

Powering the Future of Energy

SUSTAINABILITY REPORT 2022

Note: This document is a PDF download version of our on-line 2022 sustainability report. It is intended for usage by stakeholders requiring a downloadable file version of the report. We recommend using the on-line report version, for a better reading experience, internal links between segments and embedded videos. To access the on-line version, please go to: <https://sustainability.solaredge.com/>. For all footnotes see P.29

2.78M

Homes equipped
with a SolarEdge PV
system

31M

Metric tons of GHG
emissions avoided
annually through the
use of our installed
systems

>150

Women in
management roles

88%

Of generated waste
was recycled or
recovered

Sustainable Approach & Progress

SolarEdge is a global leader in high-performance smart energy technology. By leveraging world-class engineering capabilities and with a relentless focus on innovation, we create smart energy products and solutions that power our lives and drive future progress.

SolarEdge was founded in 2006 by five visionaries who saw the possibility to revolutionize the way power is harvested from the sun. One of our earliest innovations was an intelligent optimized inverter solution that transformed the solar industry and has led to SolarEdge becoming the number one inverter company (by revenues) for 4 years consecutively^[1].



LET'S DIVE DEEPER:

- > Sustainability Highlights

> Company Profile
- > Governance Practices

> Sustainability Strategy & Performance

Powering Clean Energy

Electrification. Decarbonization.
Decentralization. Digitization.

These four words represent the keys to a smart, clean renewable energy future that will power the world for generations to come.

With demand on the rise to meet growing population requirements^[2], global electricity consumption is expected to increase by nearly 50% by 2050 compared to 2020^[3]. There is no better, cheaper, more accessible way to meet these demands than by harvesting the power of the sun to generate electricity for all. The solar energy share of the global installed electricity capacity mix is likely to increase from 11% in 2019 to 32% in 2050^[4]. This share of solar energy will represent more than 30% of the expected renewable energy capacity available from all sources.



LET'S DIVE DEEPER:

- > Our Global Climate Impact

> Our Clean Energy Solutions

> Residential & Community Solutions

> Helping Global Business Transition to Low-Carbon Energy
- > Smart Innovation

> Customer Service

> Safe & Sustainable Products



LET'S DIVE DEEPER:

- > Recruitment, Retention & Talent Pipeline

> Training & Development

> Fair & Quality Employment
- > Diversity, Equity, & Inclusion

> Health & Safety

> Community Outreach

Powering People

Technology is created by people. That's why, at SolarEdge, we are people-first. Our people believe passionately in our purpose to power the future of energy and know that, as our business grows, so does our contribution to making our planet a place where all can thrive. Everyone at SolarEdge has a role to play in creating a cleaner, greener future.

At the same time, we seek to create a workplace that enables everyone to be at their best. This means living our values, operating ethically and responsibly, nurturing open and respectful communication, welcoming our differences, and caring about each other and our communities. We invest in building the capabilities of our people so they can enhance their contribution. And, we love having fun while we do all of the above!

Powering Business

We believe that business is powered by trust, and trust is built through operating with integrity, decency, and transparency. We nurture a culture of ethical conduct throughout our business and aim to operate in ways that improve the impact and mitigates the risks of our operations on society and the environment.



LET'S DIVE DEEPER:

- > Ethics & Compliance

> Cybersecurity & Data Privacy

> Responsible Procurement
- > Climate Change Mitigation & Resource Efficiency

> Waste Management



Appendix

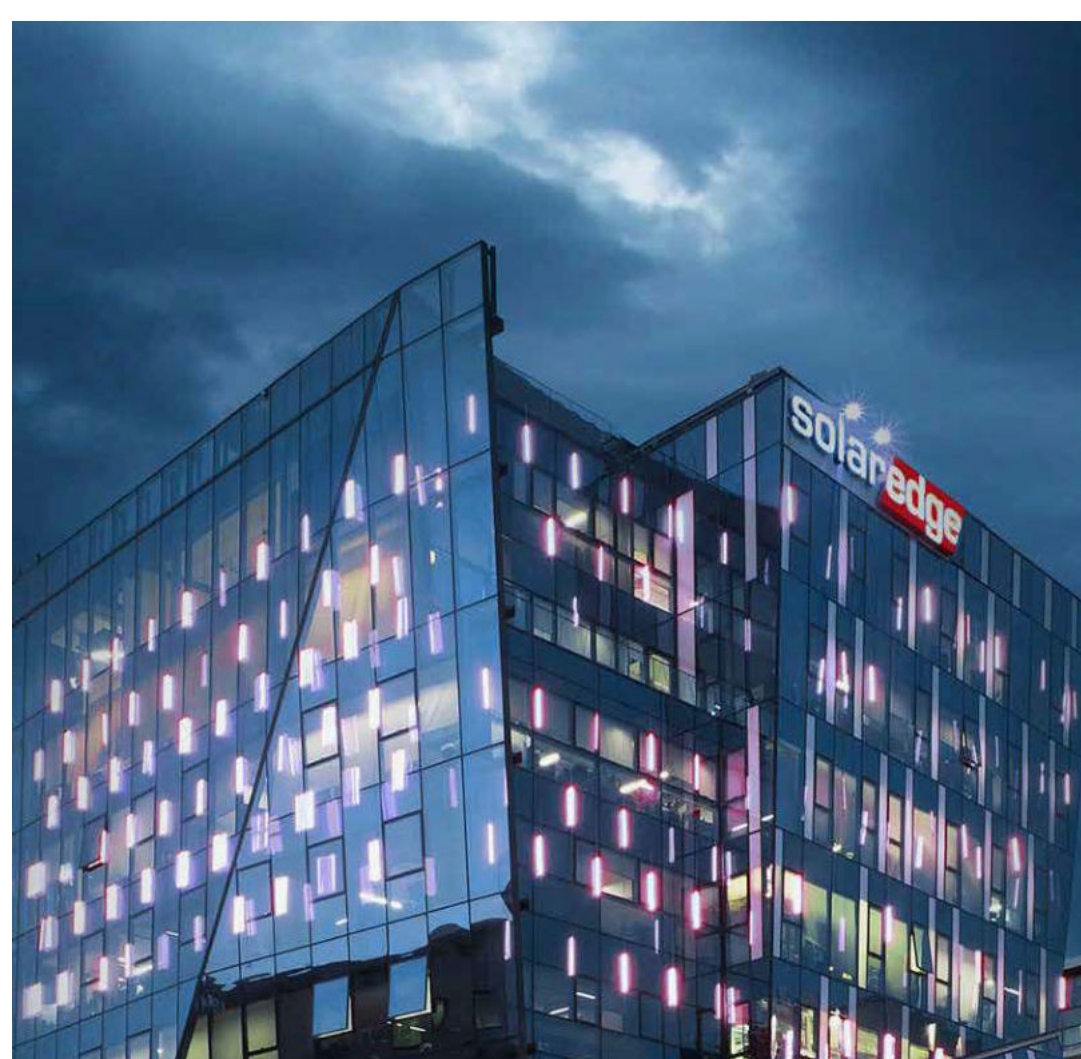
LET'S DIVE DEEPER:

- > About This Report

> GRI Content Index

> GRI Data Tables

> SASB Disclosure



Message from Our CEO

Last year, 2022, was pivotal for the energy industry as both energy demand and energy prices continued to climb, historic legislation was enacted, and PV technology broadened its deployment beyond electricity generation and into storage and energy management.

Read more

How can we help you?

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Message From Our CEO



Last year, 2022, was pivotal for the energy industry as both energy demand and energy prices continued to climb, historic legislation was enacted, and PV technology broadened its deployment beyond electricity generation and into storage and energy management.

Many of the same factors that created the energy crisis in 2021 were still present in 2022. Global geopolitical conflicts continued to threaten traditional energy delivery, putting a spotlight on the vulnerability of the fossil fuel and natural gas industries. In many regions, public utilities struggled to keep up with increased heating and cooling demands resulting from extreme weather patterns, leading to planned and unplanned power outages.

But despite, or because of these headwinds, the solar industry in 2022 continued to flourish. Ambitious Net Zero emissions goals and monumental government incentives like the Inflation Reduction Act (IRA) of 2022 paved the way for renewable energy to take its place on the world stage as the best way to secure a greener future for our planet. The U.S. Energy Information Administration announced that in 2022 renewable energy became the 2nd most popular energy source in the US, providing over 20% of total supply and replacing coal^[1].

As a key player in the global solar industry, SolarEdge has also experienced significant growth in 2022. By the end of the year, over 2.78 million homes around the world were equipped with SolarEdge PV systems, and over 50% of Fortune 100 companies were using our systems on at least one of their sites. Overall, the carbon-free energy generated globally by our DC optimized systems prevents the creation of 31 million metric tons of greenhouse gas (GHG) emissions each year – equivalent to taking 6.7 million gasoline powered cars off the road, permanently.

Looking at the energy landscape for the years to come, it is clear to us that clean energy solutions need to expand and evolve to meet the challenges of a growing population and increased electricity demand, where utilities are challenged to cope with growth of renewable energy fed into the grids. Governments are increasingly adopting Time of Use and dynamic self-tariffs, exemplified by NEM 3.0 in California and new regulations for electricity meters in Belgium, Sweden and other countries. Their goal is to relieve pressure on the grid and to encourage more solar energy self-consumption and storage.

We are therefore continuing to plan and launch end-to-end energy ecosystems to maximize the self-consumption of onsite solar energy production. For example, we are significantly expanding our offerings of storage solutions for residential and commercial use, based on our scalable battery cell technology and manufacturing expertise. More efficient solar energy generation and storage is just the beginning. A key to maximizing self-consumption is energy management and optimization. Leveraging our deep software expertise, we have developed state-of-the-art adaptive algorithms to optimize the production, storage and usage of energy, taking into account time-of-use tariffs, energy and scheduling requirements for major loads, weather patterns and other factors. This will allow homeowners and businesses to automatically control and optimize energy loads for EV chargers, heating and cooling devices, household appliances and more. It will also allow business owners to implement data-driven analytics and AI-based energy management to minimize electricity costs and hedge energy uncertainty.

In addition to our advanced solutions, SolarEdge as a company continues to make progress on our path to enhance our corporate ESG practices. In 2022, we implemented new measurements for energy savings and for water reusage in our manufacturing sites. Three of our global sites now have our solar energy systems installed on their rooftops, and three additional sites are planned for similar installations in 2023-2024. In addition, 88% of the waste our sites generated in 2022 was either recycled or recovered to energy. Our family of employees includes more than 150 women managers, and we are making progress towards our targets of increasing women representation in our workforce, with emphasis on managerial and R&D roles.

This Sustainability Report details the many ways in which SolarEdge is delivering on its promise to power the future of energy through our products, people, and business practices. As you read about our sustainability goals and recent performance, I hope you can experience some of the excitement and commitment of the SolarEdge team as we work together to create a cleaner, greener planet.

Thank you for your continued support.

Zvi Lando
Chief Executive Officer



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Sustainability Highlights



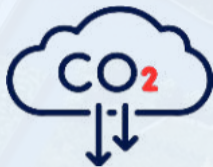
2.78 million homes

equipped with a SolarEdge PV system by the end of 2022



40.0 GW

of our systems shipped worldwide by the end of 2022, delivering affordable clean energy



31 million metric tons

(estimated) of GHG emissions are avoided annually through the use of our installed systems



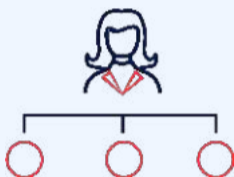
23% increase in global employees

(by end of 2022, versus end of 2021)



29% (2/7) of our directors are women

(as of May 2023)



154 women in management roles

(up from 122 in 2021)



Over 40 participants

in designated development programs for female managers and women in tech roles.



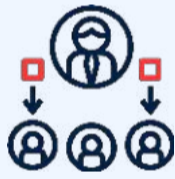
New South Korea Production Site^[1]

for Lithium-Ion battery cell manufacturing, supporting growing renewable energy storage needs



100% of manufacturing and R&D sites

certified to ISO standards for quality, environmental and safety management



Over 280 key suppliers

have committed to the terms of our supplier code of conduct



96%

of SolarEdge global employees received formal performance reviews



80,000 hours

of total annual training time, which are 16.3 average hours per employee in 2022

ISS ESG rating:
among top 10%

of highest rated companies in the Electronic Components sector



3 PV systems

installed on SolarEdge sites rooftops and producing clean power, with 3 additional system installations aimed for 2023



88%

of generated waste was either recycled or recovered to energy



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Company Profile

SolarEdge is a global leader in high-performance smart energy technology. By leveraging world-class engineering capabilities and with a relentless focus on innovation, we create smart energy products and solutions that power our lives and drive future progress.



SolarEdge was founded in 2006 by five visionaries who saw the possibility to revolutionize the way power is harvested from the sun. One of our earliest innovations was an intelligent optimized inverter solution that transformed the solar industry and has led to SolarEdge becoming the number one inverter company (by revenues) for 4 years consecutively (2018-2021)^[1].



Our social purpose:

To power the future of energy so we can all enjoy better, more energy-efficient lifestyles and a greener, sustainable future.



Our social mission:

Shaping the future of sustainable energy production, energy storage and e-Mobility through technological innovation.



Our core company values are:

- We constantly strive for excellence & quality ;
- Our customer is at the center of everything we do;
- We live and breathe innovation and we are never done learning;
- We are initiators and confidently take action;
- We value and empower our people; and
- We continuously aim for wide-ranging impact



Our products and services:

SolarEdge addresses a broad range of energy market segments through PV, energy storage, EV charging, batteries, electrical vehicles and grid services solutions. The SolarEdge DC-coupled architecture maximizes PV power generation, solar energy storage and self-consumption, hence lowering the overall cost of energy produced by PV systems. Our solutions and global distribution support the worldwide transition from centralized, fossil fuel-based energy to clean, distributed and renewable power generation and consumption.

4,926 employees (approx.)
at year end 2022

1,428 employees (approx.)
in our research and development organization at
year end 2022



Our reach at the end of 2022:

#1 solar inverter company,
by revenues

133 countries with SolarEdge
installations

107.6 million
Power Optimizers shipped, cumulative

4.5 million
inverters shipped, cumulative

40.0 GW
(approx.) of our systems shipped
worldwide (since 2010)

>3.1 million
solar energy installations around the world monitored
by SolarEdge systems

>53,000
residential installers worldwide

31 million
tonnes CO²^[2] emissions are avoided
annually through the use of our
installed systems

444 awarded patents
and approximately
462 patent applications
filed worldwide



Our financials^[3]:

\$3.1 billion
revenues in 2022 (GAAP)

\$290 million
spending on research and development in 2022

Our stock is traded on the NASDAQ Global Select Market, where stock prices are quoted under the symbol "SEDG".



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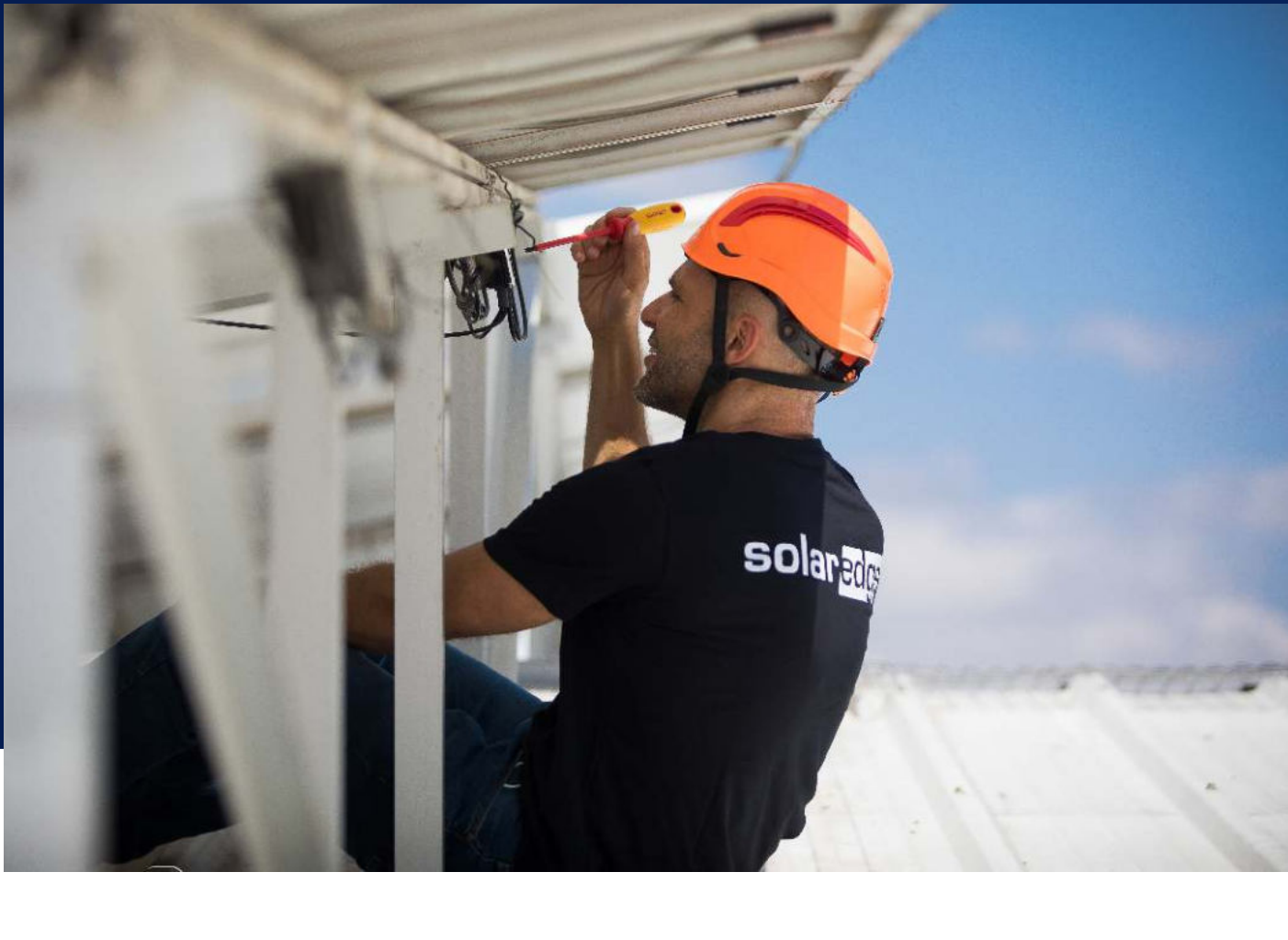
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Governance Practices

- Sustainability Governance >
- Risk Management >
- Involvement in Industry Associations >



Introduction – Governance Practices

As a publicly traded company (Nasdaq: SEDG), SolarEdge maintains a robust corporate governance structure. Our governance aims to ensure due process for executing our responsibility to our shareholders and to all those we serve through our business, upholding ethical conduct, effective risk management, strategy execution and integrity of corporate infrastructure. The Board is elected by SolarEdge stockholders. In 2022, the Board met six times, with each Director attending 100% of these meetings.

As of May 1, 2023, our Board of Directors consists of seven members, led by Nadav Zafrir, who joined the Board in 2019 as an independent Chair and Director.

SolarEdge Board of Directors

7

Directors
(including the Chair)

6

Independent directors
(86%) (as per Nasdaq rules)

2

Women directors
(29%)

We seek to ensure our Board benefits from a diverse range of skills and experience, welcoming individuals who can support our business objectives with appreciation of the context in which we operate, both from the standpoint of markets and technology, and also with an environment, social and governance (ESG) lens. Through our Board refreshment process, we have added a new Board member each year for the past 4 years (2019-2022), each bringing valuable new perspectives. For example, in early 2022, Mr. Dirk Hoke joined our Board of Directors, bringing vast experience leading global technology and industrial companies with a focus on electronics and transportation.



Dirk Hoke,
SolarEdge Director

"I have always believed in the power of business to drive positive change. SolarEdge is well positioned to help transform markets and make clean energy a reality everywhere, both for built structures and mobility, supporting global efforts to mitigate climate change. I am thrilled to offer my experience to help the team at SolarEdge realize the full potential of solar energy for a better future for all of us."

Our Board maintains four standing committees whose members are independent directors. The Committees and their main responsibilities are detailed below.

Audit Committee	Nominating and Corporate Governance Committee	
Responsibilities include, among others:	Responsibilities include, among others:	
<ul style="list-style-type: none">Oversight of SolarEdge's financial reporting, risk assessment and risk managementOversight of the adequacy of our internal controls	<ul style="list-style-type: none">Developing and recommending criteria for identifying and evaluating Director candidatesIdentifying individuals qualified to become Directors, consistent with criteria approved by our Board of Directors	<ul style="list-style-type: none">Oversight of and making recommendations to the Board regarding corporate governance and sustainability matters
Compensation Committee	Technology Committee	
Responsibilities include, among others:	Responsibilities include, among others:	
<ul style="list-style-type: none">Oversight of overall executive compensation philosophy, policies, and programsOversight of strategies and policies related to human capital as well as diversity and inclusion	<ul style="list-style-type: none">Oversight of technology related strategies, processes, and programsReviewing benefits, risks and potential risk mitigation measures associated with proposed technology advancement programs.Reviewing actions and risks associated with any current shortfalls in product performance, quality, or reliability and manufacturing methods including any product security	<ul style="list-style-type: none">Oversight of cyber security, including incident analysis and risk identification and mitigationOversight of information systems design and performance

Our Principles of Corporate Governance are available under "Corporate Governance" on our [website](#).

In 2022, the Board received quarterly updates from SolarEdge management on ESG matters and engaged to support decisions across a range of issues. These included (among others) our newly introduced ESG-related compensation metrics and goals (see description below). The Board also reviewed and approved the Company's updated [Employee Code of Conduct](#).

Specifically, our Nominating and Corporate Governance Committee holds responsibility for oversight of sustainability matters. Since 2021, Ms. Betsy Atkins has been serving as Chair of the Nominating and Corporate Governance Committee. Ms. Atkins is a seasoned businesswoman and entrepreneur and a renowned thought leader in the area of corporate governance and ESG, frequently publishing articles on these topics.



Betsy Atkins,
SolarEdge Director,
from an article published on [Forbes.com](#)^[1]

"It is critical that companies take meaningful and industry appropriate steps to set and achieve ESG goals and that the progress is measured in a programmatic, factual, and consistent fashion."

Sustainability Governance

The overall leadership of sustainability at SolarEdge rests with our Chief Marketing Officer (CMO), a member of our executive management team. The SolarEdge Head of ESG reports to the CMO and leads the global management of our ESG activities, including performance development, monitoring, and public disclosures. Throughout the company, various business leads and heads of department support the delivery of our sustainability strategy and compliance with responsible business practices in their respective organizations. Members of our executive management team serve as sponsors for the delivery of our sustainability targets. These members include our CFO, COO, CHRO, VP General Counsel and Corporate Secretary, VP Q&R, and CMO.

ESG policies and positions: In addition to our annual Sustainability Report, we enhance our disclosure of ESG matters with the publication of [policies and positions](#). documents. These policies and positions cover topics such as Compliance, Human Rights, Supplier Management and Supplier Code of Conduct, Environmental Stewardship and Climate Resilience.

Incorporating ESG targets into management objectives: In 2022, the Company integrated ESG-related performance targets into our corporate performance goals which are relevant for our senior executives, including our Non-Executive Officers and Chief Executive Officer, under our annual incentive compensation plans. These goals address topics such as the enhancement of gender equality in our workforce, reduction of GHG emissions, assuring the safety of our employees, responsible procurement, electronic waste recycling and ethics training.

