ELIGIBLE GREEN EXPENDITURES
PROGRESS REPORT
July 2021
Management’s Assertions Regarding Disbursements for Eligible Green Expenditures

Maxeon Solar Technologies, Ltd. ("Maxeon") is responsible for the completeness, accuracy and validity of the Maxeon Eligible Green Expenditure Progress Report below (the “Report”).

Maxeon’s management asserts that $176m of $185m net proceeds from the July 17, 2020 issuance of the $185m aggregate principal amount of our 6.50% green convertible senior notes due 2025 (the “Green Bonds”) pursuant to a prospectus (the “Prospectus”) was disbursed by the Company during the period from July 17, 2020 through June 30, 2021 (the “Reporting Period”).

<table>
<thead>
<tr>
<th>Summary Table</th>
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<tbody>
<tr>
<td><strong>Green Bonds Issuance Date:</strong></td>
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<tr>
<td><strong>Type of Security:</strong></td>
</tr>
<tr>
<td><strong>Total Net Proceeds:</strong></td>
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<tr>
<td><strong>Reporting Period:</strong></td>
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<tr>
<td><strong>Eligible Green Expenditures during the Reporting Period:</strong></td>
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<table>
<thead>
<tr>
<th>Breakdown of Eligible Green Expenditures</th>
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<tbody>
<tr>
<td><strong>Patents and other IP:</strong> $100m</td>
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<tr>
<td><strong>Manufacturing Equipment CAPEX:</strong> $37.8m</td>
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<tr>
<td><strong>Internal R&amp;D OPEX:</strong> $8.5m</td>
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<tr>
<td><em><em>PCA</em> OPEX:</em>* $26.8m</td>
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<tr>
<td><em><em>PCA</em> CAPEX:</em>* $2.9m</td>
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</table>

* "PCA" means the Product Collaboration Agreement with SunPower Corporation. Amounts are in United States dollars (USD) and rounded.

SUSTAINABILITY REPORT

Maxeon issued its inaugural Sustainability Report in June 2020, which is available here.

The Eligible Green Expenditures highlighted in this Report contributed to the following advances:

- SunPower Corporation developed a family of patents as well as trade secrets and know-how relating to solar cells and modules in our product suite and offerings under “About Maxeon Solar Technologies”

- Examples of reducing our emissions and waste found under “Energy and Emissions, Water, Waste Management and Circular Economy”

- Examples of our innovation initiatives can be found in “Sustainable Innovation”
Notes to Eligible Green Expenditure Progress Report

“Eligible Green Expenditures” is defined in the Prospectus as “capital expenditures and research and development expenditures related to the development or manufacture of products, key components and machinery primarily dedicated to solar energy generation by us or any of our subsidiaries.”

Note 1: Eligible Green Expenditures Criteria

Solar energy investments, including expenditures relating to:

Procurement of intellectual property i.e. patents for our solar products

- SunPower Corporation developed a family of patents as well as trade secrets and know-how relating to solar cells and modules in our product suite and offerings.
- At the spin-off, Maxeon invested to acquire a portfolio of SunPower Corporation’s intellectual property.

Costs to procure production equipment for solar manufacturing and energy efficiency initiatives to bring P-Series to the United States market

- Implement initiatives, technology and automation to reduce our operational carbon footprint and are continuously striving to lower our own energy consumption, greenhouse gas (GHG) emissions, water consumption and waste.

Research and Development of next generation solar technology and performance relating to:

- Continuously innovate our cell and modulization technology.
- Build Singapore R&D and testing center with team of solar technologists and engineers.
- A highlight of new technology launched during this reporting period is Maxeon Air solar panel (see right).

FOCUS ON INNOVATION: MAXEON AIR SOLAR PANEL

This new technology platform enables the production of frameless, thin, lightweight and conformable solar panels with efficiency and performance equivalent to standard solar panels. It was launched in Q2 2020 and is being rolled out first in Europe and then worldwide.
Notes to Eligible Green Expenditure Progress Report

Note 2: Metrics

Reporting Period: July 17, 2020 through June 30, 2021

- Clean Energy provided: 984 MW
- Through the installation of our Maxeon solar solutions, we enabled the avoidance of an estimated 9,198,848 tCO₂e during the reporting period.

Note 3: Disbursement Status and Continued Reporting

- As of June 30, 2021, $176m of the $185m total net proceeds of the Green Bonds has been disbursed to the Eligible Green Expenditures.
- We will next report our Eligible Green Expenditures for the period July 1, 2021 through June 30, 2022 in July 2022.
- After an amount equal to the net proceeds is allocated to Eligible Green Expenditures, we will obtain an assurance.

Clean Energy provided: 984 MW

Avoided emissions*: 9,198,848 tCO₂e

* Calculated using EPA Greenhouse Gas Equivalencies Calculator
We estimate that the net proceeds to us from this offering will be approximately $177.2 million (or approximately $191.7 million if the initial purchasers fully exercise their option to purchase additional notes), after deducting the initial purchasers' discounts and commissions and our estimated offering expenses.

