



20
22

Environmental,
Social and
Governance
Report

SUNPOWER®

Note Concerning Forward-Looking Statements

This ESG report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding: (a) our expectations for our products, including performance, adoption, and anticipated consumer impacts; (b) our expectations for growth in our industry and markets, and our positioning for success; (c) our future policy goals and areas of focus in policy advocacy; (d) our future product sourcing plans; and (e) our plans for future initiatives, including supplier diversity. These forward-looking statements are based on our current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: (1) potential disruptions to our operations and supply chain that may result from epidemics or natural disasters, including impacts of the COVID-19 pandemic; (2) competition in the solar and general energy industry and downward pressure on selling prices and wholesale energy pricing; (3) regulatory changes and the availability of economic incentives promoting use of solar energy and/or battery storage; (4) the success of our ongoing research and development efforts and our ability to commercialize new products and services, including products and services developed through strategic partnerships; and (5) challenges managing our acquisitions, joint ventures and partnerships, including our ability to successfully manage acquired assets and supplier relationships. A detailed discussion of these factors and other risks that affect our business is included in filings we make with the Securities and Exchange Commission (SEC) from time to time, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading “Risk Factors.” Copies of these filings are available online from the SEC or on the SEC Filings section of our Investor Relations website at investors.sunpower.com. 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.

A Message from Our CEO



As a company on a mission to change the way our world is powered, the principles of ESG are embedded into everything we do. This has been the case since SunPower was founded close to 40 years ago, and it is a driving force for our customers, employees and partners today.

More than half a million homes in the U.S. have SunPower solar on their roofs—and we’ve only scratched the surface. In the same way that you can’t imagine any home in America without a refrigerator or washing machine, I believe solar, battery storage, and EV charging should—and one day will—become the standard in every home. This year’s ESG report outlines the progress we’ve made in our relentless pursuit to lead the clean energy transition with a focus on making solar more accessible to all Americans.

Innovation must remain at the heart of our progress, and the work we did in 2022 is indicative of that ethic. We built a new home community with KB Home that offers a blueprint for neighborhoods of the future to never experience a blackout. We forged a new collaboration with General Motors to help more drivers run

their cars on cleaner energy and we will launch a home energy system together later this year. We joined forces with IKEA—a brand renowned for simplicity and customer experience—to make switching to solar in the U.S. easier than it has ever been.

Inside our own operations, we continued to make progress against our own goal to achieve net zero in our material and freight network by 2030 and remain laser-focused on our 25X25 commitments designed to ensure the benefits of home solar and storage serve all American families, job seekers and businesses. I take these commitments personally. Growing up in Detroit, I experienced how little things—like a rising electricity bill—add to the challenges of day-to-day life. I also experienced the potential of true American innovation happening

right at my doorstep. With these experiences and our clear vision for the future, I am resolute that we’ll only be successful when the benefits of renewable energy are within reach for everyone.

It’s true, there are obstacles and challenges on the road ahead but I look to the future with hope and enthusiasm because we’ve seen firsthand what’s possible when a community of energy solvers come together. I hope you enjoy reading what our talented and committed team achieved this past year.

A handwritten signature in dark ink, appearing to read 'P. Faricy', followed by a long, horizontal, slightly wavy line that extends to the right.

Peter Faricy

CEO

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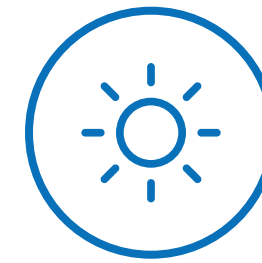
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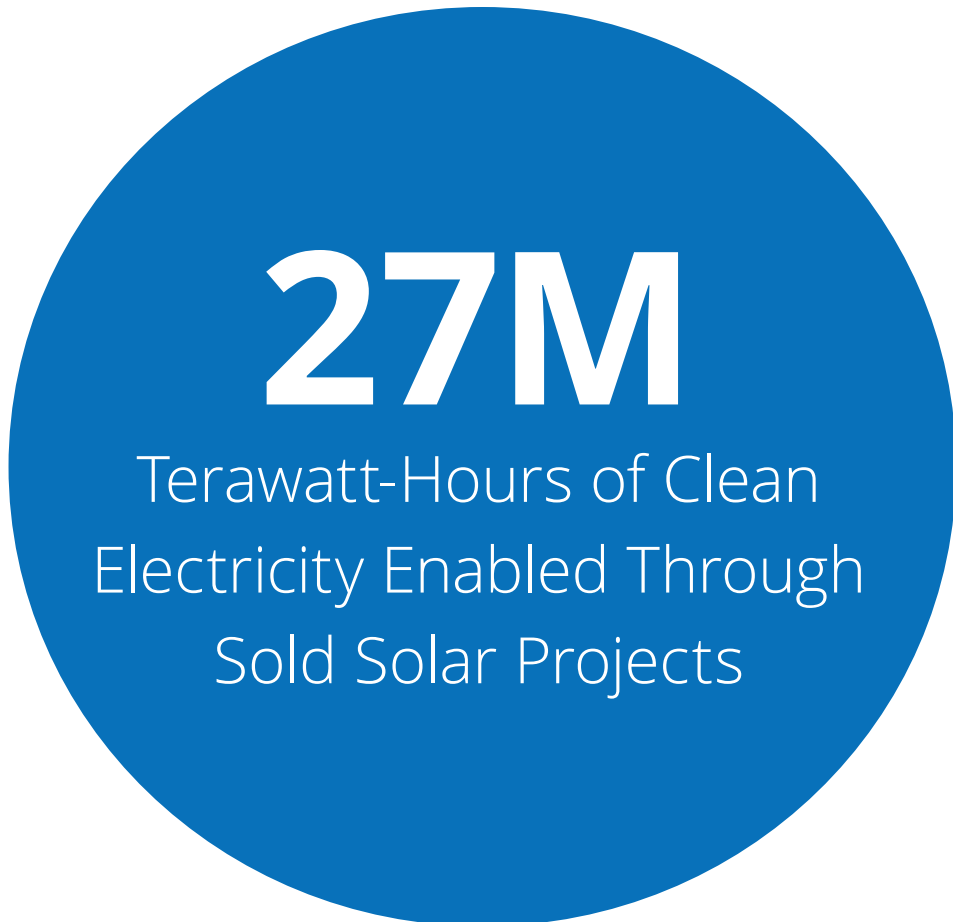


About

Our rapidly changing climate and its impact on our planet is not a challenge that any one group—governments, companies, scientists, activists or individuals—can solve alone. We need an all-hands approach—working together and from different angles—to cut carbon emissions if we are to avoid the worst impacts of a warming planet. SunPower's 2022 Environmental Social Governance (ESG) report focuses on our progress against our targets in decarbonizing our business, promoting diversity and inclusion initiatives, advancing employee safety, as well as how the company is delivering value to its customers through the electrification of homes and transportation. The data in this report is from our 2022 fiscal year (January 3, 2022 to January 1, 2023). For more information about our sustainability strategy, see SunPower's sustainability website [here](#).

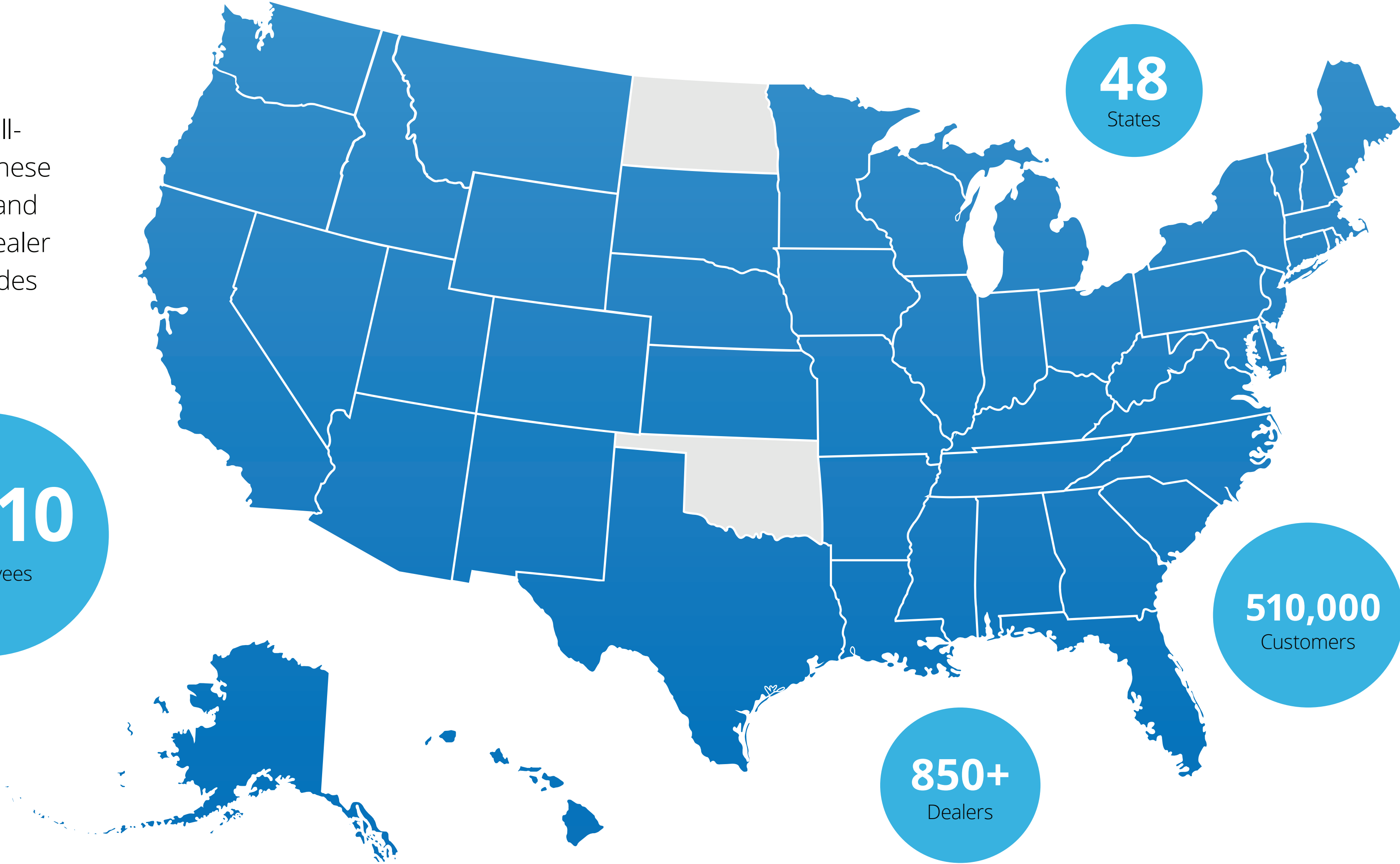
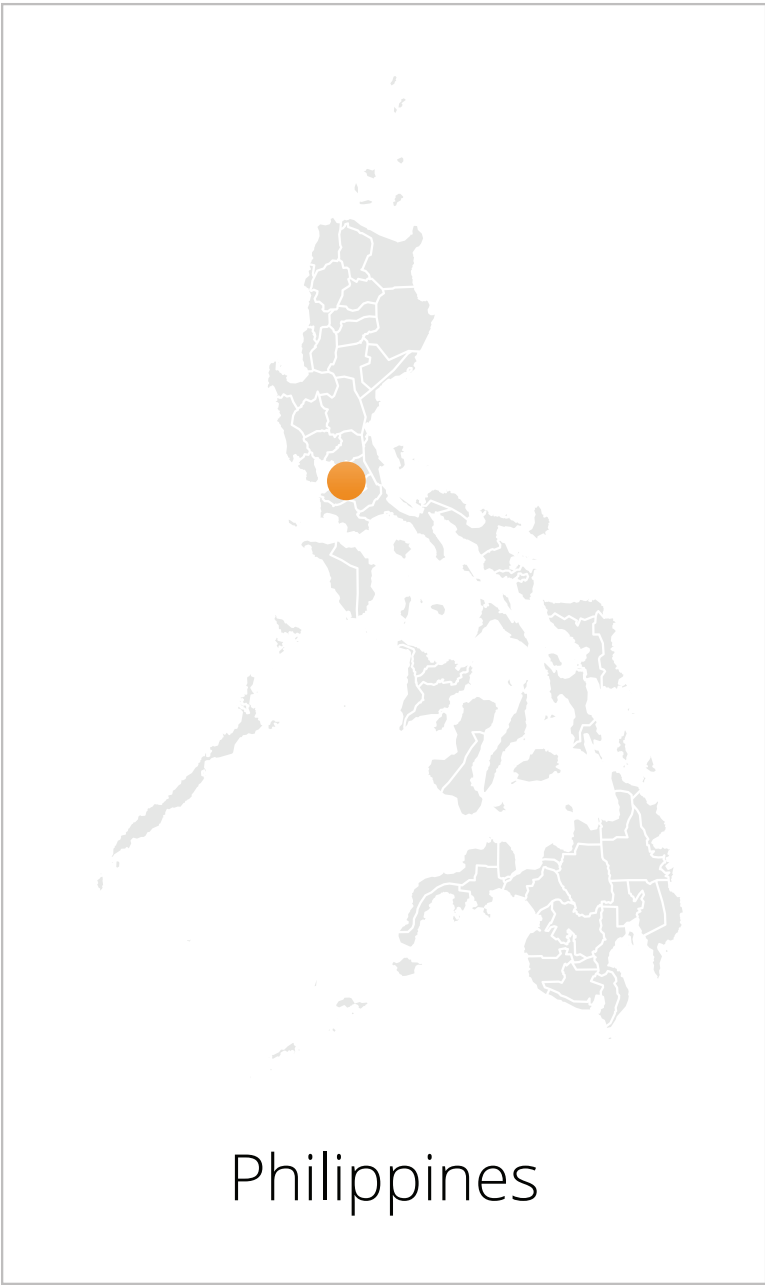
2022 Highlights

SunPower helps more American homeowners and builders adopt solar energy systems as the U.S. races to decarbonize and reduce our reliance on fossil fuels to power our homes and communities.