Risk Management

Our Board of Directors oversees the company's risk management process. We maintain a robust risk management program with the aim of ensuring that key risks, including strategic, operational, compliance, ethical, environmental and social risks are properly monitored and mitigated. Risks are prioritized on an annual basis using our risk analysis process that is led by our internal audit team. Management and the Audit Committee of the Board of Directors review the risk assessment and decide on priorities for internal auditing of risks for the coming year. We conduct several internal audits throughout the year and report the results and corrective action plans to management and to the Audit Committee of the Board of Directors at least four times a year.

In recent years, cybersecurity risks have been and continue to be addressed as an area of increasing focus for our Technology Committee of the Board of Directors, particularly as more of our operations rely on digital technologies. In addition, as noted above, the Board established a Technology Committee to support the integrity of our operations and provide oversight of technology related matters, including cybersecurity. Our management team provides regular updates to both the Technology Committee and the entire Board regarding our cybersecurity risks and activities relating to digital security. For progress in information security, see section: [Cybersecurity & Data Privacy](#).

Internal audit: In 2022, our internal audit department reported on 10 different audits commissioned by the Audit Committee. The audits focused on human resources, payroll, purchasing and employee safety processes, among other topics, while an additional 10 investigations were held in response to various reports to our whistleblower hotline or issues raised directly by employees to their managers. The audit committee and the internal auditor also tracks the implementation of corrective recommendations.

Involvement in Industry Associations

SolarEdge is a member of several industry associations representing the solar industry in different regions. Through these activities, SolarEdge and other association members support the shared business goals of our industry, while advocating to enhance the global transition to a low-carbon economy, based on renewable energy. In 2022, we joined SEIA (Solar Energy Industry Association) in the U.S., with the general manager of SolarEdge North America now serving as one of SEIA board members. SolarEdge employees and managers are members of several SEIA committees and workstreams, contributing from their personal knowledge and experience.

SolarEdge is also an active member of SolarPower Europe, a prominent industry association for the European solar business. Our VP of Marketing in Europe serves as the Vice Chair of the Buildings and Prosumers Workstream, with additional employees and managers participating in other workstreams.

In addition, our UK country manager serves as Vice-Chair and Board Member of the Solar Energy U.K Association.

We also hold membership in over a dozen additional country-specific solar industry associations. In some of these, we participate in relevant committees and workstreams.



How can we help you?

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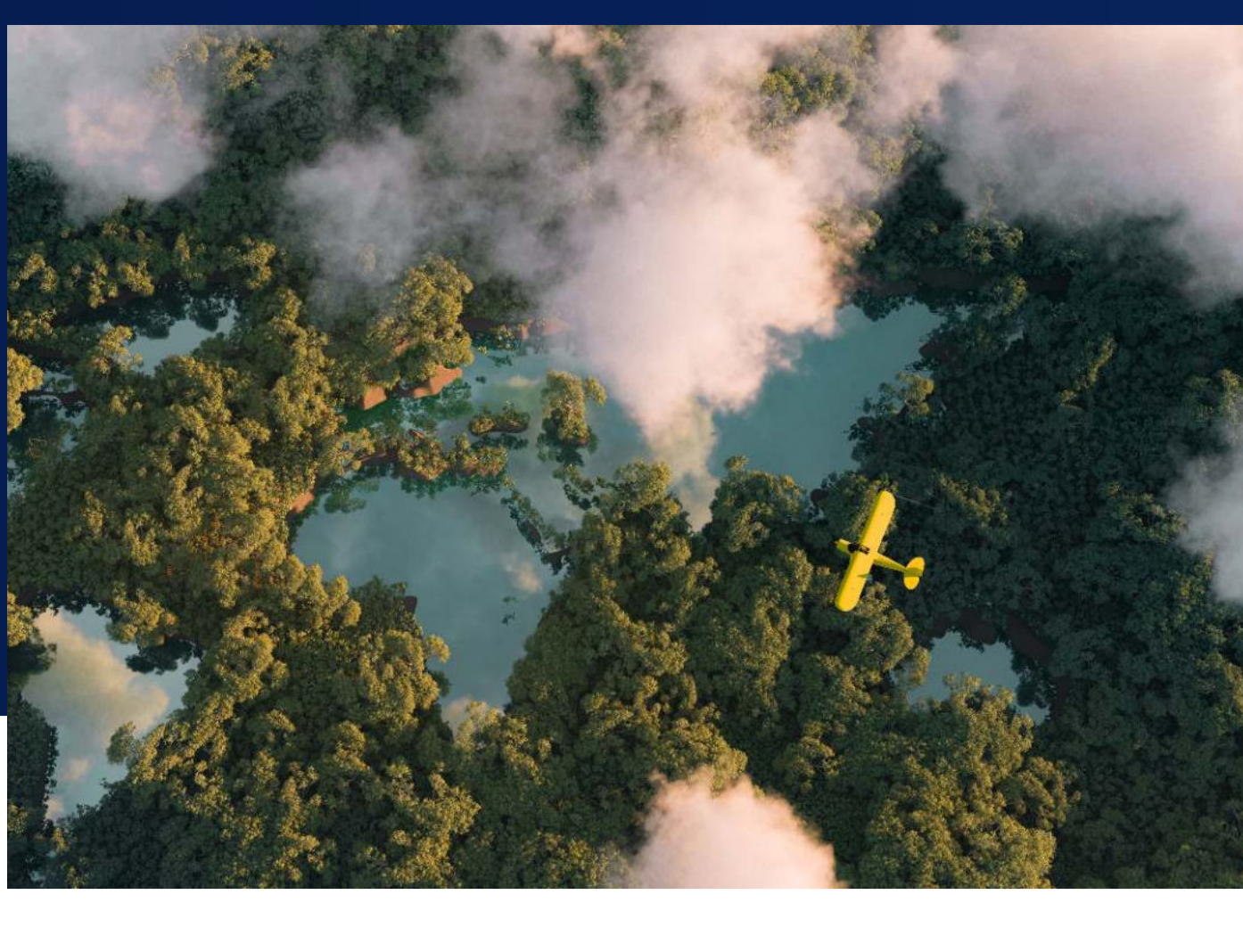
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Sustainability Strategy & Performance

2022 Performance Summary >



Introduction – Sustainability Strategy & Performance

Our sustainability strategy leverages high-performance smart energy technology to power the future of energy. With this, we aim to deliver positive impact for people and society while operating in line with ethical and responsible practices. Our three-pillar strategy, developed in 2020, was influenced by our Materiality Assessment. The results of this assessment have indicated 11 material topics that have the most significant impact for our stakeholders. These material topics align with our business objectives, stakeholder expectations, and 10 of the 17 UN Sustainable Development Goals.

Powering the Future of Energy:

So we can all enjoy better living and a sustainable future



Our strategy is supported by multi-year targets in each pillar. Progress toward the delivery of each target is sponsored and supported by a member of our senior management team. In 2022, we continued to make progress as is shown in the following 2022 Performance Summary.

2022 Performance Summary

Powering Clean Energy



Goals	2025 targets	Status	2025 targets
Accelerate affordable clean energy	Reach 2.5 million homes equipped with a SolarEdge PV system	Exceeded Target	2.78 million homes equipped with a SolarEdge PV system by the end of 2022 (cumulative). 2025 target was exceeded, ahead of schedule. A revised target will be determined.
	At least 30,000 GWh renewable energy produced by our customers using SolarEdge systems between 2020-2025	Exceeded Target	30,646 GWh produced in 2022. Total of 69,098 GWh of renewable electricity was produced in 2020-22 by our customers. 2025 target was exceeded, ahead of schedule. A revised target will be determined.
Deliver smart energy solutions	Introduce new applications for home smart energy management and electric mobility	On Track	Launched significant expansion of our residential portfolio, the "SolarEdge Home" smart energy ecosystem, including a new residential battery offering. See section: Innovative Solutions
Product innovation	Invest in innovations supporting the transition to renewable energy use, storage and smart energy management.	On Track	Launched S-Series range of Power Optimizers for all sizes of residential installations with advanced safety protection and easier installation. See section: Innovative Solutions
Deliver sustainable products	Improve the lifecycle value of our products	On Track	First comprehensive carbon footprint analysis completed for leading models of inverters and Power Optimizers. See section: Lifecycle Assessment

Powering People



Goals	2025 targets	Status	2025 targets
Be a responsible employer	Continue to increase investment in training & development opportunities for employees in order to develop new skills and professional learning at every level.	On Track	<ul style="list-style-type: none"> Delivered more than 80,000 hours of training (16.3 training hours per employee on average in 2022). Implemented several employee and managers development programs. Formed career mapping and development planning for Service and most R&D roles See section: Training & Development
	Increase gender equality and inclusiveness in our workforce. Achieve these targets by 2025: <ul style="list-style-type: none"> 38% women in our Israeli workforce 21% women in R&D roles based in Israel 24% women in management roles based in Israel 	On Track	<ul style="list-style-type: none"> 32% women in total Israel workforce (up from 30% in 2021). 18% women in R&D roles based in Israel (up from 17% in 2021). 20% women in management roles based in Israel (up from 18% in 2021). Over 40 women participated in designated development programs for female managers, and for women in tech roles. Annual pay-gap analysis completed (for Israeli employees); no material difference found in pay by gender. See section: Diversity, Equity, & Inclusion
	Achieve TRIFR (total recordable injury frequency rate) equal to or below 0.7 in all SolarEdge facilities	On Track	Overall TRIFR rate in 2022 was 0.61 across all SolarEdge facilities. This represents a 19% increase from 2021 (0.50) but still achieves our annual target. Increase is mostly attributed to adding a significant amount of new operational positions, and to improvements in internal reporting procedures for safety incidents. See section: Health & Safety
Responsible Procurement	<ul style="list-style-type: none"> Achieve acknowledgment of the terms of our Supplier Code of Conduct (SCoC) by all significant suppliers. Audit key suppliers to assure their compliance with the SCoC requirements on social, ethical and environmental issues. 	On Track	<ul style="list-style-type: none"> More than 280 suppliers have signed their acknowledgment of the SCoC terms or presented equivalent codes of conduct of their own. The products and services received from these suppliers are related to over 93% of the combined direct monetary spend of our Solar and Storage divisions in 2022. On-site SCoC audits conducted to date in four contract manufacturer sites, and two major raw material suppliers. See section: Responsible Procurement
Invest in communities	Establish a global structured community program with measurable community impact	On Track	Multi-year community outreach plan started in 2022. Plan focuses on advancing renewable energy with a community value; STEM education and youth innovations; and enhancing diverse population groups. See section: Community Outreach

Powering Business



Goals	2025 targets	Status	2025 targets
Ethical and compliant conduct	Enhance compliance and global training for Code of Conduct, Privacy, Intellectual Property, and Information Security	On Track	Code of Conduct updated to include expanded guidance relating to whistleblowing practices, political and trades union involvement, and human rights. Over 4,600 employees (>90% of global workforce), have successfully undergone the new mandatory Employee Code of Conduct training in 2022. See section: Ethics and Compliance
Climate resilience	By 2025, achieve a 30% reduction in Scope 1+2 greenhouse gas (GHG) emissions per \$million revenue (base year 2020)	Behind Schedule	1% increase in total Scope 1+2 emission-per-revenue in 2022 compared with 2021 (while still 5% lower compared with the 2020 base year). Increase mostly caused by the significant energy consumption in the new Sella 2 site in Korea, which is still in its ramp-up stage. If excluding the Sella 2 ramp-up activities, the Scope 1+2 emission-per-revenue has decreased in 2022 by 33% compared with 2021. To supplement emission reduction actions already undertaken, we are searching for additional ways to reduce these newly added emissions. See section: Climate Change Mitigation
Resource efficiency	Achieve near-zero e-waste to landfill	On Track	All e-waste generated directly at manufacturing, R&D and logistic sites is collected and handled by certified WEEE (Waste Electrical and Electronic Equipment) handlers and recyclers. See section: Waste Management

LEGEND Exceeding Target Achieved 2022 plan Behind schedule



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Our Global Climate Impact



Climate change is widely considered as the world’s single most pressing challenge.^[1] Therefore, the largescale creation of reliable renewable and carbon-free energy sources has become a global priority.

Energy independence has become even more critical with geopolitical crises and economic unrest in Europe and other interdependencies across the globe. Fossil fuels are becoming more expensive and are environmentally destructive. Renewable energy is increasingly recognized as the “smarter choice”, offering both cost savings and new opportunities for energy independence.

At SolarEdge, we are invested in being part of the solution to these challenges, and our progress to date in driving affordable clean energy and smart energy solutions is just the beginning. We are moving forward with our strategy to expand the accessibility of our technology to more markets, utilities, businesses, and homes. At the same time, we are driving innovation to scale additional applications, such as e-Mobility and storage.

2.78M

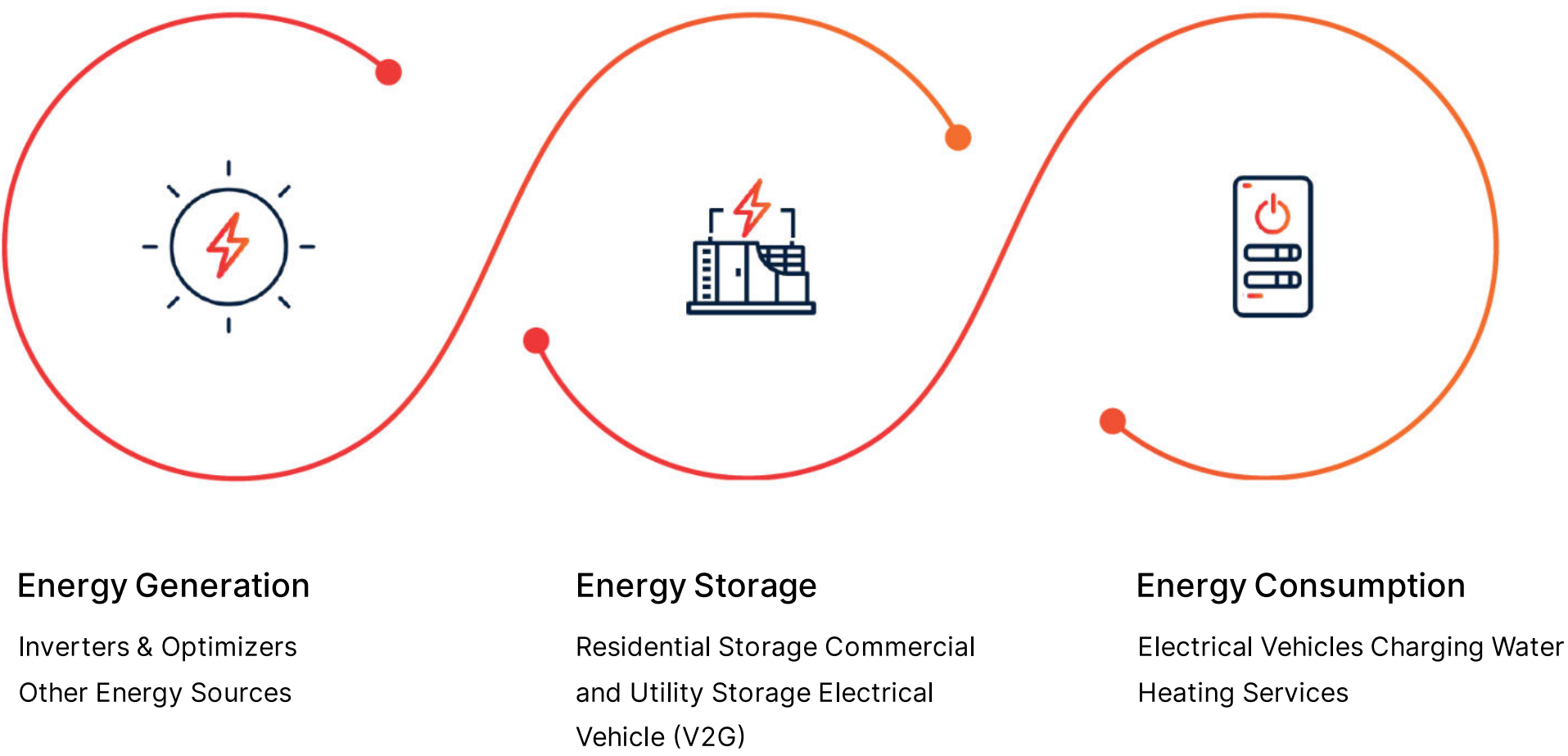
Homes were equipped with a SolarEdge PV system by the end of 2022.

31M

metric tons of CO2e emissions are avoided annually through the use of our installed systems.^[2]

SolarEdge is helping to make affordable clean energy a reality, in direct support of the UN's Sustainable Development Goal (SDG) No. 7. We continue to enhance accessibility through our comprehensive solutions for powering homes. Our smart energy management systems address production, consumption and storage needs, ensuring our customers' power is always-on, always efficient, and always clean and green.

Smart Energy Management



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Our Clean Energy Solutions

Full Range of Clean & Smart Energy Solutions >

Storage Solutions >

e-Mobility >



Full Range of Clean & Smart Energy Solutions

As the use of solar power becomes more widespread around the world as a source of clean energy for millions of people, it is important to maximize the renewable energy output of each installed photovoltaic (PV) system. Doing so facilitates the acceleration of the global transition to low-carbon energy dependence.

The SolarEdge portfolio provides advanced technology for PV systems, allowing the harvesting and management of solar energy with an optimized solution.

Our diverse portfolio serves as the backbone of our residential and commercial PV systems. Some of our systems are designed to meet the clean energy needs of individual homeowners and multi-family tenant buildings. Other systems, with higher capacities, are designed to serve various commercial, industrial, agricultural and utility needs.

Solar PV systems designed for maximum renewable power production:

SolarEdge's intelligent solution, combining inverters with Power Optimizers, has changed the way solar power is harvested and managed. This solution offers both design flexibility and performance reliability at the level of individual solar panels, ensuring that each panel delivers the maximum energy output.



EV Chargers:

With up to 22kW charging power, our SolarEdge EV Charger can be integrated into a home or business PV system for single and three phase installations, both indoor and outdoor. It provides power for family or commercial vehicles, extending green living and working to include green mobility. Through the utilization of PV power for vehicle battery charging, the SolarEdge EV Charger amplifies the environmental benefits of electric vehicles: the solar power used reduces the need for charging the vehicle with more carbon-intensive grid-electricity as is the case with most EV chargers.



Batteries:

The SolarEdge Home Battery is an essential component of our solar PV systems. The batteries provide energy storage to overcome periods of low energy production (for example, limited sunshine) or no energy production (nighttime). This enables the supply of electricity from the battery, even in times of grid outages. Also, when grid electricity is required, the SolarEdge Home Battery enables charging at lower-rate tariffs, for example, overnight. The battery is DC coupled - it can store both AC power output from the inverters and direct DC power output from the PV modules. This important feature helps to minimize energy waste and maximize storage.



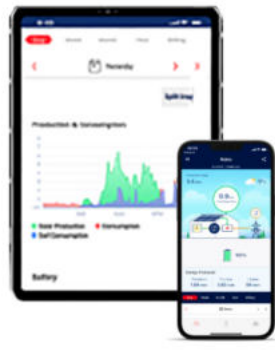
Inverters:

SolarEdge inverters convert the DC power produced by PV modules to AC power that can be used in the home or business or exported to the local electricity grid. SolarEdge's inverters have varying power ratings and feature sets. These variations are designed to match the specific needs of either residential or commercial/industrial solar energy systems, and to align with the characteristics of local electricity grids in the numerous regions where SolarEdge products are available.



Power Optimizers:

DC Power Optimizers are attached to individual solar modules to maximize each PV panel's DC power output before the power is converted to AC power by the inverter, which means more solar energy. Power Optimizers mitigate the impact of module-level performance mismatch in a PV system, thereby limiting the ability of one PV module to negatively impact the performance of other modules. In this way, power generation performance is maximized at the individual PV module level, increasing the financial and environmental benefits of the solar PV system.



Communication options:

All SolarEdge system components connect to each other via a cloud-based secure network and can be monitored and operated via an online connection. This makes it easy to use and facilitates real-time decision-making regarding energy production and storage.

Software tools:

Supporting the installation and use of our products, we provide a suite of software apps for the management and continuous monitoring of SolarEdge PV systems and all connected devices. For example, mySolarEdge is our proprietary mobile app for home system owners, offering ease of monitoring at the module level, real-time control, and troubleshooting in the case of performance issues.

SolarEdge DC power optimized systems provide essential tools that manage smart energy production and consumption. These tools (see below) help increase the efficiency of power generation and the overall electricity consumption of consumers. The combined improved cost-effectiveness of these PV systems and tools helps to make affordable clean energy available to a broader population.

SolarEdge DC power optimized systems provide essential tools that manage smart energy production and consumption. These tools (see below) help increase the efficiency of power generation and the overall electricity consumption of consumers. The combined improved cost-effectiveness of these PV systems and tools helps to make affordable clean energy available to a broader population.

Storage Solutions

In May 2022, as part of our plan to advance smart energy availability, we announced the opening of our new two gigawatt-hour (GWh) lithium-ion battery cell production site in South Korea. The new plant is currently in the ramp-up phase, which is expected to continue throughout 2023. Sella 2 will enable SolarEdge to have an in-house supply of lithium-ion batteries to serve our customers in all markets, as well as other industries, with the capability to scale battery cell capacity in the future to support the growing needs for energy storage solutions.



