Sustainability Report

A Review of 2024 Corporate Sustainability

stem

Table of Contents

A Message from Our CEO

To our valued stakeholders,

At Stem, we're not just participating in the energy transition – we're reimagining it. By integrating intelligent energy solutions into one ground-breaking technology suite, we've positioned ourselves at the forefront of an industry transformation that defines our generation's greatest challenge and opportunity.

To say we are committed to sustainability and progressing the clean energy transition is an understatement – it is what powers our innovation and who we are at our very core. Together, we are navigating a tremendous challenge – transitioning our global energy systems in a way that is both sustainable and accessible. It is with that in mind that I am incredibly proud to share the progress we have made over the past year in advancing our sustainability efforts. At Stem, we recognize that our success is intertwined with the well-being of our planet, our communities, and our stakeholders.

For nearly two decades, we've been the trusted partner that customers across 55 countries rely on to unlock the full value of their clean energy portfolios. Our journey has evolved from hardware-focused solutions to becoming the industry standard for intelligent energy asset management through our integrated PowerTrackTM Suite and comprehensive professional and managed services – all delivered seamlessly under one roof.

This evolution reflects more than operational efficiency; it represents a fundamental shift toward greater environmental impact and business sustainability. We've achieved 100% renewable electricity consumption across our operations and transformed our emissions profile – proving that strategic business decisions can drive meaningful environmental progress while supporting growth.

Our mission, to reimagine technology to support the energy transition, is powered by the convergence of artificial and human intelligence. This unique combination allows us to harness raw data and transform it into actionable insights that drive real-world results. We're not just managing energy assets; we're unlocking energy intelligence that accelerates the global transition to sustainable power.

The achievements outlined in this report, from our enhanced waste management practices that diverted 67.7% of waste from landfills to our strengthened governance frameworks, demonstrate our commitment to creating long-term value while addressing climate change, social equity, and ethical business practices. Our progress in fostering inclusive workplaces, supporting community initiatives like the Colorado Agrivoltaics Learning Center, and maintaining the highest standards of data security and privacy reflects our understanding that true progress encompasses excellence across the board.

As we look ahead, we remain driven by our core values and guided by the knowledge that our success is intrinsically linked to the well-being of our planet, communities, and stakeholders. The trust you place in us, whether as employees, partners, investors, or community members, inspires us to continue pushing the boundaries of what's possible in building a more sustainable and equitable energy future.

Thank you for joining us on this transformative journey as we turn the complexity of energy transition into the clarity of actionable solutions, and the potential of clean energy into measurable performance that benefits us all.

Arun Narayanan
Chief Executive Officer
Stem

About Stem

About this Report

Stem's journey in 2024 reflects the maturation of both our software-centric business model and our approach to sustainability. As we present our second annual Sustainability Report, we're not just documenting progress – we're showcasing the evolution of a company that has transformed how clean energy assets are managed worldwide.

This report covers the period from January 1 through December 31, 2024, representing a year of significant strategic evolution. Building upon our inaugural 2023 Sustainability Report, this assessment demonstrates our enhanced data collection capabilities, refined materiality processes, and deepened alignment with leading frameworks including Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), and United Nations Sustainable Development Goals (UN SDGs) and highlights our progress across key environmental, social, and governance metrics.

This transformation is guided by our unwavering commitment to our mission and values, which serve as the foundation for every strategic decision.

To learn more about Stem, visit stem.com.
For questions about this report, contact investors@stem.com.

Our Corporate Culture

Our Values

These values guide our daily decisions and long-term strategy. They shape how we design our products, serve our customers, develop our people, and engage with our communities. By living these values authentically - out loud, with our full chest – we create an environment where they're not just aspirations, they're integral to who we are and how we operate.

Uncompromising Safety

We safeguard everything we do with integrity and accountability – people, data, operations, and our future

Sky's the Limit

We achieve unlimited potential through collaborating with curiosity, embracing diverse perspectives, and measuring people by their achievements

Future Builders

We invest in tomorrow by embracing entrepreneurial thinking, driving innovation, and fueling sustainable growth

Ruthlessly Resourceful

We maximize impact through smart spending, efficient time use, and discerning business focus

Masters of Our Craft

We deliver excellence through deep expertise, polished execution, and professional presence

Be Real, Do Good

We create meaningful change by showing up genuinely and doing what's right

Our Mission

At Stem, we're reimagining technology to drive the energy transition. Turning complexity into clarity, and potential into performance.

"As an engineer at heart, I'm energized by solving complex problems that democratize access to advanced energy management. The fact that our mission directly focuses on making sustainably derived energy a reality through intelligent software is what makes this work so meaningful. What truly excites me about working here is the opportunity to build collaborative teams that break down traditional barriers. I believe that when we encourage open collaboration across departments, we unlock innovative solutions that drive our mission forward. Every day, I'm grateful to work alongside colleagues who share this vision of transforming energy management through technology and teamwork."

- Ryan McCool
EVP of Technology

Our Solutions & Services

Our Software and Services

At Stem, our comprehensive edge-to-cloud solutions represent more than technological innovation – they embody our commitment to maximizing the economic, environmental, and resiliency value of energy assets worldwide. Through our leading AI-enhanced platforms, we're not just managing energy; we're orchestrating the clean energy transition at an unprecedented scale.

Our solutions seamlessly integrate hardware, software, and intelligent controls with industry-leading professional and managed services to enhance visibility and optimization across renewable energy portfolios. We serve diverse customers including Fortune 500 corporations, project developers, utilities, and independent power producers in 55 countries. Through our collaborative work with partners and stakeholders, we've deployed and managed 30 GW[1] solar worldwide, making significant strides toward accelerating the clean energy transition. Contracted worldwide, making significant strides toward accelerating the clean energy transition.

PowerTrack™ Suite

Our PowerTrack™ Suite exemplifies how technological excellence drives sustainability outcomes. By reducing operating expenses while improving energy production, we're proving the synergistic relationship between environmental responsibility and economic performance. Stem products are assembled and pre-configured in Colorado, USA.

PowerTrack™ Software

PowerTrack™ empowers all energy stakeholders from asset owners, EPCs, Performance Engineers and Field Service Technicians to access real-time, portfolio-wide oversight of their solar, hybrid and energy storage assets, serving as a critical tool for organizations pursuing ambitious sustainability goals. By minimizing downtime through proactive alerting, issue identification, and automation, the platform reduces operating expenses while improving total energy production, ensuring renewable assets consistently deliver on their promise of clean power generation. The software's customizable dashboards and automated reporting capabilities facilitate transparent tracking of progress toward zero-emission targets and regulatory compliance, while device-, site-, and portfolio-level analytics provide actionable intelligence driving improved asset profitability. Through optimization of renewable energy production and reduction of operational inefficiencies, PowerTrack™ helps organizations maximize the environmental benefits of each renewable installation, effectively displacing more fossil-fuel based electricity generation while reducing resource consumption and waste.

[1] 30 GW is as of end of Fiscal Year 2024. Please see our most recent form 10-Q for the latest assets under management (AUM) figures.

Edge Devices

PowerTrack™ Energy Management System (EMS)

PowerTrack™ EMS represents an advancement in utility-scale renewable energy management, addressing the complex global challenge of integrating distributed energy resources while maintaining grid stability and maximizing environmental impact. By reducing engineering hours 32% and maintaining 99.99% controller uptime, the platform minimizes the carbon footprint associated with project development while ensuring renewable assets consistently displace fossil fuel generation. The system's advanced control capabilities (including frequency management and voltage support) enable higher renewable energy utilization rates, reduce curtailment, and provide clean energy during peak demand periods when grid emissions are typically highest. Through unified edge-to-cloud architectures supporting solar, storage, and hybrid configurations, PowerTrack™ EMS empowers utilities, developers and EPCs to accelerate deployment, stack multiple revenue streams, and scale from individual sites to entire portfolios, with the end goal of advancing global decarbonization efforts and facilitating a transition to a sustainable clean energy future.

PowerTrack™ SCADA

PowerTrack™ SCADA delivers mission-critical monitoring and control for utility-scale renewable energy operations, ensuring the reliable operation of clean energy infrastructure that is essential for meeting global climate goals. With sub-second data acquisition, hot standby redundancy, and automatic failover capabilities, the system maintains the operational excellence required for renewable energy assets to maximize their environmental benefits and consistently displace fossil fuel generation. PowerTrack™ SCADA's real-time monitoring and advanced alarm processing enables operators to rapidly identify and resolve performance issues, minimizing downtime and ensuring optimal energy production from renewable resources. By providing reliability and the precision control necessary for utility-scale clean energy operations, PowerTrack™ SCADA plays a vital role in maintaining grid stability as renewable penetration increases, supporting the broader transition to sustainable energy systems while meeting stringent regulatory requirements and grid codes.

PowerTrack™ Power Plant Controller (PPC)

PowerTrack™ Power Plant Controller (PPC) serves as the intelligent brain of renewable energy assets, implementing advanced control algorithms that enable clean energy resources to provide essential grid services while maximizing both environmental and economic value. Through its dozen specialized control modes, the platform enables renewable energy asset owners to earn revenue from multiple grid services simultaneously and support grid services. The controller's sub-cycle execution and simultaneous closed-loop control across all modes ensure compliance with complex global interconnection standards, unlocking renewable assets as consistent grid resources. By enabling renewable energy to provide the same critical grid services traditionally supplied by only fossil fuel plants, PowerTrackTM PPC accelerates the displacement of carbon-intensive generation while creating new revenue opportunities that improve project economics and drive further clean energy development.

PowerTrack™ Logger

PowerTrack™ Logger represents the critical onsite intelligence that ensures no clean energy production is lost, and every kilowatt-hour of renewable generation is accurately measured and optimized. This next-generation data gateway, with its harsh environment protection and five-year warranty, provides the reliability essential for maintaining consistent renewable energy operations across diverse geographical locations and weather conditions. The device's real-time data transmission, local storage capabilities, and remote-control features minimize site visits and truck rolls, reducing the carbon footprint of O&M activities while ensuring maximum system uptime. By serving as the foundational data collection point for the entire PowerTrack™ ecosystem, PowerTrack™ Logger enables the advanced analytics and optimization that helps renewable energy assets achieve their full potential in displacing fossil fuel generation and supporting the global transition to clean energy.

