Germany
Munich: EMEA CSIS HQ

Netherlands
Amsterdam

U.K
London

Italy
Milan

Spain
Madrid: EMEA GE HQ

Poland
Warsaw


Aguascalientes 68 MW Solar Plant, Mexico

Latin America

Brazil
São Paulo

Mexico
Mexico City

Argentina
Buenos Aires

Manufacturing operations

In July 2020, Canadian Solar announced its plan to carve out and publicly list its Module and System Solutions ("MSS") subsidiary, CSI Solar Co., Ltd. ("CSI Solar"), in China. In preparation for the listing, which is an ongoing process, the Company restructured its business segments. Both businesses are represented within this report.

- **CSI Solar** develops, manufactures, and sells solar modules and solar system kits. It also sells battery energy storage solutions and is developing the Company's China Energy business, including solar power projects, EPC services, and electricity revenue. Canadian Solar currently owns approximately 80% of CSI Solar's shares and expects to hold approximately 64% of CSI Solar's shares after the initial public offering. For more details, see *Canadian Solar's Subsidiary CSI Solar Submits Application Documents for Initial Public Offering on China's STAR Market 6-K filing on June 28, 2021 (link)*.
- **Global Energy** develops and constructs solar power and energy storage projects in over 20 markets worldwide, excluding China, which it sells or retains partial or full ownership in. It is also responsible for delivering operation and maintenance services and asset management services globally, to our projects and projects owned by third parties.


Biohof Schmid 3 kW Solar Rooftop System, Switzerland

Asia Pacific

P.R. China
Suzhou: China HQ
Beijing
Shanghai
Changshu
Funing
Yancheng
Dafeng
Luoyang
Baotou
Taiyuan
Jiaxing
Suqian
Hong Kong, SAR

Taiwan, China
Taipei

Japan
Tokyo
Osaka
Fukuoka
Sendai
Nagoya
Kawaguchi

South Korea
Seoul

India
New Delhi

Thailand
Chonburi

Vietnam
Hai Phong

Malaysia
Kuala Lumpur

Singapore
Singapore

Australia
Melbourne
Sydney
Brisbane
Toowoomba

Middle East and Africa

U.A.E.
Abu Dhabi
Dubai

South Africa
Cape Town

Sustainability at Canadian Solar

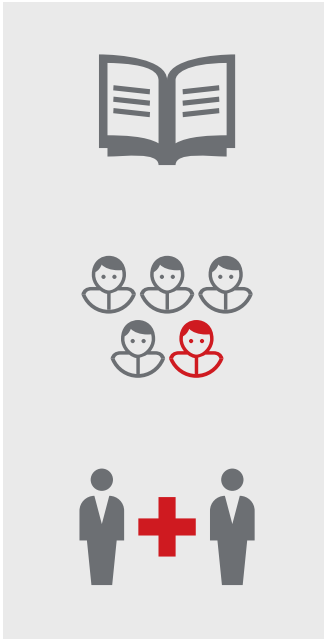
As a global leading renewable energy company, Canadian Solar aims to power the world with solar energy and to create a cleaner Earth for future generations. The total electricity generated by the 55 GW of cumulative solar modules shipped over the past 20 years is equivalent to displacing approximately 139 million[1] tons of CO_2 emissions or powering over 14 million households.

At Canadian Solar, we incorporate ESG, or environmental, social and governance factors, across our business and strategic decisions and continue to make efforts to improve our practices to ensure long-term sustainability. Our key focus areas are:

Environmental	▪ We track GHG emissions and manufacturing intensity on energy, water and waste across our facilities ▪ We research, develop and implement new technologies to enhance product efficiency and reduce the environmental impact of our production processes ▪ We have established rolling 5-year key performance indicator (KPI) targets for all key metrics which are integrated into employee KPIs and compensation plans
Social Responsibility	▪ We are an equal opportunities employer and strive to cultivate a diverse and inclusive culture ▪ We recognize employees' freedom to associate and bargain collectively ▪ We strive to be a responsible corporate citizen in the communities where we operate ▪ We abide to a strict code of business conduct and ethics and expect no less from our business partners, including our suppliers. We recently updated the Canadian Solar Supplier Code of Conduct (link)
Corporate Governance	▪ Our board of directors ("Board") advises and oversees all our efforts to ensure sustainability ▪ We continue to make efforts to improve the diversity of the Board

[1] Actual CO_2 net avoided emissions depend on specific PV project location, application and grid electricity mix. The estimate presented here intends to provide an approximate value of the contribution of PV energy production against climate change. Calculations are based on utility PV annual average capacity factor and avoided CO_2 emissions rate as reported by the U.S. Environmental Protection Agency (EPA). GHG emissions from PV modules and balance of systems (BOS) manufacturing, as well as transport, construction, operation and decommissioning have been taken into account. Please see EPA website (link) for further details.

The following Corporate Sustainability Policies provide a framework for Canadian Solar's sustainability commitments:



Environmental

- *EHS Policy (link)*

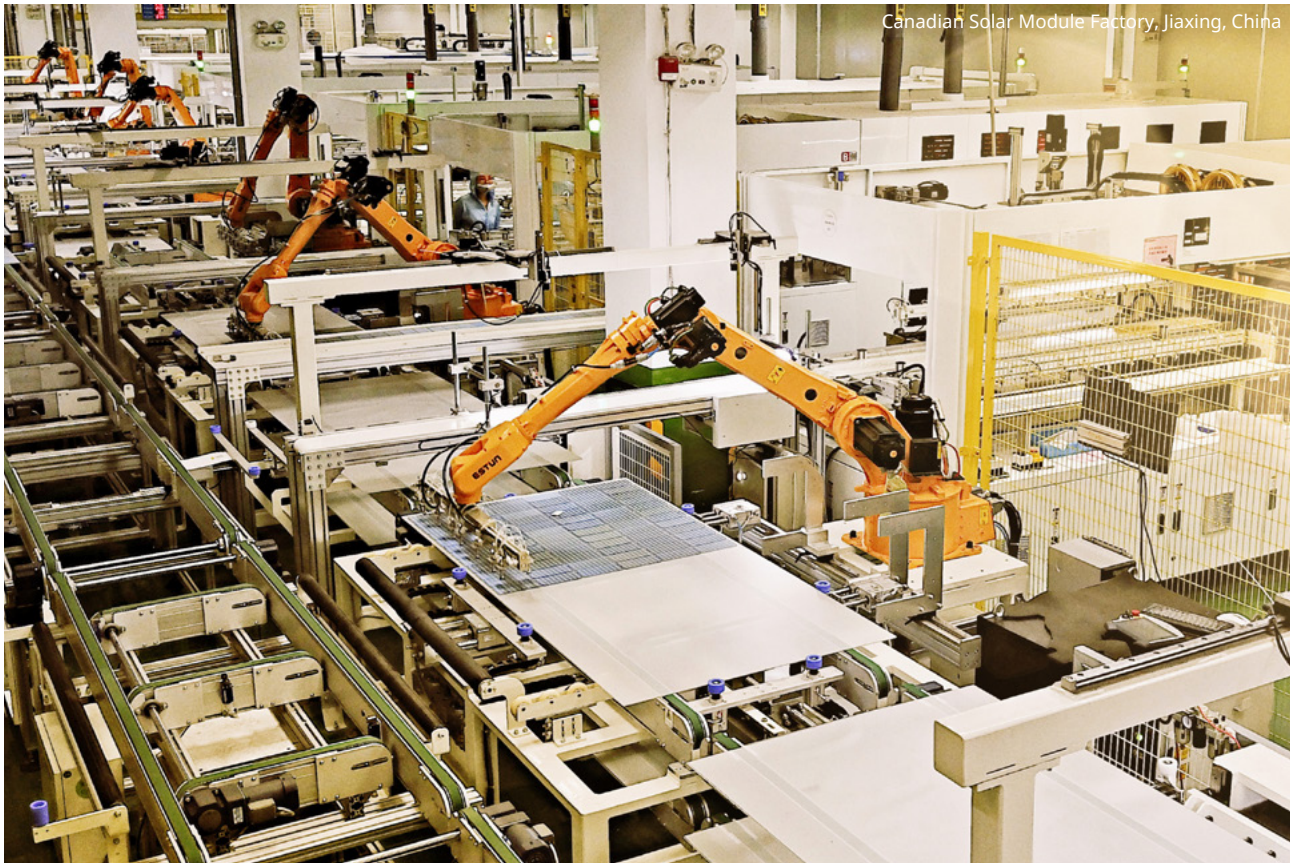
Social

- *Labor and Human Rights Policy (link)*
- *Equal Employment Opportunity Policy (link)*
- *Anti-Modern Slavery 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)*

Fukui Prefecture 1 MW Solar Plant, Japan


Canadian Solar Module Factory, Jiaxing, China

Approach to Environment, Health and Safety (EHS)

Canadian Solar is committed to providing a safe and enriching work environment for employees and contractors and strives to reduce the environmental impact of our business activities. Our EHS strategy is incorporated in our solar products and services from product design, production to delivery.

We standardized our EHS goals to drive continuous improvements through measurable progress across our business. We abide by international standards certified under **ISO14001 environmental** and **ISO45001 occupational health and safety management systems**. These certifications cover waste reduction, energy conservation, injury reduction, and other environmental, safety, and health objectives.

Compliance with Environmental Regulations

We closely monitor various legal frameworks where our business is active to ensure that our products comply with environmental regulations and customers' requirements.

Shin Mine 56 MW Solar Plant, Yamaguchi, Japan

Our product lines comply with the European Union's REACH (Registration, Evaluation, Authorization, and Restriction) regulation for chemicals according to the directive (EC) No. 1907/2006 issued by the European Chemical Agency (ECHA) in 2015. Our products are "articles" as defined by the REACH directive and do not release any chemical substances under normal or reasonably foreseeable conditions of use. We conduct regular audits and spot compliance evaluations across our supply chain, and communicate and educate our key suppliers on any updates regarding Substances of Very High Concern (SVHC) by ECHA in a timely manner. We report to the Substances of Concern In articles or Products (SCIP) database any SVHC in our products with concentration over 0.1% by weight according to the requirements of the latest Waste Framework Directive (WFD) 2008/98/EC amendment. Our system solutions product lines, including string inverters, also comply with the European Union's RoHS (Restriction of Hazardous Substances) Directive 2011/65/EU and its amendments.[2]
Our photovoltaic modules are exempted from CLP (Classification, Labelling, and Packaging of substances and mixtures) regulation according to (EC) No. 1272/2008.

We strictly adhere to Toxicity Characteristic Leaching Procedure (TCLP) testing of our photovoltaic module portfolio to monitor the presence of any toxic metal substances (arsenic, barium, cadmium, chromium, lead, mercury, selenium, silver) according to TCLP Standard EPA Test Method 1311, as issued by the U.S. Environmental Protection Agency (EPA) under the Toxic Substances Control Act (TSCA) for landfill disposal of modules. We adopted a new advanced TCLP sampling method developed by Arizona State University to improve sampling accuracy and testing results.

[2] Solar PV modules are exempted from the European Restriction of Hazardous Substances (RoHS) legislation (link) as part of the decision from the European Commission to ensure achievement of energy renewable targets. Per article 2 of the RoHS directive, "This directive does not apply to: [...] photovoltaic panels intended to be used in a system that is designed, assembled and installed by professionals for permanent use at a defined location to produce energy from solar light for public, commercial, industrial and residential applications."

2 Environmental Metrics

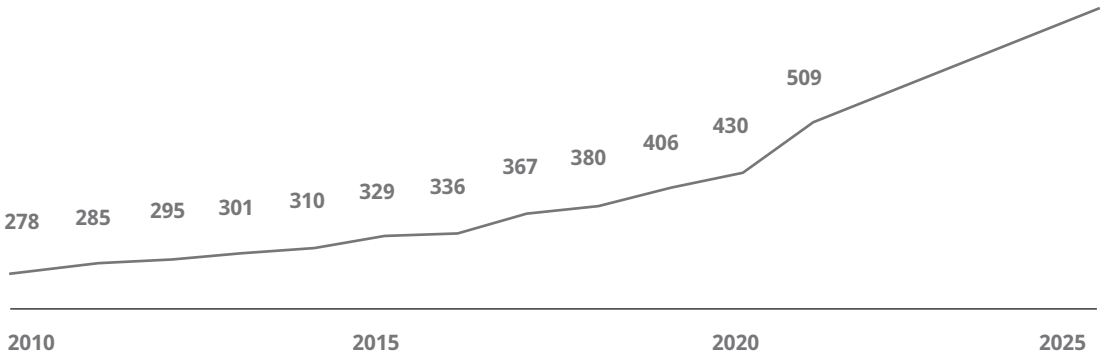
We have nearly doubled the power output of our solar modules over the past decade, improving our environmental footprint.

As a technology company, Canadian Solar has contributed many groundbreaking innovations that have propelled the technological advancement of the solar PV industry. These contributions have not only improved the quality and reduced the cost of solar modules, but they have also driven major reductions in the environmental footprint of solar module manufacturing. Namely, over the past decades, we have meaningfully reduced GHG emissions, and energy, water, and waste intensity during the manufacturing of solar PV modules.

For example, in 2016, we designed the first half-cell solar modules which improved solar module power output, performance and durability. During 2017 and 2018, we commercialized Passivated Rear Emission Contact (PERC) cells across our product lines and introduced the first larger-sized 166mm wafers in 2019. Larger wafers, as well as other technological innovations, allow us to increase the power output of our solar modules, which in turn reduce the environmental footprint per watt of production and installation as they reduce the balance of system (BOS) costs for solar projects.

Average module wattage

(W)



Key environmental achievements over 2017-2020:

44% reduction
Manufacturing water intensity

19% reduction
Manufacturing energy intensity

18% reduction
Greenhouse gas emissions intensity

18% reduction
Manufacturing waste intensity

During the COVID-19 pandemic, our top priority was the health and safety of our employees. Fortunately, we safely managed our manufacturing operations and maintained healthy utilization rates, while continuing to launch new products and deliver on manufacturing efficiency improvement roadmaps. We increased our mono PERC production capacity, which allowed us to produce a larger volume of our high-efficiency HiKu product line. This helped us to further improve on our environmental metrics.

In the second half of 2020, we announced the development of our new HiKu7 PV module series, which uses a new 210mm wafer size. We expanded new manufacturing sites dedicated to the manufacturing of HiKu7 ingots, wafers, cells and modules to meet expected demand. With this new state-of-the-art production capacity coming online in the first half of 2021, we further raised our environmental intensity reduction targets.

