

# SUSTAINABILITY DECK

February 2022

The Maxeon logo is displayed in a white rounded rectangular box. The word "maxeon" is written in a lowercase, blue, sans-serif font. The letters have a slight 3D effect with a white shadow underneath. The background of the slide is a long-exposure photograph of a highway at night, showing light trails from cars in shades of orange, yellow, and red against a dark blue sky. In the distance, some city lights and a crane are visible on the horizon.

maxeon



## Building a Better Tomorrow

*“By broadening our sustainability strategy to a global ESG platform, we can make an even greater impact on the communities we serve. It’s a commitment inspired by our company purpose, Powering Positive Change™ – our steadfast belief that, by constantly improving ourselves, we help create a better future for our planet, our stakeholders and our business.”*

### **Jeff Waters**

Chief Executive Officer  
Maxeon Solar Technologies

# maxeon

**POWERING POSITIVE CHANGE™**

For any questions on this Report, please contact us at [esg@maxeon.com](mailto:esg@maxeon.com).  
To find out more about our ESG commitments, visit our webpage [here](#).  
Our Content Index (Appendix) can be found [here](#).

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# INDUSTRY LEADER IN SUSTAINABILITY

Our Products Work To Ensure Global Access To Renewable Energy And Its Benefits

WE SUPPORT



First and Only Major Solar Panel Manufacturer Certified For Sustainable Manufacturing<sup>3</sup>

Third-party verified sustainability metrics and certifications 

The Only Solar Panel Supplier To Disclose Its Full Ingredient List



We Take Responsibility For Our Products Throughout Their Entire Lifecycle



**Zero Tolerance** To Company or Suppliers' Human Rights Policy Violations

# MAXEON'S SUSTAINABILITY SCORE

- *Sustainalytics* is a market leader in ESG rating score and advisory which is owned by Morningstar
- In 2021, Maxeon received its first score as an independent company from SunPower Corporation

## Company ESG Risk Ratings

Sustainalytics' ESG Risk Ratings offer clear insights into the ESG risks of companies



Competitor Review	<b>maxeon</b>	<b>JinKO<sup>Solar</sup></b>	<b>CanadianSolar</b>	<b>LONGi Solar</b>
<b>Rating (ESG Risk Level)</b> ("Lowest", "Medium", "High", "Severe") (Lowest being the best)	23.96 Medium	44.20 <b>SEVERE</b>	42.45 <b>SEVERE</b>	31.60 <b>HIGH</b>
<b>Incidents in</b>	None provided	Employee, Society & Community	Social Supply Chain	Social Supply Chain

# Does your panel purchase support your sustainability goals?

maxeon		LG	Hanwha Q Cells	Jinko	Trina	REC	Canadian Solar	Longi Solar	Hyundai
<b>CORPORATE</b>									
UN SDG SIGNATORY		LG Group							
SUSTAINABILITY REPORT (year coverage)	2020	2020 (LG Group)	2018	2019	2019		2019	2020	
REPORTING STANDARDS	GRI SASB UN Global Compact 10 Principles SDGs SGX	GRI SASB UN Global Compact 10 Principles SDGs		GRI UN Global Compact 10 Principles	GRI SDGs		GRI	GRI SDGs	
GOVERNANCE	Code of Ethics and Business Conduct, Global Anti-Corruption Compliance Policy, Conflict Minerals Policy, Global Human Rights Policy	LG Group Policies: Code of Ethics, Compliance Code of Conduct, Global labour Policy	Code of Conduct	Code of Ethics and Business Conduct, Conflict Minerals Disclosures	Code of Business Conduct and Ethics, Incentives for Reporting Ethical Issues, Anti-corruption Policy, Conflict Minerals Policy, Global Human Rights Policy	Business Conduct Policy	Code of Ethics and Business Conduct, Global Anti-Corruption Compliance Policy, Global Human Rights Policy, Conflict Minerals Policy	Code of Conduct, Anti-Corruption Policy	
<b>PRODUCTS</b>									
SUNPOWER   MAXEON									
CRADLE-TO-CRADLE CERTIFIED	Bronze								
DECLARE LABEL									
LEAD-FREE	*								
RECYCLING	PV Cycle in Europe (founding member 2008), Reclaim PV Recycling and Hamada Corporation in Asia Pacific, and Recycle PV Solar and SEIA in the United States.  In order to support end-of-life recycling, we work to maintain our achievement as Cradle to Cradle Certified, our commitment to ZeroWaste-to-Landfill and to fulfill the responsibilities of our Declare Label.	 for solar panels		PV CYCLE in Europe Others ?	Takeback and recycling program for defective and/or end-of-life solar			LONGi has considered product recycling when designing photovoltaic modules and has gradually promoted the fluorine-free material for the main plate. Over 90% of LONGi's module products are comprehensively recycled and reused	
<b>SUPPLY CHAIN</b>									
SUNPOWER   MAXEON									
POLYSILICON SOURCING	Refer to Maxeon's Firm Commitment to Sustainability and Labour Rights								
WASTE MANAGEMENT **	90% Non-Hazardous 71% Hazardous								
LEED CERTIFIED FACILITIES	5 - 100% Maxeon cell facilities								
NSF	Mexico - Solar First and Only	3							

