



## **CORPORATE GOVERNANCE GUIDELINES**

The Board of Directors of Stem, Inc. (the “**Company**”), acting on the recommendation of its Nominating, Governance and Sustainability Committee (the “**Nominating Committee**”), has adopted the corporate governance guidelines set forth below (the “**Guidelines**”) as a framework for the governance of the Company. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Articles of Incorporation and By-Laws, as well as its other corporate governance documents. These Guidelines are intended to serve as a flexible framework within which the Board of Directors of the Company (the “**Board**”) may conduct its business, and not as a set of legally binding obligations. The Nominating Committee reviews the Guidelines annually and recommends changes to the Board as appropriate.

### **1. ROLE AND COMPOSITION OF THE BOARD OF DIRECTORS**

#### ***Role of the Board***

The Board, which is elected by the Company’s stockholders, oversees and counsels the Company’s Chief Executive officer (the “CEO”) and other members of the senior management team. The Board selects the senior management team, which is responsible for the management of the Company’s business, and monitors the performance of senior management. Consistent with the oversight function of the Board, some of the Board’s core responsibilities include:

- reviewing the Company’s major financial objectives, critical strategies and long-term plans, including major allocations of capital, significant proposed business acquisitions and divestitures, operating performance, sustainability and stockholder returns;
- overseeing the assessment of major risks facing the Company, determining the extent to which such risks are appropriate and, to the extent the Board deems it appropriate, evaluating options for their mitigation
- assessing the performance of the CEO and other senior executives (including the Executive Chairman, if any) and approving their compensation;
- planning for CEO and other senior succession, and overseeing senior management development;
- overseeing the integrity of the Company’s financial statements and the Company’s financial reporting processes;
- overseeing legal and regulatory compliance;
- nominating director candidates for election by stockholders to membership on the Board, and appointing Board committee members;

- Engaging in succession planning of the Board and key leadership roles on the Board and its committees; and
- monitoring the effectiveness of the Company’s corporate governance practices and making changes as necessary or appropriate for the Company.

### ***Board Size, Composition and Membership Criteria***

The Board determines the appropriate size of the Board from time to time. At least a majority of the Board shall consist of directors whom the Board has determined to be independent. An “independent” director is a director who meets the New York Stock Exchange (“NYSE”) definition of independence, as determined by the Board. The Board makes an affirmative determination regarding the independence of each director annually, based upon the recommendation of the Nominating Committee.

The Nominating Committee shall consider and make recommendations to the Board regarding the size, structure, composition and function of the Board. In addition, the Nominating Committee is responsible for establishing and overseeing processes and procedures for the selection and nomination of directors, and for developing and recommending Board membership criteria to the Board for approval and periodically reviewing these criteria. The Board’s criteria include leadership experience, financial expertise and industry knowledge. The Committee shall evaluate the composition of the Board annually to assess the skills and experience that are currently represented on the Board as a whole, and in individual directors, as well as the skills and experience that the Board may find valuable in the future. The Board and the Nominating Committee actively seek to achieve a diversity of occupational and personal backgrounds on the Board, including diversity with respect to demographics such as gender, race, ethnic and national background, geography, age and sexual orientation.

The Nominating Committee shall review the qualifications of director candidates and incumbent directors in light of criteria approved by the Board and shall recommend the Company’s candidates to the Board for election by the Company’s stockholders at the annual meeting. The Committee shall also consider director candidates recommended by Company stockholders in accordance with the procedures set forth in the Company’s proxy statement.

### ***Annual Election of Directors***

The Board is divided into three classes, approximately equal in number, with staggered terms of three years each so that the term of one class expires at each annual meeting of stockholders. Thus, directors typically stand for reelection every three years.

### ***Board Leadership Structure; Chairman of the Board***

The Board recognizes that one of its key responsibilities is to evaluate and determine an appropriate board leadership structure so as to ensure independent oversight of management. The Board believes that there is no single, generally accepted board leadership structure that is appropriate across all circumstances, and that the right structure may vary as circumstances change. As such, the independent members of the Board will periodically review the Board’s

leadership structure to evaluate whether the structure remains appropriate for the Company, and may modify this structure from time to time to best address the Company's unique circumstances and advance the best interests of all stockholders, as and when appropriate.

