

SUNRUN

4Q 2023 Financial Results

February 21, 2024

Safe harbor & forward looking statements

This communication contains forward-looking statements related to Sunrun (the “Company”) within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements related to: the Company’s financial and operating guidance and expectations; the Company’s business plan, trajectory, expectations, market leadership, competitive advantages, operational and financial results and metrics (and the assumptions related to the calculation of such metrics); the Company’s momentum in its business strategies including its ESG efforts, expectations regarding market share, total addressable market, customer value proposition, market penetration, financing activities, financing capacity, product mix, and ability to manage cash flow and liquidity; the growth of the solar industry; the Company’s financing activities and expectations to refinance, amend, and/or extend any financing facilities; trends or potential trends within the solar industry, our business, customer base, and market; the Company’s ability to derive value from the anticipated benefits of partnerships, new technologies, and pilot programs, including contract renewal and repowering programs; anticipated demand, market acceptance, and market adoption of the Company’s offerings, including new products, services, and technologies; the Company’s strategy to be a storage-first company; the ability to increase margins based on a shift in product focus; expectations regarding the growth of home electrification, electric vehicles, virtual power plants, and distributed energy resources; the Company’s ability to manage suppliers, inventory, and workforce; supply chains and regulatory impacts affecting supply chains; the Company’s leadership team and talent development; the legislative and regulatory environment of the solar industry and the potential impacts of proposed, amended, and newly adopted legislation and regulation on the solar industry and our business; the ongoing expectations regarding the Company’s storage and energy services businesses and anticipated emissions reductions due to utilization of the Company’s solar energy systems; and factors outside of the Company’s control such as macroeconomic trends, bank failures, public health emergencies, natural disasters, acts of war, terrorism, geopolitical conflict, or armed conflict / invasion, and the impacts of climate change. These statements are not guarantees of future performance; they reflect the Company’s current views with respect to future events and are based on assumptions and estimates and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements. The risks and uncertainties that could cause the Company’s results to differ materially from those expressed or implied by such forward-looking statements include: the Company’s continued ability to manage costs and compete effectively; the availability of additional financing on acceptable terms; worldwide economic conditions, including slow or negative growth rates and inflation; volatile or rising interest rates; changes in policies and regulations, including net metering, interconnection limits, and fixed fees, or caps and licensing restrictions and the impact of these changes on the solar industry and our business; the Company’s ability to attract and retain the Company’s business partners; supply chain risks and associated costs; realizing the anticipated benefits of past or future investments, partnerships, strategic transactions, or acquisitions, and integrating those acquisitions; the Company’s leadership team and ability to attract and retain key employees; changes in the retail prices of traditional utility generated electricity; the availability of rebates, tax credits and other incentives; the availability of solar panels, batteries, and other components and raw materials; the Company’s business plan and the Company’s ability to effectively manage the Company’s growth and labor constraints; the Company’s ability to meet the covenants in the Company’s investment funds and debt facilities; factors impacting the home electrification and solar industry generally, and such other risks and uncertainties identified in the reports that we file with the U.S. Securities and Exchange Commission from time to time. All forward-looking statements used herein are based on information available to us as of the date hereof, and we assume no obligation to update publicly these forward-looking statements for any reason, except as required by law.

Q4 OVERVIEW & STRATEGIC PRIORITIES



Mary Powell
CEO

Q4 results delivered strong margin increases and cash generation, as we executed our storage-first strategy

Our priority is cash generation through sustainable, profitable growth

- Delivered Net Subscriber Value of \$13,445, increasing \$2.4k, or 22%, from Q3, exceeding guidance.
- Achieved Cash Generation of \$11 million, the second consecutive quarter of positive Cash Generation.
- Did not chase solar-only volume with subpar economics, resulting in lower near-term volumes, but setting the stage for future growth at improved margins.
- Focused on the best possible long-term partnerships, including selecting Lowe's as our preferred home improvement retail partner.
- Reiterating Cash Generation outlook: Targeting annualized recurring Cash Generation of \$200 to \$500 million by 4Q 2024¹

We are rapidly transitioning to lead with storage

- Undergoing significant change management to lead with and install vast amounts of storage; new storage installations grew +154% in Q4 compared to the prior year.
- Increased storage attachment rates for new installations in Q4 to 45%, up from 33% in Q3 and 15% at the beginning of the year

We are focused on enhancing customer value and forging valuable long-term relationships

- Enjoyed continued improvement in our customer Net Promoter Score, measured at the time of installation, to 73, up another 3 points compared to last quarter
- Performed a limited launch of our storage retrofit offering for existing customers with strong early results
- Launched a renewal program to understand how our customers prefer to renew their subscriptions. Renewals, re-powering, and storage retrofit will all demonstrate additional value within our customer base and enhance cash generation.

Q4 Key Metric Performance

933,275

Customers

+17% y/y

\$50,302

Subscriber Value

+18% y/y²

\$13,445

Net Subscriber Value

+4% y/y²

219.7 Megawatt hours

Storage Capacity Installed in Q4

+154% y/y

227.1 Megawatts

Solar Capacity Installed in Q4

-18% y/y

45% Storage Attachment rate

on new installations, vs. 33% in Q3

6.7 Gigawatts

Networked Solar Capacity

1.3 Gigawatt hours

Networked Storage Capacity

\$5.0 billion

Net Earning Assets

(1) See page 20 for our Cash Generation targets and assumptions underpinning our targets.

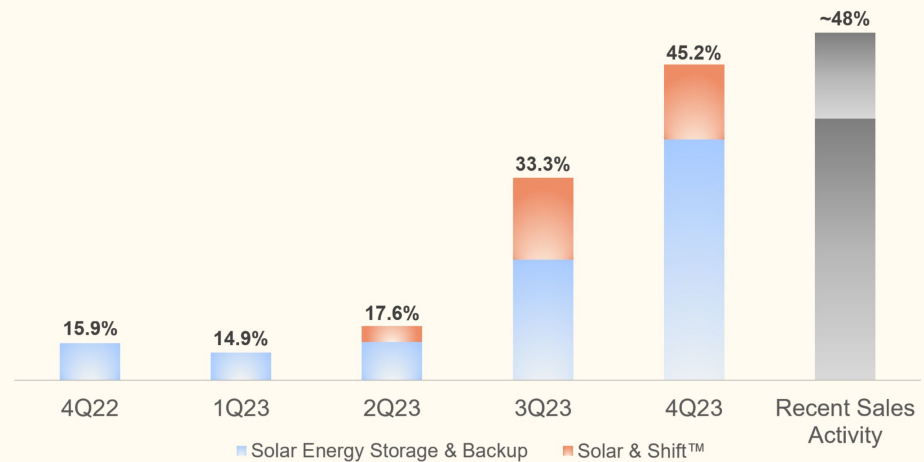
(2) Subscriber Value and Net Subscriber Value comparison to 4Q22 pro-forma at a consistent 6% discount rate.

See Appendix for glossary of terms and accompanying notes.

We are rapidly transitioning to lead with storage offerings

Storage installations in Q4 grew +154% y/y, reaching a >45% attachment rate

- Over 219 Megawatt hours of Storage Capacity Installed in Q4, a 154% increase compared the prior year
- Sunrun has now installed more than 90,000 solar and storage systems representing over 1.3 GWhrs of stored energy capacity
- Storage attachment rates are accelerating, reaching 45% of new installations in 4Q and with recent sales seeing ~48% storage attachment rates nationally¹