The gross proceeds of this offering will be deposited into an escrow account. In order to cause the escrow agent to release the proceeds to us, on or prior to the latest possible date that would have been the mandatory redemption date following a Maxeon spin-off failure, we must deliver an officer's certificate to the escrow agent certifying that, as of the date of such officer's certificate, the Maxeon spin-off has been consummated.

The gross proceeds of this offering will be deposited into an escrow account. If the distribution date for the Maxeon spin-off occurs on or before the date that is three months after the first date that notes are issued in this offering, then, upon release of the proceeds from the escrow account, we intend to use (i) approximately $40.0 million of the net proceeds to fund the aggregate forward purchase price for the prepaid forward transaction described below, (ii) a portion of the net proceeds to fund some or all of the repayment of a promissory note outstanding in a principal amount of $100.0 million to SunPower that was issued in exchange for certain intellectual property necessary for the operation of the Maxeon Business and (iii) the remainder of the net proceeds for general corporate purposes. However, if the distribution date for the Maxeon spin-off does not occur on or before the date that is three months after the initial issuance of notes in this offering, or if on any earlier date we deliver notice to the trustee and the escrow agent for the notes that we will not consummate the Maxeon spin-off, then the proceeds, together with existing cash on hand, will be used to fund the mandatory redemption of the notes, as described under the caption “Description of Notes—Mandatory Redemption.”

Eligible Green Expenditures

“Eligible Green Expenditures” means capital expenditures and research and development expenditures related to the development or manufacture of products, key components and machinery primarily dedicated to solar energy generation by us or any of our subsidiaries.

Process for Evaluation and Selection

We have formed a Green Bond Team (including representatives from the finance team and the executive sponsor of our sustainability initiatives) which will assess Eligible Green Expenditures to ensure they are related to activities that adhere to our sustainability, corporate governance, regulatory, environmental and health and safety policies as well as our corporate values. The Green Bond Team intends to prioritize allocations to expenditures incurred after the Maxeon spin-off.

The Green Bond Team will determine the eligibility of expenditures and finalize an allocation of an amount equal to the net proceeds to Eligible Green Expenditures. We intend to allocate an amount equal the net proceeds of this offering to Eligible Green Expenditures within 36 months of the date of issuance.

Management of Proceeds

Pending allocation of an amount equal to the net proceeds to Eligible Green Expenditures, we intend to use the net proceeds of this offering as set forth above. Our finance team will internally track amounts allocated to projects constituting Eligible Green Expenditures. We may re-allocate to other expenditures constituting Eligible Green Expenditures in our discretion.

Payment of principal of and interest on the notes will be made from our general funds and will not be directly linked to any Eligible Green Expenditures.

If the Maxeon spin-off has not been consummated on or before the Maxeon spin-off deadline date, then we will redeem the notes, as described under the caption “Description of Notes—Mandatory Redemption” and no amounts will be allocated to Eligible Green Expenditures.

Reporting

Until the maturity date of the notes (or unless earlier redeemed in full as described under the caption which “Description of Notes—Mandatory Redemption”), until such time as an amount equal to the net proceeds of this offering has been fully allocated to Eligible Green Expenditures, we will publish annual update reports on our website will be available to investors within one year from the date of issuance of the notes. These reports will include assertions by management on the amount allocated to Eligible Green Expenditures and the amount pending allocation, if any.
Where reasonable, these reports will include sustainability metrics describing the environmental outcomes and impacts of our Eligible Green Expenditures including, but not limited to, measures of increased production capacity for solar panels and solar energy and, where applicable, estimates of avoided carbon emissions.

After an amount equal to the net proceeds is allocated to Eligible Green Expenditures, we will obtain an assurance report from a qualified independent external reviewer in respect of its examination of management’s assertions.

Further Information
The Green Bond Principles, June 2018 are a set of voluntary guidelines for the issuance of green bonds developed by a committee made up of issuers, investors and intermediaries in the green bond market and are intended to promote integrity in the Green Bond market through guidelines that recommend transparency, disclosure and reporting. The Green Bond Principles have four components:

- use of proceeds for qualifying projects with environmentally sustainable benefits;
- disclosure and use of a process for project evaluation and selection;
- management of proceeds through a formal process to ensure they are allocated to qualifying projects;
- reporting on the use of proceeds, including on the projects for which funds have been used and their expected impact.

We anticipate that this offering will be in alignment with the Green Bond Principles as in effect on the date of this offering.

We also believe that the Eligible Green Expenditures to which an amount equal to the net proceeds will be allocated will support United Nations Sustainable Development Goal #7, Affordable and Clean Energy.

Information contained on our website is not and should not be deemed a part of this offering memorandum or any other documents incorporated by reference herein.