



Transparency in Supply Chains and Modern Slavery Statement

First Solar, Inc. and its subsidiaries and affiliates (collectively “First Solar”) is committed to respecting and protecting human rights across our business operations and supply chain. As part of this commitment, we stand against all forms of modern slavery and have zero tolerance for forced labor, human trafficking and child labor.

This statement for the financial year ending 31 December 2022 has been published in accordance with the California Transparency in Supply Chains Act of 2010 (SB 657) and the UK Modern Slavery Act 2015, which require certain businesses to disclose information relating to their efforts to address the risks of modern slavery in their operations and supply chains. This statement refers to First Solar, Inc. and its subsidiaries collectively, including our European subsidiaries: First Solar Holdings GmbH (Germany), First Solar Manufacturing GmbH (Germany), and First Solar GmbH (Germany). A complete list of First Solar’s global subsidiaries can be found in Exhibit 21.1 of [First Solar’s Form 10-K](#), filed with the US Securities and Exchange Commission on 28 February 2023.

1 Our Business and Supply Chain

First Solar is a leading American solar technology company and global provider of responsibly produced eco-efficient solar modules advancing the fight against climate change. Developed at R&D labs in California and Ohio, we manufacture and sell solar photovoltaic (PV) modules with an advanced thin film semiconductor technology that provide a high-performance, lower-carbon alternative to conventional crystalline silicon PV solar modules. From raw material sourcing and manufacturing through end-of-life module recycling, our approach to technology embodies sustainability and a responsibility towards people and the planet. We are the world’s largest thin film PV solar module manufacturer and the largest PV solar module manufacturer in the Western Hemisphere.

As of 31 December 2022, we had approximately 5,500 associates (our term for full and part-time employees). First Solar is headquartered in Tempe, Arizona, with regional offices around the world and manufacturing facilities in Perrysburg and Lake Township, Ohio; Kulim, Malaysia; and Ho Chi Minh City, Vietnam. We own and operate vertically integrated PV manufacturing facilities, which turn a sheet of glass into a completed module in 4.5 hours all under one roof. This not only results in a quality product with a lower carbon footprint and superior traceability but it ensures our products are manufactured to the highest labor, environmental, health and safety standards.

Our thin film module manufacturing process uses approximately 30 types of raw materials and components to produce a solar module. Critical raw materials and components in our manufacturing process include cadmium telluride, front glass coated with transparent conductive oxide, organics

such as photo resist, tempered back glass, frames, packaging components such as interlayer, cord plate/cord plate cap, cables and solar connectors. For more information on our supply chain, please refer to our [2022 sustainability report](#).

2 Our Commitment and Policies

First Solar is committed to complying with the laws established to protect human rights in each country where we operate and respecting the rights set forth in the International Labour Organization (ILO) 1998 Declaration on Fundamental Principles and Rights at Work and the UN Guiding Principles on Business and Human Rights, which provide further instruction to companies dedicated to preventing adverse impacts on the communities with which they are involved.

First Solar has established minimum requirements for our associates and suppliers in the areas of environmental, health and safety, labor standards, human rights, and business ethics:

- [First Solar Code of Conduct](#): *Relentless Integrity: How We Conduct Business Ethically* (“our Code”) is an important resource designed to help us meet our business goals ethically. Our Code provides a firm foundation for the decisions we make and actions we take when conducting business and applies to everyone at First Solar, including all associates, officers, and directors.
- [First Solar Labor and Human Rights Policy](#): Our Labor and Human Rights policy outlines First Solar’s commitment to respecting fundamental human rights and protecting the dignity of workers everywhere. Our policy is aligned with the Responsible Business Alliance’s (RBA) Code of Conduct and guided by the International Labour Organization 1998 Declaration on Fundamental Principles and Rights at Work and the UN Guiding Principles on Business and Human Rights.
- [First Solar Conflict Minerals Policy](#): First Solar is committed to responsible sourcing and operating a supply chain free of conflict minerals. We comply with and support the goals established under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) on conflict minerals and condemn human rights abuses associated with the extraction, transport or trade of minerals and any direct or indirect support to non-state armed groups or security forces that illegally control or tax mine sites, transport routes, trade points or any upstream actors in the supply chain.
- [RBA Code of Conduct](#) (“RBA Code”): The RBA Code is a set of social, environmental and ethical industry standards. The provisions in the RBA Code are derived from internationally recognized standards including the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights. As a member of the RBA, we implement the RBA Code within our operations and our supply chain.

