



Eguana Technologies Inc.

Report on Bill S-211 and Supply Chain

This report outlines the approach by Eguana Technologies Inc and its subsidiaries (the “Company” or “Eguana”), to assess and ensure compliance with Bill S-211, "An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff" (the “Act”), the “Report”. This Report outlines the framework taken by the Company, with a specific focus on our global supply chains.

Modern Slavery Statement for the Financial Year ended December 31, 2023

This statement is made pursuant to the Act and outlines the approach and initiatives by Eguana to identify and address the risks forced labour and child labour in its business operations and supply chains during the financial year ended December 31, 2023.

The Company is committed to respecting human rights in all areas of our business and to ensuring our supply chain is free from forced labour and child labour.

Company Structure

The Company, incorporated under the Alberta Business Corporations Act, is a publicly traded company headquartered in Calgary, Alberta, Canada, and its shares trade on the TSX Venture Exchange (the “TSX-V”) under the symbol “EGT” and on the Over-the-Counter Bulletin Board (OCT-BB) under the symbol “EGTYF”. The Company has active subsidiaries and/or operations in Canada, the United States of America, Australia, and Europe.

The Company confirms it falls below any reporting thresholds for reporting under modern slavery regulations in Australia.

Company Activities

Eguana designs, markets, manufactures, and sells fully integrated energy storage solutions, for residential, commercial, and utility applications, based on its proprietary advanced power electronics platform, for global markets. The Company also sells a suite of micro inverter products, along with its energy management software platform, the Eguana Cloud, which are fully integrated within its energy storage platform, providing consumers with full solar plus storage system architecture, for residential and commercial applications.



The Company manufactures its products in Canada, and the United States of America and does assembly of its products in Australia, and Europe. In the USA, the Company uses third party manufacturers and works closely with them. Also in the USA, the Company distributes with a third party and also independently. Any third party manufactures and distributors are reviewed by Eguana and Eguana provides oversight with respect to the activities performed.

Eguana sells its products and solutions globally, but these sales are predominantly in North America, Australia and Europe and these geographic segments are outlined on the Company's annual financial statements.

Eguana purchases from various suppliers and does import into Canada.

The Company has not identified any specific aspects of its activities or supply chains that have high risk for forced or child labour.

As a public Company headquartered in Canada, Eguana follows Canadian laws and regulations and adheres to ethical business practices, including the requirements of the Act. See the Eguana Diversity Policy and other governance documents, posted to the Company's website.

Supply Chain Overview

Eguana purchases component inventory from various supplies, around the world, with some key suppliers in Asia. Eguana manufactures finished products in Canada, the USA and Australia and does light assembly in Canada, the USA, Australia and Germany.

Eguana has a few key component suppliers and various non-critical suppliers.

Risks in the Supply Chain

Eguana deals with suppliers, often in distant foreign countries, where physical visits are not possible. At times language may be a barrier to accurate and transparent communication. However, most of Eguana's suppliers have been supplying products to the Company for over ten years and most of the suppliers would be large multi-national suppliers, who are familiar with international dealings, compliance, logistics and paperwork.

The parts of the supply chain were assessed to carry higher risk, are importation of items from Asia, and determining our key suppliers' own framework and practices to prevent forced and child labour.

Actions Taken

Over the past eighteen months, Eguana has taken steps to move its supply chain out of foreign countries, into North America.

The Company has created a team of staff from accounting, supply chain, and purchasing to review risk, and plan for next actions and improvements. The Company has researched and consulted with external experts on the Act. All critical staff involved with supply chain and accounting staff, plus the Board of Directors have been trained on importance of the Act, and the Company's framework. The Company



has done an overall assessment of supply chain risk. This first Company report, under the Act, has been reviewed and approved by senior management and the Board.

The Chief Financial Officer of Eguana has completed the online questionnaire on the Government of Canada's website by *Qualtrics on behalf of Public Safety Canada* and uploaded this Report. This Report has also been published to Eguana's website at EguanaTech.com.

Future Actions Planned

During the next three months, the Company will complete the following actions:

- **Detailed Review of Supplier List:** Eguana will review its active supplier list and identify those in foreign countries and determine a risk assessment.
- **Supplier Code of Conduct:** Eguana has developed a Supplier Code of Conduct. Significant and high-risk suppliers will be required to review and acknowledge that they adhere to ethical standards, including prohibitions on forced labor and child labor. This will apply to existing and new suppliers.
- **Developing a Pre-Assessment and On-Boarding for all Suppliers:** Suppliers will be required to submit a detailed company profile and complete the Supplier Code of Conduct.

During the next six to nine months, the Company will complete the following actions, aimed at enhancing its supply chain management and reporting practices.

- **Supply Chain Mapping:** Develop detailed maps of the Company's supply chains to improve transparency and traceability.
- **Audit Plans:** The Company will develop an audit plan to ensure suppliers comply with the Act and the Company standards.
- **Supplier Audits:** Conduct audits and/or third-party verifications.
- **Reporting and Documentation:** Enhance systems for documenting and reporting compliance and remediation efforts, ensuring all information is readily accessible for public disclosure. Ensure annual compliance with minimum reporting requirements of the Act.

Sign off

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act for the financial year ending December 31, 2023. It has been issued on behalf of Eguana Technologies Inc and approved by the Eguana board of directors.

Signed:

Name:

Title:

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Hansine Ullberg

CFO