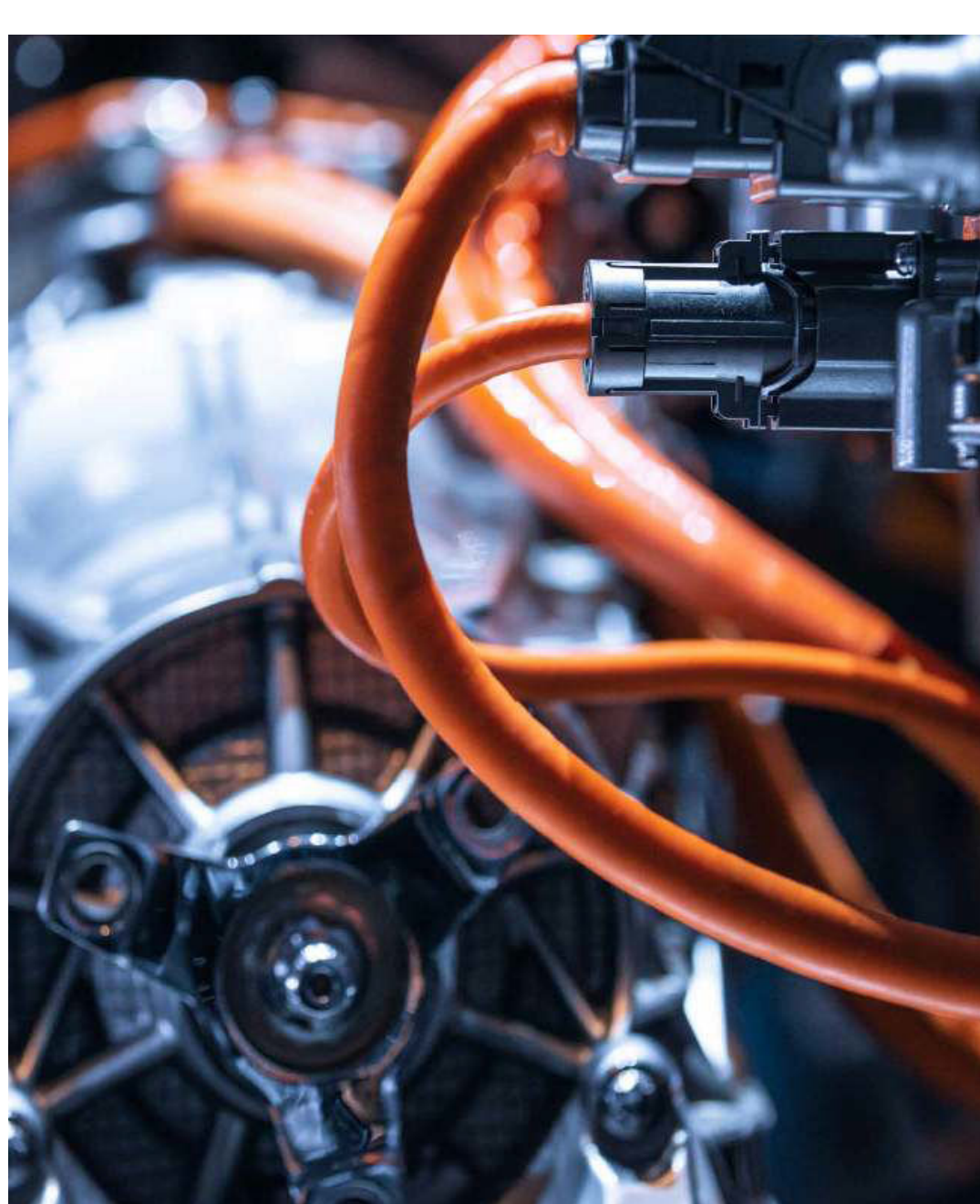
e-Mobility

The e-Mobility market is evolving rapidly, with noticeable changes in consumer approaches and travel patterns post-COVID. Recent surveys, highlighting the preferences of thousands of drivers all over the world, have found that over 50% of those planning to buy a car soon, will likely choose a fully electric, plug-in hybrid, or hybrid vehicle^[1]. This trend is gaining momentum globally with both private and public vehicles with traditional internal combustion engines being gradually replaced with hybrid and fully electrified ones

e-Mobility solutions for powertrain and auxiliary systems in vehicles

Our e-Mobility division develops end-to-end solutions for electric vehicles, including innovative high-performance powertrains, electrified auxiliaries, and software solutions that are designed to help advance the adoption of clean energy transportation.

In early 2021, SolarEdge was selected to supply full electrical powertrain units and batteries for the production of the Fiat E-Ducato LCV. We have supplied more than 3,400 eLCV kits (by the end of 2022). We continue to explore opportunities to support additional markets with our innovative e-Mobility solutions.



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Residential & Community Solutions

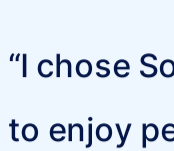
On the following page, we share some recent examples of our smart energy management systems installed in our markets.



Our complete residential solutions offer homeowners and communities the opportunity to live sustainably in homes that generate and use energy from the sun. With residential and community systems representing a dominant share of our global revenue, SolarEdge systems enable solar energy generation in millions of homes located in 133 countries.

Solar power, now and in the future, in Italy

Andrea, a homeowner in Italy, installed a SolarEdge solar energy supply and storage system in his family home. The system, installed by Global Solar, includes an 8 kWp SolarEdge PV System with integrated Power Optimizers, a SolarEdge inverter and two SolarEdge Home Batteries. This system provides renewable electricity for Andrea's home, and is supported by around-the-clock monitoring and real-time decision-making capabilities, enabling Andrea and his family to live sustainably.



Andrea,
homeowner, Italy

"I chose SolarEdge because I want to enjoy peace of mind when using solar energy to supply all my home's energy needs"



Living sustainably in the Netherlands



Leonie van Harberden,
SolarEdge system homeowner, Netherlands

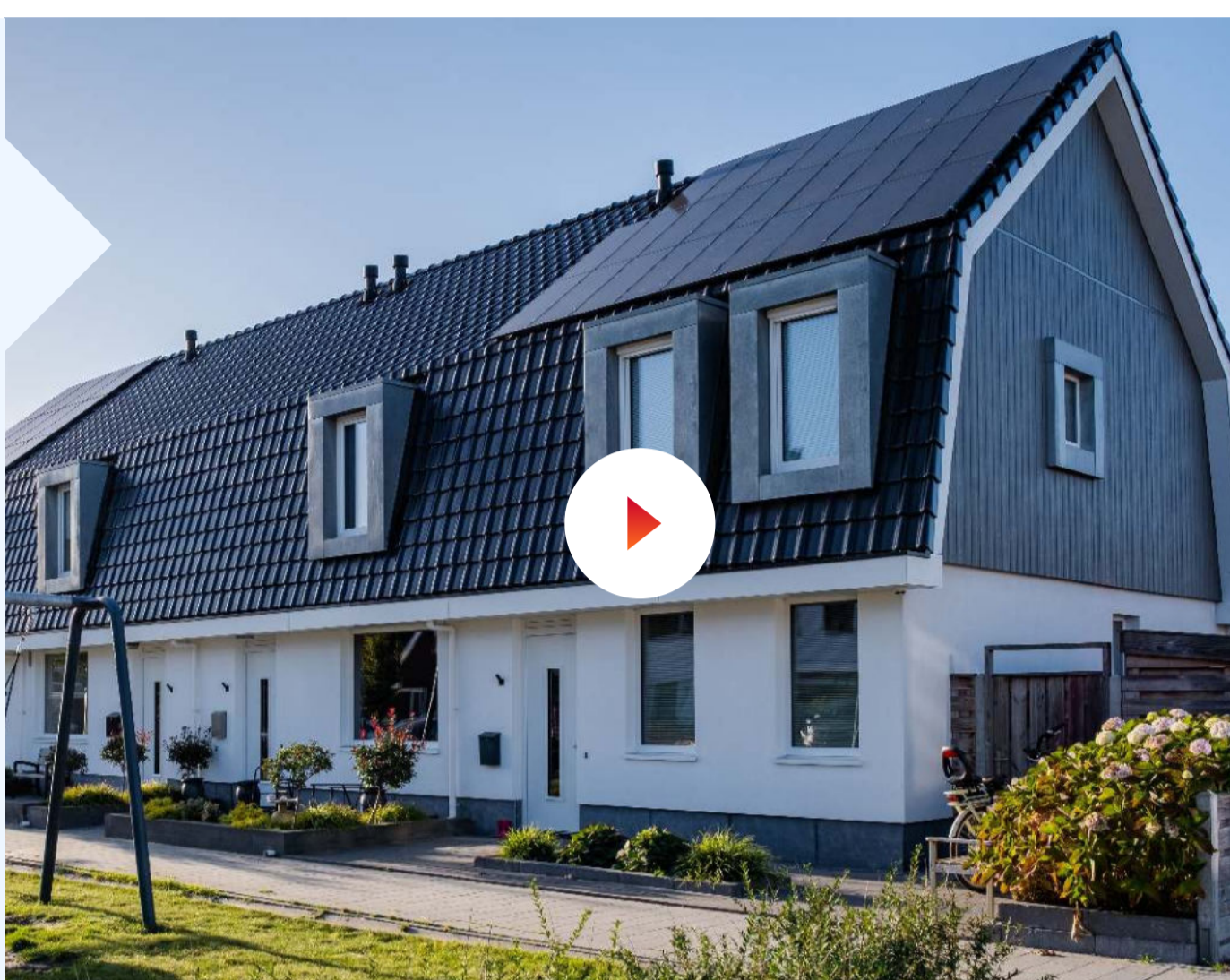
"We came to the conclusion that solar energy is a great option to cut costs and live more sustainably at the same time."

Storing solar energy in France



Phillipe Cayoux,
SolarEdge system homeowner, Pyrenees region, France

"We use 68% of the electricity we generate, which is possible because of the SolarEdge battery that enables us to store energy and use it the day after when there may be less sunlight. We sell our residual electricity to the national electricity company."



Smart and green energy usage in Japan



Yuuichi Takemoto
SolarEdge system homeowner, Japan

"The way we use electricity during the day has changed. I used to run the washing machine at night when electricity was cheaper, but now, when the weather is good, I use the electricity generated by solar power for the washing machine and other household appliances, so I use electricity more efficiently during the day. Another change is that I now use a monitor to see the amount of electricity generated and consumed on a daily basis."



Education powered by clean energy in the UK

Pupils at 11 schools in Coventry and South Gloucestershire in the UK can now attend lessons in solar-powered facilities that have cut nearly 300 metric tons from their annual carbon emissions. In addition, the recently installed rooftop PV systems provide the education authorities an annual saving of almost £200,000. The system was installed by Ineco Energy, a specialist in energy-efficient solutions, which selected SolarEdge's DC-optimized systems to meet the local councils' requirements for maximum energy generation, enhanced safety, and reasonable operating and maintenance (O&M) costs.

With just a six-week window during the summer holidays to complete all 11 installs, Ineco opted to use SolarEdge's Three Phase Inverters with Synergy technology at several of the schools. The synergy inverter is a modular inverter that splits the functionality of traditional commercial inverters into three smaller, lightweight units, enabling rapid and cost-effective installation. Another advantage of the system is that it can be oversized by up to 150% to increase energy production from solar arrays without having to add additional inverters, helping to keep energy costs low.

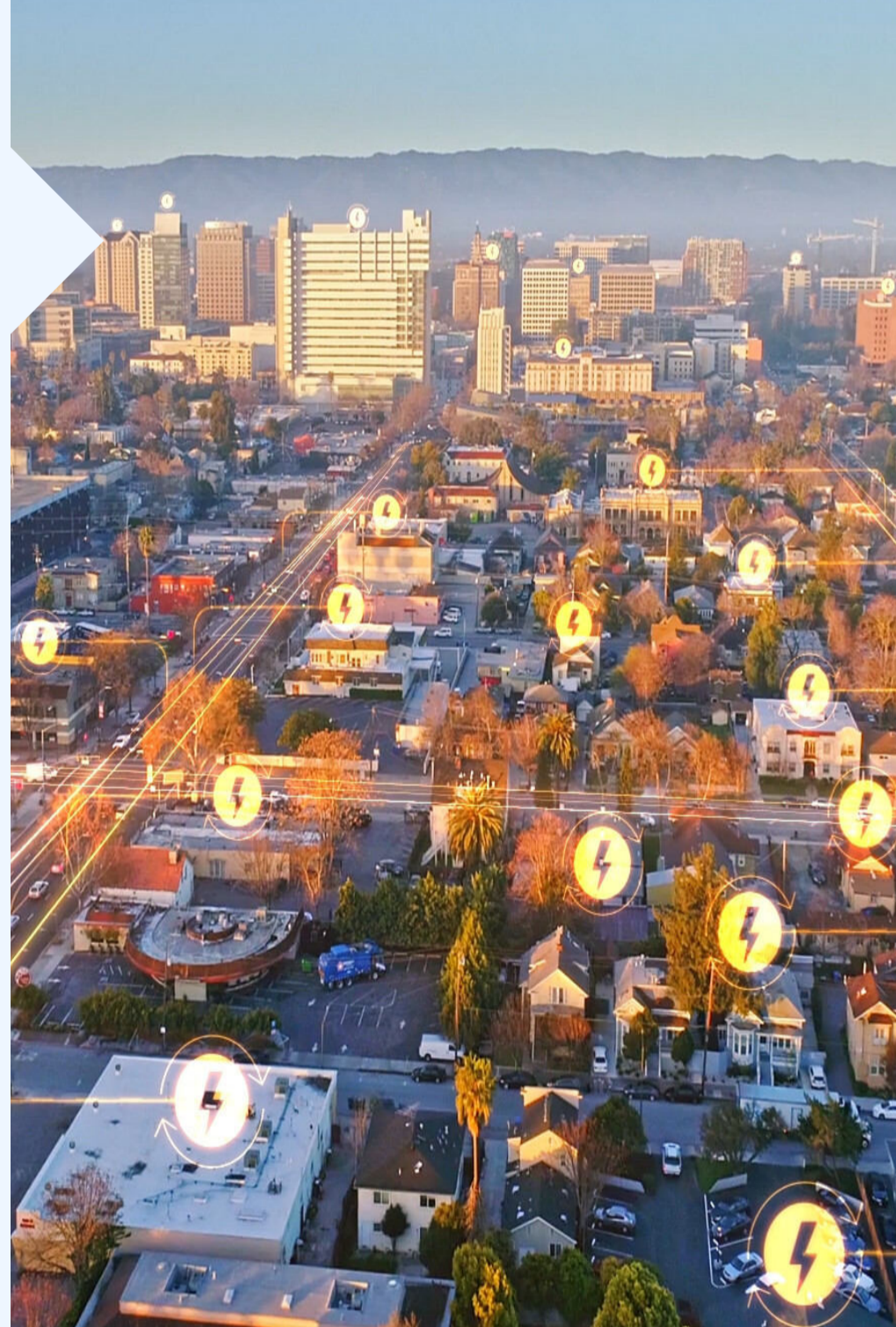
Helping South Australia reach grid stability goals with VPP technology

A VPP or Virtual Power Plant is a modern way to manage energy and take advantage of available renewable power: multiple users provide energy back to the grid - energy that is then distributed to others. When the South Australian State Government initiated a plan to institute a VPP, SA Power Networks stepped up as the first electricity distribution network to set the dynamic export requirements needed to implement the plan. SolarEdge was chosen for the project, aimed to develop and certify a native dynamic export-compliant system for South Australia. SolarEdge provides the grid with a cloud platform and enables customers with SolarEdge solutions to interact with the platform without requiring additional hardware. The smart inverters in the SolarEdge system can interact with the VPP without the complexity and additional cost of adding third-party controllers. Participating solar customers allow the network operator to remotely update their grid export limits in order to maintain grid stability. Beginning July 2023, the "Smarter Homes Program" for distributed energy, will invite SolarEdge's residential and small commercial systems in South Australia to take part in stabilizing the grid. While non-participant sites will have 1.5kW fixed export power limits, SolarEdge system owners benefit from export of up to six-times more energy back into the grid for most of the year.



Zvi Lando,
SolarEdge's CEO

"Australia is an early adopter of renewable energy technologies, with challenging and complex grid requirements. We are proud to be part of this milestone pioneered by SA Power Networks and we are excited to help network operators solve congestion issues to further increase solar adoption."

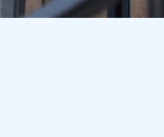


Democratizing affordable energy in Texas

Virtual power plants (VPPs) enable entire communities to benefit from a low-cost clean solar energy source coupled with the ability to mitigate the impact of blackouts with grid-independent backup solar power. This is what's happening now in Houston, Texas, with the installation of a series of first-in-kind residential clean energy projects for renters throughout Texas.

The program deploys innovative community solar and storage VPPs, enabling communities in the region to empower tenants with cost-effective and resilient clean energy. Each VPP provides reliable energy supply to consumers, with financial and environmental benefits; royalty and income streams from energy sales for the real estate partners; and flexible capacity services to the Texas energy market, allowing utilities to leverage previously untapped distributed energy resources to support grid stabilization. This initiative was implemented by PearlX Infrastructure LLC, a flexible energy provider. The project utilizes SolarEdge's PV systems and cloud-based grid services technology, along with cutting-edge design and engineering capabilities. PearlX finances the VPPs with minimal credit barriers, providing lower and middle-income tenants with access to community solar and storage, making solar an affordable reality for the thousands of tenants subscribing to the VPP systems.

With this initiative, PearlX and SolarEdge are creating a widely replicable, decentralized model that facilitates accelerating the energy transition in Texas, while stabilizing the grid and minimizing the risk of grid failure. At the same time, energy consumers across the state can benefit from accessible clean energy.



Peter Mathews,
General Manager,
SolarEdge North America

"Advances in solar and storage technologies are serving as the key enablers that are helping to drive the new democratic and distributed energy economy. Developments in software are providing the grid with much needed control to optimize the use of solar for different communities. This is making solar power more available and flexible, so that even renters can benefit from renewable energy."



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Helping Global Businesses Transition To Low-Carbon Energy



While the rising cost of energy is often the primary driver for companies to consider alternative energy sources, the need to address climate change is becoming a growing priority for many businesses around the world today. Fortunately, SolarEdge solutions address both of these concerns. With fast, efficient, and safe installation, utilizing rooftop space that is otherwise unproductive, solar PV systems offer substantial cost savings and an attractive return on investment while enabling a cost-efficient path to zero-carbon operations.

The following are just a small selection of recent SolarEdge installations from around the world.

50%**of Fortune 100 companies**

have PV systems optimized by SolarEdge.



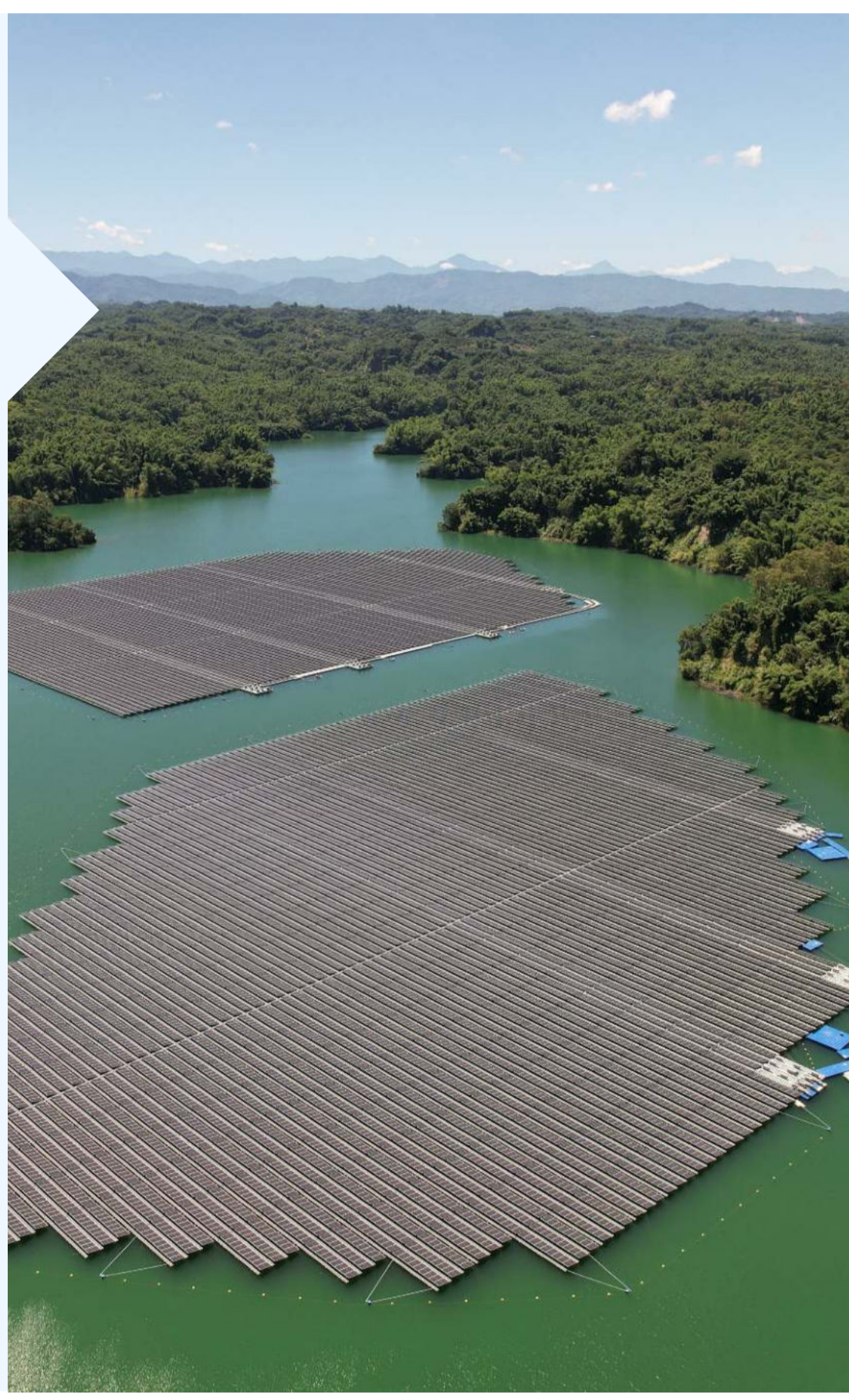
Rooftop solar for carbon neutral construction materials in the UK

Litecast Ltd, a precast concrete company that specializes in the manufacture of concrete floor beams, selected a SolarEdge rooftop PV system to support its expansion, including at its new production facility in Nuneaton. The system (installed by 'Your Eco UK'), generates approximately 284MWh of electricity, avoiding almost 80 metric tons of carbon emissions annually, and comprises 1,019 solar panels, 511 SolarEdge Power Optimizers, nine SolarEdge inverters and a SolarEdge weather station. With this installation, Litecast has progressed towards its goal to become the UK's first carbon neutral construction supply company, demonstrating that clean energy is an accessible, affordable, and practical solution for decarbonizing the construction industry.

Floatovoltaics in Taiwan solve land use dilemmas

Taiwan is one of the most densely populated nations in the world, with a population of 23.2 million in an area not much larger than Belgium^[1]. In a bold move to balance the nation's land management needs, the government decided to construct a floatovoltaic site at the Wu-Shan Tou Reservoir to deliver a mammoth 17 million kWh of power and save 8,906 tonnes of CO₂ emissions per year. Awarded to Xingye Green Energy, the site featured a SolarEdge commercial floating PV solution, especially suited to deliver superior performance in a rugged aquatic environment. In addition to the multilayer SolarEdge safety features that secure the site, SolarEdge inverters are built to take on the harsh terrain of floating PV plants, operating at high humidity levels and a wide operating temperature range. Dust- and waterproof-certified with IP65 rating, they are resistant to the ammonia commonly present in fishponds. SolarEdge floating PV solutions also require less DC cabling compared to string inverters to reduce BoS. Crucial for floatovoltaics, SolarEdge features module-level monitoring and remote diagnostics which allows O&M and site managers to pinpoint possible system faults without having to visit the floating site.

Floatovoltaics is a true win-win solution: Blocking direct sunlight to the water, solar modules reduce evaporation and improve water quality by curtailing the growth of algae, weeds and other harmful micro-organisms. At the same time, placing modules on water maintains them at a cooler temperature, which increases production efficiency.



Vertical PV brings clean energy to the office

Dominion Properties, a US-based real estate operation, wished to turn a 7-story brick building façade in Wisconsin into an energy asset by installing 25 meters of PV modules. In order to ensure maximum power efficiency, they selected SolarEdge inverters and Power Optimizers. The installation is expected to produce 58MWh of electricity per year and will reduce electricity costs for the building tenants. In an urban vertical installation such as this, which will naturally experience shading from neighboring buildings, the SolarEdge system is designed to ensure maximum energy production from the site. An added advantage of using SolarEdge is having the option to oversize the Synergy inverters by up to 200%, which enables Dominion Properties to add more modules to the array in the future should energy demand increase, without having to invest in new equipment.

The co-Founder of Dominion Properties, Mike O'Conner, explained that office buildings are natural locations for solar energy installations, as they operate when most of the energy is produced. He is pleased that he can offer his tenants savings on their energy bills during an era of skyrocketing electricity expenses. "This project is the first of many, and we hope that it will encourage other developers to make use of otherwise wasted space on high-rise buildings by embracing solar as a clean, cost-saving energy source."