Our Footprint

As of January 1, 2023, SunPower has 4,710 full-time employees worldwide. About 3,480 of these employees are located in the United States, and 1,230 are in the Philippines. Our extensive dealer network has locations in 48 states and provides service to all 50 states.



● Philippine Workforce ■ Dealers

Our Mission

Changing the way our world is powered

We believe that leading a business today means responding to the climate crisis with ambition, action, and accountability. As a company founded and rooted in clean energy, we always strive to ‘*Do The Right Thing*,’ which we build into everything we do for our employees, partners and customers.

We do this by prioritizing the customer experience and making solar the most attractive and accessible energy option.

Our Purpose

Make solar + storage simple— for everyone

We believe that all Americans should have access to an affordable supply of clean energy and energy storage—especially when they need it most. We are dedicated to continuous innovation and all-in-one solar solutions that are easy to use and backed by the industry's most comprehensive standard warranty, and we support customers for the full lifecycle of their solar energy system.



Our Values

Our values are the guiding principles for the way we do business, and we’re committed to always finding ways to innovate and continuously improve.



We Put Safety First

We create safer work environments for employees, partners and customers.



We Do the Right Thing

We strive for equity, diversity and inclusion—as well as sustainability.



We Are Fast and Nimble

We stay positive, adapt easily and thrive on new opportunities.



We Deliver Superior Experiences

We lead by example, lead with the customer and always earn their trust.



We Innovate Relentlessly

We take risks, learn from our mistakes and never settle for just okay.



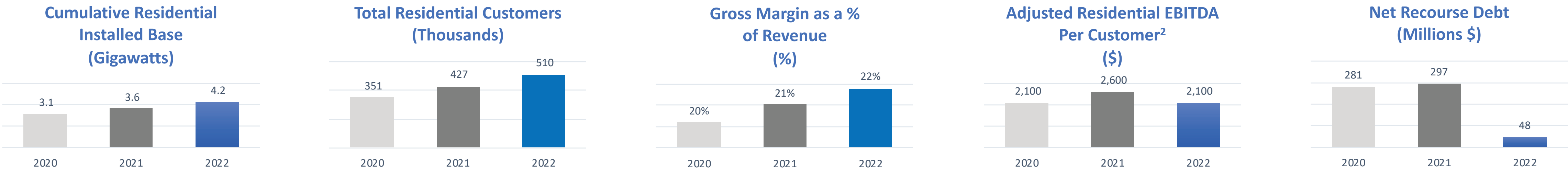
We Are Accountable

We fight as a team, believe in our mission and always hit our numbers.

Financial Highlights¹

2022 was SunPower’s first year of execution under the new long-term strategic plan we unveiled in March, with five strategic pillars and a set of financial goals and diversity commitments for 2025. The company also completed its transformation into a residential-only solar, storage and financial services company with the sale of the Commercial and Industrial Solutions (CIS) and Light Commercial (CVAR) businesses in early 2022. SunPower’s future involves making sustainable lifetime relationships with homeowners with a world-class customer experience backed by the industry’s best people, technology and equipment.

Our residential installed base was 4.2 gigawatts (GW) in 2022 and we added nearly 83,100 customers (a record high), launched a Dealer Accelerator Program and increased our dealer network by 28% to more than 850 across 48 states. We saw continued improvement in total gross margin at 21.8% in 2022, from 21.0% in 2021. Adjusted EBITDA per customer² for 2022 was \$2,100, on track toward our target model of \$3,000-\$4,000 by 2025. Our balance sheet remains de-levered, with remaining net recourse debt of only \$48M at the end of 2022, the lowest level in over 10 years.



¹ Financial numbers are reflected on a Non-GAAP basis unless otherwise noted. Information concerning non-GAAP measures, including GAAP to non-GAAP reconciliations, may be found in the company’s reports filed with the SEC and our quarterly earnings presentations.

² Adjusted Residential EBITDA per customer before Corporate Opex and platform investment that includes Product and Digital Opex.

We experienced annual customer growth in 2022 of 48% year-over-year, and we continued to see strength across all our sales channels with 108% year-over-year customer growth directly from SunPower platforms and channels. Our backlog also ended the year strong with 33,000 retrofit customers and another 19,000 in the new homes channel. SunVault® energy storage system sales continued at a steady pace with a 17% bookings attach rate within the SunPower Direct channel in the second half of the year, and we expect higher customer interest in California this year as a result of Net Energy Metering 3.0 (NEM 3.0) policy changes that go into effect on April 15, 2023.

The Inflation Reduction Act passed by Congress in 2022 includes a 10-year extension of the 30% Investment Tax Credit (ITC) for solar and solar paired with storage, in addition to a brand-new 30% tax credit for standalone battery storage. It also includes several important bonus credits that apply to systems leased to customers. SunPower stands well positioned to monetize these benefits for both customers and the company through a combination of stronger sales, increased pricing

power and our potential qualification for bonus credits. For example:

- 1 To increase the likelihood that we qualify for the 10% Domestic Content bonus credit, we are adding more domestically manufactured PV modules to our supplies for 2023 and we expect to bring in additional domestic suppliers in 2024 and onward.
- 2 For the 10%–20% Low-Income bonus credit, SunPower plans to build new tools for dealers, activating SunPower Direct to sell lease and reconfiguring marketing operations to capture more qualifying customers.
- 3 For the Energy Communities credit, we are mapping out these communities so that this bonus can be incorporated into our sales tools.

In 2022, we announced our collaboration with General Motors to develop a new home energy system that will enable its compatible electric vehicles (EV) to provide backup energy to a properly equipped home with bi-directional charging, expected to launch in the fall of 2023. SunPower was also named GM's exclusive

solar provider, allowing us to reach even more homeowners. *See also Innovation section.*

We also continue to develop our virtual power plant offerings. And, our strategic relationship with OhmConnect further extends the customer value proposition. Continuing platform investment in product and digital innovation will support our dealers, grow sales, improve our financial products and will add customer control and monitoring of systems for optimum efficiency.

We estimate that the U.S. Total Addressable Market³ consists of nearly 100 million potential U.S. customers with rooftops suitable for solar. Within this market, we estimate that more than 70 million could now reduce their monthly electric bills with solar, supported by the recent 10-year extension of the 30% investment tax credit for solar and storage, and rising utility bills. With a tight residential customer-focused strategy and a growing geographic footprint, we are excited to lean into the opportunities in front of us.

³ Source: U.S. Census Bureau American Community Survey (2021); EIA utility rate data 2000-2020; SunPower estimates for solar resource (kWh/kWp) by state.

Policy and Market Developments: A Year of Progress

The solar panel, battery storage, electrification and grid services marketplace is complex and largely driven by local, state and federal policy decisions. SunPower is committed to investing in proactive public policy advocacy efforts that enable greater access to clean energy bill savings and resiliency benefits for all Americans—while also making an impact in decarbonizing communities across the country. SunPower is proud to work with like-minded trade associations and non-profit organizations, including the Solar Energy Industries Association (SEIA), Advanced Energy United (AEU), Local Solar for All, Clean Energy for America and Vote Solar to accelerate the pace of residential clean energy deployment. We formed a new partnership with Rewiring America, a leading electrification nonprofit focused on electrifying homes, businesses and communities by developing accessible, actionable data and tools.

We also work with more than a dozen state trade associations and partner with grassroots advocacy organizations, including Solar United Neighbors, the Solar Access Coalition and the Solar Rights Alliance; dozens of environmental, consumer and justice organizations at the state and national level; and other research, academic and policy institutions to promote favorable public policies.

2022 saw the passage of the Inflation Reduction Act (IRA)—a historic law which represents the United States’ largest investment to date in clean energy deployment and associated climate change emissions reduction.

SunPower was deeply engaged throughout the entire legislative process since the bill’s initial inception in the fall of 2021. Our policy and strategy team worked tirelessly with lawmakers, industry groups and non-profit organizations to shape the bill to be maximally advantageous to our customers, our industry and our planet. Since the law’s passage, we have remained engaged with regulators as they work to implement the bill nationwide. The IRA is already creating substantial benefits for American consumers via the expansion

and long-term extension of the federal ITC for solar systems and a new ITC for battery storage systems. As additional incentives within the law are implemented, we expect our value proposition to become even more appealing to existing and potential customers.

At the state level, we made progress on a full stack of state legislative and regulatory policies in 2022, including the expansion of the Net Energy Metering program in Massachusetts, the defeat of anti-solar legislation in Florida and Hawaii, the development of new incentive programs in New Jersey, Colorado and California, and the expansion of consumer solar programs in new growth markets like Michigan. Additionally, SunPower was instrumental in ensuring that the final decision on NEM 3.0 in California did not contain any of the strongest anti-solar provisions in the initial proposed decision.



Our Goals and Progress

We recognize the critical role we play—both in the solar industry and the American economy—and know that it is our responsibility to use this position to create a more sustainable, equitable and inclusive society.

As we look ahead to the future of both our company and the planet, we've defined clear benchmarks covering sustainability and diversity, equity and inclusion (DE&I) to help hold us accountable in these efforts.

Goals and Progress

Topic		Goals	Measure	Baseline ¹	2022	Target	Year
Environment	Greenhouse Gas Emissions	1 Establish a net zero carbon emissions program for our material and freight network ²	GHG Mt / MWd	28	19	0	2030
		2 Convert our U.S. fleet vehicles to hybrid or electric vehicles	%	0	5	90	2030
	Carbon Emissions	3 Through the installation of solar systems, enable our customers to generate 200 million metric tons of carbon emissions equivalent reduction ³	Metric Tons (Mt) of CO ₂ e	80M	123M	200M	2030
People	Leadership diversity ^{4,5}	4 Increase representation of women U.S. leaders	%	NF 26 F 0	29 0	35 10	2025
		5 Increase representation of Black and Hispanic/Latinx U.S. leaders	%	NF 5 F 0	5 0	15 10	2025
		6 Increase representation of women U.S. employees	%	NF 34 F 4	36 5	40 10	2025
	25X25: Increasing workforce diversity ⁵	7 Increase representation of Black and Hispanic/Latinx U.S. employees	%	NF 8 F 13	16 43	25 25	2025
		8 Achieve the target ratio of new U.S. residential customers (single and multi-family) added within 2025 that are made up of people who live in historically disadvantaged communities	%	16	17	25	2025
		9 Achieve the target ratio of new dealers and subcontractors added within 2025 that are owned by women and people of color	%	15	12	25	2025
Community	Community engagement	10 Contribute employee volunteer hours	Cumulative Hours	25k	30k	40k	2030

1 Baseline is 2020 and excludes Blue Raven Solar, which was acquired in September 2021.

2 Excludes Blue Raven Solar.

3 Cumulative since 2005.

4 Leaders are defined as those at director level and above.

5 Goals 4-7 have been updated to separately establish targets for non-field (NF) and field (F) positions, see page 27 for further discussion. Field positions are those directly involved in system installations; all other positions are considered non-field.



Environment

Since 1985, SunPower has been helping Americans transition to solar. Our work is motivated by a mission to address the environmental challenges facing the United States and the world. Every dollar we spend, along with each of our employees, is dedicated to that mission. We are simultaneously committed to reducing the environmental impact of our operations by refining our processes and introducing new innovations to limit our carbon footprint.

Environmental Goals and Progress

While our products and services make a tangible difference in the fight against climate change, we recognize carbon emissions are created in our company’s regular operations. In 2022, SunPower made progress towards reaching our established goals to reduce carbon emissions and maximize the positive impact our company has on the environment by 2030. Our efforts, which included the implementation of electric vehicles into our fleet, resulted in a reduction of over 37,000 pounds of CO₂ emissions from our operations.

Topic	Goals	Baseline ¹	Status	Target	Year	Notes
Greenhouse Gas Emissions	1 Establish a net zero carbon emissions program for our material and freight network (GHG MT / MWd) ²	28	19	0	2030	We look at ways to increase intermodal use and optimize shipment loading and timing to achieve our target.
	2 Convert our U.S. fleet vehicles to Hybrid or Electric Vehicles	0%	5%	90%	2030	Our progress is limited by the current number of electric and hybrid vehicle models suitable to our operations. We continue to partner with vehicle manufacturers to enable the renewal of expiring leases with electric or hybrid vehicles.
Carbon Emissions	3 Through the installation of solar systems, enable our customers to generate 200 million metric tons of carbon emissions equivalent reduction ³	80M	123M	200M	2030	We continue to invest in product, digital and financial platforms to increase our growth and expand our customer coverage.

1 Baseline is 2020.
2 Excludes Blue Raven Solar. MWd is defined as megawatts deployed.
3 Cumulative since 2005.

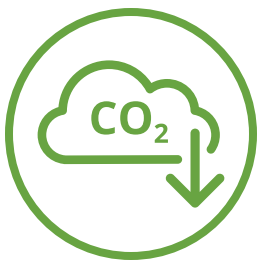
Environmental Impact

SunPower is helping customers and communities drive down carbon emissions. SunPower-enabled solar projects have generated 173 terawatt-hours (TWh)—since 2005. This is equivalent to a reduction of 123 million metric tons of carbon dioxide equivalent (CO₂e)¹.

In 2022, SunPower enabled its customers to generate 27 TWh of clean electricity. This is equivalent to reduction of 19 million metric tons of CO₂e¹.



173 TWh



123 Million

Estimated TWh of electricity generated by SunPower-enabled solar installations and estimated CO₂ equivalent reduction.

This is equivalent to negating greenhouse gas emissions from:

This is equivalent to carbon sequestered by:



26 Million

Passenger vehicles driven for one year



24 Million

Homes' electricity use for one year



145 Million

Acres of U.S. forests in one year



2 Billion

Tree seedlings grown for 10 years



136 Billion

Pounds of coal burned



14 Billion

Gallons of gasoline consumed

¹ CO₂e is based on entering 173 or 27 billion kilowatt hours into the EPA Equivalencies Calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

Decarbonizing Our Business

SunPower’s Greenhouse Gas (GHG) emissions calculations¹ follow the guidance provided in the GHG Protocol Corporate Accounting and Reporting Standard. We updated our Scope 1 and 2 emissions to include Blue Raven Solar’s² operations, driving the increase in 2022 from the revised 2021 results.



