



First Solar's Statement of Compliance with California Transparency in Supply Chains Act (SB657)

First Solar, Inc. and its subsidiaries and affiliates (collectively "First Solar") fully supports California's efforts to protect human rights and enforce fair labor practices. First Solar recognizes the principles set forth in the International Labour Organization (ILO) 1998 Declaration on Fundamental Principles and Rights at Work and is committed to complying with the laws established to protect human rights in each country in which we operate. To this end, First Solar requires direct suppliers to comply with all fair labor standard laws. Under the terms of First Solar's supplier agreements, suppliers must certify in writing that neither they nor any of their subcontractors will utilize child, slave, prisoner or any other form of forced or involuntary labor, or engage in abusive employment in the supply of goods or provisions of services.

First Solar's [Code of Conduct](#) and [Corporate Policies](#) establish minimum requirements for our associates and suppliers in the areas of environmental, health and safety (EH&S), labor standards, human rights, and business ethics. First Solar endeavors to ensure that its suppliers acknowledge these policies to ensure a safe working environment that respects and values each employee.

The California Transparency in Supply Chains Act of 2010 (the "Act") requires retailer, sellers and manufacturers doing business in California to publicly disclose the degree, if any, to which they are: engaging in verification, auditing, and certification of their direct suppliers, maintaining internal accountability standards, and providing internal training regarding trafficking and slavery in their direct supply chains for tangible goods offered for sale. The disclosure is aimed at providing information to stakeholders and customers, allowing them to make better, more informed choices about the products they buy and the companies they support, with the ultimate goal of eradicating slavery and human trafficking from companies' supply chains. First Solar's efforts in support of this goal include the following:

1. Evaluation and verification of product supply chain to address risks of human trafficking and slavery:

First Solar actively engages in verifications of its suppliers' adherence to quality as well as sustainability and social responsibility criteria outlined in the Responsible Business Alliance (RBA) Code of Conduct. Such verifications are conducted directly by First Solar through supplier contractual agreements, and include scheduled visits and audits of their facilities. Each supplier is contractually obligated to adhere to the standards set by First Solar, including, but not limited to compliance with all laws and regulations governing labor and employment. Violation of any Labor Standards may result in the termination of First Solar's business relationship with the supplier.

2. Certification of direct suppliers: First Solar requires that its direct suppliers certify that materials supplied to First Solar and incorporated into First Solar's products (i) comply with all applicable laws,



and (ii) are manufactured in full compliance with applicable laws, which includes laws enforcing fair labor standards and prohibiting slavery and human trafficking.

3. Internal Accountability Standards: First Solar requires all of its directors, officers and employees to act ethically and requires compliance with First Solar's Associate Handbook and Code of Business Conduct and Ethics, which is available at <http://www.firstsolar.com/-/media/First-Solar/Documents/Corporate-Collaterals/First-Solar-Code-of-Conduct.ashx>. First Solar has established a global compliance organization to manage its 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.

4. Company Employee and Management Training: All First Solar employees that engage in sourcing activities with third parties, including suppliers, receive training in connection with the Act, as well as other Federal and International anti-human trafficking regulations, which includes the following objectives: Recognizing and communicating awareness of human trafficking risks relevant to First Solar's business; assuring compliance with trafficking-related statutes and regulations; and formulating plans to identify and avoid trafficked labor in each specific business unit at First Solar.