

**SUNEDISON, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**  
(February 7, 2014)

**BOARD COMPOSITION**

***Size of the Board.*** The Company's By-laws currently provide that the number of directors shall be not less than five nor greater than fifteen and shall be determined from time to time by majority vote of the Board. The size of the Board will fluctuate from time to time depending on changing circumstances. The Nominating and Corporate Governance Committee will make recommendations to the Board as appropriate regarding increasing or decreasing the size of the Board.

***Membership Criteria.*** The Company ensures that our criteria for directors meets all required legal, regulatory and New York Stock Exchange ("NYSE") requirements, including independence requirements set forth below. The Board believes directors should encompass a range of talent, skill and expertise sufficient to provide sound and prudent guidance with respect to all of the Company's operations and interests. The Nominating and Corporate Governance committee shall take diversity issues into account in identifying the best available candidates to serve on the Board and shall endeavor to consider a wide field of qualified candidates that include women and minority candidates. The Nominating and Corporate Governance Committee also shall look to establish diversity on the Board through a number of demographics and backgrounds, experience (including operational experience and experience, non-traditional environments, such as government, academia and non-profit organizations), skills and viewpoints, all with a view to identify candidates who can assist the Board in its oversight and decision-making.

***Director Independence.*** A majority of the members of the Board shall be independent from the Company and its management. For a director to be deemed independent, the Board shall affirmatively determine that the director has no material relationship with the Company or its affiliates or any member of the senior management of the Company or his or her affiliates. In addition, the director must meet the independence standards of the New York Stock Exchange. The Board shall undertake an annual review of the independence of all non-employee directors. Directors have an affirmative obligation to promptly inform the Board of any material changes in their circumstances or relationships that may impact their designation by the Board as "independent."

***Multiple Board Memberships.*** The Board believes that directors who are full-time employees of other companies should not serve on more than two other public company boards at a time, and that directors who are retired from active employment should not serve on more than four such boards. The Board may, however, make exceptions to this standard as it deems appropriate.

***Term Limits.*** The Board is committed to its members having new and different perspectives to offer. The Board does not believe, however, that term limits are necessarily appropriate to accomplish this purpose because they hold the disadvantage of preventing the contribution of directors who over time have developed increasing insight into the Company and its operations.

***Retirement.*** Employee directors are generally expected to retire from the Board when their employment with the Company terminates.

## **FUNCTIONS OF THE BOARD**

***Duties and Responsibilities.*** The responsibility of the Board is to supervise and direct the management of the Company and each director is expected to discharge his or her director duties in good faith and in a manner the director reasonably believes to be in the best interests of the corporation. The Board shall at all times represent the interests of the Company's stockholders and each director shall exhibit high standards of integrity, commitment and independence of thought and judgment. Each director shall dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties.

The Board shall have the following specific duties:

- Based on information available to the director, each director should be satisfied that management maintains an effective system for timely reporting to the Board or appropriate Board committees on: (1) the Company's financial and business plans, strategies and objectives; (2) the recent financial results and condition of the Company and its business segments; (3) significant accounting, regulatory, competitive, litigation and other external issues affecting the Company; and (4) systems of control which promote accurate and timely reporting of financial information to stockholders and compliance with laws and corporate policies;
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- Reviewing and, where appropriate, approving the Company's major financial objectives, plans and actions;
- Evaluating material transactions not arising in the ordinary course of business;
- Reviewing and, where appropriate, approving major changes in, and determinations of other major issues in respect of, the appropriate auditing and accounting principles and practices to be used in the preparation of the Company's financial statements; and
- Assessing major risk factors relating to the Company and its performance and reviewing measures to address and mitigate such risks.

***Access to Management and Company Records.*** Directors shall have reasonable direct access to senior management in their discretion. The Company's senior management will afford each board member access to the Company's employees and the outside auditors, legal counsel and other professional advisers for any purpose reasonably related to the Board's responsibilities. Each director shall have such access as the director may reasonably request to the books and records of the Company and such other data and information as may be reasonably related to the director's duties.

***Independent Inquiries and Advisers.*** The Board may conduct investigations and retain, at the expense of the Company and in accordance with NYSE rules, independent legal, accounting, investment banking or other professional advisers selected by the Board, for any matters relating to the purpose or responsibilities of the Board.

***Board Evaluation.*** The Nominating and Corporate Governance Committee shall oversee an annual review of the performance of the Board, soliciting evaluations and comments from all directors and shall report the results thereof to the full Board.

## **BOARD MEETINGS**

**Scheduling.** The Chairman, in consultation with the other members of the Board, shall determine the scheduling of the meetings of the Board. The Board believes that four regular meetings at appropriate intervals are in general desirable. In addition to regular meetings, special meetings may be called upon appropriate notice at any time to address specific needs of the Company. The Board expects directors to make themselves available to attend regular, special and committee meetings on a consistent basis. Directors are also encouraged to attend the Company's annual meeting of stockholders.

**Agenda.** The Chairman, working together with the Chief Executive Officer, shall establish the agenda for each Board meeting. Each director is entitled to suggest the inclusion of items on the agenda, request the presence of or a report by any member of the Company's senior management, or raise subjects that are not on the agenda for that meeting.

**Board Materials.** Directors shall receive information and data that are important to their understanding of the Company's businesses and matters coming before the Board for its consideration and action, in writing, and in sufficient time to prepare for meetings. This material shall be as brief as possible while still providing the desired information, shall be analytic as well as informational, and shall include highlights and summaries whenever appropriate. Directors may request that the Chairman or appropriate members of senior management present to the Board information on specific topics relating to the Company and its operations.