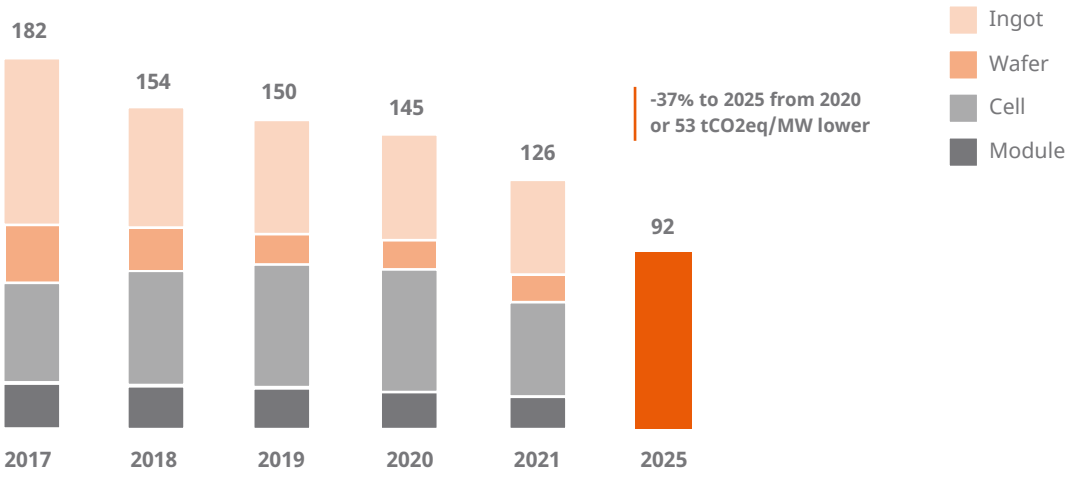
In the following sections, we report detailed environmental intensity metrics covering all of our global manufacturing operations from ingot, wafer, cell to module. For each manufacturing process, weighted-average intensity metrics are calculated, taking into account the actual production output of each manufacturing site.

Greenhouse Gas Emissions

All Canadian Solar's global manufacturing operations have been re-assessed under the latest ISO14064-1:2018 standard, namely the Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.

GHG emissions intensity

(tCO_2eq/MW)



In 2020, we engaged Société Générale de Surveillance (SGS), a global inspection, verification, testing and certification services company, to help us establish a new and more robust GHG emissions monitoring and reporting management process. All our global manufacturing operations have been re-assessed under the new process and are compliant with the latest ISO14064-1:2018 standard, namely the *Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.*[3]

The chart above shows the direct and indirect GHG emissions intensity (including outsourced energy and emissions from the logistics of sourcing raw materials) for all our global manufacturing operations, from ingot pulling to module assembly, and including R&D and shared administrative facilities. Data is reported on a carbon intensity basis measured per MW produced, with production-weighted averages calculated throughout the production units, starting from 2017 or Canadian Solar's launch of PERC technology products. Our GHG emissions are primarily driven by Scope 2 indirect emissions i.e., generated from the electricity purchased and other forms of energy used by our operations, which contributed to approximately 95% of total GHG emissions. Data reported from 2017 to 2019 was estimated according to the updated ISO14064-1 methodology, without taking into consideration the additional upside from the reduction in emissions intensity of the local grids from which we purchased electricity.

Between 2017 and 2020, our company-wide carbon intensity decreased by approximately 20%, and in 2021, we expect to achieve a further 13% decline in GHG emissions intensity. These improvements have been driven by technological advancements that led to sustained increases in module efficiency, module wattage and production throughput, and helped by our focus on optimizing capacity utilization rates. Additionally, most of our production sites have solar PV installations which contribute approximately 2% of our electricity consumption.

[3] The following gases are included in the calculations: CO_2, CH_4, N_2O, HFCs, PFCs, SF_4, NF_3. The Global Warming Potential (GWP) rates are taken directly from the IPCC 2014 synthesis report (AR5).


Canadian Solar Funing Cell Factory, China

This year, we developed our first set of 5-year targets that will be updated on a rolling basis. By 2025, our goal is to reduce carbon intensity by approximately 37% from the 2020 level. The targeted emissions reductions will be primarily driven by further improvements in module efficiency and manufacturing yields, and more proactive energy conservation measures. For example, we will continue to ramp up manufacturing capacity of our high efficiency BiHiKu7 modules (210mm wafer size). Likewise, we also seek to procure greater amounts of renewable energy across our operations, to achieve 100% renewable energy before the end of this decade.

Currently, we are developing the next generation of solar PV modules based on N-type wafers and cells, and have invested in a 250 MW N-type heterojunction (HJT) cell line. Commercial delivery of HJT-based modules is expected to start during the second half of 2021. HJT technology has a potentially meaningfully lower environmental footprint than existing PERC technology and even other types of N-type cells, such as TOPcon (Tunnel Oxide Passivated Contact), as it has a greater uplift in energy conversion efficiency, minimal degradation and simpler, shorter manufacturing processes. However, given the additional R&D required to fully commercialize HJT technologies at GW-scale, we have taken a conservative approach and have not included the potential environmental upside that N-type modules could contribute to our emissions reduction targets.


Thunder Bay, 8.5 MW Solar Plant, Ontario, Canada

Module Carbon Footprint Improvement

In 2020, we successfully extended our competitive carbon footprint supply chain from polycrystalline to monocrystalline modules by implementing 3rd party Life Cycle Assessment (LCA) analysis according to ISO14040/44:2006 through our key ingot and wafer operations.

We started developing an optimized PV module carbon footprint supply chain in 2015 and were granted our first French Carbon Footprint Certificate in 2017 for our polycrystalline PV modules. This is according to the tender requirements by the French Energy Regulation Committee (CRE) or La Commission de Régulation de l'Energie.

The module carbon footprint analysis is more comprehensive than the corporate GHG emissions intensity analysis as it also includes the indirect GHG emissions from the upstream manufacturing of raw materials, up to the materials mining.

In 2020, we extended our competitive carbon footprint supply chain from polycrystalline to monocrystalline modules by implementing third party Life Cycle Assessment (LCA) analysis according to **ISO14040/44:2006 environmental management**. Using this method, we reduced the Global Warming Potential (GWP) factor of our wafer manufacturing by around 64% by implementing measures such as thinner wafers, improved process efficiency, and reduced water consumption intensity. These measures were recognized by the French Agency for Ecological Transition (ADEME – Agence de l'Environnement et de la Maitrise de l'Energie) and allowed us to improve our HiKu module series carbon footprint by approximately 7% over the previous certification.

In 2021, we plan to extend our product portfolio with an optimized carbon footprint supply chain, further increasing the market share of our green modules in countries that have introduced low carbon regulatory frameworks, such as France and South Korea.

Solar PV System's GHG Payback Time (Generally 1+ Years)

While manufacturing solar modules is energy intensive and creates GHG emissions, it is important to put this into the context of the useful life of a solar module. Once it is produced, a solar PV module will generate GHG-free electrons for 30 to 40 years, or even longer. Therefore, it is useful to consider the GHG payback time of solar systems, which include the solar module as well as BOS such as inverters.

For illustrative purposes, we calculate the GHG payback time using two utility-scale solar projects of 200 MWp each, one located in Texas, the U.S., and the other in Côte d'Azur, France. Both are built with Canadian Solar's BiHiKu7 bifacial modules and use single-axis trackers. In addition, both projects are expected to produce electricity for 30 years and have an initial capacity factor of 24% and 20%, respectively.

Solar System Life Cycle Analysis

Project Location	Texas, U.S.	Cote d'Azur, France	Unit
System carbon footprint	1,246	966	$kgCO_2/kWp$
	249,200,000	193,200,000	$kgCO_2$
Project lifetime	30		Years
Total production	11,588,357	10,139,812	MWh
GHG PAE (Potential Avoided Emissions)			
Gross avoided emissions	221,338	21,632	$tCO_2/year$
Net avoided emissions	213,031	13,325	$tCO_2/year$
GHG payback time	1.1	11.5	Year

Gross emissions avoided are calculated by multiplying the total energy production by the local GHG emissions rates, as reported by the agency of authority. We use 573 $kgCO_2/MWh$ for Texas, as reported by the U.S. Environmental Protection Agency, and 64 $kgCO_2/MWh$ for Côte d'Azur, as reported by the French CRE. Net avoided emissions equal gross avoided emissions minus the solar system carbon footprint, which includes its entire life cycle, taking into consideration the GHG emissions from transportation, construction, operation and decommissioning.

The solar plant in Texas is reflective of the GHG payback time of most markets given that approximately 65% of Texas' energy market is powered by fossil fuels, broadly in line with the global average. Thus, in most markets, solar power plants show a GHG payback time of just over one year. This means that after 13 months or so of electricity generation, the solar plant will generate close to 100% emissions-free electrons for the remainder of its useful life.

On the other side of the spectrum, the French electricity grid relies mostly on nuclear energy which is a low carbon fuel. In this case, GHG payback times may increase to more than 10 years which, albeit less attractive than 1+ years, remains significantly valuable from a decarbonization standpoint.

Pirapora 400 MW Solar Project Portfolio, Minas Gerais, Brazil

Air Emissions Breakdown

We observe local and international laws and regulations related to emissions. We monitor and assess all relevant emissions regularly and employ sophisticated exhaust and filtration technology in all manufacturing facilities to minimize emissions. The table below shows a detailed breakdown of our air emissions.

Air emissions[4] (global, metric tons)	2017	2018	2019	2020
Nitrogen oxides (NOx)	28.1	37.4	38.2	64.6
Sulfur oxides (SOx)	0.1	0.2	0.1	0.1
Fine dust (PM10)	3.7	7.4	9.1	9.0
Hazardous air pollutants (HAP)	0.2	0.9	0.6	6.4
Volatile organic compounds (VOC)	12.2	4.1	16.4	19.1
Persistent organic pollutants (POP)	0	0	0	0
Other standard air emissions[5]	3.4	23.2	16.2	29.0

[4] Certain historical figures contain measurement abnormalities which we cannot revise given the amount of time that has lapsed. Consider 2020 figures as the most accurate and reflective of our actual air emissions. While the Company's emissions comply fully with local regulations, the Company is making significant efforts to treat and reduce air emissions.

[5] From 2020, ammonia NH_3 emissions have been included in "other standard air emissions" as per relevant Chinese air quality control regulations.

Energy Intensity

Canadian Solar's total energy intensity decreased by 19% in 2020 compared to 2017.

The reported total energy intensity includes all our manufacturing operations, from ingot pulling or casting down to module assembly, with production-weighted averages calculated through all the production units.

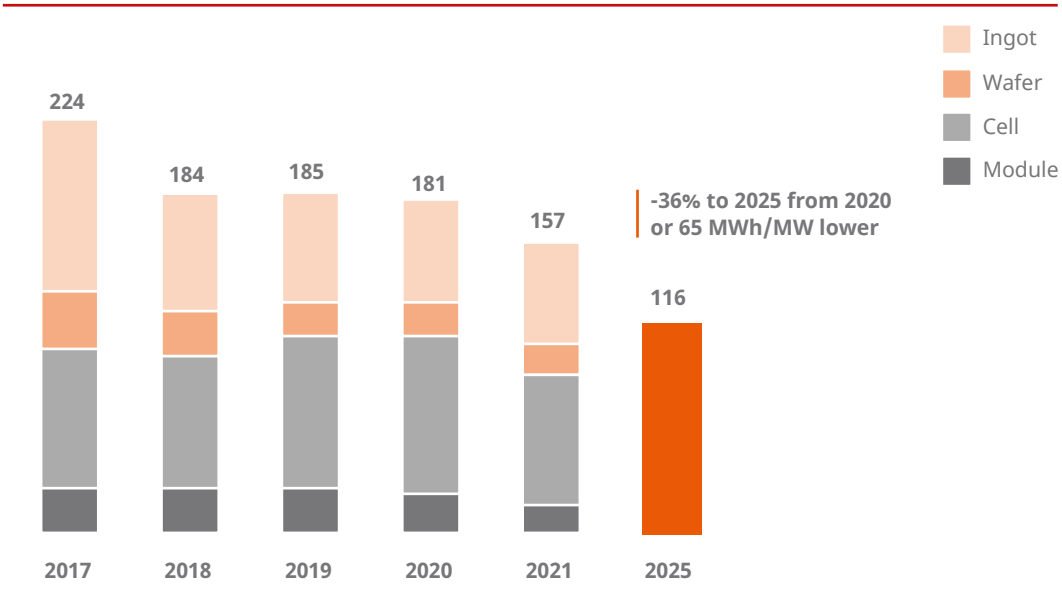
Over the past two years, we launched a series of measures at our upstream wafer and ingot manufacturing operations aimed at reducing operating costs and energy intensity. These included accelerating the shift from multi- to mono-crystalline wafer production and implementing R&D innovations in thermal field management for high-efficiency multi-crystalline ingot casting. Furthermore, we continue to drive improvements in production rates with larger ingots, thinner wafers and higher throughput to drive lower unit energy intensity.

The electricity intensity of the cell manufacturing operations increased during the 2018-20 period driven by the rapid implementation and transition to PERC technology. However, this was offset with significant efforts to reduce energy intensity in the other manufacturing processes such as wafer slicing and module manufacturing. Thus, the manufacturing energy intensity remained largely flat over the same period.

Nevertheless, our total energy intensity decreased by 19% in 2020 compared to 2017. In 2021, we forecast a significant energy intensity decline, driven by our new 210mm wafer technology innovations and capacity expansion in the latest high-efficiency cell manufacturing technologies. On the upstream ingot manufacturing stage, the decline will be partly dampened by an increased production ratio of mono ingots.

Energy intensity

(MWh/MW)



Larger wafer size driving energy intensity improvements: New HiKu7 and BiHiKu7 modules of 210mm wafer size

In 2021, we started mass production of our new generation modules BiHiKu7 and HiKu7. These new products will help us further reduce the energy and carbon intensity of our production processes.

Energy intensity reduction goals

- The electricity intensity for 210mm wafer, cell and module production is expected to improve by approximately 8%, 10% and 20%, respectively, compared to the previous generation of 166mm wafer size modules.
- In 2021, we expect to add around 4 GW, 5 GW and 9 GW of 210mm wafer, cell and module capacity, respectively.
- **The 210mm wafer size modules are expected to contribute at least 80 GWh of total net electricity savings,** without taking into consideration the additional contributions from equipment energy efficiency improvement or increase in production yield.

665W
Power output

21.4%
Module efficiency

- 210mm cells
- Dual cells
- 132 cells format
- Monofacial and Bifacial

Energy Consumption Breakdown[6]

Global	2017	2018	2019	2020
Total energy consumption (GJ)	2,002,393	2,701,707	3,757,188	4,176,315
of which:				
Gas	11,295	24,020	40,249	56,245
Diesel	2,536	2,455	2,162	3,164
Gasoline	3,737	700	857	2,535
Steam	133,523	136,874	166,942	165,167
Grid electricity	1,800,956	2,474,601	3,484,479	3,865,389
Self-generated solar PV electricity	50,346	63,056	62,500	83,824

Currently, approximately 18% of our manufacturing operations are powered by renewable energy, including the renewable energy from the power grid where we draw our electricity and self-generated solar PV electricity. Our goal is to reach 100% renewable energy before the end of the decade.

[6] Numbers reported in this table may differ from previous sustainability report editions. We have revised historical calculations for accuracy and prior report estimations should no longer be considered. In particular, self-generated PV electricity share has been revised in accordance with SASB standard reporting practices.