Services

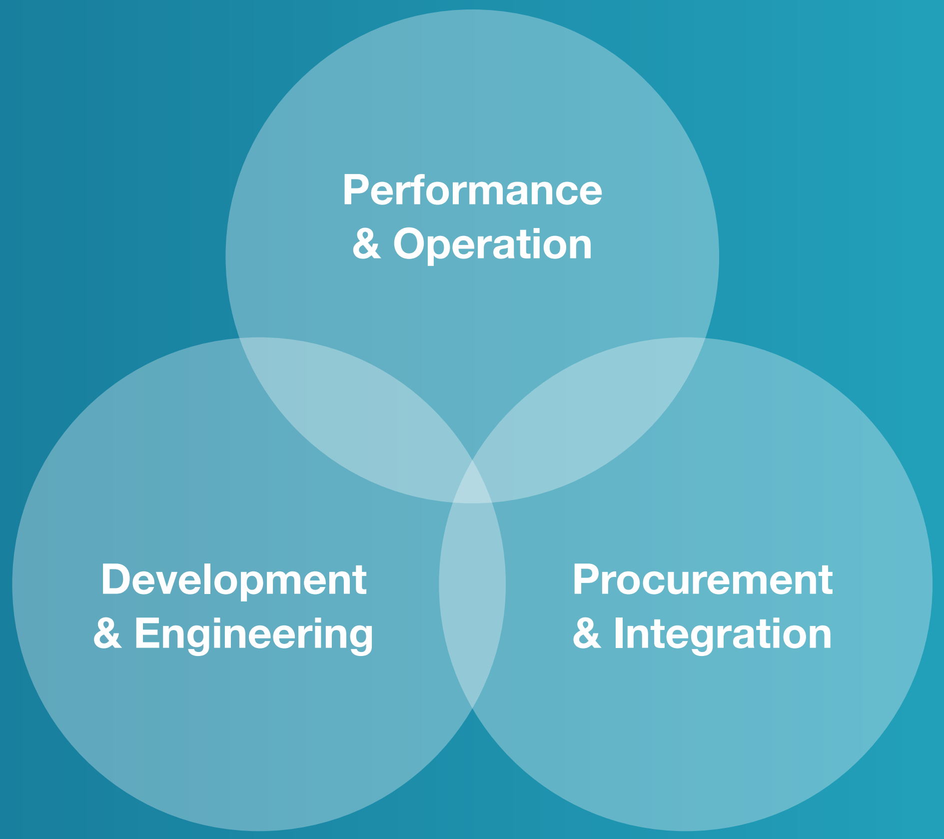
Managed Services

55 Systems that went live in 2024
(which we manage)

616.5 MWh
Total

Professional Services

3 Service lines were launched in 2024



"Stem believes sustainable innovation is not just a goal – it's a mandate. Our IT and business systems strategies are increasingly aligned with environmental stewardship, operational efficiency, and ethical data practices. From cloud optimization and reducing our digital carbon footprint to securing systems that support sustainability transparency, we're committed to building infrastructure that enables both performance and purpose. Sustainability is embedded in the way Stem operates, designs, and scale our technology ecosystem."

- Hoyt Atwood
Manager, IT Systems

Our Impact

When you manage 30 GW of solar and 1.8 GWh of storage[1] worth of energy assets, every optimization matters – not just to bottom lines, but to the planet's future. In 2024, Stem's global infrastructure became a living example of how technology can scale environmental impact beyond what any single company could achieve alone. Imagine a network spanning 55 countries where artificial intelligence continuously optimizes clean energy performance 24/7. That's the reality we've built:

Global Reach, Local Impact

With 1.8 GWh of storage assets under management across 800+ sites and 30 GW of solar assets across 200,000+ locations, we're orchestrating clean energy at a scale that was unimaginable just years ago. This infrastructure spans 55 countries, demonstrating that clean energy transition is truly a global movement.

Human Capital Driving Change

Behind these impressive numbers are 400+ passionate employees working from our strategically located offices spanning from Colorado to Texas to Tokyo and Delhi to Berlin. This geographic diversity isn't coincidental – it reflects our commitment to being where the clean energy revolution is happening – hiring the best minds and supporting local markets while thinking globally.

The Story Behind the Numbers

Each gigawatt managed, each site optimized, and each country served represents real progress toward a sustainable future. Consider this: when our AI prevents just one hour of downtime across our managed portfolio, we're ensuring that millions of kilowatt-hours of clean energy reach the grid instead of being lost energy that would otherwise be replaced by fossil fuel generation. These aren't just operational metrics – they're milestones in humanity's most important transition.

[1]These values represent Stem's AUM as of end of Fiscal Year 2024. Please see our most recent form 10-Q for the latest AUM figures.

Arizona G&T

"With Stem's proven solar and storage solutions and expertise, we can ensure economies of scale on larger projects so our member co-ops can benefit from the flexibility and reliability of new clean energy resources that will substantially reduce costs and provide more reliable clean energy for the communities we serve."

- Patrick Ledger
AEPCO Executive Vice President and CEO
June 2024

Sulphur Springs Valley Electric Cooperative, Inc.
A Touchstone Energy® Cooperative
OWNED BY THOSE WE SERVE

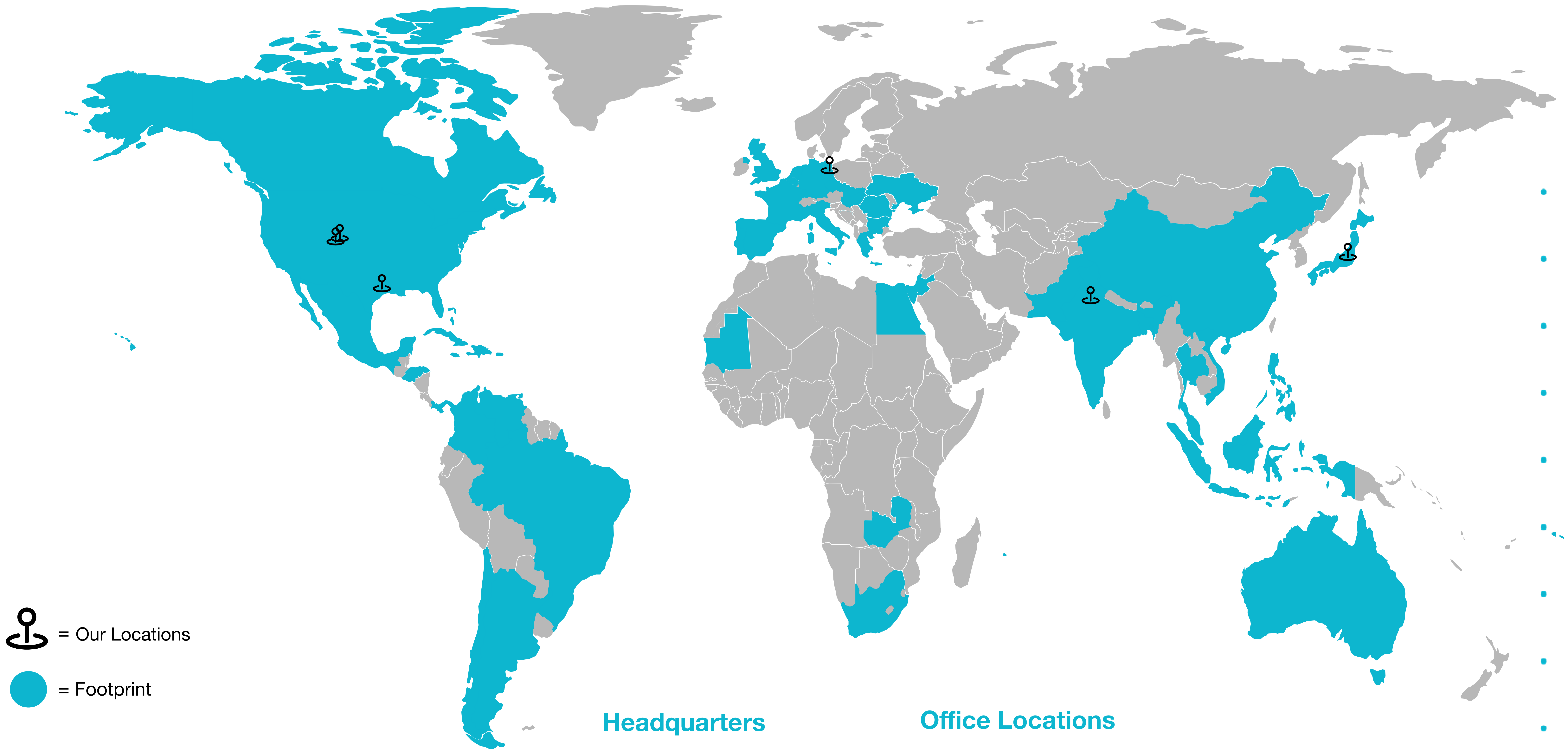
"As the largest co-op in Arizona, SSVEC has worked diligently to diversify our energy portfolio from having over 80% coal-generated energy in 2016 to just 25% in 2023 with an estimated 18% generated from renewable sources. These efforts help ensure greater energy independence, reliability, and price stability for SSVEC members, with an overriding benefit of a cleaner environment. Working with Stem to ensure the successful deployment and optimization of our renewable energy assets [has helped] SSVEC continue to honor our commitments of delivering affordable, reliable energy to our 53,000 members."

- Jason Bowling
Chief Executive Officer of SSVEC
June 2024

Prometheus

"We are confident that [working with Stem on deploying future projects] can set a new standard for co-ops implementing utility-scale renewable energy assets, driving forward the adoption of sustainable practices in the energy sector."

- Rohit Garg,
Prometheus Manager
June 2024



Headquarters

Houston, TX

Office Locations

Broomfield, CO
Longmont, CO
Tokyo, Japan
New Delhi, India
Berlin, Germany

Our Approach

From Foundation to Evolution: Materiality Assessment

In 2024, Stem enhanced our materiality assessment process to reflect our growing global presence, expanded stakeholder base, and deepening understanding of climate risks and opportunities. Building on our 2023 foundation, we conducted a comprehensive review that incorporated stakeholder feedback, industry developments, regulatory changes, and emerging sustainability trends affecting the clean energy technology sector.

Our materiality assessment serves as the cornerstone of our sustainability strategy, ensuring we focus resources and attention on the issues that matter most to our business success and stakeholder value creation.

Looking Forward with Purpose: 2025 Materiality Evolution

This year's assessment reflects our commitment to continuous improvement and responsiveness to evolving expectations.

Below are several factors that we anticipate may influence our ongoing materiality assessment:

Regulatory Developments
Implementation of California's climate disclosure rules and EU CSRD requirements.

Technology Advancement
Evolution of AI applications in clean energy and associated risks and opportunities

Market Expansion
Entry into new geographic markets with different stakeholder priorities

Industry Maturation
Changing expectations as the clean energy industry matures

Stakeholder Evolution
Growing sophistication of investor and customer sustainability expectations

We remain committed to maintaining a dynamic, responsive materiality assessment that enables us to focus on the issues that matter most to our business success and stakeholder value creation.

UN Sustainability Development Goals (SDG) Alignment

As a leader in the solar and storage industry, Stem has been actively engaged in aligning our operational activities with the UN SDGs. We assessed the UN's 17 SDGs and selected goals that are material to our business model and efforts to help with global decarbonization efforts.

SDG 3: Good Health and Well-being

At Stem, we are deeply committed to fostering the physical, mental, and emotional well-being of our employees, recognizing that a healthy workforce is the foundation of a thriving organization. In 2024, we advanced our efforts to support employee wellness and work/life balance through targeted initiatives and enhanced benefits.

We started the year with the Your Wellness, Your Way! campaign, which received enthusiastic participation from employees across the organization. The overwhelming engagement inspired us to expand our wellness programming, with a series of campaigns planned throughout the year to promote holistic health and well-being. These initiatives reflect our dedication to creating a supportive environment where employees can prioritize their health.

To enhance flexibility for work/life balance, in 2024, Stem expanded our U.S. parental leave policy to Canadian employees and our flex PTO policy to European employees to better align with market competitors. We have also enabled a medical insurance plan for business travel coverage and expanded access to benefits internationally through Workday. We continue to look for ways to improve work/life balance for our employes and are committed to continued health and wellness initiatives based on our employee feedback.

By fostering a culture of care and flexibility, we aim to empower our employees to thrive both personally and professionally.

SDG 4: Quality Education

Stem has invested in Udemy Business, an online education hub that allows curated learnings and certifications to be built around our company's strategic goals as well as our teams' professional and personal development. Our employees have access to 22,000 Udemy courses integrated into Workday. In addition, we broadened our course offerings within Stem University, our internal training platform hosted on Workday designed to educate employees on industry and product development.

