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A Message from Our CEO



Sunrun is at the forefront of a customer-led energy revolution. We are only at the start of a tremendous shift toward electrification, with greater adoption of all-electric appliances and electric vehicles amid rising utility rates and continued stress on the grid. Sunrun is making locally-generated, affordable, and reliable energy accessible to millions of families across America.

2023 was a year marked by both industry and macroeconomic challenges, which have given us an opportunity to transform our business to be storage-first, providing families with the most pro-consumer products and superior value by improving energy resilience and control.

I'm proud that our commitment to putting customers first in everything we do has remained unwavering as we respond to the complex set of challenges facing the industry by accelerating our pace of innovation, executing on our disciplined, margin-focused strategy, and providing the best customer experience and service in the industry.

At Sunrun We Start With Safety

Nothing is more important than the well-being and safety of our people and communities. Sunrun's culture is based on the principle of always putting safety first. In 2023, we continued to invest in our people, equipment, and technology to ensure that workplace safety remains a top priority for all employees. I am pleased to report that we achieved a 18% improvement in our key safety metric (DART rate), exceeding our target, resulting in a significant decrease in serious accidents and safety violations.

A Message from Our CEO cont.

Creating Long-Term Sustainable Value and Profitable Growth

We remain focused on generating long-term value and sustainable, profitable growth for our customers, employees, and stockholders. In 2023, we added nearly 136,000 Customers, bringing our customer base to over 933,000 Customers and representing 6.7 gigawatts of Networked Solar Capacity.

As we reshaped our business to be storage-first, our storage attachment rate increased throughout the year, starting at approximately 15% of new customers' homes and rising to over 45% by the end of the year. We currently have more than 90,000 solar and storage systems installed, representing over 1.3 gigawatt hours of Networked Storage Capacity. Our fleet is growing in significance and is already at a scale that could replace multiple polluting peaker power plants. For instance, these resources could power a city like San Francisco for multiple hours and do so daily as batteries are recharged from the sun. As our base of valuable energy resources continues to grow, we anticipate that more utilities, regulators, and grid operators will look to our networked fleet of solar and storage systems as a valuable resource for meeting the grid's growing demands.

Delighting Our Customers

We have set a high standard for what the Sunrun customer experience should be, and we're seeing considerable improvement in our business metrics because of it. Our average Net Promoter Score at the time of installation reached a remarkable 73 points at the end of the year, and our online reviews on key consumer sites have also improved significantly.

Our unwavering commitment to consumer protection and understanding our customers' growing energy needs have led us to develop a lineup of clean energy products and an educated workforce committed to providing a personalized energy experience for customers of all backgrounds every day.

In 2023, our customers powered through over half a million power outages, with our batteries providing them approximately 1.8 million hours of backup power. Every day, our products and services improve the lives of approximately 2.4 million Americans. We are committed to continuing to develop and improve our products and services to ensure that our customers have an exceptional experience throughout their energy journey.

Building the Best Team on the Planet

Our ability to provide a personalized customer experience and make a positive difference for our planet is dependent on the diverse perspectives from smart, passionate, and committed people from all backgrounds. In 2023, we continued to prioritize the diversification of our workforce and increased Black, Indigenous, and people of color representation in people-leadership positions. Sunrun is currently an industry leader, with 52% of our workforce being ethnically diverse.

Having the best team entails providing them with the best training and knowledge. In 2023, we reinforced our commitment to learning and development, completing 307,000 learning and training courses. More than 1,700 employees have enrolled in PowerU, our fully-funded employee education and upskilling program. Over 600 employees have received promotions after enrolling in a PowerU program. This demonstrates our employees' enthusiasm and dedication to professional development, as well as Sunrun's commitment to providing chances for growth and promotion.

A Sustainable Future for Everyone

We give our customers access to products that provide them with energy security, predictability, and peace of mind. Since 2007, our solar energy systems have generated 32.4 billion kilowatt-hours of solar energy, enabling the avoidance of 18 million metric tons of CO_2e from entering the atmosphere.

As part of our goal to achieve net-zero emissions across our operations by 2040, we are increasing our use of electric or hybrid vehicles and investing in last-mile initiatives to bring solar and storage systems to our customers' doorsteps. And, as we deploy more solar energy systems, we are increasing our focus on managing their end-of-life cycle. In 2023, Sunrun redeployed or recycled 100% of solar panels, batteries, and inverters with manufacturers and qualified recycling providers.

The accomplishments of the last year reflect the skill, dedication, and hard work of our teams around the country. It has been a joy to meet and speak with many of our employees, customers, and stockholders about Sunrun's position as the nation's leading solar, storage, and home electrification company, as well as how we can continue to provide the best customer service in the industry.

I want to recognize the thousands of Sunrunners who are accelerating the customer-led energy revolution while upholding our strong culture of safety and efficiency. I am confident that we will continue to capitalize on market trends and expand our position by remaining customer-focused and long-term oriented.



Mary Powell
Chief Executive Officer

Our mission is to connect people to the cleanest energy on earth.

Overview

At Sunrun, we believe in creating long-term value and a sustainable future for our employees, customers, communities, and stockholders. We accomplish this by focusing on three key pillars for our Environmental, Social, and Governance (ESG) strategy: Mitigate the Impacts of Climate Change; Build a Safe, Diverse, Fair, and Equitable Workforce; and Improve Energy Equity and Environmental Justice.



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About Sunrun

Sunrun (Nasdaq: RUN) is the nation's leading provider of clean energy as a subscription service, offering residential solar and energy storage with no upfront costs. We revolutionized the solar industry in 2007 by removing financial barriers and democratizing access to locally-generated, renewable energy. Sunrun's innovative products and solutions can connect homes to the cleanest energy on earth, providing them with energy security, predictability, and peace of mind. Sunrun also manages energy services that benefit communities, utilities, and the electric grid while enhancing customer value. Today, Sunrun serves more than 933,000 customers across the United States. Discover more at www.sunrun.com.

Our Business

- **6.7** Gigawatts of Networked Solar Capacity
- **1.3 Gigawatt hours** of Networked Storage Capacity
- **10,800** Employees [1]
- **933,000+** Customers
- **90,000+** Solar and Storage Systems
- **22** States
- **5,000+** Cities [2]

Organizational Profile

Sunrun revolutionized the solar industry 17 years ago when we introduced our innovative solar-as-a-service subscription model. We are building a sustainable future for everyone by making clean energy solutions affordable and accessible for millions of people, not just a select few.

Here's how solar-as-a-service works

- We assess the best solar or solar-plus-storage solution to meet a household's energy needs.
- Our experienced team designs and installs a system customized for the household's roof type and home energy specifications.
- The household pays a low, predictable rate for the solar power produced, which is often lower than the rate charged by the local utility, helping families manage their electric bills without large upfront costs.
- We handle the financing, insurance, monitoring, and maintenance for the life of the system.

Sunrun has a long history of combining product innovation with industry expertise to enable people to generate, use, store, share, and sell their own power. Originally a solar-only business, we've quickly grown to become the leading clean-energy lifestyle company. In 2016, we expanded our product line to include home storage, which makes our customers' energy use more efficient and provides them with critical backup power. Sunrun is the nation's largest developer of residential solar-plus-storage systems as well as the largest operator of virtual power plants, empowering customers to participate in the shared clean energy economy. In 2022, Sunrun co-developed the Ford Home Integration System, a revolutionary bidirectional power flow system that makes vehicle-to-home backup and vehicle-to-grid capabilities possible, as well as a Level 2 home electric vehicle charger.



Our Mission, Vision and Values

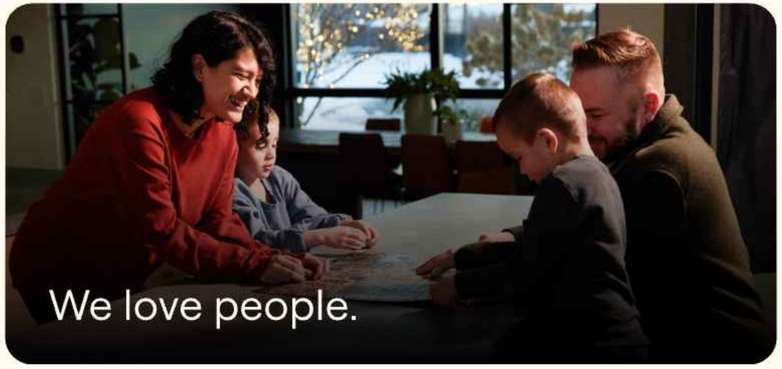
Mission



Vision



Values



We are relentless in our commitment to every Sunrun customer and employee, putting their needs and experiences first and always standing behind our promises. We recognize that serving our customers and employees requires communicating clearly and acting swiftly, with the highest quality in all that we do. At every level of Sunrun, we ask ourselves how we can do more and better serve our customers, employees, communities, and stockholders; this is how we become a beloved, trusted brand.



Our customers rely on us to be innovative, always searching for new and better ways to harness the abundant energy of the sun to improve life on the planet. We are curious and creative, constantly challenging assumptions and building new products and processes to enhance the lives of our customers.



The need for clean energy solutions to combat climate change is urgent, and the opportunity for positive impact is exponential. We are endlessly ambitious in our race to create a planet where clean energy is universal, trusting that our collective efforts will bring shared value to our customers, employees, communities, and stockholders for generations to come.

2023 Sunrun Impact Highlights

Mitigate the Impacts of Climate Change

1+ gigawatt
of Networked Solar Capacity installed



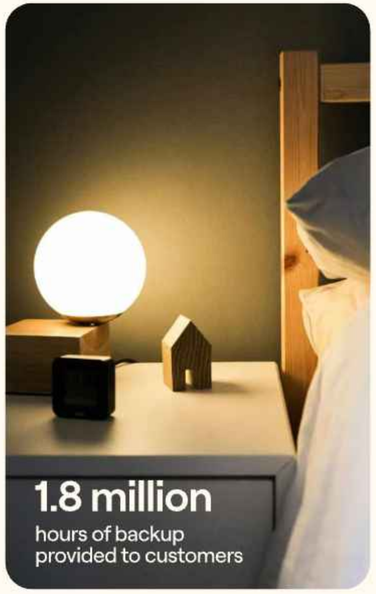
24%
reduction in total emissions

79 billion
gallons of water conserved

570+
megawatt hours of Networked Storage Capacity installed



100%
of batteries and inverters recycled or remanufactured



73%
of warehouse, sales, and corporate vehicle fleet converted to hybrid or electric

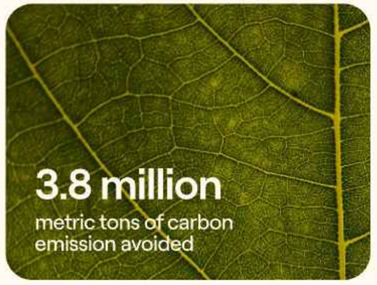
82%
of forklifts at warehouses converted to electric

100%
of solar panels recycled



6.8 billion
kilowatt-hours of solar energy produced

1.8 million
hours of backup provided to customers



3.8 million
metric tons of carbon emission avoided

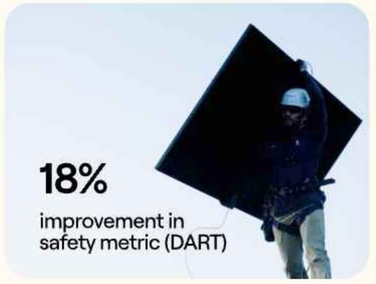
Build a Safe, Diverse, Fair, and Equitable Workforce

307,000
training courses completed

1 New
Sunrun Community (formerly ERGs)



52%
of total workforce identifying as BIPOC



18%
improvement in safety metric (DART)

Improve Energy Equity and Environmental Justice



10,000
volunteer service hours



12,900
hours of on-the-job training for multifamily work

1,085
additional low- and moderate-income homes positively impacted

Our Impact

The environment

Our solar systems have helped accomplish:

32.4 billion Cumulative kilowatt-hours of solar energy produced since 2007

6.8 billion Kilowatt-hours of solar energy produced in 2023

18 million Cumulative metric tons of carbon emissions avoided since 2007

Equivalent greenhouse gas and carbon dioxide emissions from approximately:

4.3 million gasoline-powered vehicles off the roads for one year

46.1 billion miles driven by an average passenger vehicle

48 natural gas-fired power plants offline for a year

5 coal-fired power plants offline for a year

19.8 billion pounds of coal burned

Growing scale and impact



Our work has helped accomplish:

933,000+ Sunrun Customers across the U.S. as of Dec. 31, 2023 [3]

2.4 million Americans impacted by a Sunrun solar system every day [4]

90,000+ Home storage systems installed across the U.S. as of Dec. 31, 2023 [5]

$1.3 billion Savings we have provided to our customers since 2007

54 seconds How often a new Sunrun system is installed [6]

~1 in 5 Solar installations in America is a Sunrun system [7]

Low- and moderate-income communities

Our work with multifamily housing projects has helped accomplish:

188 Cumulative multifamily solar projects completed

12,185 Cumulative households served at low-income properties

36,500 Cumulative residents receiving monthly bill savings

12,900 Hours of solar job training provided by community work in 2023

$9 million Estimated total value of anticipated annual solar savings directly to tenants

$3 million Estimated annual savings to California ratepayers due to decreased electricity rates

Financial Sustainability

Sunrun has experienced tremendous growth during its 17-year history. We strive to generate significant returns for our financial partners while developing a stable financial basis that will enable us to have a lasting influence for decades to come.



Sustainable growth is fundamental to Sunrun's mission, and our operational and financial performance demonstrates our discipline and dedication to this philosophy. We ended 2023 with more than 933,000 customers, a 17% year-over-year improvement. We adapted swiftly to the dynamic environment during the year, adjusting pricing to reflect higher input and cost of capital, improving our cost structure by increasing installation efficiency and overhead cost discipline, increasing our market position, and strengthening our competitive advantages.

We have $14.4 billion of gross solar system assets on our balance sheet, and we have largely funded our growth with non-recourse project debt and tax equity. Sunrun ended 2023 with $14.2 billion in Gross Earning Assets and $5 billion in Net Earning Assets*. As of December 31, 2023, the Company had $9.7 billion in non-recourse debt, which is solely secured by solar energy systems.

2023 Financial and Operation Highlights

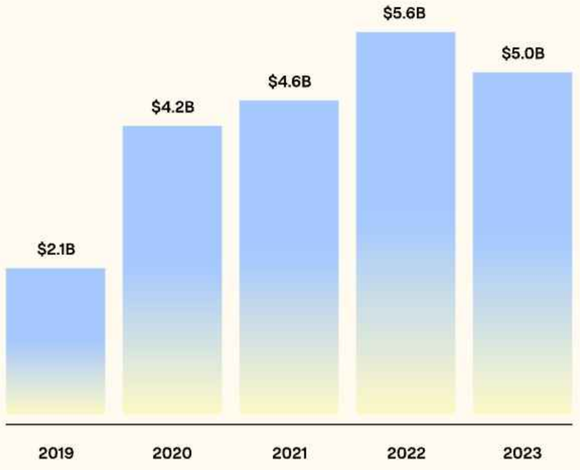
- Total Revenue of $2.26 billion, a decrease of 3% compared to 2022
- Customer Agreements revenue of $1.19 billion, an increase of 21% compared to 2022
- Ended 2023 with $1.3 billion in Annual Recurring Revenue (ARR) with an Average Contract Life Remaining of 17.8 years
- 933,000+ customers at year-end, 17% year-over-year improvement
- Net Earning Assets of $5 billion, including $988 million in total cash

* To reflect the higher cost of capital environment, commencing with 1Q23 reporting Sunrun updated the discount rate assumption used to calculate Gross Earning Assets from 5% to 6%. On a pro-forma 5% discount rate, Net Earning Assets in 2023 would have been $6.7 billion.

Net Earning Assets

2019 - 2023

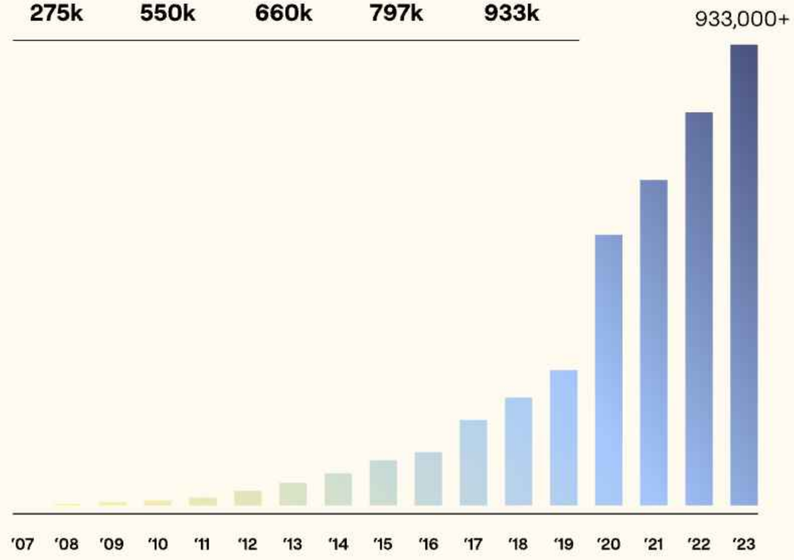
2019	2020	2021	2022	2023
$2.1B	**$4.2B**	**$4.6B**	**$5.6B**	**$5.0B**



Growing Customer base

2007 - 2023

2019	2020	2021	2022	2023
275k	**550k**	**660k**	**797k**	**933k**



Company Recognition

In 2023, we were honored with numerous awards for our commitment to fostering a better workplace, advancing our business, and contributing positively to our planet. These accolades recognize our dedication to prioritizing our employees and valuing diverse backgrounds and experiences.

FAST COMPANY BRANDS THAT MATTER 2023

built in THE BEST PLACES TO WORK Colorado | San Francisco

BEST FOR VETS EMPLOYERS 2023 MILITARY TIMES

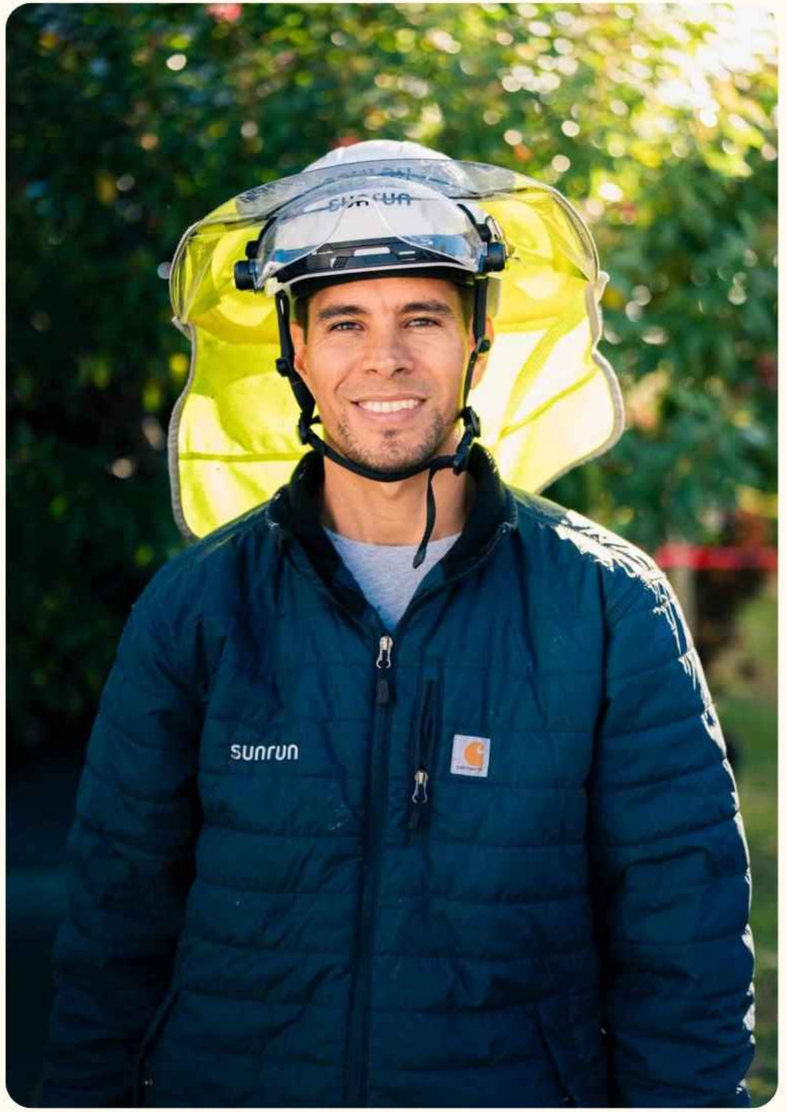
Institutional Investor Best Investor Relations Team for Alternative Energy