2.4 MW Solar Plant, Malta

Water Intensity

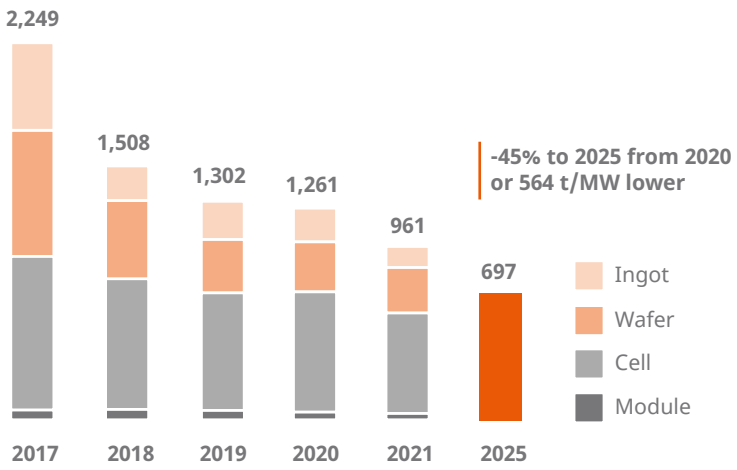
Canadian Solar has achieved a remarkable 44% reduction in manufacturing water intensity between 2017 and 2020.

Water intensity is defined as the total amount of water withdrawn from all sources per MW produced. The chart below shows water intensity as a production-weighted average calculated across all our manufacturing units.

Manufacturing solar modules is water intensive. Thus, this is a key focus area for Canadian Solar as we work to improve our long-term sustainability. Over the past few years, we have been implementing strict water conservation measures and invested in several water recycling facilities. Combined with the improvements in module efficiency and production throughput, we have achieved a remarkable 44% reduction in manufacturing water intensity between 2017 and 2020. Over the same period, even though we doubled global module shipments, absolute water withdrawal increased by less than 50%. We saved a total of 4,590 million liters of water in 2020 due to the decrease of water intensity from the 2017 level.

Water intensity

(t/MW)



Case Study: Yancheng Cell Manufacturing

Water conservation measure

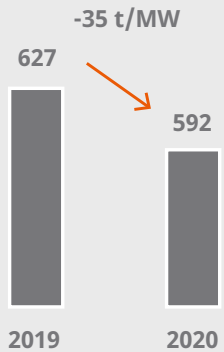
- Implemented secondary reuse of wastewater from reverse osmosis (RO, 300 t/day) and ultra-filtration (UF, 250 t/day) processes.
- Began reusing condensed water drained from HVAC systems to pre-heat pure water tanks (55 t/day).

Project achievements

- Water consumption reduced from 627 t/MW to 592 t/MW, with a 6% decrease in water intensity.
- Annual water consumption reduced by approximately 70,000 t.

Annual water intensity

(t/MW)



Did you know? According to the U.S. EPA, an average American family uses more than 300 gallons of water per day at home (approx. 1.25 tons). Meanwhile, an average U.S. residential solar system is around 7 kW. So it is just over 5 days' water use to manufacture the solar modules in an average residential system in the U.S. It is less for most other regions as residential solar systems are typically smaller in non-North American regions, usually 3-5 kW (although water use per household is also typically lower in other parts of the world).

Water Management Risk Mitigation Strategy

The solar industry is a major consumer of water. We believe water conservation is important and is one of the top priorities in our sustainability initiatives. Specifically, we seek to improve process utilization rates and reduce water withdrawal in our water management strategy.

Our manufacturing operations are located in various regions in China (Jiangsu, Zhejiang, Henan, and Inner Mongolia), as well as in Thailand, Vietnam, and Canada. We have implemented different measures to reduce our water usage taking into account local water resource risk profiles. This is a high priority initiative as approximately 69%, 26%, and 100% of our existing operations for modules, cells, and wafers/ingots manufacturing operations, respectively, are located in areas with high or extremely high baseline water stress (BWS), as classified by the World Resources Institute's (WRI) Water Risk Atlas Tool, Aqueduct.

When designing production processes, we maximize water utilization rates by considering the water quality requirements of each process and using the appropriate number of cycles when reusing discharged and recycled water flows. We also perform thorough analyses and plan out measures to reduce the impact on local water resources and on other water users. Our goal is to ensure safe, reliable and sustainable water access not just for our own operations, but also for the local communities that we may have an impact on. Wastewater from production is collected and sent to local wastewater treatment facilities for clean up until they meet water discharge requirements.

Our management of water withdrawal and consumption is based on a per manufacturing unit basis, with data collected through water meters installed at each water source. In 2020, more than 99% of our total water withdrawal came from municipal water supplies. To reduce the amount of water withdrawal, each manufacturing site considers possible water recycling and conservation measures. Water recycling rates for our operations currently stand at 6%, 26%, 40%, and 76%, respectively, for modules, cells, wafers, and ingot manufacturing operations. We will continue our efforts to further drive down the water intensity of our production.

The table below provides an overview of our 2020 water resource management statistics:

Total water withdrawals	8,367,000 m^3
Locations with high Baseline Water Stress	44%
Total water recycling	2,480,000 m^3
Total water discharge	5,887,000 m^3
Water recycling rate	30%

Our wafer and cell manufacturing operations accounted for 80% of the water intensity in 2020. To mitigate the associated water resource access risks, we have identified conservation initiatives that can be quickly replicated across all our manufacturing sites. We also strategically selected locations for our new wafer and cell manufacturing capacity expansion in 2021 which, combined with the phasing out of the older capacity, will significantly reduce the percentage of water withdrawals in high baseline water stress locations to below 15%. By further increasing recycling rates and implementing conservation measures, we expect to reduce our water intensity by 45% in 2025 from the 2020 level.

Case Study:
Baotou ingot manufacturing

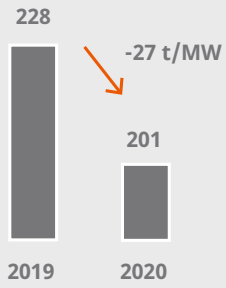
Water conservation measure

- Replaced tap water with filter pressed (FP, 200 t/day) water for all brick grinding processes.
- Reused wastewater from ultra-filtration (UF, 30 t/day) as medium for water recycling additives.

Project Achievements

- Manufacturing water intensity reduced by 27 t/MW.

Annual water intensity
(t/MW)




Canadian Solar Ingot Factory, Baotou, China


Mustang 134 MW Solar Plant during construction, California, U.S.

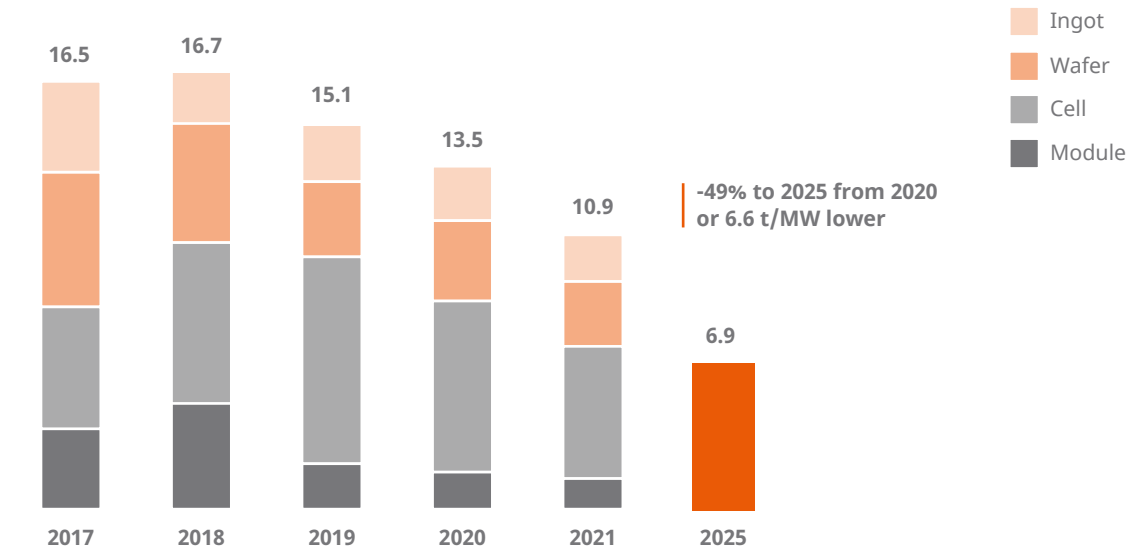
Waste Intensity

From 2017 to 2020, we reduced our waste per MW of manufacturing output by 18%, and expect to achieve another 19% reduction in 2021.

From 2017 to 2020, we reduced our waste per MW of manufacturing output by 18%, and expect to achieve another 19% reduction in 2021. Incremental module and manufacturing efficiency improvements played an important role in this achievement. Over the past few years, we established recycling and waste reduction programs across all our manufacturing processes to ensure that our capacity expansion plans are achieved in a sustainable manner.

Manufacturing waste intensity

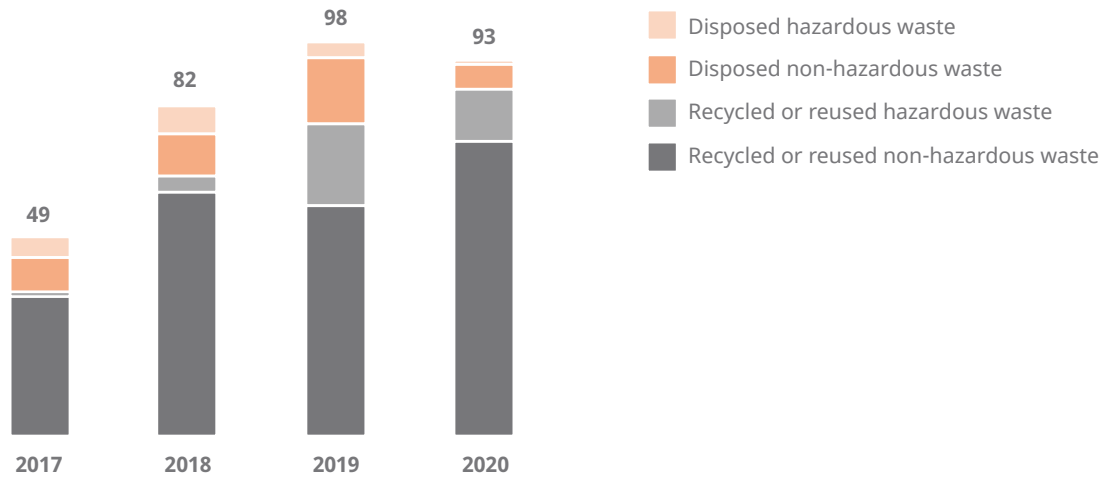
(t/MW)



Our absolute waste generation increased by approximately 80% from 2017 to 2020, however, this was at a slower rate than growth in production capacity, which increased by 108% over the same period. The following graph shows waste generation by types and disposal means across our ingot, wafer, cell, and module operations. In 2020, thanks to extensive recycling measures in all our manufacturing operations, we successfully brought down our absolute waste generation by 5 kt, and almost eliminated the disposal of hazardous waste by replacing legacy wastewater processes in our oldest cell manufacturing production.

Waste by type and disposal

(kt)



Hazardous waste is classified according to the definitions used by the countries in which we operate, for example, under the Solid Waste Pollution Prevention and Control Law 2020 in China, Law No. 55/2014/QH13 on Environmental Protection in Vietnam; and Notification of the Ministry of Industry about How to Dispose Waste, 2006 in Thailand. Hazardous waste is disposed of safely to specialized and accredited local treatment facilities.

Case Study: Suzhou Cell Manufacturing

Hazardous waste reduction measure

- Replaced legacy wastewater process with bacteria assisted, high-efficiency denitrification treatment, preventing generation of hazardous sodium nitrate crystalline salt or any secondary pollution.

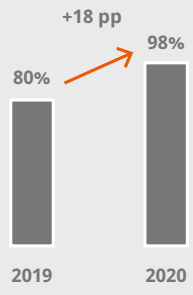
Project achievements

- Recycled hazardous waste percentage improved from 80% to 98%.

High efficiency Denitrification Tower in Canadian Solar Cell Factory, Suzhou, China

Percentage of hazardous waste recycled

(%)



Product End-of-Life Management and Recycling

Canadian Solar strictly abides by the e-waste management laws and regulations of the countries in which we operate and advocates for both the recycling and the reuse of waste products.

Canadian Solar is committed to sustainability and to minimize the environmental impact of our products, from design and manufacturing to installation and disposal.

Silicon solar modules can be recycled. Approximately three quarters of a solar module's weight is tempered glass, 10% plastic parts, 8% aluminum, 5% silicon, and 1% other materials. Thus, 95% of the materials used in a typical silicon solar module can be disassembled, sorted, processed, and recycled. Aluminum frames can be disassembled from the modules and processed in aluminum refineries. Silicon cells can be separated from glass parts with special thermal treatment to glass parts. Around 95% of the glass can be reused and 85% of the silicon particles can be recycled using acid etch. The waste plastic can be reused as fuel and the remaining cables and connectors can be crushed and sold as copper beads.

Canadian Solar strictly abides by the e-waste management laws and regulations of the countries in which we operate and advocates for both the recycling and the reuse of waste products.

For example, in Europe, since February 2014, solar PV modules have complied with the WEEE (Waste of Electric and Electronic Equipment) European Directive. This standard regulates the disposal of solar modules and is enforced through local laws in all European Union country members. Canadian Solar works closely with recycling service providers such as PV CYCLE (link) to ensure that all legal WEEE obligations are met and appropriate market import actions are followed. As a not-for-profit organization, PV CYCLE has formed a network of several hundred certified recycling points. In 2018 and in cooperation with Veolia and the French Renewable Energy Union, PV CYCLE built an automated PV module disassembly and recycling plant in France. The recycling rate can reach over 95% for PV module materials. In 2020, around 350,000 pieces of Canadian Solar modules totaling 88 MW or approximately 6,700 tons were repaired for reuse, and around 22,000 pieces or 6 MW were recycled by PV CYCLE.


Tranquility 258 MW Solar Plant during construction, California, U.S.

In Australia, Canadian Solar has partnered with Reclaim PV Recycling (link) for our solar module end-of-life management activities. Over the past three years, we have sent approximately 6,000 module pieces or 108 tons to Reclaim PV Recycling. The aluminum frames are disassembled and sold to aluminum recycling companies, and the remaining module parts are broken down into parts using thermal deconstruction. The recovered components are sorted and delivered to relevant materials companies for reuse or safe disposal. In South Korea, Canadian Solar sent 3,500 pieces of end-of-life modules, or nearly 90 tons, to KG Green Environment for end-of-life management in 2020.

As an industry leader and most bankable module brand[7], we produce high quality solar modules that are backed by 25-year performance warranties for single glass modules and 30 years for double glass modules. Even after warranties have expired, the vast majority of solar modules continue to function for many more years but with lower power output, typically around 85% of the nameplate capacity. In addition, these modules can be refurbished and reused for markets and applications that do not require ultra-high power output, including off-grid PV applications and rural electrification programs.

