SolarEdge Technologies Inc.

# 2024 CDP Corporate Questionnaire 2024

# Contents


## C1. Introduction ..... 9

(1.3) Provide an overview and introduction to your organization. ..... 9

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years. ..... 9

(1.4.1) What is your organization's annual revenue for the reporting period? ..... 10

(1.5) Provide details on your reporting boundary. ..... 10

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)? ..... 11

(1.7) Select the countries/areas in which you operate. ..... 13

(1.24) Has your organization mapped its value chain? ..... 13

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of? ..... 14

## C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities ..... 16

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities? ..... 16

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts? ..... 17

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities? ..... 18

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities. ..... 18

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed? ..... 22

(2.3) Have you identified priority locations across your value chain? ..... 22

(2.4) How does your organization define substantive effects on your organization? ..... 23

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health? ..... 24

## C3. Disclosure of risks and opportunities ..... 26

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future? ..... 26

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future. ..... 26

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations? ..... 36

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)? ..... 37

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by? ... 37

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future? ... 37

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year or are anticipated to have a substantive effect on your organization in the future. ... 37

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities. ... 42

**C4. Governance ... 44**

(4.1) Does your organization have a board of directors or an equivalent governing body? ... 44

(4.1.1) Is there board-level oversight of environmental issues within your organization? ... 45

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues. ... 46

(4.2) Does your organization's board have competency on environmental issues? ... 48

(4.3) Is there management-level responsibility for environmental issues within your organization? ... 48

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals). ... 49

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets? ... 52

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals). ... 54

(4.6) Does your organization have an environmental policy that addresses environmental issues? ... 55

(4.6.1) Provide details of your environmental policies. ... 55

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives? ... 57

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment? ... 57

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year? ... 59

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year. ... 61

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response? ... 64

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication. ... 64

**C5. Business strategy ... 67**

(5.1) Does your organization use scenario analysis to identify environmental outcomes? ... 67

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis. ... 68
(5.1.2) Provide details of the outcomes of your organization's scenario analysis. ... 73
(5.2) Does your organization's strategy include a climate transition plan? ... 74
(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition? ... 74
(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition. ... 75
(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities? ... 77
(5.5.2) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years. ... 77
(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year? ... 78
(5.10) Does your organization use an internal price on environmental externalities? ... 78
(5.11) Do you engage with your value chain on environmental issues? ... 79
(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment? ... 81
(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues? ... 82
(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process? ... 83
(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place. ... 85
(5.11.7) Provide further details of your organization's supplier engagement on environmental issues. ... 87
(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain. ... 89

**C6. Environmental Performance - Consolidation Approach ... 92**
(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data. ... 92

**C7. Environmental performance - Climate Change ... 94**
(7.1) Is this your first year of reporting emissions data to CDP? ... 94
(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data? ... 94
(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year? ... 94
(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2? ... 95
(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions. ... 95
(7.3) Describe your organization's approach to reporting Scope 2 emissions. ... 96

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure? ..... 96
(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure. ..... 96
(7.5) Provide your base year and base year emissions. ..... 98
(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e? ..... 99
(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e? ..... 101
(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions. ..... 103
(7.9) Indicate the verification/assurance status that applies to your reported emissions. ..... 111
(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? ..... 111
(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year. ..... 111
(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure? ..... 117
(7.11) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year? ..... 117
(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization? ..... 118
(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type? ..... 118
(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP). ..... 118
(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area. ..... 120
(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide. ..... 120
(7.17.1) Break down your total gross global Scope 1 emissions by business division. ..... 120
(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide. ..... 121
(7.20.1) Break down your total gross global Scope 2 emissions by business division. ..... 121
(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response. ..... 121
(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response? ..... 122
(7.29) What percentage of your total operational spend in the reporting year was on energy? ..... 122
(7.30) Select which energy-related activities your organization has undertaken. ..... 122
(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh. ..... 123
(7.30.6) Select the applications of your organization's consumption of fuel. ..... 125
(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type. ..... 126

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year. 128

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7. 128

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year. 132

(7.34) Does your organization measure the efficiency of any of its products or services? 133

(7.34.1) Provide details of the metrics used to measure the efficiency of your organization's products or services. 134

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations. 134

(7.53) Did you have an emissions target that was active in the reporting year? 136

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets. 136

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets. 140

(7.54) Did you have any other climate-related targets that were active in the reporting year? 144

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases. 144

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings. 144

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below. 145

(7.55.3) What methods do you use to drive investment in emissions reduction activities? 150

(7.71) Does your organization assess the life cycle emissions of any of its products or services? 150

(7.71.1) Provide details of how your organization assesses the life cycle emissions of its products or services. 151

(7.74) Do you classify any of your existing goods and/or services as low-carbon products? 152

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products. 152

(7.79) Has your organization canceled any project-based carbon credits within the reporting year? 154

**C9. Environmental performance - Water security 155**

(9.1) Are there any exclusions from your disclosure of water-related data? 155

(9.1.1) Provide details on these exclusions. 155

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored? 156

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change? 162

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change. 165

(9.2.7) Provide total water withdrawal data by source. ... 166
(9.2.8) Provide total water discharge data by destination. ... 169
(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge. ... 170
(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities? ... 173
(9.5) Provide a figure for your organization's total water withdrawal efficiency. ... 174
(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority? ... 175
(9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority? ... 175
(9.14) Do you classify any of your current products and/or services as low water impact? ... 175
(9.15) Do you have any water-related targets? ... 176
(9.15.3) Why do you not have water-related target(s) and what are your plans to develop these in the future? ... 176

**C10. Environmental performance - Plastics ... 178**
(10.1) Do you have plastics-related targets, and if so what type? ... 178
(10.2) Indicate whether your organization engages in the following activities. ... 178
(10.4) Provide the total weight of plastic durable goods and durable components produced, sold and/or used, and indicate the raw material content. ... 180
(10.5) Provide the total weight of plastic packaging sold and/or used and indicate the raw material content. ... 181
(10.5.1) Indicate the circularity potential of the plastic packaging you sold and/or used. ... 181
(10.6) Provide the total weight of waste generated by the plastic you produce, commercialize, use and/or process and indicate the end-of-life management pathways. ... 181

**C11. Environmental performance - Biodiversity ... 183**
(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments? ... 183
(11.3) Does your organization use biodiversity indicators to monitor performance across its activities? ... 183
(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year? ... 183

**C13. Further information & sign off ... 186**
(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party? ... 186
(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored. ... 186
(13.3) Provide the following information for the person that has signed off (approved) your CDP response. ... 187

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website. ..... 188

C1. Introduction

## (1.3) Provide an overview and introduction to your organization.

### (1.3.2) Organization type

*Select from:*

☑ Publicly traded organization

### (1.3.3) Description of organization

*SolarEdge is a global leader in smart energy technology. By leveraging world-class engineering capabilities and with a relentless focus on innovation, SolarEdge creates smart energy solutions that power our lives and drive future progress. SolarEdge developed an intelligent inverter solution that changed the way power is harvested and managed in photovoltaic (PV) systems. The SolarEdge DC optimized inverter seeks to maximize power generation while lowering the cost of energy produced by the PV system. Continuing to advance smart energy, SolarEdge addresses a broad range of energy market segments through its PV, storage, EV charging, batteries, and grid services solutions. SolarEdge is online at www.solaredge.com*
*[Fixed row]*

## (1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

### (1.4.1) End date of reporting year

*12/31/2023*

### (1.4.2) Alignment of this reporting period with your financial reporting period

*Select from:*

☑ Yes

### (1.4.3) Indicate if you are providing emissions data for past reporting years

*Select from:*

☑ Yes

## (1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

*Select from:*

☑ 2 years

## (1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

*Select from:*

☑ 2 years

## (1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

*Select from:*

☑ Not providing past emissions data for Scope 3

*[Fixed row]*

## (1.4.1) What is your organization's annual revenue for the reporting period?

*2,976,528,000*

## (1.5) Provide details on your reporting boundary.

## (1.5.1) Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?

*Select from:*

☑ No

## (1.5.2) How does your reporting boundary differ to that used in your financial statement?

*The reporting boundaries used in our CDP and Sustainability reports are determined by operational control. The boundaries of our financial statements are not significantly different but do also take into account investments in several privately held companies where SolarEdge does not hold operational control. The net income from these investments is aggregated into overall SolarEdge level figures in proportion to SolarEdge's relative ownership of each privately held company. For example: If SolarEdge holds 20% of the private company's outstanding shares, it accounts for 20% of that company's net income into its overall corporate level figure. Note to question 1.7 below: The sites located in the countries selected below include all SolarEdge owned production and R&D sites, all contractor manufacturer sites*

*where we produce the majority of our products, and some additional regional offices and logistical sites. We estimate the Scope 1 and Scope 2 emissions of all other global sites to be negligible (generally small office locations). For a full list of our subsidiaries, see our 2023 10K report, Exhibit 21.1, p. 138.*

## (1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

### ISIN code - bond

#### (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

#### (1.6.2) Provide your unique identifier

*US83417M1045*

### ISIN code - equity

#### (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

#### (1.6.2) Provide your unique identifier

*US83417M1045*

### CUSIP number

#### (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

## (1.6.2) Provide your unique identifier

*83417M104*

### Ticker symbol

## (1.6.1) Does your organization use this unique identifier?

*Select from:*
☑ Yes

## (1.6.2) Provide your unique identifier

*SEDG*

### SEDOL code

## (1.6.1) Does your organization use this unique identifier?

*Select from:*
☑ No

### LEI number

## (1.6.1) Does your organization use this unique identifier?

*Select from:*
☑ Yes

## (1.6.2) Provide your unique identifier

*5493000K6Y58XXPDF853*

### D-U-N-S number

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

We have a DUNS number, but do not use it

### Other unique identifier

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

*[Add row]*

## (1.7) Select the countries/areas in which you operate.

*Select all that apply*

☑ China
☑ India
☑ Italy
☑ Israel
☑ Mexico
☑ Australia
☑ Netherlands
☑ Republic of Korea
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Poland
☑ Germany
☑ Hungary
☑ Bulgaria
☑ Viet Nam

## (1.24) Has your organization mapped its value chain?

## (1.24.1) Value chain mapped

*Select from:*

☑ Yes, we have mapped or are currently in the process of mapping our value chain

## (1.24.2) Value chain stages covered in mapping

*Select all that apply*

☑ Upstream value chain

☑ Downstream value chain

## (1.24.3) Highest supplier tier mapped

*Select from:*

☑ Tier 2 suppliers

## (1.24.4) Highest supplier tier known but not mapped

*Select from:*

☑ Tier 4+ suppliers

## (1.24.7) Description of mapping process and coverage

*Our procurement systems include full detailed records of all our direct (1-tier) suppliers. To date, we have focused most responsible procurement practices on these suppliers. In addition, we have conducted partial mapping of some key 2-tier suppliers, as part of our conflict mineral data collection and life cycle analysis conducted for some leading products. These 2-tier suppliers mostly include component and raw material suppliers that supply our contract manufacturers (who are part of our 1-tier suppliers), and component manufacturers who supply some 1-tier distributors from which we purchase such materials. Regarding the downstream value chain, most SolarEdge products are sold directly to distributors and installer companies (1-tier), for which we have full and comprehensive mapping. We are also frequently involved in the sales processes of these partner customers to further downstream residential and commercial customers, so we have partial mapping of these customers as well.*
*[Fixed row]*

# (1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

## (1.24.1.1) Plastics mapping

*Select from:*

☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

## (1.24.1.2) Value chain stages covered in mapping

*Select all that apply*

☑ Upstream value chain

☑ End-of-life management

## (1.24.1.4) End-of-life management pathways mapped

*Select all that apply*

☑ Recycling

☑ Waste to Energy

☑ Landfill

*[Fixed row]*

## C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

### (2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

### Short-term

#### (2.1.1) From (years)

*0*

#### (2.1.3) To (years)

*2*

#### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward in the general SolarEdge enterprise risk management (ERM) process. As a result of this process, we have established the following time horizons: Short-term: 0-2 years; Medium-term 2-5 years; Long-term 5-10 years. These time ranges are specific for our first climate risk analysis, may change moving forward, and are not necessarily relevant to other SolarEdge risk analysis processes.*

### Medium-term

#### (2.1.1) From (years)

*2*

#### (2.1.3) To (years)

*5*

#### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward in the general SolarEdge enterprise risk management (ERM) process. As a result of this process, we have established the following time horizons: Short-term: 0-2 years; Medium-term 2-5 years; Long-term 5-10 years. These time ranges are specific for our first climate risk analysis, may change moving forward, and are not necessarily relevant to other SolarEdge risk analysis processes.*

## Long-term

### (2.1.1) From (years)

*5*

### (2.1.2) Is your long-term time horizon open ended?

*Select from:*

☑ No

### (2.1.3) To (years)

*10*

### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward in the general SolarEdge enterprise risk management (ERM) process. As a result of this process, we have established the following time horizons: Short-term: 0-2 years; Medium-term 2-5 years; Long-term 5-10 years. These time ranges are specific for our first climate risk analysis, may change moving forward, and are not necessarily relevant to other SolarEdge risk analysis processes.*
*[Fixed row]*

## (2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

| | Process in place | Dependencies and/or impacts evaluated in this process |
|---|---|---|
| | *Select from:*<br>☑ Yes | *Select from:*<br>☑ Both dependencies and impacts |

*[Fixed row]*

## (2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

| | Process in place | Risks and/or opportunities evaluated in this process | Is this process informed by the dependencies and/or impacts process? |
|---|---|---|---|
| | *Select from:*<br>☑ Yes | *Select from:*<br>☑ Both risks and opportunities | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

### Row 1

### (2.2.2.1) Environmental issue

*Select all that apply*

☑ Climate change

## (2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

*Select all that apply*

☑ Risks

☑ Opportunities

## (2.2.2.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

## (2.2.2.4) Coverage

*Select from:*

☑ Full

## (2.2.2.5) Supplier tiers covered

*Select all that apply*

☑ Tier 1 suppliers

## (2.2.2.7) Type of assessment

*Select from:*

☑ Qualitative and quantitative

## (2.2.2.8) Frequency of assessment

*Select from:*

☑ Not defined

## (2.2.2.9) Time horizons covered

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (2.2.2.10) Integration of risk management process

*Select from:*

☑ A specific environmental risk management process

## (2.2.2.11) Location-specificity used

*Select all that apply*

☑ Site-specific

## (2.2.2.12) Tools and methods used

**Other**

☑ External consultants

☑ Scenario analysis

## (2.2.2.13) Risk types and criteria considered

**Acute physical**

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Heavy precipitation (rain, hail, snow/ice)

☑ Wildfires

**Chronic physical**

☑ Heat stress

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Sea level rise
☑ Increased severity of extreme weather events
☑ Water availability at a basin/catchment level
☑ Changing temperature (air, freshwater, marine water)

**Policy**
☑ Carbon pricing mechanisms
☑ Changes to national legislation
☑ Other policy, please specify**:** Types of energy regimes and the existence/lack/type of subsidies for renewable energy use and for related production.

**Market**
☑ Availability and/or increased cost of raw materials
☑ Changing customer behavior

**Reputation**
☑ Other reputation, please specify**:** Possible Shift in stakeholder position

**Technology**
☑ Transition to lower emissions technology and products

**Liability**
☑ Exposure to litigation

## (2.2.2.14) Partners and stakeholders considered

*Select all that apply*
☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities

### (2.2.2.15) Has this process changed since the previous reporting year?

*Select from:*

☑ Yes

### (2.2.2.16) Further details of process

*We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward in the general SolarEdge enterprise risk management (ERM) process. This process was conducted in collaboration between external expert consultants and the SolarEdge ESG, EHS, Finance and Risk Management teams, involving dozens of additional managers and employees, and engaging with diverse suppliers and value chain partners. Climate risk analysis is a dynamic process. All findings stated in this table may be subject to changes in the future.*
*[Add row]*

## (2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

### (2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

*Select from:*

☑ Yes

### (2.2.7.2) Description of how interconnections are assessed

*Several interconnections were assessed as part of our first climate risk assessment. For example, our physical climate risk analysis examined the likelihood and magnitude of each relevant risk for different parts of our operations, based on different scenarios regarding global climate change mitigation and therefore different scenarios regarding temperature risk and occurrence of extreme weather events. Additionally, our process identified several fields that could be considered both a risk and an opportunity for SolarEdge. One such example, is the field of Regulation regarding energy regimes and the existence/lack/type of subsidies for renewable energy use and for related production. Another example is disruptive innovation in the renewable energy sector, which is also considered both a risk and an opportunity for us.*
*[Fixed row]*

## (2.3) Have you identified priority locations across your value chain?

### (2.3.1) Identification of priority locations

*Select from:*

☑ Yes, we have identified priority locations

## (2.3.2) Value chain stages where priority locations have been identified

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

## (2.3.3) Types of priority locations identified

**Locations with substantive dependencies, impacts, risks, and/or opportunities**

☑ Other location with substantive nature-related dependencies, impacts, risks, and/or opportunities, please specify**:** Sites where climate physical risks could have a potential significant impact on our operations, given these sites' importance.

## (2.3.4) Description of process to identify priority locations

*The priority sites examined were our main manufacturing sites (including SolarEdge operational control and also contract manufacturing sites), main distribution hubs and main support warehouses.*

## (2.3.5) Will you be disclosing a list/spatial map of priority locations?

*Select from:*

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it.