Best Company for WOMEN 2023

Best Company CAREER GROWTH 2023

Best Teams SALES 2023

HUMAN RIGHTS CAMPAIGN® Score of 95 on the 2023 Corporate Equality Index

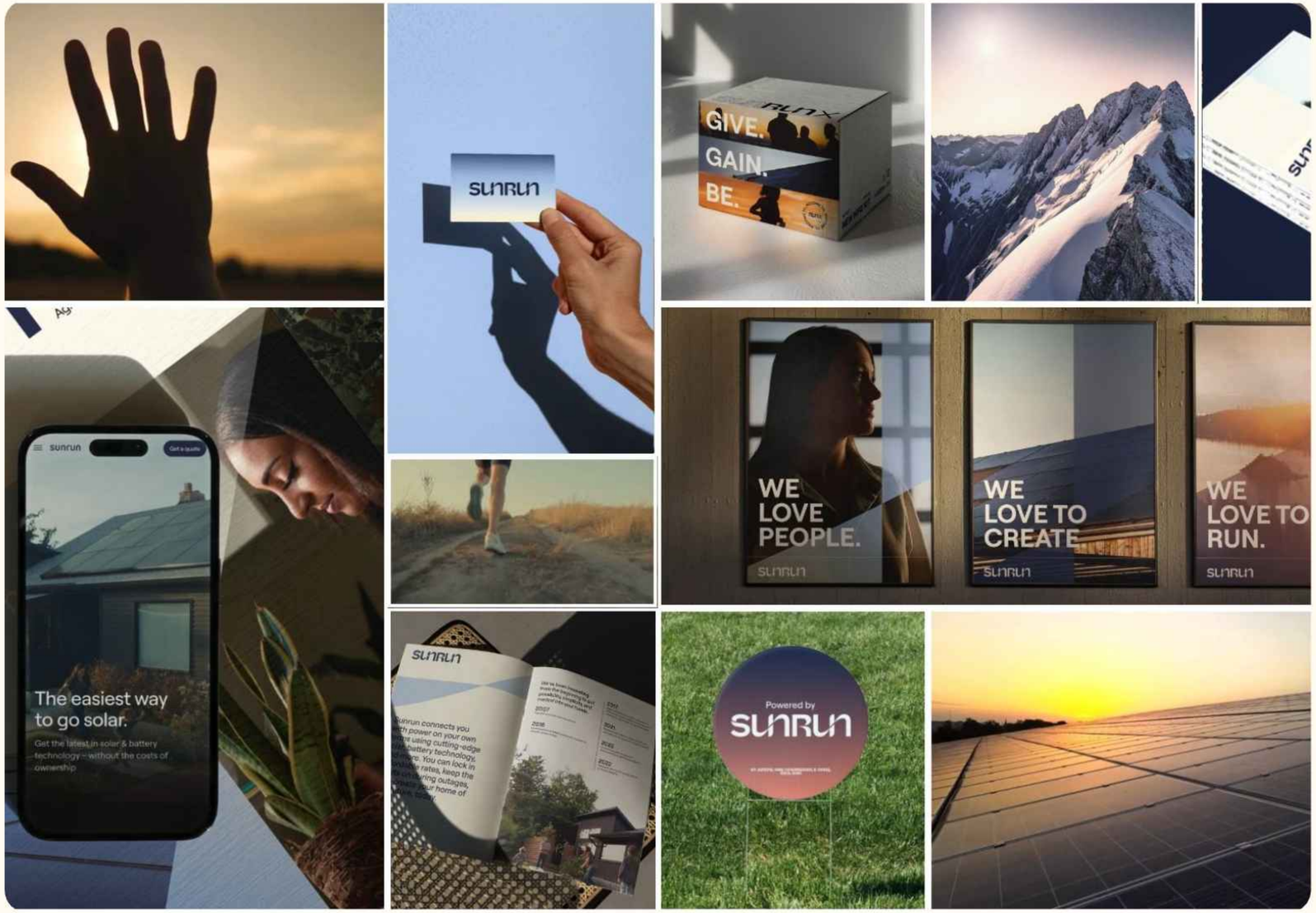


Our New Brand Identity

In 2023, we introduced our new brand identity to reflect the dynamism that a lifestyle fueled by clean energy can provide, including a refreshed logo, color palette, photography, graphics, and brand voice. Our new logo celebrates the power of harnessing the sun's abundant energy and putting it in the hands of consumers.

Our new brand identity also includes a new experience platform, which is a complementary extension of the Sunrun brand, allowing us to fully embody how we deliver experiences to customers and employees. It serves to amplify the energy of our projects and resonate with our company culture with personalized communications and an enhanced employee experience. It's a natural evolution of our brand and signals our future growth.

Our new brand identity is an invitation to the world to run with us. The future of clean energy living is here.



Sunrun Impact Goals and Progress

Consistent with Sunrun's mission and values, we have committed to a number of goals that strengthen our impact on the world and the communities we serve.

We set several long-term goals for our organization in 2021, and we intend to provide an update on our progress toward these goals, as well as any new goals, each year with the publication of our annual Impact Report. We adopted these challenging goals, which have the opportunity to be transformative, and we revise these goals as needed if we are no longer on track for achievement.

GOAL 01 Mitigate the Impacts of Climate Change

Goal	Status	Notes
Reduce overall carbon intensity of operations by 20% from 2021 levels by the end of 2030.	Ahead of Target	We are pleased to report that we are ahead of schedule in meeting this goal, having achieved a 33% reduction in intensity from 2021 to 2023. As explained in the "GHG Emissions" section on page 27, our 2023 Total Emissions decreased is due to a number of factors, some of which were timing-specific. While we are encouraged by this result, we plan to replace this goal with SBTI-aligned targets for 2024.
Adopt science-based emissions reduction targets and achieve net-zero emissions from our operations by the end of 2040.	On Track	In 2022, we began the process of establishing science-based targets for reducing emissions, and we are currently working with the Science Based Targets Initiative to evaluate our proposed goals. We anticipate approval of our targets in 2024, at which point we will disclose and share how they relate to our emissions reduction plan.
Reduce our transportation emissions by converting 100% of our warehouse, sales, and corporate vehicle fleet to electric or hybrid alternatives by the end of 2025.	On Track	We have converted 82% of our forklifts to electric as of December 31, 2023, and we expect this number to increase to 95% by mid-2024. Approximately 73% of our warehouse, sales, and corporate vehicle fleet is now either electric or hybrid, representing a 13% improvement from 2022. We remain on track to complete this goal by the end of 2025.
Reduce our transportation emissions by converting 60% of our installation vehicle fleet to electric or hybrid alternatives by the end of 2030.	Updated Goal	While the emissions from our installation fleet remains the primary driver of our Scope 1 emissions, we continue to be severely restricted by the availability and access to electric and hybrid light-duty trucks, box trucks, and cargo vans, which has limited our ability to convert larger vehicles to lesser-emissions alternatives. Due to supply chain constraints, we are updating this goal accordingly to achieve a 60% reduction by the end of 2030. In the interim, we have continued to implement new last-mile strategies to minimize the number of miles our fleet travels.
Achieve 100% solar panel recycling at each facility by the end of 2023.	Achieved & Goal Renewed	We are pleased to announce that in 2023, we recycled 100% of solar panels. We are renewing this goal in 2024, as it is a key component of our environmental impact.
Achieve 100% battery and inverter remanufacturing or recycling by the end of 2025.	Achieved & Goal Renewed	We are pleased to announce that through our relationships with suppliers and e-waste partners, we remanufactured or recycled 100% of batteries and inverters in 2023. We are renewing this goal in 2024, as it is a key component of our environmental impact.
By the end of 2030, build a network of solar systems that will add enough renewable energy equivalent to avoid carbon emissions by more than 600 million metric tons of CO_2e over their lifetimes.	Behind Interim Target	We set this goal in 2021, anticipating an aggressive growth rate that has exceeded recent slower growth rates in the solar industry, largely due to the implementation of California's Net Billing Tariff and other factors. Nonetheless, while we may experience headwinds as a result of legislative changes and external circumstances, we are committed to achieving this target during this decade. In 2023, we deployed solar energy systems estimated to be equivalent to more than 21 million metric tons of CO_2e avoided over their lifetimes.

Sunrun Impact Goals and Progress

GOAL 02 Build a Safe, Diverse, Fair, and Equitable Workforce

Goal	Status	Notes
Reduce OSHA's Days Away, Restricted and Transferred Rate (DART) by 10% by the end of 2023.	Achieved & Goal Renewed	In 2023, we identified Safety as one of our top priorities. This goal is a component of our 2023 corporate bonus plan, and we are pleased to report that we achieved a 18% improvement in our DART rate, exceeding our target. This was a result of changes throughout the organization, starting with our "At Sunrun, we Start with Safety" philosophy. We are renewing this goal in 2024, and it will remain a fundamental component of our 2024 corporate bonus plan.
Incorporate the principles of diversity, inclusion, and belonging into all we do, while maintaining our focus on pay equity through periodic reviews.	On Track	In 2023, we continued our efforts to build a safe, diverse, fair, and equitable workforce, including our policy requiring diverse interview slates for all director and above roles, as well as diverse interview panels for manager-level roles, to provide candidates with a better experience and a more comprehensive assessment of the candidate. In 2023, we launched our career mobility and growth program, which includes career workshops and a career mobility platform set to launch in 2024.
Support the growth of our Sunrun Communities to promote inclusivity and belonging among our employees, raise awareness, and increase our social impact.	On Track	In 2023, we rebranded our Employee Resource Groups (ERGs) as Sunrun Communities to remove acronyms and improve engagement with our front-line employees. We also introduced Sunrun's eighth community, Arab/MENA (Middle East/North Africa), as well as a new Employee Engagement Network, Young Professionals.
Foster a diverse workforce that represents our customers and the communities in which we live and work by achieving gender parity in director and above roles, as well as BIPOC representation parity in manager and above roles, by the end of 2030, as reflected in our 2021 baseline.	Updated Goal	As of December 31, 2023, employees who identify as Black, Indigenous, and People of Color (BIPOC) held 33% of manager roles, a 2% increase over the previous year. The number of women in director and above roles decreased by almost 2%, down to 26%. We set this goal in 2021, knowing that our targets were ambitious and could be difficult to achieve in a dynamic market. We are trending behind on our intermediary 2025 goals, and we will continue to prioritize our long-term 2030 diverse workforce goals.

Sunrun Impact Goals and Progress

GOAL 03 Improve Energy Equity and Environmental Justice

Goal	Status	Notes
Contribute 100,000 employee volunteer hours by the end of 2030.	On Track	Sunrun employees volunteered for over 10,000 service hours in 2023, which is equivalent to approximately 417 days. In 2023, we also implemented a more extensive platform for tracking volunteer hours as part of the launch of our employee giving program, which features a charitable match based on the number of hours volunteered. We believe that this will act as a spark to significantly increase volunteerism.
Bring at least 500 megawatts of low-income solar to people across the country by the end of 2030, benefiting hundreds of thousands of residents in disadvantaged communities.	On Track	In 2023, we successfully advocated for expanded low-income solar programs in numerous states, while also expanding our programs and services that install solar directly for qualified households and communities. We remain on-track to achieve this goal.



How Our Goals Align with the U.N. Sustainable Development Goals



The United Nations Sustainable Development Goals (UNSDGs) provided a framework in 2015 for organizations to address environmental and social issues, such as poverty, gender equality, and climate change. At Sunrun, we strive to help advance the achievement of these SDG goals through our operations. Our business activities contribute to multiple SDG goals, as they are so interconnected. In all, the 17 goals outline how we can achieve results by 2030. Sunrun is a signatory to the United Nations' Global Compact and The Climate Pledge, and this report constitutes Sunrun's "Communication on Progress" (COP1) under the U.N. Global Compact.

Caring for Our Planet

We are aware of our environmental impact and have set goals to achieve net-zero emissions from our operations. Future generations will thrive in a world powered by clean, resilient solar energy, and it is our mission to provide technology that is sustainably sourced and supports a circular economy. By partnering and innovating throughout our supply chain, we aim to address the most pressing environmental challenges of our time.



People at the Center

Everything we do is focused on people. Our success depends on the health, safety, and wellbeing of our employees, customers, supply chain partners, and the communities we serve. By developing a more inclusive and diverse workplace that welcomes a variety of viewpoints and experiences, we advance our mission of connecting people to the cleanest energy on earth.



Foundation of Ethics

We are responsible for instituting and adhering to strong, ethical corporate governance processes and policies that represent our ethics and values. Our commitment requires that we hold ourselves accountable for creating and working toward quantifiable targets and to frequently report on our performance across our priority areas in a manner that informs, engages, and is transparent to all stakeholders.



How Our Goals Align with the U.N. Sustainable Development Goals cont.



Goal 1: No Poverty

Sunrun has pledged to install at least 100 megawatts of solar on affordable housing in California before 2030. Through our completed multifamily work, we anticipate $9 million in annual solar savings will go directly to 36,500 tenants in affordable housing units. We have also supported more than 12,900 hours of solar job training in 2023 from this work.



GOAL 2: Zero Hunger

Sunrun is committed to ensuring a sustainable world that supports health, safety, and equality for all. We are creating good-paying jobs, promoting employee wellness programs, and helping customers save over $1.3 billion in energy costs. We are also proud to continue supporting SF/Marin Food Bank, the Utah Food Bank, and Food Bank of the Rockies through our Sunrun Empowered Giving Program.



GOAL 3: Good Health and Well-being

Sunrun has generated 32.4 billion kilowatt-hours of solar energy since 2007, enabling the avoidance of an estimated 18 million tons of CO_2e from entering the atmosphere. This number will continue to grow over the next decade. The energy from home solar and storage displaces fossil fuel power plants, creating better, healthier air for all.



GOAL 4: Quality Education

Sunrun promotes and supports solar job training programs in low- and moderate-income communities throughout the country. We have supported tens of thousands of hours of job training over the past decade, working with partners like GRID Alternatives and several others.



GOAL 5: Gender Equality

Sunrun was the first national solar company to achieve 100% gender pay parity. In 2016, we also committed to the White House Equal Pay Pledge and the California Equal Pay Pledge in 2019. As of December 31, 2023, 56% of Sunrun's Board of Directors and 33% of its executive leadership team were women.



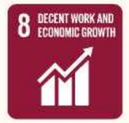
GOAL 6: Clean Water and Sanitation

We integrate product end-of-life considerations into our Environmental Management System (EMS), and in 2023, we recycled 100% of solar panels and 100% of batteries and inverters. Responsible end-of-life management of product life cycles is a key factor in maintaining clean water reserves.



GOAL 7: Affordable and Clean Energy

This goal is the underlying mission of our business. Our revolutionary solar-as-a-service subscription model has made clean, reliable home solar affordable and accessible for millions. We are leading the way with our work installing solar on low- and moderate-income multifamily households across the country.



GOAL 8: Decent Work and Economic Growth

Financial sustainability and ethical business practices are core to the company's philosophy. We ended 2023 with more than 933,000 customers, a 17% year-over-year improvement. We are one of the largest solar asset owners in the world.



GOAL 9: Industry, Innovation, and Infrastructure

Sunrun is constantly innovating to build the energy system of the future. We are creating a vast network of connected homes with battery storage systems to create what's known as "virtual power plants." Sunrun has more than a dozen virtual power plants in operation or under contract. These programs help displace fossil fuel plants, reduce air pollution, and make energy cheaper for all.



GOAL 10: Reduced Inequality

We seek to attract, develop, advance, and retain the most diverse talent and focus on hiring underrepresented groups across all functions and levels. Sunrun signed both the CEO Action for Diversity & Inclusion and the Catalyst CEO Champions for Change pledges. These commitments will help Sunrun achieve our goals of becoming a model for gender equality, diversity, and inclusion.

How Our Goals Align with the U.N. Sustainable Development Goals cont.

GOAL 11: Sustainable Cities and Communities

Sunrun's local solar-plus-storage systems are working every day to reduce the amount of local air pollution in communities by generating clean, renewable energy from the sun. Our networked energy systems are also helping to retire fossil fuel plants, many of which are disproportionately impacting vulnerable and low-income communities.

GOAL 12: Responsible Consumption and Production

Sunrun engages in the most responsible end-of-life equipment programs in the industry, and we expect all of our vendors to adhere to the policies set forth in Sunrun's Vendor Code of Conduct. We integrate product end-of-life considerations into our EMS and have plans to decommission, redeploy, resell, or recycle our energy systems.

GOAL 13: Climate Action

Creating an affordable, clean, and resilient distributed energy system is a direct adaptation to climate change. We are working every day to expand access to affordable, clean energy. Our solar-plus-storage systems have enabled the avoidance of an estimated 18 million tons of CO_2e from entering the atmosphere.

GOAL 14: Life Below Water

Ocean acidification is caused by the ocean absorbing large amounts of carbon dioxide. Sunrun is committed to ensuring a more sustainable world. Our solar-plus-storage systems have enabled the avoidance of an estimated 18 million tons of CO_2e from entering the atmosphere, helping to preserve our precious water-based environments.

GOAL 15: Life on Land

Climate change is having a devastating impact on our land, including an increase in droughts, fires, floods, and other extreme weather events. Our solar-plus-storage systems have enabled the avoidance of an estimated 18 million tons of CO_2e from entering the atmosphere, helping to preserve our precious land-based environments. We are putting solar on built spaces like single-family and multifamily homes, which preserves our ever-decreasing open spaces across the country.

GOAL 16: Peace and Justice Strong Institutions

Sunrun strives to create an open and inclusive culture where everyone's unique backgrounds, thoughts, experiences, and abilities are welcomed, valued, respected, and celebrated. In 2023, we expanded our eight Sunrun Communities to create and sustain a workplace where everyone belongs.

GOAL 17: Partnerships to achieve the Goal

Sunrun works hand in hand with advocacy groups, nonprofits, policymakers, utilities, and other clean energy industry stakeholders to ensure we are working toward improving energy equity and environmental justice.



Our Approach

Our Sustainability Journey

Over time, we've developed and strengthened our sustainability strategy and goals to better align with our mission, values, and culture, while also improving transparency and reporting structures.

















2007

Sunrun is founded in San Francisco, CA

2008

First 1,000 customers reached

2015

Launched IPO, becoming publicly traded on Nasdaq

2016

First national solar company to commit to the White House Equal Pay Pledge

Solar-plus-storage offering introduced

2017

First Impact Report published

Sunrun employees quickly respond during Hurricane Maria, installing solar and batteries at fire stations in Puerto Rico

2018

Expanded solar-plus-storage service to Puerto Rico

Signed CEO Action for Diversity & Inclusion

Launched multifamily division to serve low- and moderate-income households

2019

Formed ESG Executive Committee

Signed on to the first California Pay Parity Pledge

Launched first virtual power plant program

2020

Became the nation's largest residential solar company

2021

Established Sunrun Impact Goals

2022

Introduced Sunrun Empowered Giving Program

Signed the United Nations Global Compact and Amazon's Climate Pledge

Began Reporting under the Task Force on Climate-related Financial Disclosures framework

2023

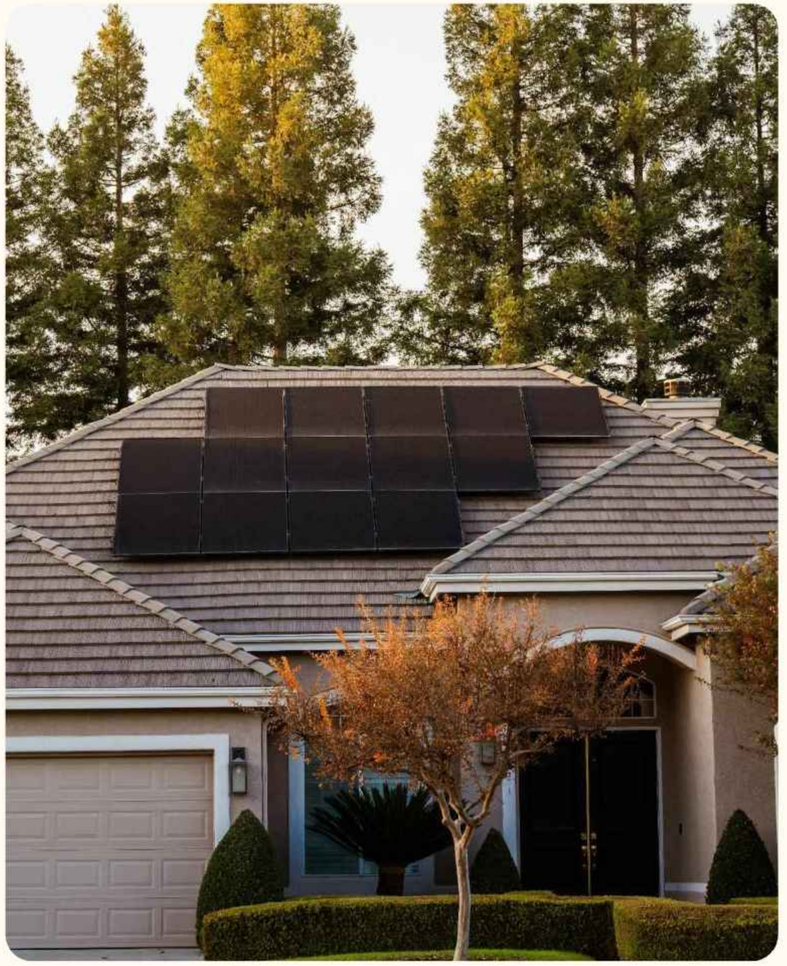
Added ESG-related metrics to corporate bonus plan

Committed to adopting emissions reduction goals with the Science Based Targets Initiative

Achieved Impact Goals of 10% reduction in OSHA DART rate and 100% recycling of solar panels

Our Priority Issues

As the nation's leading provider of clean energy as a subscription service, we recognize our responsibility to be a positive force for economic, environmental, and social good in the world. To be most effective in all aspects of our business, we must first identify the issues that are most important to our employees, customers, stockholders, and the communities in which we operate, and then prioritize them in our decision-making, goal-setting, and reporting.