The Board's independent directors have selected an independent member of the Board to serve as Chairman of the Board (the "**Chairman of the Board**"). At any time when the Chairman is not independent or there is not a Chairman, the independent members of the Board will, upon the recommendation of the Nominating Committee, designate an independent director to serve as lead independent director.

### *Change in Principal Occupation*

When a director's principal occupation or employer changes during the director's tenure on the Board, the director must submit an offer to resign for consideration by the Nominating Committee. The Nominating Committee will inform the Board as to whether or not it recommends to the Board the action, if any, to be taken with respect to the offer to resign. The CEO will resign from the Board when he or she retires from the Company; provided, however, upon the agreement of at least a majority of the Board, the CEO may continue to serve on the Board for a transition period to be determined by the Board following such retirement.

### *Service on Other Boards*

Directors are encouraged to limit the number of other boards on which they serve so as not to interfere with their service as a director of the Company. Notwithstanding the foregoing, directors may serve on the boards of other entities only to the extent that, in the judgment of the Board, such services do not detract from a director's ability to devote the necessary time and attention to the Company. In addition, directors must advise, and secure prior approval from, the Nominating Committee in advance of accepting an invitation to serve on the board of another for-profit organization, whether public or private.

## **2. FUNCTIONING OF THE BOARD**

### *Agendas*

The Chairman of the Board establishes the agenda for each Board meeting. Agenda items that fall within the scope of responsibilities of a Board committee shall be reviewed with the chairperson of that committee. Directors are encouraged to suggest the inclusion of items on the agenda. Directors are also free to raise subjects at a Board meeting that are not on the agenda for that meeting.

### *Distribution and Review of Board Materials*

Board and Committee materials related to agenda items shall be provided to directors sufficiently in advance of Board and Committee meetings to allow directors to review and prepare for discussion of the items at the meeting. In some cases, due to timing or the sensitive nature of an issue, materials will be presented only at the Board or Committee meeting, as applicable.

### ***Directors' Time Commitment and Availability***

The Board shall hold regularly scheduled meetings throughout the year and additional meetings as necessary to carry out its responsibilities. Directors are expected to regularly attend Board meetings and meetings of the Committees on which they serve, and to undertake any additional tasks assigned to them by the Board, as recommended by the Nominating Committee. They are expected to review all materials distributed to them in advance of the meetings, to periodically review materials posted on the Board website between meetings to keep them informed about the Company's business and performance, and to spend the time necessary to prepare for meetings. Directors shall be contactable by the Chairman and the Secretary on short notice and be available for special meetings of the Board or any Committee when necessary.

### ***Executive Sessions of Non-Executive Directors***

The Board's non-executive directors shall generally meet in an executive session at every regular Board meeting. The Chairman of the Board shall preside at these executive sessions. In addition, the independent directors meet in an executive session at every regular Board meeting, and the lead independent director presides at these executive sessions.

### ***Strategic Planning***

The Board shall review the Company's long-term strategic plan at least annually and shall monitor implementation of the strategic plan throughout the year.

### ***Conflicts of Interest***

Each director is expected to be familiar with and follow the Company's Code of Conduct. If an actual or potential conflict of interest develops, or a situation arises that might give the appearance of such a conflict, the director should immediately report the matter to the Secretary and to the Chair of the Nominating Committee. If a director has a personal, business or professional interest in a matter before the Board or any of its Committees, the director shall disclose the interest to the Board or such Committee, excuse himself or herself from discussions on the matter, and not vote on the matter.

### ***Confidentiality***

Directors must protect and hold confidential all nonpublic information that comes to them, from whatever source, in their capacity as a director of the Company, unless disclosure is required by law. Proceedings and deliberations of the Board and its Committees are strictly confidential.

### ***Attendance at Annual Meeting of Stockholders***

Directors are expected to attend the Company's annual meeting of stockholders, absent unusual circumstances.