SDG 5: Gender Equality

Stem is steadfast in its commitment to advancing equality by fostering an inclusive workplace where equal pay for equal work is a cornerstone principle. We prioritize hiring the best talent for open roles, ensuring decisions are free from discrimination based on gender, age, or any personal characteristics. To minimize bias in recruitment, we employ value-based behavioral questions in our application and interview processes, promoting a fair and diverse talent pipeline.

Additionally, in 2024, we equipped managers and senior leaders with access to Workday's People Analytics tool, providing visibility into gender representation across teams. This initiative supports targeted efforts to enhance career advancement opportunities for all employees, fostering meaningful discussions to maximize their professional growth and drive equitable outcomes.

SDG 7: Affordable and Clean Energy

Affordable and clean energy is critical for developing a sustainable future. Stem creates a more resilient, stable, and clean energy grid, with many projects contributing to regional affordable clean energy goals. Specifically, our PowerTrack™ Suite optimizes solar and storage projects, making energy cleaner, more reliable, and more affordable. Stem's Professional and Managed Services for the management and optimization of solar and storage assets, including performance analytics and diagnostics, leverage the expertise of our energy experts to enhance the efficiency and success of our customers' projects.

SDG 8: Decent Work

Stem is committed to providing a living wage for all our global employees. We continually assess compensation packages against market competitors and adjust to industry benchmarks to provide economic growth worldwide. We continuously adjust our equity awards based on market alignment. In India, we introduced annual incentive bonus opportunities to our employees, so they participate on the same footing as our US employees. Stem has also restructured our job architecture to create meaningful, sustainable roles worldwide.

SDG 9: Industry, Innovation and Infrastructure

Stem is building a more resilient grid infrastructure. We promote inclusive and sustainable industrialization and foster technology innovation. As a leader in the clean energy market, Stem designs, develops, integrates, operates, and optimizes solar and storage projects utilizing AI-powered software capabilities. Examples include PowerTrack™ Logger, PPC, and Software solutions, enabling our users to match consumption with clean energy generation.

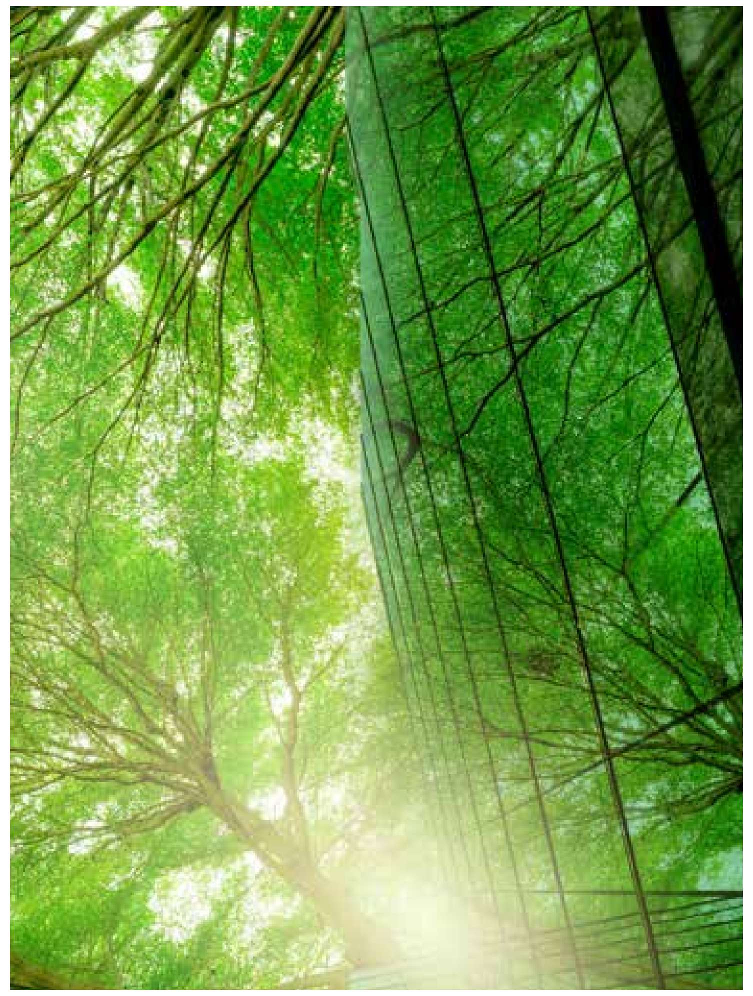
SDG 12: Responsible Consumption and Production

Stem actively improves efficiency in our use of materials and reduces waste throughout our operations, including the following initiatives, to:

- Develop a standardized measurement of and processes to improve the environmental impact of our offerings, including engagement with our supply chain and original equipment manufacturing partners
- Divert waste from landfills and implement solutions to increase reuse and recycling programs
- Recycle and refurbish equipment, particularly electronic equipment used by our customers

SDG 13: Climate Action

With a goal to deliver a more sustainable future for our society, industry, and planet, Stem is a crucial participant in global climate action efforts. Our technology, software, and services aim to progress the clean energy transition and create a more resilient and stable electric grid. By developing, managing, and expanding clean energy solutions, Stem assists grid system operators in their efforts to reduce fossil generation impact with distributed energy resources.



Environmental

2024 Stem Sustainability Strategy and Vision

Accelerating Environmental Impact Through Strategic Business Evolution

Stem's environmental strategy is fundamentally aligned with our business transformation and mission to maximize the environmental value of energy assets through AI-driven optimization. In 2024, we achieved a significant milestone in our strategic evolution—transitioning from a hardware-centric business model to a software-first approach. This transformation has not only enhanced our ability to scale clean energy solutions globally but has also dramatically reduced our direct environmental footprint while amplifying our positive climate impact.

Our environmental strategy recognizes that the greatest environmental benefit we can deliver comes through enabling the clean energy transition at scale, rather than through traditional manufacturing operations. By focusing on our AI-powered software platform, and comprehensive energy services, we are creating exponentially greater environmental value while operating with a fundamentally lower emissions intensity business model.

Reducing Emissions and Making Positive Climate Impacts

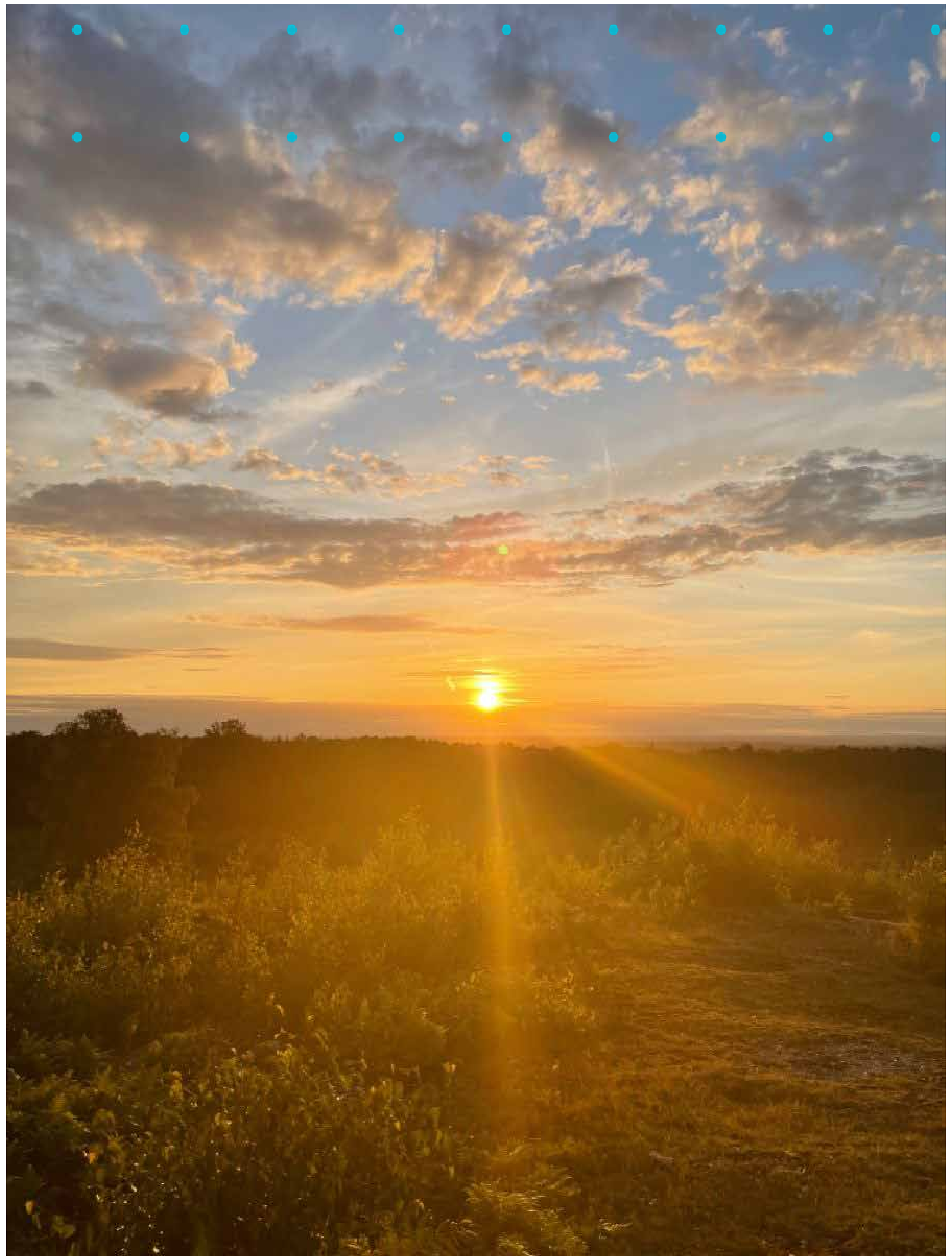
Stem's 2024 climate performance represents a watershed moment in our sustainability journey, demonstrating how strategic operational decisions can drive meaningful emissions reductions while supporting business growth. Through our transition to a more efficient office footprint and achievement of 100% renewable electricity consumption, we have fundamentally transformed our carbon profile while maintaining our commitment to accelerating the global clean energy transition.