Carbon neutral sorting center for DHL in Israel

Recently installed at DHL Israel's flagship robotic sorting center, the largest of its kind in the Middle East, SolarEdge's DC-optimized rooftop PV system is planned to produce over 750 MWh of renewable electricity annually. The produced solar power will be sufficient to meet 100% of the site's annual electricity needs. Available excess energy will be offered for sale to the national grid operator. The system is expected to deliver a return on investment in less than five years while avoiding over 180 tonnes CO₂e of GHG emissions.



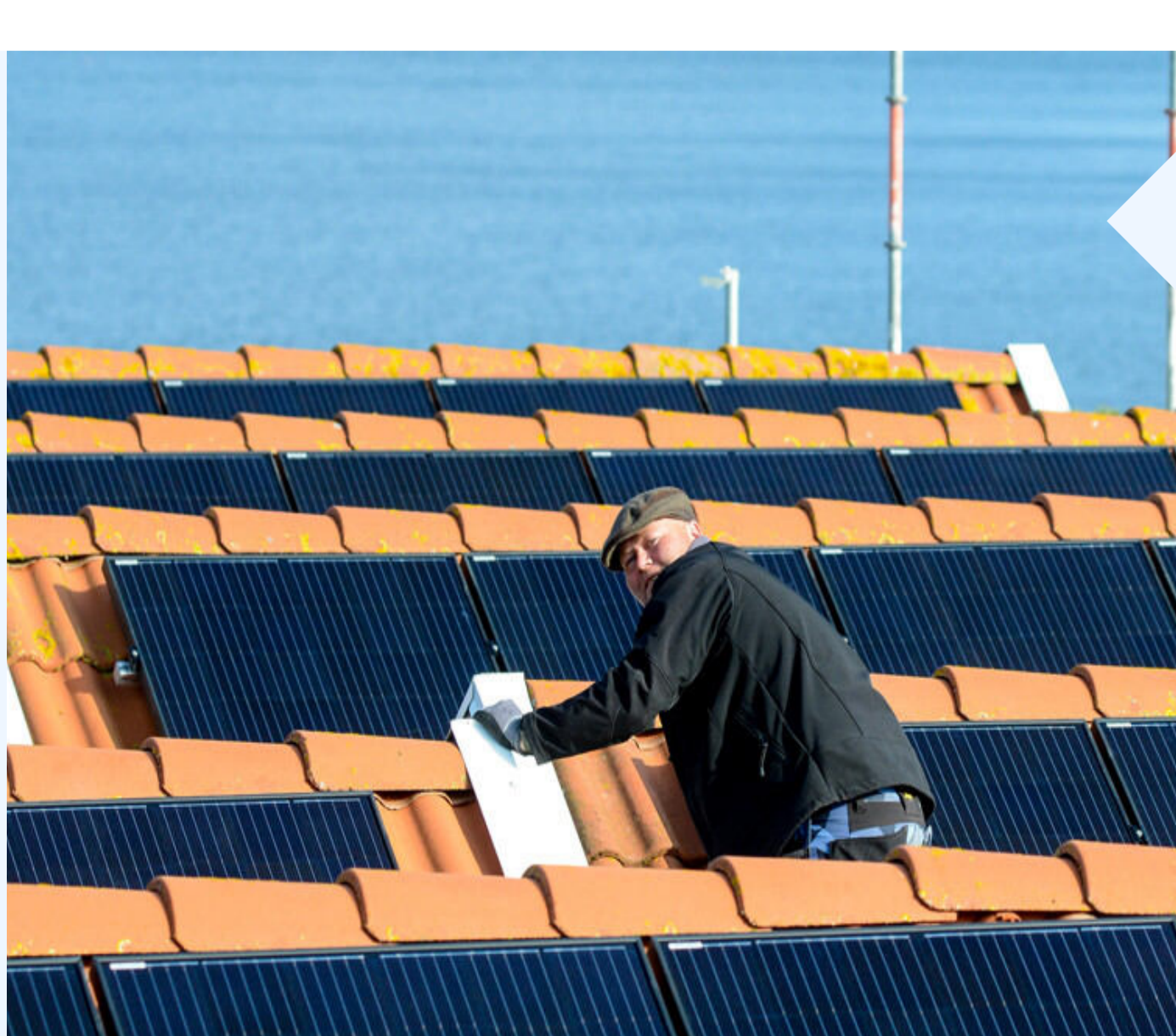
Sustainable packaging gets greener in Vietnam

Alta Plastic Ltd. is a leading manufacturer of biodegradable plastic packaging products and food pouches with a manufacturing facility in Ho Chi Minh City, Vietnam, that consumes approximately 300 MWh of power each month. To reduce the high electricity costs and meet sustainability objectives, Alta installed a rooftop 920 kW PV system with SolarEdge's DC-optimized solution, including nine SolarEdge three phase inverters with Synergy Technology. This solar system also enabled the factory to take advantage of a 20-year Vietnam-government incentive for installing PV and exporting unused energy to the grid, enabling Alta to earn revenues from surplus energy.

In the first 15 months of the system's operation, Alta reported that it has cut more than 520 metric tons of CO₂ emissions, in addition to lowering energy costs by approximately 30%.

From salt to solar energy production in Taiwan

An energy company in Taiwan invested in a 77 MW ground-mount utility-scale PV farm spanning 280 square kilometers, that is planned to produce enough electricity to power almost 350,000 households daily. The electricity generated is sold to the national utility company, taking advantage of an incentive program offered by the Taiwanese government and making affordable, clean energy a reality for people in this region. The solar array is located near the Chigu Salt Mountain in Tainan City, Taiwan, on land that was previously used to sun-dry large fields of salt. The SolarEdge installation comprises 674 X 100 kW three phase inverters with Synergy Technology and 57,000 Power Optimizers, while the SolarEdge Monitoring Platform enables real-time visibility and control of power production, enabling full optimization of the solar plant's output. Real-time notifications sent to operations and maintenance staff enable quick identification of faulty modules and remote troubleshooting. This reduces the need for site visits and dispenses with the use of thermal imaging drone cameras typically used at large sites for inspection and diagnostics of PV panels. Remote monitoring and troubleshooting are estimated to save up to 50% in maintenance costs.



Swedish holiday village powers cottages on solar, winning industry's top sustainability award

The Ramsvik Stugby & Camping holiday village on the Swedish Coast, has been welcoming guests for 65 years. As sustainability was high on the list of priorities for them – and for their customers – they were interested in transitioning their site to clean energy. However, the village cottages were built close together, not facing the same direction, and had other design characteristics that would cause shading and other issues to negatively impact solar energy production. The installer, Apptek Teknik Applikationer, recommended a SolarEdge smart energy solution. SolarEdge's Power Optimizers increase the energy output of each module and enable installation at multiple angles to take full advantage of multiple facets of roof space. This SolarEdge installation is one of the largest solar energy systems in the Swedish hospitality industry and won this year's Sustainability Award from the industry association SCR Svensk Camping.

Brazilian small business gets a boost with solar energy

Supermercado Cristel began to serve its Goiânia, Brazil community as a butcher shop before it grew into a full-fledged supermarket. As they increased their inventory, they made additions to the building to support their new needs, which led to a roof topology with numerous angles and shading issues. Therefore, when the Supermercado decided to switch to solar energy to reduce their electricity costs, they were working with built-in challenges that threatened to stop the project in its tracks. SolarEdge was able to provide an optimal solution, with the functionality split between the Power Optimizers and the inverter. The roof layout, which would have led to module mismatch with a typical inverter solution, didn't pose a problem for SolarEdge technology. SolarEdge technology also enabled Supermercado Cristel to install about 20% more modules than they would have been able to do with a string inverter system, meeting the company's requirement for harvesting the maximum energy possible from their roof.



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Smart Innovation

[Innovative Culture >](#)[Innovative Solutions >](#)

Innovative Culture

SolarEdge prides itself on its innovative DNA. From the outset, our vision was to transform energy markets and change the way energy is harvested. We have relentlessly developed the most advanced technologies to bring renewable energy solutions to our markets, our customers, our end-users as well as for the good of the planet. We continue to develop new generation products that enable our customers around the world to harvest even more of the sun's natural energy in systems that are flexible, affordable, accessible and safe - whether in the home or in a range of industrial settings such as corporations, factories, carports, floating installations, ground-mounts and agriculture. We have a patent innovation program that encourages and rewards employees to develop new patentable ideas to further improve our solutions and the advancement of clean energy.

Principles driving innovation at SolarEdge:

- Enable customers to maximize energy self-reliance with solar power produced by their owned systems
- Drive customer electricity bills down while maintaining continuity of energy supply through smart storage and utilization
- Achieve simplicity and convenience through a single system that manages and monitors energy production, storage, and consumption
- Facilitate control of home energy devices with a single app, providing a full range of data and commands for real-time decision making

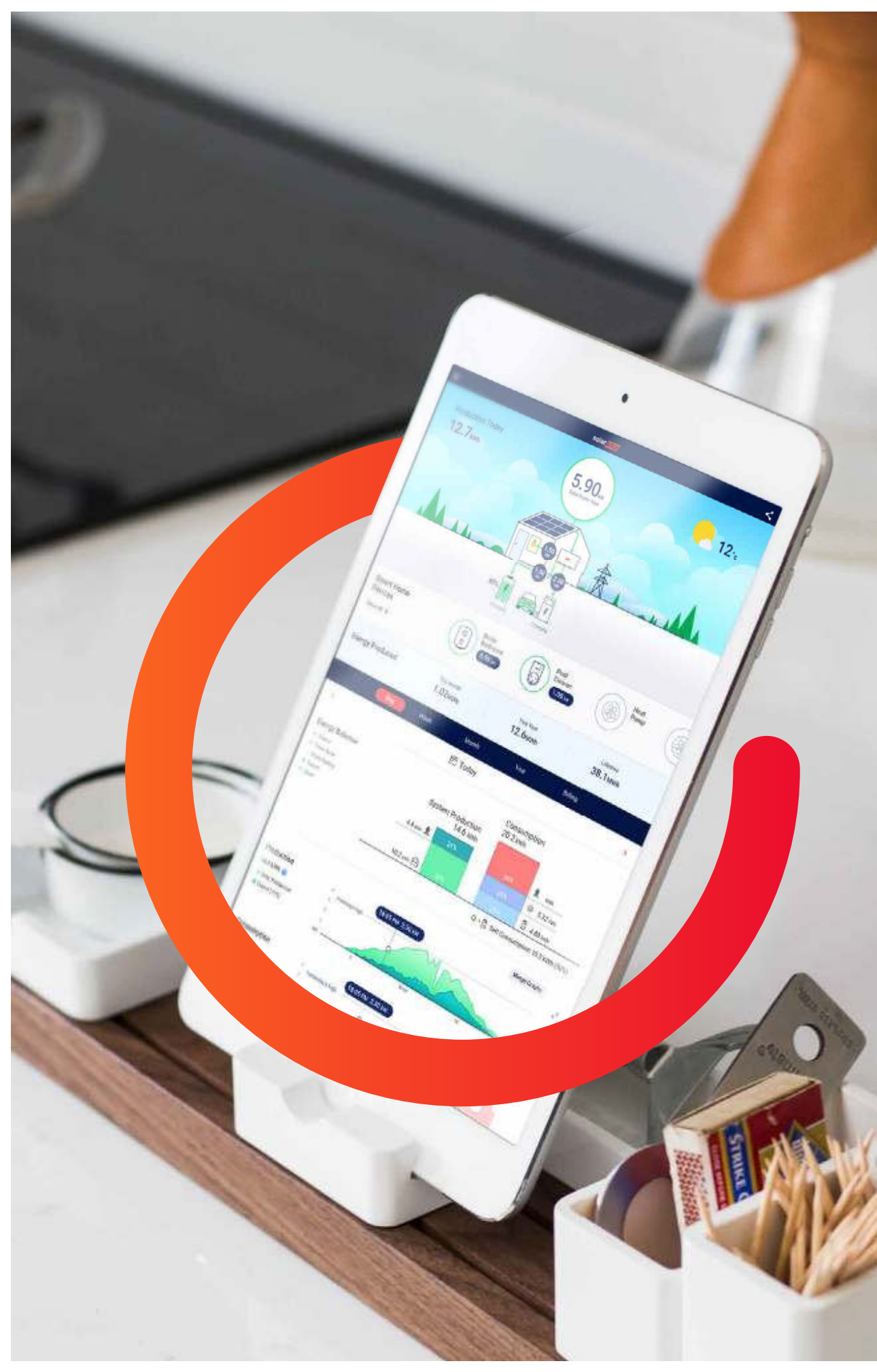
SolarEdge maintains **444 granted product patents** with an additional **462 patents pending**^[1]. A majority of our patents relate to DC power optimization and DC to AC conversion for alternative energy power systems, power system monitoring and control, battery technology and management systems.

Innovative Solutions

Transforming integrated home energy management

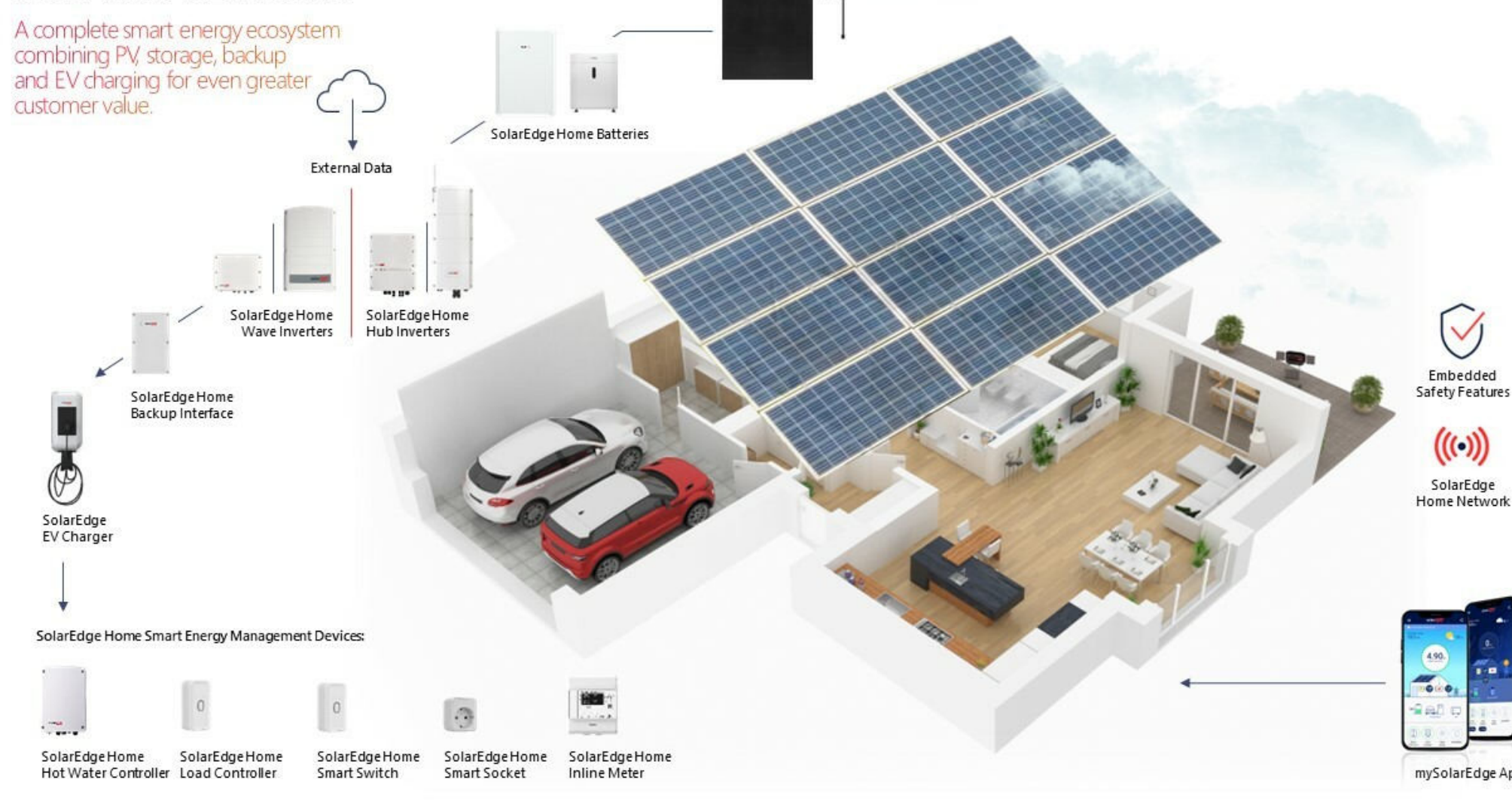
PV for homeowners has been our core market from the outset. Although we continue to expand and diversify, our heart always holds a special place for those individuals who choose to live sustainably every day, relying upon SolarEdge technology to help them harvest the sun's power and contribute to a cleaner, greener planet. A focus of our innovation continues to be enabling homeowners and home dwellers to gain maximum benefit from their smart energy installations.

In 2022, we launched a significant expansion of our residential portfolio: "SolarEdge Home," the next generation in smart energy management systems. The solution is designed to dynamically manage, monitor, and optimize solar energy production, consumption and storage in real-time. It also enables homeowners to optimize the electricity source selection at all times, reducing costs and minimizing the consumption of peak-rate grid electricity. Through monitoring and synchronizing the energy needs of all connected devices and appliances, SolarEdge Home automatically maximizes PV energy consumption, and manages the power load, scheduling decisions and homeowner preferences to ensure maximum convenience and cost-savings.



SOLAREGE HOME

A complete smart energy ecosystem combining PV storage, backup and EV charging for even greater customer value.



Available for single and three phase PV systems, SolarEdge Home consists of several new products to address the diverse needs of homeowners. These include:

SolarEdge Home Hub Inverter:

Combining SolarEdge's award winning and most efficient inverter technology with the intelligence, scalability and advanced safety features, the SolarEdge Home Hub Inverter is essential for managing the growing demands of energy hungry lifestyles. Additional devices can be connected to the inverter at the time of installation or in the future to help homeowners manage ongoing energy needs to avoid increasing power bills, overcome grid outages and support further home electrification.

SolarEdge Home Battery:

SolarEdge's storage solution offers 94.5% round-trip efficiency, storing energy to provide power when it's needed most. This solution is designed to operate seamlessly with SolarEdge inverters. The SolarEdge Home Battery can provide backup power during grid outages (when used with the SolarEdge Home Backup Interface). It can also connect to additional SolarEdge Home Batteries for greater storage capacity and offers compatibility with third-party generators.

SolarEdge Home Smart Energy Devices:

A growing suite of scalable smart energy devices that enable increased solar energy consumption, including a SolarEdge EV Charger designed to enable homeowners to drive on sunshine and a SolarEdge Hot Water Controller which automatically diverts excess PV energy to provide hot water.

SolarEdge Home Network:

A proprietary wireless network that seamlessly connects and communicates with most SolarEdge Home devices.

SolarEdge Home Operating System:

The backbone of the SolarEdge Home, automates complicated storage, scheduling and energy source decisions. This software orchestrates the operation of all connected devices, energy production and consumption at any given moment to make sure the home's energy needs are addressed as cost-effectively and efficiently as possible.



Alfred Karlstetter,
General Manager,
SolarEdge Europe

"Home energy use is increasing, driven largely by the adoption of electric vehicles, home heating and cooling systems, and smart home devices. Reducing energy costs is therefore a top homeowner priority, as well as decreasing carbon footprint. SolarEdge Home is an advanced smart energy system that enables homeowners to manage and monitor solar energy production and usage in real-time from their mobile app. After changing the way power is generated and harvested from the sun with DC-optimization, we are now transforming the way in which homeowners can maximize the consumption of that solar energy within the home."

We aim to bring the latest innovative technology to as many markets as possible, while tailoring each offering to meet local regulatory needs and usage preferences in each market. In line with this intention, we expect to launch SolarEdge Home in North America, South Africa, and Australia in the coming year.

Next generation Power Optimizers: enhanced safety and easier installation

In 2021, we launched our S-Series range of Power Optimizers, now available for all sizes of residential installations. Our Power Optimizers increase energy output from solar installations by constantly tracking the maximum power point of each module, thereby reducing the mismatch power losses that typically occur in traditional PV systems due to shading or soiling of solar panels. This enables the Power Optimizers to maximize system uptime and energy production.

Our S-Series includes our most advanced safety standards and ease of installation. In addition to the SolarEdge comprehensive safety suite with integrated SafeDC™ functionality and rapid shutdown, the S-Series features SolarEdge Sense Connect, an industry-first technology that prevents potential electric arcs by continuously monitoring the connector temperatures. Also, the S-Series includes an improved cable layout design that makes system installation safer, easier and faster. We plan to expand the S-Series range to commercial installations in the coming year.



Yogev Barak,
Chief Marketing Officer

"Just as advances in energy efficiency and improved economics are important for the proliferation of solar energy, so too is the attention to safety and installation practices that champion installer and firefighter safety. We will continue to set benchmarks in industry safety standards by focusing on innovative solutions that bring ever more reliability to the industry."

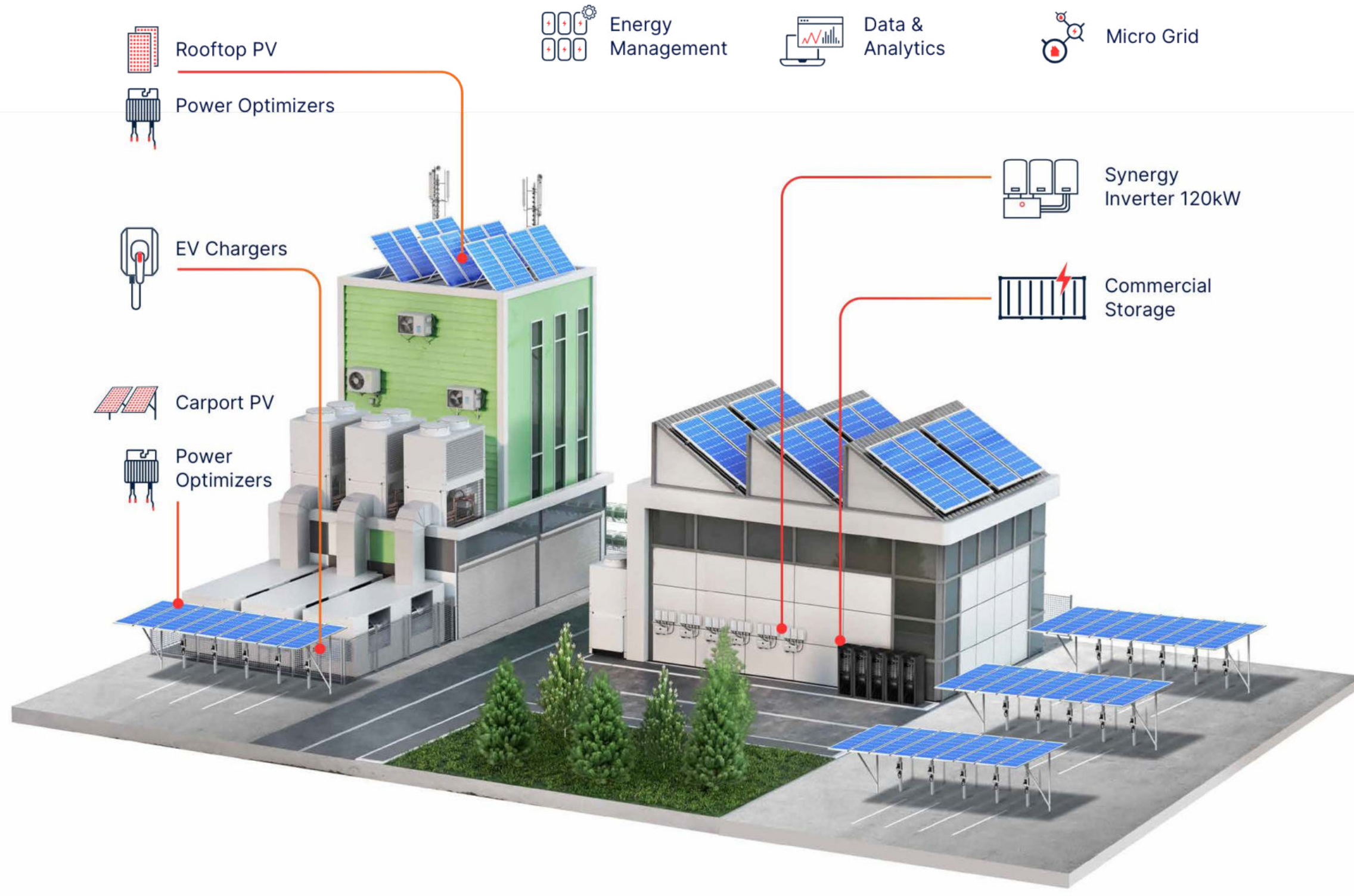
Real-time PV control for homeowners

Once homeowners have installed a PV system with SolarEdge components, we want to ensure they gain the maximum energy benefits available, while minimizing their carbon footprint. To help them achieve this, we provide homeowners with mySolarEdge, a free mobile monitoring application. mySolarEdge enables tracking of solar energy production, consumption, and storage in real time, and remote management of smart home appliances such as SolarEdge's EV Charger. The app also provides users with critical system information and enables them to independently resolve routine system issues. From the installer's perspective, the mySolarEdge app also reduces the need for site visits by allowing installers to offer fast and efficient remote support.