We are developing and adopting new technologies to extend module life and reduce module degradation over its 30 to 40 years of useful life. We also continue to make efforts to further optimize product design and simplify the recycling process of our solar modules. For example, our latest technology solar modules contain thinner and larger wafers that reduce both the materials impact and the energy costs for recycling.

[7] Canadian Solar has been ranked the #1 Most Bankable Module Supplier over the past four consecutive years according to Bloomberg New Energy Finance's (BNEF) bankability survey. Annually, BNEF surveys banks, funds, EPC (engineering, procurement and construction) contractors, IPPs (independent power providers) and technical advisors to consider the bankability of solar module brands based on product quality, reliability and warranty, and company financial strength and track record. These ratings are used by financial institutions across the world for credit analysis, indicating the likelihood that projects using the solar module brand will be offered non-recourse financing by banks.

Environmental Stewardship in Project Development

Canadian Solar has developed an Environmental and Social Management and Monitoring plan across our global regions to help address community and ecological impacts.

The potential threats associated with climate change and the environmental impact of non-renewable energy sources are well known. In addition to delivering solar modules, we are dedicated to implementing policies and government directives that help minimize negative environmental impacts associated with solar project development. This proactive approach also serves as a risk mitigation measure for our business when we determine which areas to invest in globally, which allows us to develop and deploy more solar power and energy storage projects.

Canadian Solar has developed an Environmental and Social Management and Monitoring (ESMM) plan across applicable regions to help address community and ecological impacts. This plan was developed according to IFC (International Finance Corporation) Environmental and Social Performance Standards. Such plans are tailored to each project and can include the appointment of a site-based Environmental Health and Safety (EHS) Officer and Community Relations Officer (CRO) during project construction to ensure that project environmental health and safety plans and procedures and shareholder engagement plans are diligently implemented. The EHS and CRO have the relevant training and experience and, when feasible, live within the local community or project area. As part of the plan, subcontractors are also required to develop waste management and hazardous material procedures aligned with IFC Performance Standards and relevant local regulatory requirements.

We also integrate the evaluation of land use, ecological impacts, and community engagement in our internal investment committee process for our Global Energy business. Furthermore, we have a dedicated Risk Analysis function that oversees this investment process to review considerations and reporting from the local teams. As a result of this process, solar PV and energy storage projects in our portfolio consider these three critical areas throughout their full lifecycle. Our efforts ensured Canadian Solar's Global Energy business avoided any project delays in 2020 due to ecological impacts, as these factors were already taken into account during project planning and construction.

Climate-Related Opportunities and Risks

Solar energy and its widespread adoption is critical to any decarbonization plan that seeks to realistically combat climate change. It has also become the cheapest source of energy with the most competitive Levelized Cost of Electricity (LCOE) across all major power markets.

The number of extreme weather events and resulting financial impact is at an unprecedented level worldwide. The shift in weather patterns follows years of warnings from scientists about climate change and an increased consciousness among elected officials, business leaders, investors, and global citizens. Wildfires, hurricanes, freezing weather in normally warm areas, floods, and other major weather catastrophes have resulted in the loss of human life, expensive extended power outages, and property damage. Experts expect this trend to increase over time if coordinated action is not taken.

To fight climate change, 196 countries adopted the legally-binding treaty of the Paris Agreement during the 21st Conference of the Parties (COP 21), which was signed in December 2015, and entered into force in November 2016. Its goal is to limit global warming to below 2 degrees Celsius, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. To achieve this not-so-long-term goal, countries aim to reach global peaking of GHG emissions as soon as possible and achieve a climate neutral world by mid-century. Thus, major economies including the E.U., China and the U.S. have committed to ambitious decarbonization goals to combat climate change.

Solar energy and its widespread adoption is critical to any decarbonization plan that seeks to realistically combat climate change. Fortunately, besides solar PV's environmental and climate benefits, it has also become the cheapest source of energy with the most competitive Levelized Cost of Electricity (LCOE) across all major power markets. Therefore, market forces serve as a tailwind to global adoption of solar energy.

According to calculations by the International Renewable Energy Agency (IRENA) (link), to reach the 1.5-degree Celsius Paris Agreement goal, solar PV's global installed capacity needs to reach 1.4 TW, or 14,000 GW, by 2050, from approximately 780 GW by the end of 2020. This implies a minimum of 440 GW of annual solar installations, which is well over three times 2020's record global annual installations of approximately 140 GW. Meanwhile, solar energy remains significantly underpenetrated, accounting for only 3% of the global energy mix. Hence, the growth opportunity for solar is immense and we are only at the early stages of the structural growth trend.

Likewise, we believe the value and demand for energy storage will increase significantly with the greater adoption of clean renewable energy, including solar. The increasing penetration of renewable energy lowers power costs and decarbonizes the power grid, but it creates price volatility and affects grid stability. Energy storage can mitigate the effect of renewable energy on the grid and is entering exponential market growth phase. According to Wood Mackenzie estimates, the cumulative capacity for energy storage could reach 700 GWh by 2030 from 11 GWh in 2020.

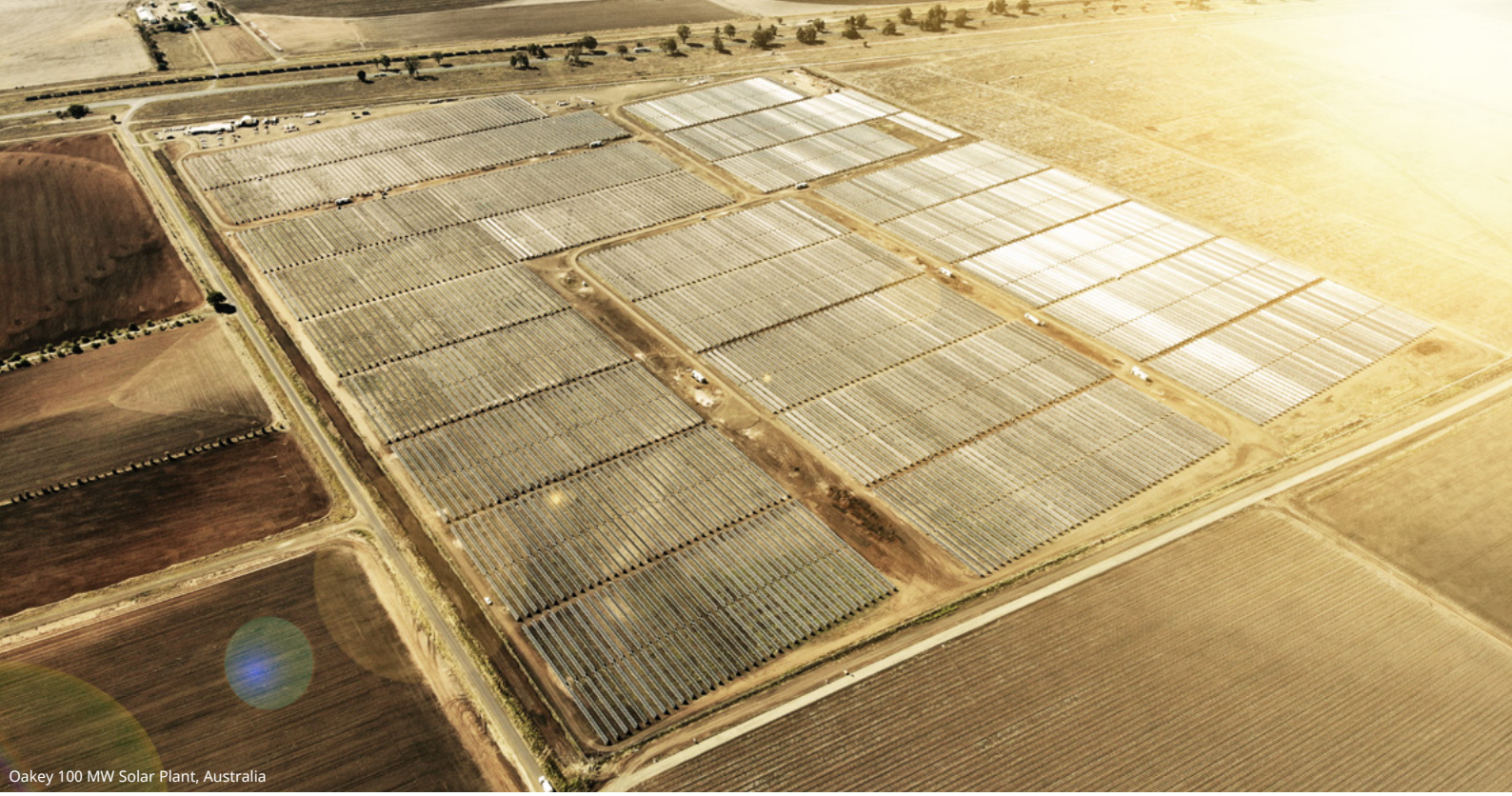
For Canadian Solar, the significant growth visibility for both solar and energy storage represents major growth opportunities in the short and the long run, as the nature of our business and strategy is directly aligned with providing clean solar energy and integrated end-to-end energy storage solutions.

Case Study:
Canadian Solar Infrastructure Fund, Inc. (CSIF) in Japan, TSE: 9284

- Canadian Solar also captures climate-related opportunities in some of its key markets, such as Japan. Canadian Solar owns approximately 15% of CSIF, Japan's largest publicly listed solar infrastructure fund (TSE: 9284). CSIF invests in renewable energy power generation facilities in Japan and embraces ESG as a core tenet to enhance shareholder value. Canadian Solar's subsidiary, Canadian Solar Asset Management K.K. ("CSAM"), serves as the asset manager of CSIF and became **a signatory of the UN PRI (United Nations Principles for Responsible Investment)** in 2019. CSAM is committed to fulfilling its social responsibilities as an asset management company and integrates ESG factors into its investment and ownership decisions. CSAM was the first asset manager of a listed infrastructure fund on the Tokyo Stock Exchange to adopt this approach to sustainable investing.
- The table below details green finance that has been secured by CSIF:

Date	Amount (JPY billion)	Type of Debt	Agency	Rating
2017.11.22	15.7	Green Loan	JCR	Green 1
2020.5.11	N/A	Green Finance Framework (Corporate)	JCR	Green 1
2021.1.26	3.8	Green Investment Bond	JCR	Green 1
2021.3.8	17	Green Loan	JCR	Green 1
		Green Loan	Shinsei	Shinsei Green

- CSIF's Corporate Green Finance Framework is based on ESG investment guidelines such as the Green Bond Principles (2018 Edition) published by the International Capital Markets Association, and the Green Bond Guidelines (2020 Edition) published by the Ministry of Environment in Japan. CSIF's Green Finance Framework, as well as its other bonds and loans, have received the **highest rating of Green 1** from the Japan Credit Rating Agency, Ltd. (JCR).



Oakey 100 MW Solar Plant, Australia

We have identified the following sustainability risks associated with the growth opportunities. These sustainability risks include but are not limited to:

- **Compliance with climate-related regulation and initiatives:** There may be increased costs and administrative responsibilities due to changes in regulations and policies in the areas of climate, energy and environment.
- **The environmental impact of our operations:** Canadian Solar's business operations have an impact on the environment and produce GHG emissions. However, we have been tracking and analyzing the environmental impact of our operations and have set up 5-year targets for GHG emissions reductions as well as goals to reduce energy, water and waste intensity. For the project development business, we have taken measures to ensure that the solar power plants we develop have a positive impact on the local community while minimizing its ecological impacts, if any, as discussed above.
- **Climate-related physical risks:** Due to climate change, changes in annual precipitation and extreme weather conditions are becoming more common. For example, floods or tornadoes could pose a threat to the continuity of our customers, managed projects, and those under development. We actively factor these considerations when assessing proposed development opportunities and partnerships.
- **Supply chain:** Our global supply chain includes procurement from countries with different risk levels. Potential risks in the supply chain include, for example, production outages, component shortages, and quality issues causing risks to occupational health and safety and environmental damage. To effectively manage risks in the supply chain, we have established a diversified supply chain, with a global process for supplier sustainability risk assessments and audits.

Please refer to our annual report Form 20-F filed with the U.S. Securities and Exchange Commission for a more detailed discussion of the risks and uncertainties of our business.

Canadian Solar has established a sustainability program to manage these risks, which is overseen by the Sustainability Committee established by the board of directors. The Sustainability Committee also oversees the Company's execution on its ESG plans, including but not limited to advising on climate-related risks and opportunities, advising on strategic measures related to the sustainability goals of the Company and monitoring progress.

3 Social Responsibility

We strive to Make the Difference in our work and create lasting positive impact on society and the communities in which we operate in.

As a global leading solar power company, we aim to power the world with solar energy and to create a cleaner Earth for future generations. We strive to **Make the Difference** in our work and create lasting positive impact on society and the communities in which we operate. Our culture and people are our most important assets and a key source of our competitive advantage.

Customer Success

Innovation

Grit

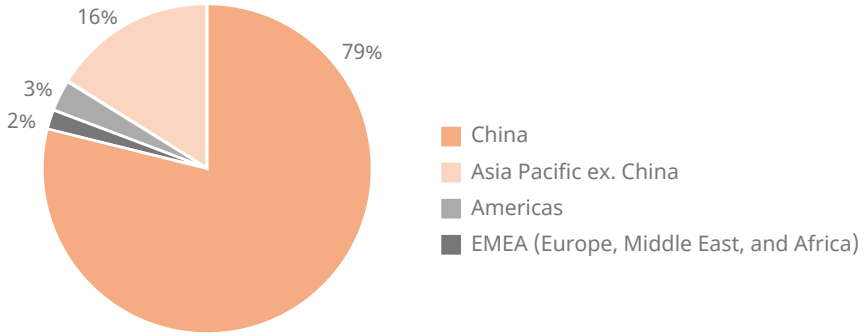
Excellence

Aaldering Vineyard 29 kW Solar Rooftop System, South Africa

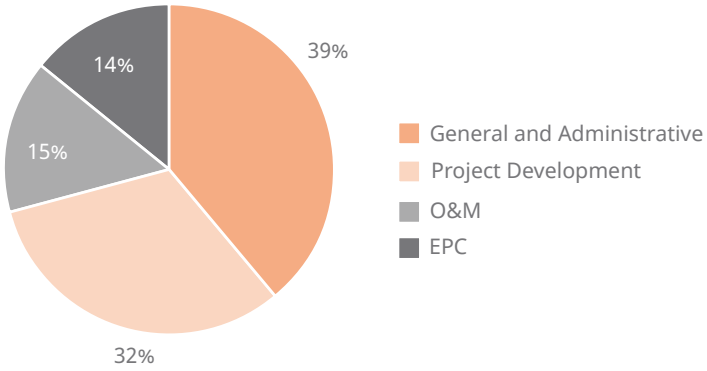
Working at Canadian Solar

As of December 31, 2020, we had 13,969 employees, including 12,774 full-time employees and 1,195 trainees and other part-time employees. Of this, 13,444 worked for CSI Solar and 525 worked for the Company's Global Energy business.