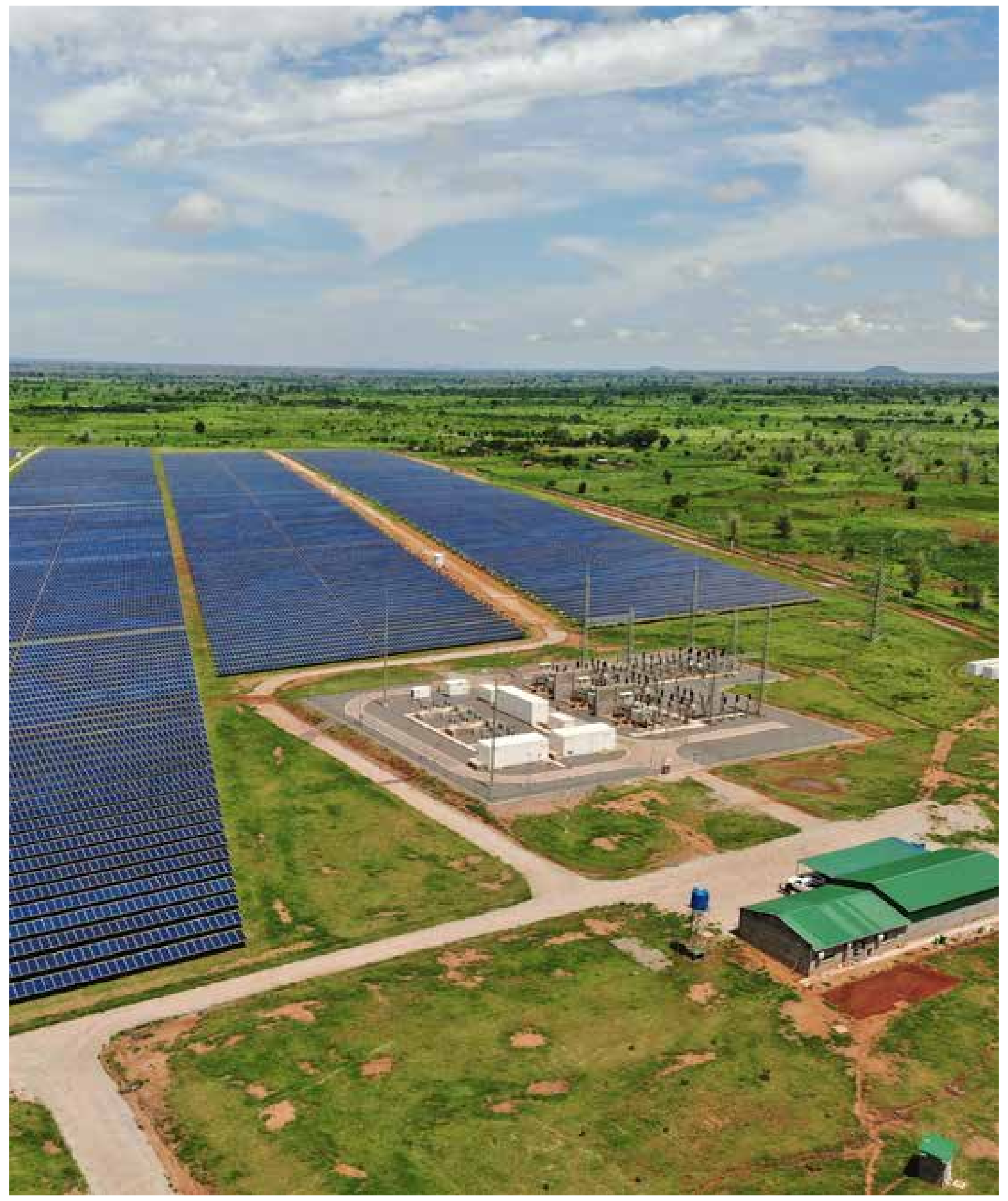
Our emissions reduction strategy focuses on three core principles: operational efficiency, renewable energy adoption, and smart office design. These principles have enabled us to achieve reductions in our direct emissions while enhancing employee experience and operational flexibility.

Building upon our 2023 progress, we have strengthened our commitment to evaluating and continually improving our operational carbon footprint while expanding our positive climate impact through our core business activities. Our comprehensive strategy encompasses proactive engagement with customers, suppliers, partners, and employees to quantify, improve, and communicate progress toward our shared environmental priorities.

We enhanced Scope 3[1] Assessment – the review of our indirect emissions associated with upstream and downstream activities – in 2024 by expanding our carbon accounting partnership with Green Project to conduct a more comprehensive assessment of Scope 3 emissions categories previously unaddressed, providing greater visibility into our full value chain carbon footprint.

[1] Scope 3 is defined as indirect emissions associated with our corporate value chain and includes upstream and downstream activities, such as purchased goods and services, capital goods, business travel, employee commuting and several other categories. Please see the full list of categories below for our emissions disclosures.





Greenhouse Gas (GHG) Emissions

As part of our operational efficiency improvements and our low-carbon transition planning, we contin-ued consolidating and optimizing our global facilities, resulting in measurable reductions in our opera-tional carbon footprint compared to our 2023 baseline as shown below in our TCFD framework aligned responses.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TCFD disclosures are organized in four core elements: Governance, Strategy, Risk Management, and Metrics & Targets. The following responses represent our enhanced approach to climate risk management and disclosure, building upon our inaugural TCFD assessment in 2023.

The following responses to the TCFD recommendations do not represent an exhaustive list of all climate-related issues and risks impacting our business. We refer you to the risk factors set forth in our most recent Form 10-K and Form 10-Q filings.

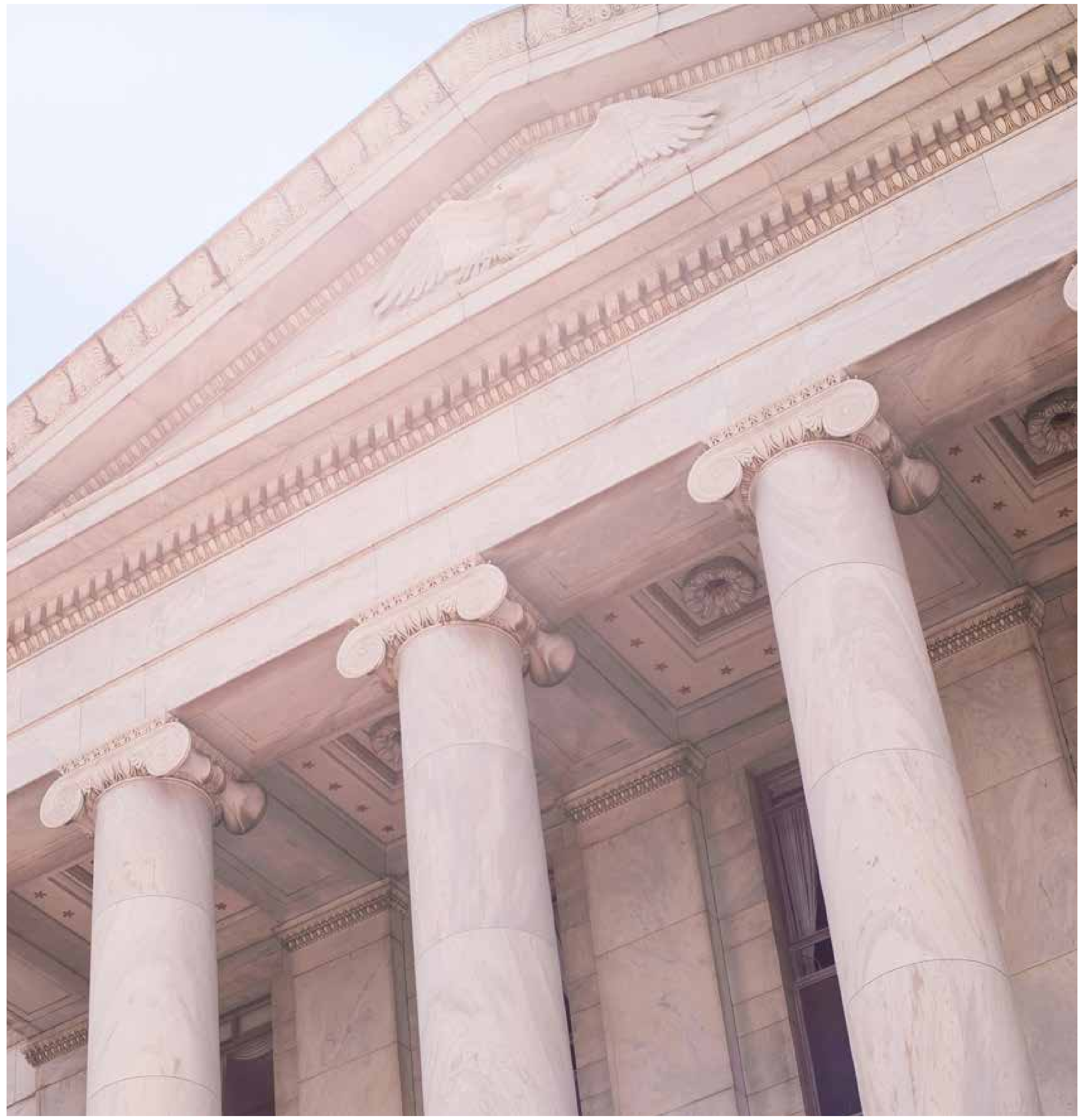
I. Governance

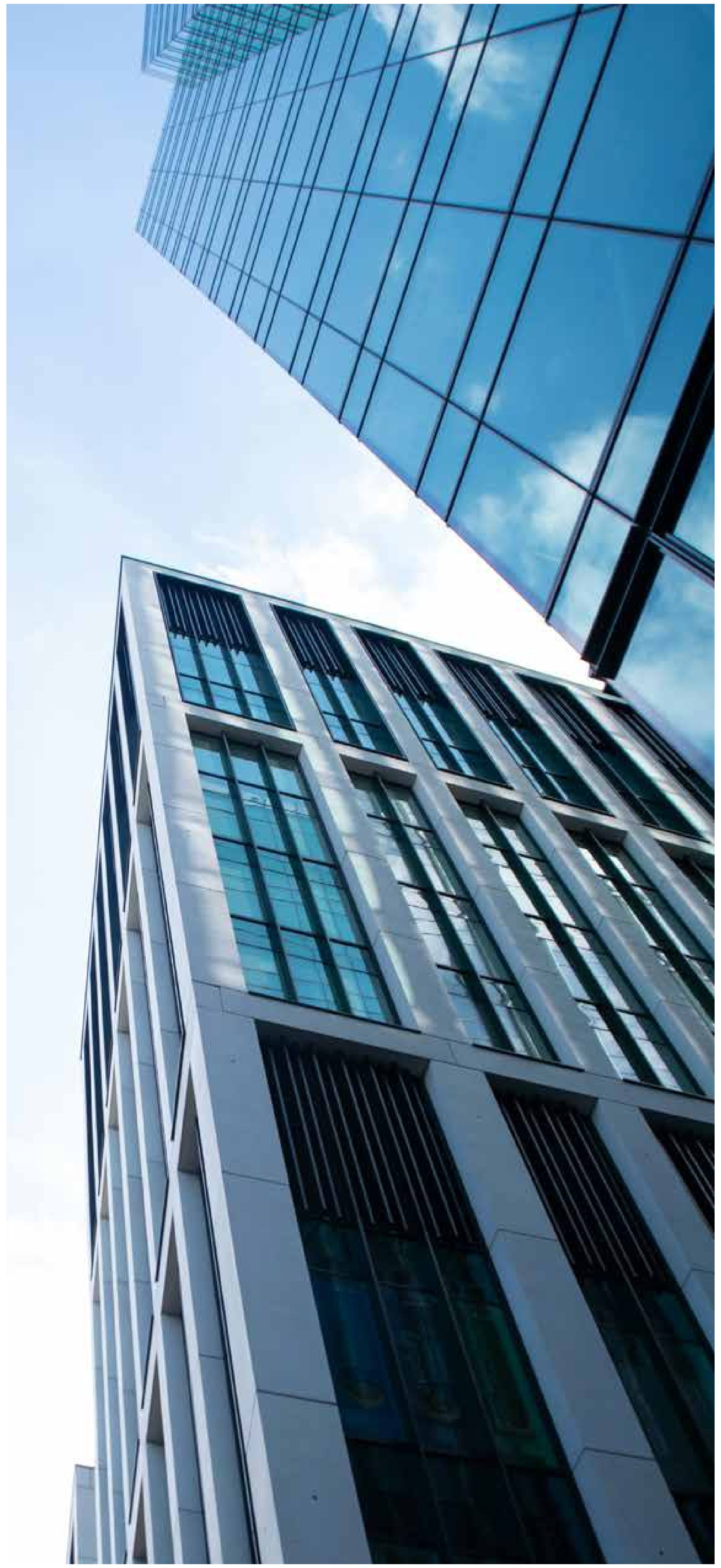
A: Board Oversight of Climate-Related Risks and Opportunities.

