As the company noted in its 2021 proxy statement, we believe that diversity is foundational to a well-functioning board. Moreover, we recognize that diversity can’t be distilled into a single phrase. Rather, diversity encompasses a person’s race, gender, ethnicity, disability and sexual orientation; it is also built through their experiences, background, talents, and thought process.

Each of these characteristics is important as they inform an individual’s unique worldview and perspective. We believe these diverse perspectives and experiences can lead to a stronger board culture and foster the consideration of different opinions, resulting in a more robust decision-making process. Additionally, a diverse board sets the tone from the top, which enables us to drive diversity and inclusion throughout our organization and to better engage with key stakeholders including our associates, customers, and shareholders. The moral, social, business case, and overall benefits from a diverse board of directors are clear.

We have made progress as it relates to racial, ethnic and gender diversity at the board level, and recognize that diversity and inclusion requires a commitment to listening and understanding the perspective of our stakeholders and other stakeholders.

As part of our commitment to diversity and inclusion, we are releasing this Board of Directors Diversity & Inclusion Transparency Report. This report seeks to provide greater visibility into our goals and implementation strategies for the next steps in our diversity journey. Through the publication of this report—which reflects the spirit of our past actions and ongoing commitments to enhance the diversity of our board—we are providing greater clarity into our diversity approach and the concrete actions we are undertaking to continue improving.
For more than two decades, our mission of leading the World’s Sustainable Energy Future and improving the environment has been at the heart of everything we do. This long term strategy will be enabled through our people cultivating an inclusive culture which fosters diverse skills, experiences and viewpoints, and emboldened by a board of directors that represents and understands the perspectives of our diverse stakeholders.

In order to achieve this objective, it is important to contextualize the progress we have made.

**Sharon Allen** joins the board, representing our first female director and bringing a breadth of public and private company audit and consulting experience. Ms. Allen currently serves as chair of the audit committee.

**Molly Joseph** joins the board, increasing female representation on the board to 20% and adding valuable C-suite, strategic and operational management experience.

Launch of the **Global Women’s Network (GLOW)**, providing female associates with mentoring, sponsorship, networking opportunities, and a collaborative learning culture.

We reinforce our commitment to diversity in our 2020 proxy statement and corporate governance guidelines, stating that “the board and nominating and governance committee are committed to actively seeking highly qualified women and minority candidates as part of the search process for new board members.”

Launch of the **Black and African American Network**, providing Black and African American associates with mentoring, sponsorship, networking opportunities, and a collaborative learning culture.
Recognition as a ‘Winning ‘W’ Company’ for having 20% of our board of director seats occupied by women

As described in the Company’s 2021 proxy statement, we are committed to advancing diversity on the Company’s board and believe our historical and ongoing actions are an appropriate metric to demonstrate support of and accountability on diversity. We made significant strides through 2020, and this momentum has continued since then, including the following actions.

**2021**

**Nominating and Governance** committee assumes responsibility for ESG oversight

**Kathryn Hollister** joins the board, representing the third consecutive female independent director to join the board, expanding female representation to each board committee, and bringing sophisticated tax, legal and operational experience

**Disclosure of racial composition** of the board in our 2021 proxy statement

**Anita George** joins the board, adding racial diversity to the board, increasing female representation to 33% and providing investment management and financial sector experience, as well as an in-depth understanding of infrastructure finance in India and the Asian Pacific region

**Molly Joseph** selected to serve as the Company’s first Lead Independent Director
We have made progress on certain aspects of diversity, and our intent at First Solar is to build a board of directors which serves our diverse and global workforce and customer base. While we have continued to improve the gender, racial and ethnic diversity of the board, we recognize that representation of diverse perspectives on the board enhance our ability to respond to the needs of our industry, our customers, our workforce and our communities, and seek to continue our journey towards a more diverse board. We are striving to achieve this through the following targets.