Scope 1 Emissions

U.S. vehicle fleet



Scope 2 Emissions

Electricity and gas consumptions from our U.S. and Philippines leased offices and warehouses

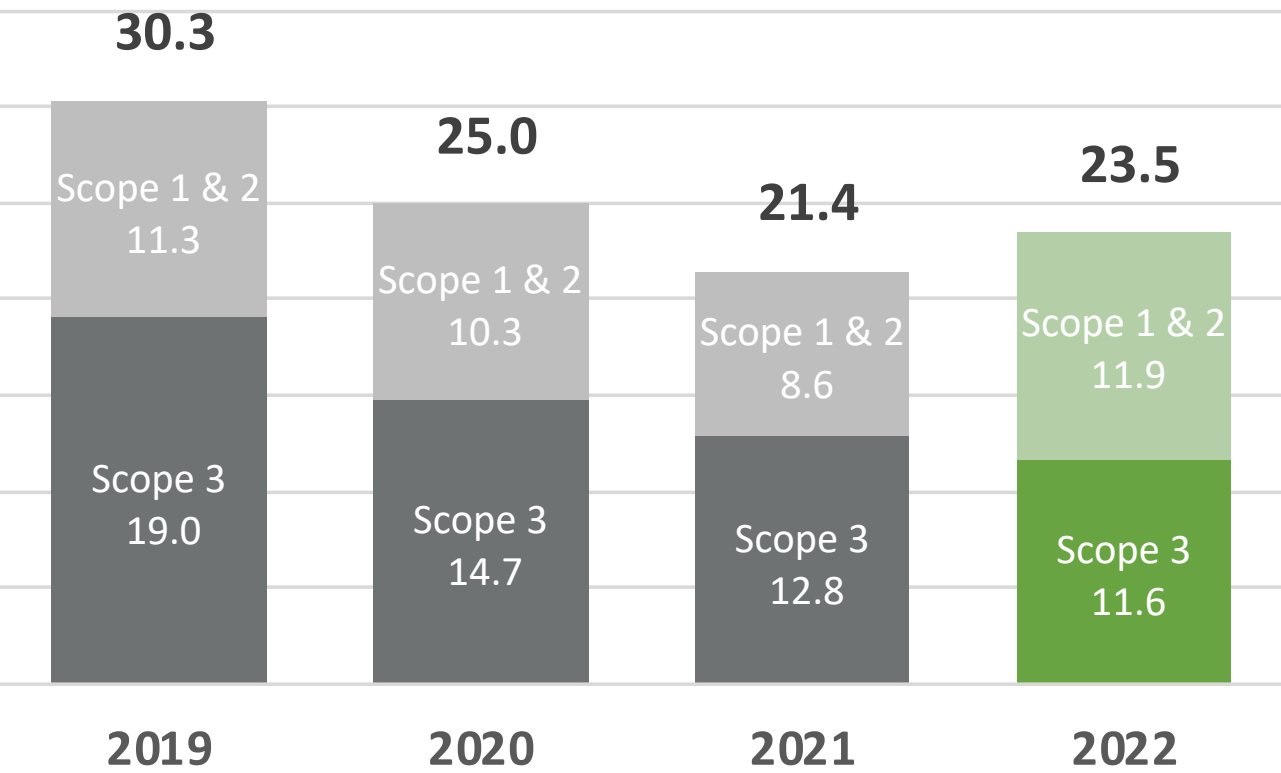


Scope 3 Emissions

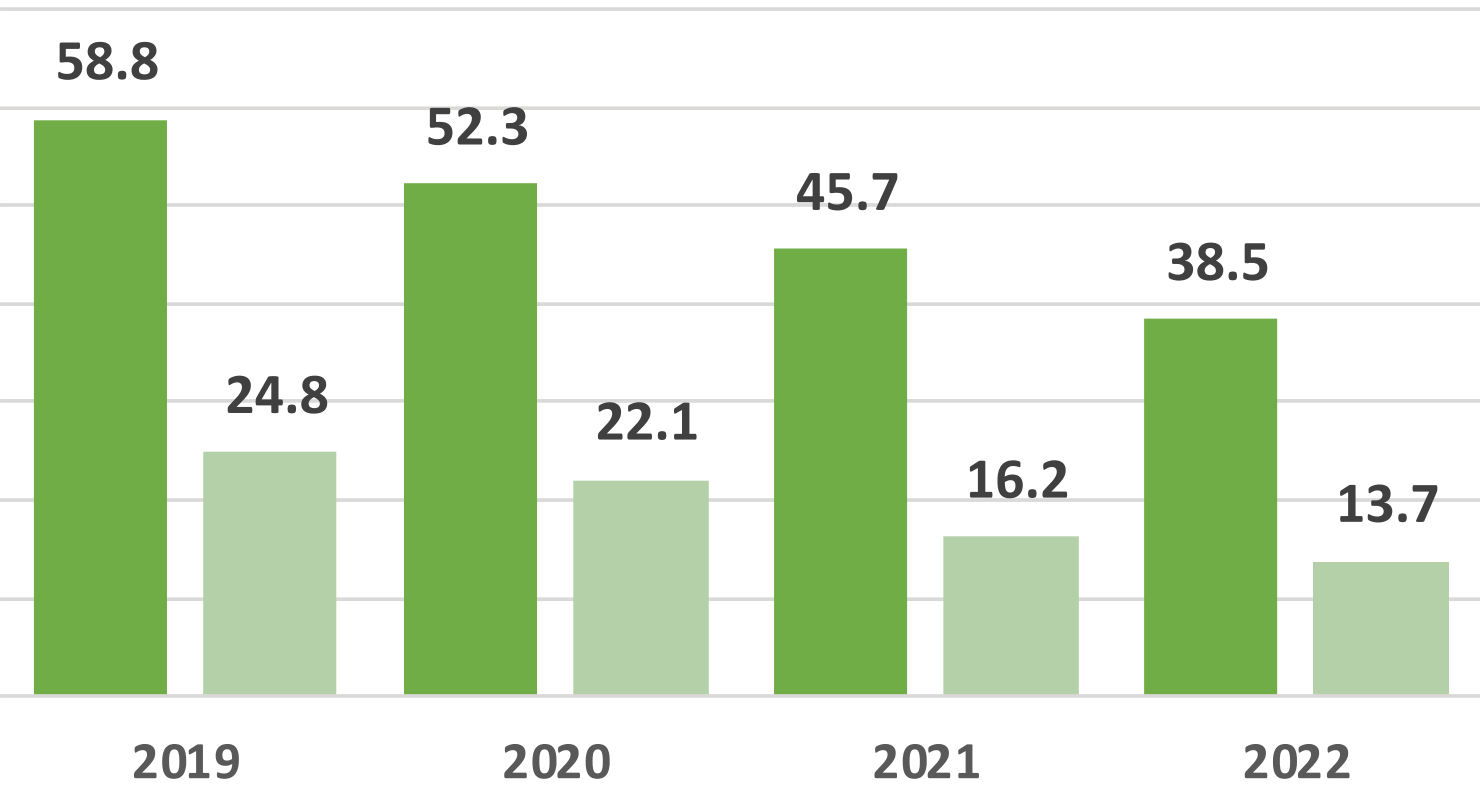
U.S. material transportation, business travel, employee shuttle and work from home

Greenhouse Gas (GHG) Emissions

Scope 1, 2 and 3 Carbon Footprint
(Metric Tons of CO₂e, Thousands)



GHG Emissions Intensity



Metric Tons of CO₂e / Megawatt Deployed
Metric Tons of CO₂e / Millions Revenue

¹ Calculations are inclusive of the CIS business through its sale in May 2022.
² Blue Raven Solar was acquired by SunPower in 2021.

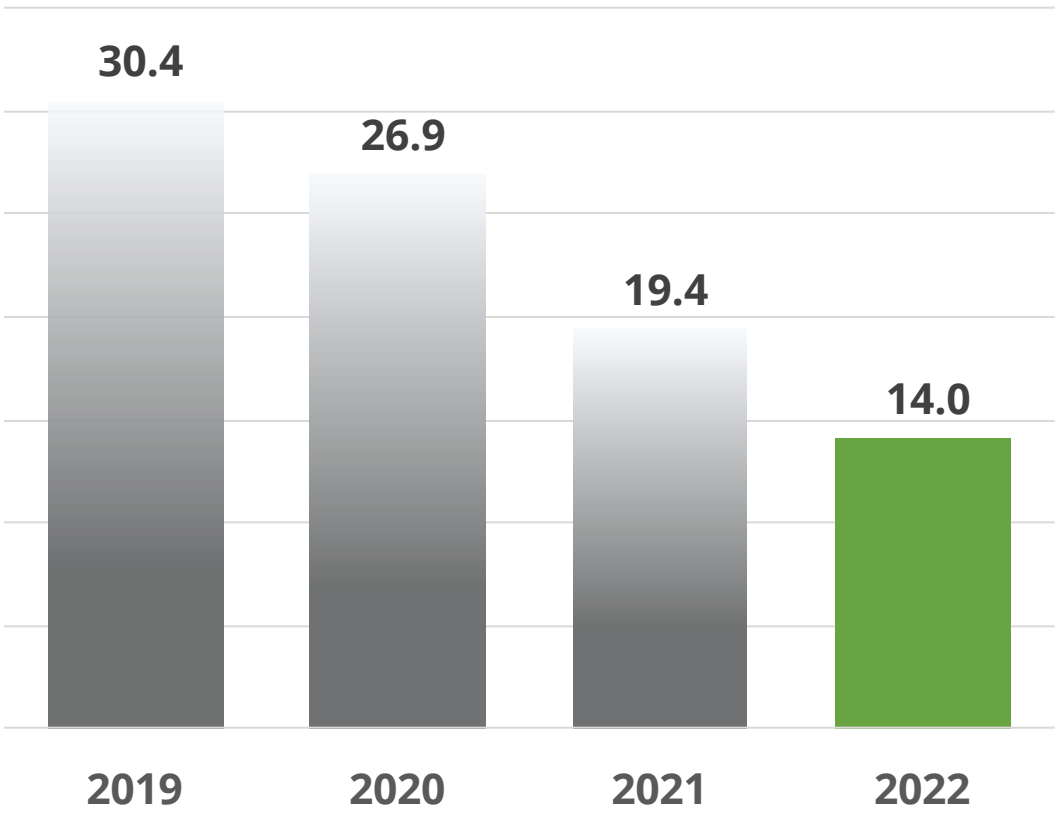
Energy Management

Our energy usage reflects our consumption of electricity and gas from our leased offices and warehouses in the U.S. and the Philippines. The expiration of two major office leases in 2022 contributed to the 36% decline in energy used. We are committed to reducing the environmental impact of our operations by defining facility selection criteria to limit our carbon footprint.

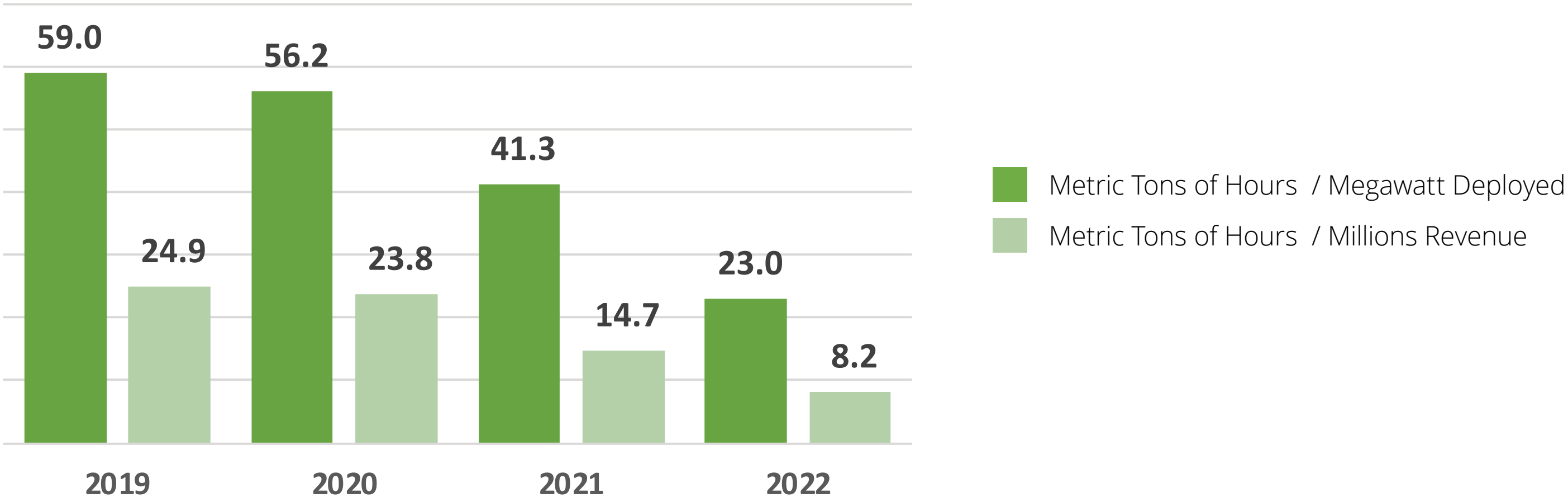
We are committed to reducing the environmental impact of our operations by refining our processes and introducing new innovations to limit our carbon footprint.

Energy Used

Electricity and Gas Consumption from Offices and Warehouses (Gigawatt Hours)



Energy Intensity



Building a Sustainable Transportation and Freight Network

One of the ways we are decarbonizing our transportation network is by deploying electric and hybrid vehicles. We are preparing our systems and facilities to accommodate the large-scale adoption of zero-emission vehicles now and in the coming years, which will require a new refueling operations system and infrastructure.

The company supports the requirements of the Environmental Protection Agency's SmartWay Shipper and is actively seeking cost-effective and environmentally efficient freight transportation to reduce our freight carbon footprint. We are working to reduce carbon emissions for our U.S. material and freight network by establishing programs to achieve net zero by 2030. Additionally, we plan to convert at least 90% of our U.S. fleet vehicles to hybrid or electric vehicles (EV) by 2030.