\*RoHS testing standard

Source: Maxeon's research on major solar manufacturers' corporate websites, July 2021

# 2021 ACTION PLAN

2020



**Establish New ESG Team**

Dedicated team with global and local diversified ESG experiences



United Nations  
Global Compact

**Joined United Nations Global Compact**

Issued CEO Letter of Commitment on our support of the SDGs

2021 H1



**Inaugural Sustainability Report**

Completed a benchmarking exercise and materiality assessment to shape our ESG focus areas and sustainability report



**Conflict Minerals Reporting**

Completed first Conflict Minerals disclosure report post-spinoff



**Forced Labour Risk Mitigation**

Continue to monitor the situation and enhance internal policies and controls

2021 H2



**Green Finance Reporting (and Sustainability-Linked Loans)**

Report to our green bondholders on our eligible expenditures tied to our sustainability initiatives



**Target Setting for Material Topics**

Develop long-term targets around material topics by the end of 2021



**Recycling Policy**

Strengthen Recycling Policy for end-of-life panels



**Community Investment Strategy**

Develop community investment strategy aligned to the needs of the local geographies we operate in



**ESG Product and Quality Best Practices**

Recertify existing certificates from SunPower legacy which include Cradle to Cradle, Declare labels, NSF Landfill-Free

# A GLOBAL COMPANY. A GLOBAL COMMITMENT.

**maxeon**

Signatory to the United Nations Global Compact since our first full quarter of independent operations

**WE SUPPORT**



**20 years**

*It's a commitment inspired by our company purpose*

*- Powering Positive Change® -*

*our steadfast belief that, by constantly improving ourselves, we help create a better future for our planet, our stakeholders and our business.*

Jeff Waters, CEO,  
Maxeon Solar Technologies

We have committed to SDG 7, 10, 12 and 16 through a prioritization, impact and relevance exercise

**SUSTAINABLE DEVELOPMENT GOALS**



Ensure access to affordable, reliable, sustainable and modern energy for all



Ensure sustainable consumption and production patterns



Reduce inequality within and among countries



Promote just, peaceful and inclusive societies

WE SUPPORT



20 years

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



**The Goal:** Ensure Sustainable Consumption And Production Patterns

**The Challenge:**

Material footprint from all industry categories worldwide: **85.9 billion metric tons.\***

**5 LEED® Certified Facilities**

Including 100% of SunPower Maxeon IBC Cell Production  
Maxeon Solar Technologies, Ltd.