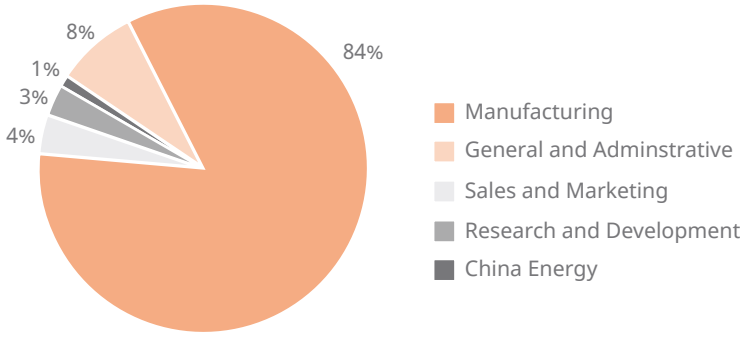
Total employees by region



Global Energy



CSI Solar



Equity, Diversity and Inclusion

We strive to create a culture of equity, diversity and inclusion. The creativity and innovative drive of our globally diverse workforce has been at the heart of our long-term success. Best practices that have emerged locally have been implemented globally, catalyzing improvements across our operating activities, from manufacturing to sales and project development.

Canadian Solar is an **equal opportunity employer** (link). We do not tolerate discrimination of any kind, including but not limited to race, color, ethnicity, gender, religion, political or other opinion, sexual orientation, gender identity or expression, age, disability status, and other distinguishing characteristics. We hire, promote and reward based on qualifications, experience, development potential and performance. Likewise, we follow the employment laws and regulations of the jurisdictions in which we operate.

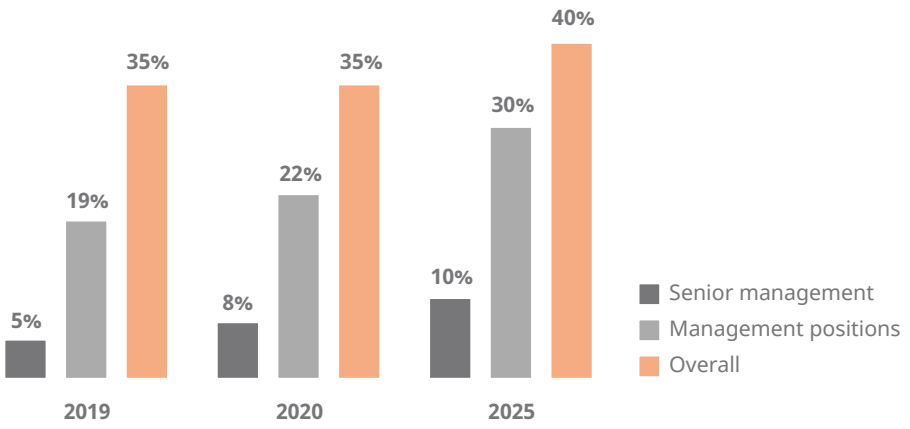
For relevant office-based employees, we offer a hybrid working model where they can split their time between working onsite and at home. Based on employee feedback and our internal assessment, this hybrid model provides greater work flexibility, work-life balance and employee satisfaction, while improving individual and collective productivity. Meanwhile, our employees are entitled to sick leave and annual holiday, as well as parental leave at a minimum in accordance with applicable laws, as laid out in our **Labor and Human Rights Policy** (link).

To promote diversity and inclusion, we monitor diversity and inclusion performance across all our human capital management areas, including but not limited to:

- **Hiring practices:** We track our hiring practices to monitor our effectiveness in enhancing diversity and inclusion, including improving the balance of women, people of ethnic minority and people with disabilities in our hiring. Currently, 48% of our U.S.-based employees are from an ethnic minority, and 35% of our employees worldwide are female. By 2025, we expect to raise the share of our female global workforce to 40% and the share of our female middle management positions and above to 30%.

Female employees

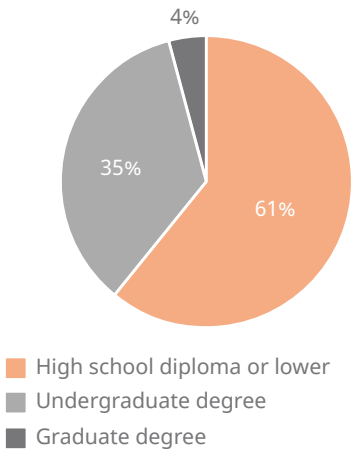
(%)



- **Recruiting channels:** We have expanded our recruiting channels to attract a more diverse range of candidates. For example, we are a member of BlackOak Collective, an association to promote the employment and career development of Black Americans.
- **Career support:** We have established several employee resource groups to provide institutional support in developing and helping to reach our employees' professional career goals.
- **Training:** We provide unconscious bias training across our global operations to help raise awareness of potential unconscious human bias.

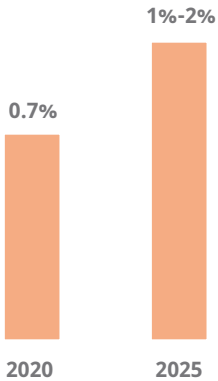
Qualification of total workforce

(%)



Employees with special needs

(%)



Gender Equality

At Canadian Solar, we believe gender equality is important not just from a human rights perspective, but also from a business standpoint. Competition in the fast-growing and dynamic solar industry includes the attraction of top talent. Encouraging and attracting women to join our talented workforce strengthens and diversifies our talent pool as women offer different perspectives for decision making and improves the efficiency and results of execution. We monitor gender equality in the workplace and have recently conducted a pay equity study to ensure our values are reflected in our business practices.

Likewise, we believe gender equality is important not just in our workforce, but also on our board of directors. We currently have one female board member out of a total of nine. We have increased our efforts to raise the number of female members on our board and look forward to reporting back to our stakeholders on these efforts.

WIRE: Women in Renewable Energy

Recurrent Energy, Canadian Solar's wholly owned subsidiary for North America's project development business, founded Women in Renewable Energy (WIRE) in the U.S. in 2015. WIRE was expanded to cover all female employees of Canadian Solar after its acquisition during the same year. WIRE is an internal affinity group focused on attracting, supporting and fostering women in renewable energy, particularly given that the sector is significantly under-indexed in female talent. WIRE's steering committee organizes many events during the year that include initiatives to attract interest from qualified female job candidates, leadership development and group discussions. International Women's Day's celebrations are also one of the key annual highlights.

WISE: Women in Solar Energy

Ms. Hanbing Zhang, Canadian Solar's Chief Sustainability Officer, founded Women in Solar Energy (WISE) in 2019, an industry association to promote the participation and career development of women in the solar industry in China. WISE's membership includes female executives who come together to discuss solar technology and industry trends, and mentor and inspire female talent in the solar industry. WISE hosts a series of solar technology seminars during the year.

WISE
BE THE CHANGE

Talent Strategy, Training and Development

We recalibrate our Talent Strategy and monitor progress that serves to accomplish our short, medium, and long-term goals.

Our people are our most important asset, the driver of our sustainable competitive advantage and the key to achieving our goal and mission. Every year, we recalibrate our talent strategy and monitor progress that serves to accomplish our short, medium, and long-term goals.

Talent Review and Succession Planning

We seek to identify the priority management skillsets required for the long-term success of our business, and build and review our talent pipeline on a regular basis. Our human capital development team develops the skills and knowledge-sets internally that may not be readily available in the market. We have also established a succession planning process based on business needs, talent availability, and employee feedback. This succession plan has been an effective tool for identifying and nurturing talent for key management positions worldwide.

Key Talent and Leadership Development

We have established a process to develop key talents and high-potential employees for long term growth. We address Canadian Solar's development needs using a tailored approach based on individual qualities. Development actions can include professional assessments, 360 feedback, coaching, targeted training, and development assignments.

We also implement training and development solutions for different levels of leadership through initiatives such as the Business Leader Development Program, where we partner with prestigious universities to provide online lectures, webinars and project assignments. We also have a Middle Manager Development Program and a Frontline Leadership Program, where we partner with Franklin Covey to deliver leadership, individual effectiveness, and business execution training to our business leaders.

Canadian Solar University and Training

The Canadian Solar University program provides employees with learning resources covering all key business functions at our Global Energy business, including project development, project sales, energy storage, assets management, O&M and EPC management. Each topic has different levels, from entry level 101 to expert level 401 courses. We are also in the process of developing a CSI Solar curriculum focused on solar module product and R&D, which is expected to be launched later this year.

Canadian Solar University aims to help employees gain a broader understanding of our business, drive innovation and more effective collaboration within the company, and help further develop employees' expertise in each of our business functions.

In 2020, we launched 17 courses including:

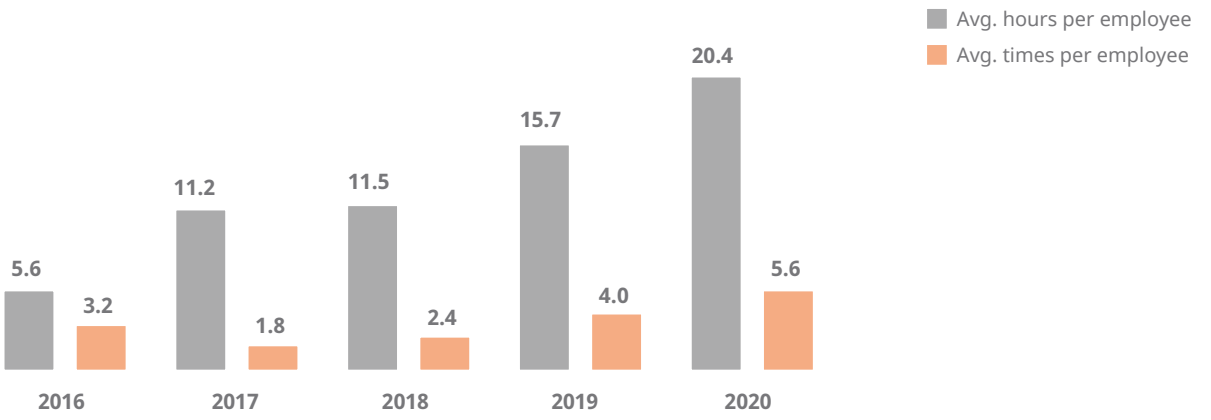
- Project Finance 201: Financial Modeling Case Studies
- Development 201: A Multi-Disciplinary Approach
- Power Purchase Agreements 201: Global Power Markets & EMEA Region Case Studies
- Battery Storage 201: Demystifying Energy Storage as a Solution to EPC 201: System Design & Energy Modeling

Nearly 100% of Global Energy's employees have participated in these courses and the average satisfaction score rated by trainees to date has been 4 out of 5.

Canadian Solar also provides **regular on-the-job training** on EHS, compliance, markets and industrial development, professional skills, and trade knowledge.

Ismael Guerrero, Corporate VP and President of Global Energy introducing the launch of the mid-level 201 Canadian Solar University courses

On-the-Job Training



Freedom of Association and Collective Bargaining

We strictly abide by the employment laws and regulations in the jurisdictions which we operate in. Canadian Solar respects employees' rights and employees are free to form or join a labor union, or other organizations of their choice.

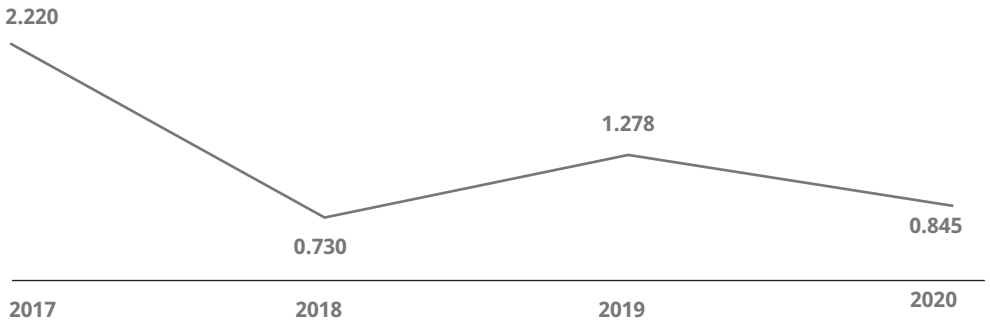
Occupational Health and Safety

Our Environmental Management System ISO14001 and Occupational Health and Safety System ISO45001 both cover chemical and operating equipment safety management to ensure hazards in the workplace are systematically identified and evaluated, and relevant control measures are put in place.

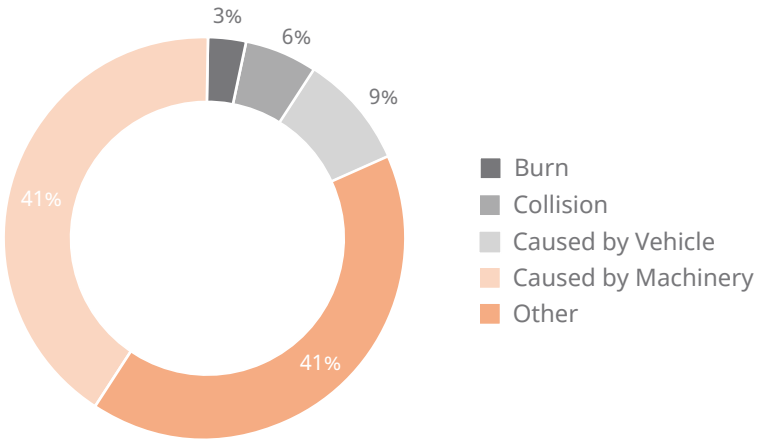
At Canadian Solar, safety is our top priority. We have implemented rigorous safety policies and procedures, and as a result, we have maintained a low rate of safety-related incidents. In 2020, our recordable injury rate was 0.845 occurrences per million working hours.

Recordable injury rate

(per million hours)



Types of injuries



Garland 272 MW Solar Plant in construction, California, U.S.

In 2008, we implemented the **ISO45001 occupational health and safety management system (formerly OHS18001)** and since 2011, all our factories have been certified under ISO45001.

Our safety policies require that a Safety Committee and dedicated Safe Operation Management Team are in place before a factory starts operating. The Safety Committee meets regularly to review, discuss and decide on matters to enhance safety at the workplace. Employees receive trainings, are required to pass related tests, and are equipped with appropriate proper personal protective equipment (PPE) before they can start work. Safety incidents are reported and addressed in accordance with strict safety protocols. All safety-related incidents have to be reported within one hour upon occurrence. We also conduct internal investigations and institute necessary corrective measures which are strictly required to be implemented within five days.

Hazardous materials and dangerous chemicals are allowed within our facilities only after these are formally approved. The review and approval process includes the Safety Data Sheet (SDS) review, and a potential hazards and risks review. All relevant employees receive tailored training on potential hazards and risks and are required to strictly follow the safety precautions while handling hazardous chemicals. Warning signs are clearly labeled and relevant employees are required to have unimpeded access to information regarding hazardous materials.

Our environmental management system (ISO14001) and occupational health and safety management system (ISO45001) both cover chemical and operating equipment safety management to ensure hazards in the workplace are systematically identified and evaluated, and relevant control measures are put in place. We also have training programs, including mandatory EHS training for all new employees and regular EHS refresh trainings. Medical checks are implemented on employees working in the relevant sites that may be exposed to occupational hazardous agents.