Following an analysis of our operations and opportunities to make a positive difference, our Executive ESG Committee and Nominating, Governance & Sustainability Committee determined that Emissions Reduction, Safety, Customer Experience, and Diversity are the most important priority issues for our business. By focusing on these, we will be better positioned to achieve our long-term business goals while also contributing to a more sustainable and brighter future for everyone.

Emissions Reduction

Since day one, our mission has been to connect people to the cleanest energy on earth. It is core to our business model. We constantly evaluate new and innovative ways to help our customers reduce their emissions while simultaneously reducing our own.

Safety

At Sunrun, we start with safety. We are committed to promoting safety throughout all of our operations and believe that it is essential for protecting our employees, customers, and the environment. Failing to uphold rigorous safety standards can result in accidents, injuries, and reputational harm.

Customer Experience

Our customers are our North Star. Providing them with an exceptional experience at every touchpoint, as well as superior products and services, is not only critical for generating long-term, sustainable value, but also for strengthening and building a more reliable energy system in their communities.

Diversity

Prioritizing diversity can enhance innovation, decision-making, and financial success. We believe that diversity positions us to attract and retain top talent, making us a better, stronger organization for our customers and investors.

ESG Governance



We implement best practices for performance throughout our organization. In 2019, we formed our ESG Executive Committee, a formal body of senior management tasked with driving ESG-related performance, reporting initiatives, and prioritizing internal resources dedicated to advancing our goals and objectives.

Our ESG Executive Committee meets on a quarterly basis, and each meeting includes a review of our Sunrun Impact Goals to measure our progress as well as a discussion and analysis of potential risks. We also share our goals and priorities with the Company's extended leadership team, encouraging them to incorporate our goals into their team's objectives and key results.

Our Nominating, Governance, and Sustainability Committee is responsible for board-level oversight of ESG matters, including the oversight of climate-related opportunities and risks; however, the Audit Committee also reviews ESG risks as part of the Company's enterprise risk management process. The full Board reviews our ESG programs and disclosures annually.

Board and Committee ESG Governance

Board of Directors
Nominating Governance and Sustainability Committee
Audit Committee

- Has primary responsibility for oversight of ESG matters generally and their alignment with business priorities
- Reviews and makes recommendations to the Board, as appropriate, regarding our ESG practices and operational initiatives
- Oversees responsible sourcing program and related supply chain risks
- Oversees corporate political activity
- Receives reports on ESG stockholder engagement, investor feedback, and general ESG-related developments

Management ESG Governance

ESG Executive Committee
Members of Senior Leadership Team

- Provides management-level oversight and coordination of ESG efforts
- Chaired by a member of our senior leadership team and composed of representatives across several business functions including Communications, Corporate Governance, Finance, Government Relations, Human Resources, Internal Audit, Investor Relations, Legal, Sustainability and Tax
- Meets quarterly, with working group members meeting more frequently as needed
- Identifies key ESG-related issues, potential risks, and ensures our ESG strategies support the business and long-term value creation for customers and investors

Our Value Chain

Our operational strategy centers on 17 years of executing our mission to connect people to the cleanest energy on earth. Using our values to guide our day-to-day operations and decision-making process, we identify areas where we can generate the most value for customers, communities, and stockholders while positioning ourselves to achieve our Sunrun Impact Goals.

Upstream →

Sourcing and Materials

- Human rights
- Responsible sourcing
- Environmental protection

Product Manufacturing

- Approved suppliers
- Supplier audits
- Sustainability goals

Sustainability

- End-of-life considerations
- Clean energy products

Operations →

Product Distribution

- Efficient distribution channels
- Branch and warehouse optimization
- Effective transportation

Installation Sites

- Carbon emissions reduction
- Employee safety
- Recyclable products
- Material disposal

Employees

- Diversity, equity, and inclusion
- Pay equity
- Competitive wages and benefits
- Learning and development
- Employee feedback

Warehouses, Branches, and Corporate

- Corporate governance
- Data security and privacy
- Public policy
- Business Code of Conduct and Ethics

Downstream →

Customers

- Sustainable products
- Eco-friendly actions
- Energy reliability
- Cost savings
- Consumer protection

Communities

- Sunrun Empowered Giving
- Improved grid reliability
- Reduced air pollution
- Disaster response
- Local job creation

End of Life

- Product recycling
- Product redeployment
- Responsible waste management

Stakeholder Engagement

We have identified internal and external stakeholders with whom we engage to ensure that our products and services benefit the people and communities we serve. These stakeholders include association groups, communities, customers, employees, governments, and investors. Stakeholders can easily access essential disclosures and information regarding our company's oversight and management of ESG matters via our Investor Relations website.

The goal of our stakeholder engagements is to gather insights, confirm business priorities, and make necessary adjustments to objectives. Through solicited feedback and communication from our stakeholders, we can better assess our impact, refine our short- and long-term goals, track our progress, and develop strategies to promote change and deliver greater value.

Stakeholders	Engagement
Association Groups	On a number of levels, we actively engage with association groups interested in our business and industry. We contribute to and participate in industry initiatives focused on raising awareness of clean energy solutions as well as the responsibilities that we collectively uphold.
Communities	We support the communities where we operate through disaster relief efforts, charitable giving, and solar job training programs. We also support communities through our virtual power plant programs, which bolster the grid and protect all ratepayers from rising electricity costs and harmful pollution.
Customers	We consistently receive invaluable feedback from our customers through surveys and phone calls, which provide us with profound insights into their preferences and experiences. Their feedback influences our strategy and helps us address their ever-changing needs and identify product suggestions, enabling us to continuously enhance our offerings and deliver greater value.
Employees	We regularly survey our employees to gauge their job satisfaction and overall well-being. We then take action to improve their working environment and provide helpful resources. We also encourage our employees to make eco-friendly choices, including experiencing the benefits of solar-plus-storage products by participating in our employee purchase program.
Governments	We strive to maximize the influence of government policies on our business through advocacy efforts, cultivating relationships, and engaging in political activities. Additionally, our employees fund a bipartisan political action committee and we support relevant trade associations.
Investors	We engage with stockholders on a year-round basis facilitated by our investor relations and executive leadership teams. This engagement involves personal communications, meetings, conferences, and various events.



Stakeholder Considerations

Priority Touchpoint	Impacted Area	Impacted Stakeholders
Mitigate the Impacts of Climate Change		
Products and Offerings	Solar, storage, and electric vehicle solutions	● ● ● ● ● ●
Energy Use	Carbon emissions	● ●
Water Use	Conservation and responsible use	● ●
Transportation	Carbon emissions	● ● ● ● ●
End of Life	Waste, recycling, redeployment	● ● ● ● ● ●
Hazardous Materials	Waste, disposal	● ● ● ● ● ●
Build a Safe, Diverse, Fair, and Equitable Workforce		
Employee Development	Training, education, promotion, support	● ● ● ● ●
Employee Well-Being	Safety, health, wages, hours	● ● ● ● ●
Diversity & Inclusion	Employee engagement, workforce diversity, talent acquisition, communities	● ● ● ● ● ●
Governance	Ethics, culture, data privacy and security, risk management	● ● ● ● ● ●
Improve Energy Equity and Environmental Justice		
Community Support	Diverse, equitable and inclusive communities, trades training, veterans and military families, disaster repsonse	● ● ● ● ● ●
Responsible Business		
Data Security & Privacy	Privacy , data protection, cybersecurity, transparency	● ● ● ●
Public Policy	Laws, regulations, lobbying, trade groups	● ● ● ● ● ●
Responsible Sourcing	Third-party worker safety, health, wages, hours, unforced labor	● ● ●

Association Groups · Communities · Customers · Employees · Governments · Investors

Mitigating the Impacts of Climate Change

We recognize that climate change is a global issue; however, we believe that Sunrun has the potential to make an impact by reducing our own carbon footprint through conservation, increased efficiency, and recycling, as well as helping households in reducing their carbon footprint through the adoption of our solar and storage products.

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Sunrun's Climate Change Strategy

In recent years, the energy sector has undergone significant transformation, while customer expectations and needs have consistently evolved. This trend persisted in 2023 as a result of the constraints posed by international conflicts and a dynamic business environment, such as rising utility rates, frequent power outages, regulatory hurdles, and the intensifying need to address the climate crisis. To respond to the fast-changing macro environment and fulfill the increased demand for clean energy, we prioritized performance efficiencies and a strong customer value proposition through product innovation and differentiation.

Climate change is reaching alarming levels due in large part to emissions from burning fossil fuels for electricity generation and transportation, which have historically been among the largest polluters in the United States and worldwide. Greater awareness of our industry-leading solar-as-a-service subscription model, which makes mass adoption of clean energy technology possible by removing the financial barriers of entry for millions of Americans, will have the greatest impact on greenhouse gas emissions in these two sectors.

As the demand for electric vehicles and home electrification increases, so will residential electricity consumption. Sunrun has introduced multiple charging options for electric vehicles, including its Level 2 home charger and Home Integration System, a bidirectional charging solution developed in collaboration with Ford Motor Company. Both of these products can harness the sun's power with solar panels for at-home charging. Our products and services reduce our customers' dependence on polluting fossil fuel power plants and prevent more lifetime emissions than they produce.

Since 2007, Sunrun has deployed 6.7 Gigawatts of Networked Solar Capacity, helping enable the avoidance of an estimated 18 million metric tons of carbon dioxide. With more than 933,000 customers and 90,000 solar and storage systems deployed, we are increasingly networking these solar energy resources to form virtual power plants, which offer greater grid resilience and precision than inefficient centralized infrastructure and directly reduce the amount of harmful emissions entering the atmosphere by displacing fossil fuel-burning peaker power plants.

Our ability to achieve sustainable, profitable growth while meeting the needs of our customers and combating climate change is largely attributable to the strategic investments we've made over the past several years to streamline our operations, enhance the customer experience, and deliver a compelling customer value proposition. We will capitalize on the momentum generated by these strategic investments and continue to invest in our business to achieve the following objectives:

- Reduce our operations' emissions and total carbon intensity
- Recycle 100% of our equipment at each of our locations
- Bring solar energy to underserved communities
- Build a better, faster, and stronger organization for our customers, employees, and the planet
- Cultivate a diverse workforce that is representative of our customers and the communities in which we operate

We believe that these objectives will allow us to have a greater impact on climate change, and we are committed to achieving them. We have the right plan and a highly motivated, focused, and experienced team to navigate challenges with success. As utility prices continue to climb and consumers seek affordable, clean, and predictably priced energy, our value proposition to customers continues to increase.



GHG Emissions

Sunrun's calculations of greenhouse gas emissions adhere to the GHG Protocol Corporate Standard. We prepared our first emissions inventory in 2017 and have provided GHG reporting every year since. We hold ourselves to high accountability standards, and we believe that data accuracy and integrity are paramount as we work with the Science Based Targets Initiative to adopt science-based emission reduction targets. Please refer to our GHG Accounting section for more details about our decision-making process and refined methodology.

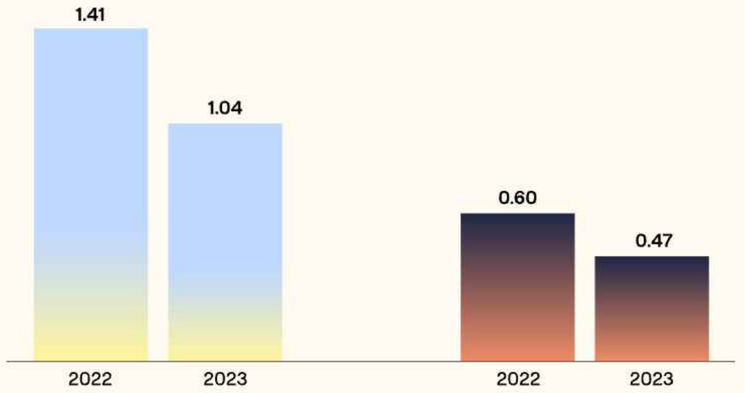


In 2023, we experienced a reduction in our Scope 1 and 2 direct emissions due to the decrease in office and warehouse space, as well as transportation efficiencies, which resulted in lower natural gas and fuel usage. Additionally, our Scope 3 indirect emissions decreased as a result of a 41% reduction in inventory held, along with improved data collection, which provided greater granularity and specificity of inputs with larger amounts of supplier- and product-level data for a more precise understanding of total emissions. These initiatives collectively contributed to a notable decrease in emissions intensity compared to the previous year.

GHG Emissions and Carbon Intensity	2021	2022	2023	2022-2023 % Change
Direct Emissions (Scope 1) (Thousand MTCO2e)	38	62	59	-5%
Electricity Indirect Emissions (Scope 2) (Thousand MTCO2e)	3	7	6	-11%
Other Indirect Emissions (Scope 3) (Thousand MTCO2e)	1,191	1,331	1,000	-25%
Total Emissions from Operations (Thousand MTCO2e)	1,232	1,400	1,065	-24%
Emissions Intensity per MW (Thousand MTCO2e / MW Deployed)	1.56	1.41	1.04	-26%
Emissions Intensity per $M (Thousand MTCO2e / $M Revenue)	0.77	0.60	0.47	-22%

GHG Emissions

2022 - 2023



Positive Carbon Returns

We deployed approximately 1,022 megawatts of solar energy in 2023. Over the next 30 years, these systems have the potential to generate 37.1 billion kilowatt-hours of solar energy, which is estimated to be equivalent to 21 million metric tons of CO2e avoided. This amount is 19.5 times greater than the amount of CO2e emitted to deploy these systems, suggesting that the systems we have deployed negate significantly more emissions than we produce.

Furthermore, our solar energy systems prevent more GHG emissions than they produce over the course of their life cycle, resulting in a net-positive carbon balance. On average, after only 18 months of operation, a Sunrun solar energy system will have generated enough clean energy to offset any emissions produced during manufacturing and installation. Sunrun systems have a lifespan of 30 years or more, and 95% of that time is spent helping enable the avoidance of harmful greenhouse gases.

Emissions Considered	Carbon Payback Period (Years)	Positive Carbon Returns (Years)
Operations + Supply Chain	1.5	28.5

For each metric ton of CO2e that Sunrun emitted in 2023, the solar energy systems deployed in the same year are expected to produce enough clean energy to help enable the avoidance of more than 19.5 metric tons of CO2e emissions over 30 years.

For each metric ton of CO2e that Sunrun emitted in 2023, our entire fleet of solar energy systems has produced enough clean energy to help enable the avoidance of approximately 3.6 metric tons of CO2e from entering the atmosphere.



Preserving Clean Air and Water

Traditional fossil fuel combustion emits air pollutants such as nitrogen oxides, sulfur oxides, and particulate matter, which contribute to the formation of ozone. Sunrun's solar systems have reduced these harmful air pollutants, as well as potent greenhouse gases such as methane, by lowering household consumption of fossil-fuel electricity. Sunrun has also lowered carbon emissions because solar electricity sources emit fewer greenhouse gases per kilowatt-hour than fossil fuels over their lifetimes.

Generation Source	Carbon Dioxide Emissions (g/kWh)
Residential Solar	41 [8]
Natural Gas	440 [9]
Coal	1,043 [10]

Sunrun's solar and storage systems not only reduce air pollutants and greenhouse gases but also contribute to water conservation compared to traditional power plants. Unlike thermoelectric power plants, such as natural gas, nuclear, and coal plants, which require substantial water withdrawals for cooling purposes, home solar systems operate without the need for freshwater consumption. According to the Energy Information Administration, thermoelectric power plants withdrew approximately 48 trillion gallons of water in 2021, averaging nearly 11,600 gallons[11] per megawatt-hour produced. Coal-fired generation alone contributed to a 770 billion gallon increase in water withdrawals in 2021.

Solar energy production reduces the need for thermoelectric energy, thereby preserving water resources. Based on the electricity generated by Sunrun's solar systems in 2023, an estimated 79 billion gallons of water were conserved, assuming the energy generated resulted in a corresponding decrease in thermoelectric power production.



GHG Accounting Data Sources and Methodology

This year, we continued to follow the Greenhouse Gas Protocol methodology, a well established and comprehensive global framework with which to measure an organization's emissions, and expanded our efforts to calculate our entire GHG footprint. Below we provide the details of what was included in our GHG calculation.

Scope 01

These are direct emissions from owned or controlled sources. For Sunrun, this includes natural gas consumption used by leased facilities and fuel used by our leased fleet of vehicles.

Scope 02

These emissions are indirect emissions from the generation of purchased energy. Sunrun's Scope 2 emissions are primarily from purchased electricity, either directly or through office leases. Additionally, both market and location-based emissions are reported, as recommended by Scope 2 dual reporting guidance. The location-based method calculates emissions based on electricity consumption of the grid at the location where the energy is used, taking into account the regional fuel mix used to generate the electricity within the locations and time periods of operation. The market-based accounting method enables the application of utility based emissions factors and other energy contract instruments. Per the Protocol, both are reported, and the location-based result is included in the total emissions.

Scope 03

These are all indirect emissions (not included in Scope 2) that occur in Sunrun's value chain, including both upstream and downstream emissions. Sunrun's Scope 3 emissions include purchased goods and services, upstream transportation and distribution, business travel, capital goods, employee commuting and teleworking, waste generated in operations, end-of-life, processing of sold products, and fuel and energy related activities. Emissions categories excluded from this scope are listed below and were found to be immaterial to Sunrun's overall footprint.

- Use of sold products: Solar panels do not generate emissions during their usage.
- Franchises: Sunrun does not have any franchises.

Calculation Process

Sunrun used primary data for the calculation of Scope 1 emissions, based on gasoline, diesel, propane, and natural gas consumption. For Scope 2, we used a location based and market based approach to determine emissions from purchased electricity for our leased facilities. For Scope 3, we used primary data to determine the following emissions: waste generated in operations, 17 suppliers (we used primary data from four suppliers as proxy for the remainder), channel partners (we used Sunrun's primary data as a proxy for our channel partner emissions), transportation and distribution, end-of-life, and fuel-and-energy related activities. For the remaining categories, we either used spend-based data or employee counts for estimations.

Extended Carbon Calculations

Carbon balance calculations are based on derated expected production over 30 years. All kilowatt-hour values are translated into metric tons of CO2e emissions avoided using the GHG equivalencies calculator provided by the United States Environmental Protection Agency.

The carbon payback period is derived by taking Sunrun's carbon footprint and dividing that figure by systems deployed in the period. This gives us the carbon footprint of the average system deployed in the period, which, when divided by the expected carbon avoided of the average system, results in the carbon payback period. Calculations for the comparison to fossil fuel are based on average Sunrun system size deployed, expected average system production, which is derated over 30 years, and Surnun's carbon footprint. Fossil-fuel figures for other sources of energy were taken from a 2013 study by the National Renewable Energy Laboratory (NREL), Life Cycle Greenhouse Gas.

Emissions from Electricity Generation

Calculations for avoiding air pollution and water consumption are derived from expected average system production derated over 30 years. Thermoelectric power generation, on average, requires 11,600 gallons of water to produce 1 megawatt hour of electricity.



Electrifying Our Vehicle Fleet

We have made significant progress, particularly in converting forklifts and sedans. As of December 31, 2023, about 82% of our forklifts are electric, and we expect that number to climb to 95% by mid-2024. Additionally, 73% of our sales and corporate vehicles are now electric or hybrid, a 13% increase from the previous year.

Our emissions reduction goals include converting 100% of our warehouse, sales, and corporate vehicle fleets to electric or hybrid alternatives by the end of 2025, and 60% of our installation vehicle fleet to electric or hybrid alternatives by the end of 2030.

While the electrification of our installation fleet remains the primary driver of our Scope 1 emissions, we continue to be severely restricted by the availability and access to electric and hybrid light-duty trucks, box trucks, and cargo vans, which has limited our ability to convert larger vehicles to lesser-emissions alternatives. In the interim, we have continued to implement new last-mile strategies to minimize the number of miles our fleet travels.

Exploring Last-Mile Delivery Solutions
We continue to explore and implement a variety of routing and last-mile delivery solutions to minimize the number of miles our fleet travels. This includes eliminating unnecessary trips to the warehouse, a reduction in employees traveling to warehouses, and using smaller, less energy-intensive vehicles where possible.







Environmental Management System

Being the largest residential solar provider in the United States comes with great responsibility. We are environmental stewards at our core. This means we make improvements to our environmental management system (EMS), and we keep a close watch on our value chain, which helps us define environmental performance metrics and set ambitious new benchmarks. In 2023, we continued involving our vendors in utility reporting and saw improved results in Sunrun's EMS program.

Resource Efficiency and Pollution Prevention

Sunrun has made significant strides in reducing waste generation, greenhouse gas emissions, and advancing our end-of-life product stewardship. In 2022, Sunrun formalized a partnership with SOLARCYCLE to recycle or reuse decommissioned solar panels and other solar system equipment. And in 2023, we achieved our goal to reuse or recycle 100% of our solar panels.