Our Board of Directors maintains ultimate responsibility for overseeing climate-related risks and opportunities as part of our comprehensive enterprise risk management framework. Our Board's Nominating, Governance, and Sustainability (NGS) Committee has primary responsibility for oversight and guidance on sustainability initiatives, including climate and other risk-related matters, and regularly reports to the full Board on these matters.

B: Executive Leadership's Role in Climate Risk Assessment and Management

Our climate risk management is embedded throughout our organizational structure, and our Executive Leadership Team, which includes our CEO, Chief Legal Officer (CLO), Chief Financial Officer (CFO), jointly oversees our integrated climate risk matrix, with quarterly Board presentations highlighting climate-specific risks and mitigation strategies.





II. Strategy

A: Climate-Related Risks and Opportunities (Short-, Medium-, and Long- Term)

In We believe short-term:

- Opportunities include accelerating demand for energy storage and solar solutions driven by renewable energy deployment targets and grid modernization investments.
- Risks include supply chain disruptions from extreme weather events affecting battery and component availability.

We believe medium-term:

- Opportunities include expansion into emerging markets as the key provider of services for our customers as they transition away from carbon intensive consumption to renewables.
- Risks include increased physical risks to customer installations from severe weather; potential stranded assets if technology shifts occur faster than anticipated.

We believe long-term:

- Opportunities include positioning ourselves as an essential infrastructure provider in fully decarbonized energy system, as well as weighing the potential for significant market expansion as storage and solar become grid-critical.
- Risks include fundamental changes to the energy market structure and potential reduction in value proposition if breakthrough technologies emerge.

B: Impact on Business, Strategy, and Financial Planning

Stem's growth is directly tied to the continued adoption of storage and solar assets by our customers. The market for clean energy is dynamic with uncertain factors that may impact growth. Continued market growth is also subject to a number of risks: if renewable energy proves unsuitable for widespread commercial adoption or if demand for our storage and solar hardware, software, and services fails to develop as currently anticipated, then our revenue, margins, market share, and ability to achieve and/or sustain profitability may be adversely affected.

C: Strategic Resilience Under Different Climate Scenarios

We believe that a scenario in which there is a globally coordinated effort to reduce the effects of climate change would benefit us, due to accelerating deployments of storage and solar assets. In that scenario, we expect increased demand for our existing hardware, software, and services and could deploy new solutions, all of which would improve our revenues and profitability. However, that increased demand could also lead to increased competition, which creates the potential for increased pressure on our pricing and profitability. Higher demand for solar and storage hardware could also increase prices of those goods or decrease their availability, which could negatively impact our financial position. Accelerated deployments of solar and storage assets could also extend interconnection queues and permitting timelines as more projects seek approvals, which could negatively impact our ability to realize revenue.

In a scenario in which there is less effort to reduce the effects of climate change, slower deployments of solar and storage assets could negatively impact demand for our solutions and services and thus our financial position.

III. Risk Management

A: Processes for Identifying and Assessing Climate-Related Risks

Our Executive Leadership Team has developed a global risk matrix to identify and evaluate business risks including climate-related risks, as well as plans for their mitigation. To support our evaluation of climate-related risks, we use a third-party partner to support us in developing and executing our qualitative climate risk assessment and TCFD alignment effort. We conduct ongoing analysis and discussion of potential future impacts of climate change on our business.

B: Processes for Managing Climate-Related Risks

Our Board is responsible for overseeing the assessment of major risks facing the Company, determining the extent to which such risks are appropriate and, to the extent the Board deems it appropriate, evaluating options for their mitigation. Our Board's Nominating, Governance and Sustainability (NGS) Committee has primary responsibility for oversight and guidance for environmental, social and governance initiatives, including certain climate-related matters, and regularly reports to the full Board on these matters.

C: Integration into Overall Risk Management

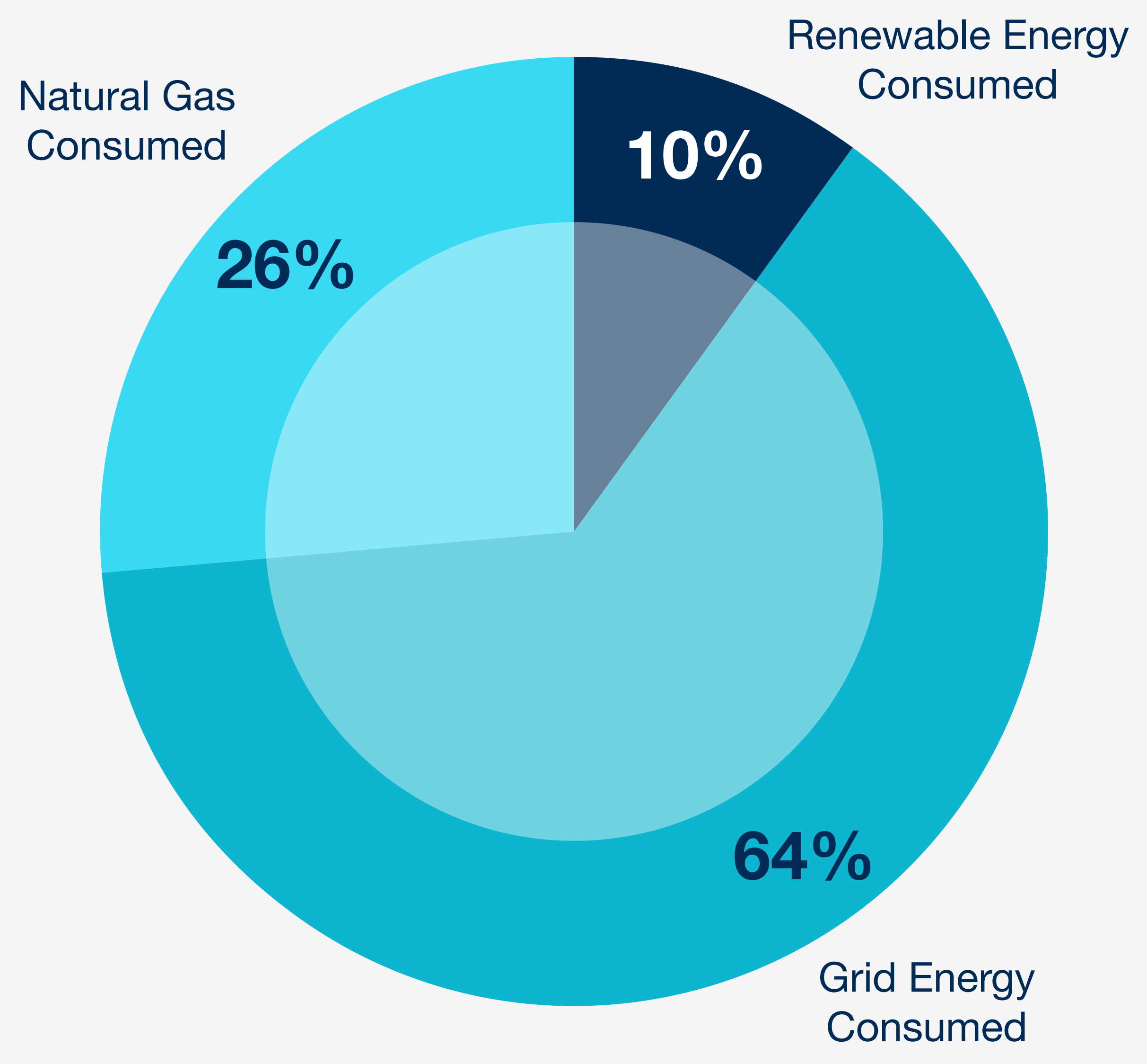
We have not yet integrated climate-related risk management into Stem's overall Risk Management Program, though we plan to do so in the future.

IV. Metrics and Targets

A: Climate-Related Risk and Opportunity Metrics

We currently track certain energy consumption, carbon emissions, water, and waste metrics. Additional details on these initiatives are provided in the next section.

Energy Usage (FY24)



B: Greenhouse Gas Emissions (Scope 1, 2, and 3)

Scope 1 (MTCO2e)

- **18** Stationary Combustion

Scope 2 (MTCO2e)

- **222** Purchased Electricity **Location-based**
- **195** Purchased Electricity **Market-based**

Scope 3 Upstream Emissions (MTCO2e)

- **23,412** Purchased Goods and Services
- **31** Waste Generated in Operations
- **195** Capital Goods
- **430** Business Travel
- **121** Upstream Transportation & Distribution
- **557** Employee Commuting
- **103** Upstream Leased Assets
- **73** Fuel & Energy Related Activities

Scope 3 Total: 24,922

Total GHG Emissions
Location-based: 25,162
Market-based: 25,138

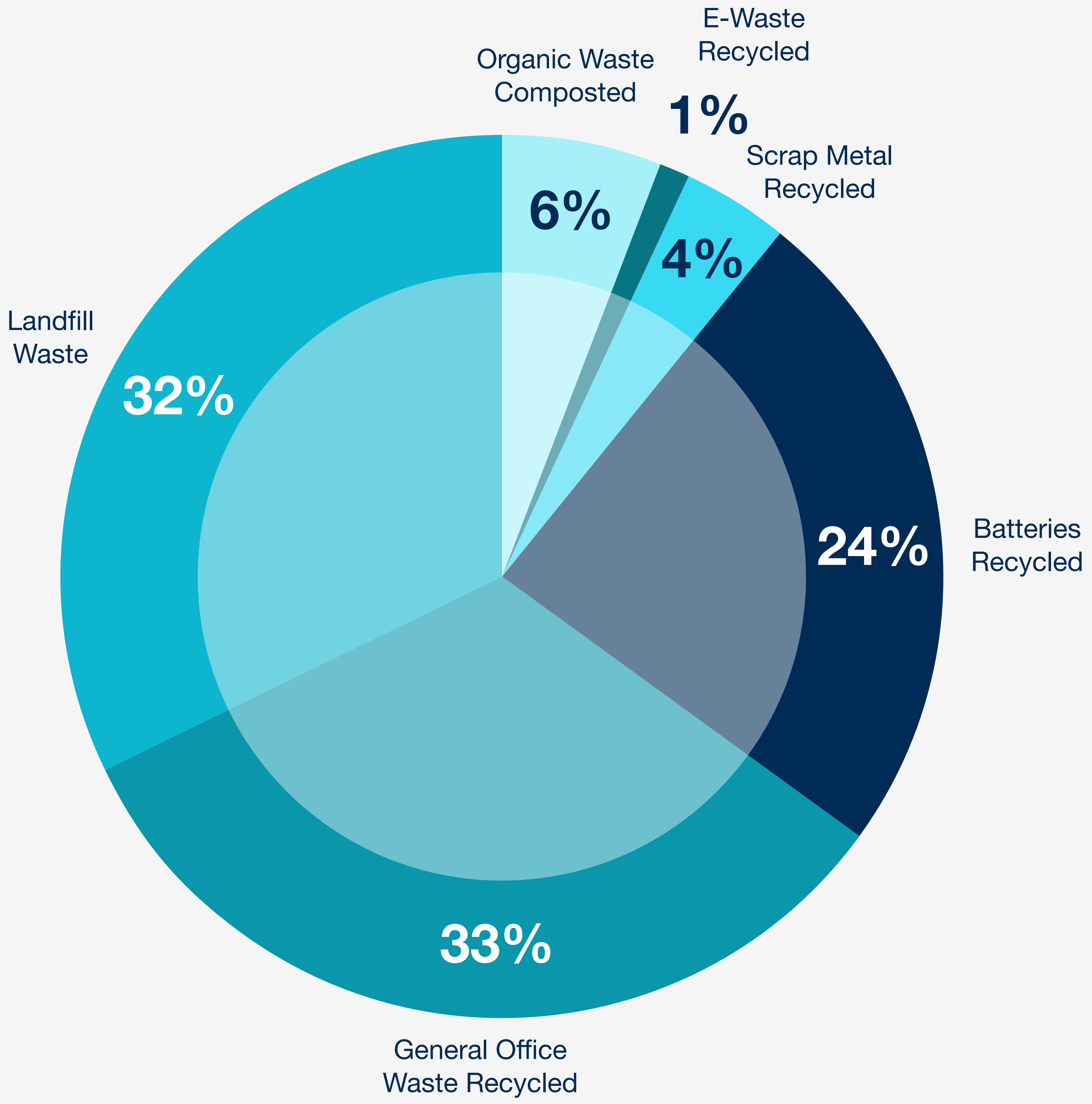
C: Climate Targets and Performance

We have not yet established any climate-related targets, though we may develop such targets in the future.