Our safety procedures in all factories include *Safety Hazards Screening and Correction Procedures*, *Safety KPI Evaluating Procedures* and *Emergency Response Management Procedures*. When building a new factory, we conduct Equipment Safety Reviews to ensure all equipment deployed are intrinsically safe.

We require our key suppliers and contractors to sign a *Suppliers' EHS Agreement* and *Safety Commitment Letter* before commencing deliveries and services.

Response to COVID-19

At the initial breakout of the pandemic, we responded quickly and developed a COVID-19 response plan to provide guidance to all offices internationally. Our key actions included:

- **Deliver medical supplies to offices in need:** Employees' safety is our top priority. Our employees procured vast amounts of medical supplies for the China-based teams during the initial outbreak of the COVID-19. As the pandemic spread across the world, our teams in China quickly shipped medical supplies overseas to the regions in greater need.
- **Active communication:** Canadian Solar leadership hosted multiple townhalls to proactively communicate the latest situation and strategic plans with global employees.
- **Emotional support:** We organized various online activities to help ease the emotional stress of the ongoing pandemic. Events such as *Online Coffees*, the *CSI Talent Show*, and *What's Cooking at CSI* received positive feedback from employees.
- **Office safety:** We prepared for office re-openings by rearranging office floorplans and setting up new office protocols and policies to ensure that employees could safely return to the office.

Our teams initiated a campaign to donate and procure medical supplies to hospitals across the world treating COVID-19 patients. For example, in Spain, we sent 100,000 masks to the southern Andalucía government and donated high resolution multi-parameter monitors for ICU patients to the La Paz hospital in Madrid. In Italy, we donated 6,000 masks to the Red Cross and made a monetary donation to the Luigi Sacco hospital, which was one of the public hospitals at the epicenter of a COVID outbreak. In Germany, our colleagues in the Munich office physically delivered 14,000 masks to the München Klinik Schwabing hospital. We also donated 60,000 medical masks to the Ministry of Health in Ontario, Canada.


Donation of 60,000 medical masks to the Ministry of Health, Ontario, Canada


Letter from the President of the Spanish Andalucian Commission to Dr. Shawn Qu, Chairman and CEO of Canadian Solar, for the donation of 100,000 masks

DEWA 268 MW Solar Plant, UAE

Strategic Investments to Promote Universal Access to Electricity

7 AFFORDABLE AND CLEAN ENERGY

An estimated 1.2 billion people in Africa are living without a stable grid connection. Canadian Solar has developed specialty solar plus energy storage products that help provide off-grid energy solutions. In 2020, we invested in SolarWorX, a Berlin-based start-up developing off-grid solar plus storage solutions for Africa. We believe that everyone should have access to clean, sustainable energy and continue to work with our partners to achieve this goal, particularly in Africa.

SolarWorX, PAYG (pay-as-you-go) enabled solar energy system

Canadian Solar, Maple 3 Solar Energy System

Extreme Home 4.8 kW Solar Rooftop System, U.S.

Making the Difference through Community Commitment

Our goal is to cultivate long-term relationships that enable us to work together in the communities we operate, making a difference through a positive contribution to society and the environment.

We recognize that when communities thrive, everyone benefits, which is why we are committed to working closely with all stakeholders in the communities we develop projects. From local grid experts to first responders, we strive to partner with local organizations to ensure we are able to fully integrate solar and storage projects into existing energy infrastructure and the surrounding communities.

Our stakeholder engagement activities are central to our sustainable development commitments, and our strategies are tailored to specific communities, allowing us to align our business practices with societal considerations. The benefits of these engagements are extensive, which allows our stakeholders the opportunity to participate in the decision-making process and add expertise on policy and project development. Stakeholder engagement opens additional communication channels that allow us to better understand the fast-changing political, economic, social, political, technological, and environmental contexts. We believe that by engaging stakeholders early and often, our capacity to address and solve local concerns is enhanced, resulting in a higher likelihood that overall project benefits can be realized and overall risks reduced. The following are examples of how we work to mitigate risks when integrating solar into existing infrastructure, community engagement, ecological focus, and energy policy efforts.

United Kingdom

We are committed to helping the UK achieve its target of carbon neutrality by 2050 through our deployment of solar and storage, following the highest engineering standards. We identify any impacts our projects may have on both stakeholders and the environment to inform the design, construction, and operation of our projects. Community engagement, careful design, and thorough planning drive our end goal of minimizing impact and optimizing benefits over each project's life.

Upgrades to the national energy transmission system and its operating procedures are a key part of the energy transition, and while complex, they have made available viable grid connections for our projects. While the contractual arrangements and technical solutions for these connections are continuously evolving in design, the integration of co-located solar and storage projects are becoming increasingly common, which lowers the risk as both the renewable energy industry and grid operators prefer the pairing of the two technologies. We will continue to work closely with technical and grid experts to ensure that our grid connections are fit for purpose, delivered on time, and at the appropriate cost.

North America

Our power marketing and transmission capabilities, as well as our ability to safely integrate our generation into the grid, are a key ingredient to project success. We have structured industry-leading creative solutions that allocate manageable risk and ensure each project is technically tailored to meet our customer's evolving needs and unique preferences. Further, as a market leader in storage, we are able to mitigate the risk of excess solar on the grid, and we are including storage technology options in the vast majority of solar projects in our pipeline.

We strive to site and develop projects in areas with high demand for clean energy infrastructure, and we anticipate a continued interest at the federal level in incentivizing new development of renewable resources. Currently, solar energy takes advantage of the Investment Tax Credit, and it is anticipated that an extension at 30% to the end of the decade could facilitate an additional 50GW of solar energy deployment around the U.S. Additionally, the creation of investment tax credits related to energy storage, transmission, and green hydrogen development could be possible in the coming years as well.

We actively engage with local, state, and federal agencies early in the development cycle to assess and mitigate any risks. Significant resources are invested early in the development process to thoroughly vet projects for potential fatal flaws. Further, our business has a true commitment to community values and local ecological concerns. We actively engage with communities to seek development opportunities where environmental and permitting obstacles are minimized or avoided.

Netherlands

In the Netherlands, grid connection is usually contracted with the grid operator and must conform with all applicable standards and regulations. Furthermore, regulation on the requirements for generators has been implemented in national legislation of member states. All PV systems that connect to the grid are required to comply. It is standard practice to include these requirements in the procurement of EPC services and verify compliance through controlling the bill of materials, onsite inspections, and testing.

Policy risks in the Netherlands are associated with the swift decrease of subsidy levels, which could adversely affect development costs. In addition, there are increasing requirements from local permitting authorities, which put additional pressure on the project economics, as well as increased grid congestion, reducing overall grid capacity for solar projects. However, new policies have designated development areas for onshore renewable projects which will encourage additional wind and solar development.

As a subscriber to the Holland Solar Code of Conduct, we have memorialized our commitment to involving local stakeholders in the project development process. Through the Code of Conduct, we are also dedicated to increasing the ecological value of its project locations through the planting of native vegetation, fostering pollinator habitats, and maintaining soil viability.

Brazil

Prior to connecting to the grid, each solar project must submit a full study, which undergoes analysis and review by the electricity agency, which is known for its rigorous standards and conservative grid requests. If connection is granted, the applicant must put financial collateral in place to cover possible impacts to the transmission system.

Further, local environmental legislation requires a full environmental and social impact study to be performed for both the project site and any nearby community. Examples of mitigation measures we have implemented include planting five-fold the number of trees that were removed at a project site and building a library as a community improvement measure. As the prevalence of wind and solar projects continues to grow, Brazilian regulators will continue to encourage project developers to mitigate risk including integration of battery storage.

Japan

The Japanese government announced a target goal of carbon neutrality by 2050. It is expected that deregulation policies will be announced to boost the installation of renewable energy to meet this goal. Wind and solar are variable resources and power output cannot be controlled, therefore, transmission system operators must expertly navigate the demand and supply of power within their grid system to ensure resiliency. Our total solution, with battery storage, is ideal for this market.

At the project level, ongoing consultation with local communities and government officials is crucial throughout the development, construction, and operation phases of our projects. Project development adheres to rigorous design protocols, including the implementation of extensive drainage and storm water prevention measures to ensure water in and near the project site avoids contamination. The mountainous terrain of Japan adds another level of complexity. However, we have developed significant expertise by successfully navigating the environment over the past 12 years.

Australia

The grid was built to service large load from large generation centers in each state, creating a grid connection problem for renewable projects, which are sited in remote areas with weak grid infrastructure. To address this, we complete multiple studies for each project with the network service provider, as well as ensure that our equipment will integrate with the system and commissioning and construction activities are detailed in our contracts. Further, marginal loss factor and curtailment during project operation can impact the generation during the life of the asset. As a prerequisite to any investment, and as requested during our financing process, we commission reputable firms to produce long-term forecasts, which are vetted by the technical advisors and the financiers.

We regularly submit comments regarding potential changes in National Electricity Rules proposed by the Australian Energy Market Commission as well as energy policy changes proposed by state and federal government. Our goal is to advocate for the most cost-effective energy transition to a lower emissions electricity network.

During the project development process, community and stakeholder consultation is a primary focus of our development and constant engagement allows us to comprehensively address local concerns. Project sites are chosen to minimize potential impact to native flora and fauna, farmland, tree removal, and local wildlife. If complete avoidance is not possible, biodiversity offsets are created or purchased to ensure no net loss to the environment.

Non-Governmental Organizations and Memberships

Market	Organization
Australia	Australian Institute of Energy
	Business Renewables Centre
	Clean Energy Council
	Clean Energy Investor Group
	Smart Energy Council
	The Australian Industry Group
Brazil	Brazilian Association of Photovoltaic Solar Energy (ABSOLAR Brazil)
	Brazilian Distributed Generation Association (ABGD Brazil)
Canada	Canadian Solar Industries Associations (CanSIA)
China	CCCMB (China Chamber of Commerce for Import and Export of Machinery and Electronic Products)
	China PV Industry Association
	SEMI – Industry Association for the Micro-and Nanoelectronics Industries, including Solar PV
	Women in Solar Energy (WISE)
Colombia	La Asociación de energías renovables Colombia (SER Colombia)
Costa Rica	Acesolar Costa Rica
Italy	Allenza per il Fotovoltaico (CREA)
	Elettricità Futura
	The Association of Italian Solar PV Community
Japan	Asia Pacific Real Assets Association Limited (APRAA)
	Japan Association of Asset Management (JAAM)
	Japan Builders Network (JBN)
	Japan Climate Initiative
	Japan Climate Leaders' Partnership
	Japan Photovoltaic Energy Association (JPEA)
	Listed Infrastructure Fund Liaison Council/Membership
	Principles for Responsible Investment (PRI) Signatory
	Renewable Energy Association for Sustainable Power Supply (REASP)
	The Investment Trusts Association, Japan (JITA)
Mexico	Asolmex Mexico (Mexican Association of Photovoltaic Solar Energy)
Middle East and Northern Africa	Middle East Solar Industry Association (MESIA)
Puerto Rico	Solar and Energy Storage Association (SESA)
South Africa	South African Photovoltaic Association (Africa SAPVIA)
Spain	Unión Española Fotovoltàica (UNEF)
U.S.	American Counsel for Renewable Energy (ACORE)
	Black Oak Collective
	California Solar and Storage Association
	Clean Energy States Alliance (CESA)
	Colorado Solar and Storage Association
	Edison Electric Institute (EEI)
	Gulf Coast Power Association
	Illinois Solar Energy Association
	Interwest Energy Alliance
	Maryland-DC-Virginia Solar Energy Industries Association
	Northeast Clean Energy Council
	RTO Council
	US-China Business Council
	Western Power Trading Forum
	Women in CleanTech
	Women's Environmental Network

Spotlight on Memberships

We are proud to be a member of the **BlackOak Collective**, an association to promote employment and career development of Black Americans through mentorship, institutional knowledge sharing, and employment. BlackOak Collective empowers black professionals and advocates in environmental and sustainability fields with the connections they need for career advancement to ensure black communities have a stake in the environmental future.

Society of Entrepreneurs & Ecology (SEE) is an environmental conservation NGO in China with corporate executives and entrepreneurs as members. SEE is dedicated to restoring the ecologies of deserts and major water bodies. Canadian Solar is strongly committed to environmental protection and conservation, and actively supports SEE.

4 Governance

Canadian Solar's board of directors (Board) is responsible for managing and supervising the business and affairs of the Company. Directors have a duty of loyalty to act honestly and in good faith with a view to Canadian Solar's best interests, and have a duty to exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

Our Board is composed of 9 directors, including 6 independent non-executive directors. Each director is required to stand for election at the annual general meeting on an annual basis. The Board has a broad range of skills and industry knowledge to oversee management performance to ensure the success of our business and create long-term value for stakeholders.

Our Corporate Governance Guidelines (link) are intended to serve as a framework within which the Board may conduct its business.

As part of our efforts to improve governance, accountability and sustainability, the Board has made certain changes over the past few years:

- **Sustainability Committee:** We recently established a dedicated committee at the board level to oversee management's ESG plans, including but not limited to overseeing climate-related risks and opportunities, while monitoring progress and advising on strategic measures related to the long-term sustainability of the firm. The committee is composed of three members, of which two are independent directors. It meets on a biannual basis to review the Company's ESG plans.
- **Board Refreshment:** In 2020, new independent non-executive directors Lauren Templeton, Karl Olsoni, and Leslie Chang, joined the Company's Board. They bring a wide range of relevant expertise and skills to the company including those related to industry, strategy, capital markets, corporate finance, and investment. Yan Zhuang, CSI Solar President, and Huifeng Chang, Canadian Solar CFO, also joined the Board in 2020 as executive directors. The size of the Board increased to 9 in 2020 from 5 in 2019.
- **Diversity:** Currently, only one of nine directors is female. Ethnically, five directors identify as Asian and the remaining directors identify as Caucasian. The average age of the board is 59. The company is committed to further improving diversity at the Board level, including based on gender, ethnicity, age and expertise.

Board Committees

In addition to the Sustainability Committee described above, the Board has established four other committees to discharge its duties. Board committees meet periodically with the Company's senior management team and external auditor to review business performance and risk management practices. Below is a summary of all the Board committees:

- **Sustainability Committee:** Oversees sustainability matters and monitors the Company's sustainability performance towards reaching its strategic goals. Reviews risks and opportunities associated with the Company's strategy and business development on a biannual basis.
- **Audit Committee:** Oversees the Company's financial performance from the perspective of reporting, internal audit, and independent auditing (SOX control, SEC compliance).
- **Compensation Committee:** Reviews, evaluates and revises compensation plans, policies and programs of the Company.
- **Nominating and Corporate Governance Committee:** Recommends candidates for election as directors; reviews the performance of directors; recommends corporate governance practices and guidelines, and monitors compliance with Code of Business Conduct and Ethics.
- **Technology Committee**: Reviews, guides and makes recommendations regarding the Company's technology strategy, initiatives and investments to support the Company's overall strategy and performance.