3 Risk Assessment and Due Diligence

From our policy, supplier contracts, screening, mapping and auditing, to training and reporting, First Solar takes a comprehensive approach to responsible sourcing and supply chain management in order to identify, prevent and mitigate potential adverse human rights and environmental impacts:

1. Verification: All new suppliers undergo a rigorous qualification process using a balanced scorecard which focuses on Quality, Cost, Flexibility, Service, Technology and Sustainability. We regularly map our supply base and conduct an annual risk assessment to identify potential high-risk suppliers. We leverage third-party tools and indices on global slavery, forced labor and other environmental, social, governance (ESG) aspects to identify high-risk suppliers based on industry, geography and spend. Based on globally recognized indices, such as the Global Slavery Index and the U.S. Department of Labor's List of Goods Produced by Child Labor or Forced Labor, the following countries in our supply chain present a higher risk of modern slavery: China, Malaysia, and Vietnam. Suppliers may be deemed high risk based on their Self-Assessment Questionnaire (SAQ) score, an alternative risk assessment method, or through the presence of any open disqualifying audit findings. We recognize that the presence of vulnerable groups such as migrant workers is associated with a higher modern slavery risk. In our operations, modern slavery risks are predominantly associated with onsite service providers e.g. security, janitorial, landscaping, warehouse operation and facilities maintenance.

2. Audits and Remediation: First Solar audits new and high-risk suppliers on quality as well as environmental management, health and safety, labor, human rights, and ethics by leveraging the RBA Code as a framework. In 2022, First Solar assessed 100% of its new suppliers using social and environmental criteria and conducted three onsite audits at supplier sites. We work with suppliers to drive improvements and to remedy adverse impacts through Corrective Action Plans. We publicly report on the environmental and social performance of the suppliers we audit in our sustainability report on an annual basis.

In 2022, First Solar conducted three onsite third-party RBA Validated Assessment Program (VAP) audits at our manufacturing facilities in Ohio, Malaysia and Vietnam to provide further validation to our customers that they are working with a responsible partner. Our manufacturing facilities in Ohio and Vietnam achieved platinum status, the highest possible rating. Through our Malaysia audit, we identified four onsite service providers with foreign migrant workers subjected to unethical recruitment including the payment of recruitment fees in their home countries, passport retention, and the unlawful retention of wages. Our onsite service providers have since returned all passports and unlawful wage detentions to the workers, and we updated our site service agreements to prevent future fees. First Solar contracted a third party to conduct an investigation and help develop a reimbursement plan. We are working with our onsite service providers to ensure the recruitment fees in their home country and fees during their employment in Malaysia are paid back to both current and recently departed workers in accordance with RBA guidelines and best practices.

3. Contracts: First Solar's supplier and site service agreements require compliance with applicable laws and regulations in addition to First Solar requirements, which may exceed local legal requirements. Under the terms of First Solar's contract agreements, suppliers and onsite service providers must commit to comply with the RBA Code and require their suppliers and

subcontractors to do the same. Suppliers must also represent, warrant and covenant that they will not use child, slave, prisoner or any other form of forced or involuntary labor, or engage in abusive employment in the supply of goods or provision of services. Violation of any labor standards may result in the termination of First Solar's business relationship with such party.

- 4. Internal Accountability:** First Solar requires all of its directors, officers and associates to act ethically and requires compliance with First Solar's Associate Handbook and our Code. Our Chief Compliance Officer manages First Solar's Global Compliance Organization which oversees our ethics and compliance program. The goal of this organization is to implement policies, processes, training, monitoring and general awareness programs to promote ethics and compliance with applicable legal and regulatory standards. Subject to the requirements of local law, and after due diligence and full and fair investigation, any employee found to have directly engaged in or knowingly engaged suppliers engaged in slave labor or human trafficking will be subject to immediate termination of employment.
- 5. Training:** We provide Transparency across Supply Chain training to all First Solar associates involved in procurement. The training includes the following objectives: recognizing and communicating awareness of human trafficking risks relevant to First Solar's business; ensuring compliance with the California Transparency in Supply Chains Act (SB 657) and global human rights regulations; and identifying and avoiding trafficked labor in each specific business unit at First Solar. Following our VAP audit in Malaysia, we organized a half day RBA briefing session for our onsite service providers and a full day of training on RBA labor standards for First Solar's local purchasing, manufacturing, warehouse operation, human resources and facilities teams. In early 2023, First Solar provided a global internal training on forced labor, the Uyghur Forced Labor Prevention Act, the company's commitment to Responsible Solar and approach to responsible sourcing to associates involved in procurement, legal and global trade compliance.
- 6. Ethics Hotline:** First Solar has established a third-party operated Ethics Hotline to provide an anonymous and confidential solution to communicate serious legal, financial, ethical or human rights concerns. No human rights concerns were reported in 2022. The Ethics Hotline ensures that serious concerns are heard and are acted upon immediately. Any associate, employee of First Solar, supplier and other external stakeholder can report concerns toll-free via our [Ethics Hotline](#).

First Solar has a long-standing commitment to conducting business in compliance with applicable laws and regulations and in accordance with the highest ethical principles. Our decision to join the Responsible Business Alliance in 2021 was driven by our commitment to continuous improvement and recognition that not all audit programs are created equal. Our experience with the RBA's Validated Assessment Program in 2022 further affirms our belief that it is one of the most robust and credible social auditing protocols available. We will continue to work with our suppliers to ensure they conduct their business in line with First Solar values to help improve the lives of workers across our supply chain.

This statement was approved by the Board of Directors of First Solar on 21 June 2023 and signed by Mark R. Widmar, Chief Executive Officer and Director.