Waste Management

At Stem, we recognize that responsible waste management is integral to our environmental stewardship and operational excellence. As we continue to scale our clean energy solutions globally, we remain committed to minimizing our environmental footprint through comprehensive waste reduction, reuse, and recycling initiatives across all operations.

Building upon our 2023 achievement of diverting 67% of waste from landfills, we continued to enhance our waste management practices throughout 2024. Our multi-faceted approach encompasses both our direct operations and our broader value chain, reflecting our commitment to circular economy principles. For fiscal year 2024 Stem has captured and redirected the following waste streams:



Social

Our People and Culture

Building the Team that's Building the future

At Stem, every role – from software engineers to finance analysts – plays a vital part in accelerating global decarbonization. Our 400+ employees don't just work in clean energy; they start each day knowing their code, analyses, and decisions directly reduce reliance on fossil fuels worldwide.

As part of our dynamic, inclusive, and innovative team, you'll thrive in a fast-paced environment, driving AI-powered clean energy solutions. United by a shared passion for our mission, our employees are challenged, trusted, and empowered to make a meaningful impact as One Stem.

People and Culture

Stem's mission is embodied by diverse professionals collaborating to fulfill our mission together in innovative ways. Currently, Stem employs 400+ people based in the United States, Canada, Germany, India, Japan, and more. We hire, develop, and challenge individuals who are passionate, eager to make an impact, and enjoy operating in a cutting-edge environment. Our team members come from many disciplines and backgrounds which has led to a highly diverse employee population.

Stem fosters a unique global company culture that allows employees to be their best selves.

Employee Recognition

In 2024, Stem proudly launched a comprehensive employee recognition framework designed to genuinely appreciate our team's invaluable contributions. The Stem Leadership Award was created to honor outstanding leadership, while the monthly Kudos program inspires real-time peer recognition for everyday successes. The Stem Gems initiative encouraged the open celebration of daily accomplishments across the organization. Furthermore, we invested in our team's growth with benefits like sponsored Udemy courses for professional development and provided Restricted Stock Units (RSUs) to nurture long-term commitment, ensuring that each employee's success is directly tied to our company's growth. Together, these initiatives foster a culture of appreciation and motivation, driving us all towards excellence.

"There's something special about being recognized by the people we work alongside every day. Through our Kudos program, employees give each other a simple shout-out for great work—and at the end of the month, those kudos land in their inbox as a tangible reminder that their contributions matter. Running the Kudos program gives me visibility into the passion that drives our employees to go above and beyond while helping teammates or perfecting the job they do. That peer-to-peer appreciation not only builds inclusion and belonging, but it's also what creates the kind of culture I love at Stem."

- Cassie Bare
HR Coordinator

Earth Month Photo and Poster Contest

As part of our commitment to environmental awareness, Stem hosted an Earth Month Photo & Poster Contest, inviting employees to showcase their creativity and share what motivates them to protect our planet. Employees across the organization submitted stunning photographs and impactful poster designs that highlighted themes of sustainability and environmental protection.

This initiative encouraged employees to engage with our mission to reimagine technology to support the energy transition and sparked conversation about the importance of clean energy and responsible environmental practices.

The winning submissions were featured across our employee Slack channels and the winner received a special prize. This initiative drove engagement across the organization, connecting our global workforce behind a united cause, and reaffirmed our commitment to a more sustainable future.

"Our people are the foundation of everything we build. Creating a sustainable company means investing in the humans behind the technology, helping to create a culture where talent can grow, innovation can flourish, and careers can thrive alongside our mission to transform the energy landscape."

- Taylor Beeninga
VP, People & Culture

Employee Driven Slack Channels

At Stem, our employees actively shape our culture through vibrant, employee-driven Slack channels that foster connection, engagement, and knowledge sharing. These channels cover a wide range of topics, from industry insights to spaces for recognizing co-workers' contributions, as well as shared interests like pets and hobbies. Stem is a geographically diverse organization and employee slack channels allow employees to connect virtually through daily collaboration, shared interests, and shared success.

Employee Lunches and Summer BBQ

Stem made meaningful investments in our people and culture by offering several rewarding initiatives to strengthen our community. Every Friday, we treat employees to lunch, fostering connection and engagement across the teams. We also hosted a summer BBQ in Colorado for local team members, creating a fun and relaxed environment for team bonding across multiple offices.

Toy Drive

In the spirit of giving, Stem's Broomfield office organized a holiday toy drive in support of A Precious Child, a non-profit dedicated to providing essential resources to children in need. Through the generosity of our employees, we were able to donate more toys than we ever had before, ensuring that children in our community experienced the joy of the holiday season.

Stem runs a holiday donation initiative every year because we are committed to making a positive social impact beyond our daily work. By coming together to invest in our community, we reinforce Stem's culture of inclusion, connection, and belonging.

Inclusion and Belonging

Employee Appreciation

Stem celebrates Employee Appreciation Day each year because we know that recognizing and valuing our employees is essential to building a positive and engaged workforce. On this day, we encourage leaders across the organization to take the time to personally thank their team members for the work they do and the impact they have. In 2024, we also launched a new employee Slack Channel #Stem-gems as an outlet for employees to recognize one another and celebrate their success. Stem believes that when employees feel seen and valued, they are more motivated, productive, and committed to the company's success. Ultimately, showing appreciation in even small but meaningful ways is an investment in employee well-being and can contribute to a workplace where people feel inspired to do their best work.

Mentor Program

At Stem, we believe that mentorship is a powerful tool for professional development and fostering a strong, connected workplace. Stem's Mentor Program pairs employees across departments, creating opportunities for learning, career growth, and knowledge sharing. Over the past year, the program has successfully connected 19 mentor and mentee matches, strengthening leadership skills, cross-functional collaboration, and personal development. Participants have reported increased confidence, expanded professional networks, and valuable insights that support their career progression. By investing in mentorship, Stem continues to build an inclusive and supportive culture where employees can thrive and grow together.

Celebrations

Stem prioritizes creating an inclusive environment where all employees feel valued. We celebrate a wide range of holidays, ensuring that both remote and in-person team members can participate in and enjoy the global festivities. Regular events, such as women's lunches and team celebrations, foster connections and provide opportunities for everyone to engage and build a sense of belonging.

Wellness

Employee Well-being

Stem recognizes that a healthy and supported workforce is essential to our success and that wellness is personal – what inspires and energizes one person might look completely different for another. Whether it's prioritizing physical health, nurturing mental clarity, or finding balance in the daily routine, Stem offers numerous benefits, resources and events to help its employees discover what helps them thrive. The resources available to employees include but are not limited to live webinars and online resources through the Employee Assistance Program (EAP).Meditation and other mental health resources are also available through Headspace, a mental health app designed to help employees maintain their overall mental health and mindfulness through sleep, meditation, and mental health coaching. By investing in well-being, Stem has created a positive, inclusive, and resilient workplace where employees feel valued and empowered to do their best work.

Mental Health Awareness Month

Stem celebrates Mental Health Awareness Month every year in May. In 2024, we reinforced our commitment to employee well-being by highlighting resources available to employees, open discussions, and various wellness initiatives to support mental health in the workplace. This campaign emphasized that prioritizing mental well-being is a year-round commitment and essential to overall health. Through activities such as live webinars, slack campaigns, roundtable discussions, desk yoga, and meditation sessions, we encouraged employees to leverage the resources available, prioritize self-care and seek support when needed. By promoting a culture where mental well-being is valued and openly discussed, we continue to foster a healthy and supportive workplace for all.

Meditation Session

As part of Stem's focus on employee support and wellbeing, Stem hosted a live meditation session through Headspace. This hour-long session lead employees through an interactive meditative session, allowing them the time and space to calm their mind as well as teaching supportive tactics to equip employees with the ability to take time in their day to reconnect with themselves and decompress from the daily grind.

Human Rights

Stem is committed to upholding human rights across all facets of our operations, guided by international frameworks such as the UN Universal Declaration of Human Rights and the ILO's conventions. We enforce a zero-tolerance policy against any instances of discrimination, harassment, or retaliation, safeguarding the rights of all individuals regardless of race, gender, age, or other protected characteristics. Our dedication extends to fostering diversity, ensuring equal opportunities, and respecting labor rights including freedom of association and fair wages.

Stem recognizes the transformative potential of our solutions and services in empowering underserved communities and advocating for equality. We strive to provide safe working environments, prohibit forced and child labor, and promote transparency and responsibility in our supply chain, including the prevention of conflict mineral use. Stem's commitment to human rights is upheld by ongoing training, governance oversight, and stakeholder consultation, underscoring our pledge to mitigate risks and drive positive impact. We partner with Source Intelligence to provide relevant training materials to our procurement staff and direct suppliers. Furthermore, we also expect our partners to align with these principles, upholding and respecting human rights throughout their operations and supply chains.

Modern Slavery Statement

Stem is opposed to modern slavery and committed to ensuring fundamental human rights are upheld across our operations and supply chain. Aligned with international standards such as the UN Universal Declaration of Human Rights and the ILO's Fundamental Conventions, we expect our partners to strictly prohibit forced labor, child labor, human trafficking, and discrimination. Through our Human Rights Policy and Partner Code of Conduct, we set clear expectations for suppliers and may audit their compliance with these standards.

To promote these principles, we conduct risk-based due diligence, surveying suppliers annually to identify potential red flags related to modern slavery and forced labor. We foster a culture of ethical behavior and provide channels for reporting concerns, including an anonymous whistleblower hotline. We partner with Source Intelligence to provide relevant training materials to our procurement staff and direct suppliers. In addition, we evaluate supplier information to prioritize additional engagement with high-risk suppliers and ensure alignment with our modern slavery and human trafficking policies. Our due diligence controls processes require that material direct suppliers acknowledge and adhere to our Partner Code of Conduct, thereby reinforcing our stance against forced labor, child labor, slavery, and human trafficking throughout our supply chain.

