



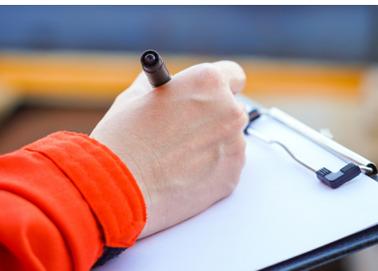
# Know the Facts: First Solar On-Site Social Audits.

## Key Facts

- First Solar has a longstanding commitment to transparency, which includes commissioning independent Responsible Business Alliance Validated Assessment Program (VAP) third-party on-site social audits.
- First Solar is the first and only solar manufacturer to conduct on-site social audits across its global manufacturing footprint.
- While the company's facilities in the United States and Vietnam achieved Platinum status, the highest possible audit rating, the audits uncovered the fact that four providers of janitorial, warehouse, and security services at its Malaysia facility fell short of its standards.
- The audit noted that foreign migrant workers employed by the ancillary service providers were subjected to unethical recruitment comprised of the payment of recruitment fees in their home countries, passport retention, and the retention of wages.
- As a result of the findings and First Solar's corrective actions, the service providers are cooperating and have since returned all passports and retained wages to the workers.
- After developing a reimbursement plan with a third party, First Solar is now working with the ancillary service providers to ensure the recruitment fees are reimbursed to their current and former employees.
- First Solar has also updated site service agreements to prevent any recurrence of the issue.

## Nothing to Hide

- First Solar transparently reported the findings in its 2023 Sustainability Report, published on August 15, 2023.
- To raise awareness about the modern slavery risks that hide in plain sight and to illustrate the value of an independent third-party social audit conducted in a credible, comprehensive manner, **First Solar proactively shared the findings with The New York Times.**
- The subsequent New York Times article quotes Laura T. Murphy, a professor of human rights and contemporary slavery at Sheffield Hallam University in England and a leading authority on the use of forced labor in solar value chains, as saying, **“What First Solar has done is the critical due diligence that all companies need to do around the world to ensure they are identifying and remediating forced labor in their supply chains. It does happen, and companies have to be on the lookout for it.”**
- Crucially, The New York Times also reported that Professor Murphy noted **“that there was a key difference between forced labor issues in Southeast Asia and in Xinjiang, where the Chinese government prevents companies from doing the type of audit First Solar had conducted.”**



## A Commitment to Industry Transparency

- First Solar remains committed to communicating transparently about solar industry issues, taking positions on matters that we believe are crucial to the future of the industry.
- We believe that the solar industry will anchor the global transition to a sustainable energy future, and we believe that it must do so responsibly.
- Quite simply, our industry's work to power the energy transition and enable the fight against climate change does not serve as credits to offset its social and human rights obligations.



### Three Key Takeaways

1. First Solar has zero tolerance for forced labor and proactively initiated the third-party on-site social audits by the world's largest industry coalition dedicated to corporate social responsibility in global supply chains to screen for forced labor and any other unethical labor practices in its operations and value chain.
2. The audits initiated by First Solar did exactly what they were designed to do and served as a critical tool to help root out unethical practices across its operations.
3. Today, First Solar is the only solar manufacturer in the world to have conducted independent, third party on-site social audits across all its operating manufacturing sites.

**“The audit results reaffirmed First Solar’s belief that independent on-site social audits must be an essential standard across the industry. By uncovering the practices of ancillary service providers and by proactively making the results of the audit transparently available, our customers and the industry as a whole can take comfort that when First Solar says it has zero tolerance for unethical behavior, we mean it.”**

**Mark Widmar**  
CEO, First Solar



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SUSTAINABLE ENERGY FUTURE