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Maxeon Solar Technologies Ltd

Date: 07 October 2022

Independent Limited Assurance Report over Maxeon Solar Technologies Ltd (“Maxeon”) Post-issuance assurance

To the management of Maxeon

Scope

With reference to the Engagement Letter dated 05 August 2022 we have been engaged by Maxeon to perform a ‘limited assurance engagement’, as defined by International Standards on Assurance Engagements, here after referred to as “the engagement”, to report on the Subject Matter and Criteria section below for the financial year(s) ending 30 June 2022 (“the Report”).

Subject Matter and Criteria

The Subject Matter and associated Criteria for this limited assurance engagement are set out in the table below:

Subject matter	Criteria
Post-issuance process for Maxeon’s Eligible Green Expenditures Report, as described in Maxeon’s Green Bond Framework ¹ and the Relevant documentation, that sets out policies and procedures relating to the: <ul style="list-style-type: none">▶ Management of proceeds▶ Allocation reporting on the use of proceeds and the performance of eligible green assets (impact reporting)	<ul style="list-style-type: none">▶ Maxeon’s Green Bond Framework¹▶ ICMA Green Bond Principles’ (June 2021), requirements on:<ul style="list-style-type: none">○ Use of proceeds○ Process for project evaluation and selection○ Management of proceeds○ Reporting

¹ As defined by Maxeon, Maxeon’s Green Bond Framework refers to the document containing set of policies & processes that is largely drafted from the Maxeon’s Green Bond Offering memorandum dated 9th July 2020

Maxeon Management’s responsibilities

Maxeon Management is responsible for selecting Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter Information, such that it is free from material misstatement, whether due to fraud or error.

EY’s responsibilities

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on the procedures we performed and evidence we obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (“ISAE 3000”) issued by the International Auditing and Assurance Standards Board, and the terms of reference for this engagement as agreed with Maxeon on 05 August 2022. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality control

We have maintained our independence and confirm that we have met the requirements of the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

1. Reviewing Maxeon's Green Bond Framework¹ dated 30th August 2022, Green Bond Offering Memorandum dated 9th July 2020 and Green Expenditures Report dated 31st August 2022 to understand policies and procedures, and in assessing alignment with requirements of the ICMA Green Bond Principles (June 2021).
2. Virtual meetings with Maxeon's data stakeholders and management.
3. Process walk-through of systems and processes for data aggregation and reporting, with relevant personnel to understand the quality of checks and control mechanisms in relation to the Subject Matter in the Report.
4. Interviews with employees and management in Maxeon (Global ESG Team, Executive Leadership Team, Finance Team) to understand key green bond issues related to the select eligible assets and processes for the collection and accurate reporting of impact information.
5. Obtain documentation through sampling methods to verify computations made with regards to assumptions and estimations by management in relation to the Subject Matter in the Report.
6. Checking that data and statements had been correctly transcribed from corporate systems and / or supporting evidence, into the Report.
7. Obtain various policies, product collaboration agreements, valuation report, financial statements, and Green Bond annual reporting in relation to the Subject Matter in the Report.

We also performed such other procedures as we considered necessary in the circumstances.

Other matters

As part of our scope of limited assurance, we have conducted the verification of the accuracy of impact figures reported, as well as the classification in terms set out by the Criteria. Our scope of limited assurance did not include the verification of the appropriateness of methodology used in estimating the impact figures.

Conclusion

Based on our limited assurance procedures, as described in this statement as of 7 October 2022, nothing has come to our attention that causes us to believe that the Post-issuance process in relation to Maxeon's Eligible Green Expenditures Report (August 2022), is not aligned with Maxeon's Green Bond Framework¹ dated 30th August 2022. The assurance report covers Maxeon's management's assertion to the allocated amount and the impact as mentioned in the Eligible Green Expenditure Report.

¹ As defined by Maxeon, Maxeon's Green Bond Framework refers to the document containing set of policies & processes that is largely drafted from the Maxeon's Green Bond Offering memorandum dated 9th July 2020

Restricted use

This report is intended solely for the information and use of the Management of Maxeon and is not intended to be and should not be used by anyone other than those specified parties.

Emphasis on matter

Observations on particular aspects of our engagement

We conducted limited assurance for Maxeon's Eligible Green Expenditure Report (August 2022). We have provided selected observations on Maxeon's Eligible Green Expenditure Report (August 2022) and these observations are not intended to detract from our conclusion provided above.

Use of Proceeds:

- ▶ The use of proceeds aligns with the Framework's eligible green project categories i.e., Renewable Energy.

Process for Evaluation and Selection:

- ▶ Maxeon has delegated the assessment of Eligible Green Expenditures to their Green Bond Team to ensure they are adherent to Maxeon's sustainability, corporate governance, regulatory, environmental and health and safety policies as well as their corporate values.

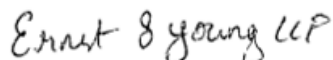
Management of Proceeds:

- ▶ The proceeds were allocated to finance designated eligible green assets and were selected in accordance with the eligibility criteria and exclusionary criteria as stated in the Framework.
- ▶ Maxeon Solar Technologies Ltd has an internal information system in place to monitor the allocation of proceeds and a register is used to facilitate the monitoring and reporting of the issued Green Bond.

Reporting:

- ▶ Maxeon Solar Technologies Ltd has been publishing an annual Eligible Green Expenditures Report that includes information relating to the allocated proceeds by eligibility criteria, together with a description of the asset being financed. As of 30 June 2022, all the net proceeds have been allocated to green expenditures.
- ▶ The annual Eligible Green Expenditures Report was approved by the Maxeon Global ESG Team.
- ▶ Project performance metrics have been presented as prescribed in the Green Bond Framework¹.

Ernst & Young LLP



Signed for Ernst & Young LLP by
Praveen Tekchandani
Partner, Climate Change and Sustainability Services
Singapore
7 October 2022

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