In 2021, we added valuable features to the mySolarEdge app. For example, the new Weather Guard feature, launched in North America, is designed to automate and maximize backup power. This is achieved by directing solar energy to charge the battery when a severe weather incident is predicted.

Innovative solutions for Commercial and Industrial energy management

SolarEdge is increasingly developing comprehensive offerings for commercial, industrial, and utility applications, offering a suite of solutions for a diverse range of business energy requirements.



Our new commercial solution is based on the three phase inverter with Synergy Technology which scales up to 120kW. This inverter maximizes energy production with up to 175% DC oversizing and includes technology that autocorrects to avoid module performance degradation. The modular design is composed of independently working Synergy Units and controlled by a single Synergy Manager for easy installation, serviceability, and energy management across large sites with significant ongoing energy needs.

This new inverter embeds an innovative pre-commissioning feature that validates critical PV components, wiring and communications, and early-stage fault detection from a smartphone before connection to the grid. It enables installers to resolve all issues before leaving the site, significantly reducing the need for return visits. Due to its relatively lightweight design, this three-phase inverter can be installed with ease and efficiency.

It also takes PV safety to the next level with built-in thermal sensors to protect hardware and surge protection devices to withstand surges caused by lightning or grid events. The SolarEdge Monitoring Platform enables tracking of the system in real time with remote, module-level monitoring and troubleshooting.



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Customer Service



The primary interface for homeowners and users of SolarEdge systems is often our wide network of independent installers. We invest in educating our installers so that they can improve their installation skills and minimize installation time, and so that our end customers can enjoy a positive installation experience and start harvesting the sun’s power in an expedited manner. We offer our installer base a comprehensive package of customer support and training services which include pre-sales support, ongoing training, and technical support before, during, and after installation.

Our EDGE Academy is an intuitive web-based learning portal aimed primarily for SolarEdge installers, which is available to use free-of-charge world-wide at any time. The EDGE Academy platform is an advanced Learning Management System, available in 11 different languages, and capable of hosting thousands of online training sessions each month, allowing a self-paced, training approach. The platform’s merits as a learning tool are evident by its widespread usage, with over 2.5 million learning page views in 2022 alone, by over 94,000 “unique” users.

EDGE Academy offers a multi-level certification program, with each completed certification being valid for two years. SolarEdge certification programs are offered at three levels to support the knowledge progression of SolarEdge installers. In 2022, over 13,000 certification courses were completed in the EDGE academy for all available certification levels. In 2022, we also launched the SolarEdge battery certification program which was completed by more than 2,900 installers worldwide.

Customer service and satisfaction continues to be a key component of our business and we consider it integral to our overall success. We maintain high levels of customer engagement supported by over 600 employees who specialize in customer support and training. This engagement is maintained by the tech centers that we operate in 11 countries, together with local field service engineers assisting our customers with commissioning of large projects, introduction of new technologies and features, and on-the-job training of new installers.

In 2022, the Edge Academy platform hosted over

124,000

learners,
the vast majority of which were SolarEdge installers.

The annual total number of hosted learners has increased by

over 27%

since 2020.

In 2022, we received over

1.5 million

service requests through our customer service channels. The average satisfaction rate for our response was 4.5/5 overall.



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Safe & Sustainable Products

- Product Safety >
- Standard Certification >
- Lifecycle Assessment >
- Sustainable Packaging >
- Product End-of-Life >



At SolarEdge, safety is a primary feature of all our product offerings, and is a key element of our product design, development and testing. Similarly, as an industry leader in technologies that promote environmentally friendly solutions for energy generation, we strive to minimize the footprint of our value chain as much as possible.

Product Safety

All SolarEdge products are designed with safety in mind, both at the individual component level and at the system level. We use advanced technology to protect users, site owners, installers, operations and maintenance staff and anyone who comes in contact with our products from potential safety risks.

The overall managerial responsibility for product safety at SolarEdge belongs to the SolarEdge executive product safety committee, which consists of our VP R&D, VP Customer Service, VP Quality & Reliability and VP General Counsel and Corporate Secretary. Product safety issues and risks are discussed in the committee on a quarterly basis.

Each product safety incident or risk is examined by a combined team of our product, service, and R&D experts. This team works to determine the source of the hazard. Once the source is identified, corrective actions are set in place with adjustments to the relevant practices: installation training, product manuals, product physical design, product algorithms, monitoring systems or other safety features.

Due to the often-high voltage of PV systems, precautions must be taken to ensure the safety of people and avoid property damage. The SolarEdge PV systems adopt a holistic approach in reducing the risks associated with electrocution and fire by providing an integrated safety solution that combines enhanced protection and detection mechanisms.

These mechanisms comply with stringent safety requirements by:

- Reducing a PV system's DC voltage to a safe level when the system is shut down
- Designing for early fault detection
- Applying active and continuous protection mechanisms
- Supporting module-level monitoring with actionable fault alerts
- Allowing conductors to rapidly discharge their electric load down to safe voltage levels

A key element of our integrated safety system is our SafeDC™ built-in proprietary safety technology. This feature is designed to minimize the risk of electrocution from high DC voltage. Upon activation of SafeDC™, our Power Optimizers automatically revert to their default touch-safe voltage of only 1V in less than one minute. SafeDC™ is activated in the following cases: during installation, when strings are disconnected from the inverter; when the inverter is turned off, locked or disabled; or when AC connection is shut down. The SafeDC™ feature helps to protect people engaged in PV system inspection and maintenance activities, as well as enabling emergency responders to address fires in homes or other buildings with confidence that the system does not pose an additional hazard.

Our monitoring abilities are another core part of our holistic safety management system. SolarEdge's platform provides real-time remote monitoring at the module, string, and system level, allowing for greater visibility of system performance. The platform's automatic alerts are designed to provide accurate and immediate fault detection, allowing for better hazard recognition and rapid response in case of product safety incidents.

An additional important safety feature of our systems is our advanced electric arc detection and prevention mechanism. An electric arc is an unintended, prolonged electrical discharge occurring across a small air gap. Since photovoltaic systems have many connection points, arc faults can occur, causing potential fire hazards. SolarEdge has developed state-of-the-art arc fault detection algorithms and AFCI (Arc Fault Circuit Interruption) mechanisms. These algorithms are designed to locate potential arc faults and to prevent them through corrective actions, and are available for implementation on more than a million of our inverters. The algorithms were tested by certification entities and third-party companies to ensure that they pass the set requirements and provide the expected performance, under a full range of electrical conditions and various types of installations.

A prominent example of these mechanisms is the SolarEdge Sense Connect feature included in the new S-Series Power Optimizers. SolarEdge Sense Connect is an industry-first technology that detects temperature increase at the connector level, stopping power flow before an arc can occur.

We dedicate significant resources to widespread safety training, focusing on potential risks related to our business and products, such as electrification, fire and working on roofs. This training is conducted both for our employees (see [Health & Safety](#)) and our global community of installers (see [Customer Service](#)).

Standard Certification

SolarEdge complies with the following international quality and environmental standards:



We aim to certify all the manufacturing and R&D sites under our operational control according to relevant ISO standards for management systems in the fields of quality, environment and safety. By the end of 2022, 100% of the designated sites in all relevant countries (Israel, South-Korea, Italy and the US) were certified to ISO 9001 (quality), ISO 14001 (environmental management) and ISO 45001 (safety management).

Lifecycle Assessment

SolarEdge solutions support the worldwide transition to renewable, low-carbon power generation and consumption. The use of our systems allows for millions of tonnes of GHG emissions to be avoided each year. We also strive to examine and reduce the carbon emissions related to the sourcing, production and shipping of our products.

In late 2021, we completed our first comprehensive carbon footprint analysis of leading models of our inverters and Power Optimizers. The analysis process was led and certified by carbon footprint and decarbonization experts, [Carbon Trust](#). The analysis allows us to understand the main emission sources throughout our products' lifecycle, helping us better understand our emission reduction opportunities. SolarEdge is among the first solar energy companies to complete this analysis, meeting customer needs and expectations. We are currently examining the expansion of LCA analysis scope for additional products and/or additional environmental impacts.



Sustainable Packaging

In recent years, the packaging design process for new SolarEdge products focused on finding cost-effective packaging molds that could be made from recyclable materials while fully protecting our products from harm during shipment. Wherever such reasonable options were found, the company designed, and is now using, recyclable packaging materials such as cardboard, pulp and wood. As a result of this process, the packaging of our Power Optimizers, our battery packages, and some additional products, is made from these recyclable materials. We continue to search for recyclable packaging options for our other products as well, striving to meet both physical and reasonable cost criteria. In parallel, we are monitoring evolving regulations on packaging materials in different global regions to ensure our current and future compliance.

Product End-of-Life

We build our products for lasting performance, offering a 25-year warranty for most Power Optimizers and 12 years for most inverters, so customers can benefit from highly efficient clean energy without wasting resources on replacement units. To further reduce waste and material usage, we also refurbish products -- in cases where it is possible and viable. We also work to ensure the recyclability of our products when they reach their eventual end-of-life stages. See full details in section [Waste Management](#).

We help in securing a sustainable end-of-life for our products by participating in regulatory schemes mandated in some regions where we operate, in which manufacturers and importers of electronic equipment and batteries pay levies aimed to fund the eventual collection and recycling of their sold products, at their eventual end-of-life. Such schemes include the EU "Take Back" program of the Waste Electrical and Electronic Equipment (WEEE) directive, and other similar country-specific regulations.

Recently, storage solutions have been forming an increasing part of SolarEdge's activities, offerings and revenues. In parallel, the Company has experienced growing interest from stakeholders regarding the challenging global issues of battery end-of-life. We are examining potential approaches and solutions to mitigate this issue.

One of these examined mitigation methods is the usage of second-life batteries. Commonly, the batteries used in Electric Vehicles (EVs) are replaced once the battery capacity is reduced to around 80% of its original storage capacity. In 2022, the company began experimenting with such replaced batteries, sourced from our e-mobility division. The goal of these experiments is to examine different possible secondary battery usages, while determining their second-life attributes such as voltage, charge / discharge pace and durability. Initial results have strongly indicated the possibility of a prolonged second-life usage for these batteries, which could help enhance their circularity.

We aim to continue exploring this and other possible solutions moving forward.



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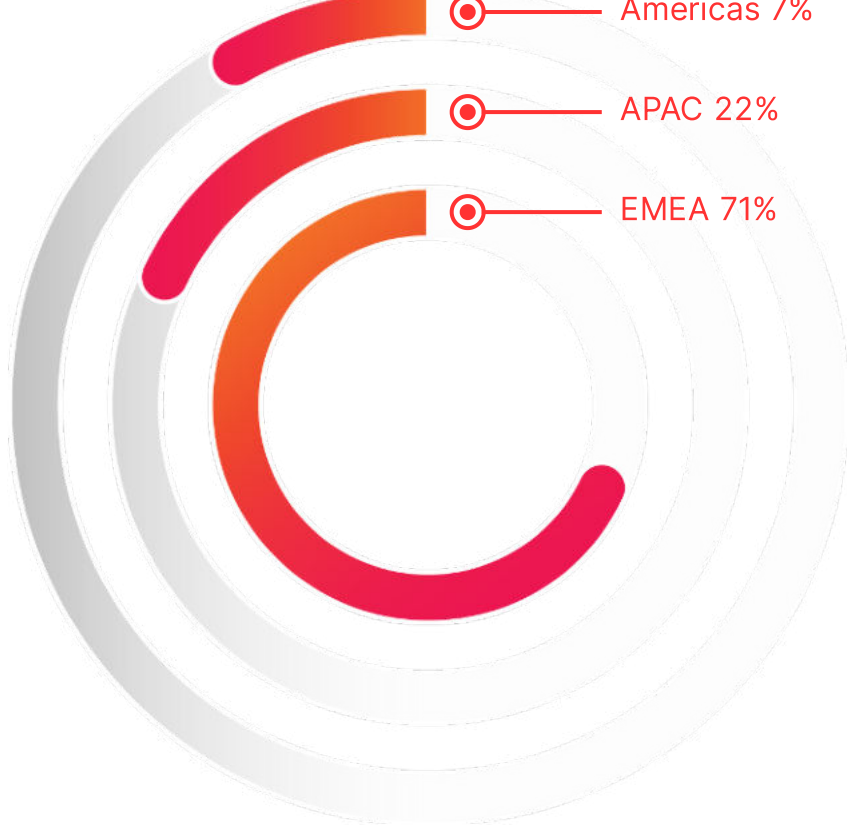
Recruitment, Retention & Talent Pipeline



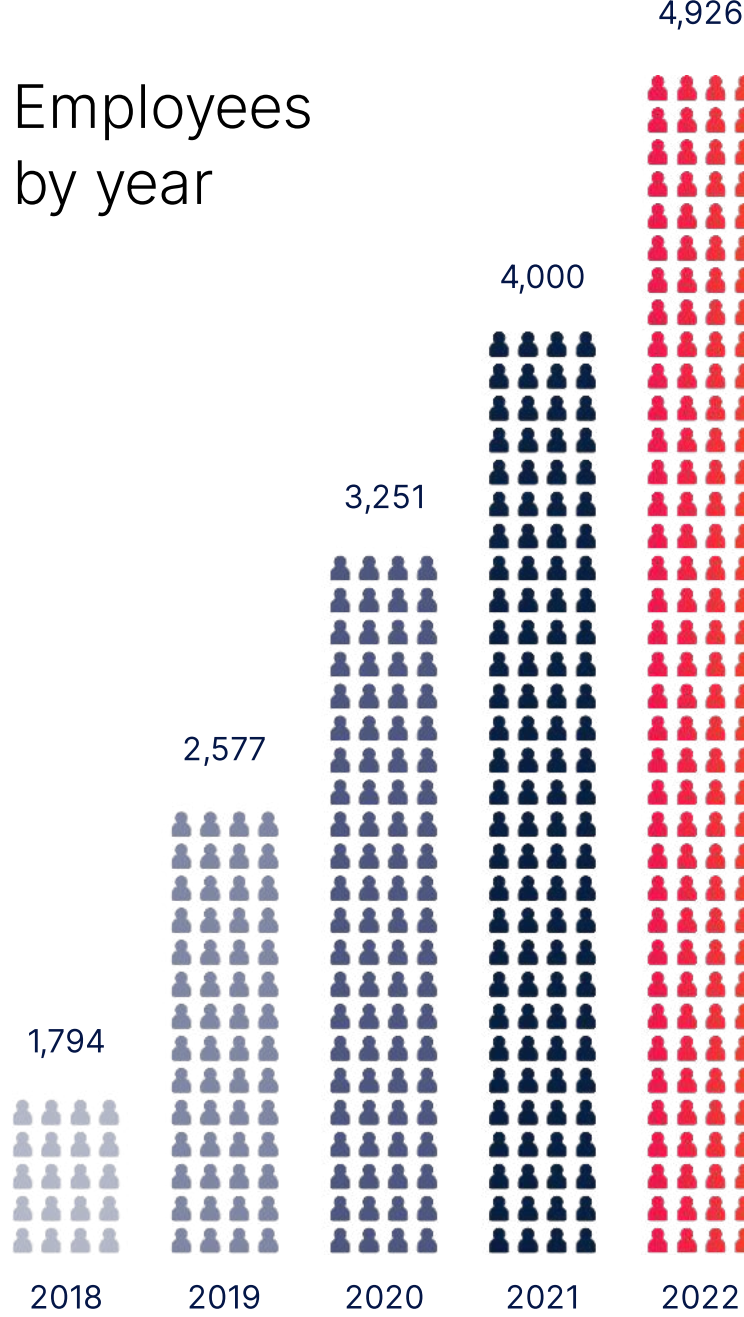
Our success depends on our ability to attract, retain and engage outstanding employees at all levels of our business.

In 2022, we further expanded our organization to meet the increasing demand for the sustainable benefits our energy solutions deliver. To support the needs of our fast-growing business and our global workforce, which has almost tripled in the past five years, we have invested in our human resources infrastructure, including recruitment, onboarding, development and engagement processes while continuing to reinforce our entrepreneurial spirit and values-based culture

Employees
by region, 2022



Employees
by year



We continue to seek the best ways to encourage, engage and empower our employees to support our business objectives. We provide opportunities for personal development and support for professional advancement. Similarly, we invest in the well-being and safety of our employees so that they can be at their personal best, every day.

We rely on the success of our recruitment efforts to attract and retain technically skilled people who can support our ongoing innovation and expansion. We aim to be inclusive in our hiring practices, focusing on the best talent for each role and welcoming all genders, nationalities, ethnicities, abilities and other dimensions of diversity.

Candidate Referrals from employees already working in SolarEdge are commonly used by our recruitment department, with many existing employees recommending the company as a favorable place of work to their friends and peers.

By the end of 2022, the company's global workforce included

4,926 employees,
an increase of 23% compared
with the end of 2021.



Succession planning: In 2021-2, we rolled out a formal talent pipeline development strategy for senior roles across all divisions with an aim to:

- Identify individuals with the potential to fill key business leadership positions
- Map organizational gaps, forecast hiring needs, actively develops new pools of talent
- Provide critical development experiences to those that can move into key roles
- Establish succession planning as a regular business practice at SolarEdge

We completed our first succession plan review and continue to define and implement actions to create a robust leadership pipeline for SolarEdge.

Talent pipeline development strategy: As a company that has experienced significant expansion of its business activities and its related workforce, we take positive measures to prepare for additional recruiting needs in the upcoming years. These expected workforce needs are determined based both on the multi-year business plans of the company, and on the annual manpower needs review process conducted with all company departments as part of our annual budget planning. Our recruitment department uses both internal resources and external services to continuously develop a pool of potential candidates (both from within the company and externally) with relevant skills and experience that complement our current and future needs. This pool is continuously adjusted and expanded by the changing identified recruitment needs. Our internal mobility and student hiring programs (detailed below) also help us to meet our updated talent requirements. Students hired by SolarEdge receive company-specific role training making them relevant candidates for full-time positions at SolarEdge upon graduation.

In addition, we have recently started an internship plan for engineering students at Shenkar College, in Israel. Through this internship, the students will be provided ad-hoc training for the role of operation planners, with emphasis on the specific business activities of SolarEdge. One of the plan's goals is to create a qualified talent pool for this role.

Hiring students: We encourage students to work part-time at SolarEdge while they continue their studies to prepare them for potentially joining the company upon completion of their degrees. At any given time, there are around 70 students in these specially tailored roles. In 2022, a total of 30 student employees that graduated throughout the year were subsequently promoted to full-time SolarEdge employees.

Internal mobility: Our Internal Mobility program is designed to encourage internal recruitment and provide exciting career and personal development opportunities to our expanding workforce. Current SolarEdge employees can apply to any open position, assuming they have been with the Company for at least two years and are performing satisfactorily in their current role. In 2022, over 300 positions were filled by internal candidates. Over 180 of these career transitions represented promotions to roles of greater responsibility.

Onboarding: In 2022, we also increased our onboarding efforts, designed to better familiarize the large number of new employees with SolarEdge's business, values, and culture. New employees are assigned to an onboarding program by their direct managers, tailored specifically for their roles, including necessary professional training and introductory meetings with main internal colleagues. In most cases, new employees are also assigned a 'buddy' who is a more veteran employee already familiar with the Company, to help with the first steps of the SolarEdge career.

All new employees participate in regional orientation days. The orientation process includes panels with Company executives (frontal or via web). The participating executives detail the Company's history, operations, and business objectives. Employee questions and suggestions are encouraged and addressed by the participating executives.



Performance Reviews: We maintain a program of annual performance reviews so that employees can receive feedback and plan their next career moves and professional development with their managers. In 2022, 96% of SolarEdge employees globally received formal performance reviews. This included all eligible employees⁽¹⁾.

Career Path Mapping: Through the past two years, we have developed specific career path frameworks to support the professional development and growth of two distinct employee populations with particular needs: employees of our global service department, and most employees in our global R&D department. We identified the need to create clarity about professional career paths and enable managers and employees to effectively plan personal development, while also supporting the retention and engagement of our employees in professional roles at a local and global level. During biannual reviews with managers, next career moves and training and development needs are identified for service and R&D professionals.

Service Roles: Service is at the heart of our offering to customers, and more than 12% of our employees globally occupy service roles. These roles include: Technical Service Representatives, Technical Service Engineers, Field Service Engineers, Customer Care Specialists, Service Project Managers and more, each at differing levels of experience and skill. Overall, there are more than 13 individual service roles across our organization. Through the creation of our new Service Career Path Framework, we provide tools to map career progression options and training needs at each level for all service professionals at SolarEdge.

R&D Roles: Career paths have already been defined for several of our R&D sub-departments, including Hardware, Software, Embedded, Mechanics and more. Altogether, there are approximately 700 SolarEdge R&D employees with a career path already defined. Their development opportunities are defined by the skills and experience needed to advance in a technical or a management capacity. The R&D Career Path Framework identifies the training and experience necessary to advance and the annual review process supports individual programs and identification of training requirements. For example, the training needs that arose from the R&D Career

So far, tailored career plans have been developed for our entire service department and the majority of our R&D department employees. Overall, the roles with an established career path account together for 25% of the total SolarEdge global workforce.



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Training & Development



We aim to provide our employees with advanced professional development skills so that they can perform effectively in their roles, develop their skills and capabilities, and define future career goals.