We address diversity and inclusion as we approach other business opportunities: with a disciplined, data-driven decision making frame work. For example, we seek to use our analytical approach to conduct pay equity reviews for promotions and pay adjustments to ensure internal equity and to evaluate the breakdown of applicants and hires based on gender and ethnicity on an annual basis, among many other strategies. With this analytical approach in mind, we understand the need for investors to see the racial composition of our board as well as our workforce. Accordingly, we are committing to disclose the racial composition of our workforce on a global basis within a year’s time. Also, as reflected in the 2021 proxy statement, we intend to continue disclosing our board’s racial composition in subsequent proxy statements. We also remain committed to continue disclosing the composition of our workforce and board by gender.

We understand that in order to improve the diversity of the board, the candidate pool from which we are evaluating must include diverse individuals. Accordingly, we are committing to include one or more qualified racially or ethnically diverse candidate in each search process for new board members and new members of the executive leadership team.

Finally, we are committing to using a search firm to broaden our board recruiting pipeline in instances where one or more qualified racially or ethnically diverse candidates have not been identified among our directors’ or executive leadership team’s personal networks.
Operational Strategy to Achieve our Commitments.

While we have discussed our diversity and inclusion commitments, it is equally important to discuss how we will realize these goals.

Firstly, we will continue to act with intention, giving weight and due recognition to the strategic opportunities diversity and inclusion provide and the diversity of the company’s workforce, community, and customers. For example, given our recently announced capacity expansion in India, Ms. George’s experience conducting business in the region, and her insight into the cultural nuances of conducting business there enhance our opportunity for success in the market. As we continue to grow and evolve our business model, we intend to evaluate board membership through this strategic lens.

Secondly, we will broaden the pipeline of qualified board candidates and seek to increase our access to diverse candidates, including racial or ethnic diversity, in each search process. We hope this will accelerate our diversity and inclusion objectives. As we state in our governance guidelines and nominating and corporate governance committee charter, our assessment of board candidates considers an individual’s relevant knowledge and diversity of experience in such areas as business, technology, finance and accounting, marketing, international business, government and other disciplines relevant to the Company, which could also include law, academia or other social fields. Also, while retired executives bring unique perspectives to the board, current executives can bring an equally important perspective, particularly in assessing responses to current events, such as the COVID-19 pandemic. Additionally, as we have done in the past, we do not intend to require previous board experience as a prerequisite for board membership.

Thirdly, we recognize the significant benefits of having seasoned board members, especially in a relatively young solar industry where markets, competition and pricing evolve rapidly. This first-hand experience has brought unique insights that have proven to be immensely valuable as we evolve and adapt our business model. That being said, we must strike a balance and establish effective mechanisms to maintain fresh perspectives on the board. With this in mind, the nominating and governance committee does have a clear mandate to (i) actively seek out diverse candidates, (ii) review committee members and chairs, and (iii) assess whether to implement a retirement policy.

Finally, when we evaluate new candidates for board membership, we will evaluate their potential to succeed sitting members’ roles and responsibilities. Through this strategic approach to recruiting, we promote alignment between the board and the nominating and governance committee, and cultivate a pool of qualified and diverse candidates that fits the ongoing skill needs of the board. By emphasizing this strategy, we can more efficiently uphold our commitment to actively seeking diverse candidates for board membership, while optimizing the diverse skills of the aggregate board.
Closing Statement

Our data shows progress, and we also recognize that we are in the early stages of our journey. Our board’s gender, racial, and ethnic composition is improving, as we have outlined above. However, we recognize real change doesn’t happen on its own, and that we must continue to be deliberate and steadfast as it relates to progress on diversity and inclusion.

As a global renewable energy company, we feel a responsibility to use our resources and scale to improve diversity and inclusion within our board and among our network across the globe. Each day we must continue to work with purpose to actualize diversity and inclusion, with the understanding that the journey is ongoing. There is no finish line.