*[Fixed row]*

# (2.4) How does your organization define substantive effects on your organization?

## Risks

## (2.4.1) Type of definition

*Select all that apply*

☑ Qualitative

☑ Quantitative

## (2.4.7) Application of definition

*We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward in the general SolarEdge enterprise risk management (ERM) process. This process included some risks that could also be defined as opportunities. We have set internal thresholds for likelihood and impact for each risk/opportunity, that together determined the degree of impact determined for each risk or opportunity.*

### Opportunities

## (2.4.1) Type of definition

*Select all that apply*

☑ Qualitative

☑ Quantitative

## (2.4.7) Application of definition

*We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward in the general SolarEdge enterprise risk management (ERM) process. This process included some risks that could also be defined as opportunities. We have set internal thresholds for likelihood and impact for each risk/opportunity, that together determined the degree of impact determined for each risk or opportunity.*
*[Add row]*

# (2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

## (2.5.1) Identification and classification of potential water pollutants

*Select from:*

☑ No, we do not identify and classify our potential water pollutants

## (2.5.3) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site. There, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact. Due to the minimal environmental impact of the wastewater reported above, we do not consider water pollutants in wastewater as material in relation to our activities.*
*[Fixed row]*

## C3. Disclosure of risks and opportunities

### (3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

| | Environmental risks identified |
|---|---|
| Climate change | *Select from:*<br>☑ Yes, both in direct operations and upstream/downstream value chain |

*[Fixed row]*

### (3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

### Climate change

#### (3.1.1.1) Risk identifier

*Select from:*

☑ Risk1

#### (3.1.1.3) Risk types and primary environmental risk driver

**Policy**

☑ Changes to regulation of existing products and services

#### (3.1.1.4) Value chain stage where the risk occurs

*Select from:*

☑ Downstream value chain

## (3.1.1.6) Country/area where the risk occurs

*Select all that apply*

☑ Germany

☑ Italy

☑ Netherlands

☑ United States of America

## (3.1.1.9) Organization-specific description of risk

*Most of SolarEdge's revenues are generated from our wide range of PV solar energy solutions. The rapidly evolving and competitive nature of the solar industry makes it difficult to evaluate our current business and future prospects. The viability and demand for our products may be affected by many factors beyond our control. Specific climate-change related regulation factors include for example the availability and amount of government subsidies and incentives to support the development and deployment of solar energy solutions and the extent of deregulation in the electric power industry and broader energy industries to permit wider adoption of solar electricity generation. A loss of such subsidies/incentives or regulatory changes or lack of deregulation could in turn make our products less desirable and thereby put downward pressure or even reduce our revenues. These regulations are dependent, among other things, on public awareness and attitude towards climate change in all regions in which we operate. However, such subsidies, incentives and deregulation also form an opportunity for SolarEdge, as they have already significantly contributed to the demand for our products in many global regions and continue to arise in different countries. Also, due to the company's offering of storage and smart energy management systems, we can offer cost effective solutions to diverse types of local tariff regimes. (Description subject to disclaimer, see "description of response").*

## (3.1.1.11) Primary financial effect of the risk

*Select from:*

☑ Decreased revenues due to reduced demand for products and services

## (3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

*Select from:*

☑ Unlikely

## (3.1.1.14) Magnitude

*Select from:*

☑ Medium-high

## (3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Changes in climate-change related regulations and subsidies, as described above, could potentially lead to a loss of revenues in some regions where we operate, due to potential reduced demand or viability for our products. We currently consider the overall likelihood of this risk as unlikely, referring to the likelihood of a significant negative change in regulations in several of our main markets simultaneously.*

## (3.1.1.17) Are you able to quantify the financial effect of the risk?

*Select from:*

☑ No

## (3.1.1.26) Primary response to risk

**Diversification**

☑ Other diversification, please specify: Market Expansion and Diverse Solution Offering

## (3.1.1.29) Description of response

*SolarEdge is a leading global company in its market, with over 140 different countries operating SolarEdge systems, and over 68,000 residential installers that have used our systems worldwide. This wide global spread allows for risk mitigation, and the company strives to reach even more new markets. In addition, the company puts forth significant effort to monitor relevant regulations in all of its core markets and strives to adapt its solutions and marketing practices to any upcoming or existing change. Moreover, the same subsidies, incentives and deregulation that form this risk, also form an opportunity for SolarEdge, as they have already significantly contributed to the demand for our products in many global regions and continue to arise in different countries. Also, due to the company's offering of storage and smart energy management systems, we also offer effective solutions that address diverse types of local tariff regimes. The countries selected in this table*

*represent our main market countries in past years. However, since we have systems installed in 140 countries the regulation could have an impact on our business in other regions as well. While regulation changes are frequent and can occur over both short and long-term horizon, we consider it unlikely for regulatory changes to be made in many regions in which we operate simultaneously and in such a manner that could have a short-term material negative impact on our business. Note: We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward in the general SolarEdge enterprise risk processes. Climate risk analysis is a dynamic process. All findings stated in this table may be subject to changes in the future.*

## Climate change

### (3.1.1.1) Risk identifier

*Select from:*

☑ Risk2

### (3.1.1.3) Risk types and primary environmental risk driver

**Acute physical**

☑ Other acute physical risk, please specify**:** Any potential acute physical phenomena caused by climate change, such as severe flooding or wildfires

### (3.1.1.4) Value chain stage where the risk occurs

*Select from:*

☑ Direct operations

### (3.1.1.6) Country/area where the risk occurs

*Select all that apply*

☑ Israel

☑ Hungary

☑ Viet Nam

☑ Netherlands

☑ Republic of Korea

☑ United States of America

### (3.1.1.9) Organization-specific description of risk

*Our recently concluded physical climate risk assessment examined the possible adverse effects of climate change to our manufacturing sites (both owned sites and contractor manufacturer sites) and on main logistics sites and product inventory storage sites. While these key sites are spread out in different global regions, any potential acute physical phenomena caused by climate change, such as severe flooding or wildfires, could cause disruption to production, damage to product inventories or difficulties in product supply and/or repair. Any inability to meet supply demand due to such potential production/supply chain disruptions could cause a loss of revenue, potential loss of market share, and reputational damage. Our analysis has identified the specific physical risks that are relevant for each key site, and where mitigation efforts should be conducted. For example, both our contractor manufacturer sites in Texas and in Florida were found to be in regions that could expect increased frequency of floods, wildfires and increased heat. While these severe weather events could potentially occur in any time horizon (including short-term), we consider it unlikely for more than one of our key sites to be impacted by such severe events simultaneously. Therefore, we consider it unlikely for these events to have a significant negative effect on the overall SolarEdge revenue and market share (see disclaimer in "description of response").*

## (3.1.1.11) Primary financial effect of the risk

*Select from:*

☑ Other, please specify**:** Disruption in production and/or service capabilities and/or Damage to existing stocks

## (3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

*Select from:*

☑ Unlikely

## (3.1.1.14) Magnitude

*Select from:*

☑ Medium

## (3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Any inability to meet supply demand due to such potential production, supply chain disruptions or product inventory loss could cause a loss of revenue, potential loss of market share, and reputational damage.*

## (3.1.1.17) Are you able to quantify the financial effect of the risk?

*Select from:*

☑ No

## (3.1.1.26) Primary response to risk

**Infrastructure, technology and spending**

☑ Other infrastructure, technology and spending, please specify**:** Diversifying production, inventory and logistic sites

## (3.1.1.29) Description of response

*In recent years, we have been taking measures to diversify our manufacturing and logistics footprint, enabling us to both manufacture and deliver closer to our target markets, reducing the potential negative impact caused by disruptions in any specific manufacturing site, including potential disruptions caused by severe weather events. We therefore consider it unlikely for a significant amount of our production abilities and/or inventories to be damaged in a matter that would materially affect our abilities to supply our products and services. We periodically conduct on-site audits to key sites examining, among other things, their mitigation efforts taken to meet potential damages from acute weather events. In addition, we hold active insurance policies in different regions to further mitigate such potential damage. Note: We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward into the general SolarEdge enterprise risk management (ERM) process. Climate risk analysis is a dynamic process. All findings stated in this table may be subject to changes in the future.*

# Climate change

## (3.1.1.1) Risk identifier

*Select from:*

☑ Risk3

## (3.1.1.3) Risk types and primary environmental risk driver

**Technology**

☑ Other technology risk, please specify**:** Disruptive innovation in the renewable energy sector

## (3.1.1.4) Value chain stage where the risk occurs

*Select from:*

☑ Downstream value chain

## (3.1.1.6) Country/area where the risk occurs

*Select all that apply*

☑ Germany

☑ Italy

☑ Netherlands

☑ United States of America

## (3.1.1.9) Organization-specific description of risk

*The rapidly evolving and competitive nature of the solar industry makes it difficult to evaluate our current business and future prospects. In addition, we have limited insight into emerging trends that may adversely affect our business, financial condition, results of operations and prospects. The viability and demand for our products may be affected by many factors beyond our control. Specific factors relating to technology include, for example, potential competing new technologies with more competitive prices than those we offer for our products, developed as part of the global effort to mitigate climate change. In parallel, decreases in the retail prices of electricity from the utility grid, or other renewable energy resources, could make the purchase of solar PV systems less economically attractive and would likely lower sales of our products. These decreases could potentially occur due to development of smart-grid technologies that lower the peak energy requirements of a utility generation facility, the development of new or lower-cost energy storage technologies that have the ability to reduce a customer's average cost of electricity by shifting load to off-peak times, and the development of new energy generation technologies that provide less expensive energy. (Description subject to disclaimer, see "description of response").*

## (3.1.1.11) Primary financial effect of the risk

*Select from:*

☑ Decreased revenues due to reduced demand for products and services

## (3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Long-term

## (3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

*Select from:*

☑ Unlikely

## (3.1.1.14) Magnitude

*Select from:*

☑ Medium

## (3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Potential reduced demand for our products, due to disrupted competing technologies and/or due to significantly lower electricity prices.*

## (3.1.1.17) Are you able to quantify the financial effect of the risk?

*Select from:*

☑ No

## (3.1.1.26) Primary response to risk

**Infrastructure, technology and spending**

☑ Increase investment in R&D

## (3.1.1.29) Description of response

*We devote substantial resources to research and development with the objective of developing new products and systems, adding new features and reducing unit costs of our products and systems. Our development strategy is to identify software and hardware features, products, and systems that reduce the cost and improve the effectiveness of our solutions for our customers. We measure the effectiveness of our research and development by metrics including product unit cost, efficiency, reliability, power output, and ease of use. We have a strong research and development team with wide ranging experience in power electronics, semiconductors,*

*power line communications and networking, chemical, mechanical and software engineering. In addition, many members of our research and development team have expertise in solar technologies. We maintain 600 granted patents and 500 patents pending. A majority of our patents relate to DC power optimization and DC to AC conversion for alternative energy power systems, power system monitoring and control, battery technology and management systems. We therefore believe we are well suited to adapt our services to evolving technologies and markets. The countries selected in this table represent main market countries in past years, but we have systems installed in 140 countries, and therefore competing technologies could have an impact on our business in other regions as well. Note: We have recently concluded our first climate risk analysis process (as a stand-alone process). We aim to integrate this process moving forward in the general SolarEdge enterprise risk management (ERM) process. Climate risk analysis is a dynamic process. All findings stated in this table may be subject to changes in the future.*

## Climate change

### (3.1.1.1) Risk identifier

*Select from:*

☑ Risk4

### (3.1.1.3) Risk types and primary environmental risk driver

**Policy**

☑ Changes to national legislation

### (3.1.1.4) Value chain stage where the risk occurs

*Select from:*

☑ Direct operations

### (3.1.1.6) Country/area where the risk occurs

*Select all that apply*

☑ United States of America

### (3.1.1.9) Organization-specific description of risk

*The U.S. IRA (Inflation Reduction Act, 2022) provides for, among other things, certain incentives, including certain tax credits, intended to promote renewable energy- a key component in climate change mitigation. SolarEdge has invested resources in establishing a manufacturing presence in the U.S. to benefit from the incentives available under the IRA, including benefits to installers for the purchase and installation of U.S. manufactured products and incentives for manufacturers of such*

*products domestically. Moreover, we incorporated into our financial planning and agreements with our customers and suppliers- certain assumptions regarding the future level of U.S. tax incentives. Any unfavorable regulatory treatment or guidance, or the premature expiration of or changes to the benefits being made available, which we relied upon in structuring certain projects and investments, or any adverse impacts on our ability to ramp up production in the U.S. in a timely manner to benefit from the incentives available under the IRA, could adversely impact our business and financial condition. (Description subject to disclaimer, see "description of response").*

## (3.1.1.11) Primary financial effect of the risk

*Select from:*

☑ Other, please specify**:** Potential loss of production incentives

## (3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Medium-term

☑ Long-term

## (3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

*Select from:*

☑ Unlikely

## (3.1.1.14) Magnitude

*Select from:*

☑ Medium

## (3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Potential loss of significant monetary incentives*

## (3.1.1.17) Are you able to quantify the financial effect of the risk?

*Select from:*

☑ No

## (3.1.1.26) Primary response to risk

**Engagement**

☑ Engage with regulators/policy makers

## (3.1.1.29) Description of response

*We engage directly with government entities to advance our policy priorities and collaborate with a broad range of industry groups and solar industry trade associations in our key markets. SolarEdge and our partners support shared industry business goals, while advocating to enhance the global transition to a low-carbon economy, based on renewable energy, including initiatives like the IRA. This aligns with the goals of the Paris Agreement. While the IRA has already significantly increased U.S. manufacturing capabilities, its successful implementation is expected to further accelerate the adoption of solar energy, along with other clean energy technologies, and solidify its related U.S. supply chain. Our policy team directly engaged with the U.S. Administration and Congress, collaborating with key associations and coalitions during 2023. The SolarEdge government affairs team, together with SEIA and other industry leaders, successfully advocated to include DC Optimized Inverter Systems for eligibility in the advanced manufacturing tax credit under the 45X microinverter credit, as part of the Notice of Proposed Rule, published in December 2023. We continue to work with the Administration as they finalize the rule. Note: We have recently concluded our first climate risk analysis process as a stand-alone process. We aim to integrate this process moving forward into the general SolarEdge enterprise risk management (ERM) process. Climate risk analysis is a dynamic process. All findings stated in this table may be subject to changes in the future.*
*[Add row]*

# (3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

## (3.3.1) Water-related regulatory violations

*Select from:*

☑ No

## (3.3.3) Comment

*We fully comply with all environmental (and other) regulations that apply in all regions where we operate. To date, SolarEdge has not experienced a single environmental incident that resulted in any retaliatory steps from regulators in any country. We have not been subject to any fines, penalties or sanctions related to environmental regulations.*
*[Fixed row]*

## (3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

*Select from:*
☑ No, but we anticipate being regulated in the next three years

## (3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

*We are monitoring upcoming ESG regulations in the regions where we conduct our business. In areas where we are likely to be mandated in the future to report and possibly reduce our local emissions, we are examining different options for energy efficiency including on-site PV generation and renewable energy purchase.*

## (3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

| | Environmental opportunities identified |
|---|---|
| Climate change | *Select from:*<br>☑ Yes, we have identified opportunities, and some/all are being realized |

*[Fixed row]*

## (3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year or are anticipated to have a substantive effect on your organization in the future.

## Climate change

## (3.6.1.1) Opportunity identifier

*Select from:*

☑ Opp1

## (3.6.1.3) Opportunity type and primary environmental opportunity driver

**Markets**

☑ Other markets opportunity, please specify**:** Development and/or expansion of low emission goods and services

## (3.6.1.4) Value chain stage where the opportunity occurs

*Select from:*

☑ Downstream value chain

## (3.6.1.5) Country/area where the opportunity occurs

*Select all that apply*

☑ Germany

☑ Italy

☑ Netherlands

☑ United States of America

## (3.6.1.8) Organization specific description

*SolarEdge is a global leader in smart energy technology. SolarEdge developed an intelligent inverter solution that changed the way power is harvested and managed in photovoltaic (PV) systems. The SolarEdge DC optimized inverter seeks to maximize power generation while lowering the cost of energy produced by the PV system. SolarEdge addresses a broad range of energy market segments through its PV, storage, EV charging, batteries, and grid services solutions. We believe the growing public awareness of climate change is one of the reasons for the growth in the global solar energy industry in the last decade. The growing awareness can be a potential reason for an increase in regulatory incentives for the installation of our PV solar energy systems and improve the return on investment (ROI) for related investments (while the ROI can also be improved by higher grid electricity costs and/or a reduction in the cost of PV systems). This growing awareness also may create increased demand for additional SolarEdge solutions, such as storage solutions and smart energy management tools. In addition, some acute weather events have been causing local power outages in various global regions in recent years. The frequency of such events is expected to increase due to climate change.*

*While having various negative consequences, these events can also create increased demand for SolarEdge energy generation, storage, and backup interface systems as an alternative power source in cases of outage.*

## (3.6.1.9) Primary financial effect of the opportunity

*Select from:*

☑ Increased revenues resulting from increased demand for products and services

## (3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

*Select from:*

☑ Likely (66–100%)

## (3.6.1.12) Magnitude

*Select from:*

☑ High

## (3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*The growing global awareness of climate change may create significant opportunities for SolarEdge, and growing demand is part of the reason for the company's growth in the recent decade. The opportunities include new potential markets, possible demand for new company products, and possible increased revenue and market share.*

## (3.6.1.15) Are you able to quantify the financial effects of the opportunity?

*Select from:*

☑ No

## (3.6.1.26) Strategy to realize opportunity

*SolarEdge prides itself on its innovative DNA. From the outset, our vision was to transform energy markets and change the way energy is harvested. We have relentlessly developed advanced technologies to bring renewable energy solutions to our markets, customers, end-users as well as for the good of the planet. This DNA has yielded innovative products which have been widely accepted in the markets where we operate. We devote substantial resources to research and development with the objective of developing new products and systems, adding new features and reducing unit costs of our products and systems. Our development strategy is to identify software and hardware features, products, and systems that reduce the cost and improve the effectiveness of our solutions for our customers. We measure the effectiveness of our research and development by metrics including product unit cost, efficiency, reliability, power output, and ease of use. We have a strong research and development team with wide ranging experience in power electronics, semiconductors, power line communications and networking, chemical, mechanical and software engineering. In addition, many members of our research and development team have expertise in solar technologies. We continue to develop new generation products that enable our customers around the world to harvest even more of the sun's natural energy in systems that are flexible, affordable, accessible and safe - whether in the home or in a range of industrial settings such as corporations, factories, carports, floating installations, ground-mounts and agriculture. We have a patent innovation program that encourages and rewards employees to develop new patentable ideas to further improve our solutions and the advancement of clean energy. In addition, SolarEdge is a leading global company in its market, with over 140 different countries operating SolarEdge systems, and over 68,000 residential installers that have chosen to install our systems worldwide. This wide global footprint allows us to realize this opportunity in different regions, and the company strives to reach even more new markets.*

# Climate change

## (3.6.1.1) Opportunity identifier

*Select from:*

☑ Opp2

## (3.6.1.3) Opportunity type and primary environmental opportunity driver

**Resource efficiency**

☑ Other resource efficiency opportunity, please specify**:** Monetary incentives

## (3.6.1.4) Value chain stage where the opportunity occurs

*Select from:*

☑ Direct operations

## (3.6.1.5) Country/area where the opportunity occurs

*Select all that apply*

☑ United States of America

## (3.6.1.8) Organization specific description

*The IRA (Inflation Reduction Act) legislation in the United States incentivizes the local manufacturing of renewable energy products by providing benefits to installers for the purchase and installation of U.S. manufactured products, as well as by incentivizing manufacturers of such products domestically. These renewable energy products could, among else, contribute to climate change mitigation. SolarEdge has acted to utilize the opportunities presented by the IRA, by engaging two contract manufacturers in the U.S. In addition to the government incentives, these new U.S. operations can significantly reduce shipment costs to our company, as they have created a significant supply source within one of our primary markets for revenues (the U.S.). Additional global regions (such as the EU) have stated that they are working to form similar incentivization plans for local manufacturing of renewable energy products. We are monitoring these upcoming possible regulations and will strive to realize similar opportunities should they arise.*

## (3.6.1.9) Primary financial effect of the opportunity

*Select from:*

☑ Other, please specify**:** Monetary incentives

## (3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

*Select from:*

☑ Very likely (90–100%)

## (3.6.1.12) Magnitude

*Select from:*

☑ Medium

## (3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*The IRA, among other things, extends the investment tax credit and production tax credit through 2034 and is therefore expected to increase the demand for solar products. The IRA also further incentivizes residential and commercial solar customers and developers through the inclusion of a tax credit adders for meeting certain requirements such as up to 10% adder for meeting domestic content requirements. Section 45X of the IRA offers advanced manufacturing production tax credits that incentivize the production of eligible components within the U.S.*