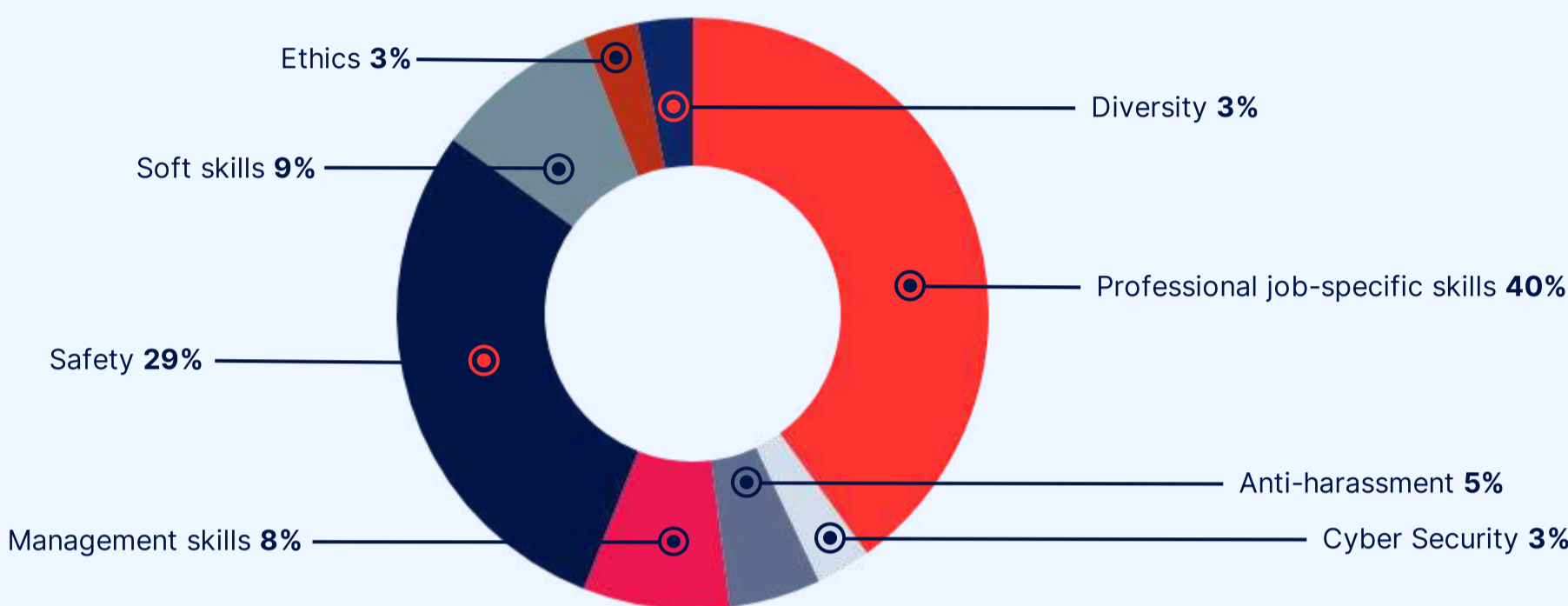
As part of our extensive investment in training, we provide annual leadership and development programs for managers and team leaders as well as advanced professional training for sales, R&D and other teams. These programs are defined each year in line with identified training needs and delivered to different populations as required. We also partner with local educational resource providers to offer formal learning programs on a variety of subjects.

Of the total training hours undertaken by SolarEdge employees in 2022, 40% covered professional job-specific skills, and 29% included different forms of safety training (see further details in the [Health and Safety](#) section). The full distribution of training time by categories is illustrated below.

In 2022, SolarEdge employees undertook more than

80,000 training hours,
equivalent to an average of 16.3 hours
per employee per year.

Distribution of 80K total training hours, in 2022



Several new training and development programs were launched at SolarEdge throughout 2022, and some existing programs were expanded. Following are some primary examples:

Management and Leadership Training Programs: Throughout 2022, we created several new development and training programs to meet the needs and support the growth of our managers:

- An **Executive Leadership Development Program** tailored to the needs of our executive leadership
- A **Development Course for our Global Directors** (senior managers, such as department leaders). The course included, among else, sessions with company executives, sharing their personal experience
- A **Coaching/Mentoring Program for Managers** aimed to enhance their management capabilities. The target SolarEdge managers were provided with several one-on-one sessions with former executives from various global businesses
- A **Leadership Development Program for Women Managers** designed to support our goal of advancing women to more senior roles at SolarEdge, and providing them with effective leadership tools. Similarly, a designated development program was created for women performing technological roles. Read more in the ['Diversity, Equity and Inclusion'](#) section.
- 1st level managers courses** undertaken locally in different regions and focusing on management and leadership skills, effective task delegation, how to motivate and provide feedback to employees, diversity and inclusion in day-to-day management, and additional skills.
- Topic-specific courses and workshops for all managers** covering areas such as remote management, interview skills, situational leadership, effective goal setting and meaningful feedback.

Employee Development Soft Skills Plan: This program aims to provide quality training to help enhance individual and organizational productivity and growth by focusing on a core set of skills relevant to all employees. The plan included both on-line learning offered for all global employees and frontal regional courses and workshops. The main topics addressed in 2022 appear in the illustration to the right.



English Skills



Wellness



Presentation Skills



Time & Project Management



Communication Skills



Excel

New LMS system for mandatory training: In 2022, we introduced a new global learning management system (LMS). The new LMS already includes mandatory annual on-line training for all global employees on Safety, Ethics, Information Security and Procurement Procedures and will be further expanded in 2023.

Expanded E-learning: In late 2022, we launched a pilot program where several hundred global employees from various departments received unlimited access to one of several E-learning designated platforms. The main goal of this pilot program is to examine the content offering of each platform and its alignment with the specific needs of our employees. All platforms offer self-paced learning in several languages, with an extensive portfolio of both professional/tech learning and soft skills courses. Through the tools eventually chosen, we aim to significantly expand the learning portfolio offered to our employees and the number of employees engaging in continuous learning, thus broadening the scope of our learning and development culture.

SolarEdge Hackathons: We also invest in developing innovation and team-building skills, specifically for our employees in R&D and other technology functions. Our annual 36-hour hackathon in SolarEdge Israel inspires our teams to explore new product and service ideas that will help us achieve our purpose of powering the future of energy. At the 2022 'SolarEdge HackaBond', approximately 330 employees in technology roles competed to generate the best innovations, supported by 20 mentors from our senior leadership. A similar Hackathon was held in SolarEdge Europe in 2022, with over 60 participant employees and 8 senior mentors.



Partnerships with educational institutions: We maintain a collaboration with Tel Aviv University's (TAU) Faculty of Engineering whereby our R&D employees are invited to take academic courses on a wide range of topics, allowing them to expand their knowledge in professional areas that complement their professional responsibilities. Courses taken by our employees at TAU include topics such as advanced electronics, advanced programing methods, machine learning and others.



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Fair & Quality Employment



Fair & Quality Employment

Compensation & Benefits

We aim to provide our employees with competitive compensation and benefits that enable them to achieve a good quality of life while planning for their future. We meet all mandatory employment requirements according to local regulations in each area where we operate around the globe. Accordingly, our employees worldwide are paid above the minimum wage and are entitled to statutory retirement saving programs, paid vacation days and sick leave, and other benefits according to local regulations.

We provide additional employee benefits beyond the legal requirements. These benefits differ according to local norms in different regions, market preferences and company needs, with increased focus on employee health and wellbeing. The following are examples of such additional benefits—in all cases, a majority of our global workforce (>50%) enjoys different variations of these benefits:

- Stock-based compensation: Restricted Stock Units (RSUs) and Employee Stock Purchase Plan (ESPP). This program was recently expanded to include production-line employees in Israel who have been employed for over 6 months
- Annual bonus and performance-based bonus plans (MBO)
- Additional (non-pension) medium/long-term saving programs
- Subsidized health insurance plans

In 2022, we conducted a gender pay gap analysis of our employee base in Israel in all roles and levels. For further details, see the section on [Diversity, Equity & Inclusion](#).

In early 2023, SolarEdge was selected as the 11th most preferred place of work among large Israeli employers, in a comprehensive independent survey^[1].

Upholding employees’ human rights

As part of our stand on human rights, we respect the rights at work of our employees and are guided by the ILO Declaration on Fundamental Principles and Rights at Work. SolarEdge is committed to providing equal opportunity in all aspects of employment and does not tolerate discrimination, harassment or retaliation of any kind. All employment practices and decisions, including those involving recruiting, hiring, transfers, promotions, training, compensation, benefits, disciplinary measures and termination, must be conducted without regard to age, sex, race, color, ancestry, religion, creed, citizenship status, disability, national origin, marital status, military status, sexual orientation, gender identity or any other protected status or activity, and must comply with all applicable laws. We prohibit child labor and all forms of forced labor. We do not employ individuals under the age of 18 other than for summer intern programs in certain locations (not in manufacturing roles). For additional details on this subject, see our [Approach to Human Rights](#).

Employee wellbeing

We believe in supporting employees in caring for their own health and wellbeing, so that they can live healthy and productive lives and also perform their best at work. Throughout the year, on a tailored-by-country basis, we organize educational and sporting activities, including annual medical checkups, to help employees increase their awareness of health risks and provide opportunities to invest in their own wellbeing.

In Israel, for example, in late October 2022, we held our annual Health Week, conducting daily activities including yoga sessions, freestyle kickbox sessions, breast health checks for female employees, and lectures on maintaining a healthy lifestyle. During the week, in order to strengthen what we perceive as our responsibility towards the communities in which we operate, the employees were encouraged to acquire an ‘Adi card’, registering as organ donors.

In the U.S, SolarEdge employees are encouraged to participate in monthly health and wellness activities and challenges, earning badges and recognition for different activities that promote a healthy lifestyle. These include step challenges, age-specific physical exercises, challenges for balanced nutrition and healthy sleep, and other wellness activities.

In addition, most of the Company’s global employees are offered mental health counseling services as part of the Company’s holistic view of employee well-being. The services are subsidized by the Company but are provided anonymously -- as the employees contact the services directly and without the Company’s knowledge.



How can we help you?

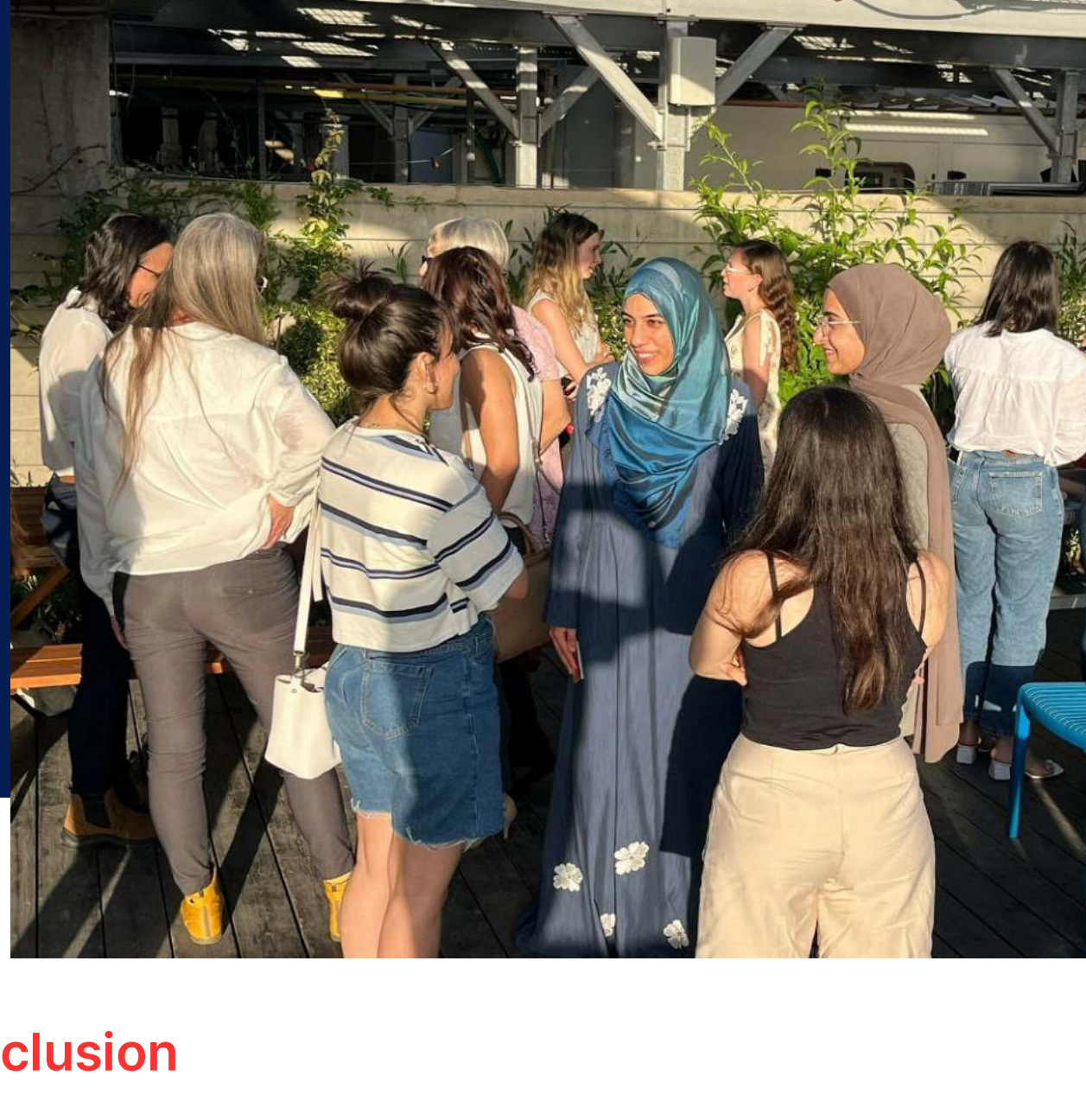
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Diversity, Equity & Inclusion

[Advancing Gender Equality >](#)[Inclusion of Different Groups >](#)

Introduction - Diversity, Equity & Inclusion

We believe in the strength of an organizational culture that embraces differences and welcomes individual contributors who represent diverse groups of society. As we grow, we are striving to increase the presence of women in executive, management and R&D positions as well as taking active steps to enhance the diversity of our workforce and inclusiveness of our approach and practices.

Around the globe at SolarEdge, we have been delivering training and promoting education to support awareness and inclusive practices across our workplaces. For example, at different locations, we have:

- Provided foundational diversity and inclusion training for managers and employees
- Delivered training on the inclusion of people with disabilities in the workplace
- Hosted workshops, lectures, and webinars on a range of topics including valuing diversity; respectful and positive interactions; and Women of Color in Tech (as part of Black History Month in the U.S.).

Advancing Gender Equality

We work to create opportunities to hire more women at SolarEdge. In the past four years, overall representation of women increased from 21% in 2019 to 28% in 2022. We place particular emphasis on supporting the advancement of women in executive and management positions and we have almost doubled the number of women in all management roles in the four years between 2019 to 2022.

Woman in all management roles



In 2022, 19% of management positions⁽¹⁾ were held by women, compared to 13% in 2019.

We recognize that there is more work to do to close the gap toward stronger representation of women at all levels in our organization. Our goal is to increase gender equality and inclusiveness in our workforce, overcoming the inherent challenges related to the tech sector. In early 2022, we set quantitative targets to promote this goal, focusing initially on our employees in Israel, which constitute approximately half of our global workforce. By 2025, we aim to achieve the following levels of representation of women in our Israeli workforce:

- 38% women overall (32% at end of 2022; up from 30% at end of 2021)
- 21% women in R&D roles (18% at end of 2022; up from 17% at end of 2021)
- 24% women in management roles (20% at end of 2022; up from 18% at end of 2021)

Sub-targets were set for different company departments. As indicated above, we have made progress on all three overall targets in 2022, with an increasing recruitment rate for women in Israel. The progress is supported by the following steps:

- Operating talent development programs for women (see below)
- Maintaining partnerships with NGOs to better identify appropriate women tech-role candidates, and to nurture the next generation of women in tech
- Expand anti-bias training
- Conduct an annual gender pay gap analysis
- Launching a global internal Women's Day campaign, titled "Towards Gender Equality". The campaign included empowerment lectures from women in executive roles, both from within SolarEdge and from the global business world. In addition, the campaign included an invitation to all women employees to schedule a 1:1 virtual informal mentoring session with one of 22 prominent female managers and employees in key positions from various professional fields and geographical regions within SolarEdge.



In parallel, we have started to enhance our gender equality efforts in other (non-Israeli) regions of our operations as well, including region-specific target setting. These efforts have started to produce initial achievements, with the first two women hired in our Netherlands support center, and a first woman hired as field service engineer for our northern Europe region.

Our efforts to enhance gender equality in the tech industry are not limited to our workforce. In line with the pillars of our community engagement plan, we have engaged in several initiatives, encouraging participation of women and growth in the number of women in tech studies.

These efforts included:

- Providing study scholarships to talented young women from Israel's underserved periphery
- Organizing educational tech meetups with female engineering students, led by SolarEdge women managers
- A mentoring program for female high school students in Israel, through group sessions held with SolarEdge female employees

See further details in the Community Outreach section of this report.

Talent development programs for women

The Boost Your Career Leadership Development Program, operated globally at SolarEdge through 2021-2022, was aimed to accelerate the advancement of women based on performance and leadership potential. This six-month program operated at two levels: personal customized development and group learning and skill-building. Each participant has completed a 360° performance and skill profile, in addition to custom training modules, including career management and communication skills. Additionally, following the structured training elements, the participants engaged in facilitated group learning and networking. The program also included several one-on-one mentoring sessions for each participant. The mentors were former executives from global businesses, with each matched specifically by background and language to each program participant.

Over 20 managers

completed the **Boost Your Career Leadership Development Program** for Women

We have also created a new development program for women in R&D and technical roles with at least three years of experience at SolarEdge. The program ran in the first half of 2022 and consisted of six workshops with internal and external facilitators and a TED-style summary meeting in which participants presented conclusions to senior leadership. The workshops encompassed:

- Grow your Career:** Technology versus management careers
- Personal influence:** Goal setting, managing strengths, managing personal brand
- Organizational influence:** Understanding company strategy, risk-taking, entrepreneurship

Over 20 women

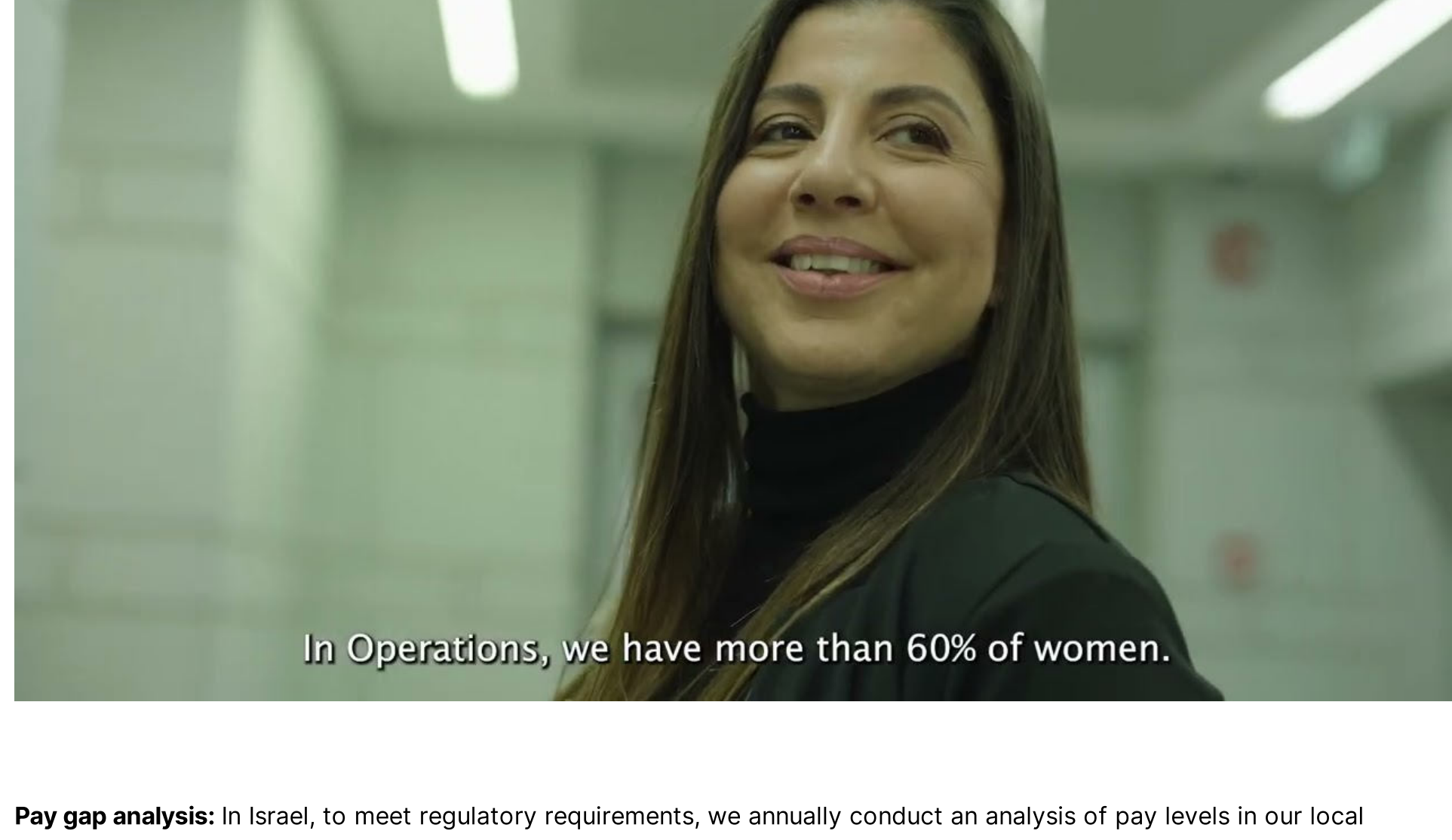
in technical roles completed the **Technical Career Development Program**

We plan to continue to offer talent development opportunities in 2023 and beyond, designated specifically for our prominent female employees and managers as part of our ongoing commitment to strive for gender equality.



Elisa Rossi,
Financial Planning & Analysis Manager,
SolarEdge e-Mobility, Italy

"SolarEdge is very goal-focused. The growth from year to year is remarkable and those of us who are flexible, and know how to adapt to change, can really excel and bring added value to the company. I appreciate working in an environment where flexibility in working hours is welcomed, as that enables me to manage my role as both a mother and a professional."



Pay gap analysis: In Israel, to meet regulatory requirements, we annually conduct an analysis of pay levels in our local workforce, representing approximately 55% of our global employees. The annual analysis is available [on our website](#) (in Hebrew⁽²⁾) and covers pay levels by gender, job profile and department, examining gross salary and salary levels used to determine severance pay (excluding bonuses). Of the job groups analyzed for 2022, where both men and women were employed, we found no material difference in pay by gender:

- Where pay gaps existed, an equal number of job groups favored women as favored men.
- For all job groups, no pay gap was greater than 7% in favor of men or women.

We will continue to conduct this analysis annually, as required by law and to ensure that material differences are not created within comparable roles.

Inclusion of Different Groups

In 2022, at SolarEdge in Israel and the U.S., underrepresented minorities accounted for 9% of our workforce (equivalent to 6% of our total global workforce).

We aim to increase the number of employees from under-represented minorities across our workforce in all the regions we operate. Our main efforts are currently centered in Israel, where over half of our global workforce is located. We maintain several partnerships with social organizations in Israel, designed to increase our recruitment of candidates from the Arab community in Israel, ultra-Orthodox women, and individuals with disabilities.