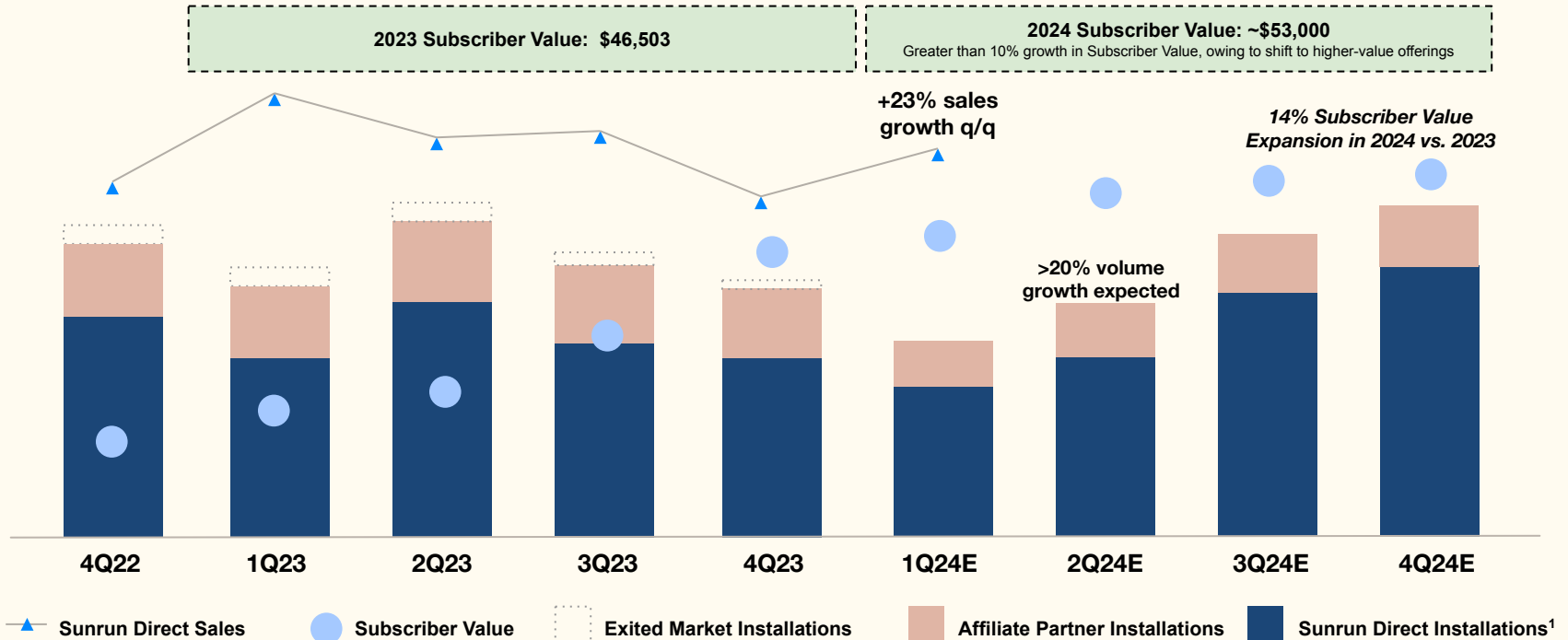
Significant benefits of leading with storage for customers, the grid and Sunrun

- Pro-consumer offering delivers the best economics in markets where rate structures encourage optimizing when energy is consumed or exported to the grid
- Many storage systems can provide backup power capabilities, to allow households to power through grid outages
- Substantial fleet with storage lays the foundation for grid service opportunities, which provide valuable dispatchable energy resources for utilities and grid operators and can provide additional financial benefit to our customers that they did not anticipate when subscribing to our offerings
- Further differentiation compared to smaller solar companies that lack the capabilities to procure storage, design more complicated systems, permit and install complicated solar+storage systems, and manage fleets of energy storage systems
- In markets where regulations do not require storage and where customers prefer solar-only offerings, we continue to offer our standard solar subscription services
- Systems with backup storage are significantly accretive to Net Subscriber Values, adding several thousand dollars

(1) Recent sales includes sales for the period October 1, 2023 through January 31, 2024, based on customers including a battery as a percentage of total new customers.

Total Value Generated expected to grow by over 15% in 2024 driven by higher Subscriber Values & lower input costs

Installations, which lag sales, now reflect earlier market optimization decisions & margin discipline; installations expected to grow rapidly from 1Q24 levels as sales exceed 23% sequential growth (+40% in California)



1 Typical Q4 to Q1 declines up to 25% (average of -14% over last 8 years) owing to seasonality, driven by lower sales around holidays in Q4 and weather-related constraints on installation activities in Q1

2 California pull-in of demand and swift decline after NBT transition; gradually rebounding with higher value storage systems. Affiliate Partners taking more time to transition to new environment.

3 We remained disciplined in the affiliate partner segment of the market as we opted not to follow aggressive pricing from financing-only providers, instead prioritizing sustainable pricing strategies & partnerships, resulting in declines in less-economic affiliate volume in late 2023 and 1Q24.

4 We made prudent geographic optimization and market exit decisions (e.g. Arizona) given low utility rates in certain markets that resulted in nonviable margin opportunity given higher interest rates. These are no longer a significant headwind to volumes beyond 1Q24.

5 Shifting to higher-value storage offerings, with >10% increase in Subscriber Values expected in 2024. This shift has resulted in extended cycle times & transition impacts, but will become tailwinds as attachment rates normalize

See Appendix for glossary of terms and accompanying notes. Chart depicts approximate volumes and changes.

1Q24 reflects midpoint of guidance and 2Q24 through 4Q24 reflects management's current view on pacing throughout the remainder of the year

(1) Excludes exited & deprioritized markets (Arizona)

Early renewal pilot highlights many customers are eager to benefit from ongoing services beyond the initial contract

- Initial pilot targeting several hundred customers is underway and initial results demonstrate strong value creation potential beyond our initial contracts
- Results suggest most customers are interested in extending their services
- Sunrun is uniquely positioned for strong lifetime customer value capture

~75%

eager to renew or are
in process of considering proposals

>10% Increase

to reported Gross Earning Asset metrics
for customers who renew
(and moving half of Renewal GEA to Contracted GEA)

~25%

declining to renew today, 5 years before expiration,
but many considering additional revenue
opportunities for Sunrun

**Strong Lifetime
Customer Engagement**
uniquely positions Sunrun to benefit from
additional product & service offerings

- While the initial pilot only targets several hundred customers, we are pursuing the pilot to learn how customers prefer to interact with us and to help optimize sales strategies, systems and processes to tackle these opportunities at scale in the years ahead.

Demonstrating customer renewals and repowerings is expected to provide tailwinds, as senior debt lenders should begin to underwrite to more than just contracted cash flows. Currently, senior debt sizing and ratings are largely based on full amortization within the initial contracted period. In addition, many analysts substantially haircut or disregard the potential value from Sunrun's customer base beyond the initial contract due to a lack of empirical data.

Sunrun selects Lowe's as home improvement partner



Strategic Partnership Formed and Already Active in Stores

- Initial stage of the partnership has Sunrun launching in many states. The initial footprint represents strong alignment with Sunrun's target markets and areas.
- Sunrun is already staffing stores and generating leads. Sunrun representatives began staffing more than 260 Lowe's stores in 10 states, including California, Illinois, and Texas, and are now available to answer questions and guide customers through the process of going solar at their homes. Sunrun anticipates expanding into another 160 Lowe's stores throughout the year.
- Sunrun already has dedicated employees (W2 staff) experienced in the retail channel.
- Sunrun's staff exited The Home Depot on Feb 15th and launched in Lowe's stores on Feb 16th.

Lowe's Presents New & Exciting Partner in Home Improvement Retail Category

- Sunrun determined Lowe's presented a superior, attractive opportunity with considerable strategic alignment.
- Lowe's has a particular focus on the homeowner, which means Sunrun will have more opportunities to showcase the cost benefits, peace of mind, and premium experience families enjoy from adding solar paired with storage to their homes.
- Sunrun is sophisticated in evaluating the cost of lead generation activities and evaluates various routes when making partnership decisions. Sunrun believes the partnership will deliver strong economics for both parties and will represent an attractive source of customer acquisition.



Celebrating Our People & Partners

Top Install Crew in Q4

Based on Commitment to Safety,
Storage Attachment Rates and Customer Experience

Bakersfield, CA



Bright Panel Solar

Top sales dealer in Puerto Rico
Exclusively sells Sunrun offerings in Puerto Rico
One of Sunrun's fastest growing partners on the island

Delivering a great customer experience (70+ NPS!)
>10,000 installs & partnering with Sunrun in PR since 2019



FINANCIAL PERFORMANCE & OUTLOOK



Danny Abajian
CFO

Sunrun is Building a Base of Customers with Recurring Revenue and Multi-Decade Relationships

