

SOLARCITY CORPORATION

MEETING DATE	Tue, 02 Jun 2015 13:00 pm	TYPE	AGM	ISSUE DATE	Thu, 28 May 2015
MEETING LOCATION	Crowne Plaza Hotel, 1221 Chess Drive, Foster City, California 94404				
CURRENT INDICES	PIRC Global				
SECTOR	Construction-special trade contractors				

PROPOSALS		ADVICE
1a Elect Elon Musk	Non-Executive Chairman. Not considered independent as he is the beneficial owner of 21.4% of the outstanding share capital. There is insufficient independent representation on the board.	Oppose
1b Elect Donald R. Kendall, Jr.	Independent Non-Executive Director. He is chair of the Audit committee which is not fully independent which Triodos does not support.	Oppose
1c Elect Jeffrey B. Straubel	Independent Non-Executive Director.	For
2 Appoint the auditors	Ernst & Young proposed. Non-audit fees represented 2.67% of audit fees during the year under review and 4% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditors.	For
3 Advisory vote on executive compensation	The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: DDC. Based on the lack of disclosure of targets for the annual cash incentives and for long-term awards, Triodos opposes this resolution.	Oppose
4 Approve the frequency of executive compensation votes	The Company is providing shareholders with an advisory vote on whether the advisory vote on executive compensation should be held every one, two or three years. The Board of Directors recommends a vote for a 3 Year frequency. It is considered an annual vote on executive compensation to be best practice for companies. Executive compensation comprises both fixed and variable pay elements, with the variable including share based incentive awards and cash bonuses over which the compensation committee has discretion. Decisions affecting the quantum and design of variable pay are made annually by the committee and it is therefore appropriate that shareholder approval is sought at the maximum frequency permitted by the new legislation. Contentious compensation payments and issues could occur in the intervening years between votes, if the frequency is less than annually. Triodos supports an annual vote on remuneration.	1

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 3 - Advisory vote on executive compensation

Disclosure: D- In fiscal 2014, annual cash incentives were based on pre established performance criteria. Specific targets are not disclosed in the compensation analysis. The Company granted equity awards to Serra, COO and Buss, CFO, options to purchase an aggregate of 650,000 shares of common stock and a restricted stock unit award covering 100,000 shares of common stock.

Balance: D- Shareholders are provided with only limited information with respect to targets under the various schemes. Approximately 92.3% of stock options vest upon the achievement of performance-based objectives and approximately 7.7% vest over four years. However, specific targets are not disclosed in the compensation analysis. Restricted stock unit award granted to Mr. Buss vests in equal annual amounts over a period of four years from the date of grant.

Contract: C- The Company does not have a compensation 'claw back' policy. The Company does not provide any post-employment compensation payments or other benefits, including in connection with a change in control. The vesting of each option fully accelerates if a director is terminated in connection with a "change in control" of the Company.

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