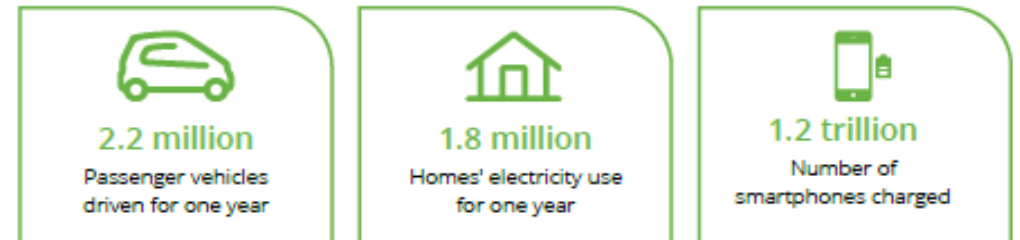
We understand green builders because **we are one.**

We Strive To Build And Install Solar Panels **As Clean As The Energy They Produce**



Landfill Free Facility  
NSF Guideline 445

Equivalent to negating greenhouse emissions from:



Equivalent to carbon sequestered by:





WE SUPPORT



20 years

7 AFFORDABLE AND CLEAN ENERGY



**The Goal:** Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All

**The Challenge:**

789 million people globally lack electricity.\*

## Our Products Work To Ensure **Global Access To Renewable Energy And Its Benefits**



**Myanmar Minigrid**

42 kw rural solar minigrid  
Kan Byin, Myanmar



**Nokero Solar Lanterns**

1.7 million+ solar lanterns  
replacing kerosene



**Water Mission**

99 kw offgrid clean water system  
Tanzania refugee settlement



**We have installed 35 million solar panels in 100+ countries, 5 continents**

\*Source: [United Nations, The Energy Progress Report, 2020](#)

WE SUPPORT



20  
years

10 REDUCED  
INEQUALITIES



**The Goal:** Reduce inequality within and among countries

**The Challenge:**

Inequality is growing for **more than 70%** of the global population.\*



Together, We Can **Promote Inclusion.**

Our focus on **worker safety** during the pandemic and our ongoing **commitment to EHS** form our foundation.

We expect to set our sights further in the coming years with our 2030 targets.

View our policies at <https://corp.maxeon.com/esgpolicies>

WE SUPPORT



20  
years

16 PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



**The Goal:** Promote just, peaceful and inclusive societies

**The Challenge:**

**80 million people** globally fled war, persecution and conflict in 2019.\*



Together, We Can **Develop Transparent Institutions.**

- We **support human rights** and are committed to the **elimination of human trafficking and slavery from our supply chain.**
- We **conduct conflict minerals due diligence** with suppliers to ensure compliance with our Code of Conduct and **product content specifications.**
- View our policies at <https://corp.maxeon.com/esgpolicies>

# THIRD-PARTY PRODUCT VERIFICATIONS AND CERTIFICATIONS



- 23.96 ESG Rating<sup>1</sup> (Medium); Maxeon received its first *Sustainalytics* score as an independent company
- *Sustainalytics, a Morningstar Company*, is a market leader in ESG rating score and advisory



- Mexico's first Zero-Waste-To-Landfill manufacturing facility in any industry – and solar's first.
- Ensuring no more than 1% of material from the facility is sent to a landfill.



- Maxeon's integrated back contact (IBC) panels are the only solar panels to voluntarily carry a Declare Label for materials transparency.
- Empowering consumers to better understand products and make sustainable choices.



- First and only major solar panel manufacturer certified for sustainable manufacturing.<sup>2</sup>
- Demonstrating environmental stewardship, sustainable design, and community engagement.



- Inaugural award recipient recognized for outstanding sustainability leadership.
- Manufacturing clean energy products with a process as clean as the energy they produce.