30,005 Customer Additions in Q4

227.1 Megawatts of Solar Energy Capacity Installed in Q4, -18% year-over-year

219.7 Megawatt hours of Storage Capacity Installed in Q4, +154% year-over-year

933,275 Customers
+17% Year-over-Year

Networked Solar Energy Capacity of 6,689 Megawatts

Networked Storage Capacity of 1,324 Megawatt hours

\$50,302 Subscriber Value in Q4
+18% year-over-year¹

\$36,857 Creation Cost in Q4

\$13,445 Net Subscriber Value In Q4
+4% year-over-year¹



\$363 million

Total Value Generated in Q4

\$5.0 Billion

Net Earning Assets
Including \$988 million of Total Cash
as of 12/31/2023

\$1.3 Billion

Annual Recurring Revenue
from Subscribers
as of 12/31/2023

17.8 Years

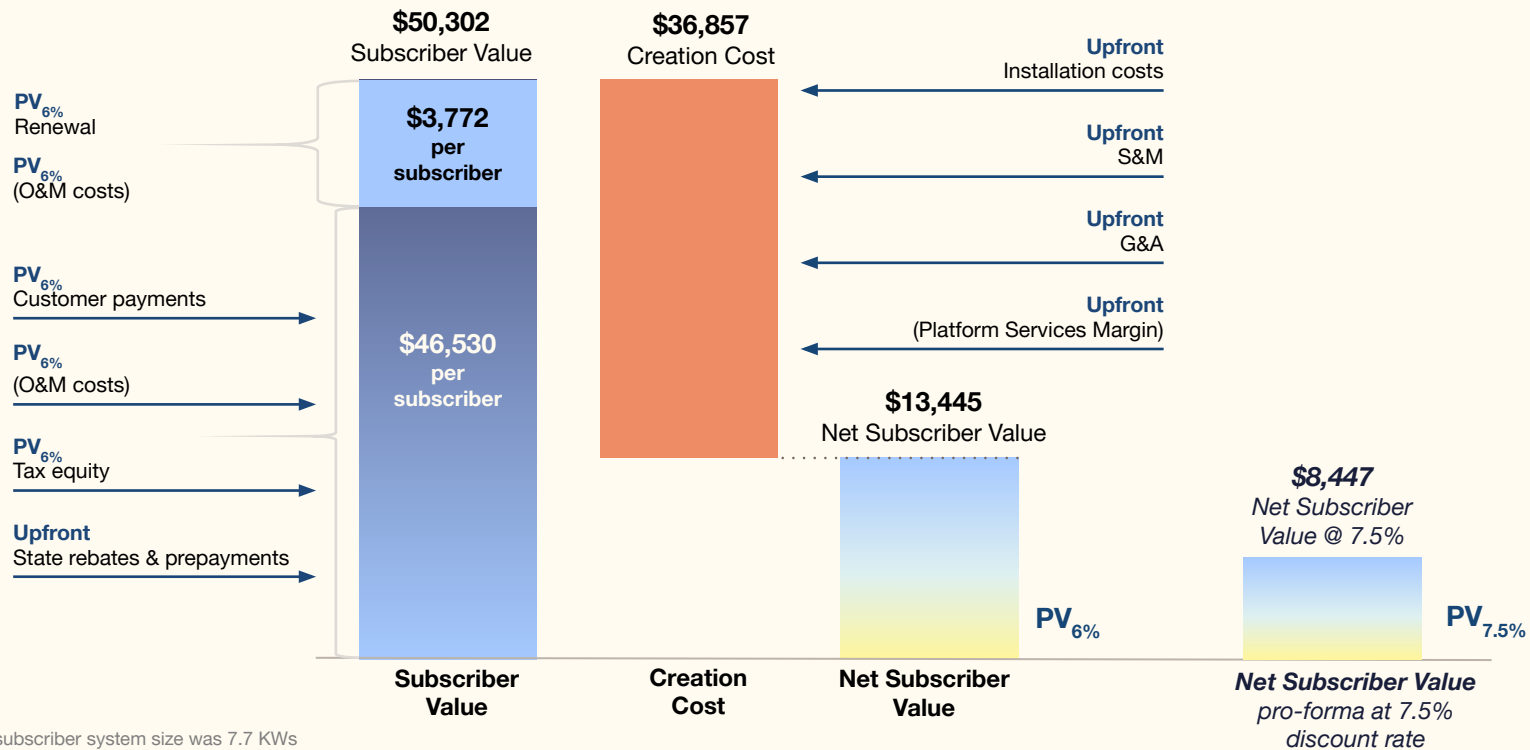
Average Contract
Life Remaining
as of 12/31/2023

(1) Subscriber Value and Net Subscriber Value comparison to 4Q22 pro-forma at a consistent 6% discount rate.

See Appendix for glossary of terms and accompanying notes

Net Subscriber Value increased to \$13.4k in Q4; additional hardware cost deflation & ITC adder value expected

- 27,000 Subscriber Additions with Net Subscriber Value of \$13,445 using a 6% discount rate, resulting in Total Value Generated of \$363 million in Q4.
- These figures include the benefits from neither the domestic content ITC adder nor current equipment costs. Equipment costs are expected to decline as higher cost materials flow through inventory from prior procurement activities.
- We present metrics using a 6% discount rate to enable ease of comparison across periods, in addition to providing a sensitivity table. We currently see an asset-level cost of capital of approximately 7.5%. Pro-forma for a 7.5% discount rate, Subscriber Value was \$45,304, leading to a Net Subscriber Value of \$8,447 (Contracted-period Net Subscriber Value of \$42,737 and Renewal-period Subscriber Value of \$2,568) and Total Value Generated of \$228 million.



Q4 average subscriber system size was 7.7 KWs
See Appendix for glossary of terms and accompanying notes.

Strong Net Subscriber Value tailwinds expected from forthcoming ITC adders & hardware cost deflation

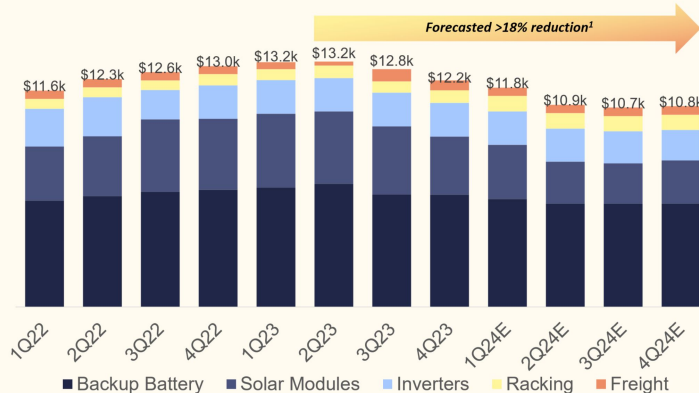
Energy Communities Adder Operationalized and Low-Income Quota Allocation Approvals Flowing; Domestic Content Adder Expected In Coming Quarters

These critical ITC adders will make solar more affordable and accessible to a broader consumer population

Energy Communities 10% Additional ITC	Operationalized Starting in Q3 2023 Approximately 13% of Subscriber mix qualifies today ~\$75 to \$100 million annual run rate value
Low-Income 10% Additional ITC (or 20% for Multifamily Housing)	Significant Quota Allocation Awards Obtained Already; Application Process Ongoing ~1/4 of current footprint eligible for 10% Adder, but subject to quota-allocation process & regulations ~\$50 to \$150+ million annual run rate value
Domestic Content 10% Additional ITC	Guidance Obtained; Rulemaking Expected in 2024 0% to >50% of Subscription mix possible; discussions active with domestic manufacturers Potential ~\$0 to \$200+ million annual run rate value

- Additional ITC adders are expected to be realized in the coming quarters. Energy Communities was operationalized commencing in Q3. Low-Income adder applications were submitted in Q4 (and continue to be submitted) and many allocations have been obtained. Domestic Content guidance has been obtained, but additional rulemaking processes are expected.
- Each adder could represent an incremental 10% ITC or >\$3k per subscriber, except for the low-income multifamily housing adder, which is 20%.
- ITC adders are only available to commercial taxpayers and thus only benefit the subscription-service model, where Sunrun has >60% market share, as opposed to customer-purchased and loan-financed systems, which are not eligible.
- Direct-to-home sales is well situated to capitalize on this opportunity through geo-targeting for eligible areas.
- Value realization will be shared amongst Sunrun along with customers in the form of enhanced value, market expansion opportunities, and market competitive factors such as impacts on the cost of customer acquisition.

