


MEETING DATE	Wed, 16 May 2018 12:00	TYPE	AGM	ISSUE DATE	Wed, 09 May 2018
MEETING LOCATION	Virtual Meeting: <a href="http://www.meetingcenter.io/258685488">www.meetingcenter.io/258685488</a>				
CURRENT INDICES	PIRC Global				
SECTOR	Semiconductors and related devices				

PROPOSALS		ADVICE
1.1	<p><b>Elect Director Michael J. Ahearn</b>                      Non-Executive Chairman. Non-Executive Chairman since July 2012. Not considered independent owing to a tenure of over nine years. In addition, he previously served as the Company's CEO from August 2000 to September 2009, Interim CEO from October 2011 to May 2012 and Executive Chairman from October 2009 to December 2010 and May 2012 to July 2012. There is insufficient independent representation on the Board.</p>	Oppose
1.2	<p><b>Elect Director Sharon L. Allen</b>                      Independent Non-Executive Director.                      She is chair of the Audit committee which is not fully independent which Triodos does not support.</p>	Oppose
1.3	<p><b>Elect Director Richard D. Chapman</b>                      Non-Executive Director. Not considered independent because he previously served on the Board of Managers of First Solar Holdings LLC prior to the Company going public. In addition, he is an executive of Walton Enterprises, Inc., which is affiliated with the Walton family, the Company's significant shareholders. There is insufficient independent representation on the Board.</p>	Oppose
1.4	<p><b>Elect Director George A. ("Chip") Hambro</b>                      Non-Executive Director. Not considered independent because he previously served in various executive positions at the Company from 2001 to 2009, including Chief Operating Officer from February 2005 to May 2007. There is insufficient independent representation on the Board.</p>	Oppose
1.5	<p><b>Elect Director Molly E. Joseph</b>                      Independent Non-Executive Director.</p>	For
1.6	<p><b>Elect Director Craig Kennedy</b>                      Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.</p>	Oppose
1.7	<p><b>Elect Director William J. Post</b>                      Independent Non-Executive Director.</p>	For
1.8	<p><b>Elect Director Paul H. Stebbins</b>                      Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.</p>	Oppose
1.9	<p><b>Elect Director Michael T. Sweeney</b>                      Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.                      He is chair of the Remuneration committee which is not fully independent.</p>	Oppose
1.10	<p><b>Elect Director Mark R. Widmar</b>                      Chief Executive.</p>	For
2	<p><b>Ratify PricewaterhouseCoopers LLP as Auditors</b>                      PwC proposed. Non-audit fees represented 19.37% of audit fees during the year under review and 11.47% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor.</p>	Oppose

**3 Shareholder Resolution: Report on Risks Associated with Sourcing Materials from Conflict Areas** **For**

**Proposed by:** Heartland Initiative, Inc.

Shareholders request that First Solar assess and report to shareholders, at reasonable expense and excluding proprietary information, on the Company's approach to mitigating the heightened ethical and business risks associated with procurement, investment and other business activities in conflict-affected areas other than areas already addressed through its conflict minerals policy, including situations of belligerent occupation. In particular, the report should assess whether additional policies are needed to supplement First Solar's Labour and Human Rights Policy to avoid directly or indirectly aiding or acquiescing to violations of international humanitarian law committed by occupying forces.

**Proponent's Supporting Argument:** The Proponent argues that it is in First Solar's best interest, advancing its corporate reputation and human rights leadership, to establish such policies that would be applicable to any conflict theater in which the Company and its subsidiaries may operate, procure materials and services, or invest, from Central Africa to the Middle East.

**Board's Opposing Argument:** The Board is against this proposal as the Company is already committed to protecting human rights and enforcing fair labor standards everywhere it does business. The Company has implemented a number of global policies regarding human rights, all of which are publicly available, which demonstrate its substantial effort to supporting human rights worldwide and the Company's ongoing efforts to avoid directly or indirectly aiding or acquiescing to violations of international humanitarian law globally, including in conflict-affected areas. The Board comprehensively reviews all of these policies related to ethical conduct and human rights on an ongoing basis based on a number of considerations. The Board adds that a report on the Company's approach to mitigating the heightened ethical and business risks associated with procurement, investment, and other business activities in conflict-affected areas other than areas already addressed through its conflict minerals policy, as requested by the proposal, would be duplicative of these existing global policies and would not provide meaningful value to stockholders.

**PIRC Analysis:** Reporting on human rights issues allows shareholders to make an informed judgement on social and ethical risks related to their investment. The Company does not dispute this and has developed policies and a reporting structure on human rights and security. As the proponent is not requesting a new policy and, additional reporting would demonstrate transparency on the Company's approach to implementing these policies in conflict-affected areas would be welcomed, a vote in favour is recommended.

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