Supplier Responsibility

Sunrun is dedicated to reducing emissions, and we expect our supply chain partners to do the same. We have directly engaged with our strategic suppliers to obtain primary environmental data that helps us better understand their role in Sunrun's emissions footprint, and we continue to work together to further drive emissions reduction efforts.

Employee Awareness

Our employees have opportunities to develop environmental knowledge and skills that help them lessen their personal environmental impacts. In 2023, Sunrun introduced an Employee, Friends & Family Purchase Program. The program allows employees and those close to them to utilize Sunrun's products and services to gain more control over their energy use and consumption. By offering a preferred purchase experience and competitive rates, Sunrun employees are able to spread awareness to their family and friends about the benefits of solar-plus-storage systems.









Environmental Impacts in the Supply Chain

Sunrun's supply chain is an integral part of our environmental impact. It is crucial that we continue to drive improvements throughout our entire supply chain by identifying risks in advance and engaging with suppliers who share our commitment to a healthy, just, and sustainable world. Therefore, our Vendor Code of Conduct, which all suppliers are required to execute and comply with, includes policies on environmental preservation, sustainability, and ethical mineral sourcing.

Sunrun collaborates with industry-leading third-party auditors to audit the quality and traceability of direct material suppliers in order to identify and evaluate social and environmental risks. To date, Sunrun has conducted factory quality and traceability audits of suppliers who account for more than 50% of our direct material expenditures, and we are increasing our efforts to reach 80% by the end of 2024. We plan to expand this approach by incorporating a supplier ESG assessment scope into qualification assessments for all new vendors. The Supplier Quality function at Sunrun establishes the evaluation criteria for suppliers during the qualifying process and then collaborates with third-party, independent auditors to confirm supplier compliance with those requirements. As part of the supplier qualification and onboarding process, all new direct material suppliers will also be audited against the same criteria. Sunrun seeks to reduce our carbon intensity by making our supply chain more efficient and reducing our transportation emissions. In addition to reducing our environmental impact, this strategy also reduces our business costs.



Equipment Recycling

As we continue to scale our operational footprint and deploy more solar energy systems, we bear responsibility for managing the end-of-life cycle of our hardware products. In 2023, Sunrun redeployed or recycled 100% of decommissioned solar panels. Additionally, through our relationships with suppliers and e-waste partners, we remanufactured or recycled 100% of decommissioned batteries and inverters in 2023.

Sunrun uses monocrystalline and multicrystalline photovoltaic modules, thereby avoiding the growing concerns about hazardous materials present in alternative chemistries such as thin-film modules. We now have processes in place to sustainably dispose of modules, batteries, inverters, and other electronic equipment used in installations through partnerships with third-party recycling and refurbishment vendors, such as SOLARCYCLE, Recycle PV Solar, Echo Environmental, and other groups associated with the Solar Industry Energy Association's (SEIA) National PV Recycling Program. These vendors are certified under the Responsible Recyclers R2:2013, OHSAS 1800:2007, and ISO 14001:2007 standards. We are also working with our third-party vendors to redeploy or resell modules to support a reduced environmental impact overall. Learn more about the industry's approach to lifecycle considerations from SEIA.



Supporting Reforestation

Sunrun has joined forces with Veritree to plant over 1 million trees. The effort will help restore degraded landscapes and is being done to honor Sunrun's customers and employees.

Sunrun believes that an important part of addressing biodiversity loss and climate change is to take immediate action that will have lasting results. Veritree ensures that each tree is planted and protected and that all donations have an impact. The planting of 1 million trees will help restore the environment and support local communities.



Promoting Customer and Community Eco Actions

Sunrun is committed to empowering homeowners and communities to make environmentally responsible choices. Our solar-plus-storage solutions, electric vehicle charging, and smart-home technology pave the way for a more sustainable and abundant clean energy lifestyle.

Through our offerings, Sunrun customers can generate and share stored solar power with neighbors and their local utility, bolstering the electrical grid and reducing reliance on fossil fuels. By educating customers and providing reliable, clean energy products, we aim to advance environmental goals and create a greener future.



Meeting Global Challenges with Local Solutions

The climate crisis is the defining challenge of our time, as well as our greatest opportunity to improve our communities with abundant, solar energy. Sunrun is committed to developing a local, human-centered energy system with home solar, storage, and other clean energy solutions to reduce humanity's adverse effects on the environment. Sustainability leadership and a commitment to being good environmental stewards and leaving the planet in a better state for future generations underpin our work. Recent climate-related events underscore the urgency of achieving greater energy independence. Aging centralized energy infrastructure struggles to cope with surging electricity demand and the escalating impacts of climate change-induced extreme weather events.

Across many states, strained electric grids are grappling with capacity issues, leading to soaring energy costs and frequent disruptions. Warnings of potential outages and blackouts due to capacity constraints and extreme weather have prompted energy conservation efforts nationwide, affecting more than 140 million people across 40 states[12]. In preparation for ongoing grid challenges, Sunrun stands ready to support the nation's energy needs with a Networked Storage Capacity of 1.3 gigawatt hours, offering a vital resource to alleviate grid shortages and mitigate blackouts across the country.

Customer Experience

A differentiated customer experience and superior products and services are critical factors in creating long-term sustainable value.

To ensure we're addressing our customers' changing needs, interests, and concerns, we solicit their feedback through several online customer satisfaction surveys. Based on their feedback, we identify opportunities and address issues that improve their solar experience. Customer input also helps us to develop experience training for customer-facing business functions, as well as drive product innovation and improvements within our service offerings.

We are extending our differentiation by making clean, affordable, and reliable energy accessible to families across America, with the most pro-consumer offerings and best customer experience in the industry. At the end of 2023, our customer Net Promoter Score at the time of installation increased to 73 points, a testament to our customer-first approach. We also recently received some encouraging recognition for the improvements we've made within our customer-centric culture. Being chosen as the trusted provider to deliver this clean energy future is critical.

Online review improvements	2022	2023	2023 Reviews	Total Reviews	April 2024
Google	3.6	3.9	+1,593	7,558	4.1
ConsumerAffairs	3.3	4.1	+218	2,852	4.3
Best Company	3.5	3.6	+203	2,345	4.2

Transformation of the Year
Business Intelligence Group

Achievement in Customer Experience
Stevie Awards







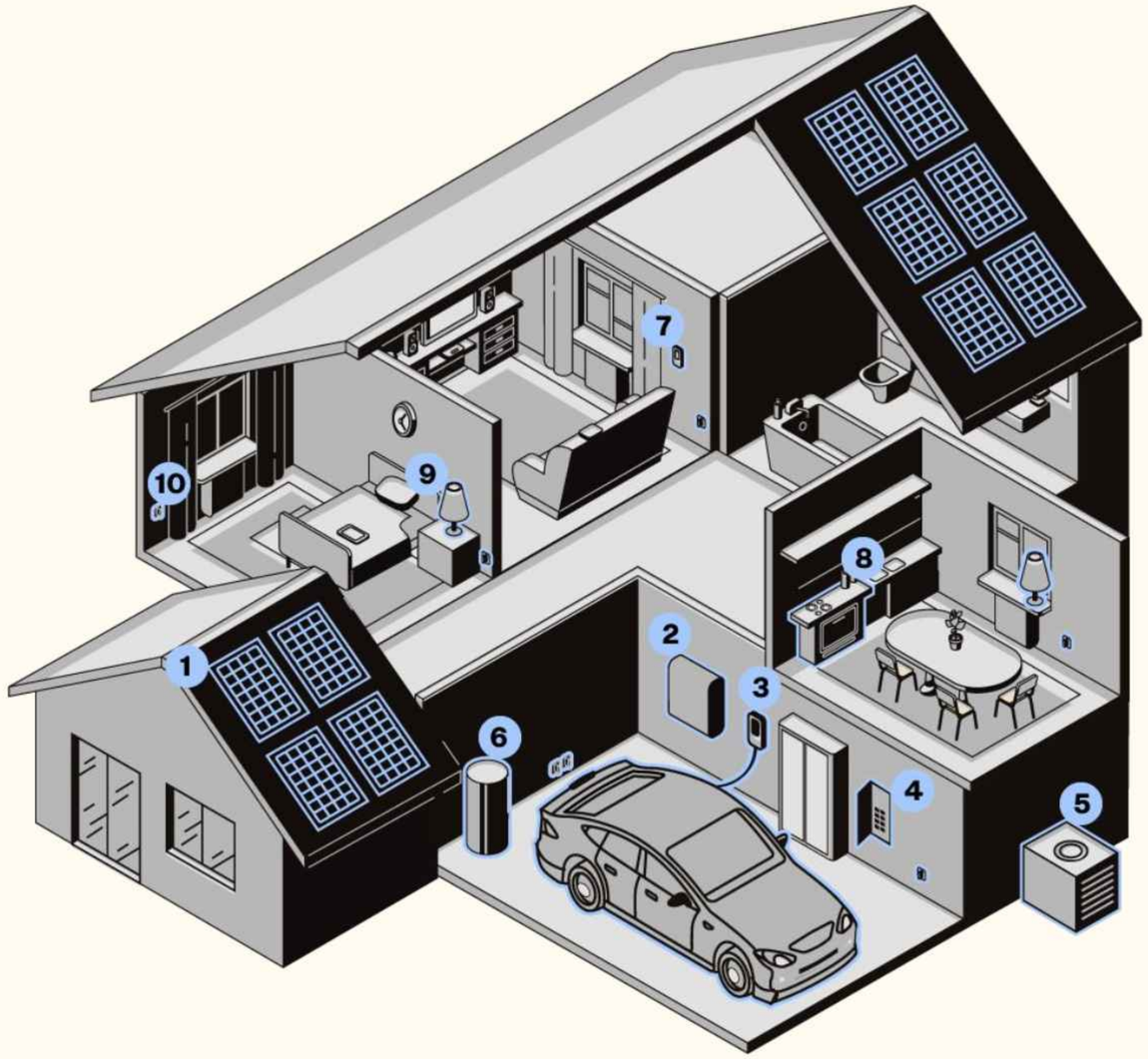


Innovation and Differentiation

Sunrun strives to become the preferred clean energy provider to power customers' lives and is driving this transition through continued innovation and a superior customer experience.

We have the technologies needed to transition to a decentralized energy infrastructure today. Home solar and storage can operate economically on a small scale and thus be positioned directly where energy is utilized, leveraging the built environment rather than depending on expensive, centralized infrastructure with specifications that do not suit today's energy needs and weather realities. We are investing in efforts to further electrify the home, such as electric vehicle charging, smart panel systems, and helping customers convert gas appliances to electric. We expect these efforts will increase Sunrun's share of the home energy wallet and enhance our value to customers.

1 Solar Panels
2 Batteries
3 EV charger
4 Smart circuits
5 Heat pump heating & cooling
6 Heat pump water heater
7 Smart thermostat
8 Induction cooktop
9 Smart bulbs
10 Smart plugs



Our Clean Energy Solutions

Premium Solar Panels

Our solar panels feature high-efficiency photovoltaic cells, ensuring maximum solar energy capture. Each solar panel is crafted for durability, clean aesthetics and energy efficiency—built to withstand the harshest weather conditions.



Smart Electrical Panel

A smart electrical panel helps customers to understand and control their entire home's energy, down to the circuit level. It also extends the life of the backup battery by deprioritizing unnecessary energy usage during an outage and alerting to anomalous energy consumption.



Battery Storage

Solar systems combined with a battery or multiple batteries enable customers to harness an increased amount of the solar energy generated while reducing their reliance on the grid. Our advanced battery storage offerings seamlessly integrate with customers' solar panels, capturing and storing excess energy during the day for use at night or during power outages.



Home Integration System

For the first time ever, a vehicle can power customer homes during extended power outages. With the F-150® Lightning™, Charge Station Pro, and co-developed Home Integration System, a customer's home and truck can sync seamlessly to send power where and when it's needed.



At-Home EV Charger

Sunrun's Level 2 EV charger is a convenient solution for EV owners to charge quickly and affordably at home. With smart charging features, customers can easily schedule their charging sessions to maximize the usage of their solar energy production and supercharge the environmental impact of switching to solar and an electric vehicle.



Valuing Home Storage Through Energy Services

Customers who enroll their storage devices in a local energy program and share a portion of their stored solar energy can help strengthen the grid during peak demand periods. In exchange, they are compensated for the energy they have shared with grid operators, and they feel gratified about their contribution to transforming the grid into a more efficient, sustainable, and affordable system for all.

These local energy programs, known as "virtual power plants," create a network of residential solar and storage systems that Sunrun can manage and dispatch during times of constrained energy supply while maintaining their ability to provide backup power to homes during grid disruptions. Virtual power plants play a vital role in building a sustainable, clean energy future, providing multiple benefits to solar and storage customers, as well as to their neighbors, communities, and all grid-connected consumers.

Cost Savings: In addition to providing compensation to customers for their participation, virtual power plants reduce the need for utilities to activate costly fossil fuel-burning power plants to satisfy high energy demand. Furthermore, they prevent utilities from constructing additional transmission lines and substations. Virtual power plants could create consumer savings of $550 million per year in California alone.[13]

Enhanced Reliability: Virtual power plants improve grid stability and resiliency by leveraging distributed residential solar and storage systems, which are proven technologies that have kept homes powered for tens of thousands of Sunrun customers during severe weather events, natural disasters, and utility planned outages.

Emissions Reductions: Using clean, renewable solar energy, virtual power plants are an emissions-free alternative to high-polluting coal or gas-fired peaker plants, which frequently have a disproportionate impact on the health of marginalized and low-income areas.

Democratized Power: Virtual power plants compensate and empower people to become producers and participants in designing a clean energy future that transforms an antiquated, economically inefficient energy system into one that's more affordable, clean, and reliable for everyone.

Sunrun is committed to offering more value opportunities for customers by expanding virtual power plant programs around the country. Sunrun has more than a dozen virtual power plant programs in various stages of operation. The following are some recent highlights from Sunrun's recent and ongoing programs:

California: From August through October 2023, Sunrun and Pacific Gas and Electric Company (PG&E), California's largest utility, completed the first season of a first-of-its-kind residential virtual power plant to improve state grid reliability. Peaking at nearly 32 megawatts from 8,500 solar-plus-storage systems, Sunrun provided consistent, reliable, stored solar energy to California's power grid. Sunrun managed the participating fleet of home batteries to provide power to PG&E in the same way that a centralized, traditional power plant would. However, Sunrun's virtual power plant was operational within six months of contract signature, a timeframe not possible when building traditional power plants. Participants received an upfront payment of $750 and a free smart thermostat for participating.

Puerto Rico: In 2023, Sunrun's fleet of residential batteries in Puerto Rico started supplying on-demand, stored solar power to the island's grid. Sunrun officially partnered with LUMA, Puerto Rico's electric utility provider, and quickly began enrolling customers in its PowerOn Puerto Rico program. This innovative solution assists in bolstering the fragile energy system on the island while simultaneously reducing energy costs for all grid-connected users and harmful pollution island-wide. Sunrun and the individual customers will be compensated for the energy shared with the grid. Puerto Rico has been plagued with ongoing shortfalls in power generation. Sunrun's partnership with LUMA creates a customer-driven solution to help the utility better match energy supply with demand.



Outages from Coast to Coast

- Climate change is increasing the frequency, duration, and intensity of extreme weather events, exposing the vulnerabilities of our antiquated electrical grid and leaving millions without power.

According to the National Oceanic and Atmospheric Administration (NOAA), 2023 saw the highest number of billion-dollar disasters in a calendar year with the U.S. experiencing 28 weather and climate disasters incurring losses exceeding $1 billion. In the U.S., disaster costs for 2023 reached nearly $93 billion[13]. NOAA reports that the disasters included: 17 severe storms, four flooding events, two tropical cyclones, two tornado outbreaks, one winter storm, one wildfire and one drought and heat wave event.

Additionally, research suggests that there were 64% more power outages from 2011 to 2021 than the 10 years before and that 83% of reported outages were from weather-related events [15]. As severe weather persists and the grid continues to fail, Sunrun provides customers with cost-efficient ways to gain energy independence, security, and peace of mind with home solar and storage.

	POWER OUTAGES	TOTAL HOURS OF BACKUP POWER PROVIDED
2023	545,000	1,784,000 hrs. (~74,300 days)
ALL TIME	659,000	2,800,000 hrs. (~116,600 days)

Build a Safe, Diverse, and Equitable Workforce

Focusing on our employees is the first step in our commitment to sustainability and greater care for our customers and the planet. We start with an unwavering respect for all people, fostering a work environment in which every person can grow and thrive.

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52 Learning and Development

53 Compensation, Wellness, and Benefits

Focusing On Our People

Our commitment to sustainability and protecting the planet starts with creating an inclusive culture that treats every person with dignity and respect. Our employees are our greatest asset in achieving our mission to connect people to the cleanest energy on earth. We are better positioned to create diverse teams that are empowered to solve the most complex problems facing our customers by intentionally fostering a culture that strongly promotes the safety and well-being of all employees, championing their value, and providing equitable opportunities for growth and development.



Our Workforce

Our talented employees, who possess a deep passion for our mission, people, and the planet, are the driving force behind our environmental and social impact. Their safety, well-being, and growth is critical to achieving our goals of improving energy equity and environmental justice while mitigating the impacts of climate change.

Rooted in our core company values—We Love People, We Love to Create, and We Love to Run—we are committed on providing an exceptional employee experience that continuously improves on our competitive benefits and incentives, offers comprehensive training programs, develops engaging career advancement programming, and focuses on creating an inclusive culture that cultivates a sense of belonging. By doing so, we have established ourselves as the clean energy employer of choice, attracting and retaining employees who turn our customers into raving fans.

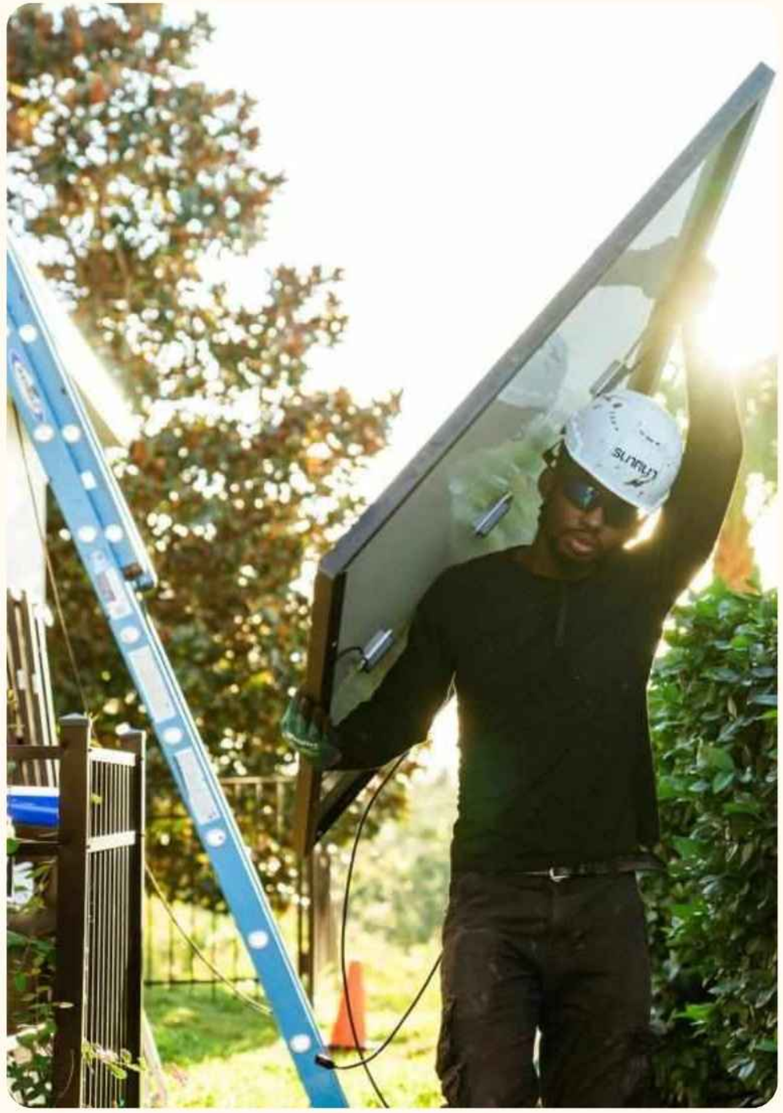
Sunrun ended the year with approximately 10,800 employees across the nation, inclusive of our active direct-to-home salesforce. At the company level, 83% of our workforce is engaged in customer-facing activities, while 17% work in management and other corporate functions.



"I really appreciate everything the People Team does for us. It's not just about working through challenges, it's the support they provide to help us all become better humans and ensure we have tools to be the best version of ourselves everyday."

Jordan Huber
Sunrun employee





Attract, Develop, and Retain the Best Team on the Planet

We believe that Sunrun's reputation as an industry leader in sustainability makes it easier for us to hire and retain the best team of talented individuals who are motivated to advance Sunrun's mission of connecting people to the cleanest energy on earth. We pride ourselves on being an employer that provides equal employment opportunities and an inclusive and diverse workplace that does not tolerate any form of discrimination or harassment. We've established a deliberate and inclusive culture centered around our people, creating a welcoming environment where individuals feel valued and inspired to contribute their best.