Significant Hardware Cost Reductions Expected to be Realized in Coming Quarters

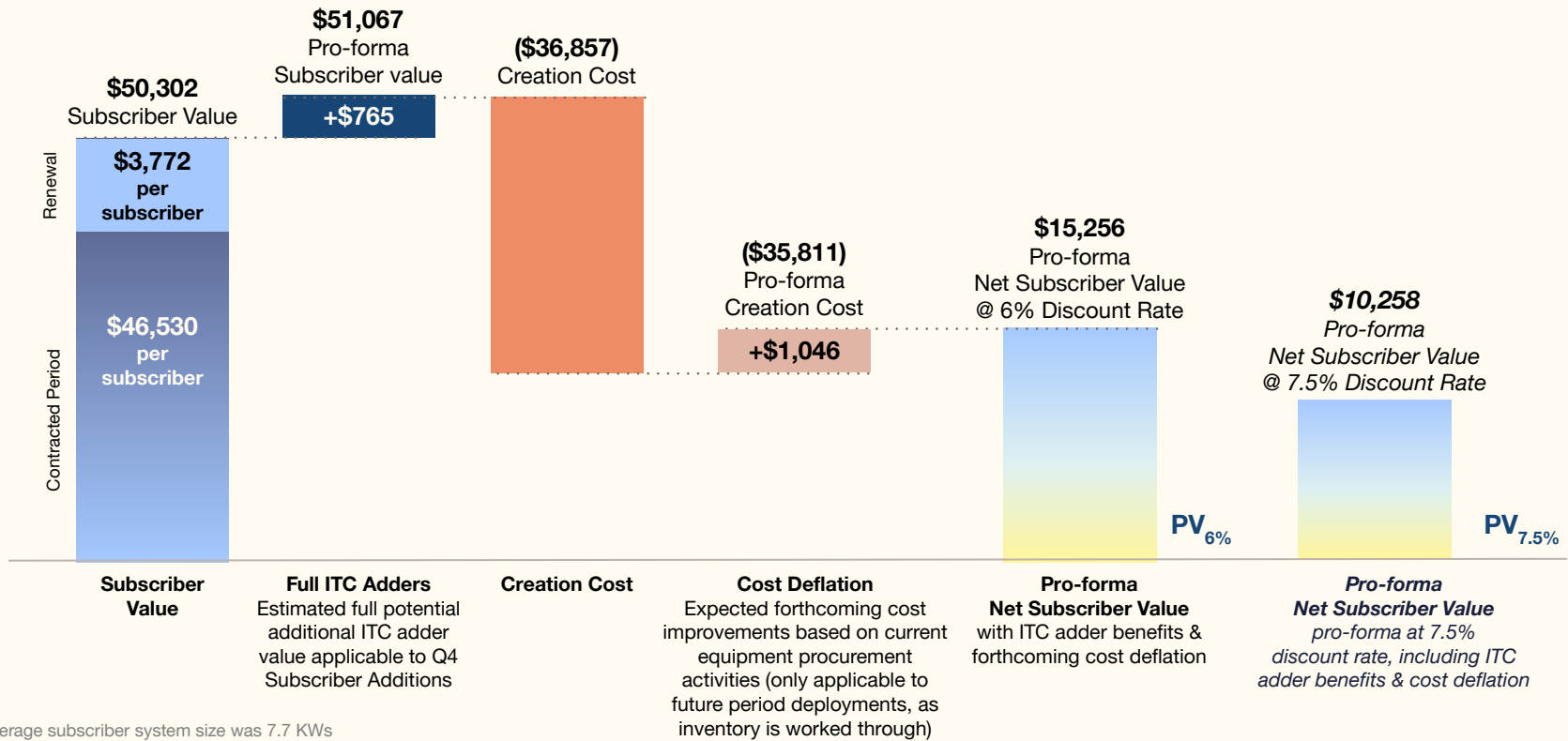


- Equipment & input cost trends are improving across all main categories from modules, batteries and inverters. Current procurement activities for modules and batteries are seeing a greater than 18% price reduction from recent highs.
- For a hypothetical 7.5 KW solar with a single backup battery system, we expect to realize a >18% cost reduction for key hardware over the coming quarters as we work through inventory and new pricing flows through our reported costs. We currently have approximately 100 days or more of supply on hand in our key equipment categories, which we plan to reduce.
- Hardware cost reductions provide margin-expansion opportunities along with increased flexibility to adjust market pricing to optimize sales effectiveness.

(1) Material cost data represents key components of a hypothetical Sunrun-built 7.5 KW system with one backup battery. Forecasted cost reductions are from 2Q23 to 4Q24E.

Pro-forma Net Subscriber Value of \$15.3k in Q4, inclusive of full potential ITC adder value and equipment cost deflation

- Q4 Subscriber Value includes realization of the Energy Communities 10% ITC adder and the Low-Income 10% ITC adder. We may realize additional value from Subscriber Additions in Q4 that we are eligible for the Low-Income adder (but not yet included in Q4) and the Domestic Content 10% ITC adder, which could add \$765 per Subscriber Addition in Q4, subject to final rules and government application processes and procedures. These critical ITC adders will make solar more affordable and accessible to a broader consumer population.
- Additionally, hardware costs for key items such as modules, inverters and batteries are falling significantly, and are expected to provide an additional tailwind of \$1,046 in future periods. While these cost tailwinds do not benefit Q4 deployments, we have provided the impact of the cost benefits we expect to achieve in future periods as we work through higher-cost inventory.
- Pro-forma for both of these benefits, Net Subscriber Value was \$15,256 in Q4. Pro-forma for an 7.5% discount rate and full ITC adder benefit realization & cost tailwinds, Net Subscriber Value was \$10,258.



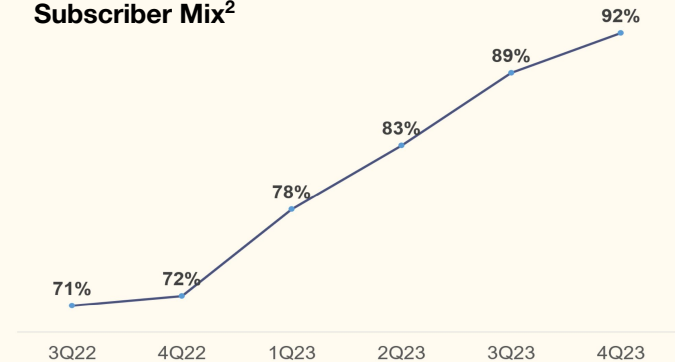
Q4 average subscriber system size was 7.7 KWs
See Appendix for glossary of terms and accompanying notes.

Strong Tailwinds From Product Mix

Subscription Mix Increasing

- Sunrun's Subscription model is advantaged in the market; Sunrun has more than 60% share of the Subscription market.¹
- Current and forthcoming ITC Adder benefits, which are only available under the Subscription model, should accelerate this trend further in the quarters ahead.
- Sunrun's accessible Subscription model with no upfront costs provides peace of mind in a rising utility and interest rate environment.

Subscriber Mix²

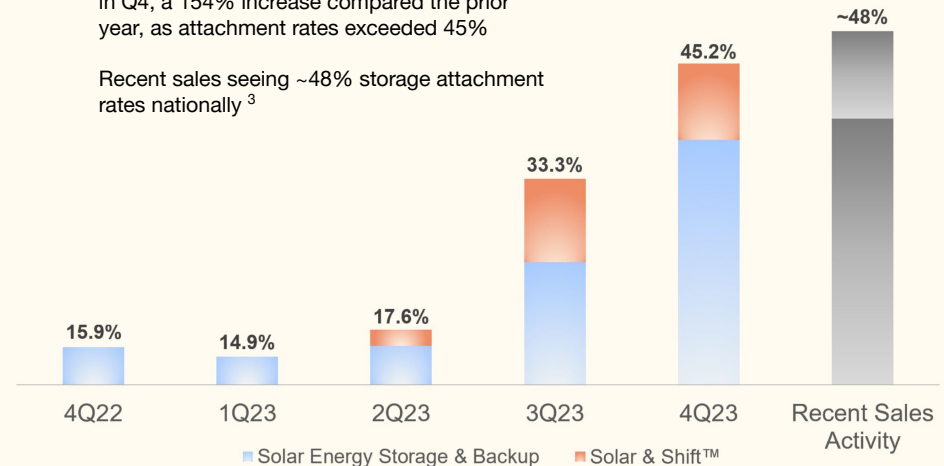


Storage Attachment Rates Accelerating

- Sunrun has now installed more than 90,000 solar and storage systems representing over 1.3 GWhrs of stored energy capacity. Storage attachment rates are accelerating, reaching 45% in 4Q.
- Storage attachment rates vary significantly by geography, with Hawaii and Puerto Rico at ~100%, California at well above 50% and soon to be 80-90%, and with the rest of the country at ~8% for Q4 installations.
- Storage attachment rates on new sales are at ~48% nationally. In California, attachment rates are exceeding 85% (>60% with *Backup* and ~25% with *Shift*).
- Systems with backup storage are significantly accretive to Net Subscriber Values, adding several thousand dollars.

Over 219 MWhrs of Storage Capacity Installed in Q4, a 154% increase compared the prior year, as attachment rates exceeded 45%

Recent sales seeing ~48% storage attachment rates nationally³

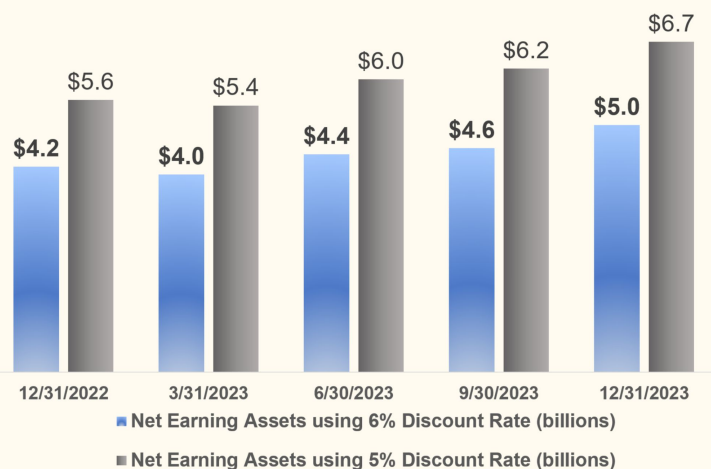


(1) Wood Mackenzie US residential solar finance update H2 2023

(2) Subscriber Mix represents megawatts of Solar Energy Capacity Installed for Subscribers as a percentage of total megawatts of Solar Energy Capacity Installed during the period.

(3) Recent sales includes sales for the period October 1, 2023 through January 31, 2024, based on customers including a battery as a percentage of total new customers.