In 2022, SunPower collaborated with Revolv, a full-service provider of electric medium-to-heavy commercial fleets, to initiate active deployments of fifty-six EVs across nine sites, addressing the needs of SunPower's residential installation and upstream logistics fleets in California. We coordinated efforts with vehicle technology providers, implemented an upgraded installer package that improves driver safety and efficiency, and began delivering monthly metrics that highlighted operational effectiveness. Additionally, we leveraged several incentive programs across both vehicles and infrastructure to minimize

cost, including [Energiize](#), [California HVIP](#), [PG&E EV Fleet program](#), Southern California Edison (SCE) [Charge Ready Transport program](#), San Diego Gas & Electric Company ([SDGE](#)) and Los Angeles Department of Water and Power ([LADWP](#)).

The management of the programs, as well as proactive energy use management (non-peak charging, EV-based rate programs) provided significant savings for each project contracted. With the help of the California site teams, we launched seven EV charging stations and incorporated EVs into our fleet.

SunPower also engaged fellows from the Environmental Defense Fund (EDF) program to explore route optimization and planning across our North American operations.

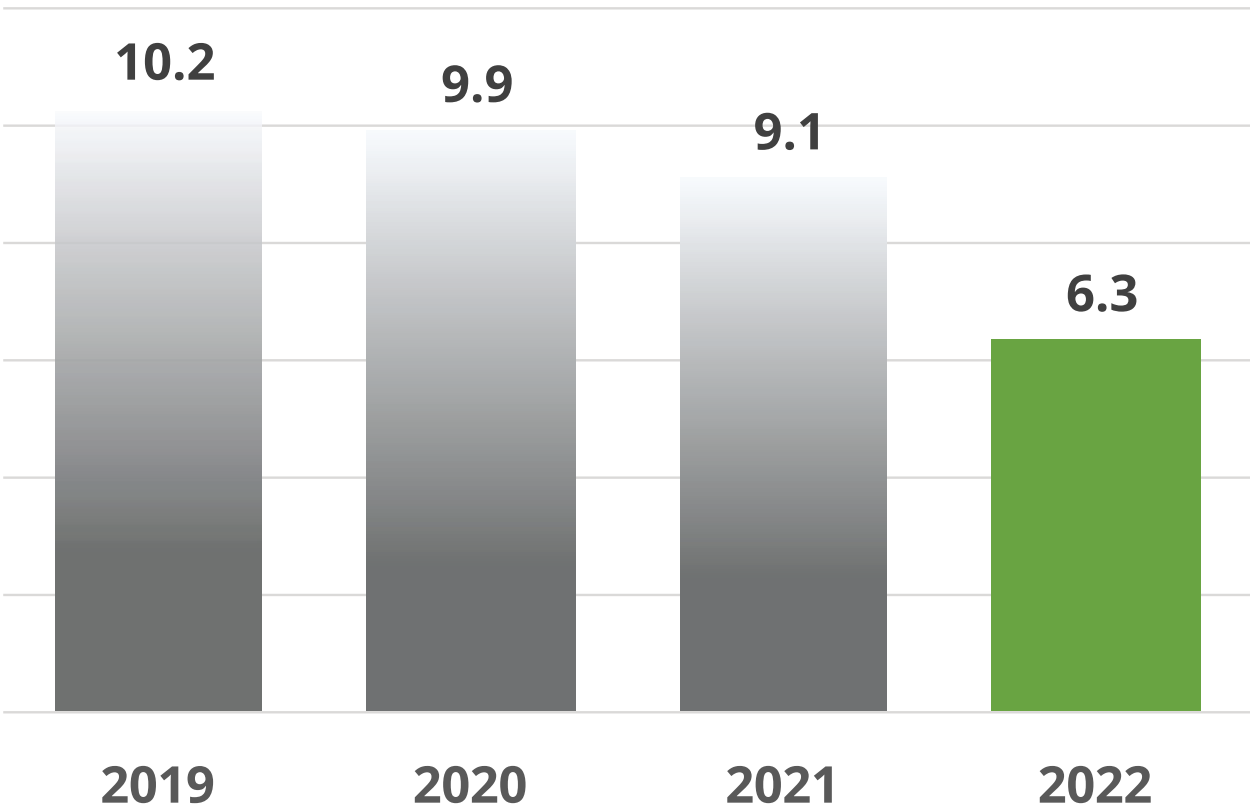
Ultimately, our efforts in 2022 resulted in a reduction of approximately 37,000 pounds of CO₂ emissions from operations, as well as several important lessons learned that we will work to deploy in 2023. Some of the key learnings include the importance of route planning, real estate selection and coordination, warehouse design and optimization, and driver education and awareness. These learnings have led to greater engagement with the key functions within SunPower that will help us achieve our collective ESG goals.

Water and Waste Management

Our current water and waste reduction efforts are from our California and Philippines offices and warehouses. The decrease in our water consumption and waste related metrics is primarily attributable to the closure of our Hillsboro, Oregon facility in 2021. As we look to new facility arrangements, we will leverage industry best practices and emerging technologies in facility design to drive reductions across carbon, energy, water and waste. We will focus on the direct emissions that result from powering our facilities, as well as the indirect emissions from the embodied carbon.

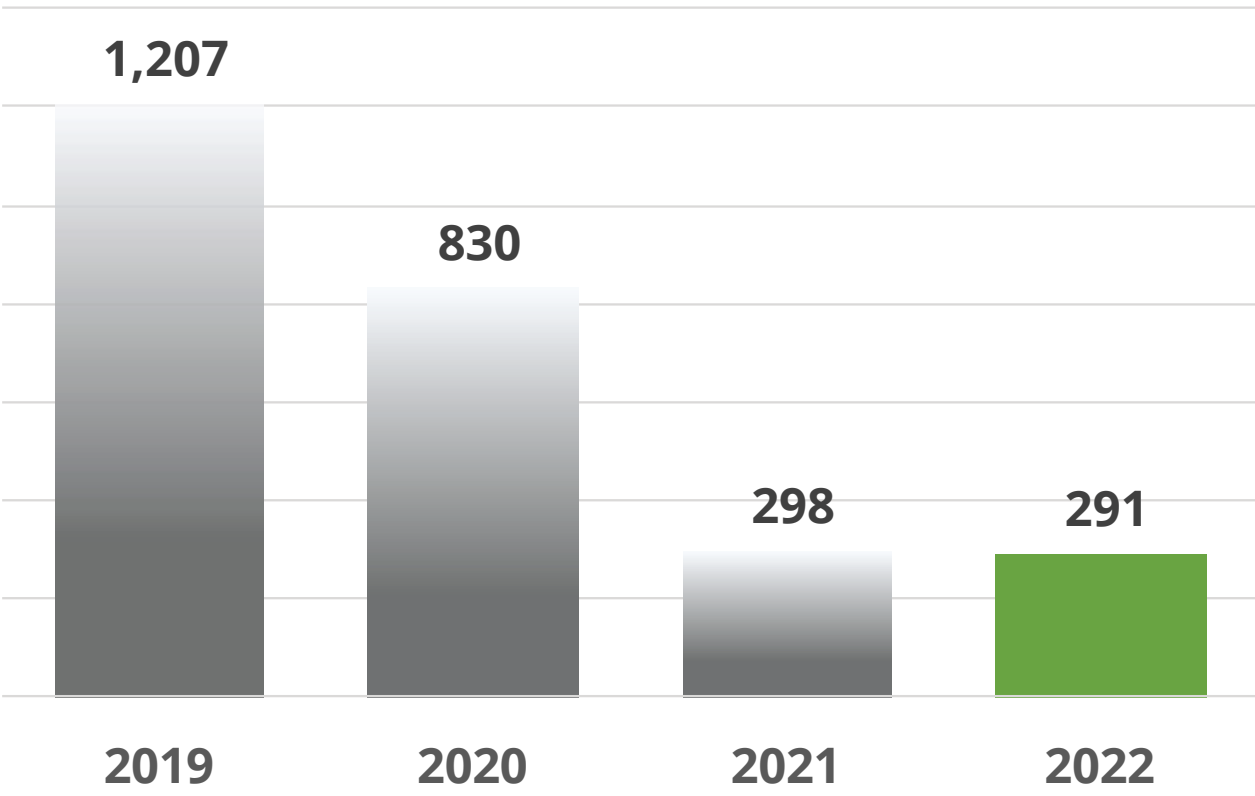
Water Consumption

Water Footprint from Various Facilities
(Gallons, Millions)



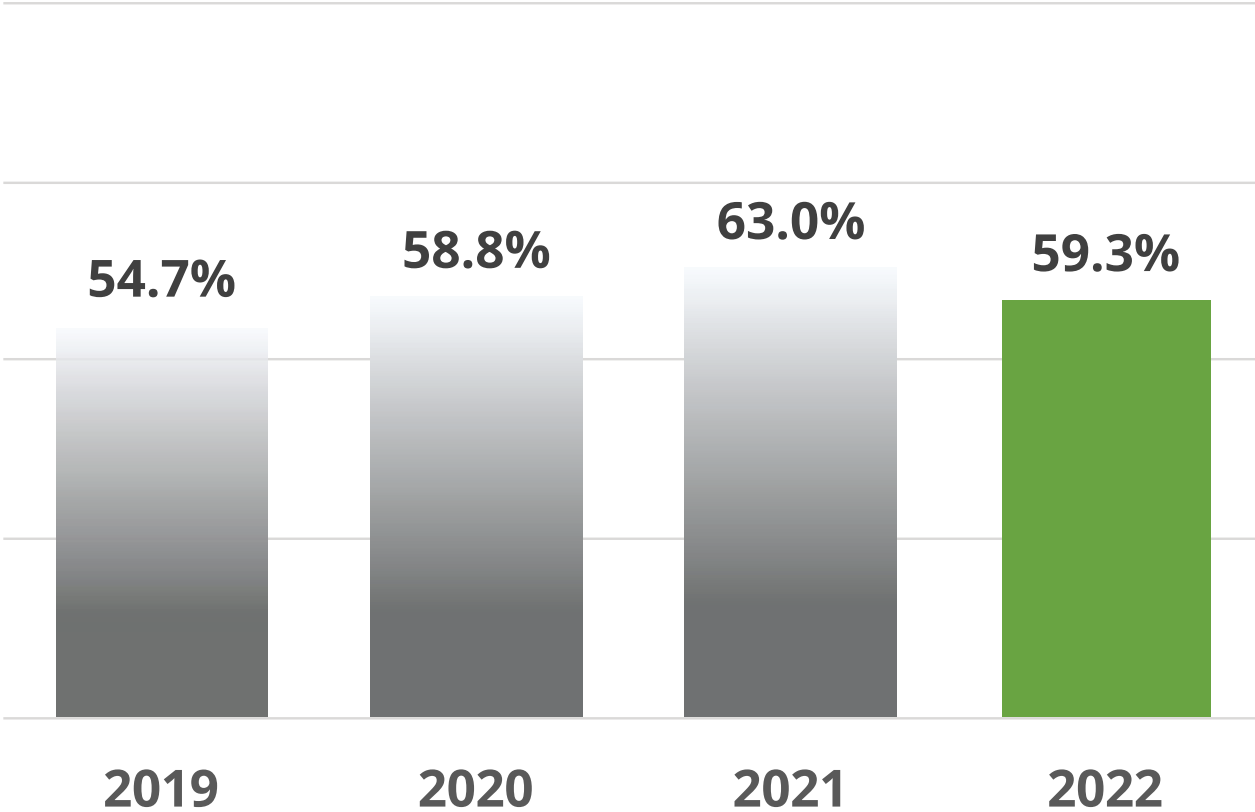
Total Waste

Waste from Facilities and Offices
(Metric Tons)



Waste Recycled

Percentage of Total Waste Recycled
(%)



Product Recycling

We maintain a national network of innovative, approved recyclers for our electrical, mechanical and solar panel waste streams. We first test, then reuse or resell components that have remaining life and ship unusable inventory to Responsible Recycling (R2:2013)—specialized recyclers with robust downstream partners for the circular use of extracted raw materials and precious metal recovery (e.g. glass, aluminum, etc.). We are also developing end-of-life practices with companies that specialize in responsible battery handling, disposal and recycling.

Additionally, we have taken steps to minimize the freight mileage for our waste streams by using direct shipments to lower the carbon footprint of reverse logistics.

SunPower works with regional PV recyclers across the country to provide customers with better access to module recycling and to lessen our waste streams’ freight mileage. We currently have recyclers in Oregon, Arizona, Texas and Ohio. Our PV recyclers have some or all of the following certifications:

- ISO9001: Quality Management Systems
- ISO14001:2004: Environmental Management Systems
- OSHAS 18001: Occupational Health and Safety Management Systems
- R2/RIOS Certified Electronics Recycler®
- e-Stewards Standard for Responsible Recycling and Reuse of Electronics® 2009
- Responsible Recycling 2008

By requiring our recyclers to have these certifications, we ensure material is properly processed, sorted, inspected and dismantled into appropriate subsequent waste streams for reuse or scrap treatment. Additionally, SunPower’s master services agreement with primary recyclers includes language that requires secondary material handlers are R2:2013 or e-Stewards Certified.



We constantly look for ways within supply chain to live up to SunPower’s mission to change the way our world is powered. This includes reducing waste through recycling programs, engaging suppliers that embrace similar clean energy goals and electrifying our fleet to reduce the carbon footprint of solar.”



Jeff Cyran
VP, Supply Chain

Pallet Reuse Program

As a leading residential solar technology and energy service provider, we receive and ship solar and battery storage systems across our distribution channels ending up on our customers' rooftops. Shipments make use of wooden pallets to package these solar products safely and securely as they move across the country to the end customer. As new products arrive, distribution centers would buy new pallets for shipping; whereas customers and warehouses were paying fees to dispose of unused pallets. The pallets were not used efficiently, and the repeat cycle created unnecessary waste.

In August of 2020, our logistics team implemented the pallet reuse program. Based on preset quotas to maximize truck loads, pallets were picked up from the customer sites, moved to warehouses and then returned to the distribution centers to be reused. This reuse program enabled savings of more than \$780,000, with about 12,930 pallets returned over the two years since program inception. This is a win for both the company's bottom line as well as for the environment, as it eliminates the need to purchase new pallets and saves the equivalent of 970,000 lbs of wood.