Board Members and Duties

	Age	Board Tenure	Audit Committee*	Compensation Commitee	Nominating & Governance Committee	Research & Development Committee	Sustainability Committee	Independent / Non- Independent
Dr. Shawn Qu	57	15				Member		Non-Independent
Dr. Harry Ruda	62	10		Member	Member	Chair	Member	Independent
Andrew (Luen Cheung) Wong	63	7		Chair	Member			Independent
Arthur (Lap Tat) Wong (Financial Expert)	61	2	Chair		Member			Independent
Lauren C. Templeton (Financially Literate)	45	2	Member		Chair			Independent
Karl E. Olsoni (Financially Literate)	63	2	Member	Member				Independent
Leslie (Li Hsien) Chang	66	1					Member	Independent
Yan Zhuang	57	1						Non-Independent
Dr. Huifeng Chang	55	1					Chair	Non-Independent

*Mr. Arthur (Lap Tat) Wong qualifies as a "financial expert" as required by the SEC. Each of Messrs. Olsoni and Ms. Templeton is "financially literate" as required by the NASDAQ rules.

Executive Management

The Company recently appointed Ms. Hanbing Zhang as Chief Sustainability Officer (CSO), responsible for sustainability strategy and implementation. The Company also formed an ESG working group with members from its Strategy, R&D, Product Reliability, Global Energy, Investor Relations and Global Marketing teams. The ESG team reports to the CSO and is advised by ISS Corporate Solutions on ESG strategy guidelines and disclosures, and SGS on measurement and reporting of GHG emissions according to the latest ISO14064-1:2018 standards. The ESG team works closely with the Company's management teams to integrate ESG strategy into the Company's strategic decision-making process. The CSO reports to the Sustainability Committee of the Board on a biannual basis.

Recent initiatives:

- **CSI Solar:** The ESG team worked closely with the SVP of Operations and Technology of CSI Solar and the General Manager of each manufacturing facility to incorporate ESG considerations in manufacturing decisions. We set a goal of achieving 100% renewable energy by the end of the decade, 2025 targets for GHG emission reductions, as well as reductions in manufacturing energy, water, and waste intensity. These goals are included in the KPIs of the operations teams to ensure they are prioritized and appropriately implemented.
- **Global Energy:** The ESG team works with the Investment Committee (IC) for the Global Energy business. Every project developed by Global Energy requires the formal review and approval of the IC. Evaluation of land use, ecological impacts, and community engagement were added to the IC process and accounted for in business decisions. Further, a dedicated Risk Analysis function was put in place to oversee the investment process in the local teams. Hence, all projects in our portfolio incorporate ESG considerations throughout the project lifecycle.

Executive Management Team

	Title	Work Experience
Dr. Shawn Qu	Chairman and CEO	▪ Founded Canadian Solar in 2001 with NASDAQ IPO in 2006 ▪ Director and VP at Photowatt International S.A. ▪ Research scientist at Ontario Hydro (Ontario Power Generation)
Yan Zhuang	President, CSI Solar Co., Ltd.	▪ Head of Asia of Hands-on Mobile, Inc. ▪ Asia Pacific regional director of marketing planning and consumer insight at Motorola Inc.
Dr. Huifeng Chang	Senior VP and Chief Financial Officer	▪ Co-Head of Sales & Trading at CICC US in New York ▪ CEO of CSOP Asset Management in Hong Kong ▪ Vice President of Citigroup Equity Proprietary Investment in New York
Ismael Guerrero Arias	Corporate VP and President of Global Energy	▪ President, Head of Origination and COO at TerraForm Global ▪ Vice President of Global Projects at Canadian Solar ▪ Director of Operations for Asia at the Global Sustainable Fund
Jianyi Zhang	Senior VP, General Counsel and Chief Compliance Officer	▪ Senior advisor to several Chinese law firms ▪ Senior assistant general counsel at Walmart Stores, Inc. ▪ Managing Partner, Hong Kong office, Troutman Sanders LLP
Guangchun Zhang	Senior VP, CSI Solar Co., Ltd.	▪ Vice President for R&D and Industrialization of Manufacturing Technology at Suntech Power Holdings ▪ Centre for Photovoltaic Engineering at the University of New South Wales and Pacific Solar Pty. Limited
Hanbing Zhang	Corporate VP and Chief Sustainability Officer, CSI Solar Co., Ltd.	▪ Global Head of Marketing at Canadian Solar ▪ Founder and President of Women in Solar Energy (WISE)

Ethical Business Conduct

Canadian Solar is committed to upholding the highest standards of business ethics. Our code of ethics applies to all directors, officers and employees of Canadian Solar and its subsidiary entities.

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

Policy	Description
Code of Business Conduct and Ethics	▪ Environment, health, and safety ▪ Harassment and discrimination ▪ Employment practices, including anti-discrimination, freedom of association, privacy, and collective bargaining ▪ Conflict of interests ▪ Confidential information ▪ Competition and fair trading ▪ Gifts and entertainment expenses
Whistleblower Policy	▪ A reporting channel (available 24/7) where internal and external stakeholders can report their concerns on financial reporting and disclosure, fraudulent activity, breaches of compliance policies, etc. to the Board ▪ Whistleblowers are protected from retaliation ▪ Could be reported on an anonymous basis and reports are treated confidentially
Insider Trading Policy	▪ Procedure for preventing insider trading
Related-Party Transactions	▪ Policy and procedures on reporting, approval and disclosure of related-party transactions
Anti-Corruption Policy	▪ Prohibition against giving bribes ▪ Prohibition against acccepting bribes
Anti-Modern Slavery	▪ Measures are taken to ensure modern slavery does not take place anywhere in Canadian Solar's business, including through its supply chain
Labor and Human Rights Policy	▪ Labor and human rights standards that Canadian Solar's employees are entitled to
Equal Employment Opportunity Policy	▪ Canadian Solar's commitment to providing an equal employment opportunity and a discrimination-free workplace
EHS Policy	▪ Canadian Solar's guiding principles or objectives to the preservation of the environment and providing a healthy and safe workplace for employees
Supplier Code of Conduct	▪ Canadian Solar's standards on human rights, environmental protection, health, safety, and business ethics and require all of our suppliers and their suppliers to adhere
Conflict Minerals Policy	▪ Measures are taken to ensure Canadian Solar's supply chain is free of the conflict minerals illegally produced in the Democratic Republic of the Congo and its neighboring countries

Business Ethics Awareness and Compliance Trainings

We conduct business ethics awareness and compliance training to our employees on a regular basis to ensure the awareness and compliance of these policies:

Training/ Result Review	Scope	Frequency
Foreign Corrupt Practices Act (FCPA) training	All employees	Annual
Compliance Declaration and Questionnaire, declaring conflict of interest, if any, and the acknowledgement and adherence to Canadian Solar's policies and procedures	All employees from sales, business development and procurement departments, and employees of manager or above levels from other departments	Annual
Compliance test of Canadian Solar's policies and procedures	All employees	Annual

5 Responsible Supply Chain

Our majority-owned manufacturing subsidiary, CSI Solar, depends on its ability to obtain a stable and cost-effective supply of polysilicon, ingots, wafers, cells, and other materials. Over the years, we have entered into long-term supply agreements with various suppliers to secure a stable supply of raw materials to meet our production requirements.

Our Global Energy business uses centralized procurement strategies to ensure the supply, quality, consistency and cost-effectiveness of components for solar projects we develop across the world. We have developed strong management systems for global procurement of solar modules, inverters, transformers, single-axis trackers, and other key equipment. The focus of Global Energy's procurement strategy relies on developing relationships with key equipment manufacturers and the business procures for global projects at scale to support its global portfolio. This enables Global Energy to ensure the stability of supply, innovation, quality control, and economies of scale which maximizes the performance and competitiveness of our projects.

Procurement Management Strategy

Our Procurement Management Strategy follows a centralized procurement approach, controlled at the group level and supported by each division. We implement Canadian Solar's supply chain related policies and conduct a supplier auditing program, aiming to establish a sustainable, efficient, and healthy supply chain that meets the development needs of the Company and the interests of our stakeholders.

Supplier Code of Conduct

We require all our suppliers to adhere to **Canadian Solar's Supplier Code of Conduct** (link), which sets forth our standards on human rights, environmental protection, health, safety and business ethics. The provisions in this document are based primarily on the international standards and Code of Conduct set by the Responsible Business Alliance (link) (RBA, formerly EICC).

We use the Code as part of our due diligence process to assess new suppliers who are required to sign this Code. We also require our suppliers at a minimum to require their own suppliers to act in a manner that is consistent with the standards and requirements set forth in the Code.

We monitor our suppliers through an auditing program, including scheduled or unscheduled onsite audits. Supplier audits mainly focus on quality control, EHS, human rights, business ethics and other sustainability aspects. Failure to meet Canadian Solar's standards or Code may result in termination of the business relationship. Canadian Solar provides consultations to suppliers on achieving continuous improvements in energy savings and waste reduction, as well as trainings on compliance with the Code.

Conflict Minerals

Conflict minerals refer to mineral resources that are produced in the Democratic Republic of the Congo and its neighboring countries. Serious human rights abuses have been inflicted by local armed forces who mine and trade those minerals to finance their armed conflicts. To address this problem, the U.S. Securities and Exchange Commission adopted a mandate by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Section 1502), requiring companies listed on U.S. stock markets to disclose information about the usage of columbite-tantalite (coltan), cassiterite, gold, wolframite, and their derivatives, which are limited to tantalum, tin, and tungsten, and which are typically produced in the conflict regions.

We are committed to making our supply chain free of these conflict minerals, as explained in our **Conflict Minerals Policy** (link). This is one of the key criteria for selecting new suppliers that we screen in supplier audits. All Canadian Solar's suppliers are required to sign the Declaration of Conflict-Free Minerals before closing a transaction, especially suppliers of tin-containing products, which we require to describe the source of the tin used in their products and provide supporting documentation to ensure the tin used is not sourced from a conflict region.

After reviewing all the materials and equipment used during the production of our products, we determined that tin was the only possible conflict mineral used in our production lines. However, the tin we use are procured from China and therefore we have assurance that our production is free of conflict minerals. We file a Specialized Disclosure Report, or Form FD, with the U.S. SEC every year regarding conflict minerals, according to applicable law.

Pflugerville 186 MW Solar Plant, Texas, U.S.

Brockville I 10 MW Solar Plant, Canada

6 About this Report

Canadian Solar's Sustainability Report was developed in accordance with the Sustainability Accounting Standards Board (SASB) framework under Solar Technology & Project Developers standards, the Task Force on Climate-Related Financial Disclosures (TCFD), and the Global Reporting Initiative's (GRI) Core Sustainability Reporting Standard. This report is designed to highlight our core ESG strategy and disclosures based on feedback from the investment community and other stakeholders. This report includes actual environmental performance data from Canadian Solar's global manufacturing plants and its major R&D facilities for 2020 and before, and best estimates using the same methodology for environmental performance in 2021.

We did not seek third-party verification for this report. However, the data collection and calculation of our greenhouse gas emissions inventories of Scope 1 and Scope 2 sources were advised by SGS, a qualified, well-known and international inspection, verification, testing and certification organization.

Acknowledgments: This report was produced as a collective effort across various departments in Canadian Solar. I would like to express gratitude to every individual who contributed to the production of this report, namely: Isabel Zhang, Mary Ma, Jean-Nicholas Jaubert, Vince Plaxico, Shaoting Wan, Heidi Peng, David Pasquale, Annie Sun, Raffaella Balzaretti, Holly Zhang, Sihu Ding, John Marner, Jianyi Zhang, Byron Xu, Emily Du, Katherine Wang, Yubing Tang. I would also like to thank the members of the Sustainability Committee, Huifeng Chang, Harry Ruda and Leslie Chang, for their constructive comments and guidance.

Hanbing Zhang
Chief Sustainability Officer

To provide feedback on our sustainability report, please contact support@canadiansolar.com

Materiality Assessment and Stakeholder Engagement

To better understand the environmental, social and economic topics that are material to the Company, Canadian Solar engages with our internal and external stakeholders. Our internal stakeholders involved in our materiality assessment included our board of directors, executive management and employees across different levels, regions and departments. Our external stakeholders included our customers, suppliers, investors, creditors, rating agencies, local communities, industry associations, NGOs, media and scientific community.

We worked with both internal and external stakeholders and used materiality analysis to compile a content outline of this report, which was reviewed by the Company's Chief Sustainability Officer. The results of the materiality assessment helped us better prioritize our areas of focus. The following chart describes Canadian Solar's approach to stakeholder engagement.

Stakeholders	Engagement Methods	Engagement Frequency	Topics of Concerns
Employees	Training, meetings, emails, surveys, townhalls	Ongoing basis	Company performance, environmental impact and social responsibility
Customers	Meetings, emails, conferences, trade shows, technical workshops	Ongoing basis	Company performance, product quality, social responsibility, supplier assessments
Suppliers	Meetings, emails, conferences, trade shows, technical workshops, surveys, audits	Ongoing basis	Company performance, product quality, procurement practices
Investors / Shareholders	Meetings, earnings calls, emails, conferences, roadshows	Ongoing basis	Company performance, ESG performances
Creditors	Meetings, emails, conferences, trade shows	Ongoing basis	Company performance, credit quality, key risks, ESG performance
Rating agencies	Meetings, emails, conferences	Ongoing basis	Company performance, credit quality, key risks, ESG performance
Media	Interviews, emails, meetings, trade shows	Ongoing basis	Company performance, ESG performances
Local communities	Community presentations and meetings, local tours, training programs	Ongoing basis	Environmental and ecological impacts, job creation, occupational health & safety
NGOs	External surveys, emails, partnerships, meetings, workshops	Ongoing basis	Environmental, ecological and social impacts
Scientific community	Conferences, emails, standards development meetings, technical workshops	Ongoing basis	Product quality, environmental impacts, social responsibility, job creation, supplier assessment

APPENDIX: Alignment with External Reporting Frameworks

SASB Index

Topic	Accounting Metric	Category	Unit of Measure	Code	Response
Energy Management in Manufacturing	(1) Total energy consumed	Quantitative	Gigajoules (GJ)	RR-ST-130a.1	4,176,315
	(2) percentage grid electricity		Percentage (%)		92.6
	(3) percentage renewable		Percentage (%)		2.0 Note: this only includes solar energy generated on site for self consumption. Including the renewable energy from the electricity grid, the percentage of renewable energy would be approximately 18%. 2020 Sustainability Report, Energy Consumption Breakdown, p.22
Water Management in Manufacturing	(1) Total water withdrawn	Quantitative	Thousand cubic meters (m^3)	RR-ST-140a.1	8,367,016
	(2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress		Percentage (%)		44
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	RR-ST-140a.2	2020 Sustainability Report, Environmental Metrics, Water Management Risk Mitigation Strategy, p.24-25
Hazardous Waste Management	Amount of hazardous waste generated	Quantitative	Metric tons (t)	RR-ST-150a.1	13,876
	Hazardous waste percentage recycled	Quantitative	Percentage (%)	RR-ST-150a.1	93
	Number and the aggregate quantity of reportable spills		Number		0
	Spills quantity recovered		Kilograms (kg)		0
Ecological Impacts of Project Development	Number and duration of project delays related to ecological impacts	Quantitative	Number, Days	RR-ST-160a.1	None
	Description of efforts in solar energy system project development to address community and ecological impacts	Discussion and Analysis	n/a	RR-ST-160a.2	2020 Sustainability Report, Environmental Metrics, Environmental Stewardship in Project Development, p.30-33
Management of Energy Infrastructure Integration & Related Regulations	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	Discussion and Analysis	n/a	RR-ST-410a.1	2020 Sustainability Report, Social Responsibility, Making the Difference through Community Commitment, p.46-48
	Description of risks and opportunities associated with energy policy and its impact on the integration of solar energy into existing energy infrastructure	Discussion and Analysis	n/a	RR-ST-410a.2	2020 Sustainability Report, Social Responsibility, Making the Difference through Community Commitment, p.46-48