Net Earning Assets Increase to \$5.0 Billion



- We have ~\$14.2 billion in Gross Earning Assets, which is our measure of the present value of cash flows from customers over time.
- Projected cash flow from customers plus cash, less total debt and pass-through obligations represents \$5.0 billion in present value, which we call Net Earning Assets. Net Earning Assets includes both recourse and non-recourse debt and total cash.
- Net Earning Assets excludes other assets, such as Inventory (\$460m as of 4Q23) and a portion of systems currently under construction but not yet recognized as deployed and therefore not yet reflected in Gross Earning Assets.
- Existing assets are financed with fixed-rate debt or floating-rate debt where the vast majority of the base rate exposure is hedged with interest rate swaps. As such, adjusting the discount rate applied to the entire fleet of existing assets with current financing costs applicable to new asset originations is not appropriate. Net derivative assets (total derivative assets less total derivative liabilities) totaled \$72 million at December 31, 2023 for \$4.2 billion in notional amount of interest rate swaps.

(\$ in millions)	4Q22	1Q23	2Q23	3Q23	4Q23
Discount Rate used to calculate Gross Earning Assets	5%	6%	6%	6%	6%
Gross Earning Assets Contracted Period	\$8,879	\$8,584	\$9,437	\$10,064	\$10,802
Gross Earning Assets Renewal Period	\$3,547	\$2,970	\$3,122	\$3,235	\$3,364
Gross Earning Assets	\$12,426	\$11,553	\$12,559	\$13,299	\$14,167
(-) Recourse Debt & Convertible Senior Notes	(\$898)	(\$946)	(\$946)	(\$912)	(\$932)
(-) Non-Recourse Debt	(\$7,501)	(\$7,981)	(\$8,658)	(\$9,326)	(\$9,740)
(-) Pass-through financing obligation	(\$306)	(\$303)	(\$300)	(\$297)	(\$295)
(+) Pro-forma debt adj. for debt within project equity funds ⁽¹⁾	\$877	\$868	\$868	\$857	\$852
(+) Total cash	\$953	\$843	\$921	\$952	\$988
Net Earning Assets, as reported	\$5,551	\$4,035	\$4,444	\$4,574	\$5,040
Pro-forma adjustment reflecting 6% discount rate ⁽²⁾	(\$1,355)	na	na	na	na
Net Earning Assets, pro-forma using 6% discount rate	\$4,196	\$4,035	\$4,444	\$4,574	\$5,040

(1) Because estimated cash distributions to our project equity partners are deducted from Gross Earning Assets, a proportional share of the corresponding project level non-recourse debt is deducted from Net Earning Assets, as such debt would be serviced from cash flows already excluded from Gross Earning Assets. See Appendix for glossary of terms and accompanying notes.

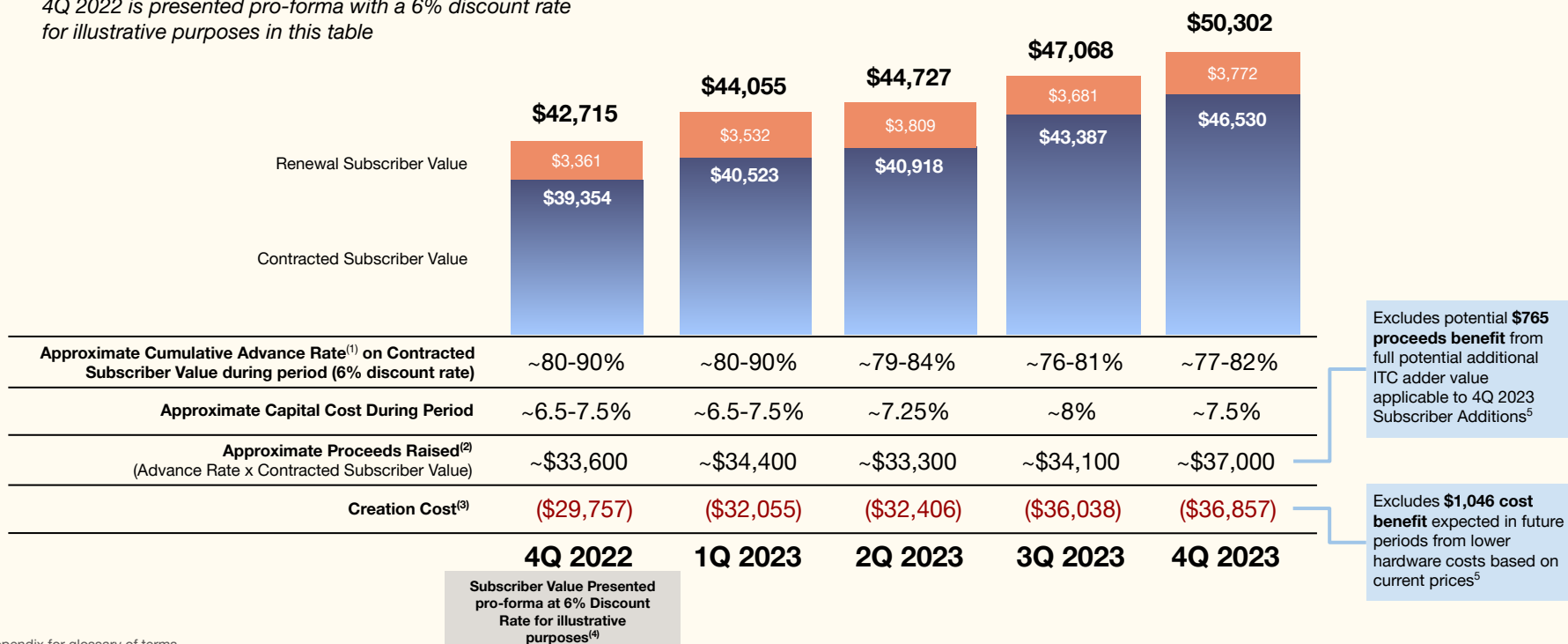
(2) To reflect the higher cost of capital environment, commencing with 1Q23 reporting Sunrun updated the discount rate assumption used to calculate Gross Earning Assets from 5% to 6%.

Adapting to a higher interest rate environment

- Sunrun has increased pricing and adjusted go-to-market approaches multiple times throughout 2022 and into 2023 to respond to inflation and higher interest rates. High utility rate inflation across the United States has provided us headroom to increase pricing while still delivering a strong customer value proposition.
- Higher cost of capital has reduced the amount of proceeds Sunrun can obtain upfront against the value of deployed systems, with advance rates declining in recent periods. Current advance rates are estimated to be approximately 77% to 82% as measured against Contracted Subscriber Value calculated using a 6% discount rate.
- Each ~1% change in cost of capital results in ~3% change in cumulative advance rate.

Subscriber Values

4Q 2022 is presented pro-forma with a 6% discount rate for illustrative purposes in this table



See Appendix for glossary of terms.

(1) Cumulative Advance Rate is the sum of actual and anticipated proceeds from tax equity, state rebates & incentives, customer prepayments and non-recourse debt raised against assets in period divided by Contracted Subscriber Value.

(2) Approximate proceeds raised is presented at the midpoint of presented Cumulative Advance Rate range. Figure presented is rounded.

(3) Note that Creation Cost excludes certain costs, including stock based compensation (SBC) and R&D expenses, and does not reflect traditional working capital items (e.g. inventory, receivables etc).

(4) Periods prior to Q1 2023 have been reported using a 5% discount rate and this table does not constitute a restatement of these metrics.

(5) See slide 13 for additional information on potential benefit from full ITC adder realization applicable to 4Q 2023 Subscriber Additions along with potential future cost reductions based on current hardware prices.

Demonstrated 15+ Year Capital Markets Execution

- We have a strong track record of attracting low-cost capital from diverse sources. Our access to capital markets puts us in a position to offer more advantageous financing options to consumers while creating long-term value for investors.
- We have demonstrated industry-leading execution throughout our history, with the market and rating agencies increasingly recognizing both the high quality of residential solar assets as well as our track record as a sponsor.

Over \$5.3 billion of Proceeds from Non-Recourse Financing to Fund Growth

Trailing 12 Months through 12/31/2023

Proceeds from Equity Issuance	\$0
Proceeds from Recourse Debt & Convertible Debt	\$34 million
Proceeds from Non-Recourse Debt (Non-recourse aggregation warehouse loan facility, asset backed securities, subordinated loans)	\$3,746 million
Proceeds from Tax Equity	\$1,572 million

Over \$3 billion in Maturities Extended or Capital Arranged Thus Far During Q1

YTD 2024

Recourse Working Capital Facility Extended maturity from January 2025 to November 2025 (with provision to extend the maturity to March 2027, subject to certain conditions). We reduced the size from \$600 million to \$447.5 million, with an option to upsize the facility to up to \$477.5 million prior to September 30, 2024.	\$447.5 million
Non-recourse Senior Revolving Warehouse Facility Size increased from \$1.8b (+\$550m) and maturity extended from April 2025 to February 2028	\$2,350 million
Non-Recourse Senior ABS & Subordinated Debt	\$470 million
Tax Equity	\$275 million

Project finance runway

- Closed transactions and executed term sheets provide us with expected tax equity capacity to fund over 195 megawatts of projects for Subscribers beyond what was deployed through 4Q.
- Sunrun also had \$577 million in unused commitments available in its non-recourse senior revolving warehouse loan at the end of the quarter, pro-forma to reflect the recent expansion and amendment, to fund approximately 211 megawatts of projects for Subscribers.