As a result of our efforts, the total number of under-represented minorities who make up the SolarEdge Israel workforce has increased by 94% in 2022 alone, to a total of over 130 employees.

Our short-term aim for 2023 is for the target under-employed minority groups in Israel to encompass over 10% of all new hires at SolarEdge Israel. Sub-targets have been set for the different relevant departments.

Our diversity-focused collaborations include:

- Working with a specialist non-profit agency (Tsofen) for recruitment of candidates for engineering positions from the Arab sectorAdditional collaborations that focus on the Arab sector in Israel include supporting the integration of Druze women into the hi-tech sector (through the 'Lotus' initiative) and helping young engineering graduates from the Arab community become software developers (through the 'Fursa' initiative). We have also participated in a mentoring program for electrical engineering students from the Arab society and have partnered with 'Elevation' to train eligible candidates from the Arab sector to become skilled recruiters for the high-tech industry.
- Recently, SolarEdge also became one of the first business partners of the Semana program. The Semana program has set out to increase the number of Bedouin-Israeli women who are employed in the Israeli high-tech industry. Despite increasing higher education rates (including in tech fields) among Bedouin-Israeli women, their current participation in the Israeli tech industry remains very low due to cultural and geographical barriers. The program attempts to overcome these barriers by founding a dedicated tech-hub in Zarzir (Northern Israel), where candidates accepted to the program undergo specialized training in ERP system automation. The training has been structured to meet the requirements of potential future employers such as SolarEdge. In parallel, the participants receive soft-skill training such as English language strengthening and preparation for interviews.
- Engagement with Kama Tech, an organization supporting the placement of individuals from the Israeli ultra-Orthodox community in the local high-tech industry. In 2022, in a targeted recruitment collaboration, we hired 18 ultra-Orthodox women for software development positions (in addition to the eight ultra-Orthodox women hired in 2021 through this collaboration).
- Partnering with a special program at the Ono Academic College (Roim Rachok—Looking Ahead) for recruitment of employees on the autism spectrum. These employees are recruited for specific positions through dedicated interview days. This initiative also includes training sessions for SolarEdge managers on integrating employees with disabilities into the workplace. To date, we have hired five employees as part of this initiative. In addition, the company funds recurring occupational therapy sessions for SolarEdge employees with disabilities at their place of work.

In the U.S, we publish our annual EEO-1 Form, which we compile as required by the U.S. Equal Opportunity Commission. This information, which reflects a summary of the voluntary self-identification by our U.S. employees in 2019-2021⁽³⁾, can be found [on our website](#).



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Health & Safety



We believe that all accidents and injuries at work are preventable, and we strive to achieve a zero-injury culture across our offices and operations. We comply with applicable occupational health and safety regulations. All SolarEdge manufacturing and R&D sites are certified to Occupational Health and Safety Quality Management Standard ISO 45001:2018.

Safety performance: Overall accountability for safety at SolarEdge rests with the Vice President of Quality & Reliability (Q&R), a member of our executive management team. The SolarEdge Global EHS Director reports to the VP Q&R and manages all aspects of safety and environmental compliance and improvement. Safety performance is reported monthly to the company Chief Executive Officer and executive management, including specific safety incidents analysis, findings, corrective actions and updates on safety improvements.

Our safety practices include:

- Nominated Safety Officers at each company manufacturing/R&D site. Our Safety Officers have gained specific expertise in the processes and technologies that characterize SolarEdge's activities.
- Nominated lab electricity supervising engineers in two main R&D sites, focusing specifically on prevention of electricity-related incidents
- Appointed and trained employees in each manufacturing/R&D site as Safety Trustees who help enhance their site's local safety culture
- Mandatory annual safety training for all employees
- Mandatory job-specific training (such as proper use of protective equipment, working with high voltage, working in heights, safe use of machinery/chemicals/materials, etc.) for all employees in relevant roles
- Comprehensive safety, fire, and emergency drill programs to ensure employees are well-versed with emergency procedures
- Root-cause assessments of incidents and corrective actions
- Conducting periodic internal and external EHS audits within the company and at contract manufacturer sites
- Supplying employees with all necessary PPE (Personal Protective Equipment) according to the identified job-specific risks and all relevant regulations
- Maintaining a healthy and ergonomic work environment. Provide employees with specialized ergonomic equipment when reasonably required/requested.

The overall TRIR (rate of recordable injuries) of our global company employees in 2022 was 0.60. This represents a 22% increase compared to the 2021 TRIR (0.50), although this still achieves our continuous target of an annual TRIR rate no greater than 0.7.

In parallel, the LTIR (rate of lost days due to safety incidents) of our global company has slightly improved, dropping from 11.9 in 2021 to 11.0 in 2022 (-8%).

Our analysis of the safety figures indicates two likely reasons for the increase in TRIR in 2022:

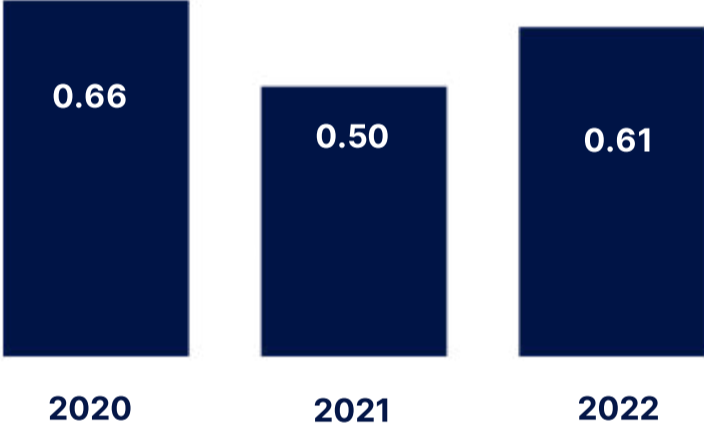
- An increase in the share of operational roles in the Company's workforce in 2022, with the significant expansion of our own manufacturing sites;
- The significant expansion of our in-house safety workforce in late 2021 and early 2022 which resulted in an improved safety reporting culture, with enhanced internal transparency and better incident tracking.

Safety training was significantly expanded at SolarEdge in 2022. The expanded training components included enhanced fire prevention and emergency handling (specifically focusing on the Li-Ion battery risks), more comprehensive first aid training, and new mandatory annual on-line safety training for all employees.

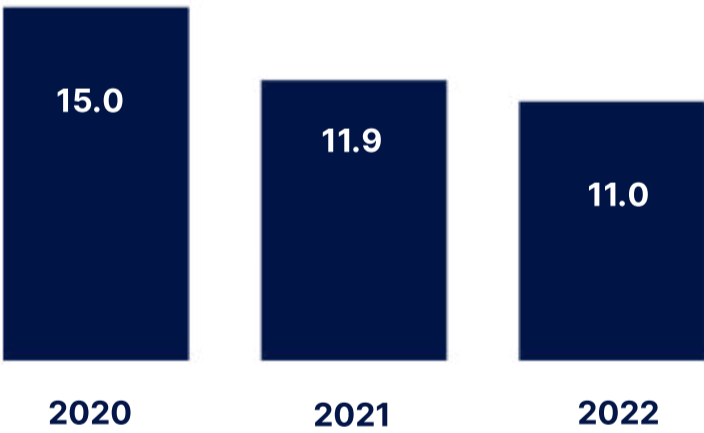
In addition, we also implemented new systems in 2022 for tracking global EHS performance, aimed to help reduce safety risks and support ongoing EHS compliance worldwide. These systems include:

- An EHS regulatory and compliance monitoring system, tracking relevant global regulations, and assisting with customized audit planning;
- An incident reporting and investigation system for our Israeli sites, aimed at methodically finding the incident's root cause and helping with risk elimination; and
- Training management to better track training obligations and the progress of our expanding global workforce.

TRIR Rate - Global Company Employees



LRIR Rate - Global Company Employees



In 2022, SolarEdge employees participated in more than

22,800

hours of safety training,
which total an average of over

4.6

annual training hours
per global employee.



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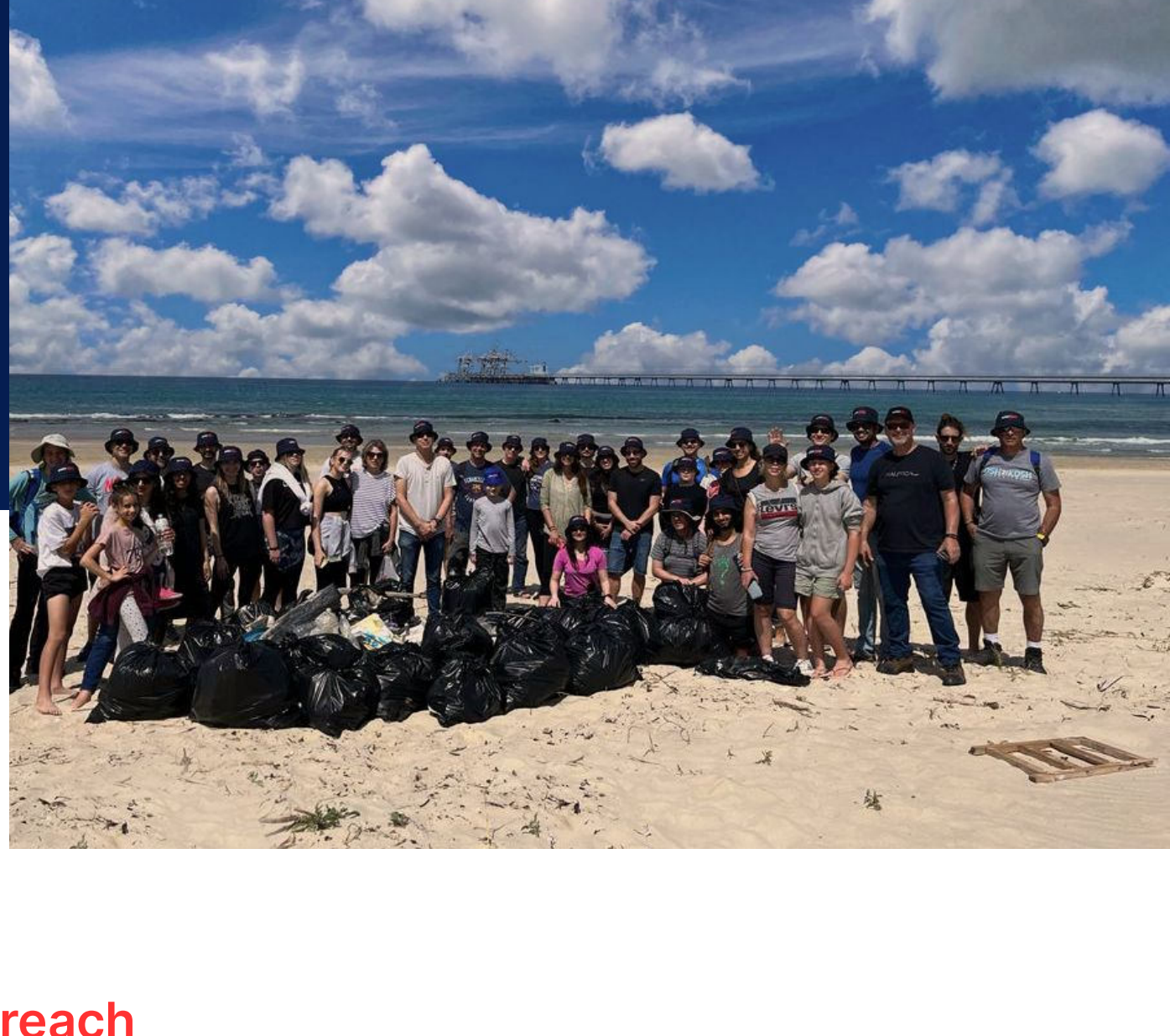
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Community Outreach

EDGEUcate >
Green Energy / Environment >
Tech Education / Innovation >
Enhancing Diverse Populations >
Other Activities During 2022 >

As a global leader in smart energy, impact is at the core of everything we do. We are continuously looking for opportunities to positively impact the communities in which we live and work.



Introduction – Community Outreach

To this end, we have established our Corporate Social Responsibility (CSR) Committee. This committee is comprised of employees from a range of functions within the company whose purpose is to progress community engagement programs while sharing different internal views. In addition, our Corporate Social Responsibility (CSR) Global Lead is responsible for the oversight and effective promotion of our community engagement strategy and programs.

Our strategy and programs are based on an extensive community engagement multi-year plan.

This plan is composed of the following three pillars:

- Advancing renewable energy for environmental community value
- Strengthening Science, Technology, Engineering and Math (STEM) education and encouraging youth innovation
- Enhancing diverse populations

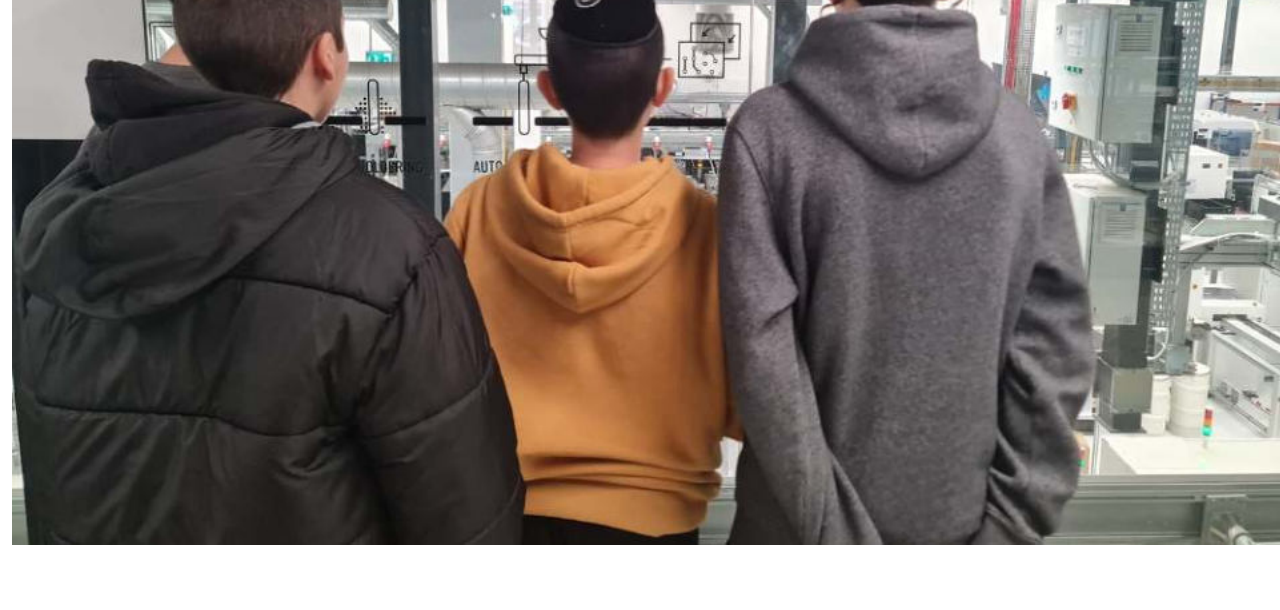
The plan also defines the criteria for CSR initiatives in the communities where our operations are located, emphasizing employee engagement and potential impact.

In addition, we appointed community engagement outreach leads from different departments and regions and we defined a new policy for company-organized volunteering initiatives, allowing employees to volunteer one day per year during paid working hours.

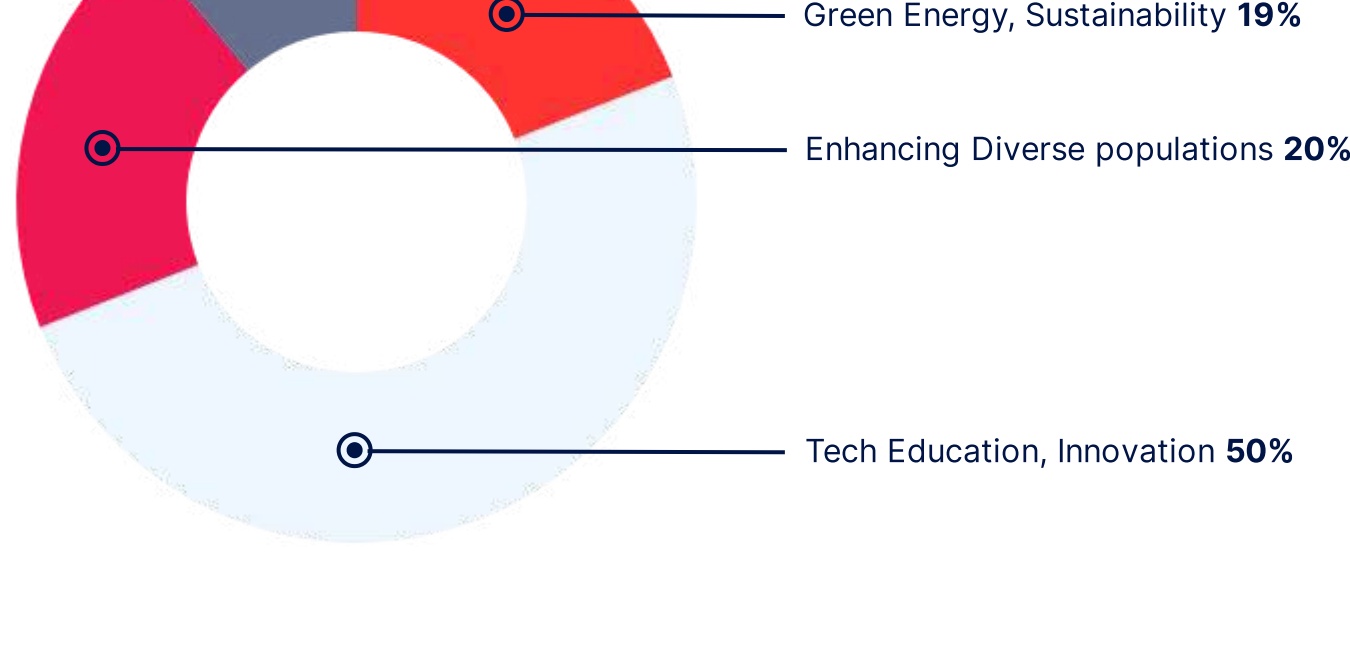
In 2022, SolarEdge donated

\$354,000
equivalent to **0.21% of net profits**⁽¹⁾

This was in line with our ongoing commitment to donate at least 0.1% of net profits to charitable causes annually.



The chart below illustrates the distribution of our total charitable donations between our three main community engagement pillars (and additional ad-hoc donations).



We continue to grow our efforts and measure the impact on the communities in which we live and work. This year, as we expanded upon the previous year's activities, by undertaking a broad range of initiatives in line with the above-mentioned three-pillar employee engagement plan. Two of these initiatives were large-scale projects initiated within the Company itself (our Community Installation project and our EDGEUcate project – both of which are detailed below). Other initiatives include partnering with NGOs specializing in their respective areas of expertise.

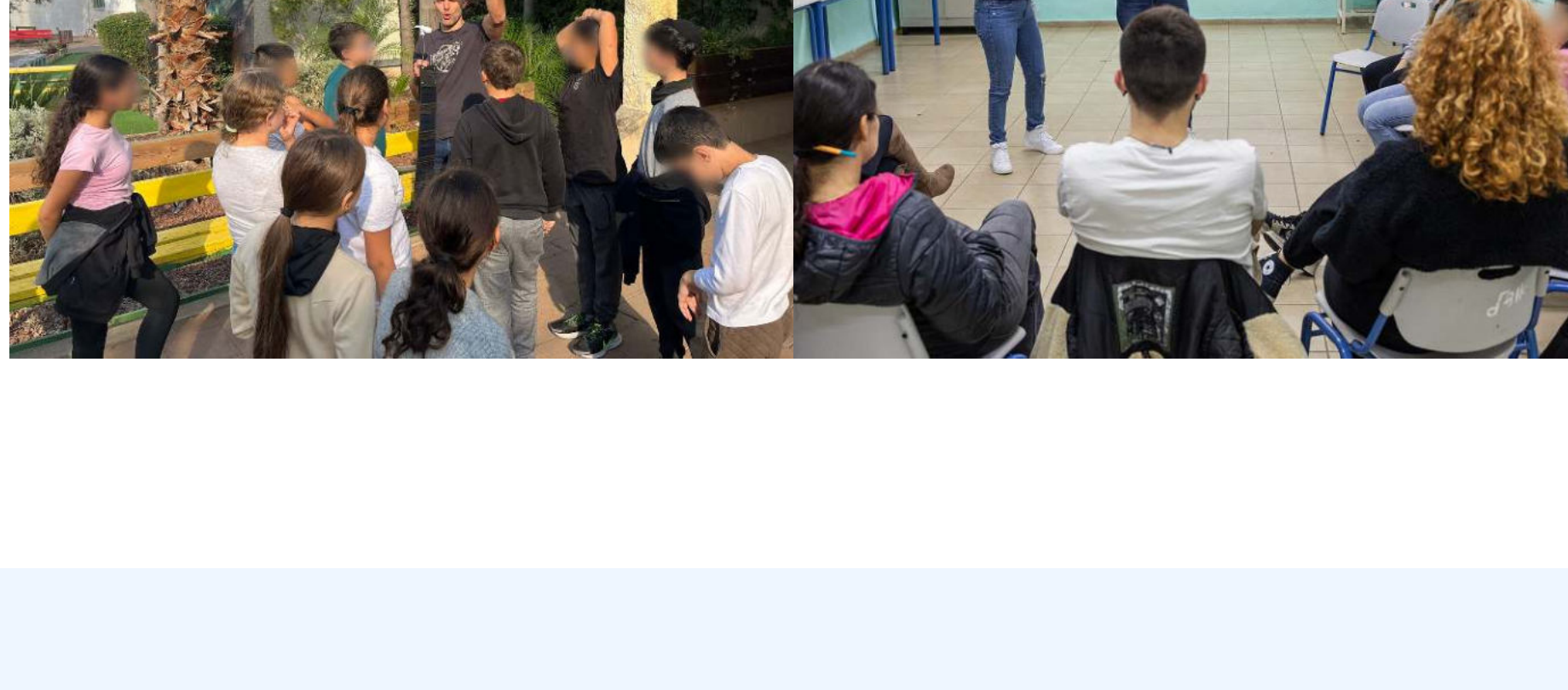
We encourage employee engagement in initiatives that reach a large number of beneficiaries and operate on a national scale. As a result, our employee volunteering rates increased significantly in 2022, reaching a total of over 840 volunteer hours in Israel alone.



EDGEUcate

Our flagship long-term educational program, EDGEUcate, aims to raise awareness and educate children from a young age on sustainability practices and teaching about what is solar energy. This year, we developed age-appropriate learning kits in collaboration with educational consultants and content writers for use in the classroom by our employees. Educational kits were designed for students from kindergarten through 12th grade, based on materials from our "Edge Academy".

Launched in 2022, we have set ourselves an ambitious goal of reaching 10,000 pupils in Israel by the end of 2023. By February 2023, over 4,000 Israeli school students have already participated in an EDGEUcate class. The program has also been conducted before audiences made up of different populations including women's shelters and participants of various outreach initiatives, also in Israel's periphery. This well-received and valuable program is expected to launch globally in 2023.