## (3.6.1.15) Are you able to quantify the financial effects of the opportunity?

*Select from:*

☑ No

## (3.6.1.26) Strategy to realize opportunity

*SolarEdge has acted to utilize the opportunities presented by the IRA, by engaging two contract manufacturers in the U.S. to manufacture U.S. made products. In addition to the government incentives, these new U.S. operations can significantly reduce shipment costs for U.S. customers, as this has created a significant supply source within one of our primary markets for revenues (the U.S.). The IRA has already significantly encouraged increased U.S. manufacturing capabilities, and the successful implementation of this statute is expected to continue to encourage the adoption of solar energy and support its related U.S. supply chain. Our policy team directly engaged with the U.S. Administration and Congress in collaboration with key associations and coalitions during 2023. The SolarEdge government affairs team, together with SEIA and other industry leaders, successfully advocated to include DC Optimized Inverter Systems for eligibility in the advanced manufacturing tax credit under the 45X microinverter credit, as part of the Notice of Proposed Rule, published in December 2023. We continue to work with the Administration as they finalize the rule.*
*[Add row]*

# (3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

## Climate change

## (3.6.2.1) Financial metric

*Select from:*

☑ Revenue

## (3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

*2,967,681,000*

## (3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

*Select from:*

☑ 91-99%

## (3.6.2.4) Explanation of financial figures

*SolarEdge is a leading provider of an optimized inverter solution that changed the way power is harvested and managed in photovoltaic (PV) systems. We primarily sell our products indirectly to thousands of solar installers through large distributors and electrical equipment wholesalers and directly to large solar installers and engineering, procurement, and construction firms; or EPCs. Our customers include leading providers of solar PV systems to residential and commercial end users; key solar distributors; and electrical equipment wholesalers. Our revenue mainly comes from our products related to the solar PV industry (mainly Power Optimizers and inverters) along with business in the energy storage and the e-Mobility industries: (Note: we have ramped down the manufacturing of e-Mobility components in the last year). These industries are aligned with the possible opportunities that may arise due to environmental issues.*

# C4. Governance

## (4.1) Does your organization have a board of directors or an equivalent governing body?

### (4.1.1) Board of directors or equivalent governing body

*Select from:*

☑ Yes

### (4.1.2) Frequency with which the board or equivalent meets

*Select from:*

☑ More frequently than quarterly

### (4.1.3) Types of directors your board or equivalent is comprised of

*Select all that apply*

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

### (4.1.4) Board diversity and inclusion policy

*Select from:*

☑ Yes, and it is publicly available

### (4.1.5) Briefly describe what the policy covers

*The SolarEdge Board benefits from members with a diverse range of skills and experience. We welcome individuals who can support our business objectives with appreciation of the context in which we operate, both from the standpoint of markets and technology, and also with a Sustainability and Human Capital expertise lens. Through our Board refreshment process, we have added a new Board member each year for the past 5 years (2019-2023), each bringing valuable new perspectives. The Company is committed to providing equal employment opportunities, values diversity on a company-wide basis and seeks to achieve a diversity of occupational and personal backgrounds and viewpoints in its executive management team in addition to the Board of Directors. The Company aspires to increase the presence of women and ethnically diverse persons in executive and management positions in connection with our sustainability strategy regarding the promotion of gender parity and equal pay. In addition, the Board of Directors has adopted Company objectives, complete with measurable key performance indicators (or KPIs), that will*

*encourage the growth of our women employee population worldwide and, in particular, in the research and development, sales departments, department and in management roles.*
*[Fixed row]*

## (4.1.1) Is there board-level oversight of environmental issues within your organization?

### Climate change

#### (4.1.1.1) Board-level oversight of this environmental issue

*Select from:*
☑ Yes

### Water

#### (4.1.1.1) Board-level oversight of this environmental issue

*Select from:*
☑ No, and we do not plan to within the next two years

#### (4.1.1.2) Primary reason for no board-level oversight of this environmental issue

*Select from:*
☑ Not an immediate strategic priority

#### (4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

*In general, the activities at all SolarEdge sites and offices are not water intensive. A total of 110,000 m3 withdrawn by our global operations in 2023 is equivalent to the estimated annual domestic consumption of approximately 1,300 people (based on average consumption in Israel). Therefore, we do not consider water usage or discharge to be material environmental issue for our operations, and it is not discussed regularly on the board level. Nevertheless, our EHS and sustainability teams do manage our water usage. We aim to conserve water wherever possible and use only what is strictly needed to support our teams in our global sites and offices. In several of our locations, we conserve water through water-saving devices on faucets and showers, and low-flow water flush mechanisms in our bathrooms, and leak detection systems.*

### Biodiversity

## (4.1.1.1) Board-level oversight of this environmental issue

*Select from:*

☑ No, and we do not plan to within the next two years

## (4.1.1.2) Primary reason for no board-level oversight of this environmental issue

*Select from:*

☑ Not an immediate strategic priority

## (4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

*In general, we do not currently consider Biodiversity as a material environmental issue for SolarEdge. The vast majority of PV installations with SolarEdge technology are installed by third party PV professionals. Therefore, this topic is not discussed regularly at the board level.*
*[Fixed row]*

# (4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

### Climate change

## (4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

*Select all that apply*

☑ Board-level committee

## (4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

*Select from:*

☑ Yes

## (4.1.2.3) Policies which outline the positions' accountability for this environmental issue

*Select all that apply*

☑ Other policy applicable to the board, please specify**:** SolarEdge Technologies, Inc. Nominating/Corporate Governance committee charter

## (4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

*Select from:*

☑ Scheduled agenda item in some board meetings – at least annually

## (4.1.2.5) Governance mechanisms into which this environmental issue is integrated

*Select all that apply*

☑ Reviewing and guiding annual budgets

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding public policy engagement

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Monitoring compliance with corporate policies and/or commitments

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Reviewing and guiding innovation/R&D priorities

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

## (4.1.2.7) Please explain

*The Board of Directors oversees the Company's risk management process both directly and through its committees. The Board oversees a Company-wide approach to risk management, designed to enhance stockholder value, support the achievement of strategic objectives and improve long-term organizational performance. The Board continuously reviews the Company's progress against its annual strategic plans and determines the appropriate level of risk for the Company generally and also assesses the specific risks faced by the Company and reviews the steps taken by management to manage those risks. The Board's involvement in setting the company's business strategy facilitates these assessments and reviews, culminating in the development of a strategy that reflects both the Board's and management's consensus as to appropriate levels of risk and the appropriate measures to manage those risks. Pursuant to this structure, risk is assessed throughout the enterprise, focusing on risks arising out of various aspects of the Company's strategy and the implementation of that strategy, including (among other things) climate-change related risks. Furthermore, SolarEdge's core business of smart and renewable energy solutions is heavily related to climate-change opportunities and risks, and these are discussed frequently at the Board level. These opportunities and risks are factored into decisions regarding potential innovation/R&D priorities, M&A opportunities, major capital expenditures and additional aspects. Also, as mentioned above- the Board has delegated the overall oversight for the Company's sustainability performance, disclosure, strategies, goals and objectives to the Board's Nominating and Corporate Governance Committee. The committee is involved, among other things, in setting GHG reduction targets, and monitoring our performance towards these targets.*
*[Fixed row]*

## (4.2) Does your organization’s board have competency on environmental issues?

### Climate change

### (4.2.1) Board-level competency on this environmental issue

*Select from:*

☑ Yes

### (4.2.2) Mechanisms to maintain an environmentally competent board

*Select all that apply*

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Having at least one board member with expertise on this environmental issue

### (4.2.3) Environmental expertise of the board member

**Experience**

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

### Water

### (4.2.1) Board-level competency on this environmental issue

*Select from:*

☑ Not assessed

*[Fixed row]*

## (4.3) Is there management-level responsibility for environmental issues within your organization?

### Climate change

## (4.3.1) Management-level responsibility for this environmental issue

*Select from:*

☑ Yes

### Water

## (4.3.1) Management-level responsibility for this environmental issue

*Select from:*

☑ Yes

### Biodiversity

## (4.3.1) Management-level responsibility for this environmental issue

*Select from:*

☑ No, and we do not plan to within the next two years

## (4.3.2) Primary reason for no management-level responsibility for environmental issues

*Select from:*

☑ Not an immediate strategic priority

## (4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

*In general, we do not currently consider Biodiversity as a material environmental issue for SolarEdge. The vast majority of PV installations with SolarEdge technology are installed by third party PV professionals. [Fixed row]*

### (4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

### Climate change

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ General Counsel

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Engagement**

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

**Policies, commitments, and targets**

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

**Strategy and financial planning**

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing environmental reporting, audit, and verification processes

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the board directly

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*The overall leadership of sustainability at SolarEdge, including on climate-change issues, rests with our VP General Counsel and Corporate Secretary, a member of our executive management team, with significant involvement from the company's Chief Financial Officer (CFO). The SolarEdge Head of ESG reports to the VP General Counsel and Corporate Secretary and leads the global management of our ESG activities including our emission performance and progress towards our targets, our recently inserted climate risk assessment process, supply chain engagement on climate and ESG issues, among other topics. Throughout the company, various business leads and department heads support the delivery of our sustainability strategy including climate change practices in their respective organizations. Members of our executive management team serve as sponsors for the delivery of our sustainability targets. These members include our CFO, COO, CHRO, VP General Counsel and Corporate Secretary, VP Q&R, and VP Purchasing. Periodical reporting and work plans are performed in a wider management forum headed by the company's CEO.*

# Water

## (4.3.1.1) Position of individual or committee with responsibility

**Other**

☑ Other, please specify**:** VP, Quality & Reliability

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Engagement**

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

**Policies, commitments, and targets**

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

**Strategy and financial planning**

☑ Managing annual budgets related to environmental issues

☑ Managing environmental reporting, audit, and verification processes

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the Chief Executive Officer (CEO)

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Less frequently than annually

## (4.3.1.6) Please explain

*The overall managerial responsibility for QEHS (quality, environment, health, and safety) at SolarEdge rests with the Vice President for Quality & Reliability, a member of our executive management (reporting directly to the company's CEO). This includes (among else) water consumption and discharge issues, and the overview of all QEHS management systems. QEHS performance is reported monthly to the company's Chief Executive Officer and executive management, including specific incident analysis, findings, corrective actions and updates on improvements.*
*[Add row]*

# (4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

## Climate change

### (4.5.1) Provision of monetary incentives related to this environmental issue

*Select from:*

☑ Yes

### (4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

*0*

### (4.5.3) Please explain

*In recent years, the Company has integrated ESG-related performance targets into our corporate performance goals which are relevant for some of our senior executives, under our annual incentive compensation plans. These goals address diverse ESG topics including but not limited to the expanded analysis of our GHG emissions. Note: We've selected "0" in "% of total C-suite and board level incentives" as the climate-change related target was assigned to one of our C-level executives, and the % is dependent on various factors, but is under 1% of total such incentives.*

## Water

### (4.5.1) Provision of monetary incentives related to this environmental issue

*Select from:*

☑ No, and we do not plan to introduce them in the next two years

### (4.5.3) Please explain

*In general, the activities at all SolarEdge sites and offices are not water intensive. A total of 110,000 m3 withdrawn by our global operations in 2023 is equivalent to the estimated annual domestic consumption of approximately 1,300 people (based on average consumption in Israel). Therefore, we do not consider water usage or discharge to be material environmental issue for our operations, and do not currently set related targets or incentives. Nevertheless, our EHS and sustainability teams do manage our water usage. We aim to conserve water wherever possible and use only what is strictly needed to support our teams in our global sites and offices. In several of our locations, we conserve water through water-saving devices on faucets and showers, and low-flow water flush mechanisms in our bathrooms, and leak detection systems.*
*[Fixed row]*

## (4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

### Climate change

### (4.5.1.1) Position entitled to monetary incentive

**Board or executive level**

☑ Other C-Suite Officer, please specify: Another C-level executive

### (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus – set figure

### (4.5.1.3) Performance metrics

**Targets**

☑ Other targets-related metrics, please specify**:** Completing 1st-time full Scope 3 emissions analysis

### (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

### (4.5.1.5) Further details of incentives

*In recent years, the Company has integrated ESG-related performance targets into our corporate performance goals which are relevant for some of our senior executives, under our annual incentive compensation plans. These goals address diverse ESG topics including (among other things) the expanded analysis of our GHG emissions. Most recently, the performance targets set for one of our C-level executives in 2024 have included for the first time (alongside other targets) the completion of our first-time Scope 3 emissions inventory analysis.*

## (4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*The completion of our first Scope 3 emissions inventory analysis was a key priority as part of our ESG program and is in line with our commitments to investors, customers, and additional stakeholders.*
*[Add row]*

## (4.6) Does your organization have an environmental policy that addresses environmental issues?

| | Does your organization have any environmental policies? |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (4.6.1) Provide details of your environmental policies.

### Row 1

## (4.6.1.1) Environmental issues covered

*Select all that apply*
☑ Climate change
☑ Water

## (4.6.1.2) Level of coverage

*Select from:*
☑ Organization-wide

## (4.6.1.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

## (4.6.1.4) Explain the coverage

*See policy for full details.*

## (4.6.1.5) Environmental policy content

**Environmental commitments**

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Other environmental commitment, please specify**:** Strive to reduce negative environmental impact, including the reduction of hazardous and non-hazardous waste output, increase of the recycling and recovery rates.

**Climate-specific commitments**

☑ Other climate-related commitment, please specify**:** Strive to minimize resource consumption, including energy, raw materials and water, and to reduce greenhouse-gas (GHG) emissions.

**Water-specific commitments**

☑ Other water-related commitment, please specify**:** Strive to minimize water consumption, and to minimize wastewater output.

## (4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

*Select all that apply*

☑ No, and we do not plan to align in the next two years

## (4.6.1.7) Public availability

*Select from:*

☑ Publicly available

### (4.6.1.8) Attach the policy

SE QEHS policy V2- Feb 23.pdf
*[Add row]*

## (4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

### (4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

*Select from:*
☑ Yes

### (4.10.2) Collaborative framework or initiative

*Select all that apply*
☑ Other, please specify**:** The 3X Renewables Initiative

### (4.10.3) Describe your organization's role within each framework or initiative

*The 3X Renewables Initiative: During 2023, SolarEdge joined the Global Renewable Alliance, IRENA and more than 300 global organizations and businesses in a shared call to world leaders to agree to triple renewable electricity capacity to at least 11,000 GW by 2030. The shared initiative calls for a rapid acceleration of renewable energy deployment during this decade, reflecting the belief that renewable energy deployment is the fastest and most cost-efficient way to decarbonize the global economy and mitigate climate change. Further details on this initiative can be found here: https://globalrenewablesalliance.org/3xrenewables/#about-3x*
*[Fixed row]*

## (4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

### (4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

*Select all that apply*
☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

## (4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

## (4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

*Select all that apply*

☑ Paris Agreement

## (4.11.4) Attach commitment or position statement

*SolarEdge 2023 Sustainability Report_download version_compressed.pdf*

## (4.11.5) Indicate whether your organization is registered on a transparency register

*Select from:*

☑ Yes

## (4.11.6) Types of transparency register your organization is registered on

*Select all that apply*

☑ Mandatory government register

## (4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

*SolarEdge Technologies is registered under the U.S. Lobbying Disclosure Act and the EU Transparency Register. Our Senate ID# in the USA is 401107971. Our REG number in Europe is 680374991569-45.*

## (4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

*SolarEdge is committed to mitigating climate change through the acceleration of smart, clean renewable energy technologies that will power the world for generations to come. In 2023, we hired a global Government Affairs team in order to engage with governments and policy makers around the world and support that vision. The Global Head of Government Affairs reports directly to our Vice President, General Counsel and Corporate Secretary. For this, SolarEdge is registered under the U.S. Lobbying Disclosure Act and the EU Transparency Register, and the Government Affairs Team follows all regulatory and legal requirements. We engage directly with government entities to advance our policy priorities and collaborate with a broad range of industry groups and solar industry trade associations in our key markets. SolarEdge and our partners support shared industry business goals, while advocating to enhance the global transition to a low-carbon economy, based on renewable energy. This aligns with the goals of the Paris Agreement. In all of these cases, our involvement is consistent with our climate strategy and commitments- to expand the widespread usage of Solar energy- as an effective global method of decarbonization. SolarEdge's Global Head of Government Affairs leads all advocacy activities alongside SolarEdge executives, and SolarEdge's internal ESG leaders, to ensure involvement is consistent with the SolarEdge ESG targets and strategy.*
*[Fixed row]*

## (4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

### Row 1

## (4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

*Including but not limited to, the implementation of the Inflation Reduction Act of 2022*

## (4.11.1.2) Environmental issues the policy, law, or regulation relates to

*Select all that apply*
☑ Climate change

## (4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

**Energy and renewables**
☑ Renewable energy generation

## (4.11.1.4) Geographic coverage of policy, law, or regulation

*Select from:*

☑ National

## (4.11.1.5) Country/area/region the policy, law, or regulation applies to

*Select all that apply*

☑ United States of America

## (4.11.1.6) Your organization's position on the policy, law, or regulation

*Select from:*

☑ Support with no exceptions

## (4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

*Select all that apply*

☑ Ad-hoc meetings

☑ Discussion in public forums

☑ Responding to consultations

☑ Submitting written proposals/inquiries

## (4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

*0*

## (4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

*The Inflation Reduction Act of 2022 (IRA) represents the United States' largest investment to date in clean energy deployment and associated climate change emissions reduction. While the IRA has already significantly encouraged increased U.S. manufacturing capabilities, the successful implementation of that law is expected to significantly accelerate the adoption of solar energy and solidify its related U.S. supply chain. Our policy team directly engaged with the U.S.*

*Administration and Congress in collaboration with key associations and coalitions during 2023. The SolarEdge team, together with SEIA and other industry leaders, successfully advocated to include DC Optimized Inverter Systems for eligibility in the advanced manufacturing tax credit under the 45X microinverter credit, as part of the Notice of Proposed Rule, published in December 2023. We continue to work with the Administration as they finalize the rule.*

## (4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have evaluated, and it is aligned

## (4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

*Select all that apply*

☑ Paris Agreement

*[Add row]*

## (4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

### Row 1

## (4.11.2.1) Type of indirect engagement

*Select from:*

☑ Indirect engagement via a trade association

## (4.11.2.4) Trade association

**North America**

☑ Solar Energy Industries Association (SEIA)

## (4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

*Select all that apply*

☑ Climate change

## (4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

*Select from:*

☑ Consistent

## (4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

*Select from:*

☑ Yes, we publicly promoted their current position

## (4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

*SolarEdge is an active member of the Solar Energy Industry Association (SEIA) in the U.S., and our Global Head of Government Affairs serves on the SEIA Board of Directors. SolarEdge employees are active in several SEIA committees and workstreams, contributing their expertise and bringing our company's voice to these important discussions. Our involvement with SEIA is consistent with our climate strategy and commitments- to expand the widespread usage of Solar energy- as an effective global method of decarbonization. SolarEdge's Global Head of Government Affairs leads all involvement with these activities in conjunction with SolarEdge executives and its internal ESG leaders to assure all involvement is consistent with the SolarEdge ESG targets and strategy.*