# OUR MANUFACTURING

**We make smart manufacturing choices to reduce waste at every opportunity**



- We achieved the solar industry's first and only Zero-Waste-To-Landfill certification for our Mexicali panel manufacturing plant and only company to do so in Mexico since 2015.
- The certification, published by the NSF International, requires that no greater than 1% of material from a facility is sent to a landfill and no more than 10% of material is sent to a waste-to-energy facility
- Our international and domestic LEED® certified facilities and manufacturing plants set the standard for our sustainability strategy
- All SunPower Maxeon DC panels have earned the **Cradle to Cradle Certified™ Bronze** distinction<sup>1</sup>, demonstrating high standards in material health, water stewardship and social fairness

1 Maxeon DC panels are Cradle to Cradle Certified™ Bronze - [https://www.c2ccertified.org/products/scorecard/e-series\\_x-series\\_solar\\_panels\\_-\\_sunpower\\_corporation](https://www.c2ccertified.org/products/scorecard/e-series_x-series_solar_panels_-_sunpower_corporation). Cradle to Cradle Certified™ Bronze. Cradle to Cradle Certified™ is a certification mark licensed by the Cradle to Cradle Products Innovation Institute.

# OUR MATERIALS

We make smart choices surrounding the materials we use... and don't use

**Declare.**

**SunPower® Maxeon® 5 Panels**  
Maxeon Solar Technologies, Ltd.

**Final Assembly:** Ensenada, Baja California, Mexico  
**Life Expectancy:** 40+ Year(s)  
**End of Life Options:** Salvageable/Reusable in its Entirety, Recyclable (100%)

**Ingredients:**

**Glass:** Silicon Dioxide; **Encapsulant:** Ethylene-Vinyl Acetate Copolymer; **Frame:** Aluminum; **Solar Cell:** Silicon; Copper; Aluminum; Tin; **Busbar Assembly with Insulator:** Copper; Polyester Tape; Tin; **Backsheet:** Polyvinylidene fluoride; **Junction Box:** Polycarbonate; Copper; Siloxanes and Silicones, di-Me; Small Electrical Components; **Shield and Alignment Tapes:** Polyethylene; **Silicone Sealant:** Calcium carbonate; **Interconnect Tabs:** Copper; Silver; Tin; **Polyester Shield Tape:** Polyester Tape; **Solder Paste:** Silver; Tin

**Living Building Challenge Criteria:** Compliant

**I-13 Red List:**  
 LBC Red List Free      % Disclosed: 100% at 100ppm  
 LBC Red List Approved      VOC Content: Not Applicable  
 Declared

**I-10 Interior Performance:** Not Applicable  
**I-14 Responsible Sourcing:** Not Applicable

SNP-0005  
EXP. 01 SEP 2021  
Original Issue Date: 2019

MANUFACTURER RESPONSIBLE FOR LABEL ACCURACY  
INTERNATIONAL LIVING FUTURE INSTITUTE™ [living-future.org/declare](http://living-future.org/declare)

**Declare.**

**SunPower® Maxeon® 2 & 3 Panels**  
Maxeon Solar Technologies, Ltd.

**Final Assembly:** Multiple Global Locations  
**Life Expectancy:** 40+ Year(s)  
**End of Life Options:** Salvageable/Reusable in its Entirety, Recyclable (100%)

**Ingredients:**

**Glass:** Silicon Dioxide; **Frame:** Aluminum; **Encapsulant:** Ethylene-Vinyl Acetate Copolymer; **Solar Cell:** Silicon; Copper; Aluminum; Tin; **Backsheet:** Polyvinylidene fluoride; **Junction Box:** Copper; Polycarbonate; Siloxanes and Silicones, di-Me; Small Electrical Components; **Frame Tape:** Polyethylene; **Silicone Sealant:** Calcium carbonate; **Interconnect Tab:** Copper; Silver; Tin; **Polyester Shield Tape:** Polyester Tape; **Solder Paste:** Silver; Tin; **Insulator:** Polyester Tape; **Busbar:** Copper; Tin; **Screws:** Stainless Steel

**Living Building Challenge Criteria:** Compliant

**I-13 Red List:**  
 LBC Red List Free      % Disclosed: 100% at 100ppm  
 LBC Red List Approved      VOC Content: Not Applicable  
 Declared

**I-10 Interior Performance:** Not Applicable  
**I-14 Responsible Sourcing:** Not Applicable

SNP-0001  
EXP. 01 SEP 2021  
Original Issue Date: 2018

MANUFACTURER RESPONSIBLE FOR LABEL ACCURACY  
INTERNATIONAL LIVING FUTURE INSTITUTE™ [living-future.org/declare](http://living-future.org/declare)

