



NEWS RELEASE

Stem, Inc. Awarded Energy Storage Portfolio by NineDot Energy

1/25/2022

Initial project portfolio to include more than 110MWh of front-of-the-meter standalone energy storage projects in New York state

SAN FRANCISCO, & NEW YORK--(BUSINESS WIRE)-- Stem, Inc. ("Stem" or "the Company") (NYSE: STEM), a global leader in artificial intelligence (AI)-driven energy storage services and software, announced today the Company has entered into an agreement to provide smart energy storage services to NineDot Energy, a cleantech developer that designs and deploys community distributed energy generation and storage projects.

The projects consist of six front-of-the-meter (FTM) standalone energy storage sites in Staten Island that represent more than 110 megawatt hours (MWh). The portfolio, expected to be completed by May 2023, will participate in New York's Value of Distributed Energy Resources (VDER) program, through which NineDot will develop the energy storage sites, own the assets, and monetize the VDER credits. In addition to procuring the storage hardware, Stem will use its Athena® smart energy software to optimize VDER credits and other incentive programs to help generate additional project revenues, achieve incentive and warranty compliance, and provide a single platform for NineDot to monitor the portfolio of energy storage sites.

Together, NineDot and Stem aim to support New York's mission to achieve its goal of 100% clean energy use by 2040. New York recently announced plans to double its energy storage target to 6,000 megawatts (MW) by 2030. Carlyle, one of the world's largest private equity firms, recently committed to invest approximately \$100 million in NineDot to build and operate energy storage sites in New York.

John Carrington, CEO of Stem, commented, "For over a decade, Stem has successfully optimized distributed energy resources for partners and customers in multiple markets to maximize the value stack of incentives, including the VDER program. Our expertise in front-of-the-meter standalone energy storage with our Athena® AI-driven energy storage software makes it easy for developers like NineDot to deploy successful projects. Together with NineDot, we will continue to expand our presence in New York and help the state to achieve its goal of being 100% powered

by clean energy by 2040.”

David Arfin, CEO and Co-Founder of NineDot Energy, added, “Partnering with Stem brings us closer to our goal of delivering reliable power and resilience for the electric grid. Stem’s unparalleled customer support, access to top-tier hardware suppliers, and best-in-class Athena® platform enable the user-friendly experience needed to manage a successful energy storage portfolio. With the financial backing of Carlyle and our smart energy storage partner Stem, we look forward to deploying more next-generation energy storage for cleaner, cost-effective electricity across the New York grid.”

Cautionary Statement Regarding Forward-Looking Statements

This press release, as well as other statements we make, contain “forward-looking statements” within the meaning of the federal securities laws, which include any statements that are not historical facts. Such statements often contain words such as “expect,” “may,” “can,” “believe,” “predict,” “plan,” “potential,” “projected,” “projections,” “forecast,” “estimate,” “intend,” “anticipate,” “ambition,” “goal,” “target,” “think,” “should,” “could,” “would,” “will,” “hope,” “see,” “likely,” and other similar words. Forward-looking statements address matters that are, to varying degrees, uncertain, such as expanding our operations in New York, our ability to help the State of New York to achieve its goal of 100% clean energy use by 2040, the success of the Stem-NineDot partnership; the reduction of greenhouse gas (“GHG”) emissions; the integration and optimization of energy resources; the business strategies of Stem and those of its customers; the global commitment to decarbonization; Stem’s ability to secure new customers, or to retain current customers, further penetrate existing markets or expand into new markets; Stem’s ability to mitigate supply chain risk and otherwise to manage supply chains and distribution channels; the continuing severity, magnitude and duration of the COVID-19 pandemic and future results of operations. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are based upon assumptions and estimates that, while considered reasonable by Stem and its management, depend upon inherently uncertain factors and risks that may cause actual results to differ materially from current expectations, including the expansion of our operations in New York, our ability to help the State of New York to achieve its goal of 100% clean energy use by 2040, the risk that the Stem-NineDot partnership may not be as successful as anticipated, our inability to achieve our financial and performance targets and other forecasts and expectations; our inability to realize anticipated revenues from our long-term contracts; our inability to grow and manage profitably; risks relating to the development and performance of our energy storage systems and software-enabled services; our inability to help reduce GHG emissions; our inability to seamlessly integrate and optimize energy resources; the risk that the global commitment to decarbonization may not materialize as we predict, or even if it does, that we might not be able to benefit therefrom; our inability to win new contracts with customers that we are pursuing, or to retain or upgrade current customers, further penetrate existing markets or expand into new markets; our inability to secure sufficient inventory from our suppliers to meet customer demand, and provide us with contracted quantities of equipment; supply chain failures or interruptions; manufacturing or delivery delays; disruptions in sales, production, service or other business activities; our inability to attract and

retain qualified personnel; the risk that our business, financial condition and results of operations may be adversely affected by other political, economic, business and competitive factors; and other risks and uncertainties set forth in the section entitled “Risk Factors” in the registration statement on Form S-1 filed with the SEC on July 19, 2021, and our most recent Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC. If one or more of these or other risks or uncertainties materialize (or the consequences of any such development changes), or should our underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements. Statements in this press release are made as of the date of this release, and Stem disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.

About Stem, Inc.

Stem (NYSE: STEM) provides solutions that address the challenges of today's dynamic energy market. By combining advanced energy storage solutions with Athena®, a world-class AI-powered analytics platform, Stem enables customers and partners to optimize energy use by automatically switching between battery power, onsite generation and grid power. Stem's solutions help enterprise customers benefit from a clean, adaptive energy infrastructure and achieve a wide variety of goals, including expense reduction, resilience, sustainability, environmental and corporate responsibility and innovation. Stem also offers full support for solar partners interested in adding storage to standalone, community or commercial solar projects – both behind and in front of the meter. For more information, visit www.stem.com.

About NineDot Energy

Founded in 2015, NineDot Energy is a clean-tech developer that creates innovative energy solutions that support a more resilient electric grid, delivers economic savings, and reduces carbon emissions. NineDot's name derives from the classic mathematical puzzle for sparking out-of-the-box solutions. NineDot is based at the NYU Tandon School of Engineering Urban Future Lab in Brooklyn, New York. To learn more, visit nine.energy.

NineDot Energy Media Contact

media@nine.energy

Stem Investor Contacts

Ted Durbin, Stem

Marc Silverberg, ICR

IR@stem.com

Stem Media Contact

Cory Ziskind, ICR

stemPR@icrinc.com

Source: Stem, Inc.