## (4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have evaluated, and it is aligned

## (4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

*Select all that apply*

☑ Paris Agreement

## Row 2

### (4.11.2.1) Type of indirect engagement

*Select from:*

☑ Indirect engagement via a trade association

### (4.11.2.4) Trade association

**Europe**

☑ SolarPower Europe

### (4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

*Select all that apply*

☑ Climate change

### (4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

*Select from:*

☑ Consistent

### (4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

*Select from:*

☑ Yes, we publicly promoted their current position

## (4.11.2.8) Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position

*SolarEdge is an active member of SolarPower Europe (SPE), the foremost European solar industry association. The SolarEdge Cybersecurity Program Director serves as the Vice Chair of the Digitalization Workstream, which is currently tackling cybersecurity issues among others. Furthermore, the SolarEdge Head of EU Government Affairs serves as the Vice Chair of the Buildings & Prosumers workstream. Our involvement with SPE is consistent with our climate strategy and commitments- to expand the widespread usage of Solar energy- as an effective global method of decarbonization. The Global Head of Government Affairs leads all involvement activities with SolarEdge executives and its internal ESG leaders, to assure all involvement is consistent with the SolarEdge ESG targets and strategy.*

## (4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have evaluated, and it is aligned

## (4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

*Select all that apply*

☑ Paris Agreement

*[Add row]*

## (4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

*Select from:*

☑ Yes

## (4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

### Row 1

## (4.12.1.1) Publication

*Select from:*

☑ In voluntary sustainability reports

## (4.12.1.3) Environmental issues covered in publication

*Select all that apply*

☑ Climate change

☑ Water

## (4.12.1.4) Status of the publication

*Select from:*

☑ Complete

## (4.12.1.5) Content elements

*Select all that apply*

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Public policy engagement

☑ Water accounting figures

## (4.12.1.6) Page/section reference

*Pgs 5, 6, 13, 23, 27 in the PDF. Or use https://sustainability.solaredge.com/sustainability-report-2023/governance-practices; https://sustainability.solaredge.com/sustainability-report-2023/sustainability-strategy; https://sustainability.solaredge.com/sustainability-report-2023/safe-sustainable-products; https://sustainability.solaredge.com/sustainability-report-2023/climate-change-mitigation-resource-efficiency; https://sustainability.solaredge.com/sustainability-report-2023/gri-data-tables*

## (4.12.1.7) Attach the relevant publication

*SolarEdge 2023 Sustainability Report_download version_compressed.pdf*

## (4.12.1.8) Comment

*no comment*

### Row 2

## (4.12.1.1) Publication

*Select from:*
☑ In mainstream reports

## (4.12.1.3) Environmental issues covered in publication

*Select all that apply*
☑ Climate change

## (4.12.1.4) Status of the publication

*Select from:*
☑ Complete

## (4.12.1.5) Content elements

*Select all that apply*
☑ Strategy

## (4.12.1.6) Page/section reference

*P.12 (or 17 in PDF version)- Sustainable, Responsible and Transparent Business Practices*

## (4.12.1.7) Attach the relevant publication

*10K report 2023.pdf*

### (4.12.1.8) Comment

*no comment*
*[Add row]*

## C5. Business strategy

## (5.1) Does your organization use scenario analysis to identify environmental outcomes?

## Climate change

### (5.1.1) Use of scenario analysis

*Select from:*
☑ Yes

### (5.1.2) Frequency of analysis

*Select from:*
☑ First time carrying out analysis

## Water

### (5.1.1) Use of scenario analysis

*Select from:*
☑ No, and we do not plan to within the next two years

### (5.1.3) Primary reason why your organization has not used scenario analysis

*Select from:*
☑ Not an immediate strategic priority

### (5.1.4) Explain why your organization has not used scenario analysis

*In general, the activities at all SolarEdge sites and offices are not water intensive. A total of 110,000 m3 withdrawn by our global operations in 2023 is equivalent to the estimated annual domestic consumption of approximately 1,300 people (based on average consumption in Israel). Therefore, we do not consider water usage or discharge to be material environmental issue for our operations.*
*[Fixed row]*

## (5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

## Climate change

### (5.1.1.1) Scenario used

**Climate transition scenarios**

☑ NGFS scenarios framework, please specify**:** The NGFS Delayed Transition climate scenario

### (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative

### (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

### (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Policy

☑ Market

☑ Reputation

☑ Technology

### (5.1.1.6) Temperature alignment of scenario

*Select from:*

☑ 1.6ºC - 1.9ºC

## (5.1.1.7) Reference year

*2020*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2025

☑ 2030

## (5.1.1.9) Driving forces in scenario

**Regulators, legal and policy regimes**

☑ Global regulation

**Relevant technology and science**

☑ Other relevant technology and science driving forces, please specify**:** Renewable Energy Technologies

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*The assumption made by the NGFS organization for this scenario. See: https://www.ngfs.net/ngfs-scenarios-portal/explore/*

## (5.1.1.11) Rationale for choice of scenario

*This scenario was found to be most representative for SolarEdge's Climate Transition risk analysis.*

# Climate change

## (5.1.1.1) Scenario used

**Physical climate scenarios**

☑ RCP 2.6

## (5.1.1.2) Scenario used SSPs used in conjunction with scenario

*Select from:*

☑ SSP1

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Acute physical

☑ Chronic physical

## (5.1.1.6) Temperature alignment of scenario

*Select from:*

☑ 1.6ºC - 1.9ºC

## (5.1.1.7) Reference year

*2020*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2025

☑ 2030

## (5.1.1.9) Driving forces in scenario

**Regulators, legal and policy regimes**

☑ Global regulation

**Direct interaction with climate**

☑ On asset values, on the corporate

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*The assumptions made by the IPCC organization for this scenario. See: https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_Chapter04.pdf*

## (5.1.1.11) Rationale for choice of scenario

*These 2 scenarios (SSP1-2.6 and SSP5-8.5) were found to be most representative for SolarEdge's Climate Physical risk analysis.*

# Climate change

## (5.1.1.1) Scenario used

**Physical climate scenarios**

☑ RCP 8.5

## (5.1.1.2) Scenario used SSPs used in conjunction with scenario

*Select from:*

☑ SSP5

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Acute physical

☑ Chronic physical

## (5.1.1.6) Temperature alignment of scenario

*Select from:*

☑ 4.0°C and above

## (5.1.1.7) Reference year

*2020*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2025

☑ 2030

## (5.1.1.9) Driving forces in scenario

**Regulators, legal and policy regimes**

☑ Global regulation

**Direct interaction with climate**

☑ On asset values, on the corporate

### (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*The assumptions made by the IPCC organization for this scenario. See: https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_Chapter04.pdf*

### (5.1.1.11) Rationale for choice of scenario

*These 2 scenarios (SSP1-2.6 and SSP5-8.5) were found to be most representative for SolarEdge's Climate Physical risk analysis.*
*[Add row]*

## (5.1.2) Provide details of the outcomes of your organization’s scenario analysis.

## Climate change

### (5.1.2.1) Business processes influenced by your analysis of the reported scenarios

*Select all that apply*

☑ Risk and opportunities identification, assessment and management

### (5.1.2.2) Coverage of analysis

*Select from:*

☑ Organization-wide

### (5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

*We have recently concluded our first comprehensive climate risk and opportunity analysis process. As part of this process, the transition risk analysis was based on the NGFS Delayed Transition climate scenario for short and medium time periods, which assumes expedited policy and technology development after a few years of lower climate action. The scenario helped determine the likelihood and magnitude of each risk, as detailed in chapters 2&3 of this CDP report. The physical risk analysis examined the possible likelihood and magnitude in relation to our global activities based on two separate IPCC climate scenarios: SSP1-2.6: Low GHG emissions, CO2 emissions cut to net zero around 2075; and SSP5-8.5: Very high GHG emissions, CO2 emissions triple by 2075. The analysis result did not show significant differences in the likelihood or magnitude for any of the material risks found. See chapters 2&3 of this CDP report for more details.*

*[Fixed row]*

## (5.2) Does your organization’s strategy include a climate transition plan?

### (5.2.1) Transition plan

*Select from:*

☑ No and we do not plan to develop a climate transition plan within the next two years

### (5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

*Select from:*

☑ Not an immediate strategic priority

### (5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

*Climate change is widely considered one of the world’s single most pressing challenges. Therefore, the large-scale creation of reliable renewable and carbon-free energy sources has become a global priority. Energy independence has become even more critical with geopolitical crises and economic unrest in Europe and other interdependencies across the globe. Fossil fuels are becoming more expensive and are environmentally destructive. Renewable energy is increasingly recognized as the “smarter choice”, offering both cost savings and new opportunities for energy independence. SolarEdge is helping to make affordable clean energy a reality. We continue to enhance accessibility through our comprehensive solutions for powering homes with solar clean energy. Our smart energy management systems address production, consumption, and storage needs. At SolarEdge, we are invested in being part of the solution to these challenges. We are dedicated to accelerating the move to a low-carbon world, powered by a decentralized, distributed, interconnected energy network where electricity is generated, stored, managed and used in the most optimal manner. We are moving forward with our strategy to expand the accessibility of our technology to more markets, utilities, businesses, and homes. By the end of 2023, over 3.4 million homes around the world were equipped with SolarEdge PV systems and over 50% of Fortune 100 companies have SolarEdge technology on their rooftops. The carbon-free power produced by these systems helps to annually avoid over 40 million metric tons of greenhouse gas emissions - equivalent to removing 9.6 million gasoline powered cars from the road, permanently. We therefore believe our activities have a direct contribution to the global climate transition plan aligning with the ambition to keep global temperature increases to 1.5C compared to pre-industrial temperatures. We have not yet created a formal transition plan of our own. We will consider creating such a plan moving forward but cannot at present commit to completing it within the next two years.*
*[Fixed row]*

## (5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

| | Identification of spending/revenue that is aligned with your organization's climate transition | Methodology or framework used to assess alignment with your organization's climate transition |
|---|---|---|
| | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Other methodology or framework |

*[Fixed row]*

## (5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

### Row 1

### (5.4.1.1) Methodology or framework used to assess alignment

*Select from:*

☑ Other, please specify**:** Products and Services that accelerate the move to a low-carbon world, powered by a decentralized, distributed, interconnected energy network where electricity is generated, stored, managed and used in the most optimal manner.

### (5.4.1.5) Financial metric

*Select from:*

☑ Revenue/Turnover

### (5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

*2,976,528,000*

### (5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

*99.7*

## (5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

*SolarEdge is a leading provider of an optimized inverter solution that changed the way power is harvested and managed in photovoltaic (PV) systems. We primarily sell our products indirectly to thousands of solar installers through large distributors and electrical equipment wholesalers and directly to large solar installers and engineering, procurement, and construction firms; or EPCs. Our customers include leading providers of solar PV systems to residential and commercial end users; key solar distributors; and electrical equipment wholesalers. Our revenue mainly comes from our products related to the solar PV industry (mainly Power Optimizers and inverters) along with business in the energy storage and the e-Mobility industries. (Note: we have ramped down the manufacturing of e-Mobility components in the last year). Revenues from our solar, storage, and e-Mobility segments made $2,815,539,000, $83,771,000, and $68,425,000 in 2023 revenues respectively. Together these equal 99.7% of our total 2023 revenue- $2,976,528,000. The remaining revenues are related to our Automation Machines business.*

### Row 2

## (5.4.1.1) Methodology or framework used to assess alignment

*Select from:*

☑ Other, please specify**:** Products and Services that accelerate the move to a low-carbon world, powered by a decentralized, distributed, interconnected energy network where electricity is generated, stored, managed and used in the most optimal manner.

## (5.4.1.5) Financial metric

*Select from:*

☑ CAPEX

## (5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

*170,523,000*

## (5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

*99.9*

## (5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

*SolarEdge is a leading provider of an optimized inverter solution that changed the way power is harvested and managed in photovoltaic (PV) systems. We primarily sell our products indirectly to thousands of solar installers through large distributors and electrical equipment wholesalers and directly to large solar installers and engineering, procurement, and construction firms; or EPCs. Our customers include leading providers of solar PV systems to residential and commercial end users;*

*key solar distributors; and electrical equipment wholesalers. Our main business activity in 2023 was related to the solar PV industry (mainly Power Optimizers and inverters), along with business in the energy storage and the e-Mobility industries. (Note: we have ramped down the manufacturing of e-Mobility components in the last year). CAPEX expenses from our solar, storage, and e-Mobility segments in total were $170,394,902 in 2023. This equals 99.9% of our total 2023 CAPEX expenses- $170,523,000. The remaining CAPEX expenses are related to our Automation Machines business.*
*[Add row]*

## (5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

| | Investment in low-carbon R&D |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (5.5.2) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

### Row 2

### (5.5.2.1) Technology area

*Select from:*
☑ Renewable energy

### (5.5.2.2) Stage of development in the reporting year

*Select from:*
☑ Large scale commercial deployment

## (5.5.2.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

*320,249,394*

## (5.5.2.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

*SolarEdge is a leading provider of an optimized inverter solution that changed the way power is harvested and managed in photovoltaic (PV) systems. We primarily sell our products indirectly to thousands of solar installers through large distributors and electrical equipment wholesalers and directly to large solar installers and engineering, procurement, and construction firms; or EPCs. Our customers include leading providers of solar PV systems to residential and commercial end users; key solar distributors; and electrical equipment wholesalers. Our main business activity in 2023 was related to the solar PV industry (mainly Power Optimizers and inverters), along with business in the energy storage and the e-Mobility industries. (Note: we have ramped down the manufacturing of e-Mobility components in the last year). We devote substantial resources to research and development with the objective of developing new products and systems, adding new features and reducing unit costs of our products and systems. Investments in R&D related to our solar, storage, and e-Mobility segments in total were $320,249,394 in 2023. This equals 99.6% of our total 2023 R&D investments- $321,482,321. The remaining R&D expenses are related to our Automation Machines business.*
*[Add row]*

# (5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

## (5.9.5) Please explain

*We have not evaluated what specific parts of our OPEX or CAPEX could be classified as water related. As mentioned, we don't currently consider water as a material ESG issue for us.*
*[Fixed row]*

# (5.10) Does your organization use an internal price on environmental externalities?

## (5.10.1) Use of internal pricing of environmental externalities

*Select from:*

☑ No, and we do not plan to in the next two years

## (5.10.3) Primary reason for not pricing environmental externalities

*Select from:*

☑ Not an immediate strategic priority

## (5.10.4) Explain why your organization does not price environmental externalities

*At SolarEdge, we are invested in being part of the solution to the challenge of climate change. We are dedicated to accelerating the move to a low-carbon world, powered by a decentralized, distributed, interconnected energy network where electricity is generated, stored, managed and used in the most optimal manner. We are moving forward with our strategy to expand the accessibility of our technology to more markets, utilities, businesses, and homes. We do not currently consider the internal usage of environmental externalities pricing as a priority, as we are focusing on providing additional assistance to the global climate mitigation efforts through our products and services. We generally believe this positive global impact far outweighs any negative environmental externalities (while simultaneously we are of course committed to comply with all environmental regulation that are applicable to us in all our regions of operations).*
*[Fixed row]*

# (5.11) Do you engage with your value chain on environmental issues?

## Suppliers

## (5.11.1) Engaging with this stakeholder on environmental issues

*Select from:*

☑ Yes

## (5.11.2) Environmental issues covered

*Select all that apply*

☑ Climate change

☑ Water

## Customers

## (5.11.1) Engaging with this stakeholder on environmental issues

*Select from:*

☑ Yes

## (5.11.2) Environmental issues covered

*Select all that apply*

☑ Climate change

### Investors and shareholders

## (5.11.1) Engaging with this stakeholder on environmental issues

*Select from:*

☑ Yes

## (5.11.2) Environmental issues covered

*Select all that apply*

☑ Climate change

### Other value chain stakeholders

## (5.11.1) Engaging with this stakeholder on environmental issues

*Select from:*

☑ No, and we do not plan to within the next two years

## (5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

*Select from:*

☑ Not an immediate strategic priority

## (5.11.4) Explain why you do not engage with this stakeholder on environmental issues

*While we have recently conducted our first Scope 3 GHG analysis, we are still examining the overall impact of each category. Depending on materiality, we might engage additional value chain members on environmental issues, but we have no specific plans to do so currently.*
*[Fixed row]*

## (5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

### Climate change

#### (5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

*Select from:*
☑ Yes, we assess the dependencies and/or impacts of our suppliers

#### (5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

*Select all that apply*
☑ Contribution to supplier-related Scope 3 emissions

#### (5.11.1.3) % Tier 1 suppliers assessed

*Select from:*
☑ Less than 1%

#### (5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

*Our contract manufacturer sites are prioritized for this engagement due to their key role in SolarEdge's supply chain operations.*

#### (5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*Select from:*
☑ Unknown

## Water

### (5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

*Select from:*

☑ Yes, we assess the dependencies and/or impacts of our suppliers

### (5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

*Select all that apply*

☑ Contribution to supplier-related Scope 3 emissions

### (5.11.1.3) % Tier 1 suppliers assessed

*Select from:*

☑ Less than 1%

### (5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

*Our contract manufacturer sites are prioritized for this engagement due to their key role in SolarEdge's supply chain operations.*

### (5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*Select from:*

☑ Unknown

*[Fixed row]*

## (5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

## Climate change

### (5.11.2.1) Supplier engagement prioritization on this environmental issue

*Select from:*

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

### (5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

*Select all that apply*

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

### (5.11.2.4) Please explain

*Our contract manufacturer sites are prioritized for this engagement due to their key role in SolarEdge's supply chain operations.*

## Water

### (5.11.2.1) Supplier engagement prioritization on this environmental issue

*Select from:*

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

### (5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

*Select all that apply*

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

### (5.11.2.4) Please explain

*Our contract manufacturer sites are prioritized for this engagement due to their key role in SolarEdge's supply chain operations.*
*[Fixed row]*

## (5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

## Climate change

## (5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

*Select from:*

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

## (5.11.5.2) Policy in place for addressing supplier non-compliance

*Select from:*

☑ Yes, we have a policy in place for addressing non-compliance

## (5.11.5.3) Comment

*Our Supplier Code of Conduct (SCoC) includes provisions regarding various ESG topics. Among these areas, we ask our suppliers to commit to work towards the reduction of the negative impact of their operations on the environment including Energy and Water consumptions and GHG emissions. We have been engaging our direct suppliers since 2021 requesting that they sign their acknowledgement of the SCoC terms and commit to upholding them. More than 230 active suppliers have signed their acknowledgment of the SCoC terms (as of March 2024) or presented equivalent codes of conduct of their own. The products and services received from these suppliers are related to over 93% of the combined direct monetary spend of our Solar and Storage divisions in 2023. In addition, all of the contract manufacturing sites where we produce most of our solar products have committed to these terms. In cases where a supplier does not acknowledge the SCoC terms, an escalation process is conducted by our procurement teams.*

# Water

## (5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

*Select from:*

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

## (5.11.5.2) Policy in place for addressing supplier non-compliance

*Select from:*

☑ Yes, we have a policy in place for addressing non-compliance

## (5.11.5.3) Comment

*Our Supplier Code of Conduct (SCoC) includes provisions regarding various ESG topics. Among these areas, we ask our suppliers to commit to work towards the reduction of the negative impact of their operations on the environment including Energy and Water consumptions and GHG emissions. We have been engaging our direct suppliers since 2021 requesting that they sign their acknowledgement of the SCoC terms and commit to upholding them. More than 230 active suppliers have signed their acknowledgment of the SCoC terms (as of March 2024) or presented equivalent codes of conduct of their own. The products and services received from these suppliers are related to over 93% of the combined direct monetary spend of our Solar and Storage divisions in 2023. In addition, all of the contract manufacturing sites where we produce most of our solar products have committed to these terms. In cases where a supplier does not acknowledge the SCoC terms, an escalation process is conducted by our procurement teams.*
*[Fixed row]*

## (5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

### Climate change

### (5.11.6.1) Environmental requirement

*Select from:*
☑ Other, please specify**:** Committing to the terms of our Supplier Code of Conduct

### (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*
☑ Other, please specify**:** Engagement of suppliers by our procurement teams

### (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*
☑ 76-99%

### (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*
☑ 76-99%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Other, please specify**:** In cases where a supplier does not acknowledge the SCoC terms, an escalation process is conducted by our procurement teams.