Supplier Code of Conduct

In our efforts to ensure SunPower operations are carried out under the highest legal, financial and sustainability standards, we published a [Supplier Code of Conduct](#) in the latter part of 2022. SunPower requires suppliers to conduct their business relationships using the same standards to which we hold ourselves and our employees. The Code establishes standards in six areas:

- 1 Business and Personal Ethics
- 2 Respect for Human Rights
- 3 Selected Compliance Matters
- 4 Health and Safety
- 5 Environmental Sustainability
- 6 Management Systems

Conflict Minerals

SunPower’s commitment to human rights extends to the sourcing of products, including minerals sourced from high-conflict areas. SunPower fully supports the goals and objectives of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. SunPower does not knowingly support armed conflict in high-risk areas. We adhere to all applicable foreign and U.S. federal laws related to the use of “conflict” minerals, and we have incurred and will continue to incur costs necessary to source conflict-free products. Read our [Conflict Minerals Policy](#).

Human Rights Statement

In alignment with SunPower’s company value to “Do the Right Thing,” SunPower is committed to human rights as defined by the Universal Declaration of Human Rights, the Conventions of the International Labor Organization, the UN Guiding Principles on Business and Human Rights and the UN Global Compact.

Our [Human Rights Statement](#) sets out SunPower’s expectations for third parties with whom we do business and guides our employees on their diligence of our vendors and service providers. Doing the right thing means holding our suppliers to the same ethical standards to which we hold ourselves. We require our suppliers to acknowledge our Human Rights Statement and their Commitment to the Elimination of Human Trafficking and Slavery from Supply Chains, and retain the right to terminate any suppliers who violate our standards.



Social

We're committed to working towards a common goal of making clean, safe and affordable energy accessible to as many Americans as possible. Our dedicated efforts to achieve this goal ladder up to our company values and are expressed through initiatives that aim to confront and address long-standing inequities in the solar industry. Additionally, SunPower strives to support both its workforce and customer base that reflect the diverse nation in which we both live and work.

People and Community Goals and Progress

SunPower remains committed to creating a strong culture of diversity, equity and inclusion (DE&I). In 2021, we launched our SunPower 25x25 Program, a set of comprehensive DE&I commitments designed to ensure the benefits of home solar and storage serve American families, job seekers and businesses that have been historically underserved. In addition, we’ve established partnerships with external organizations and experts to enable SunPower to learn from others and to more effectively reach the company’s DE&I goals.

Topic		Goals	Baseline ¹	Status	Target	Year	Notes
People	Leadership diversity ^{2,3}	4 Increase representation of women U.S. leaders	NF 26%	29%	35%	2025	Separate targets have been established for the non-field (NF) and field (F) workforce given the inherent solar industry demographic of field workforce, as well as in consideration of the sale of the CIS business and the acquisition of Blue Raven Solar. SunPower’s DE&I and Talent Acquisition teams have collaborated on launching recruiting programs aimed to offer hiring managers a diverse candidate pool. We are also actively forming new partnerships for technical training and candidate sourcing from underrepresented groups.
			F 0%	0%	10%		
		5 Increase representation of Black and Hispanic/Latinx U.S. leaders	NF 5%	5%	15%	2025	
			F 0%	0%	10%		
	25x25: Increasing workforce diversity ³	6 Increase representation of women U.S. employees	NF 34%	36%	40%	2025	
			F 4%	5%	10%		
Community		7 Increase representation of Black and Hispanic/Latinx U.S. employees	NF 8%	16%	25%	2025	The baseline values were updated for both goals. The status reflects progress made through new partnerships including the Latin Business Association, National Association of Minority Contractors and Women in Cleantech & Sustainability.
			F 13%	43%	25%		
	25x25: Expanding access for customers	8 Achieve the target ratio of new U.S. residential customers (single and multi-family), added within 2025, that are made up of people who live in historically disadvantaged communities	16%	17%	25%	2025	
	25x25: Ensuring industry equity	9 Achieve the target ratio of new dealers and subcontractors, added within 2025, that are owned by women and people of color	15%	12%	25%	2025	
	Community engagement	10 Contribute employee volunteer hours	25k	30k	40k	2030	

1 Baseline is 2020.
2 Leaders are defined as those at director level and above.
3 Goals 4-7 have been updated to separately establish targets for non-field (NF) and field (F) positions. Field positions are those directly involved in system installations; all other positions are considered non-field.

Diversity, Equity and Inclusion

SunPower recognizes the importance of a diverse and inclusive work environment, and we have taken purposeful steps to create an even stronger culture of diversity, equity and inclusion. We are also committed to the principles of the [CEO Action Pledge](#), which reinforces the development of programs that prioritize diversity.

- 1

Our Differences Make Us Stronger

We celebrate our differences. The way we identify ourselves also extends beyond these foundations to diversity of thought and perspective, a range of approaches to problem-solving and different life experiences. The value we place on diversity is reflected in the way we treat each other and our communities.
- 2

Together We Are Powerful

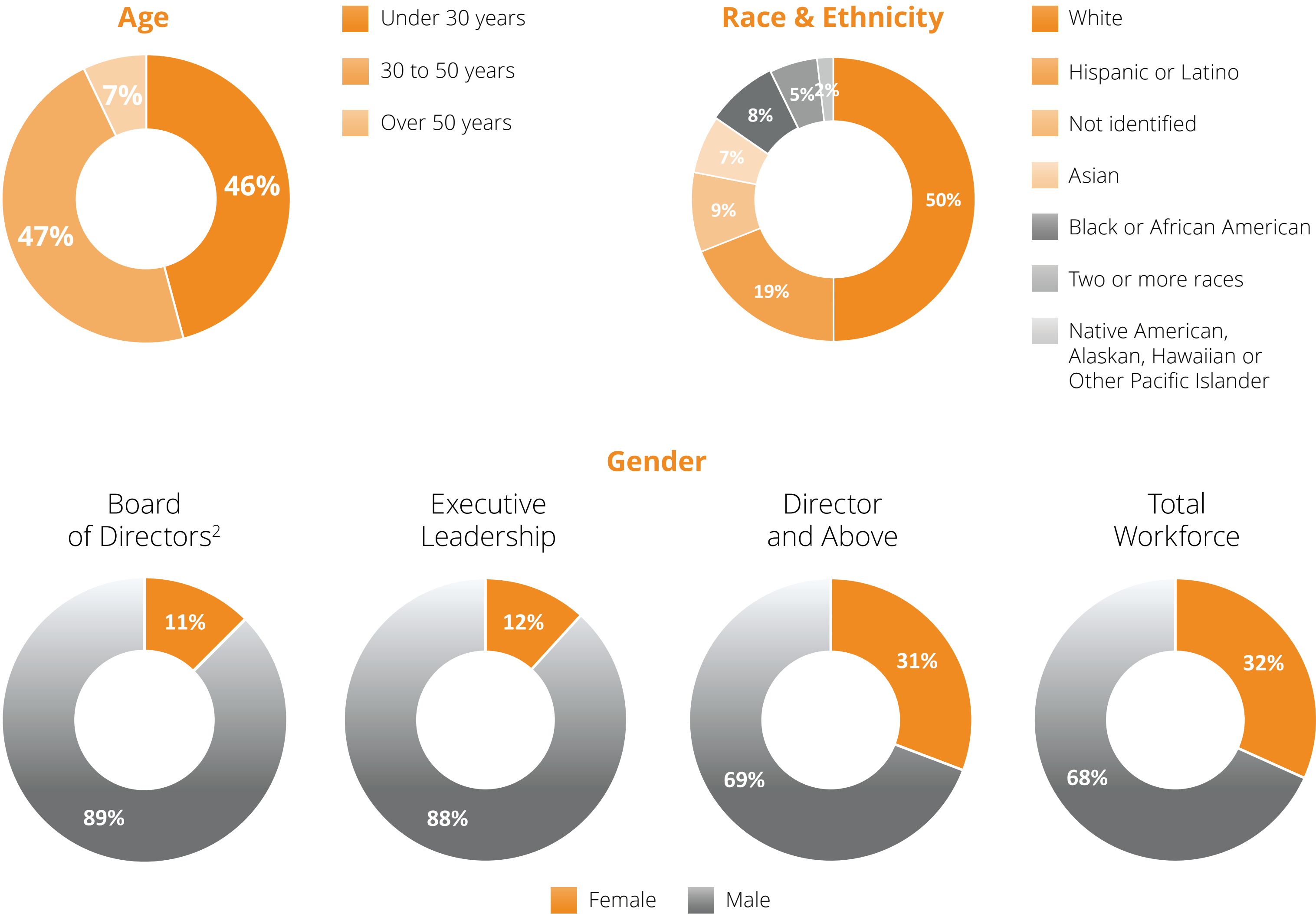
We expect that all our employees are respected and welcomed, and that they feel they are part of something bigger. A culture of inclusion leads to more innovation, healthier working relationships, better decision-making, more fulfilled employees, a better ability to serve our customers and, ultimately, a company that does well by doing good.
- 3

We Lead with Intention

Our leaders are expected to lead by example. This starts with building awareness on the part of every SunPower employee and holding ourselves accountable. We are committed to listening, learning and improving.

Commitment to Increasing Diversity¹

Pursuing the goals and values of DE&I requires persistent focus and a long-term vision. We continue to take meaningful, actionable steps to attract diverse talent and empower an equitable workforce. For more details go to us.sunpower.com/diversity.



¹ All data as of 01/03/2023. The Race and Ethnicity data represents U.S. employees only and excludes diversity classification of the Philippines workforce.
² Board of Directors data as of 04/01/2023.

Supporting Communities: SunPower 25X25

In September 2021, the company launched SunPower 25X25, a comprehensive set of goals designed to make investments in diversity, equity and inclusion within our company, across the industry and in disadvantaged communities.

Our Commitment

SunPower is committed to achieving the following by the close of 2025

Increase Workforce Diversity

25%

25% of our workforce is represented by Black and Hispanic/Latinx people; 40% of our workforce¹ is represented by women.

Expanding Access for Customers

25%

25% of our new U.S. residential customers are made up of people who live in disadvantaged communities.

Ensuring Industry Equity

25%

25% of new dealers and subcontractors we work with are businesses owned by women or people of color.

¹ The goal of 40% relates to non-field positions; the goal for field positions is 10%. Refer to page 27 for further details.

SunPower has identified four areas of opportunity to support the success of the long-term goals outlined in the SunPower 25X25 commitments:

Increasing Workforce Diversity

SunPower will achieve workforce diversity goals through the deployment of a full-scale workforce development program. In 2022, emphasis was placed on supporting the company’s growing residential installation teams across the country.

Expanding Access for Customers

SunPower is committed to the development of products and services that make solar accessible to low-income and moderate-income customers. This includes partnering with community-based organizations and non-profit organizations that assist those most likely to be impacted by energy burden and providing customers with access to information regarding additional incentives to reduce energy costs.

Ensuring Industry Equity

A commitment to economic equity is the cornerstone of SunPower 25X25. To that end, SunPower has prioritized the establishment of new alliances with women-owned and minority-owned business organizations to ensure that SunPower has direct feedback from business owners and entrepreneurs as programs are designed to accelerate the success of ethnically-, racially- and gender-diverse business partners. Our partner organizations include Black Owners of Solar Services (B.O.S.S.), Latin Business Association and the National Association of Women Business Owners.



Ensuring Supplier Equity

Supplier diversity allows SunPower to effect change that extends all the way to our vendors and partners. In 2022 SunPower improved processes that track minority-owned vendors and partners. Moreover, SunPower has adopted a policy of

proactively including minority-owned businesses in our proposals.

As part of the commitment to achieve the goals established as part of SunPower 25X25, we developed a work plan that will expand supplier diversity beyond direct and indirect suppliers to incorporate establishing goals for our level two suppliers. We intentionally engage small businesses and minority-, women- and veteran-owned enterprises to support communities and local economic development. In the U.S., we conduct extensive outreach to identify diverse businesses interested in working with SunPower. We also work with industry trade associations, independent business development councils and national diverse supplier databases to develop a more diverse network of suppliers. We want to encourage SunPower vendors and business partners to follow our lead.

For additional details visit, us.sunpower.com/sunpower-25x25

Hiring and Recruiting Partnerships

Establishing partnerships with external organizations and experts enables SunPower to advance our DE&I goals.

Solar Ready Vets Fellowship

SunPower is an active partner of the U.S. Department of Energy’s Solar Ready Vets program. We partner with The Solar Foundation, Hiring Our Heroes and the Solar Energy Industries Association to facilitate our 12-week Corporate Fellowship program.

Internship Program

Through our summer internship program, we provide meaningful solar experiences to students from a select group of U.S. universities, including Historically Black Colleges and Universities (HBCUs). Students learn about the solar industry and careers with SunPower by completing meaningful projects that contribute to our business objectives and grow their professional skill sets.

University Recruiting

SunPower is committed to hiring talent from HBCUs through our university recruiting program. We partner with organizations including the Society of Women Engineers and the National Society of Black Engineers to identify underrepresented talent graduating from U.S. universities.

Society of Women Engineers (SWE)

SunPower partners with the Society of Women Engineers to invest in the advancement and professional growth of women engineers and technologists through access to SWE’s member community and advance learning centers for professional development webinars. SunPower also participates in SWE’s annual career fair.

Women of Renewable Industries and Sustainable Energy (WRiSE)

We partner with the WRiSE national non-profit organization to promote career opportunities within SunPower. WRiSE’s national network allows the company to recruit women at all levels with renewable energy industry experience.

Gateway Community College Apprenticeship Program

SunPower provides its customer care team opportunities to further their technical support skills through the Gateway Community College Technology Support Specialist Apprenticeship which is designed to provide fast, quality training in the classroom followed by paid, on-the-job training.

Women in Solar Programs

SunPower, in partnership with Grid Alternatives and Solar Energy International (SEI), is dedicated to increasing career awareness and skill development for women in the solar sector trades.

Grid Alternatives' Women in Solar program provides pathways to technical careers, highlights the voices of women of color in the industry and provides national leadership on solar workforce diversity. This is how Grid Alternatives builds a diverse, equitable and inclusive solar industry.