We know that investing in the professional growth of our employees is essential for maintaining our competitive edge and helping high-potential leaders advance into senior roles. In 2023, we prioritized the development of our Leadership Team, with close to 100 members benefiting from ongoing growth opportunities such as 360 reviews and cohort learning and others participating in personalized executive coaching sessions.

Our dedication to people is reflected in our approach to candidate experience, where we emphasize transparent communication, foster meaningful connections, and help individuals find a fulfilling career at Sunrun. To help us entice exceptional people to apply to work at Sunrun, we make use of professional networks, we engage in community partnerships, job boards, social media, and specialist employment sites. In 2023, we continued our diverse hiring efforts to include a new careers website and a partnership to post Sunrun's open positions on a variety of diversity sites.



Vanessa Pierce
Sunrun employee

"I have loved learning more about myself through the many workshops and personal growth opportunities Sunrun provides. It's been especially helpful learning how to integrate both my passion and purpose into my long-term career path and professional development."

146%
increase in average monthly visitors to our revamped Sunrun Careers site

97%
of new hires expressed feeling welcomed at Sunrun after their onboarding process

2023 Company Awards and Recognition

Best Company for WOMEN 2023

Best Company CAREER GROWTH 2023

Best Teams SALES 2023

built in THE BEST PLACES TO WORK Colorado | San Francisco

BEST FOR VETS 2023 MILITARY TIMES EMPLOYERS

HUMAN RIGHTS CAMPAIGN
Score of 95 on the 2023 Corporate Equality Index

Employee Safety

Our mantra, "At Sunrun, we start with safety," guided us through 2023 with great success. In 2024, we will be focused on “I am Sunrun Safety,” which ensures each person understands that they have a role in every team's safety. From top leadership to frontline workers, every member of our team is committed to putting safety first. Ensuring that our employees are aware of and can see that senior leadership is committed to their safety helps to lay a firm foundation of trust and accountability as we strive to empower our employees to actively participate in the creation of a safe work environment.



Our safety strategy consists of four pillars: visible leadership, technical qualification and knowledge, operational discipline, and formal safety communications. We have implemented numerous initiatives to reinforce our safety culture, such as:

- An expanded fall protection policy
- The implementation of a zero-tolerance policy for serious safety violations
- Required recurring competent persons and human factors training
- Onsite safety visits from the executive leadership team to each frontline manager
- The adoption of a formal rewards and recognition program
- The incorporation of proactive safety targets within bonus structures

In 2023, we introduced our first-ever People and Safety Obsession Week to reinforce Sunrun’s commitment to our company values, personal safety, and the safety of others. Throughout the week, employees were reminded that safety requirements and policies are non-negotiable expectations at Sunrun. Employees were trained to never put themselves in an unsafe situation or feel pressured to perform a task that compromises their safety. Sunrun’s People and Safety Obsession Week included events, activities, prizes and friendly competitions.

Sunrun continued its focus on the Safe-to-Start Program, which mandates that managers review the safety setup at each customer's home prior to installation. This program, launched in 2022, in conjunction with our Field Efficiency and Training Team conducting site safety visits, is reinforcing our safety requirements at all project sites, resulting in a dramatic decline in serious accidents and safety violations. We anticipate that the success of all our efforts will be reflected in the year-over-year improvement of our recorded safety measures.

Employee Safety

Occupational Health & Safety Metrics	2019	2020	2021	2022*	2023
Total Recordable Injury Rate (TRIR)	2.27	1.66	2.65	3.02	2.56
Lost-time Incident Rate (LTIR)	0.41	0.17	0.54	0.81	0.71
Work-related Fatalities (WRF)	0	1	1	1	1
Days Away, Restricted, or Transferred Rate (DART)	1.87	1.3	2.03	2.61	2.13

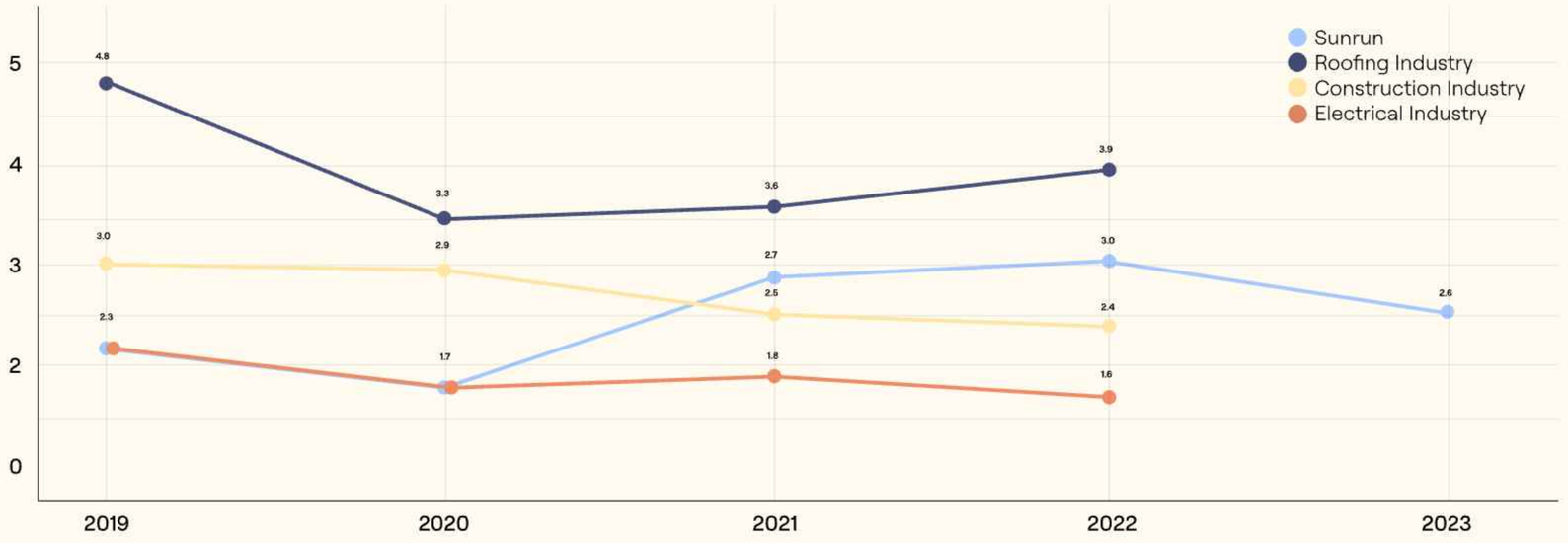
Recordable Injury Rate[16]	2019	2020	2021	2022*	2023
Sunrun	2.3	1.7	2.7	3.0	2.6
Roofing Industry	4.8	3.3	3.6	3.9	
Construction Industry	3	2.9	2.5	2.4	
Electrical Industry	2.3	1.7	1.8	1.6	

*Our 2022 OSHA rates have been revised following the discovery of a discrepancy in the reporting process for hours worked.

Compared to similar industries, including roofing, electrical, and construction, Sunrun's incident rates continue to be in the same range or lower than most averages.

To further promote employee safety, Sunrun has structured methods for documenting unsafe behaviors and conditions during site visits, inspections, meetings, and communications when operating in the field. In addition to all OSHA-required safety subjects, this includes a developed, unambiguous corrective action policy, annual safety training plan, and formal communication program.

External certification and licensing agencies strengthen Sunrun's internal training programs. These include journeyman and master electrician license holders, Associate and Certified Safety Professionals (ASP/CSP) through the Board of Certified Safety Professionals (BCSP), PV installation certifications from the North American Board of Certified Energy Practitioner (NABCEP), and OSHA 30 cardholders. Every construction supervisor and foreman is CPR-certified.



Using Technology to Improve Safety

To further demonstrate our commitment to safety, we've assembled the largest drone fleet in residential solar to perform site inspections and audits. The technology to perform drone-based site inspections is now at 100% of Sunrun branches and is used at over three-quarters of homes interested in installing solar with Sunrun, marking a significant shift towards digital processes and allowing us to keep our customers and workers safe while obtaining vital data. In 2023, Sunrun conducted an average of approximately 2,500 drone flights per week, resulting in 132,000 rooftop inspections. Incorporating drones into our processes has enhanced both safety and efficiency by helping eliminate the need to use ladders and fall protection equipment to perform measurements.

Conventional rooftop inspections and audits require around 45 minutes and pose a substantial safety risk. Rooftop inspections with a drone take only 10 to 15 minutes, saving around 30 minutes per home. This equates to an annual savings of 66,000 man-hours on project sites, allowing the same amount of people to survey even more homes. It also avoids approximately 90,000 hours of a surveyor's time spent at risk of a fall or other injury on a roof.

In 2023, Sunrun continued its award-winning Drone Bootcamp for new tech hires to provide them with hands-on training and ensure they are equipped to use a drone on the job for Sunrun. This initiative led to the certification of 50 new pilots. We also utilized a ranking system for Survey Supervisors to motivate them to ensure drone flights were performed effectively and incident-free as frequently as possible.

This year, we are testing a wearable camera device to support our Safe-to-Start Program while also providing information on our crews' safety in the field. This device will be extremely helpful for our lone workers because it offers status updates and informs us if they have fallen or have been inactive for an extended period of time. It also gives them the opportunity to click a button and request aid if needed.

Vendor Health and Safety

Our commitment to injury-free and safe workplaces extends to our suppliers. Sunrun's Vendor Code of Conduct requires that all vendors create a safe and healthy work environment. Vendors must adhere to all applicable health and safety laws, rules, and practices. In addition, we require vendors to ensure that all necessary permissions, licenses, and registrations are obtained, maintained, and kept up-to-date, and that all workers are qualified and equipped to carry out their duties in a safe and responsible manner.

Sunrun employs third-party independent auditors to perform periodic audits of direct material suppliers to ensure compliance with the Sunrun Vendor Code of Conduct and relevant laws and regulations. Sunrun has the right to terminate its agreement with a vendor and put restrictions on future business if an audit reveals a breach, unless the issue is promptly remedied. By the end of 2024, we intend to assess new suppliers and vendors who account for at least 80% of total value transacted with Sunrun and validate that each vendor is aware of and in compliance with our Vendor Code of Conduct. In 2023, we completed audits of our most significant global partners.

Verification and Compliance

Compliance with safety policies includes vehicle monitoring, inspections, and auditing of quality-assurance photographs. The telematics devices in our fleet vehicles constantly transmit data on speed, driving behavior, and location, allowing for targeted training on vehicle safety for employees. Additionally, we are committed to supporting the health, safety, and equality of our suppliers, partners, and contractors. We are implementing a new Contractor Safety Compliance Program to help us uphold standards across our supply chain, standardize processes, and ensure workplace safety for our employees and those who conduct business with us.



Diversity and Inclusion

Our inclusion mission is to attract, develop, and retain a diverse workforce that reflects our customers and the places we work and live. We believe that providing equitable opportunities for our employees to grow, thrive, and advance through all levels of the organization is essential to achieving that mission.

Our 2023 key inclusion efforts

01 Build and support thriving Sunrun Communities, which are the heart of our inclusive company culture

02 Retain, grow, and develop diverse leadership of the future through our Career Mobility and Pathways Program through innovative technology and giving tactical ways to identify and achieve their career aspirations

03 Engage and give back to our local communities through our Sunrun Empowered Giving Program

04 Create conversations with Sunrun leaders and teams to raise awareness and support for an inclusive work environment and culture

05 Promote an inclusive Candidate Attraction Program including intentional processes and building intentional partnerships that position us as the clean energy employer of choice to diverse candidate networks



We understand that when our employees feel seen and included for who they are and the value they bring, and when they have a sense of belonging and know that they have opportunities to grow and advance in their careers, we are better positioned to solve complex problems and create innovative solutions for our customers.

To build and sustain a workforce of the future, we have invested in a dedicated Inclusion team that is focused on attracting diverse talent and cultivating an inclusive culture throughout the organization, as well as a Career Mobility and Pathways team that facilitates employee career advancement through tools, resources, and strategic programming. In 2023, we used rich analytics and data to produce meaningful reports on our diversity metrics, furthering our efforts with the Senior Leadership Inclusion Council. This council serves as a steering committee for Sunrun's inclusion initiatives.

Investing in our eight Sunrun Communities—formerly known as Employee Resource Groups—allows us to better identify the specific issues and obstacles that people of different identities experience, establish safe spaces for peer dialogue and support, and provide opportunities for networking and recognition. Our Sunrun Communities and Inclusion Team play an important role in our employee listening sessions known as "Candid Conversations," where we encourage dialogue on potentially difficult topics related to varied experiences and identities in psychologically safe spaces.

Recognizing and celebrating different cultures is also made possible by our Sunrun Communities, which work in collaboration with our Benefits team. We are proud of our inclusive benefits and flexible holiday offerings, and we encourage employee feedback to include holidays that are meaningful to them. We currently offer the following as flexible holidays that every employee can choose to use- Lunar New Year, Vaisakhi, Easter, Easter of the Eastern Orthodox Church, Eid al-Adha, Rosh Hashanah, Yom Kippur, Indigenous Peoples' Day, Diwali, and Veterans Day.

Key Diversity Metrics

Understanding our current demographics is the first step toward diversifying our workforce. Transparency in our representation at all organizational levels assists us in identifying improvement areas and measuring our effectiveness.

Sunrun set goals in 2021 to foster a diverse workforce that represents our customers and the communities we serve, including increasing the representation of women in director and above roles by 50% and Black, Indigenous, and People of Color (BIPOC) representation in manager roles by 25% by the end of 2025. We set these goals in 2021, knowing that our targets were ambitious and could be difficult to achieve in a dynamic market. We are trending behind on our intermediary 2025 goals, and we will continue to prioritize our long-term 2030 diverse workforce goals.

As of December 31, 2023, women made up 56% of Sunrun's Board of Directors, 33% of our executive leadership team, and 26% of director and above positions. Women make up approximately 21% of Sunrun's workforce. Approximately 33% (an increase of 2% year-over-year) of Sunrun's BIPOC population serves in management positions and currently accounts for 52% (an increase of 2% year-over-year) of Sunrun's total workforce.

As we continue to work towards our 2030 objectives, we are adhering to many of the best practices established by organizations such as the California Commission on the Status of Women and the SEIA Diversity Best Practices Guide for the Solar Industry. These include creating processes to ensure we have diverse candidate slates for our director and above populations and diverse interview panels for our manager and above roles. Additionally, we participate on the SEIA Diversity, Equity, Inclusion & Justice Leadership Council to stay up to date on best practices and contribute to benchmarking initiatives.

Board of Directors

56% Female
44% Male

Executive Leadership

33% Female
67% Male

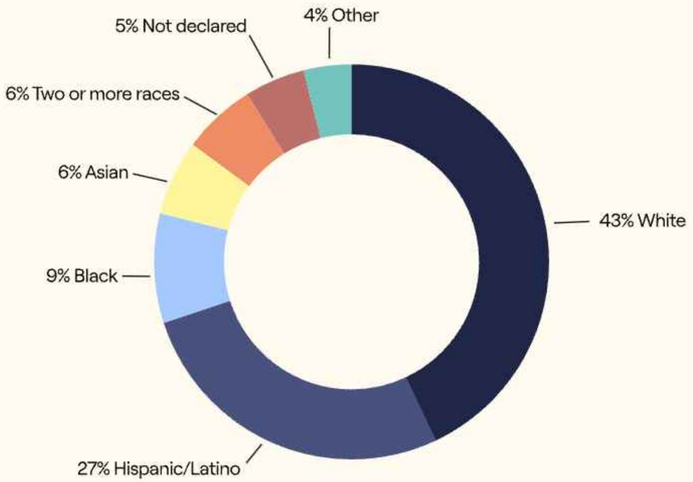
Director+

26% Female
74% Male

Total Workforce

21% Female
78% Male

Total Workforce





Pay Parity at Sunrun

In 2016, Sunrun made history as the first national solar company to commit to the White House Equal Pay Pledge. In 2019, we joined other industry leaders as signatories to California's Pay Parity Pledge.

At Sunrun, we remain unwavering in our pursuit of pay parity, conducting thorough annual reviews of compensation practices in collaboration with external legal experts. This ensures that we uphold the highest standards of fairness and equality across our organization.

Sunrun Communities

In 2023, we rebranded our Employee Resource Groups to Sunrun Communities. By reducing our use of acronyms, we hope to create a more welcoming environment for our employees to join and participate, particularly our frontline employees, who represent 83% of our workforce.

We are proud that our Sunrun Communities are open to everyone and provide positive and safe avenues for connecting with peers, networking, problem solving, professional development, and sharing ideas for breaking down barriers to inclusion throughout the organization. Our Sunrun Communities are aligned by identity and focus on the challenges and issues that our most underrepresented employees face, while inviting and welcoming everyone to participate.

Sunrun Communities are employee-led and driven. They are inspired by talented employees who partner with the Inclusion Team to define their mission, create programming, engage with others, and foster a sense of belonging. In 2023, we introduced the Arab/MENA+ Community to our list of Sunrun Communities. This addition has helped create more spaces of safety and inclusion, especially at a time when world events were once again at the forefront of our attention. With more than 10% of our workforce involved in at least one Community, we now have eight communities where employees can get involved, learn, grow, and share experiences.

We continue to enable our Sunrun Communities to facilitate inclusive events and programming that ensures our internal processes provide equitable opportunities across the organization. Through our strategic pillars, our Community Leadership teams create opportunities for members to grow both personally and professionally by attracting diverse talent, creating spaces to share diverse cultures and cultivate a sense of belonging, delivering career development programs, and getting involved in the communities we live and work in.

Community programming, such as our "Candid Conversations" (company listening sessions), cover a variety of engaging topics that celebrate employees' diverse backgrounds and resilience in a psychologically safe environment. This year's topics included Sunrunners Who Parent, Transitioning from Military to Civilian Life, Breaking the Bamboo Ceiling, and Disability Disclosure, all of which provided insights into employees' experiences in the workplace and actionable ways to actively create more inclusivity and accessibility. Our Sunrun Communities also hosted book clubs, lunch and learns, professional development sessions, mentorships, charitable donation campaigns, and other events to promote personal and professional growth while advancing our company's strategic goals and giving back to communities.

In conjunction with our transition from Employee Resource Groups to Sunrun Communities, we also rebranded and relaunched our Employee Engagement Networks as Networks where Sunrunners can engage, network, and connect based on common interests and goals. In 2023, we launched a Pets of Sunrun Network, Sustainability Network, and Young Professionals Network, all of which contribute to our culture of inclusion and belonging while advancing our employee's careers and professional networks.

Using both our Communities and Networks, we've made concerted efforts to raise greater awareness of inclusive benefit options that are available to employees, such as LGBTQ+ benefits resources, Sunrun's Empowered Giving and Volunteering Program, Employee Assistance Program, Wellness Webinars, and Employee Stock Purchase Plan.

The continued growth and engagement of our Inclusion Communities and Networks demonstrates our employees' passion for their own development, commitment to peer support, and Sunrun's emphasis on creating safe spaces for employees to thrive.

Arab/MENA+ | Asian+ | Black+ | Disability+

Latinx+ | Pride+ | Veterans+ | Women's+





Learning and Development

In order to deliver an exceptional customer experience, we recognize the critical importance of nurturing an exceptional employee experience. At Sunrun, we firmly believe that when individuals are provided with clear expectations, developmental opportunities, and accountability, they are empowered to perform at their best. This belief guides us in creating a workplace culture that fosters continuous learning, growth, and a relentless commitment to serving our customers.

Our comprehensive learning and development programs are designed to enhance skills and competencies, enabling employees to excel in their current roles and prepare for future opportunities. Leadership principles are ingrained across all levels of the organization, aligning with Sunrun's strategic objectives, mission, vision, and values. Through initiatives such as recruitment, education, performance management, career advancement, and recognition programs, we aim to cultivate a workforce equipped to drive our company's success.

Tailored to the unique needs of each business unit, our training initiatives encompass a blend of in-person instruction, on-the-job mentoring, and just-in-time resources. By personalizing training materials to individual needs rather than generic categories, we enhance role effectiveness, productivity, morale, and talent retention.

New-In-Role: Starting a career at Sunrun begins with an exciting onboarding process that guides new hires through their first days and weeks at Sunrun, emphasizing an understanding of fundamental information, tools and resources, and promoting participation in Sunrun Communities and Networks through a blend of instructor-led training, e-learning, on-the-job activities.

Instructor-Led Experiences: Many of our employees enjoy live instructor-led training, which are immersive learning experiences emphasizing the development of business acumen, technical proficiency, and a core understanding of their role.

E-Learning: Our learning management system, RunX Learning, offers self-directed learning opportunities with interactive activities and actionable feedback. With enhanced accessibility, RunX Learning has become our primary platform for centralized courses, enabling us to elevate content quality and consistency while reducing learning barriers for employees across all organizational levels. RunX Learning features a diverse array of approximately 360 training courses, ranging from general Sunrun knowledge to skill-specific systems training. In 2023 alone, employees completed approximately 307,000 training courses through RunX Learning.

Leadership Development: Specialized programs that include both live training and on-demand content, are tailored to equip employees with the skills needed to lead effectively at the next level of their career. These initiatives are specifically designed to empower leaders, providing them with the tools and insights necessary to navigate the opportunities and challenges associated with advancing to higher-level roles.