## (5.11.6.12) Comment

*In cases where a supplier does not acknowledge the SCoC terms, an escalation process is conducted by our procurement teams.*

# Water

## (5.11.6.1) Environmental requirement

*Select from:*

☑ Other, please specify**:** Committing to the terms of our Supplier Code of Conduct

## (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ Other, please specify**:** Engagement of suppliers by our procurement teams

## (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*

☑ 76-99%

## (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*

☑ 76-99%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Other, please specify**:** In cases where a supplier does not acknowledge the SCoC terms, an escalation process is conducted by our procurement teams.

## (5.11.6.12) Comment

*In cases where a supplier does not acknowledge the SCoC terms, an escalation process is conducted by our procurement teams.*
*[Add row]*

# (5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

# Climate change

## (5.11.7.2) Action driven by supplier engagement

*Select from:*

☑ Adaptation to climate change

## (5.11.7.3) Type and details of engagement

**Information collection**

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

## (5.11.7.4) Upstream value chain coverage

*Select all that apply*

☑ Tier 1 suppliers

## (5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

*Select from:*
☑ 76-99%

## (5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

*Select from:*
☑ Unknown

## (5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

*The engagement focuses on the electricity consumed by our contractor manufacturing sites for the production of our solar products is one of the significant sources for Scope 3 emissions that we identified. We annually collect electricity and water data from all active contract manufacturing sites and monitor the electricity related emissions. While these sites represent only a fraction (less than 1%) of our total supplier by number, they do account for a majority of our direct spend. The electricity figures are then used by us to calculate our Scope 3 emissions.*

## (5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

*Select from:*
☑ Yes, please specify the environmental requirement**:** Measuring their energy consumptions and GHG emissions

## (5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

*Select from:*
☑ No

# Water

## (5.11.7.2) Action driven by supplier engagement

*Select from:*

☑ No other supplier engagement
*[Add row]*

## (5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

## Climate change

### (5.11.9.1) Type of stakeholder

*Select from:*
☑ Customers

### (5.11.9.2) Type and details of engagement

**Education/Information sharing**
☑ Share information about your products and relevant certification schemes
☑ Share information on environmental initiatives, progress and achievements

### (5.11.9.3) % of stakeholder type engaged

*Select from:*
☑ Less than 1%

### (5.11.9.4) % stakeholder-associated scope 3 emissions

*Select from:*
☑ Unknown

### (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*SolarEdge solutions support the worldwide transition to renewable low-carbon power generation and consumption. The use of our systems allows for millions of tonnes of GHG emissions to be avoided each year. Our customers also have access to reasonable estimations of the emissions avoided through usage of their specific systems through SolarEdge's online system tracking tools. We also strive to examine and reduce the carbon emissions related to the sourcing, production,*

*and shipping of our products. We have been receiving a growing number of requests for the carbon footprint associated with all lifecycle stages of our products. While the interested customers form only a fraction (<1%) of our total customers by number, we acknowledge the importance of this collaboration for the sake of global decarbonization efforts and to strengthen our relationship with these customers. In late 2021, we completed our first comprehensive carbon footprint analysis for leading models of our inverters and power optimizers. The analysis process was led and certified by carbon footprint and decarbonization experts, Carbon Trust. The analysis allows us to understand the main emission sources throughout our products' lifecycle helping us better understand our emission reduction opportunities. The results are shared with customers on an ad-hoc basis. We are currently working on the expansion of our LCA analysis scope for several additional products and additional environmental impacts and aim to complete this expanded process during 2024.*

## (5.11.9.6) Effect of engagement and measures of success

*The results are shared with customers on an ad-hoc basis. We believe this strengthens our relationship with the relevant customers and potentially increases their level of preference to our products. The measures of success are the relative amounts of related customer requests (for product carbon footprint values) that we are able to satisfy.*

# Climate change

## (5.11.9.1) Type of stakeholder

*Select from:*

☑ Investors and shareholders

## (5.11.9.2) Type and details of engagement

**Education/Information sharing**

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

## (5.11.9.3) % of stakeholder type engaged

*Select from:*

☑ Unknown

## (5.11.9.4) % stakeholder-associated scope 3 emissions

*Select from:*

☑ Unknown

## (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*A significant amount of SolarEdge investors and shareholders routinely take interest and request data regarding our ESG practices in general, and those related to climate change in particular. In addition, some of our investors take into account the results achieved by SolarEdge in various known ESG rankings that rank the company on hundreds of KPIs, that include (among other things) energy consumption, GHG emissions, reduction initiatives, etc.*

## (5.11.9.6) Effect of engagement and measures of success

*These investor data requests and ESG rankings help us prioritize our ESG practices and initiatives, including those related to climate change mitigation.*
*[Add row]*

# C6. Environmental Performance - Consolidation Approach

## (6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

### Climate change

#### (6.1.1) Consolidation approach used

*Select from:*

☑ Operational control

#### (6.1.2) Provide the rationale for the choice of consolidation approach

*This approach includes all sites in the countries listed in question 1.7. The sites located in those countries include all SolarEdge owned production and R&D sites, all contractor manufacturer sites where we produce the majority of our products, and some additional regional offices and logistical sites. Due to these sites being under SolarEdge operational control (or with significant involvement, in the case of contract manufacturers) we are able to have a larger impact on their environmental policies, practices, and strategies. We estimate the Scope 1 and Scope 2 emissions of all other excluded global sites to be negligible (generally small office locations).*

### Water

#### (6.1.1) Consolidation approach used

*Select from:*

☑ Operational control

#### (6.1.2) Provide the rationale for the choice of consolidation approach

*This approach includes all sites in the countries listed in question 1.7. The sites located in those countries include all SolarEdge owned production and R&D sites, all contractor manufacturer sites where we produce the majority of our products, and some additional regional offices and logistical sites. Due to these sites being under SolarEdge operational control, we are able to have a larger impact on their environmental policies, practices, and strategies. We estimate the water-use of all other global sites to be negligible (generally small office locations).*

### Plastics

## (6.1.1) Consolidation approach used

*Select from:*

☑ Operational control

## (6.1.2) Provide the rationale for the choice of consolidation approach

*We currently do not consider plastics as a material sustainability issue related to our activities. This is due to the nature of our products (such as PV system inverters; Power Optimizers; Batteries and others), which are generally built for a multi-year lasting performance. We generate modest amounts of waste from our office activities, R&D laboratories and production facilities. Nonetheless, we aim to minimize waste from our operations and reuse or recycle what we cannot eliminate.*

# Biodiversity

## (6.1.1) Consolidation approach used

*Select from:*

☑ Operational control

## (6.1.2) Provide the rationale for the choice of consolidation approach

*In general, we do not currently consider Biodiversity as a material environmental issue for SolarEdge. The vast majority of PV installations with SolarEdge technology are installed by third party PV professionals.*
*[Fixed row]*

# C7. Environmental performance - Climate Change

## (7.1) Is this your first year of reporting emissions data to CDP?

*Select from:*

☑ No

## (7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

### (7.1.1.1) Has there been a structural change?

*Select all that apply*

☑ Yes, other structural change, please specify

Ramped down manufacturing of e-Mobility components

### (7.1.1.2) Name of organization(s) acquired, divested from, or merged with

*SolarEdge e-Mobility*

### (7.1.1.3) Details of structural change(s), including completion dates

*We consider this change as an operational change more than a structural one. In October 2023, the Company discontinued its LCV e-Mobility activity related to the supply of products to its sole customer, Stellantis. Our e-Mobility business currently does not have additional substantial projects in the pipeline. This does not have a material effect on our emission amounts due to this business division making up less than 1% of our Scope 1+2 GHG emissions in recent years.*
*[Fixed row]*

## (7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

| | Change(s) in methodology, boundary, and/or reporting year definition? |
|---|---|
| | *Select all that apply*<br>☑ No |

*[Fixed row]*

## (7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

### (7.1.3.1) Base year recalculation

*Select from:*

☑ No, because the impact does not meet our significance threshold

### (7.1.3.3) Base year emissions recalculation policy, including significance threshold

*The emissions from our e-Mobility business division made up less than 1% of our Scope 1+2 total emissions in 2023. Since there will not be a material change in emissions, we have decided that the base year emissions do not require any recalculations as a result.*

### (7.1.3.4) Past years’ recalculation

*Select from:*

☑ No

*[Fixed row]*

## (7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

*Select all that apply*

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## (7.3) Describe your organization's approach to reporting Scope 2 emissions.

| | Scope 2, location-based | Scope 2, market-based |
|---|---|---|
| | *Select from:*<br>☑ We are reporting a Scope 2, location-based figure | *Select from:*<br>☑ We are reporting a Scope 2, market-based figure |

*[Fixed row]*

## (7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

*Select from:*

☑ Yes

## (7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

### Row 1

### (7.4.1.1) Source of excluded emissions

*Our Scope 1 and Scope 2 emission inventories include all our manufacturing sites, all our R&D sites, and additional large-scale sites/offices. We estimate the emissions of all other global sites to be negligible (generally small office locations). Based on the offices where we have calculated our emissions, we can reasonably estimate all other small offices to account together for less than 2% of our total Scope 1+2 emissions. Therefore, we consider these emissions as negligible and not material. For a full list of our subsidiaries, see our 2023 10K report, Exhibit 21.1, p. 138.*

### (7.4.1.2) Scope(s) or Scope 3 category(ies)

*Select all that apply*

☑ Scope 1

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.4.1.3) Relevance of Scope 1 emissions from this source

*Select from:*

☑ Emissions are not relevant

## (7.4.1.4) Relevance of location-based Scope 2 emissions from this source

*Select from:*

☑ Emissions are not relevant

## (7.4.1.5) Relevance of market-based Scope 2 emissions from this source

*Select from:*

☑ Emissions are not relevant

## (7.4.1.8) Estimated percentage of total Scope 1+2 emissions this excluded source represents

*2*

## (7.4.1.10) Explain why this source is excluded

*Our Scope 1 and Scope 2 emission inventories include all our manufacturing sites, all our R&D sites, or additional large-scale sites/offices. We estimate the emissions of all other global sites to be negligible (generally small office locations). Based on the offices that we have calculated our emissions for, we can reasonably estimate all other small offices to account together for less than 2% of our total Scope 1+2 emissions. Therefore, we consider these emissions as negligible and not material. For a full list of our subsidiaries, see our 2023 10K report, Exhibit 21.1, p. 138.*

## (7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

*An extrapolation based on the offices that we have calculated our Scope 1+2 GHG emissions for.*
*[Add row]*

## (7.5) Provide your base year and base year emissions.

## Scope 1

### (7.5.1) Base year end

*12/31/2023*

### (7.5.2) Base year emissions (metric tons CO2e)

*2,197*

### (7.5.3) Methodological details

*The 2023 base-year emissions detailed in this question- exclude the emissions of SolarEdge's sites in South-Korea. Explanation: The 2025 reduction target issued in previous reports (30% reduction of Scope 1+2 emissions per revenue) referred to 2020 as the base year for emission reduction. However, these 2020 base emissions did not reflect our recent expansion, emphasizing the 2022-2023 addition of South Korea sites, and possible further production increase at Sella 2 in 2024. Our South Korean sites (Sella 2 and Nonsan) accounted for over 70% of the Company's Scope 1+2 emissions in 2023. We therefore set an updated short-term absolute emission reduction target: 5% reduction in absolute Scope 1+2 GHG emissions by 2025, in comparison to that of 2023, excluding our South-Korean sites. Once Sella 2 reaches its full production capacity and our base energy consumption stabilizes, we aim to set an updated global reduction target, to include the Korean sites and reflect a longer period.*

## Scope 2 (location-based)

### (7.5.1) Base year end

*12/31/2023*

### (7.5.2) Base year emissions (metric tons CO2e)

*11,380*

### (7.5.3) Methodological details

*The 2023 base-year emissions detailed in this question- exclude the emissions of SolarEdge's sites in South-Korea. Explanation: The 2025 reduction target issued in previous reports (30% reduction of Scope 1+2 emissions per revenue) referred to 2020 as the base year for emission reduction. However, these 2020 base*

*emissions did not reflect our recent expansion, emphasizing the 2022-2023 addition of South Korea sites, and possible further production increase at Sella 2 in 2024. Our South Korean sites (Sella 2 and Nonsan) accounted for over 70% of the Company's Scope 1+2 emissions in 2023. We therefore set an updated short-term absolute emission reduction target: 5% reduction in absolute Scope 1+2 GHG emissions by 2025, in comparison to that of 2023, excluding our South-Korean sites. Once Sella 2 reaches its full production capacity and our base energy consumption stabilizes, we aim to set an updated global reduction target, to include the Korean sites and reflect a longer period.*

## Scope 2 (market-based)

### (7.5.1) Base year end

*12/31/2023*

### (7.5.2) Base year emissions (metric tons CO2e)

*12,489*

### (7.5.3) Methodological details

*The 2023 base-year emissions detailed in this question- exclude the emissions of SolarEdge's sites in South-Korea. Explanation: The 2025 reduction target issued in previous reports (30% reduction of Scope 1+2 emissions per revenue) referred to 2020 as the base year for emission reduction. However, these 2020 base emissions did not reflect our recent expansion, emphasizing the 2022-2023 addition of South Korea sites, and possible further production increase at Sella 2 in 2024. Our South Korean sites (Sella 2 and Nonsan) accounted for over 70% of the Company's Scope 1+2 emissions in 2023. We therefore set an updated short-term absolute emission reduction target: 5% reduction in absolute Scope 1+2 GHG emissions by 2025, in comparison to that of 2023, excluding our South-Korean sites. Once Sella 2 reaches its full production capacity and our base energy consumption stabilizes, we aim to set an updated global reduction target, to include the Korean sites and reflect a longer period.*

## (7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

## Reporting year

### (7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

*9,895*

### (7.6.3) Methodological details

*We annually gather data regarding on-site fuel, vehicles, and refrigeration gases emitted from our global sites. We apply emission factors taken from the most recent DEFRA database and multiply them with the relevant quantities. This process is conducted for all our manufacturing and R&D sites, and for additional large-scale sites/offices. We estimate the emissions of all other global sites to be negligible (generally small office locations). Based on the offices where we have calculated our emissions, we can reasonably estimate all other small offices to account together for less than 2% of our total Scope 1+2 emissions. Therefore, we consider these emissions as negligible and not material.*

## Past year 1

### (7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

*7,001*

### (7.6.2) End date

*12/31/2022*

### (7.6.3) Methodological details

*We annually gather data regarding on-site fuel, vehicles, and refrigeration gases emitted from our global sites. We apply emission factors taken from the most recent DEFRA database and multiply them with the relevant quantities. This process is conducted for all our manufacturing and R&D sites, and for additional large-scale sites/offices. We estimate the emissions of all other global sites to be negligible (generally small office locations). Based on the offices where we have calculated our emissions, we can reasonably estimate all other small offices to account together for less than 2% of our total Scope 1+2 emissions. Therefore, we consider these emissions as negligible and not material.*

## Past year 2

### (7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

*1,709*

### (7.6.2) End date

*12/31/2021*

### (7.6.3) Methodological details

*We annually gather data regarding on-site fuels, vehicles, and refrigeration gases emitted from our global sites. We apply emission factors taken from the most recent DEFRA database and multiply them with the relevant quantities. This process is conducted for all our manufacturing and R&D sites, and for additional large-scale sites/offices. We estimate the emissions of all other global sites to be negligible (generally small office locations). Based on the offices where we have calculated our emissions, we can reasonably estimate all other small offices to account together for less than 2% of our total Scope 1+2 emissions. Therefore, we consider these emissions as negligible and not material.*
*[Fixed row]*

## (7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

### Reporting year

### (7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

*41,692*

### (7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

*42,928*

### (7.7.4) Methodological details

*We annually gather data regarding electricity consumption from our global sites. We apply emission factors taken from the most recent IEA and E-Grid databases and factors obtained from specific power suppliers (when available) and multiply them with the relevant quantities. This process is conducted for all our manufacturing and R&D sites, and for additional large-scale sites/offices. We estimate the emissions of all other global sites to be negligible (generally small office locations). Based on the offices where we have calculated our emissions, we can reasonably estimate all other small offices to account together for less than 2% of our total Scope 1+2 emissions. Therefore, we consider these emissions as negligible and not material.*

### Past year 1

### (7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

*35,011*

### (7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

*35,085*

## (7.7.3) End date

*12/31/2022*

## (7.7.4) Methodological details

*We annually gather data regarding electricity consumption from our global sites. We apply emission factors taken from the most recent IEA and E-Grid databases and factors obtained from specific power suppliers (when available) and multiply them with the relevant quantities. This process is conducted for all our manufacturing and R&D sites, and for additional large-scale sites/offices. We estimate the emissions of all other global sites to be negligible (generally small office locations). Based on the offices where we have calculated our emissions, we can reasonably estimate all other small offices to account together for less than 2% of our total Scope 1+2 emissions. Therefore, we consider these emissions as negligible and not material.*

# Past year 2

## (7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

*22,077*

## (7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

*24,583*

## (7.7.3) End date

*12/31/2021*

## (7.7.4) Methodological details

*We annually gather data regarding electricity consumption from our global sites. We apply emission factors taken from the most recent IEA and E-Grid databases and factors obtained from specific power suppliers (when available) and multiply them with the relevant quantities. This process is conducted for all our manufacturing and R&D sites, and for additional large-scale sites/offices. We estimate the emissions of all other global sites to be negligible (generally small office locations). Based on the offices where we have calculated our emissions, we can reasonably estimate all other small offices to account together for less than 2% of our total Scope 1+2 emissions. Therefore, we consider these emissions as negligible and not material.*

*[Fixed row]*

## (7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

## Purchased goods and services

### (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

### (7.8.2) Emissions in reporting year (metric tons CO2e)

*21,147*

### (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Hybrid method

### (7.8.5) Please explain

*The Scope 3 emissions reported for this category only relate to the electricity used by our contract manufacturers for producing SolarEdge products and to the electricity used by external server sites supplying data storage services for SolarEdge activities. These emissions form part (but not all) of our Category 1 Purchased Goods and Services. We aim to further expand the calculated boundaries of this category moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

## Capital goods

### (7.8.1) Evaluation status

*Select from:*

☑ Relevant, not yet calculated

## (7.8.5) Please explain

*Category 2 was evaluated and was found to be relevant to our Scope 3 emissions inventory. However, its analysis for the 2023 reporting year has not been finalized in time for this report. We aim to complete this analysis and add reporting of category 2 emissions in future reporting.*

# Fuel-and-energy-related activities (not included in Scope 1 or 2)

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*7,785*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Average data method