Outlook



Full-year 2024:

- **Storage Capacity Installed** is expected to be in a range of **800 to 1,000 Megawatt hours**, representing growth of 40% to 75%
- **Solar Energy Capacity Installed** is expected to be in a range of **-5% to +5%** growth for the full-year 2024
- **Net Subscriber Value** to reach levels during 2024 which exceed the realized amount in 4Q 2023
- **Total Value Generated** is expected to grow by **over 15%** for the Full-Year 2024 driven by higher Subscriber Values and lower input costs
- Reiterating guidance of **Positive Cash Generation** cumulatively from 4Q 2023 through 4Q 2024 and to reach an annualized Cash Generation run-rate of **\$200 million to \$500 million** in Q4 2024¹

1Q 2024:

- **Storage Capacity Installed** expected to be in a range of **160 to 170 Megawatt hours**
- **Solar Energy Capacity Installed** is expected to be in a range of **165 to 175 MW**

(1) See page 20 for our Cash Generation targets and assumptions underpinning our targets.

Reiterating Commitment to Drive Meaningful Cash Generation

Annualized recurring Cash Generation of \$200 to \$500 million by 4Q 2024 with Cash Generation through the period¹

Key Assumptions Underpinning Cash Generation Target:

- **Volume:** New installations grow approximately 15% year-over-year in Q4, consistent with our long-term industry growth rate expectations
(no change from prior commentary)
- **Backup Storage Mix:** Increasing backup storage attachment rates on installations to >40%
(no change from prior commentary)
- **ITC Adders:** Weighted average ITC of approximately 35% based on probability-weighted realization of ITC adders, fully captured in margin
(no change from prior commentary)
- **Utility Prices:** Utility prices assumed to grow at historical spread to consumer price index
(no change from prior commentary)
- **Policy:** No material changes to federal and state policy and status-quo utility regulatory regimes
(no change from prior commentary)
- **Capital Costs:** Total cost of capital of approximately 7.5%
(an improvement from the 7.5% to 8% range communicated last quarter)
- **Tax Equity:** Tax equity cost and transferability economics consistent with current market terms
(no change from prior commentary)
- **Supply Chain:** Equipment costs consistent with price levels obtained on current procurement activities
(no change from prior commentary)
- **Working Capital:** Working capital managed to approximately 60-80 days of supply
(no change from prior commentary)
- **M&A:** Forecast assumes no material M&A or external strategic investments
(no change from prior commentary)

See Appendix for glossary of terms, including Cash Generation.

(1) Cumulative Cash Generation is expected to be positive from 4Q 2023 through 4Q 2024.



Appendix

Metric Sensitivity Tables

Gross Earning Assets Contracted Period

\$ in millions, as of December 31, 2023

<u>Default rate</u>	<u>Discount rate</u>				
	<u>4%</u>	<u>5%</u>	<u>6%</u>	<u>7%</u>	<u>8%</u>
5%	\$ 12,520	\$ 11,439	\$ 10,499	\$ 9,679	\$ 8,959
0%	\$ 12,902	\$ 11,779	\$ 10,802	\$ 9,951	\$ 9,204

Gross Earning Assets Renewal Period

\$ in millions, as of December 31, 2023

<u>Purchase or Renewal rate</u>	<u>Discount rate</u>				
	<u>4%</u>	<u>5%</u>	<u>6%</u>	<u>7%</u>	<u>8%</u>
80%	\$ 4,320	\$ 3,543	\$ 2,917	\$ 2,412	\$ 2,002
90%	\$ 4,979	\$ 4,084	\$ 3,364	\$ 2,782	\$ 2,310
100%	\$ 5,638	\$ 4,625	\$ 3,811	\$ 3,152	\$ 2,618

Gross Earning Assets

\$ in millions, as of December 31, 2023

<u>Purchase or Renewal rate</u>	<u>Discount rate</u>				
	<u>4%</u>	<u>5%</u>	<u>6%</u>	<u>7%</u>	<u>8%</u>
80%	\$ 17,223	\$ 15,322	\$ 13,720	\$ 12,363	\$ 11,206
90%	\$ 17,881	\$ 15,863	\$ 14,167	\$ 12,733	\$ 11,514
100%	\$ 18,540	\$ 16,404	\$ 14,613	\$ 13,103	\$ 11,822

Net Earning Assets

\$ in millions, as of December 31, 2023

	<u>Gross Earning Assets Discount rate</u>				
	<u>4%</u>	<u>5%</u>	<u>6%</u>	<u>7%</u>	<u>8%</u>
Net Earning Assets	\$ 8,755	\$ 6,736	\$ 5,040	\$ 3,606	\$ 2,388

Subscriber Value

\$ per Subscriber, for Subscriber Additions in 4Q 2023

	<u>Discount rate</u>			
	<u>5%</u>	<u>6%</u>	<u>7%</u>	<u>8%</u>
Subscriber Value Contracted Period	\$ 49,606	\$ 46,530	\$ 43,905	\$ 41,653
Subscriber Value Renewal Period	\$ 4,890	\$ 3,772	\$ 2,917	\$ 2,262
Total Subscriber Value	\$ 54,496	\$ 50,302	\$ 46,822	\$ 43,915

- Net Earning Assets excludes other assets, such as Inventory (\$460m as of 4Q23) and a portion of systems currently under construction but not yet recognized as deployed and therefore not yet reflected in Gross Earning Assets.
- Existing assets are financed with fixed-rate debt or floating-rate debt where the vast majority of the base rate exposure is hedged with interest rate swaps. As such, adjusting the discount rate applied to the entire fleet of existing assets with current financing costs applicable to new asset originations is not appropriate. Net derivative assets (total derivative assets less total derivative liabilities) totaled \$72 million at December 31, 2023 for \$4.2 billion in notional amount of interest rate swaps.

See Appendix for glossary of terms and accompanying notes.

GAAP Income Statement

Consolidated GAAP Income Statement (\$ in millions)	FY2020	FY2021	FY2022	1Q2023	2Q2023	3Q2023	4Q2023	FY2023
Revenue:								
Customer agreements	\$ 433	\$ 725	\$ 872	\$ 225	\$ 274	\$ 290	\$ 288	\$ 1,077
Incentives	52	101	111	21	28	27	34	110
Customer agreements and incentives	484	827	983	246	302	317	322	1,187
Solar energy systems	270	471	914	229	202	135	90	656
Products	168	312	424	114	86	111	105	417
Solar energy systems and product sales	438	783	1,338	343	288	247	195	1,073
Total revenue	922	1,610	2,321	590	590	563	517	2,260
Operating expenses:								
Cost of customer agreements and incentives	386	699	844	237	269	284	288	1,077
Cost of solar energy systems and product sales	358	666	1,179	320	271	234	195	1,020
Sales and marketing	352	623	745	203	195	176	167	741
Research and development	20	23	21	5	5	5	8	22
General and administrative	267	259	189	52	56	48	57	214
Goodwill impairment	-	-	-	-	-	1,158	-	1,158
Amortization of intangible assets	5	5	5	1	1	5	-	7
Total operating expenses	1,387	2,276	2,984	818	796	1,911	714	4,238
Loss from operations	(465)	(666)	(662)	(228)	(206)	(1,347)	(198)	(1,979)
Interest expense, net	231	328	446	143	157	171	182	653
Other expenses (income), net	(8)	(23)	(261)	25	(41)	(78)	158	64
Loss before income taxes	(688)	(971)	(847)	(395)	(322)	(1,441)	(537)	(2,696)
Income tax (benefit) expense	(61)	9	2	(60)	19	30	(2)	(13)
Net loss	(627)	(981)	(850)	(336)	(341)	(1,471)	(535)	(2,683)
Net loss attributable to NCI and non redeemable NCI	(454)	(901)	(1,023)	(95)	(396)	(401)	(185)	(1,078)
Net income (loss) attributable to common stockholder	(173)	(79)	173	(240)	55	(1,069)	(350)	(1,604)
EPS, diluted	\$ (1.24)	\$ (0.39)	\$ 0.80	\$ (1.12)	\$ 0.25	\$ (4.92)	\$ (1.60)	\$ (7.41)
Wt avg basic shares	140	205	211	215	216	217	218	217
Wt avg diluted shares	140	205	219	215	222	217	218	217

Customer Agreements and Incentive Revenue is comprised of ongoing revenue from customers under long-term agreements, amortization of prepaid systems, and incentive revenue. The value of the Investment Tax Credits (ITC) are recognized as Incentive revenue, when monetized using a pass-through financing structure.