SEI's Women in Solar Power program connects companies with women and provides solar energy training, networking and mentorship opportunities, and clean energy job connections. SunPower established a SunPower Women in Solar Scholarship, awarding \$50,000 to cover tuition costs, travel expenses, lodging and daily per diem to hand-selected women and non-binary individuals. The initiative is a component of SunPower's 25X25 DE&I commitments aimed at providing families, jobseekers and businesses who are in disadvantaged communities increased access to the many benefits of solar and energy storage.



Employee-led Resource Groups

We commit to providing resources and support for employee-led resource groups (ERGs) within SunPower. Our ERGs provide a safe and welcoming place where employees can feel heard, valued and accepted for who they are, creating allies across all levels of the company and helping to strengthen SunPower’s overall culture of inclusivity. For the latest information, visit us.sunpower.com/employee-resource-groups.



The mission of 34+ is to create a safe and collaborative space for Black employees of SunPower, while empowering allies and building a stronger, more diverse community within the company. The group approaches its mission with a holistic vision by recognizing the many unique challenges faced by SunPower’s Black employees and caring for each of these parts including career and personal development, health and wellness, equity, social justice and community outreach.



The Pride ERG strives to bring together and support LGBTQIA+ employees and allies at SunPower. By sharing ideas, identifying support resources and creating a safe, inclusive and equitable culture, the group aims to attract and retain LGBTQIA+ members at SunPower while helping to increase employment of LGBTQIA+ members in the overall solar market.



The SunVets ERG exists to provide a network for veterans, their family members and non-serving supporters to develop a friendly community within SunPower, create and foster a safe space for sharing ideas and resources, and enhance the existing culture that continues to make SunPower an employer of choice in the communities where we serve, as well as in the overall solar market.



La Luz aims to foster an environment that helps SunPower’s Hispanic and Latinx employees succeed professionally, personally and in the community. La Luz is a group where people support each other through each of these areas via networking, volunteering and social events.



EmpowHER’s mission is to support and advocate for a gender-balanced workplace where women can develop fulfilling careers and feel safe and empowered in their daily work. The group aims to increase the total number of women—as well as women in leadership roles—at SunPower by creating networking and mentoring opportunities, providing career and educational resources, promoting inclusive policies that enhance work-life balance and developing strategies and pathways for women to grow and thrive at work.



At SunPower, employees are provided a safe space to discuss social issues they care about through its Employee-led Resource Groups (ERGs). Serving as Co-Lead of the EmpowHer ERG has increased my self-efficacy and shown me how to drive a high-trust culture through transformational leadership.



Melissa Mitchell , M.C.M.
East Coast Office Manager, SPRI

Health and Safety

A Culture of Safety First

SunPower is strongly committed to providing and maintaining a safe workplace, and we recognize our responsibility for the health and safety of our employees, contractors, customers and stakeholders. We pursue continuous improvement by setting targets and objectives for health and safety, while at the same time conserving natural resources, minimizing waste and striving to provide an environmentally-friendly workplace at all times.

Environmental Health and Safety

To facilitate safe work conditions and ongoing improvements to SunPower’s operations, our established framework for environmental health and safety management includes commitments to:

- Promote an injury-free workplace and prevent occupational illness
- Protect the environment by minimizing pollution from business operations

- Fulfill all applicable compliance obligations
- Continually improve and enhance our environmental and safety performance
- Solicit the participation of workers and their representatives
- Minimize the environmental impact of SunPower products within the stages of their lifecycle
- Optimize consumption of energy and limit greenhouse gas emissions to minimize contributions to climate change

Flexible Work

While SunPower continues to work under a flexible return-to-office work policy, in 2022, our offices re-opened to allow for in-person team collaboration and meetings. Keeping our workforce’s health and safety as our main priority, we regularly assess the COVID-19 situation and review the latest public health guidance leading to updated safety standards and protocols.



Our people are key to successfully enabling a solar-powered future. It’s our number one priority to provide them a safe place to work—whether out on the field or in the office—as they help solve the energy challenge ahead of us.



Doug Richards

Executive Vice President, Chief People Officer

Total Recordable Incident Rate¹

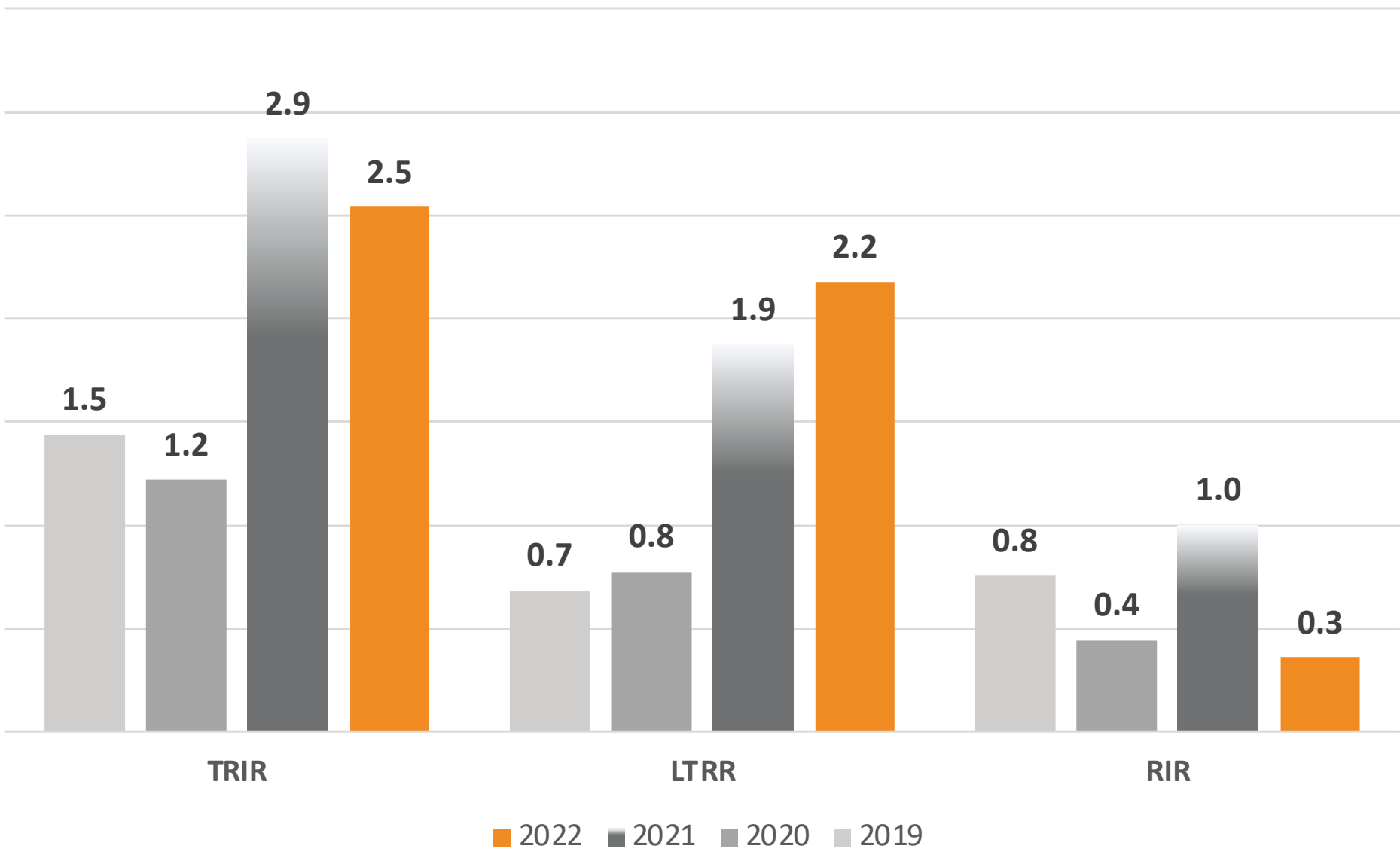
We make safety a prominent part of our everyday jobs, and with the development and gathering of data, we can better analyze incidents and act to improve. SunPower tracks safety indicators monthly with a target of continuously reducing the total recordable incident rate (TRIR) for all employees and contractors. Our 2022 incident rates improved by 14% compared to 2021.

April 2022 was dedicated to one of six SunPower values: We Put Safety First. We held a series of safety events and provided resources to ensure safety remains a central part of our business. The company follows the 12 Golden Rules of Safety, which were reemphasized through a live webinar with internal safety leaders. We revamped our STOP WORK policy, ensuring that employees are enabled to stop work on tasks that are deemed dangerous and/or for which they do not have the training, tools or experience. Employees are encouraged to participate by reporting potential safety issues through our Good Catch program. We also modeled our safety greenlight procedure after TotalEnergies and improved the

personal protective equipment we use, including providing our teams with new safety helmets. Lastly, we introduced a new communication tool to enable fast deployment of safety information to, and quick acknowledgement responses from, field employees.

Employee Safety¹

Total recordable incident rate (TRIR), lost time recordable rate (LTRR) and recordable injury rate (RIR)



¹ Number of recorded injuries and lost time injuries per million hours worked—including all SunPower employees and contractors; and excludes CIS business from all years presented.

Caring for Our Workforce

Our commitment begins with treating everyone with dignity and respect. But it doesn't end there. We believe in the power of technology to empower and connect people around the world—and that business can and should be a force for good.

Employee Engagement and Development

A key component to meeting our company's goals and fulfilling our mission is continuous development of our employees. Our commitment to employee development and training is guided by our mission and values, and our processes are designed to facilitate employee understanding of how their actions align with SunPower's mission on a daily basis. We drive high performance and growth through our long-standing tradition of management by objective, with all work clearly linked back to our core values and our five strategic pillars. Employees receive feedback and coaching from their managers

on a biannual basis, ensuring consistent growth and presenting an open channel of communication to outline career aspirations and development plans.

We offer both mandatory and function-specific training programs through our learning management system and invest in our employees' continued education and career development through our partnership with LinkedIn Learning. SunPower also supports self-development and educational efforts by providing reimbursement for many of the expenses associated with continuing education courses and certifications for its employees. Employees may pursue a degree, obtain career-related professional certifications or take individual courses at approved and accredited educational institutions under this program, provided the course of study is related to the employee's current or probable future position.

Engaged employees are absorbed in and enthusiastic about their work, find a greater sense of meaning in what they do, see a strong connection between their strengths and their role and expend discretionary effort in their performance. Measuring employee engagement is a valuable opportunity for everyone

to provide open, honest and confidential feedback about what it is like to work at SunPower.

On an annual basis, SunPower conducts employee engagement surveys using Glint, a people-centric architecture that captures data throughout the employee experience underpinned by the philosophy that higher quality, more frequent and better-informed conversations about engagement lead to fulfillment and success for people at work. Uncovering insights from employee feedback is only valuable if we take action. The Glint platform is designed to guide leaders through the process of improving engagement and driving results. We take consistent and deliberate action to create positive change based on employee input and strive to meet ambitious targets that differentiate us in the marketplace and as an employer of choice. We also create an environment where our people find success and, in turn, exhibit high levels of engagement—the combination of which make a difference to each individual and to our business as we work together to build an even greater company.

Employee Benefits and Wellness

SunPower creates a holistic culture of health and wellness by providing employees and their loved ones with valuable benefits and support systems. Our philosophy centers on empowering employees with the resources necessary to manage their own health and well-being, and designing a comprehensive and attractive package. In addition to meeting regulatory requirements in relevant markets in which we operate, we offer wellness benefits that include gym discounts, an employee assistance program (EAP), an adoption assistance program and commuter benefits, among others. SunPower offers a 401(k) retirement plan that includes employer matching up to a specified percentage. We provide 10 paid statutory holidays for all employees each year, plus additional holidays as may be locally applicable, paid personal time off for non-exempt employees and discretionary vacation for exempt employees. We also provide three paid days for volunteering per year.

Pay Parity

Our ability to remain competitive depends on our ability to attract and retain key employees. We are committed to providing equitable compensation to our employees, and we conduct annual pay parity reviews to identify and correct any inequities. SunPower's comprehensive rewards system ensures that we are compensating and rewarding employees in line with market practices, and our pay-for-performance philosophy aligns employee interests with those of our stockholders by rewarding achievements that meet or exceed corporate goals.

Parental Bonding Leave

Becoming a parent or adding to a growing family is a beautiful and life-changing experience. We believe that each parent should have the time and freedom to bond with their new child. SunPower provides a Paid Parental Bonding Leave benefit for its U.S. benefits-eligible regular employees. The benefit applies to birthing and non-birthing parents, as well as to adoption or foster care and can be used in combination with state-issued benefits.

Human Rights and Forced Labor

Human trafficking and forced labor continue to be relevant and pressing challenges in many areas of the world. SunPower prohibits the practice of forced labor, child labor, bonded labor or any exploitative labor practices throughout our workforce, and we demand the same from our suppliers and business partners. SunPower respects the human rights and national laws of the countries in which we operate, including the rights of all employees and contingent workers within our company. We prohibit recruited employees from paying fees during recruitment, deterring the potential for forced labor, and we take proactive measures to protect the rights of our workers by offering human rights training programs, Compliance and Ethics Helpline and published materials on our human rights policies. We offer training to our employees on human rights that help identify, mitigate and report on human trafficking and slavery.

Advocating for Change

SunPower Giving

SunPower encourages employees to give their time and money to causes that matter to them. Since 2015, we contributed over \$2M through employee donations and SunPower matching funds—and have donated nearly 30,000 volunteer hours—to nonprofit organizations. In addition, the SunPower Foundation has also provided direct contributions and in-kind donations to non-profit organizations that align with the commitments of the Foundation.

SunPower Foundation

We believe that access to a healthy environment is a fundamental human right. That's why we established the SunPower Foundation in 2008 with the mission of promoting equity and opportunities for disadvantaged communities through sponsorship of community projects and organizations committed to providing affordable solar and storage systems, access to solar energy and pathways to solar jobs for all. The scope of

the SunPower Foundation was further refined following the announcement of the SunPower 25X25 initiative, to ensure that Foundation priorities were in alignment with the SunPower 25X25 commitments.

In 2022, the SunPower Foundation donated 63kW of solar through Good Sun to benefit at least 10 Habitat for Humanity homes. And, as part of our partnership with We Share Solar, our Philippines employees built six solar suitcase kits which will be donated to remote communities. In total, the SunPower Foundation committed over \$350k in 2022.