Topic	Accounting Metric	Category	Unit of Measure	Code	Response
Product End-of life Management	Percentage of products sold that are recyclable or reusable	Quantitative	Percentage (%)	RR-ST-410b.1	2020 Sustainability Report, Environmental Metrics, Product End-of-Life Management and Recycling, p.28-29
	Weight of end-of-life material recovered, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	RR-ST-410b.2	2020 Sustainability Report, Environmental Metrics, Product End-of-Life Management and Recycling, p.28-29
	Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds, or beryllium compounds	Quantitative	Percentage (%)	RR-ST-410b.3	Our modules are free of IEC 62474 declarable substances except for lead, which is a material used for soldering crystalline PV modules. Lead accounts for 0.03% of a solar module's weight. One of our top R&D and sustainability priorities over the coming years is to reduce lead content in our modules. IEC 62474 is an international standard for material declarations for the electrical and electronics industry and its suppliers. It provides requirements for material declarations including a Declarable Substance List and a material declaration procedure.
	Description of approach and strategies to design products for high-value recycling	Quantitative	n/a	RR-ST-410b.4	2020 Sustainability Report, Environmental Metrics, Product End-of-Life Management and Recycling, p.28-29
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RR-ST-440a.1	Not applicable as the Company does not use the critical materials defined by SASB
	Description of the management of environmental risks associated with the polysilicon supply chain	Discussion and Analysis	n/a	RR-ST-440a.2	Polysilicon manufacturing processes involve the use of volatile or dangerous chemicals and waste. Those chemicals are required to be handled with proper training provided. Wastewater and waste gas are processed through various treatments so that they meet the respective discharge standards. Most solid waste generated during the manufacturing process can be reused and does not contain hazardous materials. Pollution control systems are in place to reduce, treat, and recycle the waste generated in the manufacturing process. Furthermore, laws and regulations are in place to govern water, air, solid waste and noise pollution, as well as hazardous chemicals, among other regulations, in places where the upstream polysilicon suppliers operate. Polysilicon suppliers are required to obtain all the necessary environmental permits to conduct business and are subject to regulation and periodic monitoring by local environmental protection and work safety authorities. Where there are environmental non-compliance incidents, the polysilicon suppliers are subject to substantial fines and potentially suspension of production or cease operations.

TCFD Disclosures

Canadian Solar follows the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and provides disclosures on its climate-related financial risks and opportunities, aiming to contribute to the global transition to a more stable and sustainable economy.

TCFD Recommended Disclosures	Response
Governance	
A) Describe the board's oversight of climate-related risks and opportunities.	2020 Sustainability Report 1) Environmental Metrics, Climate-Related Opportunities and Risks, p.31-33 2) Governance, Sustainability Committee, p.51-52
B) Describe management's role in assessing and managing risks and opportunities.	2020 Sustainability Report, Governance, Executive Management, p.53
Strategy	
A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2020 Sustainability Report, Environmental Metrics, Climate-Related Opportunities and Risks, p.31-33
B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	2020 Sustainability Report, Environmental Metrics, Climate-Related Opportunities and Risks, p.31-33
C) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2020 Sustainability Report, Environmental Metrics, Climate-Related Opportunities and Risks, p.31-33
Risk Management	
A) Describe the organization's processes for identifying and assessing climate-related risks.	2020 Sustainability Report 1) Environmental Metrics, p.30-33 2) Governance, Executive Management, p.53
B) Describe the organization's processes for managing climate-related risks.	2020 Sustainability Report 1) Environmental Metrics, p.30-33 2) Governance, Executive Management, p.53
C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2020 Sustainability Report, Governance 1) Sustainability Committee, p.51-52 2) Executive Management, p.53
Metrics and Targets	
A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	2020 Sustainability Report, Environmental Metrics, p.14-33
B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2020 Sustainability Report, Environmental Metrics, Greenhouse Gas Emissions, p.16-17
C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	1) 2020 Sustainability Report, Environmental Metrics, p.14-27 2) Target to achieve powering 100% of our global operations with renewable energy before the end of this decade

GRI Metrics

The Company uses the Global Reporting Initiative (GRI) G4 Guidelines to help guide our reporting. The index below is based on GRI standards. In this index table, we have provided hyperlinks to publicly available reports at our canadiansolar.com website and/or a brief response to each indicator.

General Disclosures		
GRI 102: Organizational Profile		
102-1	Name of the organization	Canadian Solar Inc.
102-2	Activities, brands, products and services	2020 Sustainability Report, About Canadian Solar, p.7-9
102-3	Location of headquarters	Guelph, Ontario, Canada
102-4	Location of operations	Operates in 23 countries, including CSI Solar offices in 18 countries, Global Energy offices in 17 countries, and 13 manufacturing facilities in 4 countries. 2020 Sustainability Report, About Canadian Solar, p.7-9
102-5	Ownership and legal form	Investor-owned corporation, NASDAQ: CSIQ
102-6	Markets served	Delivered over 55 GW of solar modules to customers across the world; built and connected over 5.7 GWp solar power projects in over 20 countries. 2020 Sustainability Report, About Canadian Solar, p.7-9
102-7	Scale of the Organization	2020 Sustainability Report, About Canadian Solar, p.7-9 2020 Annual Report, Key Information, Selected Financial Data, p.3-4
102-8	Information on employees and other workers	2020 Sustainability Report, Social Responsibility, Working at Canadian Solar, p.35
102-9	Supply chain	2020 Sustainability Report, Responsible Supply Chain, p.56-57 2020 Annual Report, Supply Chain Management, p.38
102-10	Significant changes to the organization and its supply chain	In 2020, our jurisdiction was changed to the provincial jurisdiction of Province of British Columbia from the federal jurisdiction of Canada. As a result, we are governed by the BCBCA.
102-11	Precautionary Principle or approach	2020 Sustainability Report, Social Responsibility, Occupational Health and Safety, p.42-43
102-12	External Initiatives	2020 Sustainability Report, Social Responsibility, Non-Governmental Organizations and Memberships p.49
102-13	Membership of associations	2020 Sustainability Report, Social Responsibility, Non-Governmental Organizations and Memberships p.49
GRI 102: Strategy		
102-14	Statement from senior decision-maker	2020 Sustainability Report, Message from the Chief Executive and Chief Sustainability Officers, p.4-5
102-15	Key impacts, risks and opportunities	2020 Sustainability Report, Environmental Metrics, Climate-Related Opportunities and Risks, p.31-33
102-16	Values, principles, standards and norms of behavior	2020 Sustainability Report Social Responsibility, p.33-41 Governance, Ethical Business Conduct, p.54-55
102-17	Mechanisms for advice and concerns about ethics	Whistleblower Policy
GRI 102: Governance		
102-18	Governance structure	2020 Sustainability Report, Governance, p.51-55 2020 Annual Report, p.85-89
102-20	Executive-level responsibility for economic, environmental and social topics	2020 Sustainability Report, Governance, Executive Management, p.53
102-21	Consulting stakeholders on economic, environmental and social topics	2020 Sustainability Report Environmental Metrics, p.30 Social Responsibility, Making the Difference through Community Commitment, p.46-48 About this Report, Materiality Assessment and Stakeholder Engagement, p.59
102-29	Identifying and managing economic, environmental and social impacts	2020 Sustainability Report, Governance, p.51-55
102-31	Review of economic, environmental and social topics	2020 Sustainability Report, Governance, p.51-55
102-32	Highest governance body's role in sustainability reporting	Sustainability Committee of the Board

GRI 102: Stakeholder Engagement		
102-40	List of stakeholder groups	2020 Sustainability Report, About this Report, Materiality Assessment and Stakeholder Engagement, p.59
102-41	Collective bargaining agreements	2020 Sustainability Report, Social Responsibility, Collective Bargaining, p.41
102-42	Identifying and selecting stakeholders	2020 Sustainability Report, About this Report, Materiality Assessment and Stakeholder Engagement, p.59
102-43	Approach to stakeholder engagement	2020 Sustainability Report Environmental Metrics, Environmental Stewardship in Project Development, p.30 Social Responsibility, Making the Difference through Community Commitment, p.46-48 About this Report, Materiality Assessment and Stakeholder Engagement, p.59
102-44	Key topics and concerns raised	2020 Sustainability Report, About this Report, Materiality Assessment and Stakeholder Engagement, p.59
GRI 102: Reporting Practice		
102-45	Entities included in the organization's consolidated financial statements	2020 Annual Report, Organizational Structure, p.51
102-46	Defining report content and topic boundaries	2020 Sustainability Report, About this Report, p.58
102-47	List of material topics	2020 Sustainability Report, About this Report, Materiality Assessment and Stakeholder Engagement, p.59
102-48	Restatements of information	2020 Sustainability Report, Energy Consumption Breakdown, p.20, 22
102-49	Changes in reporting	2020 Annual Report, Key Information, p.3-4
102-50	Reporting period	January 1 to December 31, 2020, unless otherwise noted
102-51	Date of most recent report (if any)	September 2020
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	support@canadiansolar.com
102-54	Claims of reporting in accordance with the GRI Standards	Core
102-55	GRI Content Index	GRI Content Index
102-56	External assurance	2020 Sustainability Report, About this Report, p.58
Economic		
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	2020 Annual Report, Key Information, Selected Financial Data, p.3-4
201-2	Financial implications and other risks and opportunities due to climate change	2020 Sustainability Report, Environmental Metrics, Climate-Related Opportunities and Risks, p.31-33
GRI 203: Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	2020 Annual Report p.35-44, 55, 57-58, 64-66; Notes to the Consolidated Statements, p.F-4, 14, 16, 22, 62-63
GRI 205: Anti-Corruption		
205-1	Operations assessed for risks related to corruption	2020 Sustainability Report, Governance, Ethical Business Conduct, p.54-55
205-2	Communication and training about anti-corruption policies and procedures	2020 Sustainability Report, Governance, Ethical Business Conduct, p.54-55
Environment		
GRI 301: Materials		
301-2	Recycled input materials used	2020 Sustainability Report, Environmental Metrics, Water Intensity, p.25 Waste Intensity, p.27
GRI 302: Energy		
302-1	Energy consumption within the organization	2020 Sustainability Report, Environmental Metrics, Energy Intensity, p.22
302-3	Energy intensity	2020 Sustainability Report, Environmental Metrics, Energy Intensity, p.21
302-4	Reduction of energy consumption	2020 Sustainability Report, Environmental Metrics, Energy Intensity, p.21-22
GRI 303: Water and Effluents		
303-3	Water withdrawal	2020 Sustainability Report, Environmental Metrics, Water Intensity, p.25
303-4	Water discharge	2020 Sustainability Report, Environmental Metrics, Water Intensity, p.25

303-5	Water consumption	2020 Sustainability Report, Environmental Metrics, Water Intensity, p.23
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	2020 Sustainability Report, Environmental Metrics, Greenhouse Gas Emissions, p.16
305-2	Energy Indirect (Scope 2) GHG emissions	2020 Sustainability Report, Environmental Metrics, Greenhouse Gas Emissions, p.16
305-4	GHG emissions intensity	2020 Sustainability Report, Environmental Metrics, Greenhouse Gas Emissions, p.16-17
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	2020 Sustainability Report, Environmental Metrics, Air Emissions Breakdown, p.20
GRI 306: Waste		
306-3	Waste generated	2020 Sustainability Report, Environmental Metrics, Waste Intensity, p.26-27
GRI 307: Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	None
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	2020 Sustainability Report, Responsible Supply Chain, p.56-57 Supplier Code of Conduct
308-2	Negative environmental impacts in the supply chain and actions taken	We terminated the cooperation with 5 suppliers in 2020 as they did not pass our EHS standards and audits.
Social		
GRI 403: Occupational Health & Safety		
403-1	Occupational health and safety management system	2020 Sustainability Report, Approach to Environment, Health and Safety, p.12
403-2	Hazard identification, risk assessment, and incident investigation	2020 Sustainability Report, Social Responsibility, Occupational Health and Safety, p.43
403-3	Occupational health services	2020 Sustainability Report, Social Responsibility, Occupational Health and Safety, p.43
403-4	Worker participation, consultation, and communication on occupational health and safety	2020 Sustainability Report, Social Responsibility, Occupational Health and Safety, p.43
403-5	Worker training on occupational health and safety	2020 Sustainability Report, Social Responsibility, Occupational Health and Safety, p.43
403-6	Promotion of worker health	2020 Sustainability Report, Social Responsibility, Occupational Health and Safety, p.42-44
403-9	Work-related injuries	2020 Sustainability Report, Social Responsibility, Occupational Health and Safety, p.42
GRI 404: Training & Education		
404-1	Average hours of training per year per employee	20.4 hours per employee for 2020
404-2	Programs for upgrading employee skills and transition assistance programs	2020 Sustainability Report Social Responsibility, Talent Strategy, Training and Development, p.39-40 2020 Annual Report, p.89-90
404-3	Percentage of employees receiving regular performance and career development reviews	100% of full-time employees
GRI 405: Diversity & Equal Opportunity		
405-1	Diversity of governance bodies and employees	2020 Sustainability Report Social Responsibility, Equity, Diversity and Inclusion, p.36-37 Governance, p.51
GRI 407: Freedom of Association & Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	2020 Sustainability Report, Responsible Supply Chain, p.56-57 Supplier Code of Conduct
GRI 408: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	2020 Sustainability Report, Responsible Supply Chain, p.56-57 Supplier Code of Conduct
GRI 409: Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2020 Sustainability Report, Responsible Supply Chain, p.56-57 Supplier Code of Conduct

GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	2020 Sustainability Report Environmental Metrics, Environmental Stewardship in Project Development, p.30 Social Responsibility, Making the Difference through Community Commitment, p.46-48
413-2	Operations with significant actual and potential negative impacts on local communities	None
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	2020 Sustainability Report, Responsible Supply Chain, p.56-57
414-2	Negative social impacts in the supply chain and actions taken	2020 Sustainability Report, Responsible Supply Chain, p.56-57

Keetmanshoop 6 MW Solar Plant, Namibia

CanadianSolar

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