- Our Maxeon DC panels have adopted the **International Living Future Institute's (ILFI) Declare Label**, disclosing all panel materials
- We have earned top ratings on the **Silicon Valley Toxic Coalition Solar Scorecard** since 2012<sup>1</sup>, demonstrating the safety of our products for workers, communities, and the environment
- We test all of our panels for RoHS and REACH-SVHC compliance, meeting strict standards set for over 190 harmful chemicals in the EU
- **All our Maxeon panels are lead-free\***

\* RoHS testing standard



# OUR PRODUCTS

## Sustainable by Design



- SunPower Maxeon™ solar panels are the world's first solar panels to be Cradle to Cradle Certified® and have voluntarily achieved this certification since 2014.
- The Cradle to Cradle Certified Product Standard is a globally recognised measure of product sustainability from the Cradle to Cradle Products Innovation Institute. To achieve the certification, products are assessed across five categories: material health, material reutilisation, renewable energy and carbon management, water stewardship, and social fairness.
- The certification recognises products that are creating a positive impact on the environment and society by ensuring a circular economy through their design and manufacturing.
- All Maxeon® DC panels are Cradle to Cradle Certified™ Bronze

<i>Cradle to Cradle Certified Product Scorecard</i>	
MATERIAL HEALTH	Bronze
MATERIAL REUTILIZATION	Gold
RENEWABLE ENERGY & CARBON MANAGEMENT	Silver
WATER STEWARDSHIP	Gold
SOCIAL FAIRNESS	Silver
<b>OVERALL CERTIFICATION LEVEL</b>	Bronze

1 SunPower Maxeon DC panels are Cradle to Cradle Certified™ Bronze - [https://www.c2ccertified.org/products/scorecard/e-series\\_x-series\\_solar\\_panels\\_-\\_sunpower\\_corporation](https://www.c2ccertified.org/products/scorecard/e-series_x-series_solar_panels_-_sunpower_corporation). Cradle to Cradle Certified™ Bronze. Cradle to Cradle Certified™ is a certification mark licensed by the Cradle to Cradle Products Innovation Institute.

# PRODUCT USE ADVANTAGES

**We not only make solar a smart choice for homes and businesses, but for the environment as well**

- Our uniquely short Energy Payback Time of 1.2 years means the energy a system produces after over just one year is carbon neutral<sup>1</sup>
- Our panels make a significant contribution to **LEED® certification** for commercial buildings<sup>2</sup>
  - On a typical project<sup>1</sup>, a solar system contributes 5 points. Using Cradle to Cradle Certified™ products and reducing construction waste can yield an additional 6 points
- Our 25-year product warranty ensures systems will be producing clean energy for decades to come



*Our manufacturing plant in Ensenada, Mexico*

	LEED POINTS	
	Conventional Panels <sup>2</sup>	Maxeon DC Panels
- Renewable energy production	3	3
- Heat Island Reduction	2	2
- Environmental product declarations (1)		6
- Material ingredients (2)		
- Sourcing of raw materials (1)		
- Social equity in supply chain (1)		
- Integrative analysis of building materials (1)		

<sup>1</sup> East, C., & Geffken, K. (2014). Solar Cell and Module Life Cycle Assessment (version 1.1). Prepared by PRé North America for SunPower Corporation. <sup>2</sup> On a typical commercial system 1, SunPower panels contribute to 35% of the credits required for LEED certification. A typical project assumes core and shell or major renovation with at least 10% of the energy offset by solar, sufficient products to qualify for Material and Resource categories, and 33% of the hardscape covered with solar, or other heat island reducing coverings.

# OUR DISTRIBUTION

## We are smart about logistics and packaging

- Environmental responsibility is core to the way we do business – from sourcing our raw materials to manufacturing our products.
- In our Supplier Sustainability Guidelines, we require our suppliers to actively work to reduce the consumption of natural resources, including material sourcing such as polysilicon.
- We also include sustainability criteria in our tenders to track this environmental impact. These criteria focus on:
  - environmental issues including energy and other resource reduction, air emission control, pollution, the
  - use of hazardous substances, wastewater and solid waste management to mitigate current and emerging
  - environmental risks where we operate.