Governance

Ethics and Compliance

At Stem, we are committed to conducting our business with the highest ethics, integrity, and compliance standards. Our dedication to sustainability extends beyond environmental stewardship to encompass ethical business practices and adherence to regulatory requirements.

Code of Business Conduct and Ethics

We maintain a comprehensive Code of Business Conduct and Ethics (the "Code of Conduct") that serves as a statement of Stem's expectations for all employees, executives, directors, and other stakeholders. Our Code of Conduct outlines honesty, integrity, respect, and accountability principles in all business dealings. It promotes personal responsibility and integrity, anti-corruption measures, financial integrity, the protection of confidential information, and provides guidelines for the consideration of actual and potential conflicts of interest.

Employee Training

We educate our employees on compliance risks, Stem policies and procedures, and key topics within our Code of Conduct. Training may take the form of computer-based or live training. In 2024, 100% of Stem employees completed Code of Conduct training and certified their compliance to the Code. We require all new employees to complete training on our Code of Conduct, Compliance Trainings – Sexual Harassment Prevention, Fire Safety, Emergency and Crisis Management, Diversity, Equity, and Inclusion, Insider Trading Training, Office Ergonomics, Workplace Violence Prevention, and an Annual Security Awareness Training – CEO Fraud and Payment Fraud within 30 days of hire.

Whistleblower Protection

We provide an external channel for employees, contractors, and other stakeholders to report concerns or suspected violations of our Code of Conduct without fear of retaliation. Our whistleblower protection program is hosted by an independent third party, allowing reporters to remain anonymous. We encourage open communication and accountability throughout our organization. We expressly prohibit retaliation against anyone who reports any actual or suspected violations of the law, our Code of Conduct, or policies or cooperates in an investigation.

Data Security and Privacy

Stem is committed to respecting the privacy of its customers, employees, and business partners and to complying with data protection and privacy laws applicable to our business.

We are subject to global, federal, and state laws, regulations and rules relating to the collection, processing, storage, and retention of personal information including the California Privacy Rights Act (CPRA) and European General Data Protection Regulation (GDPR) requirements.

We stay abreast of evolving data security and privacy regulatory frameworks, and we regularly update our relevant internal policies and awareness materials.

Stem's Privacy Statement establishes minimum standards that Stem and our subsidiaries must apply to personal data on a company-wide basis. All Stem associates are required to comply with our policy, including by ensuring that they have completed the requisite training to enable them to do so. Employees are required to review Stem's policies on an annual basis.

Our associates receive training related to data protection, including our Information Security Awareness training and our Code of Business Conduct and Ethics.

Stem conducts periodic and as-needed training regarding the lawful and intended purposes of processing personal data, the need to protect and keep information accurate and up-to-date, and the need to maintain the confidentiality of the data to which employees have access.

Additional information on the personal information we collect, its use and how we protect it can also be found in our Privacy Statement.

Stem has implemented a Cybersecurity Risk Management Program that's grounded in the National Institute of Standards and Technology (NIST) 800-53 Security and Privacy Controls standards and overseen by our board and executive team.

We continually evaluate our information security processes and identify potential areas of improvement to mitigate cyber threats to the reliability and availability of our systems.

In addition, Cyber Security training is required for Stem associates, and our cyber communications cadence provides topical awareness on a quarterly or more frequent basis. Non-compliance with the policy may lead to disciplinary action, up to and including dismissal or contract termination.

We regularly update our internal applications to install the latest security updates as appropriate.

Stem conducts annual audits and testing of its information security and data privacy programs. Stem's systems are certified by external auditors to the AICPA Systems and Organization Controls (SOC2) standards.

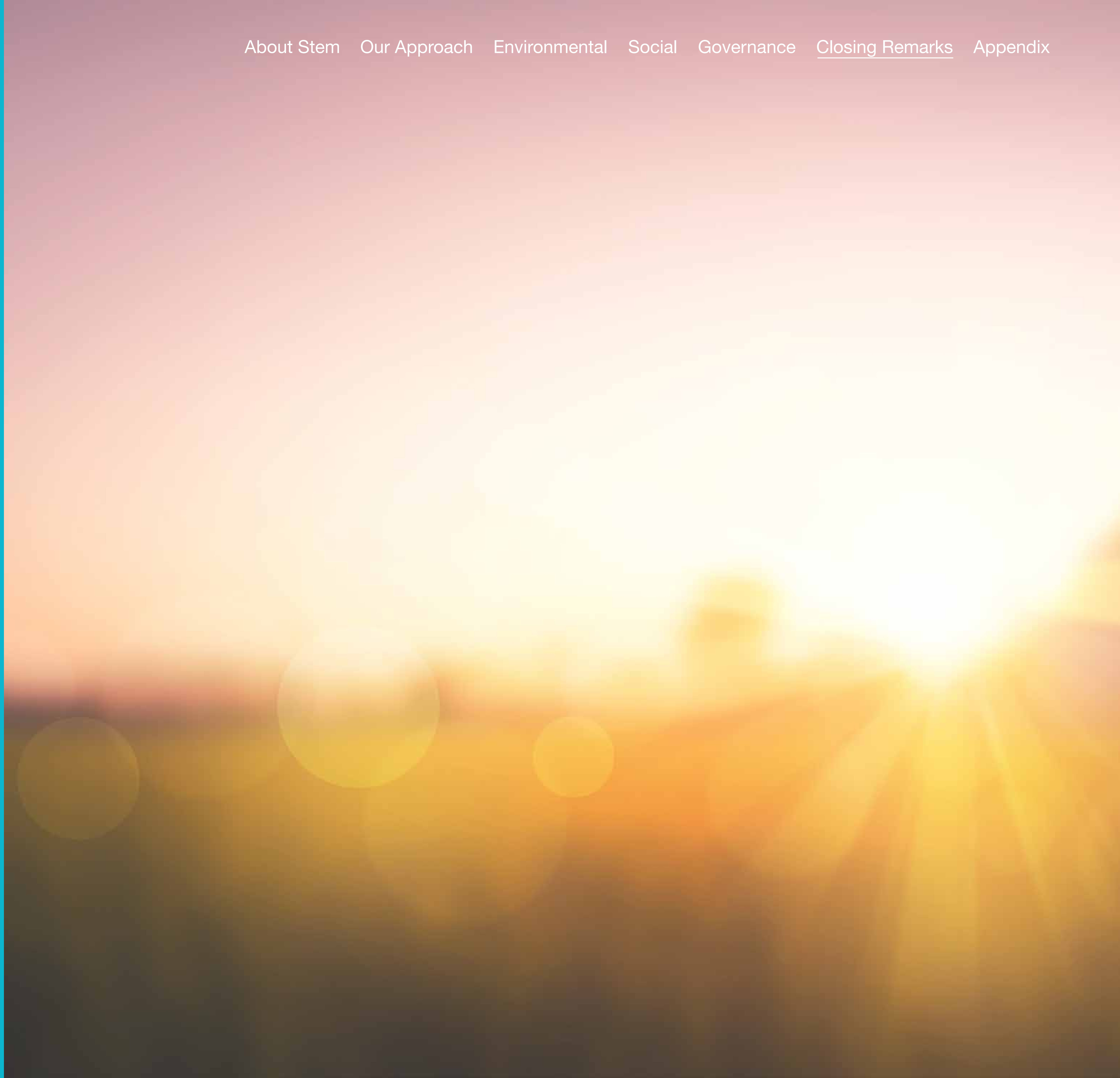
Note: Stem's Privacy Statement is available at stem.com/privacy

Closing Remarks

At Stem, our commitment to sustainability is at the core of our innovation. As we reflect on our progress, we are proud of the strides we have made. Our efforts to empower teams, advance clean energy solutions, and drive innovation underscore our dedication to creating a positive impact on the planet and society.

We extend our heartfelt gratitude to all stakeholders — our employees, partners, investors, and communities — whose invaluable contributions and collaboration have shaped our sustainability journey. We also sincerely thank our readers for their interest in learning more about Stem's vision and efforts. Your engagement inspires us to continue pushing the boundaries of what's possible in building a sustainable future.

Looking ahead, we remain steadfast in our pursuit of continuous improvement, guided by transparency, accountability, and collaboration with our stakeholders. Together, we are building a resilient and equitable future, where sustainable energy powers thriving communities. Thank you for joining us on this journey toward a cleaner, more sustainable world.



About Stem

Stem is a global leader reimagining technology to support the energy transition. Turning complexity into clarity, and potential into performance.

We help asset owners, operators and stakeholders benefit from the full value of their energy portfolio by enabling the intelligent development, deployment, and operation of clean energy assets. Our integrated software suite, PowerTrack, is the industry standard and best-in-class for asset monitoring, supported by professional and managed services, under one roof. Meant to tackle challenges as seamlessly as possible, Stem shows the information needed clearly and accurately and helps harness raw data to inform actionable insight. With global projects managed in 55 countries – from Germany to Japan and across North America – customers have relied on Stem for nearly 20 years to maximize the value of their clean energy projects.

Driven by human and artificial intelligence – Stem is unlocking energy intelligence.

Learn more at stem.com.

stem

Appendix

TCFD References

The Task Force on Climate-related Financial Disclosures (TCFD) has been a pivotal framework for climate risk disclosure since its establishment in 2015 by the Financial Stability Board. TCFD recommendations are organized around four core elements: Governance, Strategy, Risk Management, and Metrics & Targets. The following table represents our ongoing efforts to assess and articulate where we are with regards to the four elements of the TCFD framework.

Stem's responses to the TCFD recommendations do not represent an exhaustive list of all climate-related issues and risks impacting our business. We refer you to the risk factors set forth in our most recent Form 10-K and Form 10-Q filings

TCFD Core Elements	Recommended Disclose	Disclose Reference
Governance Disclose the organization's governance around climate-related risks and opportunities.	A: Describe the board's oversight of climate-related risks and opportunities.	Page 17
	B: Describe management's role in assessing and managing climate-related risks and opportunities.	Page 17
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	A: Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Page 17
	B: Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Page 18
	C: Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios. including a 2°C or lower scenario.	Page 18

TCFD Core Elements	Recommended Disclose	Disclose Reference
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.	A: Describe the organization’s processes for identifying and assessing climate-related risks.	Page 19
	B: Describe the organization’s processes for managing climate-related risks.	Page 19
	C: Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	Page 19
Metrics & Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	A: Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Page 20
	B: Disclose Scope 1 (Gross Direct GHG emissions), and related risks. Disclose Scope 2 (Indirect GHG emissions, either location based or market based), and related risks. Disclose Scope 3 (Total other indirect [upstream/downstream] GHG emissions), and the related risks.	Page 20
	C: Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Page 20

SASB References

Sustainability Accounting Standards Board (SASB) was founded as a nonprofit organization to help investors and businesses develop a common language of the financial impact of sustainability practices. SASB subsequently developed 77 industry specific standards, utilizing subset of topics from a library of 26 material topics also referred to as general issues categories. For each industry standard, SASB issues metrics material for operating sustainably for that industry. Given the complex nature of Stem's business, Stem has selected several industry standards to report under that we deemed materials to us. These standards are Software & IT Services, Electrical & Electronic Equipment, and Fuel Cells & Industrial Batteries.