Bright Funds

SunPower matches employee charitable donations to eligible organizations dollar-for-dollar, up to \$1,500 annually. Bridging technology and philanthropy, the company-wide Bright Funds platform makes it easier for employees to confirm organization eligibility, make charitable contributions, request employee donation matching and gift charitable donations. Throughout the year, we designate special periods in which we double our matching of employee-directed

giving. The combined employee and employer donations to charitable organizations in 2022 was \$208k.

Team Volunteering

SunPower offers employees three paid days of volunteering per year. The company encourages volunteerism through its company-sponsored events and its Dollars for Doers matching program. Under this program, SunPower matches each hour of volunteering at an approved charity with a \$10 donation to that charity. Employees volunteered approximately 3,200 hours in 2022.

Our Philippines Workforce in Action

Philippines Mangroves

SunPower's Regional Office Headquarters in the Philippines (SunPower Philippines), in cooperation with the Department of Environment and Natural Resources (DENR) and the Local Government of Batangas, adopted one hectare for mangrove planting. SunPower covers all expenses and costs in connection with the planting and maintenance of mangrove trees in the identified area. This initiative aims to protect the environment and provides support to the local farmers who supply the seedlings. As of 2022, over 11,000 seedlings have been planted by SunPower Philippines employees.

Brigada Eskwela

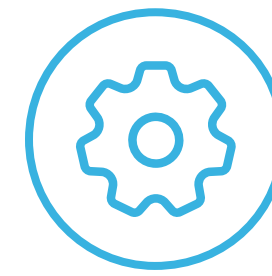
SunPower Philippines supports the annual Brigada Eskwela program by the Department of Education (DepEd) of the Philippine government. The program aims to foster community building that complements the government's efforts

and ensure delivery of quality basic education. SunPower and the beneficiary school, LOMA Elementary School, have collaborated to achieve this goal as the latter prepared for the 2022 academic year. SunPower employees donated school supplies and volunteered over 120 hours of their time to hand out the donations at the school in Binan, Laguna.

Power2Share

In 2022, employee volunteers from SunPower Philippines embarked on the Power2Share Employee Engagement Program, a solar suitcase build workshop in partnership with [We Care Solar](#). The program has given volunteers an opportunity to learn how to build solar suitcases and develop a deeper understanding of how SunPower can empower local communities through these portable solar electric systems. A total of six solar suitcases were built, to be donated to qualified beneficiary organizations in less-electrified parts of the country.





Governance

Accountability is crucial, which is why we are committed to sound corporate governance at SunPower. We set and maintain high standards for our employees, officers, directors and partners and have implemented comprehensive policies and processes designed to continually strive to ensure ethical operations.

Board of Directors

Our Board of Directors serve as a prudent fiduciary for all our shareholders and oversee the management of SunPower’s business. Our directors take a proactive approach to their fiduciary duties and function as active monitors of corporate management, providing oversight in the formulation of the long-term strategic, financial and organizational goals of SunPower and the plans designed to achieve them.

The Board has established committees to ensure that we continually strive to maintain strong corporate governance standards. The Audit Committee assists and guides the Board in maintaining the highest standards of financial integrity through accurate financial statements and compliance with legal and regulatory requirements. The Compensation Committee upholds our compensation philosophy to reward and retain employees based on the achievement of goals and aims to align executive compensation with shareholder interests and priorities. The Nominating and Corporate Governance Committee identifies, recommends or selects qualified individuals to fill additional or vacant Board positions and oversees the development, maintenance and recommendation of a set of corporate governance principles. The Nominating and Corporate Governance Committee is also charged with overseeing our DE&I and ESG programs and reporting.



Corporate Governance Principles

We believe that strong corporate governance practices are the foundation of a successful, well-run company. Our core principles are set forth in our [Corporate Governance Principles](#), as adopted by our Board of Directors. These principles include oversight responsibilities of the Board of Directors, responsibilities of the lead independent director, role of Director committees and assignment and rotation of members, meetings of independent directors, and membership criteria and selection of members of the Board. The Corporate Governance Principles also include standards for reviewing the performance and compensation of executive officers, and succession planning for key executive officers.

Code of Business Conduct and Ethics

Our [Code of Business Conduct and Ethics](#) establishes and defines one of our company values: Do the Right Thing. The Code is a statement of SunPower's expectations regarding personal and corporate conduct. In living by our Code, we strengthen our company culture and the communities we serve, earn and build the trust of our customers and investors, and achieve our goals—the right way. All people representing SunPower, including employees, contractors, officers and directors of the company, are required to comply with this Code. All employees are required to certify on an annual basis that they have read, understood and agree to comply with the Code.

Related Party Transactions

Pursuant to our Corporate Governance Principles and the charter of our Audit Committee, our Audit Committee will consider questions of actual and potential conflicts of interest (including corporate opportunities) of directors and officers and approve or prohibit such transactions.

The Audit Committee will review and approve in advance all proposed related party transactions that would be required to be disclosed under Item 404(b) of Regulation S-K, in compliance with the applicable NASDAQ Stock Market rules. A related party transaction will only be approved if the Audit Committee determines that it is in the company's best interest. If a director is involved in the transaction, he or she will be recused from all voting and approval processes in connection with the transaction.

Whistleblower Protection

SunPower provides a confidential and anonymous helpline through which reports of potential violations of our Code of Business Conduct and Ethics or ethical concerns may be submitted.

Each report is transmitted to SunPower's Investigations Coordination Committee which reviews each case and dispositions them following pre-established guidelines. We have a strict policy of non-retaliation which encourages our employees to report any behavior or actions they believe may violate the law or SunPower policies. Additionally, we are committed to creating and fostering an environment where open, honest communications are the expectation, not the exception. This policy allows employees and contractors to feel comfortable asking questions or raising concerns directly with their supervisors, the management team, human resources, the legal department or anonymously through the helpline.

Enterprise Risk Management

SunPower's Enterprise Risk Management program supports management in identifying and assessing risks and opportunities, and in developing action plans to mitigate risk in alignment with our strategy and business goals. Responsibility and accountability for risk management are embedded in all levels of our organization. We evaluate and monitor risks at the enterprise level through executive management engagement, internal reviews with leaders of key functions, and monitoring of key risk indicators. We conduct bottom-up risk assessments on an annual basis and assess risk components and outlook quarterly. Our annual and quarterly risk assessment activities and results are reported to the Audit Committee of the Board of Directors.

Data Security and Privacy

SunPower respects the privacy of its customers, employees and third parties. We are subject to numerous federal, state and local laws, regulations and rules relating to the processing, storage, retention and collection of personal information. We stay abreast of evolving data security and privacy regulatory frameworks, and we regularly update our relevant internal policies and awareness materials. Employees are encouraged to review SunPower’s Global Data Protection Policy on an annual basis. Our employees also receive training related to data protection, including our Information Security Awareness Training and our Code of Business Conduct and Ethics. We continually evaluate our information security policies and identify potential areas of improvement to mitigate cyber threats to the reliability and availability of our systems. Our Cyber Security Awareness newsletter includes facts on the latest cyber threats and informs employees and contractors of best practices for protecting both the company and themselves. We regularly update our internal applications to install the latest security updates as appropriate. Additional information on the personal information we collect, its use and how we protect it can be found in our [privacy policy](#).



Eileen Evans
Executive Vice President,
Chief Legal Officer



Good governance is fundamental to business success. At SunPower, we strive to maintain the highest standards of ethical conduct in the decisions we make—from the suppliers we work with to the customers we serve with our solar, storage and clean energy solutions.

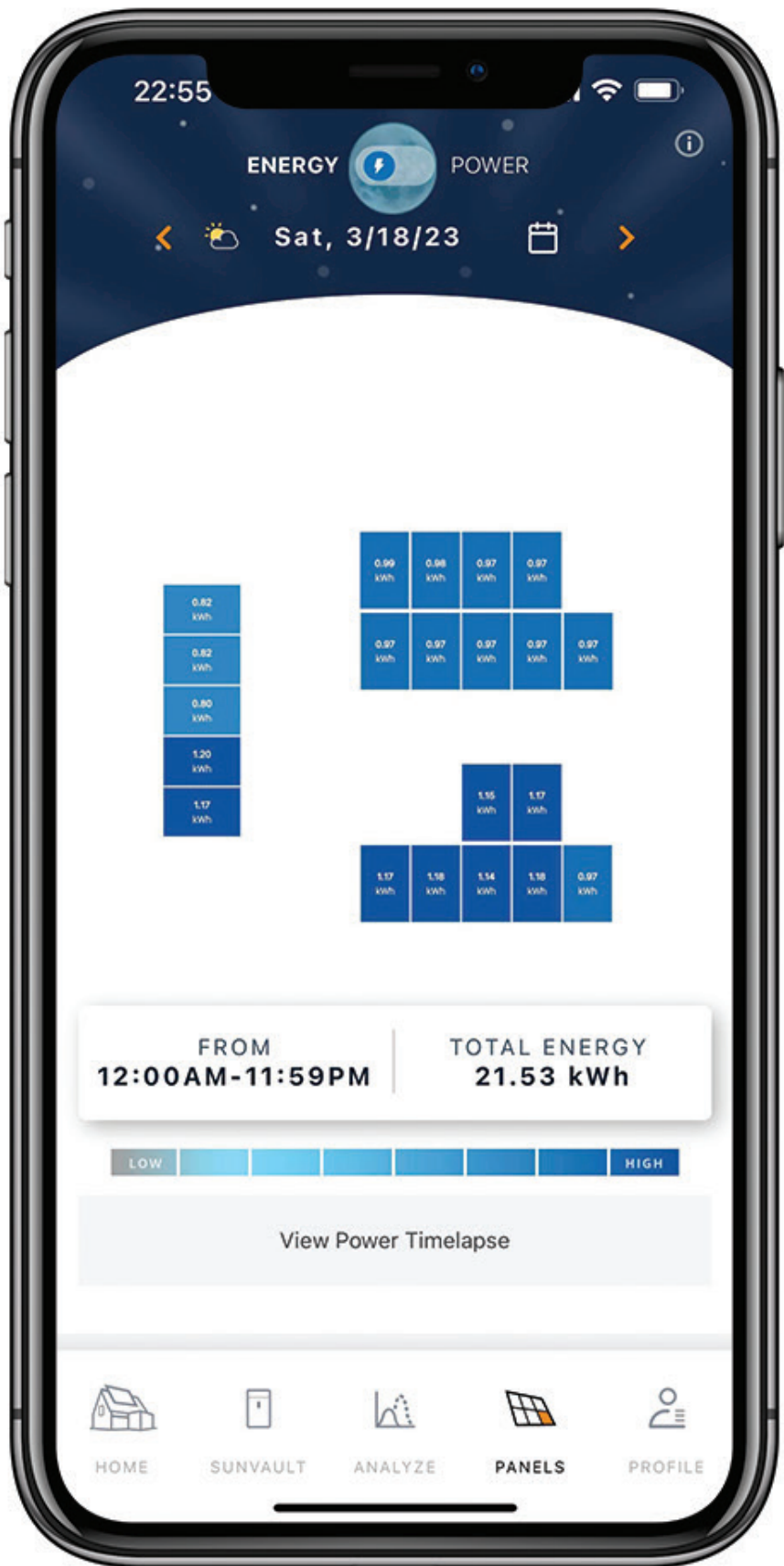
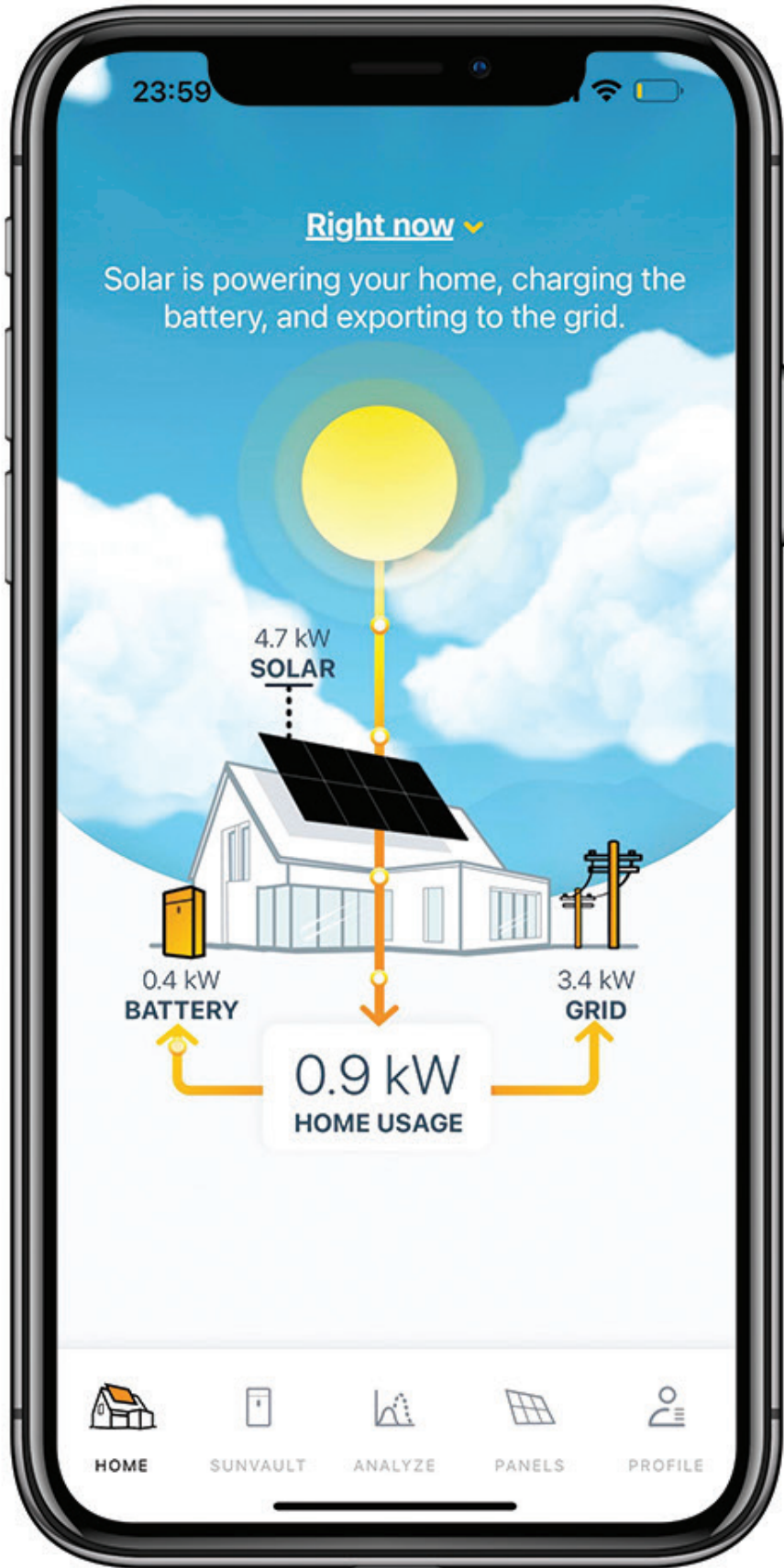


Innovation

SunPower has established a reputation for innovation since its founding more than 38 years ago. Innovation underpins everything we do, from product development to financing to customer service. To achieve our mission of making solar and storage accessible to most Americans, we must pursue relentless growth and innovation across the company and industry.

mySunPower® Mobile App

The mySunPower app experience helps homeowners to review and manage their energy generation, consumption and battery storage settings from a mobile device. Designed to integrate seamlessly with SunPower’s existing homeowner platform, the mySunPower app makes it possible to optimize energy use, save money and become less dependent on traditional energy providers in the face of rolling blackouts, natural disasters and the impacts of climate change. Since its launch, the app has over 131,000 active monthly users, who on average log in more than four times per week.