Examples include:

- Working with industry leading suppliers on minimising the size of our junction boxes
- Optimising module placement which reduces the volume of plastics used in the housing, cables, connectors and potting material.



# OUR APPROACH TO PRODUCT RECYCLING

We take responsibility for our products throughout their entire lifecycle



- We support our customers in their recycling efforts by working with local recycling experts in the countries where we operate. These organisations include **PV Cycle** in Europe, **Reclaim PV Recycling** and **Hamada Corporation** in Asia, and **Recycle PV Solar** and **SEIA** in the United States
- We take a collaborative approach with recyclers, encouraging them to develop innovative ways to process materials for a secondary use

# WE HOLD OURSELVES TO A HIGHER STANDARD

## Our approach to ESG standards

We maintain a robust set of policies and procedures to ensure compliance with laws and industry best practices in our supply chain and ESG standards, including:

- No tolerance policies regarding forced labour
- Ongoing monitoring to ensure continued compliance with all applicable standards regarding forced labour
- Compliance with SEIA industry standards:



### Solar Industry Environmental & Social Responsibility Commitment

#### Solar Industry Forced labour Prevention Pledge

1. Revising a comprehensive update of their **Solar Industry Environmental and Social Responsibility Commitment**  
*Maxeon's Commitment will always meet or exceed this standard*
2. Developed **Solar Supply Chain Traceability Protocol** to establish that solar imports do not include products produced in Xinjiang or, if produced in Xinjiang, are free of forced labour  
*Maxeon has formed a SEIA Protocol Task Force for implementation*

# GOVERNANCE IN SUPPLY CHAIN

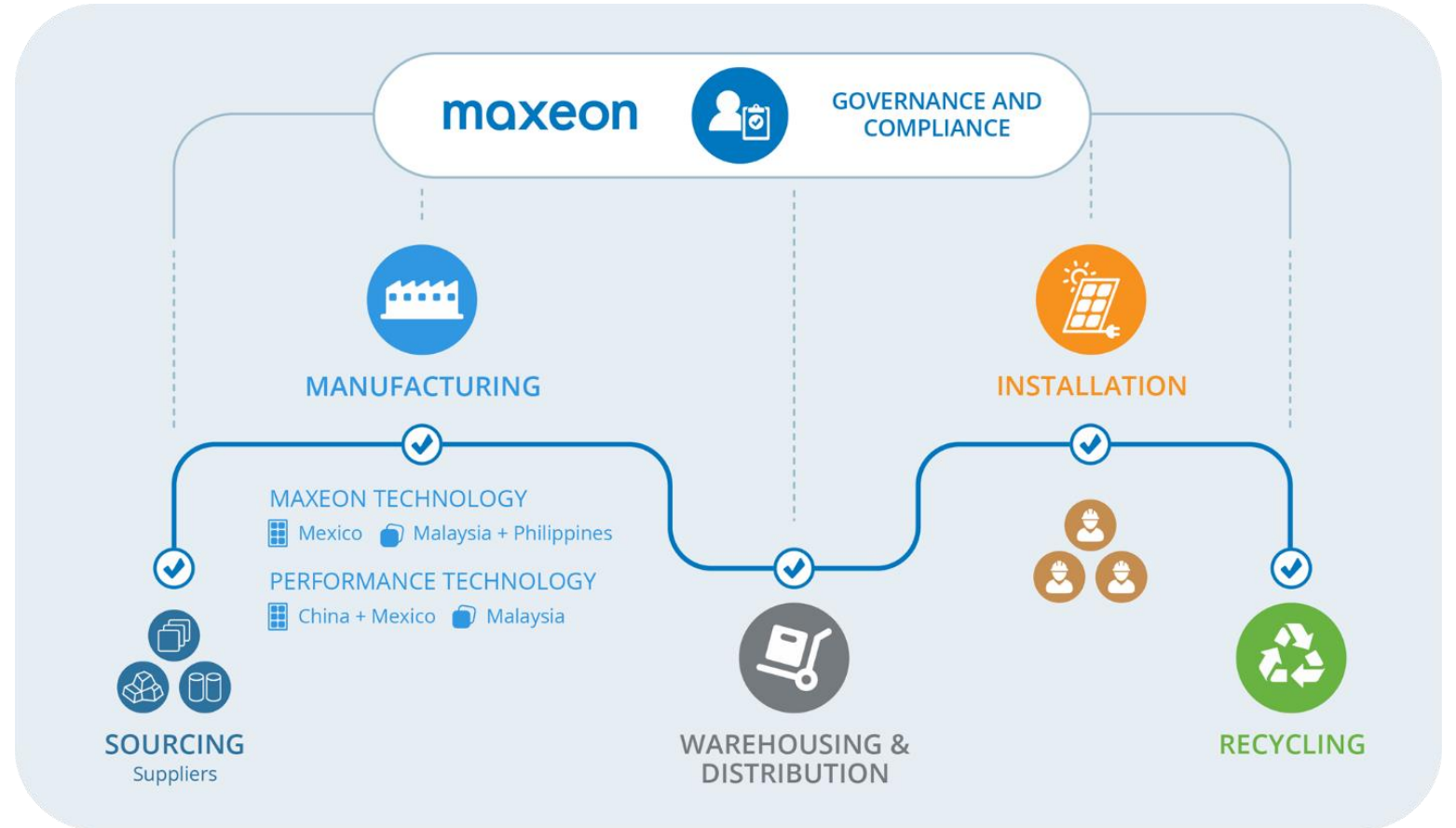
**Maxeon considers its supply chain partners an extension of the company and regularly assesses their performance.**

