

NextEnergy Solar Fund
Modern Slavery Statement

2025

Company Overview

NextEnergy Solar Fund Limited (the **Company** or **NESF**) is a specialist solar energy and energy storage investment company listed on the main market of the London Stock Exchange. The Company's mission is to generate a more sustainable future by leading the transition to clean energy. NESF has a diversified portfolio of operating solar and battery storage system (**BESS**) assets across the UK and Italy.

Business Principles

Modern slavery and human trafficking are grave forms of human rights abuse. They are incompatible with NESF's ethics as a listed renewable investment company, and are incompatible with the ethics of its Investment Adviser, NextEnergy Capital (**NEC**).

The NESF Board oversees and supports action by the Company to prevent modern slavery and human trafficking in the Company's operations and throughout its supply chain. NESF is committed to maintaining the highest possible standards of ethical behaviour, and expects the same of its business partners and broader stakeholders.

NESF recognises that specific modern slavery and human rights risks have been identified in the solar and energy storage supply chains, including forced labour. These particularly relate to the raw material extraction and processing associated with the manufacture of polysilicon present in solar PV modules, which are a key component in which NESF invests.

The Company has taken proactive steps to identify and manage these risks, which are set out below. NESF also recognises that modern slavery and human rights risks are complex, in particular because the suppliers of raw materials which are potentially linked to modern slavery in solar and BESS supply chains are several tiers upstream of the Company, and often based in jurisdictions in which the Company does not operate. As part of its commitment to identify, assess and mitigate existing and new human rights risks as they emerge, NESF reviews and updates its policies and procedures on an ongoing basis.

Policies

NESF's approach to human rights is guided by the Company's [Sustainable Investment Policy](#) and the relevant Sustainability Policies of NextEnergy Group, of which the Investment Adviser is part and which it adopts in full. These policies include its [Human Rights Position Statement](#) and [Code of Conduct for Suppliers](#).

These policies, which sit within the broader [NextEnergy Group Sustainability Strategy](#), are guided by international frameworks including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines on Multinational Enterprises. The

Investment Adviser is a member of the [Solar Stewardship Initiative](#) and a signatory to the [UK solar industry supply chain statement](#) and the [US Solar Industry Forced Labor Prevention Pledge](#).

Governance and Monitoring

The Investment Adviser's ESG, Construction and Procurement and Portfolio Management teams work closely to ensure commercial and sustainability considerations are aligned, and meet on a regular basis to review the NESF portfolio. This includes any procurement, supply chain or other activity which may present a social or human rights risk.

When risks are identified, the ESG team works closely with the Investment Adviser's Construction and Procurement team, Portfolio Management team, Asset Manager, and other stakeholders as necessary in order to assess, manage and mitigate the risk as appropriate. Staff are able to draw on the subject matter expertise of the Investment Adviser's ESG Supply Chain Lead. This role has been designated by the Investment Adviser to provide a specific internal point of contact relating to supply chains.

Escalation and decision-making are carried out in accordance with internal guidance developed by the Investment Adviser, and ultimately subject to approval by the Investment Adviser's Head of ESG and the NESF Investment Director, under the oversight of the NESF Board. Supply chain and human rights issues feature on the Company's risk matrix, and as such are regularly monitored and discussed at both asset and Company levels. This ensures proactive management of any potential modern slavery issues relating to NESF investments.

As part of its broader sustainability work, the Investment Adviser monitors potential supply chain risks and updates its procedures accordingly. Every relevant NESF transaction is assessed for supply chain risk, and NESF will only invest where it is satisfied that its standards can be met, or that risks can be managed appropriately.

NESF and its Investment Adviser will not immediately cease their business relationships with suppliers alleged to be involved in modern slavery. The Company's objective is to use its market position to influence change, in particular by improving transparency and business standards. Where NESF identifies concerns with a supplier, it will investigate further, providing guidance on the improvements it would expect prior to any future procurement, and working with the supplier to make changes where possible.

Reflecting this approach, the Investment Adviser has noted significant changes in solar supply chains since the Covid pandemic – with progress made, for example, on the transparency of high-risk materials – although it will keep its supplier engagement policy under review.

Active Management

Due Diligence

NESF carries out detailed due diligence on transactions, assets and suppliers, to assess and manage human rights and modern slavery risks. This includes performing comprehensive procurement assessments in order to avoid sourcing from high-risk areas. NESF considers that its greatest potential exposure to modern slavery and human rights risk at present is through its purchase of solar PV modules and BESS equipment. The ESG team uses a proprietary tool to carry out detailed screening of PV module and BESS suppliers prior to selection. This is based on responses to a comprehensive questionnaire, interviews, market intelligence and databases, and publicly available information. The process includes examining product and material origins, working practices, human rights standards, emissions profiles, and the measures suppliers adopt to measure and address the biodiversity impact of manufacturing and extraction processes.

