Human Rights Policy Statement

I. INTRODUCTION

As a values-driven company, Stem is committed to upholding and protecting human rights throughout all aspects of our business within our 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.

Our Human Rights Policy Statement outlines Stem's commitment to respecting and advocating for the rights of all people, including our own employees, customers, partners, and communities. This is also inclusive of protecting fundamental human rights for minority and indigenous groups and women.

II. HUMAN RIGHTS

Discrimination and Harassment

Stem prohibits discrimination and all forms of harassment, inclusive of non-sexual and sexual harassment. We will not tolerate harassment relating to any characteristic protected under applicable law by any employee, contractor, vendor, customer or visitor. 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.

We do not tolerate any form of retaliation against any employee who opposes discrimination or prohibited harassment, makes a complaint, or participates in any manner in an internal investigation or an investigation, proceeding, or hearing.

Diversity and Inclusion

Stem values diversity and inclusion and aims to create a culture where all of our stakeholders feel welcomed. We are committed to diversifying our workplace with passionate, critical thinkers of any race, class, gender, sexual orientation, education level, veteran status, disiability, and those impacted by the criminal justice system. We are also committed to providing equal training, career development, and promotion opportunities for all of our employees and paying equal wages for equal work.

As our Company changes and grows, we are aware of the benefits that energy storage can have not only for our customers, but also for our local communities and society as a whole. This includes the ability to empower underserved communities and advocate for equality.

We aim empower those within underserved communities by providing energy solutions to under-resourced schools, hospitals, housing, religious centers, and other community spaces.

Labor Relations

Stem is committed respecting the rights of our employees. We respect the rights of freedom of association and collective bargaining in accordance with local laws and regulations, and will establish means to facilitate these rights where restricted under law. We also aim to practice responsible workforce restructuring strategies when applicable to our business.

Living Wage and Working Hours

Stem is committed to providing a fair or living wage for all employees and encourage our partners to also provide their own employees with a fair or living wage. We comply with all federal, state, or local wage and working hour regulations, which includes minimum rest period requirements.

Health and Safety

Stem is committed to providing a safe and healthy work environment for our employees, and all other individuals working on behalf of the Company. We recognize our responsibility to provide a safe and healthy work environment and continue engage with our employees to establish health and safety policies and procedures so that all work can be conducted in a safe manner.

Forced and Child Labor

Stem prohibits all forms of forced (including bonded) and 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. We aim to take any necessary measures to ensure our partners also comply with minimum age requirements set by local laws. We also prohibit the payment of any type of recruitment fees during the hiring process.

III. SUPPLY CHAIN AND PARTNERS

Stem expects all of our partners to uphold and respect fundamental human rights. This includes operating in accordance with international 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, 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.

We also acknowledge human rights risks specific to certain aspects within our industry, including the illegal extraction and trade of conflict minerals. Stem aims to increase transparency and responsibility among our partners during the sourcing of raw materials, which includes preventing the use of conflict minerals as outlined in the Dodd-Frank Wall Street Reform and Consumer Protection Act. We also expect our partners to comply with the filing of all mandatory public disclosures related to conflict minerals.

IV. MANAGEMENT, GOVERNANCE AND IMPLEMENTATION

Stem's Human Rights Policy Statement applies to all of our operations, and we expect our employees and other partners to comply with all aspects of the policy. In addition to complying with Stem's Human Rights Policy Statement, all of our employees are required to complete mandatory, annual discrimination training.

The execution of this policy is overseen by Stem's executive management team.

Stem reserves the right to update this policy, and will consult our Company's stakeholders, including our employees and partners, to evaluate opportunities and implement procedures to support its implementation. Through our due diligence and monitoring processes, we also aim to ensure the effectiveness of this policy and identify and mitigate any human rights-related risks.

Any concerns or grievances related to this policy or other Company activities can be reported through Stem's whistleblower hotline. Complaints can be reported anonymously through www.lighthouse-services.com/stem or by telephone (833-480-0010).

Last Updated: July 2021