SunVault® Battery Storage Options

As states across the nation set new records for electricity demand amid the summer’s heat waves, more homeowners face the threat of rolling blackouts and receiving texts from their electric grid to conserve energy. Homeowners can manage their SunVault energy storage with the mySunPower® app to see how much energy is available during peak-demand, reserve for an outage or lower energy costs by using stored energy. Further, all SunVault energy storage systems are backed by a 10-year warranty, regardless of how much the battery is charged and drained over time.

SunPower is expanding its portfolio of energy storage products with the launch of a 19.5 kWh and 39 kWh SunVault. With the introduction of 19.5 and a 39 kWh versions, SunVault can be right-sized for almost any home with modularity and scale. These

new battery configurations offer increased energy density and maximize space within the battery as compared to previous versions of SunVault, providing the ability to store more energy into a single box. For customers, this means they can purchase more energy storage for less money and fit it in less wall space, with the option to build a larger system as the home’s energy needs evolve. SunPower has also made design upgrades that can make SunVault faster and easier to install.

In all, SunVault is now available in four configurations: 13 kWh, 19.5 kWh, 26 kWh, and 39 kWh. Some of these options include multiple inverters. SunVault configurations with multiple inverters and storage capacity of 26 kWh and more have the potential to power the whole home, so customers do not have to choose between comfort and essential loads during an outage¹.



¹ The storage system’s ability to provide electricity during an outage will vary based on the amount of energy stored in the battery, wattage and duration of use of devices/appliances connected to the system, the battery’s ability to recharge during daylight hours, and other factors. Additional hardware installed by a third party at added cost may be required for powering your HVAC system.

Dealer Accelerator Program Investments

The SunPower Dealer Accelerator Program is designed to propel solar dealer growth and accelerate proliferation of SunPower's solar, storage and financing products. Through the program, SunPower invests in regional solar dealers to support their growth, thereby accelerating the uptake of renewable energy across the United States. As part of the program, dealers receive preferred access to SunPower equipment, battery storage and financial products offerings, as well as enhanced lead generation and business strategy support. In 2022, SunPower made minority investments in four companies, Freedom Solar Power, Sea Bright Solar, Renova Energy and EmPower Solar.

Texas-based **Freedom Solar Power** is a leading residential installer providing solar energy to more than 18,000 homeowners across five states. The company generated \$255 million in revenue in 2022, with a three-year compound annual growth

rate of 76%. Freedom Solar teamed up with SunPower in 2014 and became the first and only SunPower Master Dealer in Texas. The company was named Residential National Dealer of the Year in 2017, Regional Top Producer of the Year in 2018 and National Top Producer of the Year in 2019, 2020 and 2021.

Sea Bright Solar provides solar solutions to homeowners in New Jersey, New York and Central California, enabling them to save money on electricity and reduce dependence on fossil fuels. The company was named Residential National Dealer of the Year in 2019 for their success in offering high-quality, complete solar solutions alongside superior customer service to homeowners demonstrating exceptional industry knowledge and leadership.

Renova Energy Corporation is America's first professionally accredited solar company and an award-winning SunPower Elite Dealer in the Southern California and Arizona deserts. Renova Energy holds the titles of National Residential Dealer of the Year, Regional Top Producer, and Top

Design awards for both residential and commercial installations. Renova Energy is more than 300 local employees strong and has performed nearly 10,000 solar installations.

EmPower Solar has served Long Island and the greater New York area since 2003, helping generate millions for the region in economic activity each year. In 2020, the company added an operations center in Farmingdale, NY to support the rapid expansion of its residential solar division and has doubled its workforce since then. In 2022, EmPower Solar installed 8.8 MW of distributed solar and continued to provide five-star service to its existing 5,000+ clients.

SunPower and General Motors Home Energy System

General Motors (GM) named SunPower a preferred residential installation provider for bi-directional chargers for the Chevrolet Silverado EV and its exclusive solar provider. The collaboration brings SunPower's home energy expertise and installation capabilities with GM's leadership in EV and battery technology to help provide customers with more resilient, sustainable and cost-effective energy. The home energy system and installation services are slated to be available alongside the retail launch of the 2024 Chevrolet Silverado EV, expected in the fall of 2023.

With bi-directional charging capabilities, the Silverado EV is expected to provide enough electricity to provide energy backup to your home's essentials during a grid outage when paired with a home energy system. Once available, Silverado EV customers will be able to have their home energy system installed at the same time as their Silverado EV charger to enable vehicle-to-home (V2H) power.

Customers can also choose to purchase a SunPower® solar system for their home. An EV customer with solar can charge their vehicle with energy generated from their rooftop system, which is cleaner and often less expensive than charging from the grid. Once available customers with a home energy system, compatible EV and properly equipped home are also expected to be

able to store solar-generated electricity in their vehicle's battery and export it directly into their home during the hours when electricity costs the most. This provides an opportunity for them to save even more money on electricity bills depending on home size, energy usage and utility rates.



Changing The Way Homes Are Built: SunPower and Microgrid Communities

SunPower, KB Home, University of California, Irvine (UCI), Schneider Electric, Southern California Edison (SCE) and the Department of Energy teamed up to create a blueprint for new home communities of the future. Neighborhoods use solar systems paired with battery storage to create a self-supporting microgrid for sustainable, reliable, grid-supporting energy. The KB Home's newly launched Energy-Smart Connected Communities in Menifee, California, allow more than 200 state-of-the-art, all electric homes to be solar powered, equipped with individual battery storage and connected to a microgrid powered by a large, shared community battery. These power-outage resistant communities are the first of their kind in the state and are designed to offer a blueprint for sustainable and resilient new home development of the future.

KB Home, SunPower and UCI joined forces to reimagine what a new home community could look like if built to reduce carbon emissions, cut energy costs, and provide new ways of producing reliable and resilient energy. With a \$6.65 million Department of Energy (DOE) grant, microgrid design and engineering support from Schneider Electric, and strong collaboration with SCE to ensure a smooth transition between grid and off-grid electricity, these innovative homes are now available to the public.

These communities offer a new vision for how individual homes interact with the electrical grid. Every home, while maintaining its regular service with SCE, can operate during an outage as part of a self-supporting microgrid, drawing energy from its own SunVault® storage system as well as a large community battery. Together, they are designed to support critical loads such as lights, refrigeration and WiFi, as well as additional high-capacity loads like HVAC and domestic hot water. When the sun is shining, individual and community batteries can be continually recharged using excess solar generation until the grid connection returns.

Additional energy services offered by SunPower allow residents to enroll in a Virtual Power Plant (VPP) program through which their battery storage, EV chargers and other flexible loads can be automatically dispatched to support the electrical grid. Enrolled homeowners may be eligible for compensation for their participation in the program. UCI will also simulate the connected microgrids, analyze data from the VPP program and collaborate with SCE to determine its effectiveness in supporting grid infrastructure.

Bringing Solar to More American Homes: SunPower and IKEA U.S.

In 2022, SunPower formed a partnership with IKEA U.S. to make solar energy easier to access. Through the collaboration, SunPower and IKEA are able to provide members of the IKEA Family customer loyalty program the ability to purchase home solar solutions in select California locations. The Home Solar with IKEA collaboration will enable IKEA Family members to generate and store their own renewable energy and live more sustainably. Home Solar with IKEA combines the strengths of IKEA retail and knowledge of life at home with the expertise of SunPower, a trusted brand with more than 38 years in the solar industry.





Contact

Join our mission to change the way our world is powered. We welcome your thoughts, inquiries and feedback on this report. Reach out using the contact information that follows or email us at **ESG@sunpower.com**.

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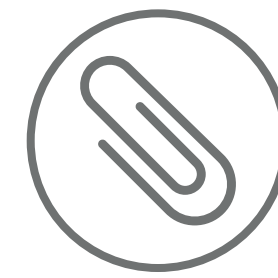
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Appendix

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards, Core Option and aligned to the Sustainability Accounting Standards Board (SASB).

Sustainability Accounting Standards Board

The Sustainability Accounting Standards Board (SASB) is an independent, private sector standards-setting organization whose mission is to help businesses around the world identify, manage and report on the sustainability topics that SASB believes matter most to investors. SunPower has aligned with relevant SASB standards to ensure that we are reporting on issues most material to our business. We developed the SASB Index below using the “Solar Technology and Project Developers” Standards. While SunPower no longer manufactures solar panels, we disclosed relevant data where these standards align with our direct operations. We are working to expand our disclosures in future ESG reports.

Solar Technology and Project Developers Standard

Topic	Accounting Metric	Category	Unit of Measure	Code	Disclosure
Energy Management in Manufacturing	1 Total energy consumed	Quantitative	Gigajoules (GJ)	RR-ST-130a.1	3,554 GJ, 100%, 0%
	2 Percentage grid electricity	Quantitative	Percentage (%)	RR-ST-130a.1	3,554 GJ, 100%, 0%
	3 Percentage renewable	Quantitative	Percentage (%)	RR-ST-130a.1	3,554 GJ, 100%, 0%
Water Management in Manufacturing	1 Total water withdrawn	Quantitatives	Thousand cubic meters (m3), Percentage (%)	RR-ST-140a.1	10,863,811, 0%
	2 Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Discussion and Analysis	N/A	RR-ST-140a.2	The reported data is that of our Hillsboro, Oregon manufacturing facility which closed in the earlier part of FY2021. The values represent activity in the first half of 2022 up until the end of the lease agreement period. Our sustainability focus shifted to providing leading solar technology and energy services that offer fully integrated solar, storage and home energy solutions to customers. SunPower procures panels from leading manufacturers who commit to use water responsibly and follow our supplier sustainability guidelines.
	3 Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	RR-ST-140a.2	

Topic		Accounting Metric	Category	Unit of Measure	Code	Disclosure
Hazardous Waste Management	1	Amount of hazardous waste generated; percent recycled	Quantitative	Metric tons (t), Percentage (%)	RR-ST-150a.1	2.4 t, 0%
	2	Number and aggregate quantity of reportable spills, quantity recovered	Quantitative	Number, Kilograms (kg)	RR-ST-150a.2	0, 0
Ecological Impacts of Project Development	1	Number and duration of project delays related to ecological impacts	Quantitative	Number, Days	RR-ST-160a.1	N/A
	2	Description of efforts in solar energy system project development to address community and ecological impacts	Discussion and Analysis	N/A	RR-ST-160a.1	With the sale of the Commercial and Industrial Solutions business in early 2022, this topic is no longer relevant to SunPower’s current business model.
Management of Energy Infrastructure Integration and Related Regulations	1	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	Discussion and Analysis	N/A	RR-ST-410a.1	SunPower 10-K Report, pg. 17-46
	2	Description of risks and opportunities associated with energy policy and its impact on the integration of solar energy into existing energy infrastructure	Discussion and Analysis	N/A	RR-ST-410a.1	SunPower 10-K Report, pg. 17-46

Topic		Accounting Metric	Category	Unit of Measure	Code	Disclosure
Product End-of-life Management	1	Percentage of systems sold that are recyclable or reusable	Quantitative	Percentage (%)	RR-ST-410b.1	SunPower does not capture this data.
	2	Weight of end of-life material recovered; percentage recycled	Quantitative	Metric tons (t), Percentage (%)	RR-ST-410b.2	44t, 99%
	3	Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds or beryllium compounds	Quantitative	Percentage (%)	RR-ST-410b.3	SunPower does not capture this data
	4	Description of approach and strategies to design products for high-value recycling	Discussion and Analysis	N/A	RR-ST-401b.4	ESG 2022 Report, pg. 23
Materials Sourcing	1	Description of approach and strategies to design products for high-value recycling	Discussion and Analysis	N/A	RR-ST-440a.1	SunPower does not manufacture solar panels or lithium-ion batteries. We work closely with our vendors to design and select products that minimize environmental impact and promote high value recycling according to our supplier sustainability guidelines.
	2	Description of management of environmental risks associated with the polysilicon supply chain	Discussion and Analysis	N/A	RR-ST-440a.2	SunPower has established supplier sustainability guidelines and applies due diligence in its selection of its suppliers.
Activity Metrics	1	Total capacity of photovoltaic (PV) solar modules produced	Quantitative	Megawatts (MW)	RR-ST-000.A	0 MW
	2	Total capacity of completed solar energy systems	Quantitative	Megawatts (MW)	RR-ST-000.B	611 MW in 2022
	3	Total project development assets	Quantitative	Reporting currency	RR-ST-000.C	\$0