### **3. STRUCTURE AND FUNCTIONING OF COMMITTEES**

#### ***Number, Structure and Independence of Committees***

The Board has three standing committees: Audit, Nominating and Compensation. The Audit, Nominating and Compensation Committees shall consist solely of directors who, at the time they are appointed to the Committee, meet the independence requirements established by the Board and such other laws and regulations as appropriate. In addition, directors who serve on the Audit Committee and the Compensation Committee must meet additional, heightened independence criteria applicable to directors serving on these committees under the NYSE listing standards. If any member of such committee ceases to qualify as independent, the Nominating Committee will consider a replacement for such member as soon as practicable. The Board may also establish and maintain other committees from time to time as it deems necessary and appropriate.

#### ***Assignment of Committee Members***

The Nominating Committee shall consider and make recommendations to the Board regarding committee size, structure, composition and functioning. Committee members and chairpersons are recommended to the Board by the Nominating Committee and appointed by the full Board.

#### ***Responsibilities***

Each standing Committee shall operate under a written charter that sets forth the purposes and responsibilities of the committee as well as qualifications for committee membership. Each standing Committee assesses the adequacy of its charter annually and recommends changes to the Board as appropriate. All Committees shall report regularly to the full Board with respect to their activities.

#### ***Meetings and Agendas***

The chairperson of each committee determines the frequency, length and agenda of the committee's meetings. Materials related to agenda items are provided to committee members sufficiently in advance of meetings where necessary to allow the members to review and prepare for discussion of the items at the meeting.

### **4. DIRECTOR ACCESS TO MANAGEMENT AND ADVISERS**

At the invitation of the Board or a Committee, members of senior management may attend Board or Committee meetings or portions of meetings for the purpose of presenting matters to the Board and participating in discussions. Directors shall also have full access to other members of management, subject to reasonable efforts to avoid disruption to the Company's business and operations.

The Board has the authority to retain such outside counsel, experts and other advisers as it determines appropriate to assist it in the performance of its functions. Each of the Audit, Nominating and Compensation Committees has similar authority to retain outside advisers as it determines appropriate to assist it in the performance of its functions.

## **5. NON-EXECUTIVE DIRECTOR COMPENSATION**

The Compensation Committee shall periodically review the compensation of non-executive directors. Non-executive director compensation is set by the Board based upon the recommendation of the Compensation Committee. Executive directors do not receive compensation for service on the Board.

## **6. SUCCESSION PLANNING**

The Compensation Committee is responsible for oversight of succession planning for certain senior management positions. The succession planning process includes consideration of both ordinary-course succession, in the event of planned promotions and retirements, and planning for situations where the CEO or another member of senior management unexpectedly becomes unable to perform the duties of his or her position.

## **7. FORMAL EVALUATION OF THE CEO**

The Compensation Committee is responsible for setting annual and long-term performance goals for the CEO, evaluating the CEO's performance against those goals, and recommending to the Board for its approval, the CEO's compensation. Both the goals and the evaluation are submitted for consideration by the directors meeting in executive session without the CEO present. The results of the evaluation are shared with the CEO and used by the Compensation Committee in setting the CEO's compensation.

## **8. DIRECTOR ORIENTATION AND CONTINUING EDUCATION**

The Company has an orientation process for Board members that is designed to familiarize new directors with various aspects of the Company's business, including the Company's strategy, operations, finances, risk management processes, compliance program and governance practices. The Board encourages directors to participate in education programs to assist them in performing their responsibilities as members of the Board.

## **9. BOARD AND COMMITTEE PERFORMANCE EVALUATIONS**

The Board shall conduct an annual self-evaluation to assess its performance. The Audit, Nominating and Compensation Committees shall conduct, and present to the Board, annual self-evaluations to assess their performance. The ability of individual directors to contribute to the Board is considered in connection with the re-nomination process. The Nominating Committee is responsible for developing, administering and overseeing processes for conducting evaluations.

*Adopted by the Board of Directors: May 26, 2021*