The majority of Customer Agreements and Incentives COGS is depreciation (~\$451m total depreciation & amortization in 2022). This also includes operating & maintenance costs and non-capitalized costs associated with installation-related activities.

A large portion of our Sales & Marketing spend is expensed in period, while it relates to customers with ~20 or ~25 years of contracted revenue.

The Loss Attributable to Non-Controlling Interests is primarily driven by our monetization of the Investment Tax Credit (ITC) with our Tax Equity partners with partnership flip structures. Assume a tax investor contributes about ~\$1.8 per watt in cash and then immediately receives back a tax credit worth \$1.3 per watt. After receipt of the tax credit, the investor's remaining non-controlling interest in Sunrun's solar facility is now only \$0.5 per watt, which is repaid over about 6 years through cash distributions and depreciation deductions. Like the elimination of a liability, the reduction in the tax investor's non-controlling interest from ~\$1.8 per watt to ~\$0.5 per watt is income to Sunrun common shareholders. Because Sunrun received this \$1.3 per watt in cash through a partnership, this income is accounted for under GAAP using the hypothetical liquidation at book value (HLBV) method as a "loss attributable to non-controlling interests," rather than revenue.

Reflected in Sunrun's 2023 GAAP results are two large one-time non-cash charges:

3Q 2023: \$1.2 billion Goodwill impairment

4Q 2023: \$58.7 million non-cash charge related to Sunrun's investment in Lunar Energy

See Appendix for glossary of terms and Press Release for Non-GAAP EPS reconciliation.

GAAP Balance Sheet

Consolidated GAAP Balance Sheet (\$ in millions)	FY2020	FY2021	FY2022	1Q2023	2Q2023	3Q2023	4Q2023	FY2023
Cash	\$ 520	\$ 618	\$ 741	\$ 629	\$ 669	\$ 644	\$ 679	\$ 679
Restricted cash (current and long term)	188	233	213	215	252	308	309	309
Accounts receivable	95	146	214	219	215	189	172	172
Inventories	283	507	784	888	792	662	460	460
Prepaid expenses and other current assets	51	45	147	135	155	126	263	263
Solar energy systems, net	8,203	9,460	10,988	11,369	11,937	12,529	13,029	13,029
Property and equipment, net	62	57	67	75	110	128	149	149
Intangible assets, net	18	13	8	6	5	1	-	-
Goodwill	4,280	4,280	4,280	4,280	4,280	3,122	3,122	3,122
Other assets	531	913	1,503	1,559	1,690	1,893	1,799	1,799
Total assets	14,383	16,483	19,269	19,728	20,491	20,027	20,450	20,450
Accounts payable, accrued expenses and other liabilities	533	652	746	727	717	678	730	730
Other current liabilities	29	32	32	31	32	33	35	35
Deferred revenue (current and long-term)	799	874	1,096	1,098	1,142	1,155	1,196	1,196
Deferred grants (current and long-term)	222	215	209	207	204	202	204	204
Finance lease obligation (current and long-term)	24	22	29	34	63	75	91	91
Non-recourse debt (current and long-term)	4,565	5,901	7,501	7,981	8,658	9,326	9,740	9,740
Recourse debt & convertible notes (current and long-term)	231	602	898	946	946	912	932	932
Pass-through financing obligation (current and long-term)	340	321	306	303	300	297	295	295
Other liabilities	269	190	140	170	143	138	191	191
Deferred tax liabilities	82	102	133	63	91	137	123	123
Total liabilities	7,094	8,911	11,090	11,561	12,296	12,953	13,536	13,536
Redeemable noncontrolling interests in subsidiaries	560	595	610	605	610	683	676	676
Stockholders' equity	6,078	6,255	6,708	6,468	6,597	5,611	5,230	5,230
Noncontrolling interests in subsidiaries	651	723	861	1,095	988	780	1,008	1,008
Total liabilities and shareholders' equity	14,383	16,483	19,269	19,728	20,491	20,027	20,450	20,450

Deferred revenue is primarily Customer Prepayments which are recognized over the life of the contract, typically 20 or 25 years (\$873.1 million balance of Payments Received Under Customer Agreements at the end of 2023).

\$9.7 billion of our debt is non-recourse project debt and solely secured by the solar assets (at the end of 2023).

\$295 million of pass-through financing obligations (at the end of 2023) represent obligations to investors who receive the Investment Tax Credit (ITC) and a portion of cash flows from funds predominantly under an inverted lease structure.

Non-controlling interests represent our Tax Equity (under partnership flip structures) and Project Equity investors' interests in our funds.

GAAP Cash Flow Statement

Consolidated GAAP Statement of Cash Flow (\$ in millions)	FY2020	FY2021	FY2022	1Q2023	2Q2023	3Q2023	4Q2023	FY2023
Operating Activities:								
Net loss	\$ (627)	\$ (981)	\$ (850)	\$ (336)	\$ (341)	\$ (1,471)	\$ (535)	\$ (2,683)
Depreciation and amortization, net of amortization of deferred grants	243	388	451	123	127	139	143	532
Goodwill impairment	-	-	-	-	-	1,158	-	1,158
Deferred income taxes	(61)	10	2	(60)	19	30	(2)	(13)
Stock-based compensation expense	171	211	111	28	28	28	28	112
Bonus liability converted to RSUs	-	-	-	-	-	-	-	-
Interest on pass-through financing obligations	23	21	20	5	5	5	5	20
Reduction in pass-through financing obligations	(39)	(42)	(41)	(10)	(10)	(10)	(10)	(40)
Other noncash losses and expenses	51	61	(131)	58	15	(11)	227	289
Changes in operating assets and liabilities	(79)	(485)	(411)	(249)	(44)	70	28	(195)
Net cash provided by (used in) operating activities	(318)	(817)	(849)	(439)	(202)	(63)	(116)	(821)
Investing activities:								
Payments for the costs of solar energy systems	(967)	(1,678)	(1,993)	(506)	(693)	(737)	(651)	(2,587)
Acquisitions of businesses, net of cash acquired	537	-	-	-	-	-	-	-
Purchases of Equity Method	(65)	-	(75)	-	-	-	(5)	(5)
Purchases of property and equipment	(3)	(9)	(18)	(4)	(8)	(5)	(5)	(21)
Net cash used in investing activities	(498)	(1,686)	(2,086)	(510)	(700)	(741)	(661)	(2,613)
Financing activities:								
Proceeds from grants and state tax credits	6	-	-	4	-	-	-	4
Proceeds from recourse debt	183	1,110	1,165	143	213	295	515	1,166
Repayment of recourse debt	(192)	(758)	(871)	(96)	(184)	(360)	(492)	(1,132)
Repurchase of convertible senior notes	-	-	-	-	-	-	(2)	(2)
Proceeds from non-recourse debt	751	2,187	3,429	515	950	1,724	556	3,746
Repayment of non-recourse debt	(399)	(856)	(1,799)	(51)	(287)	(1,062)	(176)	(1,576)
Payment of debt fees	(14)	(54)	(63)	(1)	(16)	(30)	(0)	(47)
Proceeds from pass-through and other financing obligations	9	10	4	2	2	2	2	9
Repayment of pass-through financing and other obligations	-	(18)	-	-	-	-	-	-
Payment of finance lease obligations	(11)	(12)	(14)	(4)	(6)	(6)	(6)	(23)
Contributions received from NCI and redeemable NCI	818	1,239	1,415	398	360	355	460	1,572
Distributions paid to NCI and redeemable NCI	(111)	(196)	(218)	(64)	(57)	(52)	(52)	(225)
Acquisition of non-controlling interests	(3)	(42)	(43)	(7)	(7)	(32)	-	(46)
Proceeds from exercises of stock options	49	36	33	1	13	0	8	23
Repurchase of common stock	-	-	-	-	-	-	-	-
Proceeds from shares issued in connection with a subscription agreement	75	-	-	-	-	-	-	-
Net cash provided by financing activities	1,161	2,646	3,037	840	980	836	813	3,469
Net change in cash and restricted cash	345	142	103	(110)	78	31	36	35
Cash and restricted cash, beginning of period	363	708	850	953	843	921	952	953
Cash and restricted cash, end of period	708	850	953	843	921	952	988	988

Cash Flow From Operations is negative as 25-30% of our Creation Costs are expensed in the period, while revenue is recognized over 80 periods or more. Additionally, we raise Debt and Project Equity to fund our growth, which covers CFO and CFI.

These investments are the capex for our solar energy systems. Approximately 70-75% of our Creation Costs are capitalized, the rest are expensed in-period on our income statement.

We raise non-recourse project debt on assets, which is serviced by cash flows from contracted customer payments.