## (7.8.5) Please explain

*The Scope 3 emissions reported for this category only relate to the electricity and natural gas used in the SolarEdge sites in South Korea and Israel (which together form the grand majority of the energy used in SolarEdge operationally controlled sites). The calculation here only accounted for upstream GHG emissions related to natural gas/electricity generation. The majority of the emissions related to these energy sources have been accounted for as part of our Scope 1 and 2 emissions. As this is the first year where we have analyzed the emissions from this Scope 3 category, our calculation boundaries may change and/or expand moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

# Upstream transportation and distribution

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*6,461*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Hybrid method

☑ Distance-based method

## (7.8.5) Please explain

*The Scope 3 emissions reported for this category relate to the transportation of main components used for the production of our Solar Division products produced at our Vietnam and Israel production sites (from the approximate component supplier locations to the production sites). We aim to expand the component supply routes analyzed for their emissions moving forward. In addition, the emissions reported also include the electricity used by our service providers at main external distribution hubs and support warehouses. As this is the first year where we have analyzed the emissions from this Scope 3 category, our calculation boundaries may change and/or expand moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

### Waste generated in operations

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*1,341*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Waste-type-specific method

## (7.8.5) Please explain

*The Scope 3 emissions reported for this category relate to the emissions from waste treatment generated through 2023 by our manufacturing sites in South Korea, Israel and Italy, and for waste generated through production conducted specifically for SolarEdge by our contractor manufacturer in Vietnam. As this is the first year where we have analyzed the emissions from this Scope 3 category, our calculation boundaries may change and/or expand moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

# Business travel

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*204*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Distance-based method

## (7.8.5) Please explain

*The Scope 3 emissions reported for this category relate to emissions from the most prominent flight routes taken by SolarEdge employees from Israel, South Korea, and the U.S.A, through 2023. As this is the first year where we have analyzed the emissions from this Scope 3 category, our calculation boundaries may change and/or expand moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

# Employee commuting

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*1,123*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Average data method

☑ Distance-based method

## (7.8.5) Please explain

*The Scope 3 emissions reported for this category relate to employees commuting from the SolarEdge HQ in Herzliya, to main nearby city centers where the HQ employees reside. As this is the first year where we have analyzed the emissions from this Scope 3 category, our calculation boundaries may change and/or expand moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

# Upstream leased assets

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*This category was evaluated and found to be currently irrelevant. We have not found any significant assets that are leased by SolarEdge but not operated by the company. We aim to re-evaluate the relevance of this category periodically.*

# Downstream transportation and distribution

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*4,497*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Distance-based method

## (7.8.5) Please explain

*The Scope 3 emissions reported for this category relate to the transportation and distribution of SolarEdge products during 2023, from the production sites to various distribution hubs. The main distribution routes, covering most of the products shipped during 2023, were identified, analyzed, and included in the calculation. As this is the first year where we have analyzed the emissions from this Scope 3 category, our calculation boundaries may change and/or expand moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

# Processing of sold products

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*This category was evaluated and found to be currently irrelevant. Our Solar division products do not undergo any known further processing after their assembly. Some of our Storage products might be relevant to this category but have been excluded from our first-time calculation due to time constraints. We aim to re-evaluate the relevance of this category periodically.*

# Use of sold products

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*55,703*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Average data method

## (7.8.5) Please explain

*The Scope 3 emissions reported for this category relate to the lifetime usage of the inverters sold in 2023 worldwide. All current and future calculated use-phase emissions of these inverters, through an estimated 15-year lifespan, were accounted for in the 2023 Scope 3 inventory. These use-phase emissions are the result of the minor amounts of external electricity that our inverters consume in cases where PV generation is temporarily insufficient to meet their operational needed input. However, our inverters (in combination with Power Optimizers and the rest of the PV systems components) help to generate renewable electricity and therefore avoid GHG emissions in amounts that are much greater than this use-phase electricity consumption and these emissions. For further details, see question 7.74.1 below. As this is the first year where we have analyzed the emissions from this Scope 3 category, our calculation boundaries may change and/or expand moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

# End of life treatment of sold products

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*387*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Average data method

☑ Waste-type-specific method

## (7.8.5) Please explain

*The Scope 3 emissions reported for this category relate to end-of-life treatment of our inverters and Power Optimizers. The 2023 emissions included here account for inverters and Optimizers sold in a few major markets. As this is the first year where we have analyzed the emissions from this Scope 3 category, our calculation boundaries may change and/or expand moving forward. Restatement of past emissions may be needed in the future, as part of potentially relevant regulations or for better comparability purposes.*

### Downstream leased assets

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*This category was evaluated and found to be currently irrelevant. We have not found any significant assets that are leased by SolarEdge but not operated by the company. We aim to re-evaluate the relevance of this category periodically.*

### Franchises

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*This category was evaluated and found to be currently irrelevant. SolarEdge does not have any current franchises. We aim to re-evaluate the relevance of this category periodically.*

### Investments

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*This category was evaluated and found to be currently irrelevant. SolarEdge does not have any current investments that meet the criteria of this category. We aim to re-evaluate the relevance of this category periodically.*

## (7.9) Indicate the verification/assurance status that applies to your reported emissions.

| | Verification/assurance status |
|---|---|
| Scope 1 | *Select from:*<br>☑ No third-party verification or assurance |
| Scope 2 (location-based or market-based) | *Select from:*<br>☑ No third-party verification or assurance |
| Scope 3 | *Select from:*<br>☑ No third-party verification or assurance |

*[Fixed row]*

## (7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

*Select from:*
☑ Increased

## (7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

## Change in renewable energy consumption

### (7.10.1.1) Change in emissions (metric tons CO2e)

*250*

### (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Decreased

### (7.10.1.3) Emissions value (percentage)

*0.6*

### (7.10.1.4) Please explain calculation

*We estimate the usage of our on-site PV rooftop systems in South Korea, Italy and the U.K (where we have had two new rooftop PV systems installed through 2023), has resulted in a reduction of approximately 250 metric tons in Scope 2 emissions. Our total Scope 1 and Scope 2 emissions in the previous year were 42,086 metric tons. -250 / 42,086 metric tons = 0.6% (decrease in emissions).*

## Other emissions reduction activities

### (7.10.1.1) Change in emissions (metric tons CO2e)

*1,000*

### (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Decreased

### (7.10.1.3) Emissions value (percentage)

*2*

## (7.10.1.4) Please explain calculation

*In May 2022, our Sella 1 site in Israel made a transition to an electricity supplier with a lower carbon intensity. Some of the resulting emissions reduction were accounted for already in 2022. We estimate that the remainder of those savings, from the first-year of full usage of the new lower carbon-intensity electricity, has resulted in a 2023 reduction of approximately 1,000 metric tons in Scope 2 emissions. Our total Scope 1 and Scope 2 emissions in the previous year were 42,086 metric tons. -1,000 / 42,086 metric tons = 2% (decrease in emissions).*

### Divestment

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*No significant change in our emissions resulting from this factor was identified as part of our analysis.*

### Acquisitions

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*No significant change in our emissions resulting from this factor was identified as part of our analysis.*

### Mergers

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*No significant change in our emissions resulting from this factor was identified as part of our analysis.*

### Change in output

## (7.10.1.1) Change in emissions (metric tons CO2e)

*11,500*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Increased

## (7.10.1.3) Emissions value (percentage)

*27*

## (7.10.1.4) Please explain calculation

*The opening of the Sella 2 site in Korea in May 2022 has resulted in a significant increase in natural gas and electricity consumptions. This has caused a significant increase in Scope 1 and 2 emissions during 2023, when the site continued to ramp up its activities. Despite the innovative electricity saving measures we initiated at the site, the manufacturing of battery cells and batteries is generally more energy intense than the manufacturing of our PV system products. Energy consumption and emissions at the Sella 2 site could potentially increase further, as the site commenced 24-hour operation in the latter part of 2023. In addition, we significantly expanded our R&D and office operations in Israel during 2023. The combined effect of these expanded operations has resulted in an addition of approximately 11,500 metric tons of emissions to our Scope 1 and Scope 2 emissions. Our total Scope 1 and Scope 2 emissions in the previous year were 42,086 metric tons. 11,500 / 42,086 metric tons 27% (increase in emissions). To supplement emission reduction actions already undertaken, we are searching for additional ways to reduce these recently added emissions.*

### Change in methodology

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*No significant change in our emissions resulting from this factor was identified as part of our analysis.*

## Change in boundary

### (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

### (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

### (7.10.1.3) Emissions value (percentage)

*0*

### (7.10.1.4) Please explain calculation

*No significant change in our emissions resulting from this factor was identified as part of our analysis.*

## Change in physical operating conditions

### (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

### (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

### (7.10.1.3) Emissions value (percentage)

*0*

### (7.10.1.4) Please explain calculation

*No significant change in our emissions resulting from this factor was identified as part of our analysis.*

### Unidentified

#### (7.10.1.1) Change in emissions (metric tons CO2e)

*486*

#### (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Increased

#### (7.10.1.3) Emissions value (percentage)

*1.2*

#### (7.10.1.4) Please explain calculation

*Between 2022 and 2023 there was a total increase of approximately 486 metric tons CO2e, where our analysis could not identify a specific source. Our total Scope 1 and Scope 2 emissions in the previous year was 42,086 metric tons. This combined unidentified increase resulted in 486/ 42,086 metric tons = 1.2% (increase in emissions).*
*[Fixed row]*

## (7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

*Select from:*

☑ Market-based

## (7.11) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

*Select from:*

☑ This is our first year of reporting
*[Fixed row]*

## (7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

*Select from:*
☑ No

## (7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

*Select from:*
☑ Yes

## (7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

### Row 1

#### (7.15.1.1) Greenhouse gas

*Select from:*
☑ CO2

#### (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*9,836*

#### (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Fourth Assessment Report (AR4 - 100 year)

### Row 2

#### (7.15.1.1) Greenhouse gas

*Select from:*

☑ CH4

## (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*18*

## (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Fourth Assessment Report (AR4 - 100 year)

### Row 3

## (7.15.1.1) Greenhouse gas

*Select from:*
☑ N2O

## (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*15*

## (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Fourth Assessment Report (AR4 - 100 year)

### Row 4

## (7.15.1.1) Greenhouse gas

*Select from:*
☑ HFCs

## (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*26*

## (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Fourth Assessment Report (AR4 - 100 year)
*[Add row]*

## (7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

| | Scope 1 emissions (metric tons CO2e) | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|---|---|---|---|
| Israel | *1,458* | *10,713* | *12,042* |
| Italy | *301* | *329* | *202* |
| Republic of Korea | *7,697* | *30,313* | *30,439* |

*[Fixed row]*

## (7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

*Select all that apply*
☑ By business division

## (7.17.1) Break down your total gross global Scope 1 emissions by business division.

| | Business division | Scope 1 emissions (metric ton CO2e) |
|---|---|---|
| Row 1 | *Solar Division* | *1,896* |
| Row 2 | *Storage Division* | *7,697* |
| Row 3 | *e-Mobility Division* | *301* |

*[Add row]*

## (7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

*Select all that apply*

☑ By business division

## (7.20.1) Break down your total gross global Scope 2 emissions by business division.

| | Business division | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|---|---|---|---|
| Row 1 | *Solar Division* | *11,050* | *12,287* |
| Row 2 | *Storage Division* | *30,313* | *30,439* |
| Row 3 | *e-Mobility Division* | *329* | *202* |

*[Add row]*

## (7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

## Consolidated accounting group

### (7.22.1) Scope 1 emissions (metric tons CO2e)

*9,895*

### (7.22.2) Scope 2, location-based emissions (metric tons CO2e)

*41,692*

### (7.22.3) Scope 2, market-based emissions (metric tons CO2e)

*42,928*

### (7.22.4) Please explain

*Our reported emissions include all operational facilities in our group.*

## (7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

*Select from:*
☑ No

## (7.29) What percentage of your total operational spend in the reporting year was on energy?

*Select from:*
☑ More than 0% but less than or equal to 5%

## (7.30) Select which energy-related activities your organization has undertaken.

| | Indicate whether your organization undertook this energy-related activity in the reporting year |
|---|---|
| Consumption of fuel (excluding feedstocks) | *Select from:*<br>☑ Yes |
| Consumption of purchased or acquired electricity | *Select from:*<br>☑ Yes |
| Consumption of purchased or acquired heat | *Select from:*<br>☑ No |
| Consumption of purchased or acquired steam | *Select from:*<br>☑ No |
| Consumption of purchased or acquired cooling | *Select from:*<br>☑ No |
| Generation of electricity, heat, steam, or cooling | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

## Consumption of fuel (excluding feedstock)

### (7.30.1.1) Heating value

*Select from:*

☑ LHV (lower heating value)

### (7.30.1.2) MWh from renewable sources

*0*

### (7.30.1.3) MWh from non-renewable sources

*46,356*

### (7.30.1.4) Total (renewable and non-renewable) MWh

*46,356*

## Consumption of purchased or acquired electricity

### (7.30.1.1) Heating value

*Select from:*
☑ LHV (lower heating value)

### (7.30.1.2) MWh from renewable sources

*0*

### (7.30.1.3) MWh from non-renewable sources

*91,430*

### (7.30.1.4) Total (renewable and non-renewable) MWh

*91,430*

## Consumption of self-generated non-fuel renewable energy

### (7.30.1.1) Heating value

*Select from:*
☑ LHV (lower heating value)

### (7.30.1.2) MWh from renewable sources

*1,890*

### (7.30.1.4) Total (renewable and non-renewable) MWh

*1,890*

## Total energy consumption

### (7.30.1.1) Heating value

*Select from:*
☑ LHV (lower heating value)

### (7.30.1.2) MWh from renewable sources

*1,890*

### (7.30.1.3) MWh from non-renewable sources

*137,786*

### (7.30.1.4) Total (renewable and non-renewable) MWh

*139,676*
*[Fixed row]*

## (7.30.6) Select the applications of your organization’s consumption of fuel.

| | Indicate whether your organization undertakes this fuel application |
|---|---|
| Consumption of fuel for the generation of electricity | *Select from:*<br>☑ No |
| Consumption of fuel for the generation of heat | *Select from:*<br>☑ Yes |
| Consumption of fuel for the generation of steam | *Select from:*<br>☑ Yes |
| Consumption of fuel for the generation of cooling | *Select from:*<br>☑ Yes |
| Consumption of fuel for co-generation or tri-generation | *Select from:*<br>☑ No |

*[Fixed row]*

## (7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

## Oil

### (7.30.7.1) Heating value

*Select from:*

☑ LHV

### (7.30.7.2) Total fuel MWh consumed by the organization

*8,593*

### (7.30.7.8) Comment

*The figure reported for 'oil' is the sum of diesel and gasoline consumed by the company's sites and vehicles. We cannot separate the total fuel consumptions to self-generation types at this time, due to data availability limitations.*

## Gas

### (7.30.7.1) Heating value

*Select from:*

☑ LHV

### (7.30.7.2) Total fuel MWh consumed by the organization

*37,763*

### (7.30.7.8) Comment

*The figure reported for 'gas' is the total of natural gas consumed by the company's sites. We cannot separate the total fuel consumptions to self-generation types at this time, due to data availability limitations*

## Total fuel

### (7.30.7.1) Heating value

*Select from:*

☑ LHV

### (7.30.7.2) Total fuel MWh consumed by the organization

*46,356*

### (7.30.7.8) Comment

*We cannot separate the total fuel consumptions to self-generation types at this current time, due to data availability limitations.*
*[Fixed row]*

## (7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

### Electricity

### (7.30.9.1) Total Gross generation (MWh)

*1,890*

### (7.30.9.2) Generation that is consumed by the organization (MWh)

*1,890*

### (7.30.9.3) Gross generation from renewable sources (MWh)

*1,890*

### (7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

*1,890*
*[Fixed row]*

## (7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

### Row 1

### (7.30.14.1) Country/area

*Select from:*
☑ Israel

### (7.30.14.2) Sourcing method

*Select from:*

☑ Other, please specify**:** On-site renewable generation with a self-owned PV rooftop system

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Solar

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*1,446*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ No instrument used

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Israel

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2021*

### Row 2

## (7.30.14.1) Country/area

*Select from:*

☑ Italy

## (7.30.14.2) Sourcing method

*Select from:*

☑ Other, please specify**:** On-site renewable generation with a self-owned PV rooftop system

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Solar

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*194*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ No instrument used

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Italy

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2023*

### Row 3

## (7.30.14.1) Country/area

*Select from:*

☑ Republic of Korea

## (7.30.14.2) Sourcing method

*Select from:*

☑ Other, please specify: On-site renewable generation with a self-owned PV rooftop system

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Solar

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*238*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ No instrument used

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Republic of Korea

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2023*

*[Add row]*

### (7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

### Israel

## (7.30.16.1) Consumption of purchased electricity (MWh)

*22,841*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*1,446*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*24,287*

### Italy

#### (7.30.16.1) Consumption of purchased electricity (MWh)

*1,165*

#### (7.30.16.2) Consumption of self-generated electricity (MWh)

*194*

#### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*1,359*

### Republic of Korea

#### (7.30.16.1) Consumption of purchased electricity (MWh)

*66,257*

#### (7.30.16.2) Consumption of self-generated electricity (MWh)

*238*

#### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*66,495*

*[Fixed row]*

## (7.34) Does your organization measure the efficiency of any of its products or services?

| | Measurement of product/service efficiency |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (7.34.1) Provide details of the metrics used to measure the efficiency of your organization's products or services.

