Modern Slavery Statement

I. INTRODUCTION

This statement is made pursuant to Section 54 of the UK Modern Slavery Act and California Transparency in Supply Chains Act, both of which require performing due diligence of a company's supply chain to identify and prevent modern slavery and human trafficking. Both require public disclosure of information relating to applicable business processes and associated steps undertaken to address the risk of slavery and human trafficking in company's operations and supply chain.

As a values-driven company, Stem is committed to upholding and protecting human rights throughout all aspects of its business, within its sphere of influence. Our approach to human rights is guided by the United Nations Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, and the International Labor Organization's (ILO's) Fundamental Conventions which includes elimination of all forms of forced or compulsory labor, and abolition of child labor.

II. OUR BUSINESS

We provide clean energy solutions and services designed to maximize the economic, environmental, and resiliency value of energy assets and portfolios. Stem's leading AI-driven enterprise software platform, Athena® enables organizations to deploy and unlock value from clean energy assets at scale. Powerful applications, including AlsoEnergy's PowerTrack, simplify and optimize asset management and connect an ecosystem of owners, developers, assets, and markets. We also offer integrated partner solutions to help improve returns across energy projects, including storage, solar, and EV fleet charging.

III. OUR POLICIES

We have various policies that express our commitment to conducting business in an ethical and transparent manner. As it relates to our supplier community, some of these policies include:

Forced or Child Labor, and Slavery or Human Trafficking

We oppose all forms of forced (including bonded) or child labor in accordance with the principles outlined in the ILO Minimum Age Convention, ILO Forced Labor Convention, and ILO Abolition of Forced Labor Convention, as well as United Nations Declaration of Human Rights Article 4 that states: "No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms."

Non-Discrimination and Equal Opportunities

We expect our partners to prohibit discrimination relating to any characteristic protected under applicable law. Protected characteristics include age, race, color, national origin, gender (including pregnancy, childbirth or medical condition related to pregnancy or childbirth), gender identity or expression, sexual orientation, religion, physical or mental disability, medical condition, genetic information, marital status, veteran status, military status, or any other characteristic protected by federal, state, or local law. Stem's partners are also expected to advance diversity, inclusion, and equal opportunities throughout their own business and supply chain.

IV. MODERN SLAVERY RISK

We expect all our partners to uphold and respect fundamental human rights. This includes operating in accordance with internationally recognized standards, including the United Nations Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, and the ILO's Fundamental Conventions. We

expect our partners to prohibit all forms of forced and child labor, human trafficking and discrimination and harassment. Stem's partners are also expected to advance diversity, inclusion, and equal opportunities throughout their own supply chain, provide a safe and healthy work environment, and comply with all minimum wage and working hours regulations. We also reserve the right to audit compliance with the requirements outlined in Stem's Human Rights Policy and Partner Code of Conduct.

In addition to setting expectations with our suppliers and partners, Stem's Code of Business Conduct & Ethics Policy emphasizes Stem's corporate values and expectations of all its employees, as it pertains to ethical behavior and conduct, and interaction with partners. Stem expects all employees and individuals acting on behalf of the Company to conduct themselves with the highest degree of honesty and integrity at all times. We require all newly onboarded employees to read and acknowledge our Code of Business Conduct and Ethics. We also provide ongoing training for the Code of Business Conduct and Ethics.

V. DUE DILIGENCE

Stem is committed, as articulated in our Partner Code of Conduct and Human Right Policy Statement, to ensuring that our suppliers not use forced labor, child labor, indentured servitude, slave labor, or engage in any form of human trafficking.

Stem takes a risk-based approach to due diligence, focusing on geographic or country specific risks. This entails surveying our suppliers annually via a questionnaire that requires them to disclose their labor practices and policies. Stem engaged a third party that manages this effort of information collection. The findings help Stem identify red flags relating to potential failures of suppliers to abide by their modern slavery and forced labor obligations.

We have a strong culture of ethical behavior, and we provide venues to allow open communication and encourage anyone with concerns to speak up without fear of retaliation. We provide an anonymous whistleblower hotline where anyone can submit any concerns they may find with Stem's operations.

We are committed to investigating any credible report of potential modern slavery and forced labor or other applicable Code of Conduct violations in a fair, consistent, comprehensive, and objective manner. In line with our core beliefs, we make the commitment that we will take all appropriate and necessary steps to rectify any confirmed incidences of modern slavery and forced labor in our operations or supply chains.

VI. ASSESSING EFFECTIVENESS

We are committed to transparency in our supply chain. As a young public company, our formal processes, strategies and policies are still developing. As part of that effort to improve our first annual human rights assessment, we engaged a third-party service provider to perform our supply chain due diligence exercise.

We evaluate the supplier information we collect via the supplier questionnaire sent out to our supplier community. Our findings help us prioritize the suppliers in low, medium, and high categories, which allows us to focus on high-risk suppliers in our efforts to engage and attempt to align them with our modern slavery and human trafficking policy expectations.

We are adding additional rigor and controls to our current processes and will continue to refine how we assess modern slavery and human trafficking risks within our sphere of influence. To meet that commitment our supply chain will seek to ensure that our material suppliers have acknowledged and signed our Partner Code of Conduct which stipulates Stem's position on forced labor, child labor, slavery, and human trafficking.

VII. APPROVAL OF THIS STATEMENT

This statement was approved by the Stem, Inc. Board of Directors. For purposes of compliance under Section 54 of the UK Modern Slavery Act 2015, and California Transparency in Supply Chains Act, this statement is signed by the VP of Supply Chain.

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Signature