Proceeds from pass-through and other financing obligations primarily represents Tax Equity investors in inverted lease structures, where the investor receives the Investment Tax Credit (ITC), certain depreciation attributes, and a share of cash flows. Following adoption of ASC 606 in 2018, proceeds received related to ITC revenues are treated as operating cash flows.

Proceeds from NCI represent investments from (1) Tax Equity investors in partnership flip funds, where they receive the Investment Tax Credit, certain depreciation attributes, and a share of cash flows, along with (2) Project Equity investors such as National Grid, which receive a share of cash flows from the funds. In 2023, proceeds from NCI and proceeds from pass-through and other financial obligations averaged ~\$1.81 per watt.

Glossary

Deployments represent solar energy systems, whether sold directly to customers or subject to executed Customer Agreements (i) for which we have confirmation that the systems are installed on the roof, subject to final inspection, (ii) in the case of certain system installations by our partners, for which we have accrued at least 80% of the expected project cost (inclusive of acquisitions of installed systems), or (iii) for multi-family and any other systems that have reached our internal milestone signaling construction can commence following design completion, measured on the percentage of the system that has been completed based on expected system cost.

Customer Agreements refer to, collectively, solar power purchase agreements and solar leases.

Subscriber Additions represent the number of Deployments in the period that are subject to executed Customer Agreements.

Customer Additions represent the number of Deployments in the period.

Solar Energy Capacity Installed represents the aggregate megawatt production capacity of our solar energy systems that were recognized as Deployments in the period.

Solar Energy Capacity Installed for Subscribers represents the aggregate megawatt production capacity of our solar energy systems that were recognized as Deployments in the period that are subject to executed Customer Agreements.

Storage Capacity Installed represents the aggregate megawatt hour capacity of storage systems that were recognized as Deployments in the period.

Creation Cost represents the sum of certain operating expenses and capital expenditures incurred divided by applicable Customer Additions and Subscriber Additions in the period. Creation Cost is comprised of (i) installation costs, which includes the increase in gross solar energy system assets and the cost of customer agreement revenue, excluding depreciation expense of fixed solar assets, and operating and maintenance expenses associated with existing Subscribers, plus (ii) sales and marketing costs, including increases to the gross capitalized costs to obtain contracts, net of the amortization expense of the costs to obtain contracts, plus (iii) general and administrative costs, and less (iv) the gross profit derived from selling systems to customers under sale agreements and Sunrun's product distribution and lead generation businesses. Creation Cost excludes stock based compensation, amortization of intangibles, and research and development expenses, along with other items the company deems to be non-recurring or extraordinary in nature. The gross margin derived from solar energy systems and product sales is included as an offset to Creation Cost since these sales are ancillary to the overall business model and lowers our overall cost of business. The sales, marketing, general and administrative costs in Creation Costs is inclusive of sales, marketing, general and administrative activities related to the entire business, including solar energy system and product sales. As such, by including the gross margin on solar energy system and product sales as a contra cost, the value of all activities of the Company's segment are represented in the Net Subscriber Value.

Subscriber Value represents the per subscriber value of upfront and future cash flows (discounted at 6%) from Subscriber Additions in the period, including expected payments from customers as set forth in Customer Agreements, net proceeds from tax equity finance partners, payments from utility incentive and state rebate programs, contracted net grid service program cash flows, projected future cash flows from solar energy renewable energy credit sales, less estimated operating and maintenance costs to service the systems and replace equipment, consistent with estimates by independent engineers, over the initial term of the Customer Agreements and estimated renewal period. For Customer Agreements with 25 year initial contract terms, a 5 year renewal period is assumed. For a 20 year initial contract term, a 10 year renewal period is assumed. In all instances, we assume a 30-year customer relationship, although the customer may renew for additional years, or purchase the system.

Net Subscriber Value represents Subscriber Value less Creation Cost.

Total Value Generated represents Net Subscriber Value multiplied by Subscriber Additions.

Customers represent the cumulative number of Deployments, from the company's inception through the measurement date.

Subscribers represent the cumulative number of Customer Agreements for systems that have been recognized as Deployments through the measurement date.

Networked Solar Energy Capacity represents the aggregate megawatt production capacity of our solar energy systems that have been recognized as Deployments, from the company's inception through the measurement date.

Networked Solar Energy Capacity for Subscribers represents the aggregate megawatt production capacity of our solar energy systems that have been recognized as Deployments, from the company's inception through the measurement date, that have been subject to executed Customer Agreements.

Networked Storage Capacity represents the aggregate megawatt hour capacity of our storage systems that have been recognized as Deployments, from the company's inception through the measurement date.

Gross Earning Assets is calculated as Gross Earning Assets Contracted Period plus Gross Earning Assets Renewal Period.

Gross Earning Assets Contracted Period represents the present value of the remaining net cash flows (discounted at 6%) during the initial term of our Customer Agreements as of the measurement date. It is calculated as the present value of cash flows (discounted at 6%) that we would receive from Subscribers in future periods as set forth in Customer Agreements, after deducting expected operating and maintenance costs, equipment replacements costs, distributions to tax equity partners in consolidated joint venture partnership flip structures, and distributions to project equity investors. We include cash flows we expect to receive in future periods from state incentive and rebate programs, contracted sales of solar renewable energy credits, and awarded net cash flows from grid service programs with utilities or grid operators.

Gross Earning Assets Renewal Period is the forecasted net present value we would receive upon or following the expiration of the initial Customer Agreement term but before the 30th anniversary of the system's activation (either in the form of cash payments during any applicable renewal period or a system purchase at the end of the initial term), for Subscribers as of the measurement date. We calculate the Gross Earning Assets Renewal Period amount at the expiration of the initial contract term assuming either a system purchase or a renewal, forecasting only a 30-year customer relationship (although the customer may renew for additional years, or purchase the system), at a contract rate equal to 90% of the customer's contractual rate in effect at the end of the initial contract term. After the initial contract term, our Customer Agreements typically automatically renew on an annual basis and the rate is initially set at up to a 10% discount to then-prevailing utility power prices.

Net Earning Assets represents Gross Earning Assets, plus total cash, less adjusted debt and less pass-through financing obligations, as of the same measurement date. Debt is adjusted to exclude a pro-rata share of non-recourse debt associated with funds with project equity structures along with debt associated with the company's ITC safe harboring facility. Because estimated cash distributions to our project equity partners are deducted from Gross Earning Assets, a proportional share of the corresponding project level non-recourse debt is deducted from Net Earning Assets, as such debt would be serviced from cash flows already excluded from Gross Earning Assets.

Glossary (continued)

Cash Generation is calculated using the change in our unrestricted cash balance from our consolidated balance sheet, less net proceeds (or plus net repayments) from all recourse debt (inclusive of convertible debt), and less any primary equity issuances or net proceeds derived from employee stock award activity (or plus any stock buybacks or dividends paid to common stockholders) as presented on the Company's consolidated statement of cash flows. The Company expects to continue to raise tax equity and asset-level non-recourse debt to fund growth, and as such, these sources of cash are included in the definition of Cash Generation. Cash Generation also excludes long-term asset or business divestitures and equity investments in external non-consolidated businesses (or less dividends or distributions received in connection with such equity investments).

Annual Recurring Revenue represents revenue arising from Customer Agreements over the following twelve months for Subscribers that have met initial revenue recognition criteria as of the measurement date.

Average Contract Life Remaining represents the average number of years remaining in the initial term of Customer Agreements for Subscribers that have met revenue recognition criteria as of the measurement date.

Households Served in Low-Income Multifamily Properties represent the number of individual rental units served in low-income multi-family properties from shared solar energy systems deployed by Sunrun. Households are counted when the solar energy system has interconnected with the grid, which may differ from Deployment recognition criteria.

Positive Environmental Impact from Customers represents the estimated reduction in carbon emissions as a result of energy produced from our Networked Solar Energy Capacity over the trailing twelve months. The figure is presented in millions of metric tons of avoided carbon emissions and is calculated using the Environmental Protection Agency's AVERT tool. The figure is calculated using the most recent published tool from the EPA, using the current-year avoided emission factor for distributed resources on a state by state basis. The environmental impact is estimated based on the system, regardless of whether or not Sunrun continues to own the system or any associated renewable energy credits.

Positive Expected Lifetime Environmental Impact from Customer Additions represents the estimated reduction in carbon emissions over thirty years as a result of energy produced from solar energy systems that were recognized as Deployments in the period. The figure is presented in millions of metric tons of avoided carbon emissions and is calculated using the Environmental Protection Agency's AVERT tool. The figure is calculated using the most recent published tool from the EPA, using the current-year avoided emission factor for distributed resources on a state by state basis, leveraging our estimated production figures for such systems, which degrade over time, and is extrapolated for 30 years. The environmental impact is estimated based on the system, regardless of whether or not Sunrun continues to own the system or any associated renewable energy credits.

Total Cash represents the total of the restricted cash balance and unrestricted cash balance from our consolidated balance sheet.



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