**Executive Sessions.** The Board shall meet in regularly scheduled executive sessions of only independent, non-employee directors, without the participation of members of the Company's management, to review matters concerning the relationship of the Board with the employee directors and other members of the Company's management and such other matters as the independent directors may deem appropriate. The Board will not take formal actions at such sessions, although the participating directors may make recommendations for consideration by the full Board.

**Confidentiality.** The Board believes that maintaining confidentiality of information and deliberations is imperative.

## **BOARD COMMITTEES**

**Identification.** Committees may be established by the Board from time to time to facilitate and assist in the execution of the Board's responsibilities. Committees may be standing or ad hoc. The Company currently shall have at least the following standing committees: Audit, Nominating and Corporate Governance, and Compensation. Each committee shall have a written charter of responsibilities, duties and authorities, which shall periodically be reviewed by the committee.

**Committee Members.** The Nominating and Corporate Governance Committee, after consideration of the desires, experience and expertise of individual directors, shall recommend to the full Board the assignment of directors to committees. In selecting committee members, the Nominating and Corporate Governance Committee shall give consideration to the criteria for service on each committee as set forth in the charter for such committee, as well as to any other factors the Committee deems relevant. The Nominating and Corporate Governance Committee may, where appropriate, make recommendations regarding changes to the membership of any Committee and otherwise monitor Committee membership as provided in the charter of the Nominating and Corporate Governance Committee.

**Independence.** The Nominating and Corporate Governance, Audit and Compensation Committees shall be composed entirely of independent directors. If any director ceases to be independent under the standards set forth herein while serving on any committee whose members are required to be independent, he or she is required to promptly resign from such committee.

## **BOARD COMPENSATION AND SHARE OWNERSHIP**

**Compensation.** Directors who are employees of the Company do not receive any compensation for service as directors. The Company believes that compensation for non-employee directors should be competitive with that paid to directors of other corporations of similar size and profile and should encourage ownership of Company stock through the payment of a portion of director compensation in Company securities. The Compensation Committee is responsible for making recommendations for the full Board's review and approval with respect to director compensation programs and policies.

**Share Ownership.** The Compensation Committee will periodically assess the appropriateness of share ownership guidelines for directors and senior executives.

## **SELECTION OF NEW DIRECTORS**

**Nominations.** The Board is responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Nominating and Corporate Governance Committee is responsible for identifying individuals qualified to become Board members and recommending to the Board the director nominees who would be presented for approval at the annual meeting of stockholders.

**Orientation and Continuing Education.** The Company shall assist the Board by providing appropriate orientation programs for new directors, which shall be designed both to familiarize new directors with the full scope of the Company's businesses and key challenges and to assist new directors in developing and maintaining skills necessary or appropriate for the performance of their responsibilities. The Board and the Company's management shall similarly work together to develop and implement appropriate continuing education programs for the same purposes.

**Majority Vote Policy.** Article II, Section 6 of the By-Laws set forth the Company's majority vote standard for the election of directors. The vote required for election of a director by the stockholders shall, except in a contested election, be the affirmative vote of a majority of the votes cast in favor of or against the election of a director nominee at a meeting of stockholders. In a contested election, directors shall be elected by a plurality of the votes cast at a meeting of stockholders by the holders of shares entitled to vote in the election. An election shall be considered contested if as of the record date there are more nominees for election than positions on the board of directors to be filled by election at the meeting. In any non-contested election of directors, any director nominee who receives a greater number of votes cast against his or her election than in favor of his or her election shall immediately tender his or her resignation, and the board of directors will decide, through a process managed by the Nominating and Corporate Governance Committee and excluding the nominee in question, whether to accept the resignation. The Board's explanation of its decision shall be promptly disclosed on Form 8-K filed with the Securities and Exchange Commission.

## **SUCCESSION PLANNING**

The Board shall periodically review and approve a succession plan for the Chief Executive Officer.

## **ANNUAL EVALUATION**

The Board is expected to evaluate annually its corporate governance guidelines and whether the Board and its committees are functioning effectively.

## **MANAGEMENT RESPONSIBILITIES**

### ***Generally***

The Board has delegated to the Chief Executive Officer, working with the other senior executive officers of the Company and its affiliates, the authority and responsibility for the general and active management of the business and affairs of the Company, subject only to the control of the Board.

### ***Management Succession Planning***

The CEO will review with the Board management succession and development plans for executive officers. The Board may from time to time ask the Compensation Committee to undertake specific reviews concerning management succession planning.

### ***Financial Reporting and Legal Compliance***

The Board's governance and oversight functions do not relieve the primary responsibilities of the Company's management to maintain and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; devise and maintain an effective system of internal control over financial reporting; devise and maintain effective disclosure controls and procedures; prepare financial statements that are accurate and complete and fairly present the financial condition and results of operation and cash flows of the Company; and devise and maintain systems, procedures and corporate culture which promote compliance with legal and regulatory requirements and the ethical conduct of the Company's business.

### ***Corporate Communications***

Executive management has the primary responsibility to establish policies concerning the Company's communications with investors, the press, customers, suppliers and employees.

### ***Communication of Corporate Governance Guidelines***

As required by the listing standards of the NYSE, management will assure that the Company's website will include a copy of these Guidelines, copies of the charters of the Audit Committee, Compensation Committee and the Nominating and Corporate Governance Committee, and a copy of the Company's Code of Business Conduct. Management will also include in the Company's annual report to stockholders statements to the effect that this information is available on the Company's website and in print to any stockholder who requests it.