Disclosure Topics	Metric Description	Industry Codes	Unit Of Measure	Disclosures (FY 2024)
Business Ethics	Description of policies and practices for prevention of anti-competitive behavior	RT-EE-510a.1		At Stem, we are committed to conducting our business in a manner that upholds fair competition and compliance with all relevant antitrust laws and regulations. We regularly train our employees on ethical conduct, including the importance of fair competition and compliance with antitrust laws. Through these training sessions, we aim to raise awareness and promote a culture of compliance throughout the organization. We work closely with legal advisors and experts to stay informed about changes in competition laws and regulations. Our legal team provides guidance and support to ensure that our business practices remain compliant with applicable legal requirements. Our leadership team sets the tone for ethical conduct within the organization by leading by example and emphasizing the importance of integrity and compliance with laws and regulations.
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	TC-SI-520a.1; RT-EE-510a.3	USD	0
	Description of policies and practices for prevention of bribery and corruption	RT-EE-510a.1		At Stem, our Code of Business Conduct and Ethics (the "Code") serves as a guiding framework for every employee, outlining our commitment to preventing corruption and bribery. The Code contains, among other things, a zero-tolerance policy towards corruption and bribery in any form, gifts and entertainment guidelines, reporting mechanisms (including anonymous reporting), and consequences for violations. We provide regular training and education to all employees to raise awareness about the risks of corruption and bribery and to equip them with the knowledge and skills to identify and prevent such behaviors. Stem maintains accurate and transparent accounting practices to document all financial transactions, and as a public company, these are subject to external auditors and must comply with securities exchange reporting obligations. The Code may be found here: https://s27.q4cdn.com/138752898/files/doc_downloads/gov/Employee-Code-of-Conduct.pdf

Disclosure Topics	Metric Description	Industry Codes	Unit Of Measure	Disclosures (FY 2024)
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	RT-EE-510a.2	USD	0
Energy Management	Total energy consumed	TC-SI-130a.1	GJ	3089 (GJ)
	Amount of total energy consumed that is renewable	TC-SI-130a.1	GJ	312 (GJ)
	Percentage of total energy consumed that is renewable	TC-SI-130a.1	%	10%
	Total energy consumed from grid electricity	TC-SI-130a.1	GJ	1967 (GJ)
	Percentage of total energy consumed that is grid electricity	TC-SI-130a.1	%	64%

Disclosure Topics	Metric Description	Industry Codes	Unit Of Measure	Disclosures (FY 2024)
Product Quality & Safety	Number of recalls issued	RT-EE-250a.1		0
	Total units recalled	RT-EE-250a.1		0
	Total amount of monetary losses as a result of legal proceedings associated with product safety	RT-EE-250a.2	USD	0
Customer Privacy	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	USD	0
	Number of law enforcement requests for user information	TC-SI-220a.4		0
	Number of users whose information was requested	TC-SI-220a.4		0
	Percentage of requests that resulted in disclosure to the requesting party	TC-SI-220a.4	%	0%
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	TC-SI-220a.5		None
	Number of users whose information is used for secondary purposes	TC-SI-220a.2		0

Disclosure Topics	Metric Description	Industry Codes	Unit Of Measure	Disclosures (FY 2024)
Customer Privacy	Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1		Stem is committed to protecting the security and privacy of personal data collected through its websites and services. We gather personal information such as names, addresses, and email addresses from website visitors to enhance their experience and follow up as needed. For customers using power monitoring services, additional data such as billing information and technical details about their energy systems is collected. This information is used for service provision, quality assurance, and product improvement. Stem deploys industry-standard security measures to protect personal data. Customers have the right to access, know, and request the deletion of their personal information, with special provisions for California residents under the CCPA.
Data security	Number of data breaches	TC-SI-230a.1		0
	Percentage of data breaches involving personally identifiable information (PII)	TC-SI-230a.1	%	0%
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2		All our security documentation is built to align with NIST 800-53 with Annual reviews. We also have a SOC audit against our defined processes annually.
Employee Engagement, Diversity and Inclusion	Percent of female management employees	TC-SI-330a.3	%	29%
	Percent of male management employees	TC-SI-330a.3	%	71%
	Percent of female technical staff	TC-SI-330a.3	%	14%

Disclosure Topics	Metric Description	Industry Codes	Unit Of Measure	Disclosures (FY 2024)
Employee Engagement, Diversity and Inclusion	Percent of male technical staff	TC-SI-330a.3	%	86%
	Percent of female all other employees	TC-SI-330a.3	%	31%
	Percent of male all other employees	TC-SI-330a.3	%	69%
	Percent of other/undisclosed all other employees	TC-SI-330a.3	%	6%
	Percent of management employees self-identified as Asian	TC-SI-330a.3	%	22%
	Percent of management employees self-identified as Black or African American	TC-SI-330a.3	%	1%
	Percent of management employees self-identified as Hispanic or Latino	TC-SI-330a.3	%	4%
	Percent of management employees self-identified as White	TC-SI-330a.3	%	65%
	Percent of management employees declined to identify (Other)	TC-SI-330a.3	%	4%
	Percent of management employees with no Ethnic/Racial identification (N/A)	TC-SI-330a.3	%	5%
	Percent of technical staff self-identified as Asian	TC-SI-330a.3	%	32%

Disclosure Topics	Metric Description	Industry Codes	Unit Of Measure	Disclosures (FY 2024)
Employee Engagement, Diversity and Inclusion	Percent of technical staff self-identified as Black or African American	TC-SI-330a.3	%	<1%
	Percent of technical staff self-identified as Hispanic or Latino	TC-SI-330a.3	%	2%
	Percent of technical staff self-identified as White	TC-SI-330a.3	%	53%
	Percent of technical staff declined to identify (Other)	TC-SI-330a.3	%	6%
	Percent of technical staff with no Ethnic/Racial identification (N/A)	TC-SI-330a.3	%	7%
	Percent of all other employees self-identified as Asian	TC-SI-330a.3	%	9%
	Percent of all other employees self-identified as Black or African American	TC-SI-330a.3	%	3%
	Percent of all other employees self-identified as Hispanic or Latino	TC-SI-330a.3	%	5%
	Percent of all other employees self-identified as White	TC-SI-330a.3	%	72%
	Percent of all other employees declined to identify (Other)	TC-SI-330a.3	%	8%
	Percent of all other employees with no Ethnic/Racial identification (N/A)	TC-SI-330a.3	%	4%

Disclosure Topics	Metric Description	Industry Codes	Unit Of Measure	Disclosures (FY 2024)
Employee Engagement, Diversity and Inclusion	Number of employees that are foreign nationals	TC-SI-330a.1		12
	Percentage of employees that are foreign nationals	TC-SI-330a.1	%	2%
	Percentage of employees that are located offshore	TC-SI-330a.1	%	39%
	Employee engagement as a percentage	TC-SI-330a.2	%	68%
Product design and lifecycle management	Percentage of products by revenue that contain IEC 62474 declarable substances	RT-EE-410a.1	%	0%
	Revenue from renewable energy-related products	RT-EE-410a.3	USD	$144,600,000
	Revenue from energy efficiency-related products	RT-EE-410a.3	USD	$144,600,000
	Percentage of eligible products, by revenue, certified to an energy efficiency certification	RT-EE-410a.2	%	0%

Disclosure Topics	Metric Description	Industry Codes	Unit Of Measure	Disclosures (FY 2024)
Materials Sourcing & Efficiency	Description of the management of risks associated with the use of critical materials	RT-EE-440a.1		Stem is committed to purchase parts and products containing minerals that have been procured through a validated conflict-free supply chain to avoid the use of minerals that have financed conflict in the covered countries, and we expect our suppliers to abide by the same standard. Stem is taking a variety of actions designed to assist in compliance with the conflict minerals rules: • We have identified, and will continue to identify, conflict minerals necessary for the production or the functionality of covered products that we sell; • We have performed, and intend to continue to perform, supply chain due diligence in general accordance with the Organization for Economic Cooperation and Development's ("OECD") internationally recognized and established due diligence framework; • We expect our direct suppliers to perform similar due diligence on the sources of conflict minerals in their supply chains and expect them to require their own suppliers to do the same; • Once a robust and validated conflict-free supply chain is established or a robust mineral tracing program is developed, we will expect our direct suppliers to procure minerals using only that validated supply chain so as to avoid the use of minerals that have financed conflict in the covered countries; and • In the event that a direct supplier is found to supply us with necessary conflict minerals that have not been procured through a validated supply chain or that are otherwise found to have financed conflict, we will take action, such as recommending that such supplier seek alternative means of sourcing, or failing that, we will reassess the supplier relationship.
Activity Metrics	Product category	RR-FC-000.A		Battery
	Number of units sold by product category	RR-FC-000.A		20 units
	Total storage capacity of batteries sold	RR-FC-000.B	MWh	19 (MWh)

UN SDG References

Stem supports UN SDGs and has aligned with 9 of the 17 goals that we believe we are best suited to have a positive impact, as we mature our sustainability function throughout our operations.

UN SDG	Title	Goal	Reference
	Good Health and Well-being	Ensure healthy lives and promote well-being for all at all ages	Page 13
	Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Page 13
	Gender Equality	Achieve gender equality and empower all women and girls	Page 13
	Affordable & Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all	Page 13

UN SDG References

UN SDG	Title	Goal	Reference
8 DECENT WORK AND ECONOMIC GROWTH	Decent Work and Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Page 14
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Industry, Innovation and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Page 14
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible Consumption and Production	Ensure sustainable consumption and production patterns	Page 14
13 CLIMATE ACTION	Climate Action	Take urgent action to combat climate change and its impacts	Page 14

Disclaimer

This report, as well as other statements that we make, contain “forward-looking statements” within the meaning of the federal securities laws, which include any statements that are not historical facts. Such statements often contain words such as “expect,” “may,” “can,” “believe,” “predict,” “plan,” “potential,” “projected,” “projections,” “forecast,” “estimate,” “intend,” “anticipate,” “ambition,” “goal,” “target,” “think,” “should,” “could,” “would,” “will,” “hope,” “see,” “likely,” and other similar words. The forward-looking statements in this report and the materials or websites cross-referenced herein relate to our goals, progress, or expectations with respect to sustainability, corporate responsibility, employment, social, environmental, regulatory, and other matters that involve business risks and opportunities. These forward-looking statements inherently involve uncertainties and risks that may cause actual results to differ materially from those predicted in such statements. These statements are based on assumptions that we currently believe are reasonable but are subject to various uncertainties and risks. In addition, historical, current, and forward-looking environmental, social and sustainability-related statements may be based on standards for measuring progress that are still developing, controls and processes that continue to evolve, and assumptions that are subject to change in the future. Consequently, actual results may vary materially from what is contained in a forward-looking statement. References in this report to information should not be construed as a characterization of the materiality of such information to our financial results or for purposes of U.S. securities, or any other, laws or requirements.

For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to our business in general, see our Annual Report on Form 10-K filed with the SEC on March 5, 2025 and our subsequent periodic reports filed with the SEC from time to time. Copies of these filings are available on our website at https://investors.stem.com/stock-and-financials/sec-filings/default.aspx, or on the SEC website at www.sec.gov. All forward-looking statements in this report are based on information currently available to us, and we assume no obligation to update these forward-looking statements in light of new information or future events.

Forward-looking statements are aspirational. They are not guarantees or promises that goals or targets will be met. Forward-looking and other statements in this report regarding our environmental, social and other sustainability plans and goals are not an indication that these statements are necessarily material to investors or required to be disclosed in our filings with the SEC. The forward-looking statements in this report speak only as of July 1, 2024, and Stem disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.

Website references and hyperlinks throughout this document are provided for convenience only, and the contents of referenced third-party websites are not incorporated by reference into this report. We assume no liability for the content contained in the referenced third-party websites.