Online Resources: We offer a comprehensive collection of on-demand resources in Current, including videos, reference materials, and support tools, empowering our employees to continually advance their development. LinkedIn Learning is also a resource for our employees, providing access to 23 courses on soft skills, leadership fundamentals that align with our Everyday Leadership program, and topics related to climate issues.

In-Person Events: Our Employee Experience team orchestrates in-person events that bring together senior leaders, managers, and frontline employees to facilitate group discussions, learnings, build camaraderie, and foster a more vibrant workplace culture.

Continued Education: Our Education Benefit, known as PowerU, provides funded higher education and upskilling programs to employees. Since its launch in 2021, more than 1,700 employees have enrolled in PowerU programs. Over 600 employees have earned promotions after enrolling in a PowerU program. We continue to see high levels of engagement and success with our diverse employees, with 63% of all-time learners identifying as BIPOC and 44% of graduates identifying as women or non-binary persons. This reflects our employees' passion and commitment for career advancement, as well as Sunrun's dedication to providing opportunities for growth and development, particularly for our most underrepresented employees.

Compensation, Wellness, and Benefits

In order to recruit and retain top talent, Sunrun is constantly working to differentiate our comprehensive compensation and benefits package.

Sunrun has an ambitious growth strategy. One way to make sure we execute on it is to create compensation, wellness, and benefits programs that are designed to help our employees care for their families' and their own mental and physical wellbeing, as well as manage challenges at home and at work.

When compared to the market, our compensation and benefits plans are very competitive. We're constantly developing more recognition and wellness programs to further improve our offerings. In 2023, we launched a new employee benefits center to enhance employee self-help and guide our employees to the right resources, wherever they are on life's journey.

2023 Benefits Highlights

Employee, Friends and Family Purchase Program

Giving employees and their loved ones access to the cleanest energy on earth at discounted rates

Family Forming Benefits

Providing reimbursement towards eligible adoption and/or surrogacy expenses to help Sunrunners build their families

50%
increased volunteerism

92%
participation rate in 401(k)

Paid time off
- 10 holidays + 1 flex holiday
- 2 volunteer days
- 10 days leave for active military service
- 5 days of bereavement time off
- Up to 8 weeks of Paid Parental Leave for all employees who have been at the company for more than a year
- Leave donation program
- Paid sick leave
- Paid vacation

Employee Assistance
- Free counseling
- Legal consultation
- Identity Theft
- Financial services
- Child and eldercare resources
- School/college search assistance
- Convenience services
- Wellness referrals
- Guidance Resources

Healthy Life
- Medical
- Dental
- Vision
- Health Screenings
- Preventive Care
- Tobacco Cessation
- Weight Watchers
- Sunrun benefits center

Financial Programs & Tools
- Flexible Spending Program
- Health Savings Account
- 401(k) Plan with employer match
- HSA employer contribution
- Employee Stock Purchase Program
- Life Insurance & AD&D
- Short-term and Long-term disability insurance
- Critical Illness/Accident/Hospital Indemnity insurance
- Employee Discount Program
- Home/auto insurance discounts
- Friends & Family Solar Program

Family Support
- Paid Parental Leave
- Fertility benefits
- Adoption Assistance
- Surrogacy
- Pet Insurance
- Care.com membership

Wellness Program
- Gym Discounts
- Cigna Healthy Rewards
- HMSA365 (Hawaii)
- Kaiser Health & Wellness Program

Educational Assistance
- PowerU



Sunrun Empowered Giving Program

Our Empowered Giving Program encourages employees to support qualifying non-profit organizations through various actions. Employees can choose to donate directly to a charity or cause, with Sunrun matching contributions up to $300 per employee annually. Sunrun allows employees up to 16 hours of paid volunteer time annually. Each volunteer hour submitted, including both paid and unpaid, can be submitted to earn $25 reward dollars that the employee can donate to a charity of their choice. This program is part of Sunrun's commitment to giving back and making a positive difference in the communities in which we operate and live. Our Sunrun Communities have been instrumental in raising awareness about this program, as well as identifying and adding organizations and causes that they believe will make the greatest impact.

GRID ALTERNATIVES

HONNOLD FOUNDATION

footprintproject

SF·MARIN FOOD BANK

UTAH FOOD BANK

FOOD BANK OF THE ROCKIES







Improve Energy Equity and Environmental Justice

Our values shape our commitment to make the communities we serve stronger and more resilient. We fight to protect policies that ensure people are at the center of a just and equitable transition to a clean energy future. We also support communities that are most affected by climate change and natural disasters through strategic policy efforts and employee volunteerism.

56 Advancements in Policy

59 Solar on Multifamily Affordable Housing

60 Community Engagement

Advancements in Policy

In 2023, Sunrun worked alongside clean energy advocacy groups, policymakers, and individual advocates to create and protect policies that ensure people are at the center of the customer-led transition to a clean energy future.

The extraordinary demand for clean energy solutions like home solar and storage underscores the importance of rapidly deploying these solutions to build an affordable, reliable, and flexible grid today.

Sunrun is creating a better energy system focused on placing people at the heart of the solution by achieving significant progress in state and local energy policies. We have the technology today to combat climate change, keep the lights on during increased power outages, and create hundreds of thousands of careers in a new clean energy economy.



National Solutions



Strong federal policies help unlock the benefits of local solar and storage in every state and territory across the United States.

These policies help to make these technologies more affordable and expand access to them in traditionally underserved communities. This federal leadership is critical to ensuring that families and communities can fully benefit from, and are a part of, our clean energy future.

Inflation Reduction Act

The Inflation Reduction Act is designed to provide all Americans with increased access to clean, reliable, and affordable energy solutions. Rising energy costs, weather-related outages, and projections of electricity shortages are all driving demand for home solar and battery storage. The Inflation Reduction Act helps American families, particularly those in traditionally underserved communities, benefit from home solar, batteries, heating, and electric vehicles — not only increasing access to solutions, but also benefiting all ratepayers by creating a more flexible, affordable clean grid for everyone.

In 2023, the U.S. Department of Energy launched the Energy Communities adder, ensuring local solar and battery solutions are more viable in communities impacted by fossil fuel pollution, and began accepting applications for the Low Income Communities Bonus Credit Program, which provides a 10% bonus credit for certain solar projects in low-income communities or on tribal land, and a 20% bonus credit for projects on qualified affordable housing projects and community solar. The Inflation Reduction Act also includes a domestic content bonus credit to encourage American solar and battery manufacturing.

SolarAPP+

Originally created by the U.S. Department of Energy and the National Renewable Energy Laboratory in conjunction with industry and local stakeholders, Solar Automated Permit Processing (SolarAPP+) is an online permitting tool that delivers critical cost and time savings to consumers. This online software solution is free for municipalities and eliminates a resource-intensive and time-consuming review process by automatically determining compliance with safety and code criteria for a proposed residential solar and battery system.

In California, approximately one third of Sunrun installations in the fourth quarter of 2023 utilized SolarAPP+, up from around 4% at the start of the year. We are seeing a dramatic improvement in cycle times in areas utilizing SolarAPP+, providing a 17-day reduction in the cycle times awaiting permits. Reducing cycle times helps reduce soft costs and permitting delays, which can increase system prices by $7,000 per project, and significantly improves the homeowners' experience.

As of December 2023, more than 170 communities across the United States had adopted or were piloting the SolarAPP+ software, with more than 37,000 permits processed. Sunrun continues to support SolarAPP+ through our active participation on the SolarAPP+ Foundation Board.

Virtual Power Plants

The U.S. Department of Energy in 2023 released the Pathways to Commercial Liftoff for Virtual Power Plants report, underscoring the crucial role that aggregated distributed energy resources play in meeting the soaring electricity demand and reducing overall grid costs. The report shows that by deploying 80–160 gigawatts of virtual power plants can save roughly $10 billion in annual grid costs.

Local Solutions

Energy policy is largely decided at the state and local levels. Many local, state, and regional governments have specific needs and develop solutions tailored to their communities.



Sunrun works shoulder to shoulder with industry and advocates to effectively create and defend crucial solar and storage policies across the United States. Sunrun collaborated with community and equity stakeholders to ensure fair compensation for home solar and storage, reduce red tape to increase access to clean energy solutions, improve access to storage solutions to build resilience, and improve customer satisfaction and confidence.

California

In 2023, California implemented a new billing structure, Net Billing Tariff, which encourages customers to pair battery storage with their solar systems to respond to more dynamic pricing signals on the grid. Sunrun is leading the way with the most pro-consumer offering, accelerating our battery attachment rate to 85% of new customers in California.

Sunrun worked to support the California Energy Commission to also begin leveraging these resources with its Demand Side Grid Support Program, which provides payments for home solar and battery customers to share their stored solar energy with the grid, providing electricity load reduction to support the state's electrical system during extreme events, reducing the risks of blackouts.

Illinois

Sunrun continues to work with stakeholders to expand the benefits of the Climate and Equitable Jobs Act to all in Illinois. We have seen Illinois reduce red tape to speed installation timelines to help the state keep on pace to meet its clean energy goals. This includes working with the City of Chicago to move to online home solar permitting and supporting utility implementation of interconnection solutions like meter collars that reduce costly upgrades. The Solar Powers Illinois Coalition, a joint effort formed by the Illinois Solar Energy and Storage Association (ISEA), the Solar Energy Industries Association (SEIA), and the Coalition for Community Solar Access (CCSA), highlights the benefits of the state solar industry and helps inform the industry, potential workforce participants, residents, schools, organizations, businesses, and elected officials about the many opportunities and benefits solar provides.

Puerto Rico

In 2023, Sunrun's fleet of residential batteries in Puerto Rico started supplying on-demand, stored solar power to the island's grid through its first virtual power plant. Sunrun officially partnered with LUMA, Puerto Rico's electric utility provider, and quickly began enrolling customers in its PowerOn Puerto Rico program. This innovative solution assists in bolstering the fragile energy system on the island while simultaneously reducing energy costs for all grid-connected users and harmful pollution island-wide. Sunrun and the individual customers are compensated for the energy shared with the grid. Puerto Rico has been plagued with ongoing, frequent shortfalls in power generation. Sunrun's partnership with LUMA creates a customer-driven solution to help the utility better match energy supply with demand.

Texas

In 2022, the Public Utilities Commission of Texas approved the Aggregated Distributed Energy Resources Pilot Program in collaboration with state and industry stakeholders. The pilot, born out of the devastating impacts of Winter Storm Uri and the growing demand for electricity in Texas, created a pathway for distributed resources like home solar and storage to provide power to the ERCOT market when it needs it most. This program will help diversify and improve grid resilience in the face of growing demand and extreme weather patterns.

Solar on Multifamily Affordable Housing

In 2018, Sunrun made a commitment to develop 100 megawatts of solar on affordable multifamily housing in California by 2030 through the state's Solar on Multifamily Affordable Housing (SOMAH) program.

In 2023, we successfully advocated for California Senate Bill 355, which expands SOMAH eligibility to new construction and public housing, with the potential to considerably increase our total addressable market. We are now working with the California Public Utility Commission to have this implemented.

SOMAH is a crucial program for low-income communities, and Sunrun has been a strong supporter of the program from its beginning. Using non-ratepayer dollars, this program is funded with California cap-and-trade auction proceeds of up to $100 million annually for 10 years to fund financial incentives for installing solar panels on multifamily affordable housing. SOMAH utilizes Virtual Net Metering (VNEM) to directly credit residents of multifamily affordable housing units with an average of $30 to $50 per month when their housing development installs solar panels on their properties. Sunrun's multifamily affordable housing work is now delivering solar energy and substantial bill savings to 12,185 households, directly benefiting low-income renters. All completed projects in service are now anticipated to provide yearly bill savings that will exceed $9 million, saving California ratepayers over $3 million annually in decreased electricity rates.



Community Engagement

Sunrun believes in providing employees with opportunities to help build stronger communities. Every year, we provide our people with 16 hours of paid volunteer time to allow them to participate in community engagement opportunities that are meaningful, purposeful, and help those in need. Collectively, our people provided more than 10,000 hours of volunteer work to a variety of causes in 2023.

We recently introduced the Sunrun Empowered Giving Program, which will make it easier for employees to identify volunteer opportunities and make donations to charitable organizations. We've invested more than $3 million in the program to provide employee matching for both contributions and volunteer hours. We believe this will serve as a catalyst to greatly increase staff volunteerism. In 2023, Sunrun experienced a 50% increase in volunteerism through the launch of the Empowered Giving Program.



Key Partners in Expanding Access to Solar

Sunrun has long partnered with key allies to help expand solar energy in underrepresented communities across the country. Everyone has a right to clean energy, regardless of race, background, or ethnicity, and Sunrun is committed to enabling more access to clean energy in the communities that need it the most and ensuring a diverse, welcoming workforce.

GRID Alternatives

For more than a decade, Sunrun has partnered with GRID Alternatives, the nation's largest nonprofit installer of clean energy technologies, serving economic and environmental justice communities. To date, through the partnership, Sunrun and GRID have installed nearly 23 megawatts of solar energy for more than 5,500 income-qualified homeowners and generated an estimated $140 million in lifetime savings for these families. Combined, these solar projects have helped avoid 358,000 tons of greenhouse gas emissions from entering the atmosphere and supported communities that are affected the most by climate disasters, pollution, and related health disparities.

Honnold Foundation

In 2023, Sunrun continued its partnership with the Honnold Foundation, a non-profit organization created by renowned rock climber Alex Honnold in 2012. Together, we continued our partnership through the Innovation Fund, which discovers and finances grassroots organizations that utilize solar energy to address social and economic inequities in frontline regions around the world. Grantee Partners must be scalable and innovative, demonstrating how solar can be an elegant, multifaceted solution to global energy inequality. Sunrun helped support solar projects around the world through our contributions to several Honnold Foundation grants.

Sunrun's Disaster Relief Response

Sunrun invests in disaster relief efforts in our service territories by partnering with nonprofits and local organizations to target preparedness, short-term relief, and long-term recovery initiatives to build community resilience. Sunrun employees located near disaster relief sites and from neighboring areas also give their time and energy to help their local communities after catastrophes.







Lahaina, Maui

We were devastated by the news of wildfires and storms in Hawaii, which displaced families and destroyed hundreds of homes and businesses. Sunrun employees across the country immediately took action, donating more than $20,000 through our corporate giving platform to nonprofits helping those affected by the wildfires, including Hawaii Wildfire Management Organization, Hawaii Foodbank, the Red Cross, and Hawaii Community Foundation. On the island, our teams partnered with Footprint Project, an organization that provides emergency clean power to communities undergoing a natural disaster, to provide mobile power units powered by solar and batteries to Maui communities impacted by the deadly wildfires. Our mobile power units provided power to displaced families, allowing them to charge their devices, use lighting at recovery camps, cool and heat food, and access the internet through Starlink devices.

HAWAI'I WILDFIRE HWMO MANAGEMENT ORGANIZATION

HAWAI'I COMMUNITY FOUNDATION

HAWAI'I FOOD BANK

American Red Cross



Responsible Business Practices

We understand our responsibility to behave ethically, to understand the impact we have on people and communities, and to fairly consider the interests of a broad base of stakeholders.

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66 Board of Directors

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Sunrun's Governance



At Sunrun, operating our business with integrity, responsibility, and accountability is a priority. We believe having a culture of compliance with strong governance practices promotes long-term value, and we are committed to conducting business ethically. We work to continually enhance the structures, policies, and internal controls that support and promote accountability, transparency, and ethical behavior.

Our relationship with our employees and business partners is foundational to operating responsibly. We expect all of our employees and partners to act according to the highest standards of honesty and ethical conduct. Our commitment to good corporate governance is reflected in our Code of Business, Conduct and Ethics, Human Rights Policy, Vendor Code of Conduct, Whistleblower Policy, and other related governance policies, which are reviewed annually by our Nominating, Governance, and Sustainability Committee, and any changes deemed appropriate are submitted to the full Board for its consideration.

Sunrun creates value for customers and builds trustworthy relationships by dealing fairly with customers, suppliers, government agencies, competitors, and employees. We also promote accountability internally by holding regular staff meetings and sharing financial performance and company updates with employees.

Sunrun maintains a strong open-door policy, a confidential employee hotline administered by an independent company, and an employee-relations team dedicated to thoroughly and fairly investigating all employee complaints.

Sunrun prohibits retribution or retaliation in any way against any person who has in good faith made a complaint or reported a concern against any person who assists in any investigation. Sunrun also requires that vendors strive to allow their workforces to raise similar concerns without fear of retaliation.

Code of Business Conduct and Ethics



Sunrun is committed to maintaining high standards of financial integrity and takes very seriously all complaints and concerns regarding accounting, internal accounting controls, auditing, and other legal matters, including violations of Sunrun's Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics summarizes the ethical standards and key policies that guide the business conduct of all employees, officers and directors of Sunrun and each of Sunrun's direct and indirect subsidiaries.

Our Business Code of Conduct and Ethics provides straightforward information about Sunrun's operating principles and offers tools to help employees around the country make decisions that align with our ethical and legal obligations. The code applies to employees and vendors throughout the country, and the Company expects them to comply with the code and with all applicable laws and regulations in the regions we do business in.

Vendor Integrity and Ethics

We require our vendors to act with integrity and adhere to our Vendor Code of Conduct. This Vendor Code of Conduct, along with Sunrun's Code of Business Conduct and Ethics, prohibits undisclosed conflicts of interest, money laundering, whistleblower retribution, human trafficking, and involuntary labor.

Human Rights Policy

Our Board of Directors adopted a Human Rights Policy to codify our commitment to human rights, including the following key impact areas: (i) protecting the environment, (ii) maintaining high labor standards, and (iii) operating ethically and with integrity. We believe that climate change is a fundamental human rights issue, as the devastating impacts of climate change not only impact our planet, but also our lives, wellbeing, housing, and food and water security. While human rights are the responsibility of all of us at Sunrun, executive oversight and responsibility for the implementation of this policy rest with our ESG Executive Committee and with the Nominating, Governance, and Sustainability Committee at the board level.

Whistleblower Protection

Sunrun is committed to maintaining high standards of financial integrity and takes very seriously all complaints and concerns regarding accounting, internal accounting controls, auditing, and other legal matters, including violations of Sunrun's Code of Business Conduct and Ethics. Sunrun maintains an Open Door Policy and welcomes feedback and assistance in maintaining our commitment to these policies. Sunrun prohibits retribution or retaliation in any way against any person who has in good faith made a complaint or reported a concern against any person who assists in any investigation. Sunrun also requires that vendors strive to allow their workforces to raise similar concerns without fear of retaliation.

Responsible Mineral Sourcing

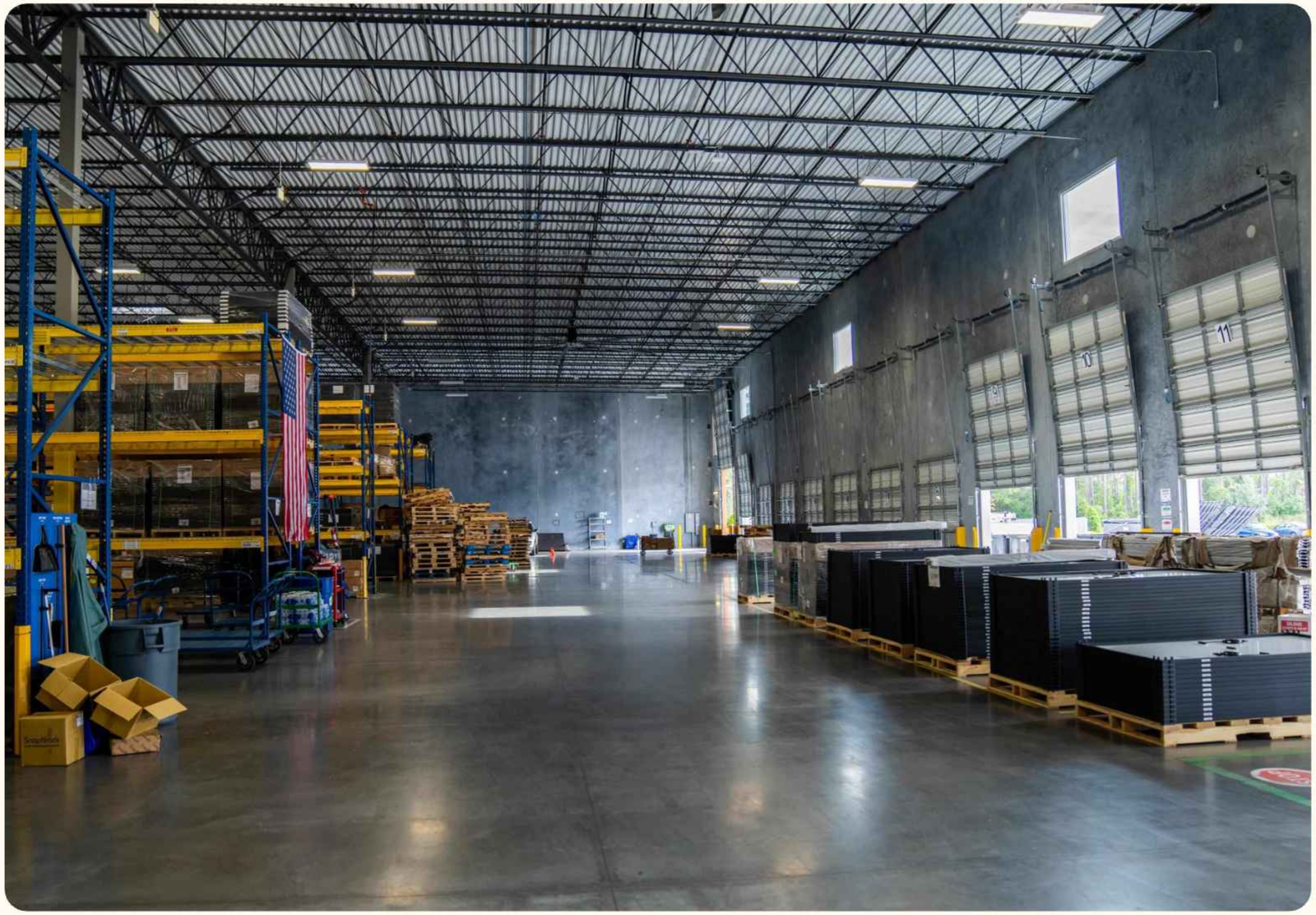
Sunrun expects that its suppliers will provide products containing only materials that have been ethically sourced. Vendors who supply products containing minerals from conflict-affected and high-risk regions, such as cobalt, wolframite (titanium), cassiterite (tin), tungsten, and gold, must ensure that the sourcing of these minerals does not knowingly support—directly or indirectly—armed conflict, terrorist financing, or human rights violations. Sunrun expects vendors to source minerals in a manner consistent with the Organization for Economic Cooperation and Development's (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Sunrun acknowledges that cobalt, a material needed in some types of batteries, poses a greater risk of being acquired from regions with a history of unjust labor practices. We choose to partner with battery manufacturers who share our commitment to responsible mineral sourcing. Some of our most important suppliers are members of the Responsible Cobalt Initiative, which works to establish agreed policies and promote supply chain transparency. In addition, Sunrun continues to evaluate battery improvements that may lower the mineral content of batteries further.