### Row 2

### (7.34.1.1) Category of product or service

*Select from:*

☑ Solar energy equipment

### (7.34.1.3) % of revenue from this product or service in the reporting year

*99.7*

### (7.34.1.7) Comment

*We devote substantial resources to research and development with the objective of developing new products and systems, adding new features and reducing unit costs of our products and systems. Our development strategy is to identify software and hardware features, products, and systems that reduce the cost and improve the effectiveness of our solutions for our customers. By improving the effectiveness of our solar solutions, we allow for a higher amount of solar energy to be produced and/or stored, using the same, more efficient system. We measure the effectiveness of our research and development by metrics including product unit cost, efficiency, reliability, power output, and ease of use.*
*[Add row]*

## (7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

## Row 1

### (7.45.1) Intensity figure

*17.74*

### (7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

*52,822*

### (7.45.3) Metric denominator

*Select from:*

☑ Other, please specify**:** USD million revenues

### (7.45.4) Metric denominator: Unit total

*2,977*

### (7.45.5) Scope 2 figure used

*Select from:*

☑ Market-based

### (7.45.6) % change from previous year

*31*

### (7.45.7) Direction of change

*Select from:*

☑ Increased

### (7.45.8) Reasons for change

*Select all that apply*

☑ Change in output

## (7.45.9) Please explain

*Despite reduction efforts, our Scope 1+2 emission intensity (emission per revenues) rose by 31% in 2023 in comparison to 2022. The vast majority of the 2023 emission increase was related to electricity and natural gas consumption at the Sella 2 site in Korea, which began operations in May 2022 and significantly increased production during 2023.*
*[Add row]*

# (7.53) Did you have an emissions target that was active in the reporting year?

*Select all that apply*

☑ Absolute target

☑ Intensity target

# (7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

## Row 1

## (7.53.1.1) Target reference number

*Select from:*

☑ Abs 1

## (7.53.1.2) Is this a science-based target?

*Select from:*

☑ No, and we do not anticipate setting one in the next two years

## (7.53.1.5) Date target was set

*05/20/2024*

## (7.53.1.6) Target coverage

*Select from:*

☑ Country/area/region

## (7.53.1.7) Greenhouse gases covered by target

*Select all that apply*

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Hydrofluorocarbons (HFCs)

## (7.53.1.8) Scopes

*Select all that apply*

☑ Scope 1

☑ Scope 2

## (7.53.1.9) Scope 2 accounting method

*Select from:*

☑ Market-based

## (7.53.1.11) End date of base year

*12/31/2023*

## (7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

*2,197*

## (7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

*12,489*

## (7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

*0*

## (7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

*14,686*

## (7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

*22*

## (7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

*29*

## (7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

*28*

## (7.53.1.54) End date of target

*12/31/2025*

## (7.53.1.55) Targeted reduction from base year (%)

*5*

## (7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

*13,951.7*

## (7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

*2,197*

## (7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

*12,489*

## (7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

*14,686*

## (7.53.1.78) Land-related emissions covered by target

*Select from:*

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

## (7.53.1.79) % of target achieved relative to base year

*0*

## (7.53.1.80) Target status in reporting year

*Select from:*

☑ New

## (7.53.1.82) Explain target coverage and identify any exclusions

*The 2025 reduction target issued in previous reports (30% reduction of Scope 1+2 emissions per revenue) referred to 2020 as the base year for emission reduction. However, these 2020 base emissions did not reflect our recent expansion, emphasizing the 2022-2023 addition of South Korea sites, and potential further production increase at Sella 2 in 2024. Our South Korean sites (Sella 2 and Nonsan) accounted for over 70% of the Company's Scope 1+2 emissions in 2023. We therefore set an updated short-term absolute emission reduction target: 5% reduction in absolute Scope 1+2 GHG emissions by 2025, in comparison to that of 2023, excluding our South-Korean sites. Once Sella 2 reaches its full production capacity and our base energy consumption stabilizes, we aim to set an updated global reduction target, to include the Korean sites and reflect a longer period.*

## (7.53.1.83) Target objective

*Reducing Scope 1+2 GHG emissions to meet expectations by stakeholders and exhibit our commitment to decarbonization. In cases of energy saving initiatives-objectives also include cost reduction.*

## (7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

*Find additional energy saving opportunities in our manufacturing and R&D sites. Establish additional on-site PV systems, supplying our operations with renewable power to replace some of their externally purchased electricity. No progress made yet, since target is new.*

## (7.53.1.85) Target derived using a sectoral decarbonization approach

*Select from:*

☑ No

*[Add row]*

# (7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

## Row 1

## (7.53.2.1) Target reference number

*Select from:*

☑ Int 1

## (7.53.2.2) Is this a science-based target?

*Select from:*

☑ No, and we do not anticipate setting one in the next two years

## (7.53.2.5) Date target was set

*05/1/2021*

## (7.53.2.6) Target coverage

*Select from:*

☑ Organization-wide

## (7.53.2.7) Greenhouse gases covered by target

*Select all that apply*

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Hydrofluorocarbons (HFCs)

## (7.53.2.8) Scopes

*Select all that apply*

☑ Scope 1

☑ Scope 2

## (7.53.2.9) Scope 2 accounting method

*Select from:*

☑ Market-based

## (7.53.2.11) Intensity metric

*Select from:*

☑ Other, please specify: Metric ton CO2e per Million USD revenue

## (7.53.2.12) End date of base year

*12/31/2020*

## (7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

*0.72*

## (7.53.2.14) Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

*13.52*

## (7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

*14.24*

## (7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

*100*

## (7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

*100*

## (7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

*100*

## (7.53.2.55) End date of target

*12/31/2025*

## (7.53.2.56) Targeted reduction from base year (%)

*30*

## (7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

*9.968*

## (7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

*3.32*

## (7.53.2.61) Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

*14.42*

## (7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

*17.74*

## (7.53.2.81) Land-related emissions covered by target

*Select from:*

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

## (7.53.2.82) % of target achieved relative to base year

*-81.93*

## (7.53.2.83) Target status in reporting year

*Select from:*

☑ Retired

## (7.53.2.84) Explain the reasons for the revision, replacement, or retirement of the target

*These 2020 base emissions did not reflect our recent expansion, emphasizing the 2022-2023 addition of South Korea sites, and potential further production increase at Sella 2 in 2024. Our South Korean sites (Sella 2 and Nonsan) accounted for over 70% of the Company's Scope 1+2 emissions in 2023. We therefore set an updated short-term absolute emission reduction target: 5% reduction in absolute Scope 1+2 GHG emissions by 2025, in comparison to that of 2023, excluding our South-Korean sites. Once Sella 2 reaches its full production capacity and our base energy consumption stabilizes, we aim to set an updated global reduction target, to include the Korean sites and reflect a longer period. For further information please see target described in Abs 1.*

## (7.53.2.85) Explain target coverage and identify any exclusions

*The target included all our Scope 1+2 emissions (no exclusions), per revenues.*

## (7.53.2.86) Target objective

*Reducing Scope 1+2 GHG emissions to meet expectations by stakeholders and deliver on our commitment to decarbonization. In cases of energy saving initiatives, objectives also include cost reduction.*

## (7.53.2.88) Target derived using a sectoral decarbonization approach

*Select from:*
☑ No
*[Add row]*

## (7.54) Did you have any other climate-related targets that were active in the reporting year?

*Select all that apply*
☑ No other climate-related targets

## (7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

*Select from:*
☑ Yes

## (7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

| | Number of initiatives | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---|---|---|
| Under investigation | *0* | *Numeric input* |
| To be implemented | *0* | *0* |
| Implementation commenced | *0* | *0* |

| | Number of initiatives | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---|---|---|
| Implemented | *4* | *5,000* |
| Not to be implemented | *0* | *Numeric input* |

*[Fixed row]*

## (7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

### Row 1

### (7.55.2.1) Initiative category & Initiative type

**Transportation**

☑ Other, please specify**:** Transitioning to an external electricity provider with a significantly lower carbon intensity in our Sella 1 site

### (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*2,500*

### (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

### (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*30,000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ Ongoing

## (7.55.2.9) Comment

*In May 2022, our Sella 1 manufacturing site in Israel transitioned to purchasing all of its external electricity needs from a recently opened private power plant. This private power plant produces its electricity using a highly efficient process that employs natural gas exclusively for combustion. It has a significantly improved carbon intensity compared to the general grid electricity in Israel, which still includes partial combustion of coal. The related Scope 2 emission reduction has, therefore, partially commenced in 2022, with full-year realization achieved in 2023. No investment was required - only a change of supplier. The electricity rates of this private supplier are more competitive than the traditional national grid rates in Israel resulting in an annual savings of over 30K USD.*

### Row 2

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy generation**

☑ Solar PV

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*2,000*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 21-30 years

## (7.55.2.9) Comment

*We installed SolarEdge PV systems on the rooftops of three Company sites (Sella 2 factory in Korea, Umbertide in Italy, and the U.K. site), partially replacing fossil fuel based external electricity. These three PV systems have a combined capacity of approximately 3.5 MWp and they join the three PV systems that were added by the Company in 2022 (Sella 1 in Israel, HQ in Israel, and Milpitas in California). In 2024, we aim to install a new SolarEdge PV system on the roof of our Reno, Nevada site. Additional sites are also being examined for potential PV system installation. Once all these systems are fully operational, the expected annual reduction in Scope 2 emissions is estimated at approximately 2,000 metric tons CO2e.*

### Row 3

## (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in buildings**

☑ Heating, Ventilation and Air Conditioning (HVAC)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*300*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*10,0000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ Ongoing

## (7.55.2.9) Comment

*Recent improvements were made to the algorithms of our heating, ventilation and air-conditioning (HVAC) operating systems, at our Sella 1 site (in Israel). These improvements have enabled the reduction of about one third of its previous energy consumption at full capacity. This change did not require capital investment, and we estimate it to lead to an annual saving in energy costs of 100 K USD. The Sella 1 site has also recently established an automatic shut-down routine for AC and lightning for weekends, when the site is not operating. We estimate both these steps will result in an annual reduction of over 300 metric tons CO2e of Scope 2 emissions.*

## Row 4

### (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in production processes**

☑ Other, please specify**:** Recycling of charge/discharge electricity

### (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*200*

### (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

### (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

### (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*50,000*

### (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ Ongoing

### (7.55.2.9) Comment

*We implemented an innovative electricity savings method at the Sella 2 site. The production process of lithium-ion batteries involves using a significant amount of electricity in the charge/discharge cycles of battery formation. The technical limitations of the traditional battery production process often cause this electricity to be*

*discharged without reusage. In contrast, the new method used in Sella 2 production is designed to use an innovative electricity reservoir, allowing for an estimated 50% of the discharged electricity to be reused. We estimate this method has resulted in an annual reduction of over 200 metric tons CO2e of Scope 2 emissions, and over 50 K USD in energy cost savings.*
*[Add row]*

## (7.55.3) What methods do you use to drive investment in emissions reduction activities?

### Row 2

### (7.55.3.1) Method

*Select from:*
☑ Other**:** Monitoring decarbonization requirements of stakeholders

### Row 3

### (7.55.3.1) Method

*Select from:*
☑ Employee engagement

### Row 4

### (7.55.3.1) Method

*Select from:*
☑ Financial optimization calculations
*[Add row]*

## (7.71) Does your organization assess the life cycle emissions of any of its products or services?

| | Assessment of life cycle emissions |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (7.71.1) Provide details of how your organization assesses the life cycle emissions of its products or services.

### (7.71.1.1) Products/services assessed

*Select from:*

☑ Representative selection of products/services

### (7.71.1.2) Life cycle stage(s) most commonly covered

*Select from:*

☑ Cradle-to-grave

### (7.71.1.3) Methodologies/standards/tools applied

*Select all that apply*

☑ GHG Protocol Product Accounting & Reporting Standard

### (7.71.1.4) Comment

*SolarEdge solutions support the worldwide transition to renewable, low-carbon power generation and consumption. The use of our systems allows for millions of tonnes of GHG emissions to be avoided each year. We also strive to examine and reduce the carbon emissions related to the sourcing, production and shipping of our products. In late 2021, we completed our first comprehensive carbon footprint analysis of leading models of our inverters and Power Optimizers. The analysis process was led and certified by carbon footprint and decarbonization experts, Carbon Trust. The analysis allows us to understand the main emission sources*

*throughout our products' lifecycle, helping us better understand our emission reduction opportunities. We are currently working on the expansion of our LCA analysis scope for several additional products and additional environmental impacts and aim to complete this process during 2024.*
*[Fixed row]*

## (7.74) Do you classify any of your existing goods and/or services as low-carbon products?

*Select from:*
☑ Yes

## (7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

### Row 2

### (7.74.1.1) Level of aggregation

*Select from:*
☑ Group of products or services

### (7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

*Select from:*
☑ No taxonomy used to classify product(s) or service(s) as low carbon

### (7.74.1.3) Type of product(s) or service(s)

**Power**
☑ Solar PV

### (7.74.1.4) Description of product(s) or service(s)

*SolarEdge's intelligent solution, combining inverters with Power Optimizers, has changed the way solar power is harvested and managed. This solution offers both design flexibility and performance reliability at the level of individual solar panels, ensuring that each panel delivers the maximum energy output. SolarEdge inverters convert the DC power produced by PV modules to AC power that can be used in the home or business or exported to the local electricity grid. SolarEdge's inverters have varying power ratings and feature sets. These variations are designed to match the specific needs of either residential or commercial/industrial solar energy*

*systems, and to align with the characteristics of local electricity grids in the numerous regions where SolarEdge products are available. DC Power Optimizers are attached to individual solar modules to maximize each PV panel's DC power output before the power is converted to AC power by the inverter, which means more solar energy. Power Optimizers mitigate the impact of module-level performance mismatch in a PV system, thereby limiting the ability of one PV module to negatively impact the performance of other modules. In this way, power generation performance is maximized at the individual PV module level, increasing the financial and environmental benefits of the solar PV system.*

## (7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

*Select from:*

☑ Yes

## (7.74.1.6) Methodology used to calculate avoided emissions

*Select from:*

☑ Other, please specify**:** Our own calculations, which have been internally verified

## (7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

*Select from:*

☑ Use stage

## (7.74.1.8) Functional unit used

*40 million metric tons of CO2e emissions are avoided annually through the use of our installed systems (this relates to all systems shipped by the end of 2023). For the sake of this report item, we have taken the functional unit of one total global overall saving.*

## (7.74.1.9) Reference product/service or baseline scenario used

*The savings calculation assumes the replacement of fossil-fuel based electricity with the renewable power generated by SolarEdge systems.*

## (7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

*Select from:*

☑ Use stage

## (7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

*40,000,000*

## (7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

*Emissions avoided annually through the full-year usage of all SolarEdge systems (including inverters and Power Optimizers) shipped by the end of 2023. The calculation was based on an average conservative ratio of 1,100 kWh per installed kW. The calculated kWh were converted to saved emissions using the Greenhouse Gas Equivalencies Calculator of the EPA: https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator*

## (7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

*76*
*[Add row]*

## (7.79) Has your organization canceled any project-based carbon credits within the reporting year?

*Select from:*
☑ No

# C9. Environmental performance - Water security

## (9.1) Are there any exclusions from your disclosure of water-related data?

*Select from:*

☑ Yes

## (9.1.1) Provide details on these exclusions.

### Row 1

### (9.1.1.1) Exclusion

*Select from:*

☑ Facilities

### (9.1.1.2) Description of exclusion

*Our reported water-related data includes all our owned manufacturing sites, all our R&D sites, or additional large-scale sites/offices. We estimate the water-use of all other global sites to be negligible (generally small office locations). Based on the offices where we have calculated our water consumption, we can reasonably estimate all other small offices to account together for less than 1% of our total water-use. Therefore, we consider these sites as negligible and not material in relation to water impact. For a full list of our subsidiaries, see our 2023 10K report, Exhibit 21.1, p. 138.*

### (9.1.1.3) Reason for exclusion

*Select from:*

☑ Other, please specify**:** Amount of water-use at remaining sites is calculated as less than 1% of total water-use, therefore considered negligible and non-material.

### (9.1.1.7) Percentage of water volume the exclusion represents

*Select from:*

☑ 1-5%

## (9.1.1.8) Please explain

*This was calculated using an extrapolation based on the offices that we have calculated our water-use for.*

### Row 2

## (9.1.1.1) Exclusion

*Select from:*

☑ Facilities

## (9.1.1.2) Description of exclusion

*All the water-related data below includes only sites where SolarEdge has operational control and does not include our contract manufacturing sites. The manufacturing of our products is not water intensive, therefore the only water-use data we currently from our contract manufacturers is water withdrawal amounts. The amount of water withdrawn during 2023 at our contract manufacturer sites, specifically used for production of SolarEdge products, is 350 megaliters. This figure does not include our newest site, opened in late 2023 in Austin, Texas. We are currently working with our contract manufacturer to complete water consumption measurements from this site, specific to SolarEdge related production, in order to include that data in future reports.*

## (9.1.1.3) Reason for exclusion

*Select from:*

☑ Other, please specify**:** The production of our products is not water intensive, therefore the only water-use data we currently from our contract manufacturers is water withdrawal amounts.

## (9.1.1.7) Percentage of water volume the exclusion represents

*Select from:*

☑ Unknown

*[Add row]*

## (9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

### Water withdrawals – total volumes

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 76-99

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*Direct monitoring*

## (9.2.4) Please explain

*Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The remaining <1% is constituted of bottled water consumed at one of our sites.*

### Water withdrawals – volumes by source

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 76-99

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*Direct monitoring*

## (9.2.4) Please explain

*Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The <1% is constituted of bottled water consumed at one of our sites.*

### Water withdrawals quality

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ Not monitored

## (9.2.4) Please explain

*Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The <1% is constituted of bottled water consumed at one of our sites.*

### Water discharges – total volumes

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 76-99

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*Direct monitoring*

## (9.2.4) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site in South Korea. There, water is mainly used in cooling processes and has no contact with the site's chemical process. The discharge of sanitary and kitchen water from our office locations is not currently measured and is therefore excluded from the water discharge calculations. We do not consider water discharge as material in relation to our activities.*

## Water discharges – volumes by destination

### (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 76-99

### (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

### (9.2.3) Method of measurement

*Direct monitoring*

### (9.2.4) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site in South Korea. There, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact. Due to the minimal environmental impact of the wastewater reported above, we do not consider water pollutants in wastewater as material in relation to our activities.*

## Water discharges – volumes by treatment method

### (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 76-99

### (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*Direct monitoring*

## (9.2.4) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site in South Korea. There, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact. Due to the minimal environmental impact of the wastewater reported above, we do not consider water pollutants in wastewater as material in relation to our activities.*

### Water discharge quality – by standard effluent parameters

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ Not monitored

## (9.2.4) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site in South Korea. There, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact. Due to the minimal environmental impact of the wastewater reported above, we do not consider water pollutants in wastewater as material in relation to our activities.*

### Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ Not monitored

## (9.2.4) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site in South Korea. There, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact. Due to the minimal environmental impact of the wastewater reported above, we do not consider water pollutants in wastewater as material in relation to our activities.*

# Water discharge quality – temperature

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ Not monitored

## (9.2.4) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site in South Korea. There, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact. Due to the minimal environmental impact of the wastewater reported above, we do not consider water pollutants in wastewater as material in relation to our activities.*

# Water consumption – total volume

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 76-99

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*Estimation based on water withdrawn that is not discharged or recycled.*

## (9.2.4) Please explain

*Water consumption is calculated by subtracting the annual water discharge from the water withdrawal and excludes internally recycled water.*
*[Fixed row]*

## (9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

### Total withdrawals

## (9.2.2.1) Volume (megaliters/year)

*111*

## (9.2.2.2) Comparison with previous reporting year

*Select from:*
☑ Higher

## (9.2.2.3) Primary reason for comparison with previous reporting year

*Select from:*
☑ Increase/decrease in business activity

## (9.2.2.4) Five-year forecast

*Select from:*
☑ Unknown

## (9.2.2.5) Primary reason for forecast

*Select from:*

☑ Unknown

## (9.2.2.6) Please explain

*The increase in water withdrawal during 2023, and the related increase in water discharge are attributed to the Sella 2 site in Korea that was opened in May 2022, as it increased its level of production throughout 2023. Due to the minimal amount of water used in the production of our products, we have not yet created a five-year forecast for water withdrawal, discharge, or consumption.*

# Total discharges

## (9.2.2.1) Volume (megaliters/year)

*80*

## (9.2.2.2) Comparison with previous reporting year

*Select from:*

☑ Higher

## (9.2.2.3) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in business activity

## (9.2.2.4) Five-year forecast

*Select from:*

☑ Unknown

## (9.2.2.5) Primary reason for forecast

*Select from:*

☑ Unknown

## (9.2.2.6) Please explain

*The increase in water withdrawal during 2023, and the related increase in water discharge are attributed to the Sella 2 site in Korea that was opened in May 2022, as it increased its level of production throughout 2023. Due to the minimal amount of water used in the production of our products, we have not yet created a five-year forecast for water withdrawal, discharge, or consumption.*