## How We Assess Our Supply Chain

- Suppliers must track any information related to their human rights compliance, and complete annual assessments and compliance certifications.
- We have a zero-tolerance policy for any violations of human and labour rights, and we ensure ongoing compliance with regulations and industry best practices.
- For any high-risk countries identified, we will work across our value chain to mitigate risks through our multi-step risk assessment methodology and will call on experts if needed.

## How are we doing?

There are zero current cases of non-compliance with regards to human rights and fair labour issues, both within our internal operations as well as within our supply chain.



# SUPPLY CHAIN POLICIES



Policies for Employees & Contractors:

- Code of Business Ethics and Conduct
- Whistleblower Hotline



## Maxeon requirement

- Code of Business Ethics and Conduct
- Supplier's Sustainability Guidelines
- Live training

- Code of Business Ethics and Conduct<sup>1</sup>
- Supplier's Sustainability Guidelines<sup>1</sup>
- Enhanced certifications for China-exposed suppliers regarding not being (i) in Xinjiang; and (ii) on OFAC list of sanctioned entities (which includes the entities alleged to be involved in forced labour)

- SEIA Protocol
- Working MOP

We commit as a matter of practice to complying with the most stringent laws and international best standards.



## Zero-tolerance policy for breach

Suppliers will be terminated if found in non-compliance of labour standards

# CONTEXT OF THE SITUATION IN XINJIANG

## Implications on the solar industry



- Xinjiang is a Uyghur-majority region in the northwest of China with a population of 11m; Uyghurs speak a different language and practice a different religion (Sunni Islam) from the Han Chinese majority.
- There have been allegations of the curtailment of religious, commercial and cultural activities and forced labour against the Uyghurs in recent years.
- One allegation is that more than 1m Uyghurs are currently in detainment / forced labour camps
- An estimated 50% of the global supply of polysilicon is produced in the Xinjiang region

**Through our ongoing investigations, we are satisfied that Maxeon's IBC suppliers and HSPV direct suppliers are not in violation of the new Withhold Release Order – or other international standards regarding forced labour.**

From [BBC](#), [ECFU](#), [New York Times](#), and [SEIA](#)

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