



NEWS RELEASE

Stem, Inc. Announces South America's First Virtual Power Plant and Completes First Smart Energy Storage Project in Chile

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Manufacturing facility energy storage system now operating on Stem's Athena® software

Project part of joint venture with Copec

SAN FRANCISCO--(BUSINESS WIRE)-- Stem, Inc. ("Stem" or "the Company") (NYSE: STEM), a global leader in artificial intelligence (AI)-driven energy storage services, and Copec, one of the largest energy companies in Central and South America, today announced the development of South America's first virtual power plant (VPP) as well as the completion of their first smart energy storage system in Chile. The companies will be working together with Chilquinta Energía S.A. ("Chilquinta"), a local energy supply service company.

In July 2020, Stem and Copec announced a partnership to bring Stem's intelligent storage solutions to South America, marking the Company's entrance into this region. The partnership recently completed its first project, a smart energy storage solution for a lubricant manufacturing plant owned by Copec in the Valparaíso Region of Chile.

In addition, Stem and Copec have partnered with Chilquinta to establish the first VPP, a network of decentralized behind-the-meter (BTM) power generating sites, in all of South America. For this project, Stem's Athena® smart energy storage software has been customized to integrate utility and grid market data points that optimize energy storage assets in the Chilean market. This partnership also involves future collaboration to bring smart energy storage alongside mutual business activities in electric vehicle charging infrastructures and solar project developments.

Stem's Athena allows this network of commercial and industrial (C&I) customer sites to deliver both resilience and backup power solutions by automatically aggregating and responding to spikes in electricity use and drawing on

stored power to reduce electricity costs for customers. Athena also ensures continuous power and consistent operations to serve the utility's real-time needs, demonstrating the ability to dispatch all the sites when power is needed on the grid. Stem combines this electricity usage and deployment information with data from renewable generation forecasting and monitoring so the utility can effortlessly call upon the stored electricity for added stability during peak demand times. Athena is continuously collecting electricity usage data, creating a virtuous cycle of learning and deep insights to better inform its AI-driven algorithm.

"The energy storage market in South America represents a significant growth opportunity for Stem and our partner Copec," said John Carrington, Chief Executive Officer at Stem. "We are proud to have completed our first project under this partnership – positioning Copec as a smart grid participant while driving energy cost reduction and enhancing the sustainability profile of their manufacturing facilities. At the same time, our VPP is set to demonstrate tremendous value to utilities in South America that can leverage distributed energy storage systems to stabilize the grid, similar to what Stem's Athena® smart energy storage software is doing in other regions today. I am excited about our future in South America and the benefits we will bring to businesses, utilities, and energy customers."

"Copec is focused on driving innovation and sustainability across the energy and mobility segments," added Mauricio de la Torre, New Energies Leader at Copec. "Through our partnership with Stem, we have begun to demonstrate the investment returns of smart energy storage and the tremendous potential for Copec to help Chile meet its ambitious climate goals."

Chile is among the most favorable markets for solar energy with one of the highest solar irradiances and potential for solar generation in the world. Chile has announced in recent years that it will not build new coal-fired power plants and will align with the National Energy Policy 2050, an ambitious set of climate change and renewable energy efficiency goals, for which Chile targets 70% renewable energy electricity by 2030 and carbon neutrality by 2050. After hosting the **UN Climate Change Conference** in 2019, the country leads South America in sustainability strategies. Chile is projected to have a combined opportunity for energy storage nearing 1 GWh over the next decade, based on market estimates from Copec and its subsidiary, Terpel.

About Stem, Inc.

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

About Copec

Copec is one of the leading energy companies in Central and South America. It was founded in Chile in 1934 and today is also present in Colombia, Panama, Ecuador, Peru and the Dominican Republic (through Terpel) and in the southeast United States (through Mapco). With a robust network of over 3,000 fuel stations and over 1,200 convenience stores in the continent, the company also has leading presence in strategic sectors of the industry including aviation, electric generation, mining, fishing, and transport, among others. Always focused on customer service and innovation, Copec is also working to lead the change for a new era in mobility, energy and convenience, faithful to its promise to facilitate the life in movement.

Cautionary Statement Regarding Forward-Looking Statements

This press release, as well as other statements we make, contain “forward-looking statements” within the meaning of the federal securities laws, which include any statements that are not historical facts. Such statements often contain words such as “expect,” “may,” “can,” “believe,” “predict,” “plan,” “potential,” “projected,” “projections,” “forecast,” “estimate,” “intend,” “anticipate,” “ambition,” “goal,” “target,” “think,” “should,” “could,” “would,” “will,” “hope,” “see,” “likely,” and other similar words. Forward-looking statements address matters that are, to varying degrees, uncertain, such as the opportunity for business growth in South America; the expected benefits of our partnership with Copec; and expected resulting benefits to businesses, utilities and energy customers in South America. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are based upon assumptions and estimates that, while considered reasonable by Stem and its management, depend upon inherently uncertain factors and risks that may cause actual results to differ materially from current expectations, including our inability to achieve business growth in South America; our inability to recognize the anticipated benefits of our partnership with Copec, as well as related expected benefits to businesses, utilities and energy customers in South America; risks relating to the development and performance of our energy storage systems and software-enabled services; the risk that the global commitment to decarbonization may not materialize as we predict, or even if it does, that we might not be able to benefit therefrom; our inability to retain or upgrade current customers, further penetrate existing markets or expand into new markets; our inability to secure sufficient inventory from our suppliers to meet customer demand, and provide us with contracted quantities of equipment; supply chain failures or interruptions; manufacturing or delivery delays; disruptions in sales, production, service or other business activities; our inability to help reduce GHG emissions; our inability to seamlessly integrate and optimize energy resources; our inability to attract and retain qualified personnel; the risk that our business, financial condition and results of operations may be adversely affected by other political, economic, business and competitive factors; the effects of competition; and other risks and uncertainties set forth in the section entitled “Risk Factors” in the registration statement on Form S-1 filed with the SEC on July 19, 2021, and our most recent Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC. If one or more of these or other risks or uncertainties materialize (or the consequences of any such development changes), or should our

underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements. Statements in this press release are made as of the date hereof, and Stem disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.

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