## Total consumption

### (9.2.2.1) Volume (megaliters/year)

*30*

### (9.2.2.2) Comparison with previous reporting year

*Select from:*

☑ Higher

### (9.2.2.3) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in business activity

### (9.2.2.4) Five-year forecast

*Select from:*

☑ Unknown

### (9.2.2.5) Primary reason for forecast

*Select from:*

☑ Unknown

### (9.2.2.6) Please explain

*The increase in water withdrawal during 2023, and the related increase in water discharge are attributed to the Sella 2 site in Korea that was opened in May 2022, as it increased its level of production throughout 2023. Due to the minimal amount of water used in the production of our products, we have not yet created a five-year forecast for water withdrawal, discharge, or consumption.*
*[Fixed row]*

## (9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

### (9.2.4.1) Withdrawals are from areas with water stress

*Select from:*

☑ Yes

### (9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

*107*

### (9.2.4.3) Comparison with previous reporting year

*Select from:*

☑ Higher

### (9.2.4.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in business activity

### (9.2.4.5) Five-year forecast

*Select from:*

☑ Unknown

### (9.2.4.6) Primary reason for forecast

*Select from:*

☑ Unknown

## (9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

*96.40*

## (9.2.4.8) Identification tool

*Select all that apply*

☑ WWF Water Risk Filter

## (9.2.4.9) Please explain

*The vast majority of the water consumption of SolarEdge can be attributed to our sites in Israel and South Korea, both of which are considered high/extremely high water "stressed" countries. However, as explained above, SolarEdge's activities are not water intensive, and therefore we do not consider the modest amounts of water that we consume to have a material impact related to our activities. The increase in water withdrawal during 2023 and the related increase in water discharge are attributed to the Sella 2 site in Korea that was opened in May 2022, as it increased its level of production throughout 2023. Due to the minimal amount of water used in the production of our products, we have not yet created a five-year forecast for water withdrawal, discharge, or consumption.*
*[Fixed row]*

# (9.2.7) Provide total water withdrawal data by source.

## Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

## (9.2.7.1) Relevance

*Select from:*

☑ Not relevant

## (9.2.7.5) Please explain

*None of the water used at SolarEdge sites is sourced through fresh surface water. Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The remaining <1% is constituted of bottled water consumed at one of our sites.*

## Brackish surface water/Seawater

## (9.2.7.1) Relevance

*Select from:*

☑ Not relevant

## (9.2.7.5) Please explain

*None of the water used at SolarEdge sites is sourced through brackish surface water/seawater. Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The remaining <1% is constituted of bottled water consumed at one of our sites.*

### Groundwater – renewable

## (9.2.7.1) Relevance

*Select from:*

☑ Not relevant

## (9.2.7.5) Please explain

*None of the water used at SolarEdge sites is sourced through groundwater. Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The remaining <1% is constituted of bottled water consumed at one of our sites.*

### Groundwater – non-renewable

## (9.2.7.1) Relevance

*Select from:*

☑ Not relevant

## (9.2.7.5) Please explain

*None of the water used at SolarEdge sites is sourced through groundwater. Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The remaining <1% is constituted of bottled water consumed at one of our sites.*

### Produced/Entrained water

## (9.2.7.1) Relevance

*Select from:*

☑ Not relevant

## (9.2.7.5) Please explain

*None of the water used at SolarEdge sites is sourced through entrained water. Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The remaining <1% is constituted of bottled water consumed at one of our sites.*

### Third party sources

## (9.2.7.1) Relevance

*Select from:*

☑ Relevant

## (9.2.7.2) Volume (megaliters/year)

*111*

## (9.2.7.3) Comparison with previous reporting year

*Select from:*

☑ Higher

## (9.2.7.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in business activity

## (9.2.7.5) Please explain

*Over 99% of water used at SolarEdge operated sites is withdrawn from municipal water supplies. The remaining <1% is constituted of bottled water consumed at one of our sites.*
*[Fixed row]*

## (9.2.8) Provide total water discharge data by destination.

### Fresh surface water

### (9.2.8.1) Relevance

*Select from:*

☑ Not relevant

### (9.2.8.5) Please explain

*None of the water used at SolarEdge sites is discharged directly to fresh surface water. Wastewater is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment.*

### Brackish surface water/seawater

### (9.2.8.1) Relevance

*Select from:*

☑ Not relevant

### (9.2.8.5) Please explain

*None of the water used at SolarEdge sites is discharged to brackish surface water/seawater. Wastewater is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment.*

### Groundwater

### (9.2.8.1) Relevance

*Select from:*

☑ Not relevant

### (9.2.8.5) Please explain

*None of the water used at SolarEdge sites is discharged directly to groundwater. Wastewater is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment.*

## Third-party destinations

### (9.2.8.1) Relevance

*Select from:*

☑ Relevant

### (9.2.8.2) Volume (megaliters/year)

*111*

### (9.2.8.3) Comparison with previous reporting year

*Select from:*

☑ Higher

### (9.2.8.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in business activity

### (9.2.8.5) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site. There, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact. Due to the minimal environmental impact of the wastewater reported above, we do not consider water pollutants in wastewater as material in relation to our activities. The increase in water withdrawal during 2023, and the related increase in water discharge are attributed to the Sella 2 site in Korea that was opened in May 2022, as it increased its level of production throughout 2023.*
*[Fixed row]*

## (9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

## Tertiary treatment

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Not relevant

### (9.2.9.6) Please explain

*None of the water used at SolarEdge sites is treated within direct operations. Wastewater is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment.*

## Secondary treatment

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Not relevant

### (9.2.9.6) Please explain

*None of the water used at SolarEdge sites is treated within direct operations. Wastewater is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment.*

## Primary treatment only

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Not relevant

### (9.2.9.6) Please explain

*None of the water used at SolarEdge sites is treated within direct operations. Wastewater is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment.*

## Discharge to the natural environment without treatment

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Not relevant

### (9.2.9.6) Please explain

*SolarEdge's only industrial wastewater stream is discharged to a local wastewater treatment facility, which is then discharged by the facility to the local river post-treatment.*

## Discharge to a third party without treatment

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Relevant

### (9.2.9.2) Volume (megaliters/year)

*111*

### (9.2.9.3) Comparison of treated volume with previous reporting year

*Select from:*

☑ Higher

### (9.2.9.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in business activity

### (9.2.9.5) % of your sites/facilities/operations this volume applies to

*Select from:*

☑ 100%

## (9.2.9.6) Please explain

*The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site. There, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact. Due to the minimal environmental impact of the wastewater reported above, we do not consider water pollutants in wastewater as material in relation to our activities. The increase in water withdrawal during 2023, and the related increase in water discharge are attributed to the Sella 2 site in Korea that was opened in May 2022, as it increased its level of production throughout 2023.*

### Other

## (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Not relevant

## (9.2.9.6) Please explain

-

*[Fixed row]*

## (9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

### Direct operations

## (9.3.1) Identification of facilities in the value chain stage

*Select from:*

☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years

## (9.3.4) Please explain

*In general, the activities at all SolarEdge sites and offices are not water intensive. A total of 110,000 m3 withdrawn by our global operations in 2023 is equivalent to the estimated annual domestic consumption of approximately 1,300 people, according to the Mei-Avivim water corporation. Due to this and the negligible effects on water quality from SolarEdge wastewater described above, we do not consider water or wastewater pollutants as material in relation to our activities.*

# Upstream value chain

## (9.3.1) Identification of facilities in the value chain stage

*Select from:*

☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years

## (9.3.4) Please explain

*In general, the activities at all SolarEdge sites and offices are not water intensive. A total of 110,000 m3 withdrawn by our global operations in 2023 is equivalent to the estimated annual domestic consumption of approximately 1,300 people, according to the Mei-Avivim water corporation. Due to this and the negligible effects on water quality from SolarEdge wastewater described above, we do not consider water or wastewater pollutants as material in relation to our activities.*
*[Fixed row]*

# (9.5) Provide a figure for your organization's total water withdrawal efficiency.

## (9.5.1) Revenue (currency)

*2,976,528,000*

## (9.5.2) Total water withdrawal efficiency

*26,815,567.57*

## (9.5.3) Anticipated forward trend

*Note there is a difference in the water withdrawal efficiency reported here and that reported in our 2023 sustainability report due to a difference in methodologies. In the sustainability report- efficiency was calculated as m3 of water withdrawal per revenue, while in the CDP report it is calculated as revenue per megaliter.*
*Due to the minimal amount of water used in the production of our products, we don't currently have an anticipated forward trend for the total water withdrawal efficiency.*
*[Fixed row]*

## (9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

| | Products contain hazardous substances |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

### Row 1

### (9.13.1.3) Please explain

*There are various products among our wide portfolio containing different degrees of hazardous materials. Therefore, we are fully compliant with REACH, RoHS, TSCA, and other regulatory requirements in the various regions where our products are supplied.*
*SolarEdge understands the detrimental impact hazardous substances can have on the environment, especially when not disposed of properly. To ensure our compliance and the minimization of impact on the environment, health and safety, the company's procedures take into account all the regulations and requirements above. In cases where alternative materials that are considered to be less hazardous are available for usage in our products, SolarEdge will aim to prioritize them.*
*[Add row]*

## (9.14) Do you classify any of your current products and/or services as low water impact?

## (9.14.1) Products and/or services classified as low water impact

*Select from:*

☑ Yes

## (9.14.2) Definition used to classify low water impact

*Water is used in the production-phase of SolarEdge products, however it is not used during any part of the use-phase. In general, the activities at all SolarEdge sites and offices are not water intensive. A total of 110,000 m3 withdrawn by our global operations in 2023 is equivalent to the estimated annual domestic consumption of approximately 1,300 people, according to the Mei-Avivim water corporation. The vast majority of the water discharged by SolarEdge is attributed to the production at our Sella 2 site. Here, water is mainly used in cooling processes and has no contact with the site's chemical process. There is a minor amount of anti-corrosion material added to the water. This cooling water is discharged to a local wastewater treatment facility, which discharges the same water to the local river post-treatment. Since the same amount of water is returned to the source river with negligible effects on water quality, we consider Sella 2 water usage to have minor environmental impact.*

## (9.14.4) Please explain

*In general, the activities at all SolarEdge sites and offices are not water intensive, as explained above, and water that is discharged has negligible effects on water quality.*
*[Fixed row]*

# (9.15) Do you have any water-related targets?

*Select from:*

☑ No, and we do not plan to within the next two years

# (9.15.3) Why do you not have water-related target(s) and what are your plans to develop these in the future?

## (9.15.3.1) Primary reason

*Select from:*

☑ Judged to be unimportant, explanation provided

## (9.15.3.2) Please explain

*In general, the activities at all SolarEdge sites and offices are not water intensive. A total of 110,000 m3 withdrawn by our global operations in 2023 is equivalent to the estimated annual domestic consumption of approximately 1,300 people, according to the Mei-Avivim water corporation. Due to this and the negligible effects on water quality from SolarEdge wastewater described above, we do not consider water or wastewater pollutants as material in relation to our activities.*
*[Fixed row]*

## C10. Environmental performance - Plastics

### (10.1) Do you have plastics-related targets, and if so what type?

| | Targets in place |
|---|---|
| | *Select from:*<br>☑ No, and we do not plan to within the next two years |

*[Fixed row]*

### (10.2) Indicate whether your organization engages in the following activities.

### Production/commercialization of plastic polymers (including plastic converters)

#### (10.2.1) Activity applies

*Select from:*
☑ No

### Production/commercialization of durable plastic goods and/or components (including mixed materials)

#### (10.2.1) Activity applies

*Select from:*
☑ No

### Usage of durable plastics goods and/or components (including mixed materials)

## (10.2.1) Activity applies

*Select from:*

☑ Yes

## (10.2.2) Comment

*We have conducted a mapping of upstream materials (including different types of plastics) used in some main products through our Carbon Footprint process in 2021, and through our current EPD process. While our main products do contain different types of durable plastics, these are a small percent of the total components.*

### Production/commercialization of plastic packaging

## (10.2.1) Activity applies

*Select from:*

☑ No

### Production/commercialization of goods/products packaged in plastics

## (10.2.1) Activity applies

*Select from:*

☑ Yes

## (10.2.2) Comment

*While we do have plastics in our packaging, we try to minimize the plastics to a minimum and use them when no feasible alternatives exist. We continue to search for sustainable alternative packaging options where possible.*

### Provision/commercialization of services that use plastic packaging (e.g., food services)

## (10.2.1) Activity applies

*Select from:*

☑ Yes

## (10.2.2) Comment

*While we do have plastics in our packaging, we try to minimize the plastics to a minimum and use them when no feasible alternatives exist. We continue to search for sustainable alternative packaging options where possible.*

### Provision of waste management and/or water management services

## (10.2.1) Activity applies

*Select from:*
☑ No

### Provision of financial products and/or services for plastics-related activities

## (10.2.1) Activity applies

*Select from:*
☑ No

### Other activities not specified

## (10.2.1) Activity applies

*Select from:*
☑ No
*[Fixed row]*

### (10.4) Provide the total weight of plastic durable goods and durable components produced, sold and/or used, and indicate the raw material content.

### Durable goods and durable components used

## (10.4.7) Please explain

*We have conducted a mapping of upstream materials (including different types of plastics) used in some main products, through our Carbon Footprint process in 2021, and through our current EPD process. However, we have not finalized the results and are not currently aware of the exact weight of durable plastics used in our products.*
*[Fixed row]*

## (10.5) Provide the total weight of plastic packaging sold and/or used and indicate the raw material content.

### Plastic packaging used

### (10.5.7) Please explain

*We have conducted a mapping of upstream materials (including different types of plastics) used in some main products, through our Carbon Footprint process in 2021, and through our current EPD process. However, we have not finalized the results and are not currently aware of the exact weight of plastic packaging used for our products.*
*[Fixed row]*

## (10.5.1) Indicate the circularity potential of the plastic packaging you sold and/or used.

### Plastic packaging used

### (10.5.1.5) Please explain

*We have conducted a mapping of upstream materials (including different types of plastics) used in some main products, through our Carbon Footprint process in 2021, and through our current EPD process. However, we have not finalized the results and are not currently aware of the recyclability of plastic packaging used for our products.*
*[Fixed row]*

## (10.6) Provide the total weight of waste generated by the plastic you produce, commercialize, use and/or process and indicate the end-of-life management pathways.

### Production of plastic

### (10.6.12) Please explain

*We have conducted a mapping of upstream materials (including different types of plastics) used in some main products, through our Carbon Footprint process in 2021, and through our current EPD process. However, we have not finalized the results and cannot currently report the end-of-life management of plastics.*

### Commercialization of plastic

## (10.6.12) Please explain

*We have conducted a mapping of upstream materials (including different types of plastics) used in some main products, through our Carbon Footprint process in 2021, and through our current EPD process. However, we have not finalized the results and cannot currently report the end-of-life management of plastics.*

### Usage of plastic

## (10.6.12) Please explain

*We have conducted a mapping of upstream materials (including different types of plastics) used in some main products, through our Carbon Footprint process in 2021, and through our current EPD process. However, we have not finalized the results and cannot currently report the end-of-life management of plastics.*
*[Fixed row]*

## C11. Environmental performance - Biodiversity

### (11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

| | Actions taken in the reporting period to progress your biodiversity-related commitments |
|---|---|
| | *Select from:*<br>☑ No, and we do not plan to undertake any biodiversity-related actions |

*[Fixed row]*

### (11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

| | Does your organization use indicators to monitor biodiversity performance? |
|---|---|
| | *Select from:*<br>☑ No |

*[Fixed row]*

### (11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

### Legally protected areas

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*
☑ Not assessed

### UNESCO World Heritage sites

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*
☑ Not assessed

### UNESCO Man and the Biosphere Reserves

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*
☑ Not assessed

### Ramsar sites

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*
☑ Not assessed

### Key Biodiversity Areas

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*

☑ Not assessed

### Other areas important for biodiversity

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*

☑ Not assessed

## (11.4.2) Comment

*In general, we do not currently consider Biodiversity as a material environmental issue for SolarEdge. The vast majority of PV installations with SolarEdge technology are installed by third party PV professionals.*
*[Fixed row]*

## C13. Further information & sign off

### (13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

#### (13.1.1) Other environmental information included in your CDP response is verified and/or assured by a third party

*Select from:*

☑ No, but we plan to obtain third-party verification/assurance of other environmental information in our CDP response within the next two years

#### (13.1.2) Primary reason why other environmental information included in your CDP response is not verified and/or assured by a third party

*Select from:*

☑ Not an immediate strategic priority

#### (13.1.3) Explain why other environmental information included in your CDP response is not verified and/or assured by a third party

*External verification of sustainability data was not a key priority for us to date. However, we are more likely than not to start such verification processes within the upcoming 2 years, among other things due to recently enacted ESG regulations in several global regions where we operate.*
*[Fixed row]*

### (13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

#### (13.2.1) Additional information

*This CDP report contains forward-looking statements that are aspirational based on our management's current expectations, estimates, projections, beliefs and assumptions. Forward-looking statements include information concerning, and opinions regarding: corporate responsibility matters, including our strategies, expectations, commitments, aspirations, or targets with respect to the environment or sustainability, employees and human capital, procurement and supply chain,*

*cybersecurity, data privacy, philanthropy, and our possible or assumed future results of operations, business strategies, technology developments, new products and services, financing and investment plans, competitive position, industry and regulatory environment, effects of acquisitions, growth opportunities, and the effects of competition and opinions, statements, or ratings from third parties about our performance and risk profile related to corporate responsibility matters. Forward-looking statements include statements that are not historical facts and can be identified by terms such as "aim," "anticipate," "aspire," "believe,", "commit," "could," "seek," "endeavour," "estimate," "expect," "goal," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "strive," "target," "will," "would," or similar expressions and the negatives of those terms. Forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that are often beyond our control and difficult to predict, which may cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include climate conditions or events, technological developments and advances, legislative and regulatory developments, stakeholder engagement, and energy prices, among others, including the risk factors described in our periodic filings with the Securities and Exchange Commission (the "SEC"). Given these uncertainties, you should not place undue reliance on forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of submission of these responses. You should not rely upon forward-looking statements as predictions of future events as we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by law, we assume no obligation to update these forward-looking statements or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future, or we have provided such updates in the past. The data and figures provided have not yet undergone external verification. Such data and figures, as well as historical, current, and forward-looking statements and information included in response to this questionnaire may be based on historical or current expectations, estimates, projections, beliefs, and assumptions, which may change in the future; diligence, processes, and internal controls that continue to evolve; standards for measuring progress that are still developing; and representations, certifications, or data provided or reviewed by third parties, including acquired entities, which may be subject to ongoing review, may be incomplete, or may not have been fully integrated into the Company's processes. The information included in, and any issues identified as material for purposes of, responses to this questionnaire may not be considered material for SEC reporting purposes. In the context of these responses, the term "material" is distinct from, and should not be confused with, how such term is defined for SEC reporting purposes.*
*[Fixed row]*

## (13.3) Provide the following information for the person that has signed off (approved) your CDP response.

### (13.3.1) Job title

*VP General Counsel and Corporate Secretary*

### (13.3.2) Corresponding job category

*Select from:*
☑ General Counsel
*[Fixed row]*

## (13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

*Select from:*

☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute