

JA Solar

Antitrust and Competition Law

Global Compliance Policy

(Formulated December 2023)

1. Purpose

JA Solar Technology Co., Ltd. and its subsidiaries (collectively “**JA Solar**”) are one of the leading manufacturers of high-performance solar power products.

JA Solar takes compliance with the law seriously. This policy is formulated in order to provide general guidance on what is expected by everyone at JA Solar in relation to antitrust and competition law.

2. Scope of Application

This policy applies to JA Solar and each employee of JA Solar (an “**Employee**”) is required to comply with this policy and the antitrust and competition rules of the countries in which JA Solar does business.¹

3. Release Statement

This policy was approved and effective by Company’s Compliance and Internal Control Management Committee.

4. Duties

It is the individual responsibility of all Employees, managers, directors, and officers to comply with all applicable antitrust and competition laws.

JA Solar is committed to ensuring that all of JA Solar’s activities are conducted in accordance with all applicable legal and regulatory requirements.

The Compliance Management Committee of JA Solar is responsible for establishing and updating this policy.

The head of each business department or unit within JA Solar is responsible for establishing appropriate responsibilities, procedures, training and internal controls within their respective operations to ensure the consistent implementation of this policy and compliance with its requirements. The head of each business department or unit also has to ensure that all relevant Employees, and all third-party service suppliers acting on behalf of JA Solar, are made aware of this policy.

It is the responsibility of each Employee to ensure compliance with the terms of this policy.

JA Solar is committed to training its Employees in relation to antitrust and competition law issues and the procedures and controls implemented in accordance with the requirements of this policy. Relevant Employees are required to diligently and expeditiously undertake such training. Failure to comply with this policy or JA Solar’s training requirements may result in disciplinary action,

¹ Competition law is known as antitrust in China and the USA. Both terms are used interchangeably in this document.

which may lead to dismissal, and may expose JA Solar and/or Employees to criminal or civil liability.

Employees are encouraged, without fear, to raise any concerns they may have regarding the conduct of JA Solar's business in order that such concerns may be properly investigated. If an Employee is concerned about any form of malpractice covered by this policy, the Employee shall normally first raise the issue with its immediate line manager. If, for whatever reason, the Employee feels that it cannot tell its immediate line manager, the Employee shall raise the issue with JA Solar's Legal and Compliance Department. Concerns can be raised orally or in writing. When raising the concern, the Employee may choose to either disclose its name or remain anonymous. The Employee can always use JA Solar's official whistleblowing channels.

JA Solar will not permit or tolerate retaliation of any kind against any individual for making good faith reports of violations or suspected violations of this policy.

Employees must co-operate fully and openly with any investigation by JA Solar into alleged or suspected breaches of this policy. Failure to co-operate or to provide truthful information during any investigation may lead to Employees being subject to disciplinary action, which may lead to dismissal.

5. Breach of competition law

Any Employee that becomes aware of any possible breach of competition law, shall raise it through the appropriate channels. A breach can always be reported via JA Solar's official whistleblowing channels.

A breach of competition law can have serious consequences for JA Solar and for the individual concerned:

- For JA Solar, it could lead to substantial fines (which can be up to 10% of JA Solar worldwide turnover), court proceedings to compensate those harmed by the illegal conduct, substantial legal costs to defend ourselves in front of competition authorities worldwide, as well as serious reputational damage. In addition, a contract will be deemed null and void.
- For the Employee that was involved in the breach, there could be disciplinary action including dismissal and in some countries like China, the UK, and the USA, a breach could lead to criminal punishment and imprisonment.

This policy includes some general guidance on key areas of competition law and will be supplemented by more detailed guidance on specific aspects of competition law.

6. Competition Law and Antitrust

a) General Overview

When firms compete for customers, this leads to lower prices, higher quality goods and services, greater variety, and more innovation. Competition law ensures that businesses compete with each other fairly. Competition law's two main objectives are to prevent:

- anti-competitive practices, and
- abuse of a dominant position in a market.

More than 130 countries around the world have competition rules. Many similarities exist among those regimes. However, there are also some differences. Further, conduct in one country could be subject to fines in another country if the harmful effect of the conduct is felt in the second country.² If in doubt, always consult JA Solar's Legal and Compliance Department.

b) Key Principles of Competition Law and Problematic Areas

A key principle of competition law is that each company must take its business decisions independently of other competitors. Agreements with competitors such as fixing prices, allocating customers or markets, bid rigging or sharing certain competitive information are likely to be illegal.

This section includes central principles and general information regarding competition law as well as information regarding conduct that can be problematic and that shall be refrained from.

i. What is a competitor?

The definition of a "competitor" is broad. To determine whether another company is a competitor, JA Solar should consider not only companies that sell similar goods but also those companies that compete in the purchase of goods and services. For example, JA Solar competes with other companies for the procurement of equipment, transportation and services. In some cases, JA Solar might compete for the same contract with our agents, distributors or customers.

ii. What is an agreement?

Under competition law, the term "agreement" has a wide meaning and covers agreements whether legally enforceable or not, written or oral. The term also includes so-called gentlemen's agreements and a chat in the pub. There does not have to be a physical meeting of the parties for an agreement to be reached and an exchange of letters or a telephone call may suffice. In some cases, an agreement can even be inferred from the conduct of the competitors (e.g. two competitors had a meeting and later engaged in parallel conduct or that two companies consistently raise or lower prices at the same time or announce such changes at the same time).

iii. Examples of anti-competitive conduct

Below are some non-exhaustive examples of anti-competitive behaviour:

- Price fixing between competitors, such as:
 - fixing the sale or purchase price of goods or of one of its elements (such as a surcharge),
 - fixing other terms of sale or purchase,
 - agreeing on a range of prices,
 - fixing the amount of discount to be given to customers, and
 - fixing salaries or benefits or agreeing not to recruit another company's employees.

² For example, an agreement to fix prices in China could be subject to investigation by other authorities across the world, if the goods are sold in those countries.

- Agreement between competitors to allocate markets or customers.
- Agreement between competitors to restrict production or capacity.
- Engage in bid-rigging, that includes agreements between competitors to:
 - rotate jobs or bids among competitors,
 - determine who will bid and who will not bid, or who will bid for which customers, or who will bid high and who will bid low,
 - determine the prices that individual competitors will bid, or
 - exchange amounts or terms of bids between competitors in advance of submitting bids.
- Agreement between competitors to collectively boycott customers or suppliers.
- Exchange of competitively sensitive information with a competitor. In most instances, the exchange of certain information such as detailed current and future pricing, cost, discounts and volume information, future strategy and investment plans (unless they are in the public domain) is a serious breach of competition law. Such exchange could take place not only directly with a competitor but also indirectly through a third party such as a supplier or a distributor. It could also be a unilateral exchange (when a company receives information, but does not provide any in return and vice-versa).
- Abuse of dominance power. A company with a high market share (usually above 40%) could be deemed to have a dominant position in the relevant market and as such it shall be attentive to the impact of its conduct in the market. Problematic behaviour particularly includes imposing unfair prices or terms (including tie-ins, loyalty or exclusivity rebates), imposing different terms for similar transactions with different customers, refusing to supply without objective reasons for refusal, selling below cost or charging excessive prices.

c) Other Areas of Concern

The participation in certain organizations and activities has a higher risk of violating competition law. Some of the more important situations are described below. Each Employee may consult detailed guidance regarding relevant areas and each Employee shall contact JA Solar's Legal and Compliance Department if it has any questions.

i. Other interactions with competitors

It is possible to interact with competitors at social events organized by consultancies or clients, at conferences and at various fora. However, in all those instances JA Solar should be very careful not to discuss commercially sensitive topics or enter into illegal agreements.

ii. Trade associations

Trade associations bring together participants in a specific industry to discuss matters of common interest, for example responding to legislative proposals or agreeing technical standards. Discussions at these meetings might include the exchange of sensitive information which could lead to a breach of competition law.

iii. Joint ventures and merger and acquisitions with competitors

While it is legitimate for two or more competitors to consider whether it would be to their benefit to create a joint venture or to merge, such transactions raise difficult and substantial competition law issues. Due to the competition law risks, JA Solar's Legal and Compliance Department shall be involved in these discussions from the beginning.

iv. Benchmarking

Benchmarking is an important tool for any organisation. It is generally considered procompetitive, if properly structured and conducted, as its aim is to enhance efficiency and lower overall costs. However, because it commonly involves exchanging information between competitors, benchmarking also has the potential to facilitate anti-competitive communications or to provide an opportunity for collusion. There are therefore inherent competition law compliance risks in benchmarking activities. As such, any benchmarking activities must be carefully designed and conducted, with advice and guidance from JA Solar's Legal and Compliance Department.

d) Vertical Relationships and Relationship with Distributors

In principle, a buyer/distributor shall be free to resell the contract goods or service at whatever price it chooses. Therefore, a restriction on a buyer's/distributor's ability to set the resale price for the contract goods or service (i.e. any stipulation that directly or indirectly sets a fixed or minimum price) is normally considered a breach of competition law in many jurisdictions. However, a supplier may be able to impose maximum or recommended resale prices on a buyer/distributor.

In a vertical relationship, other agreements can be problematic. This is for example:

- requiring a supplier to deal exclusively with us or restricting them from selling to our competitors, and
- requiring a supplier to sell only in certain territories or to certain customers.

e) Legitimate Interactions

Not all interactions with competitors are illegal. There might be legitimate reasons to discuss or agree on matters with a competitor. This can for example be:

- when a customer requests that JA Solar cooperate with a competitor on how to solve a technical issue, and
- joint development, joint research and development and cooperation where it would be difficult for JA Solar to do the project by itself due to e.g. insufficient capacity or lack of technical skills.

However, always discuss any potential cooperation with JA Solar's Legal and Compliance Department before taking any action.

7. Employees to Do List

All Employees must exercise caution in relation to potential antitrust and competition law issues and in particular pay attention to the following in ensuring compliance with this policy:

- Be extremely careful in any discussions with competitors.
- Be aware of antitrust or competition law concerns in all dealings or communications (including e-mails and reports) with or relating to suppliers, customers, competitors and/or markets.
- Be very cautious regarding involvement in trade associations where concerted activity amongst members may lead to antitrust and competition law concerns.
- Use words carefully as careless use of words can make legitimate competitive activity appear suspect.
- Ensure agreements with suppliers and customers containing restrictions on price, products or territory and/or including any elements of exclusivity, are carefully analysed with the benefit of legal advice before being entered into. Such arrangements should not be entered into with competitors, save for very limited exceptions and any such arrangement should not be entered into without approval following legal advice.
- Address any issues of concern with the relevant immediate line manager prior to engaging in any particular conduct of which the impact may be potentially anti-competitive.
- Seek immediate legal advice in the event of any concerns or doubts regarding compliance with antitrust and competition law requirements.

8. Revision and Interpretation

This policy is formulated by the Legal Compliance Department, and interpreted and issued by the Compliance Management Committee and shall come into force as of the date of issuance.



Yang Ai Qing

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