Sunrun's commitment to human rights extends to the sourcing of products we develop. We recognize that solar supply chains have risk exposures to Conflict Minerals, as defined under Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), and we are committed to ensuring our products do not contain such materials from the "Conflict Region" of the Democratic Republic of Congo and neighboring regions. Sunrun adheres to all applicable foreign and U.S. federal laws related to the use of Conflict Minerals, and condemns violations of human rights related to Conflict Minerals. We expect suppliers to provide accurate information about their products so that, if necessary, the origin of their materials can be determined with reasonable assurance that these materials are conflict-free.

Preventing Forced Labor

Sunrun is at the forefront of addressing concerns regarding forced labor in the solar supply chain. Sunrun has taken a significant role in the development of the Solar Supply Chain Traceability Protocol with SEIA and has worked closely with its suppliers to improve their end-to-end supply chain traceability and transparency over the past several years. Sunrun has also developed a Certificate of Compliance program in collaboration with a number of suppliers and third-party auditing firms to validate and enforce traceability criteria. Sunrun will continue to expand and intensify its end-to-end supply chain management to promote the ethical and equitable treatment of all workers.



Board of Directors

The Board of Directors makes recommendations and conducts unbiased evaluations and supervision of management activities. It maintains an independent majority at all times and comprises nine members, all but three of whom are independent. Alan Ferber serves as Lead Independent Director and is responsible for overseeing separate meetings of the independent directors. Sunrun co-founders, Lynn Jurich and Edward Fenster, serve as Co-Executive Chairs. Of our nine member Board, the majority (five) are women, including our CEO Mary Powell.

The Board has three committees. The Audit Committee assists the board in ensuring we uphold the highest standards of financial integrity through accounting transparency, accountability, and integrity, as well as internal controls and risk management and cybersecurity. The Compensation Committee seeks to align executive compensation with stockholders' interests, our corporate goals, performance objectives, and long-term sustainability. The Nominating, Governance, and Sustainability Committee ensures effective governance practices and oversees the evaluation of the Board, recommends new director candidates, develops and maintains corporate-governance policies, and oversees ESG initiatives and reporting. At least twice a year, the Nominating, Governance, and Sustainability Committee reviews disclosures on progress toward our ESG initiatives to external stakeholders.

The Company's Board is classified and consists of three classes of directors. Annually, a class is nominated and elected to serve a three-year term. However, in 2023, our stockholders approved the phasing out of the classification of our Board over a three-year period such that, beginning at the election of directors at the 2026 annual meeting of stockholders, all directors would be annually elected for a one-year term.

56%
of Board members are women

8
average tenure of Board members

59
average age of Board members

2
new directors in the last five years

22%
of Board members are ethnically diverse

The Company has a robust framework designed to identify and ensure proper management of risk, including risk related to our ability to operate responsibly and sustainably. The framework that we use to identify and manage risk considers a number of enterprise-level issues, including competitive environment, brand and reputation, regulatory and compliance, and security, as well as external and internal factors that could distract the Company from our business or derail our strategic objectives. The Board oversees risk through this framework, with oversight accomplished by identifying key risks and mapping them to the appropriate Board Committee or to the full Board.

Our Board reviews these key risks and the related framework annually, and the full Board or appropriate Board committees discuss selected risks in more detail throughout the year. The table on the next page identifies key risk areas overseen by the Board and its committees. Going forward, our Board will continue to assess its oversight structure and make adjustments as appropriate.



Governance Structure

Full Board

- Has primary responsibility for risk oversight, including setting the company's overall strategic direction, financial outlook, and long-term goals
- Provides oversight of management's performance and decision-making
- Assesses and manages risks facing the company, including financial, operational, and reputational risks
- Fosters a culture of transparency, accountability, integrity, and ethical behavior throughout the organization
- Monitors and evaluates the company's performance against key performance indicators and benchmarks
- Provides guidance and advice to management on significant strategic and operational issues
- Establishes and maintains effective corporate governance practices, including the composition and functioning of board committees

Audit Committee

- Responsible for overall risk assessment and management
- Reviews financial exposures, statements, internal controls, systems and reporting
- Selects and oversees the external auditors, ensuring their independence and objectivity
- Reviews the effectiveness of our compliance programs and handling of ethical concerns, including FCPA/ anti-bribery and our whistleblower program
- Along with the full Board, oversees our cybersecurity risk management and assesses our cybersecurity policies and procedures

Compensation Committee

- Develops and reviews executive compensation strategy
- Designs and approves executive compensation plans and policies
- Sets performance metrics and targets for executive pay
- Oversees CEO succession planning
- Evaluates and mitigating risks associated with compensation programs
- Ensures pay equity and fairness

Nominating, Governance and Sustainability Committee

- Oversees Board succession planning, including identifying, nominating, and overseeing the recruitment and screening process of qualified candidates for the board of directors
- Conducts regular assessments of the Board's performance, including individual director evaluations
- Reviews and updates the company's corporate governance practices to ensure compliance with regulations and best practices
- Integrates Environmental, Social, and Governance (ESG) considerations into board decision-making and oversight processes
- Providing guidance and advice to management on significant strategic, governance, and ESG-related matters

Skills, Attributes, and Experience of Our Board

	Mary Powell	Edward Fenster	Lynn Jurich	Katherine August De-Wilde	Leslie Dach	Alan Ferber	Sonita Lontoh	Gerald Risk	Manjula Talreja
Senior Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓
Innovation/Technology /Engineering	✓	✓	✓			✓	✓	✓	✓
Sales/Marketing/Brand Management Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓
Human Capital Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sustainability /Energy /Utility	✓	✓	✓	✓	✓	✓	✓	✓	
Business Development /Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓
Finance/Capital Markets	✓	✓	✓	✓				✓	
Financial Reporting /Accounting	✓	✓	✓	✓		✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cybersecurity/Privacy /Information Security							✓		
Legal/Regulatory /Government	✓	✓			✓				
Outside Public Company Board	✓			✓			✓		

2023 Compensation Governance and Philosophy

For 2023, the key elements of our executive compensation program included the existing components of base salary, annual cash bonus incentive awards, performance-based equity awards, and health, welfare, and retirement programs, as well as time-based equity awards. We believe that providing a portfolio of performance-based equity awards, time-based equity awards, and cash compensation supports the objectives of our long-term incentive compensation program by further aligning the interests of our executive officers and stockholders, balancing performance and retention considerations, and enabling us to use our equity compensation resources more efficiently.

In 2023, more than 88% of our executives' target total compensation was at-risk and performance-based, up from 86% in 2022. We also maintain a "clawback policy" that would allow us to recover certain cash or equity-based incentive compensation payments or awards made or granted to certain senior leaders and executive officers in the event of misconduct that results in the need for us to prepare a material financial restatement or material restatement of certain operational results. We amended and restated our clawback policy in October 2023 to comply with Nasdaq listing standards.

We also adopted stock ownership guidelines in 2021 for our directors and executive officers, which establish the level of stock ownership that they are expected to retain. We adopted these policies based on our belief that stock ownership further aligns the interests of our directors and executives with those of our stockholders. These guidelines were amended in 2022.

Each year, we complete an assessment of how ESG is best incorporated into our compensation structure. In our 2023 annual cash bonus plan, we incorporated Customer Experience (measured through Net Promoter Score) and Safety as ESG factors, resulting in ESG metrics comprising 30% of our overall cash bonus metric weighting. We view Safety and Customer Experience as material and complementary factors to creating long-term sustainable value and incorporating them in our executive compensation structure as a method to further accelerate our progress in these areas.

For more information on corporate governance matters, including stockholder rights, Sunrun's approach to management compensation, and board structure, please see Sunrun's annual proxy statement, which is filed with the SEC and available on the company's Investor Relations website at investors.sunrun.com.

Engaging with Stockholders and Responding to Their Feedback

Our Board of Directors values our stockholders' perspectives, and feedback from our stockholders has been important considerations for discussions with the Board of Directors and its committees throughout the year. We have a history of actively engaging with our stockholders, and we approach stockholder engagement as an integrated, year-round process that includes proactive outreach as well as responsiveness to stockholder concerns or feedback. In addition to our Annual Meeting each year, we regularly provide stockholders with opportunities to deliver feedback on our corporate governance, compensation and ESG practices.

In response to investor feedback during the past few years, we have made a number of enhancements to our governance and compensation practices and disclosures, including the introduction of performance equity and stock ownership guidelines, adoption of a clawback policy, and more robust ESG disclosures. In 2023, we implemented several changes to our compensation structure aimed at continuing to align executive compensation with stockholder interests and bolstering our commitment to performance-driven rewards:

- We discontinued the practice of issuing stock options, opting instead for a blend of Restricted Stock Units ("RSUs") and Performance Stock Units ("PSUs").
- PSUs comprised 25% of our annual equity grant distribution.
- We instituted a variety of performance metrics, including PSUs tied to relative Total Shareholder Return (the "Relative TSR PSUs") and the achievement of a predefined threshold for Net Earning Assets per diluted share.
- In our annual bonus incentive plan, we added an additional ESG-related metric, in the form of a component related to employee safety.



Task Force on Climate-Related Financial Disclosures 2023 Report

The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board with the goal of developing voluntary, consistent climate-related financial disclosures that would be useful to all relevant stakeholders. The recommendations of the TCFD are focused on four thematic areas representing core operational pillars, including: (1) governance; (2) strategy; (3) risk management; and (4) metrics and targets.

Sunrun believes the TCFD recommendations provide a useful framework to increase transparency on climate-related risks and opportunities within financial markets.

I. Governance

Disclose the organization's governance around climate-related risks and opportunities.

A. Describe the board's oversight of climate-related risks and opportunities.

As the second largest owner of solar assets in the United States and a top five owner of solar assets globally, Sunrun's business model is inherently linked to addressing climate change. We embed best practices for ESG performance throughout our organization.

We established board level oversight of ESG matters, including the oversight of climate-related opportunities and risks, by our Nominating, Governance, and Sustainability Committee. At least twice a year, the Nominating, Governance, and Sustainability Committee reviews progress toward our climate-related initiatives and disclosures to external stakeholders.

ESG risks are also reviewed by our Board's Audit Committee in connection with the Company's enterprise risk management process. The full Board reviews our ESG programs and disclosures at least annually.

B. Describe management's role in assessing and managing climate-related risks and opportunities.

We embed best practices for ESG performance throughout our organization. In 2019, we formed the ESG Executive Committee, a formal committee of senior management tasked with driving ESG performance and reporting initiatives throughout the company, overseeing the implementation of our ESG initiatives, and prioritizing internal resources committed to the advancement of our ESG objectives.

Our ESG Executive Committee meets at least on a quarterly basis, and each meeting includes a review of our ESG scorecard for assessing progress made on our goals, as well as a deep dive into various ESG risks. We also share our ESG goals and priorities with the company's extended leadership team and encourage leaders to incorporate ESG goals into their objectives and strategic work plans. In response to feedback we received from stockholders in our 2023 annual cash bonus plan, we incorporated Customer Experience (measured through Net Promoter Score) and Safety as ESG factors, resulting in ESG metrics comprising 30% of our overall cash bonus metric weighting. Further, our executive compensation plans are inherently tied to reducing carbon emissions as the amount of solar energy capacity we install is a significant component of our compensation plans.

Among the executives and senior leaders included as members of our ESG Executive Committee are the following:

- Chief Executive Officer
- Chief Legal Officer, Chief People Officer, and Corporate Secretary
- Chief Revenue Officer
- Chief Customer Experience Officer
- Senior Vice President, Legal
- Senior Vice President, Investor Relations
- Senior Vice President, Marketing
- Senior Vice President, Supply Chain
- Senior Director, Safety
- Vice President, Procurement
- Vice President, People Acquisition & Inclusion/Diversity
- Vice President, Policy
- Vice President, Internal Audit



Task Force on Climate-Related Financial Disclosures 2023 Report Cont.

II. Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning where such information is material.

A. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Climate change poses a systemic threat to the global economy and will continue to do so until our society transitions to renewable energy and decarbonizes. While our core business model seeks to accelerate this transition to renewable energy, there are inherent climate-related risks to our business operations. Warming temperatures throughout the United States, and in California, our biggest market and the location of our headquarters, in particular, have contributed to extreme weather, intense drought, and increased wildfire risks. These events have the potential to disrupt our business, our third-party suppliers, and our customers, and may cause us to incur additional operational costs. For instance, natural disasters and extreme weather events associated with climate change can impact our operations by delaying the installation of our systems, leading to increased expenses and decreased revenue and cash flows in the period. They can also cause a decrease in the output from our systems due to smoke or haze. Additionally, if weather patterns significantly shift due to climate change, it may be harder to predict the average annual amount of sunlight striking each location where our solar energy systems are installed. This could make our solar service offerings less economical overall or make individual systems less economical.

We aim to reduce the causes of greenhouse gas emissions by transitioning more energy production to clean solar energy and to provide a solution to consumers who would potentially face adverse effects from severe weather caused by climate change. As the nation's leading home solar, battery storage and energy services company, we believe we are well positioned to accelerate the transition to a lower carbon economy and generate attractive risk-adjusted returns in the current environment as well as over the mid- and long-term time horizons. We have deployed 6,689 megawatts of solar since 2007, but residential solar is still only 5% penetrated[17] in the United States today and the runway for growth remains massive.

Residential electricity comprises 21% of power usage[18] in the United States, and electrification of our homes is critical to achieving 100% clean, renewable energy in our energy system. When we blanket all solar available rooftops with panels, we believe residential solar can service almost half of America's total electricity needs with clean energy.

In the future, we expect homes to generate solar power on rooftops, store and manage energy in batteries, heat with electricity rather than fossil fuels, and charge electric vehicles from renewables. We expect people to face a continued increase in power outages from extreme weather caused by climate change. As families experience days without power, year after year, they will seek a clean, reliable, and long-term solution. Our battery storage can power through even multi-day outages, offering resiliency and peace of mind. When we network home solar and battery storage to deliver virtual power plants, we further accelerate the transition away from polluting fossil fuels by providing clean, cost effective peaking capacity. Ultimately, Sunrun seeks to be the energy provider of choice, integrating solar, storage, electrification, and virtual power plants into a smart solution for each home and community.

B. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

We view addressing climate change as a global imperative. Sunrun was founded, and our business strategy has been formed, to address climate change head on. We believe that more businesses, consumers, and government bodies will seek to address climate change and that Sunrun will be able to benefit from these actions. This increase in consumer awareness of climate change, coupled with the declining costs of solar modules and batteries in the face of rising utility rates, creates structural advantages for us to capitalize on climate-related opportunities.

In the future, we expect homes to generate solar power on rooftops, store and manage energy in batteries, heat with electricity rather than fossil fuels, and charge electric vehicles from renewables. Ultimately, this drives Sunrun to be the energy provider of choice, integrating solar, storage, electrification, and virtual power plants into a smart solution for each home and community.

Natural disasters and extreme weather events associated with climate change present risks to our business as well. They can severely impact our operations by delaying the installation of our systems, leading to increased expenses and decreased revenue and cash flows in the period. They can also cause a decrease in the output from our systems due to smoke or haze. Additionally, components of our systems, such as panels and inverters, could be damaged.

If weather patterns significantly shift due to climate change, it may be harder to predict the average annual amount of sunlight striking each location where our solar energy systems are installed. This could make our solar service offerings less economical overall or make individual systems less economical.

Increasing regulation of fuel emissions can substantially increase the cost of energy, including fuel, required to operate our facilities or transport and distribute our products, thereby substantially increasing the distribution and supply chain costs associated with our products. However, we expect these types of regulations would also increase the cost of energy to end consumers, which increases our value proposition and potentially mitigates, or more than offsets, any increased costs in our operations.

We prepared our first emissions inventory in 2017 and set our first emissions target in 2021. We continually seek to minimize the impacts of our business operations on the environment, including by retiring gasoline vehicles in favor of hybrid and electric vehicles, facility recycling, and vendor sustainability.

Task Force on Climate-Related Financial Disclosures 2023 Report Cont.

C. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2oC or lower scenario.

TCFD Transitional Scenario 1

Sufficient globally coordinated action is taken to limit the global temperature increase to 1.5 degrees Celsius above pre-industrial levels.

Assumption	Impacts and Strategy
Increased demand for solar energy, battery storage, and other home electrification solutions.	Increased demand for our offerings, which we would expect to have positive economic impacts; however, this could also result in additional market competition, pricing pressures, supply chain challenges, and lack of available resources and workforce.
Enactment of robust decarbonization policy, such as a price on carbon, results in increased (i) incumbent utility power prices, and (ii) operating and product costs for certain carbon-intensive industries.	The adoption of robust decarbonization policies may result in increased demand for our offerings with improved economics for low-carbon products and services; however, this could also result in additional market competition, pricing pressures, supply chain challenges, and lack of available resources and workforce.

TCFD Transitional Scenario 2

Global action is insufficient to prevent global temperatures from increasing more than 2 degrees Celsius above pre-industrial levels.

Assumption	Impacts and Strategy
Lack of laws, regulation, policy or other market conditions significant enough to shift the trajectory of climate change.	If current trends continue, even without a robust decarbonization policy, our offerings may be increasingly competitive in comparison to incumbent utility prices. Certain current policies, such as the net metering policies and the federal investment tax credit, have provided economic benefits to the solar industry and our business; however, if such policies expired or were repealed, our offerings and pricing may become less attractive and future growth may be limited.
Increased demand for solar energy, battery storage, and other home electrification solutions.	Increased demand for our offerings, which we would expect to have positive economic impacts; however, this could also result in additional market competition, pricing pressures, supply chain challenges, and lack of available resources and workforce.



Task Force on Climate-Related Financial Disclosures 2023 Report Cont.



TCFD Physical Scenario 1 & 2

Assumption	Impacts and Strategy
Increased frequency and severity of extreme weather events, including severe wildfires, intense drought, heavy rainfalls and increased storm surges due to rising sea levels, and other extreme weather-related events.	Extreme weather resulting from climate change may disrupt our business, our third-party suppliers, and our customers, and cause us to incur additional operational costs. For instance, natural disasters and extreme weather events associated with climate change can impact our operations by delaying the installation of our systems, leading to increased expenses and decreased revenue and cash flows in the period.
Diminished operational performance of our solar energy systems due to a global temperature increase and impacts of extreme weather events, such as wildfire smoke.	The performance and power generation of our solar energy systems may decrease based upon an increase in ambient temperatures resulting from global warming, as well as from smoke, haze, or residual soiling from extreme weather and wildfire.
Increased temperatures and more frequent heat waves could result in fewer applicants for certain employee roles requiring extended outdoor exposure, such as rooftop installation and direct-to-home sales teams.	A warming climate producing more frequent and more acute heat waves could result in less interest from employees for roles that require prolonged outdoor exposure. The inability to adequately staff such roles would limit productivity and negatively impact our operational results.
A significant shift of weather patterns due to climate change.	Changing weather patterns could result in a diminished ability to accurately predict the average annual amount of sunlight striking each location where our solar energy systems are installed, which could make our solar service offerings less economical overall or make individual systems less economical.
Increased insurance premiums related to property and systems in particularly vulnerable regions.	Insurance premiums may increase in connection with the impacts of global warming, the increase of extreme weather events, or other factors described herein.

Task Force on Climate-Related Financial Disclosures 2023 Report Cont.

III. Risk Management

Identify how the organization identifies, assesses, and manages climate-related risks.