Contract Management

NESF takes a robust approach to contract management. Based on its supplier due diligence, the ESG team seeks engagement with every potential NESF PV module and BESS supplier to understand their approach to human rights risks management, and introduces contractual protections as necessary. This can include, for example, obligations to abide by NESF standards, with termination clauses that enable products to be rejected should they fail to meet relevant standards.

Third-Party Verification

NESF and its Investment Adviser commission third-party traceability audits of batch-specific production runs, to verify the raw material origins of new PV modules. The Company and its Investment Adviser are also introducing safeguards for small orders, such as stocks and spares, and the replacement of legacy equipment, where possible.

The rapidly evolving nature of PV module technology makes it challenging to deliver market-leading sustainability in the latter scenarios, although achieving the greatest transparency possible for its supply chains is a long-term solar industry objective. As such, NESF and its Investment Adviser have to date focused on seeking to influence major suppliers. This is because it is where the Company can have the most direct influence on supply chains, and so maximise its impact. NESF recognises that it may also be exposed to risks in broader global supply chains, that feed into but are not specific to the solar and energy storage industry. These include, for example, the aluminium and steel industries, and the Company is exploring how it can assess risk in relation to these.

Supplier Engagement

To ensure NESF is at the forefront of industry knowledge and best practice, and that it is driving continuous improvement, the Investment Adviser carries out detailed supply chain research on behalf of NESF. For example, in June 2024, representatives of its ESG and Procurement teams conducted an extensive supplier engagement visit to China. The visit, which included the commissioning of a third-party comparative audit of potential supply chain partners, involved multiple factory site visits and comprehensive discussions on responsible sourcing, which provided the opportunity to reinforce NESF's commitment to ESG principles and procurement requirements. Investment Adviser staff meet on a regular basis with auditors, suppliers, investors and commercial and legal representatives of the industry in the UK, Europe, Asia and the US to discuss supply chain risk management.

Industry and Policymaker Engagement

NESF benefits from its Investment Adviser's active involvement in UK and European industry action to drive a more sustainable solar supply chain. This notably includes its participation in the [Solar Stewardship Initiative](#) (SSI), of which it is a founding member. The SSI, which includes a multi-stakeholder governance mechanism, was established to create industry-wide sustainability standards for the solar sector, and in April 2024 it launched the first solar-specific ESG standard, followed in December 2024 by an industry-wide specification for raw material traceability.

The Investment Adviser contributed to the development of both of these Standards, and is represented on the SSI Board by its Head of ESG, while the ESG Supply Chain Lead is a member of the SSI Working Group developing a Buyers' Guide. The ESG Supply Chain Lead is also a member of and previously chaired the forum of the UK industry working group on supply chain sustainability issues, the [Solar Energy UK](#) Responsible Sourcing Steering Group. In 2024 the Head of ESG and ESG Supply Chain Lead directly briefed government officials on solar supply chain developments in their respective industry capacities. Investment Adviser staff also meet on a regular basis with civil society representatives to discuss responsible sourcing in renewable energy, take part in conferences, panels and events, and support academic and other research projects where possible.

Key Developments and Ongoing Commitment

In 2024, NESF, through its Investment Adviser:

- Secured traceable PV modules for the first time for an existing NESF asset, as part of the objective of increasing supply chain transparency for its current portfolio.

- Developed internal guidance on how to assess and manage human rights risks where the Company is replacing small quantities of modules as part of ongoing asset management.
- Delivered training to staff on processes to assess and manage human rights risks in the PV module and BESS supply chain.
- Updated supplier screening procedures, including developing a bespoke BESS assessment procedure, based on lessons learned from the Investment Adviser's initial engagement on PV module traceability.
- Developed updated contracts and annexes relating to traceability and ESG risk management, improving legal protections and penalties for non-compliance.
- Participated in multiple meetings, conferences and events, including with suppliers, government and other officials, to discuss the challenges and opportunities in responsible supply chain management.
- Began the integration of its human rights risk assessment procedures with other developing strategic initiatives, such as the [NESF Approach to Nature](#), in recognition that these present interlinked challenges.

NESF makes an ongoing commitment to identify, manage and respond to Modern Slavery and all other human rights risks. In 2025 the Investment Adviser intends to commission an independent review of its approach to supply chain sustainability on behalf of NESF, and on the basis of this will establish a process to improve all relevant risk management processes.

The NESF financial year for 2024-2025 ended on 31 March 2025. This statement has been reviewed and approved by the NextEnergy Solar Fund Limited Board of Directors. It was published in September 2025.

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Title: Paul Le Page

Position: Chair of NextEnergy Solar Fund Limited

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