A. Describe the organization's processes for identifying and assessing climate-related risks.

Our business model is influenced by climate change through our core mission, to connect people to the cleanest energy on earth and build an affordable energy system that combats climate change and provides energy access for all. This mission drives every decision in the business, from the day-to-day senior management decisions to crafting the long term vision and strategy. Among the management processes for identifying and assessing climate-related risks and opportunities we have adopted are: (a) integration of a carbon intensity reduction target, among other climate-related goals, targets, and initiatives, into our sustainability strategy; (b) review and management of climate-related strategy and actions in the context of our short- and long-term business strategy; (c) establishment of internal audit procedures to flag risks to the company, including those related to climate change, and providing structured internal controls that promote compliance in our processes and accuracy in our reporting; (d) formation of an ESG Executive Committee to oversee ESG performance and reporting at the Company and Board level oversight of ESG matters on a regular basis by our entire Board, Nominating, Governance, and Sustainability Committee, and Audit Committee; and (e) inclusion of climate-change related risks in our Annual Report on Form 10-K.

B. Describe the organization's processes for managing climate-related risks.

The individuals and processes involved with identifying and assessing climate-related risks are also involved in the management of climate-related risks. In addition, our solar energy systems are subject to environmental forces, including climate-related risks and extreme weather events, such as floods, wildfires, and hurricanes. We seek to mitigate this risk by purchasing property insurance with industry standard coverage and limits approved by an investor's third-party insurance advisors.

We continue to integrate responsible sourcing, environmental protection, and sustainability, including the management of climate-related risks and impacts, into various aspects of our supply chain functions and launched a Vendor Code of Conduct in 2019. We expect all of our vendors to adhere to the policies set forth in our Vendor Code of Conduct and Human Rights Policy. Sunrun is also a signatory to the United Nations' Global Compact and The Climate Pledge.

We also rely on third-party manufacturing warranties and warranties provided by our solar partners. We have focused on improving the resiliency of our business operations by implementing cloud-based information technology systems to allow our employees to work from remote locations in the event of weather or other workplace disruptions.

C. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.

Our leadership team is encouraged, and the governance of our Company is structured, to incorporate ESG matters, including climate-related risks, in its risk management processes. Our Board, and our Board's Audit Committee and Nominating, Governance, and Sustainability Committee, regularly identify, assess, and manage risk within the company, including those related to climate change. We tasked our ESG Executive Committee with driving ESG performance and reporting initiatives throughout the company, overseeing the implementation of our ESG initiatives, and prioritizing internal resources committed to the advancement of our ESG objectives. In addition, we established internal audit procedures to develop formalized internal controls that promote compliance in our processes and ensure accuracy in our reporting.

IV. Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

A. Describe the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

See our goals as provided on page 7 and the section titled GHG Emissions in this Impact Report.

B. Disclose Scope 1, Scope 2 and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

See the section titled GHG Emissions in this Impact Report.

C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

See our goals as provided on page 7 and the section titled GHG Emissions in this Impact Report.

Appendix



About This Report

Reporting Period and Scope

This annual Sunrun Impact Report captures activities, metrics, and initiatives taken during the calendar year 2023. We are pleased to show our 2023 results and key year-over-year improvements as we continue to evaluate the impact of our business on our employees, customers, communities, and the environment. We see this report as a comprehensive resource for ourselves, our stockholders, partners, and customers to measure our success as a sustainable business.

Reporting Standards

We monitor our performance and increase transparency while improving how we report our progress in accordance with current sustainability reporting frameworks. We used the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines to inform what we disclose in this 2023 Impact Report, as well as the Task Force on Climate-related Financial Disclosures (TCFD) framework's recommendations and the United Nations Sustainable Development Goals (SDGs).

Disclaimer on Materiality

The discussion of topics included in this report should not be read as implying that such topics are "material" in the context of the U.S. federal securities laws, Delaware General Corporation Law, or any other regulatory framework. Our approach to ESG disclosures is informed by reporting frameworks, such as the GRI, that involve broader definitions of materiality than used for purposes of our compliance with SEC disclosure obligations. As a result, "materiality" for purposes of our Impact Report includes impacts on communities, the environment, and stakeholders such as employees, customers, and suppliers, and the inclusion of topics in our Impact Report does not indicate that such topics are material to the Company's business, operations, or financial condition.

Forward-Looking Statements

This communication contains forward-looking statements related to Sunrun (the "Company") within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements related to: the Company's business plan, trajectory, and expectations, market leadership, competitive advantages, operational and financial results and metrics (and the assumptions related to the calculation of such metrics); the Company's momentum in its business strategies; the Company's anticipated impact and momentum in the Company's ESG and climate-related strategies, expectations, effectiveness and performance; the Company's ESG and climate-related results and performance metrics (and the underlying assumptions involved in the calculation of such metrics); the growth of the solar industry; the Company's ability to derive value from the anticipated benefits of partnerships, new technologies, and pilot programs; anticipated demand, market acceptance, and market adoption of the Company's offerings, including new products, services, and technologies; expectations regarding the growth of home electrification, electric vehicles, virtual power plants, and distributed energy resources; the Company's ability to manage suppliers, inventory, and workforce; supply chains and regulatory impacts affecting supply chains; the Company's leadership team and talent development; the legislative and regulatory environment of the solar industry and the potential impacts of proposed, amended, and newly adopted legislation and regulation on the solar industry and our business; the ongoing expectations regarding the Company's storage and energy services businesses and anticipated emissions reductions due to utilization of the Company's solar systems; anticipated, or potential impacts of the COVID-19 pandemic and its variants; and factors outside of the Company's control such as macroeconomic trends, public health emergencies, natural disasters, acts of war, terrorism, geopolitical conflict, or armed conflict / invasion, and the impacts of climate change.

These statements are not guarantees of future performance; they reflect the Company's current views with respect to future events and are based on assumptions and estimates and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements. The risks and uncertainties that could cause the Company's results to differ materially from those expressed or implied by such forward-looking statements include: the Company's continued ability to manage costs and compete effectively; the availability of additional financing on acceptable terms; worldwide economic conditions, including slow or negative growth rates and inflation; volatile or rising interest rates; changes in policies and regulations, including net metering and interconnection limits, or caps and licensing restrictions and the impact of these changes on the solar industry and our business; the Company's ability to attract and retain the Company's business partners; supply chain risks and associated costs; the impact of COVID-19 and its variants on the Company's operations; realizing the anticipated benefits of past or future investments, partnerships, strategic transactions, or acquisitions, and integrating those acquisitions; the Company's leadership team and ability to attract and retain key employees; changes in the retail prices of traditional utility generated electricity; the availability of rebates, tax credits and other incentives; the availability of solar panels, batteries, and other components and raw materials; the Company's business plan and the Company's ability to effectively manage the Company's growth and labor constraints; the Company's ability to meet the covenants in the Company's investment funds and debt facilities; factors impacting the home electrification and solar industry generally, and such other risks and uncertainties identified in the reports that we file with the U.S. Securities and Exchange Commission from time to time. All forward-looking statements used herein are based on information available to us as of the date hereof, and we assume no obligation to update publicly these forward-looking statements for any reason, except as required by law.



Glossary

Deployments represent solar energy systems, whether sold directly to customers or subject to executed Customer Agreements (i) for which we have confirmation that the systems are installed on the roof, subject to final inspection, (ii) in the case of certain system installations by our partners, for which we have accrued at least 80% of the expected project cost (inclusive of acquisitions of installed systems), or (iii) for multi-family and any other systems that have reached our internal milestone signaling construction can commence following design completion, measured on the percentage of the system that has been completed based on expected system cost.

Customer Agreements refer to, collectively, solar power purchase agreements and solar leases.

Subscriber Additions represent the number of Deployments in the period that are subject to executed Customer Agreements.

Customer Additions represent the number of Deployments in the period.

Solar Energy Capacity Installed represents the aggregate megawatt production capacity of our solar energy systems that were recognized as Deployments in the period.

Solar Energy Capacity Installed for Subscribers represents the aggregate megawatt production capacity of our solar energy systems that were recognized as Deployments in the period that are subject to executed Customer Agreements.

Creation Cost represents the sum of certain operating expenses and capital expenditures incurred divided by applicable Customer Additions and Subscriber Additions in the period. Creation Cost is comprised of (i) installation costs, which includes the increase in gross solar energy system assets and the cost of customer agreement revenue, excluding depreciation expense of fixed solar assets, and operating and maintenance expenses associated with existing Subscribers, plus (ii) sales and marketing costs, including increases to the gross capitalized costs to obtain contracts, net of the amortization expense of the costs to obtain contracts, plus (iii) general and administrative costs, and less (iv) the gross profit derived from selling systems to customers under sale agreements and Sunrun's product distribution and lead generation businesses. Creation Cost excludes stock based compensation, amortization of intangibles, and research and development expenses, along with other items the company deems to be non-recurring or extraordinary in nature.

Subscriber Value represents the per subscriber value of upfront and future cash flows (discounted at 5%) from Subscriber Additions in the period, including expected payments from customers as set forth in Customer Agreements, net proceeds from tax equity finance partners, payments from utility incentive and state rebate programs, contracted net grid service program cash flows, projected future cash flows from solar energy renewable energy credit sales, less estimated operating and maintenance costs to service the systems and replace equipment, consistent with estimates by independent engineers, over the initial term of the Customer Agreements and estimated renewal period. For Customer Agreements with 25 year initial contract terms, a 5 year renewal period is assumed. For a 20 year initial contract term, a 10 year renewal period is assumed. In all instances, we assume a 30-year customer relationship, although the customer may renew for additional years, or purchase the system.

Net Subscriber Value represents Subscriber Value less Creation Cost.

Total Value Generated represents Net Subscriber Value multiplied by Subscriber Additions.

Customers represent the cumulative number of Deployments, from the company's inception through the measurement date.

Subscribers represent the cumulative number of Customer Agreements for systems that have been recognized as Deployments through the measurement dated.

Networked Solar Energy Capacity represents the aggregate megawatt production capacity of our solar energy systems that have been recognized as Deployments, from the company's inception through the measurement date.

Networked Solar Energy Capacity for Subscribers represents the aggregate megawatt production capacity of our solar energy systems that have been recognized as Deployments, from the company's inception through the measurement date, that have been subject to executed Customer Agreements.

Gross Earning Assets is calculated as Gross Earning Assets Contracted Period plus Gross Earning Assets Renewal Period.

Gross Earning Assets Contracted Period represents the present value of the remaining net cash flows (discounted at 5%) during the initial term of our Customer Agreements as of the measurement date. It is calculated as the present value of cash flows (discounted at 5%) that we would receive from Subscribers in future periods as set forth in Customer Agreements, after deducting expected operating and maintenance costs, equipment replacements costs, distributions to tax equity partners in consolidated joint venture partnership flip structures, and distributions to project equity investors. We include cash flows we expect to receive in future periods from tax equity partners, state incentive and rebate programs, contracted sales of solar renewable energy credits, and awarded net cash flows from grid service programs with utilities or grid operators.

Gross Earning Assets Renewal Period is the forecasted net present value we would receive upon or following the expiration of the initial Customer Agreement term but before the 30th anniversary of the system's activation (either in the form of cash payments during any applicable renewal period or a system purchase at the end of the initial term), for Subscribers as of the measurement date. We calculate the Gross Earning Assets Renewal Period amount at the expiration of the initial contract term assuming either a system purchase or a renewal, forecasting only a 30-year customer relationship (although the customer may renew for additional years, or purchase the system), at a contract rate equal to 90% of the customer's contractual rate in effect at the end of the initial contract term. After the initial contract term, our Customer Agreements typically automatically renew on an annual basis and the rate is initially set at up to a 10% discount to then-prevailing utility power prices.

Net Earning Assets represents Gross Earning Assets, plus total cash, less adjusted debt and less pass-through financing obligations, as of the same measurement date. Debt is adjusted to exclude a pro-rata share of non-recourse debt associated with funds with project equity structures along with debt associated with the company's ITC safe harboring facility. Because estimated cash distributions to our project equity partners are deducted from Gross Earning Assets, a proportional share of the corresponding project level non-recourse debt is deducted from Net Earning Assets, as such debt would be serviced from cash flows already excluded from Gross Earning Assets.

Glossary

Annual Recurring Revenue represents revenue arising from Customer Agreements over the following twelve months for Subscribers that have met initial revenue recognition criteria as of the measurement date.

Average Contract Life Remaining represents the average number of years remaining in the initial term of Customer Agreements for Subscribers that have met revenue recognition criteria as of the measurement date.

Households Served in Low-Income Multifamily Properties represent the number of individual rental units served in low-income multi-family properties from shared solar energy systems deployed by Sunrun. Households are counted when the solar energy system has interconnected with the grid, which may differ from Deployment recognition criteria.

Positive Environmental Impact from Customers represents the estimated reduction in carbon emissions as a result of energy produced from our Networked Solar Energy Capacity over the trailing twelve months. The figure is presented in millions of metric tons of avoided carbon emissions and is calculated using the Environmental Protection Agency's AVERT tool. The figure is calculated using the most recent published tool from the EPA, using the current-year avoided emission factor for distributed resources on a state by state basis. The environmental impact is estimated based on the system, regardless of whether or not Sunrun continues to own the system or any associated renewable energy credits.

Positive Expected Lifetime Environmental Impact from Customer Additions represents the estimated reduction in carbon emissions over thirty years as a result of energy produced from solar energy systems that were recognized as Deployments in the period. The figure is presented in millions of metric tons of avoided carbon emissions and is calculated using the Environmental Protection Agency's AVERT tool. The figure is calculated using the most recent published tool from the EPA, using the current-year avoided emission factor for distributed resources on a state by state basis, leveraging our estimated production figures for such systems, which degrade over time, and is extrapolated for 30 years. The environmental impact is estimated based on the system, regardless of whether or not Sunrun continues to own the system or any associated renewable energy credits.

Reference Table To Global Reporting Initiative Standards

For this Impact Report, Sunrun has used certain Global Reporting Initiative (GRI) Sustainability Reporting Guidelines to help inform what we disclose, along with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework and the United Nations Sustainable Development Goals (SDGs). The following table is presented to help readers find information that Sunrun has disclosed in reference to GRI's standards. The following charts provide a cross-reference location guide to our Impact Report, filings with the SEC (including our annual filing on Form 10-K), proxy statements, and other policies the company has posted on its investor relations website, available at investors.sunrun.com.

Disclosure	Disclosure Location
General Disclosures	
GRI 2: General Disclosures 2021	
2-1 Organizational details	Impact Report, pg. 6 Form 10-K Investor Relations Website
2-2 Entities included in the organization's sustainability reporting	Form 10-K
2-3 Reporting period, frequency and contact point	Impact Report, pg. 75 Investor Relations Website
2-6 Activities, value chain and other business relationships	Impact Report, pg. 22-24, 38-40
2-7 Employees	Impact Report, pg. 42-54
2-9 Governance structure and composition	Impact Report, pg. 21, 63-64 Proxy Statement 2023 Investor Relations Website
2-10 Nomination and selection of the highest governance body	Impact Report, pg. 66-67 Proxy Statement Corporate Governance Guidelines
2-11 Chair of the highest governance body	Impact Report, pg. 66 Proxy Statement 2023 Corporate Governance Guidelines
2-12 Role of the highest governance body in overseeing the management of impacts	Impact Report, pg. 21, 66-67
2-13 Delegation of responsibility for managing impacts	Impact Report, pg. 21, 67-68
2-14 Role of the highest governance body in sustainability reporting	Impact Report, pg. 21, 67-68
2-15 Conflicts of interest	Corporate Governance Guidelines
2-16 Communication of critical concerns	Impact Report, pg. 63-67
2-17 Collective knowledge of the highest governance body	Impact Report, pg. 67
2-18 Evaluation of the performance of the highest governance body	Corporate Governance Guidelines
2-19 Remuneration policies	Proxy Statement 2023
2-20 Process to determine remuneration	Proxy Statement 2023
2-21 Annual total compensation ratio	Proxy Statement 2023
2-22 Statement on sustainable development strategy	Impact Report, pg. 26
2-23 Policy commitments	Impact Report, pg. 63-65
2-24 Embedding policy commitments	Impact Report, pg. 63-65
2-25 Processes to remediate negative impacts	Impact Report, pg. 63-65
2-27 Compliance with laws and regulations	Impact Report, pg. 48, 63-67
2-28 Membership associations	Impact Report, pg. 23, 34, 58
2-29 Approach to stakeholder engagement	Impact Report, pg. 23

Disclosure	Disclosure Location
Economic Performance	
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	Annual Report Form 10-K
201-2 Financial implications and other risks and opportunities due to climate change	Annual Report Form 10-K
201-3 Defined benefit plan obligations and other retirement plans	Annual Report Form 10-K
Energy	
GRI 201: Economic Performance 2016	
302-1 Energy consumption within the organization	Impact Report, pg. 27
302-2 Energy consumption outside of the organization	Impact Report, pg. 27
302-3 Energy intensity	Impact Report, pg. 27
302-4 Reduction of energy consumption	Impact Report, pg. 27
302-5 Reductions in energy requirements of products and services	Impact Report, pg. 27-28

Disclosure	Disclosure Location
Emissions	
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	Impact Report, pg. 27
305-2 Energy indirect (Scope 2) GHG emissions	Impact Report, pg. 27
305-3 Other indirect (Scope 3) GHG emissions	Impact Report, pg. 27
305-4 GHG emissions intensity	Impact Report, pg. 27
305-5 Reduction of GHG emissions	Impact Report, pg. 27
305-6 Emissions of ozone-depleting substances (ODS)	Impact Report, pg. 29
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Impact Report, pg. 296-67
Employment	
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	Impact Report, pg. 45
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Impact Report, pg. 53
401-3 Parental leave	Impact Report, pg. 53

Disclosure	Disclosure Location
Occupational Health and Safety	
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	Impact Report, pg. 46-48
403-2 Hazard identification, risk assessment, and incident investigation	Impact Report, pg. 46-48
403-3 Occupational health services	Impact Report, pg. 46-48
403-4 Worker participation, consultation, and communication on occupational health and safety	Impact Report, pg. 46-48
403-5 Worker training on occupational health and safety	Impact Report, pg. 46-48
403-6 Promotion of worker health	Impact Report, pg. 46-48
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Impact Report, pg. 46-48
403-8 Workers covered by an occupational health and safety management system	Impact Report, pg. 46-48
403-9 Work-related injuries	Impact Report, pg. 47
403-10 Work-related ill health	Impact Report, pg. 47
Training and Education	
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	Impact Report, pg. 52
404-2 Programs for upgrading employee skills and transition assistance programs	Impact Report, pg. 52
404-3 Percentage of employees receiving regular performance and career development reviews	Impact Report, pg. 45

Disclosure	Disclosure Location
Diversity and Equal Opportunity	
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	Impact Report, pg. 50
405-2 Ratio of basic salary and remuneration of women to men	Impact Report, pg. 50
Local Communities	
GRI 413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and development programs	Impact Report, pg. 23-24, 54, 59-60
Public Policy	
GRI 413: Local Communities 2016	
415-1 Political contributions	Impact Report, pg. 23

Reference Table to Sustainability Accounting Standards Board Standards

Topic	Disclosure Location
Materials Sourcing (RR0102-15, RR0102-16)	Impact Report, pg. 22, 65 Vendor Code of Conduct
Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks (RR0102-09)	Impact Report, pg. 25-41
Discussion of risks and opportunities associated with energy policy and its impact on the integration of solar energy into existing energy infrastructure (RR0102-10).	Impact Report, pg. 55-61
Discussion of the management of environmental risks associated with the polysilicon supply chain (RR0102-16).	Impact Report, pg. 22, 24, 65 Vendor Code of Conduct

Footnotes

1. As of 12/31/2023; inclusive of our active direct-to-home salesforce
2. Number of cities as disclosed in our 2022 press release, Sunrun Celebrates 15 Years Leading the Nation's Clean Energy Transition
3. As of December 31, 2023, Sunrun Reports Fourth Quarter and Full Year 2023 Financial Results
4. Number of Sunrun customers multiplied by 2.6 persons per household, Census Persons per Household
5. As of December 31, 2023, Sunrun Reports Fourth Quarter and Full Year 2023 Financial Results
6. On average during 260 working days in 2023
7. There are 5 million solar installations according to SEIA's 5 Million Solar Installations Campaign
8. World Nuclear Association, April 2024, Carbon Dioxide Emissions From Electricity
9. EIA, December 2023, How much carbon dioxide is produced per kilowatt hour of U.S. electricity generation?
10. EIA, December 2023, How much carbon dioxide is produced per kilowatt hour of U.S. electricity generation?
11. EIA, June 2023, U.S. electric power sector continues water efficiency gains
12. Vote Solar, February 2023, Rooftop Solar, Batteries are the Solution to Grid Outages
13. Brattle Group, April 2024, California's Virtual Power Potential: How Five Consumer Technologies Could Improve the State's Energy Affordability
14. NOAA, January 2024, 2023: A historic year of U.S. billion-dollar weather and climate disasters
15. Climate Central, September 2022, Surging Weather-related Power Outages
16. Injuries, Illnesses, and Fatalities 2022, https://www.bls.gov/web/osh/table-1-industry-rates-national.htm
17. Sunrun, February 2024, Investor Presentation (slide 5)
18. EIA, November 2023, How much energy is consumed in U.S. buildings?

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