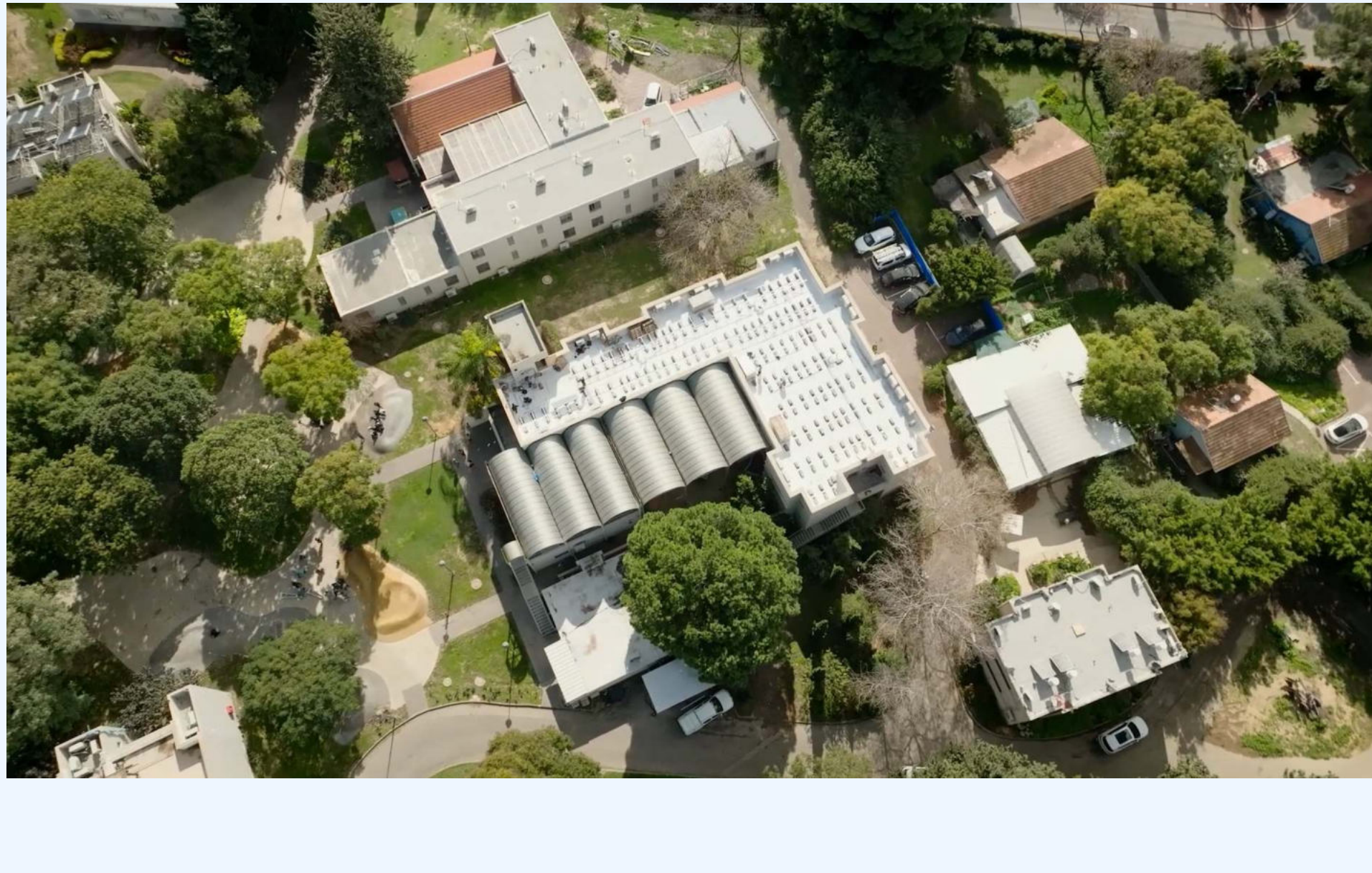
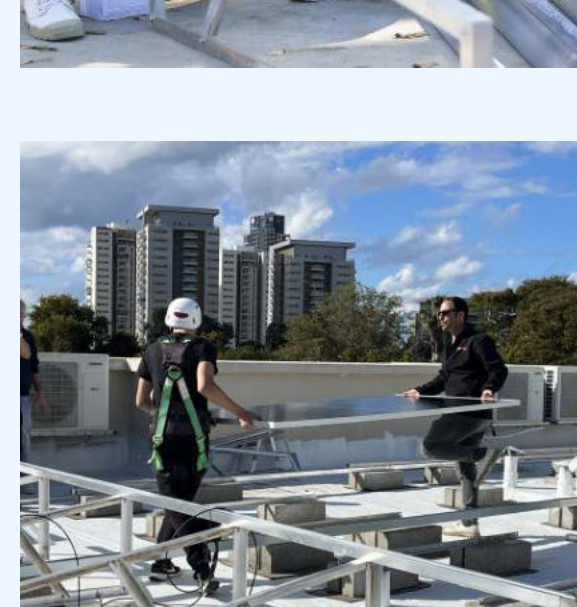
Green Energy / Environment

Community Installation Project

This year, SolarEdge donated an entire solar energy management system to the Manof Youth Village in Acre, Israel an educational establishment for the rehabilitation of young people "on the margins of society" who have dropped out of the regular educational/social system. Manof is a Public Association financed by governmental offices – the Ministry of Education, the Ministry of Social Affairs and the Ministry of Labor.

The SolarEdge PV system consists not only of our Power Optimizers, inverters and other hardware that we manufacture but also the solar panels, racking and other ancillary products needed to put together an entire system. In addition, an installation team employed by SolarEdge carried out and oversaw the entire installation with help from the youth living at the village. This system is expected to save up to 30.8 metric tons of carbon emissions per year.

As part of our efforts to educate the next generation on the importance of solar energy, we also conducted tours for the Manof students at our Sella 1 manufacturing hub in Zipporit, Israel.



Engineers Without Borders

We provide professional mentoring and skilled-based volunteering to teams of students from Ben Gurion University in Israel (BGU) who are working on a model for a playground in Tanzania powered by solar energy. We created an advisory board to consult, train and assist BGU students in creating this model which will also power refrigerators for Tanzanian school children, helping with their schooltime nutrition.

100 Gardens Project

We are supporting Venatata's 100 Gardens Project which has a five-year goal of building 100 therapeutic gardens in 100 rehabilitation centers serving a broad range of populations on the fringes of society in Israel. SolarEdge has committed to building three of these therapeutic gardens to be used by at-risk populations and the elderly in the cities of Nof Hagallil in Israel's north, and Ramle and Herzliya in the center. Numerous employees volunteered their time and were directly involved in building these gardens during 2022 which is often interactive with people living in the facilities for which the gardens are built.

In addition, we also conducted a lecture on biological technologies that utilize energy from the sun.

Tech Education / Innovation

The Guy Sella Memorial Project

This project was initiated in 2020 in memory of Guy Sella, SolarEdge's Co-Founder, former Chairman and CEO who passed away in August 2019. As part of the project, the Company has pledged to invest \$1,000,000 over ten years in a joint SolarEdge-Technion educational and technological initiative (with 2022 representing the third project year). The Technion, Israel's leading technical research university, is committed to matching these funds. The Guy Sella Memorial Project combines teaching, research, and outreach activities for high school, undergraduate, and graduate students, including teaching labs and research fellowships.

In early 2022, the Technion held an award ceremony for prizes, research grants, and scholarships as part of the project. The Guy Sella Research Prize was given to two members of the Grand Technion Energy Program which is active in creating a research infrastructure and promoting research in energy, as well as generating significant scientific discoveries and major national initiatives.

At the end of 2022, the Technion marked the opening of the Power Electronics and Renewable Energy Laboratory (PEARL), donated by SolarEdge. PEARL is a first-of-its-kind lab integrating renewable energy and power electronics as part of the studies of the Faculty of Electrical and Computer Engineering. The goals of the lab are to acquaint graduate students with the practicalities of climate tech and to expose them to the increasing efficiencies of photovoltaics, e-mobility and other renewable technologies.

In addition, a 24-hour Technion Hackathon was held in May 2022 in memory of Guy Sella, searching for next-stage and large-scale renewable energy storage and conversion solutions.

Ofanim

We are a member of Friends of Ofanim, an award-winning organization that drives STEM education for elementary school children in Israel's underserved regions in the north and south. We have delivered our EdgeUcate workshops and conducted tours of Sella 1 for underprivileged youth in the periphery, creating educational opportunities for Israel's most disadvantaged children.

Shavot

In 2022, women SolarEdge employees from various departments in SolarEdge took part in the Shavot personal mentoring program, a nationwide initiative that encourages girls to develop positive self-esteem. Through meaningful experiences like the ones fostered by our female employees, young girls are able to minimize gender gaps, discover new strengths, and aspire to reach higher goals.

Our women employees mentored six groups of girls from the central city of Rishon LeZion and were given the option of sharing their career path of delivering an EdgeUcate lesson. In addition, they organized a Hackathon in which the girls took part.

Enhancing Diverse Populations

Atidim

We support Atidim's Step UP Program which identifies talented young women from Israel's underserved periphery and provides support, enrichment and empowerment to create equal educational opportunities and social mobility. SolarEdge donated three full scholarships to allow three women to major in engineering in order to pursue careers in high-tech. These scholarships also include private lessons to ensure that these women have opportune chances to excel in their careers.

Within this framework, we also organized two Meet-Ups throughout the year on tech trends in the energy sector and students from the program were invited to take part. These Meet-Ups were led by SolarEdge women managers.

Birkat Reut

In cooperation with the Birkat Reut association which promotes equal opportunities for populations with special needs, SolarEdge hosted groups of blind, deaf and physically disabled children for fun activities. Employees built toy cars for disabled children and led bi-weekly activities including science workshops for children with emotional disabilities.

Other Activities During 2022

Volunteer beach cleaning

Employees collaborated with EcoOcean, a non-profit Israeli organization established by a group of leading scientists and environmentalists whose mission is to empower people to care for the marine and coastal environment through research, education and civic engagement.

Running for climate change

Employees from the United Kingdom, Germany, the Netherlands, Italy and Israel took part in a relay from Glasgow to Sharm-El-Sheikh along a 7,767-kilometer route spanning 18 countries to raise awareness of climate change. The route passed through hundreds of schools with the goal of inspiring and championing local climate change action.

Employee Donations Campaign

In Israel, where over 50% of the SolarEdge workforce is located, we set up a donations channel during 2022, encouraging our employees to contribute to causes close to their hearts. The donation themes are aligned with our overall CSR focus areas: environmental sustainability, technological education and innovation, and advancing diverse populations.

Support for Ukraine

SolarEdge mobilized to help address the urgent needs of hundreds of refugees from Ukraine who were housed in apartments in the north of Israel, close to our Sella 1 factory. Both the Company and its employees donated essentials such as baby-care products, women's hygiene products, various household items, and school equipment. Dozens of Sella 1 employees volunteered to help with the packaging of refugee support kits. The Company has also partnered with the Atidim organization (described above) to fund STEM-focused educational programs, tailored to the needs of refugee teenagers from Ukraine. In total, our contribution to support refugees from Ukraine amounted to over \$20,000.



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Ethics & Compliance



Compliance: Compliance is fundamental to our business as it protects us from risk, fosters trust with our stakeholders and provides a solid basis for sustainable growth and a positive contribution to society. We aim to conduct business in line with all applicable laws and regulations governing our operations in all countries. In 2022, SolarEdge was not subject to any fines for non-compliance with any of the laws and regulations that apply in all the regions where we operate. For more information, see our [Approach to Compliance](#).

Ethical conduct: Our [Employee Code of Conduct](#) sets out specific guidance for SolarEdge employees to conduct business in accordance with the highest ethical standards and establishes an expectation that all employees will act in accordance with personal and professional integrity. The code has recently undergone an update, to include expanded guidance relating to whistleblowing practices, political and trade union involvement and human rights. The Employee Code of Conduct has been translated into the local languages commonly used in most of the regions where our employees reside. A copy of the Employee Code of Conduct is included in each new employee's contract, appearing in a language the employee can understand (same as with our employment contracts). All new employees receive training regarding the code requirements and confirm in writing their intent to comply with these requirements and their willingness to report suspected violations.

The Company has also recently revised its [Insider Trading Policy](#), among other things to prohibit all employees and non-employee directors from engaging in any speculative transactions, hedging and pledging transactions and trading on margin.

In 2022, we launched a new annual on-line employee code of conduct training program. In the cases of some production employees who do not have computer access, the training are conducted in on-site group sessions. The training includes emphasis on and realistic work-place scenarios regarding issues such as anti-harassment and discrimination, anti-corruption, conflict of interest, political involvement, and more. The training will also re-inform the employees regarding the different channels available for reporting code violations. The new code of conduct training is mandatory for all employees world-wide, including part-time employees, and including contractor employees who are working full-time with the Company as external consultants.

Over 4,600 employees, which comprise over 90% of the end-of-year workforce, have successfully completed the Employee Code of Conduct training in 2022.

Whistleblowing: Employees are encouraged to report suspected violations of the Employee Code of Conduct through different means, including a confidential hotline. All reports are promptly investigated, and action is taken as required. In 2022, we investigated ten compliance related allegations as follows:

Topic	Number of reports	Proportion of total reports
Human resources, diversity and workplace respect	6	60%
Business integrity	3	30%
Environment, health and safety	1	10%

As a result of our investigations, seven employees were subject to disciplinary action.

In 2021, eight reports were investigated (business integrity: 3 [37%]; human resources, diversity and workplace respect: 2 [25%]; misuse of company assets: 2 [25%]; EHS issues: 1 [13%]. Eight employees were dismissed, and one employee was subject to disciplinary action.

In 2020, five reports were investigated (business integrity: 4 [80%]; misuse of company assets: 1 [20%]. Two employees were dismissed as a result.



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Cybersecurity and Data Privacy



In a business heavily reliant upon communications technology for our PV monitoring capabilities, as well as for the day-to-day running of our business, we must protect our company and our customers against threats to our information security. SolarEdge’s Chief Information Security Officer leads our information security strategy and delivery, designed to provide security and promote a secure software development lifecycle.

We maintain an extensive set of programs and processes to provide a robust cybersecurity defense, including:

- Adherence to information security standards and privacy regulations including GDPR
- Third-party certification to ISO 27001 Information Security Management Standard
- Website protection for our online platforms
- Protection against Denial-of-Service attacks (that prevent legitimate use of our services)
- Continuous security events monitoring in our security operations center
- Incident response policies and procedures
- Backups of our customer data against multiple data loss scenarios
- Role-based access to our systems and programs
- Cyber awareness training for all new employees as part of their on-boarding program
- Quarterly newsletters with relevant updates on risks and new cyberthreats for all employees
- Monthly cybersecurity drills to test employees’ knowledge and reaction to cyberthreats
- Company coverage for information security risks by an active insurance policy

We introduce new technology and processes on an ongoing basis with the intention of reducing cybersecurity risks and aligning with the National Institute of Standards and Technology (NIST) cybersecurity framework for risk management. In 2022, we introduced an annual cybersecurity online training, which is mandatory for all global employees.

SolarEdge has not experienced any material information security breaches in the past three years and minor issues have been reported to our Audit Committee. The company has not been subject to any information security breach penalties or settlement payments in the same three-year period.

Our management team provides regular updates to the Audit Committee and the full Board regarding our cybersecurity activities and other developments impacting our digital security.



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Responsible Procurement

- Supplier Conduct >
- Supplier Management >
- Human Rights in China >
- Conflict-Free Sourcing >
- Responsible Cobalt Sourcing >



SolarEdge aims to maintain the highest standards of ethical, responsible and transparent conduct throughout its operations. In parallel, the company strives to ensure that the same high standards are observed throughout SolarEdge's entire supply chain. The company places great importance on the conduct of the suppliers with whom we engage for the manufacture, storage, supply, maintenance and delivery of our products and services.

Introduction – Community Outreach

We have designed our manufacturing processes to produce high quality products at a competitive cost as part of a sustainable supply chain. We maintain a mix of in-house production and contract manufacturing.

SolarEdge Manufacturing Reach

4 owned and operated factories

in Israel, Italy and South Korea

4 contract manufacturing sites

in Hungary, China, Vietnam and Mexico for key SolarEdge products

>6,000

Power Optimizers produced
per manufacturing line each day

*Includes own manufacturing and Tier 1 contract manufacturing

In 2021, we reached full manufacturing capacity in our manufacturing facility, "Sella 1", located in northern Israel, from which we began commercial shipments to the U.S. of SolarEdge Power Optimizers and inverters in 2020. The proximity of Sella 1 to our R&D team and labs enables us to accelerate new product development cycles as well as define equipment and manufacturing processes of newly developed products which can then be adopted by our contract manufacturers worldwide. In mid-2022, we also commenced the first-stage operations of our new facility, Sella 2, a two gigawatt-hour (GWh) lithium-ion battery cell manufacturing plant in South Korea. The site is currently in its ramp-up stage (see section: Storage Solutions). We currently use contract manufacturing for the majority of our solar products. This production is carried out at four sites, operated by two leading global electronics manufacturing service providers, Jabil and Flex. Both of these contract manufacturers operate in accordance with sustainability principles and maintain sustainability programs in their own right, in addition to complying with SolarEdge's requirements. Due to the key role of these contract manufacturers in SolarEdge's supply chain, they have also been prioritized as part of our first batch of supplier on-site audits in connection with our Supplier Code of Conduct. All four sites have now undergone at least one such audit (see below).



Supplier Conduct

Our [Supplier Code of Conduct \(SCoC\)](#) includes provisions regarding ESG topics such as Ethics, Safety, Environmental Protection, Human Rights, and Fair Employment. We have been engaging our direct suppliers since 2021, requesting that they sign their acknowledgement of the SCoC terms and commit to upholding them. In 2022, the direct suppliers of our Storage Solutions division were added to this engagement process, joining the existing direct suppliers of the Solar division.

More than 280 suppliers have signed their acknowledgment of the SCoC terms (as of March 2023) or presented equivalent codes of conduct of their own. The products and services received from these suppliers are related to over 93% of the combined direct monetary spend of our Solar and Storage divisions in 2022.

We aim to continue to expand this engagement process moving forward.

Supplier Management

Our [Approach to Supplier Management](#) covers suppliers of goods and services to SolarEdge and includes our commitment to engage suppliers that meet SolarEdge's requirements in legal, financial, environmental, social, human rights and governance matters, including all the provisions defined in our SCoC. This entails conducting relevant due diligence before engaging new suppliers and monitoring supplier adherence during the course of their engagement with SolarEdge. We support our commitment through procurement, staff training, supplier reviews and feedback, and risk assessment tools.

In 2022, we conducted on-site audits of two contract manufacturer sites, and two major raw material suppliers, in connection with their compliance to SCoC. All four of our contract manufacturer sites have now undergone such audits within the last two years. These sites have been prioritized due to their key role in SolarEdge's supply chain operations.

These audits were led by SolarEdge's global quality department and included a checklist of approximately 50 items that correlate to our SCoC requirements including, for example: Safety, Fair Employment, Environmental Management, Ethical Conduct, and protecting Human Rights. In cases where minor non-conformance issues were identified, the SolarEdge auditors have maintained contact with the sites to ensure the formalization of a corrective action plan and its execution. We aim to continue auditing key suppliers for ESG practices moving forward.

In 2022, and in line with an Israeli regulatory requirement to increase the enforcement of labor laws, we conducted salary audits of employment conditions in external labor service companies. The audited companies supply SolarEdge with cleaning and security services for the Company's sites in Israel. The audits focused on fair employment conditions, checking compliance with the minimal payment terms required by law (including for overtime), and with the provision of mandated social benefits such as retirement saving programs, paid vacation days and sick leave, and additional terms. Due to the audit's findings, together with our dissatisfaction with the quality of services rendered, we have recently replaced one of the audited companies. We intend to continue conducting similar audits moving forward.

Human Rights In China

In recent years, the global community has raised concerns relating to abuses of human rights in the Xinjiang Uyghur Autonomous Region (XUAR) in China. Some of these concerns have been connected to the sourcing of polysilicon, a key raw material in solar panel manufacturing.

As detailed in our [Approach to Human Rights](#), SolarEdge does not tolerate any abuse of human rights, forced labor or modern slavery. SolarEdge does not manufacture solar panels and does not maintain any facilities (manufacturing or other) in XUAR. We purchase solar panels to be sold in some cases as Smart Modules (where our DC Power Optimizers are pre-integrated with the PV module). However, this constitutes a very small portion of our global business (PV modules amounted to less than 1.1% of all SolarEdge global sales in 2022). Nevertheless, we have reached out to our solar panel suppliers for their statements on this matter. The panel suppliers have declared that they do not have any involvement or direct connection with activities related to human rights violations in XUAR or elsewhere. We published a formal statement in this regard for our customers. See our published statement [here](#).

Conflict-Free Sourcing

Our [Supplier Code of Conduct](#) and [Approach to Human Rights](#) also include a focus on conflict minerals. The illegal extraction and trade of natural resources, as well as associated human rights violations, conflict and environmental degradation, are matters of growing international concern. These issues are especially acute in the eastern provinces of the Democratic Republic of Congo (DRC). Some of these concerns focus on the extraction and trade of ores of tantalum, tin, tungsten and gold (3TG), which flow to world markets through the DRC and adjoining countries. Once refined, these metals are commonly used within electronic products and additional industries.

SolarEdge does not procure metals directly. Nonetheless, we are taking action to increase transparency and ensure responsible procurement by our suppliers and sub-suppliers. SolarEdge's policy requires that our suppliers who manufacture components, parts, or products containing tin, tantalum, tungsten, and/or gold, must commit to sourcing those materials from responsible sources only and in compliance with SEC ruling and OECD guidance. Materials, which either directly or indirectly contribute to conflict or any human rights violations, are unacceptable. We expect our suppliers to define, implement and communicate to sub-suppliers their own policy, outlining their commitment to responsible sourcing of these materials, legal compliance and measures for implementation. We require suppliers to work with their sub-suppliers to ensure traceability of these materials (at least) to the smelter level, and report these details to us through CMRTs (Conflict Minerals Reporting Templates).

The engagement with our suppliers is conducted through a dedicated on-line tool developed by a responsible sourcing specialized vendor, where the target suppliers are asked to upload their CMRT templates. The details of sub-suppliers reported through the CMRTs are compared with lists of smelters with a possible risk of human rights violations. Where a high-risk smelter is identified within our supply chain, the company investigates and, if needed, takes action to ensure we only source our materials from responsible sources. For further details, see our full [Policy on Conflict Minerals](#) and our Annual [Conflict Minerals Report on form SD¹](#).

Responsible Cobalt Sourcing

In previous years, our conflict minerals practices have focused on the responsible sourcing of 3TG materials. Recently, with the significant expansion of our storage business, we have begun to expand our focus to responsible sourcing of cobalt as well.

Adhering to the materiality principle, we started our cobalt traceability risk analysis with the relevant material suppliers of our Storage Division (where most of the cobalt SolarEdge purchases is used). We examined the EMRTs (extended minerals reporting templates) and the ESG reports and policies of suppliers related to most of the cobalt procured upstream in our supply chain. These key suppliers have publicly committed to only purchasing products (including cobalt) from RMAP (Responsible Minerals Assurance Process) conformant refiners. Their disclosed upstream refiners are all included in the RMI (Responsible Minerals Initiative) smelter/refiners lists as either: 'Conformant' (which has successfully completed an assessment against the applicable RMAP standard or an equivalent cross-recognized assessment) or 'Active' (has committed to undergoing an RMAP assessment, completed the relevant documents, and scheduled an on-site assessment). While we believe these satisfactory results cover the vast majority of cobalt in our supply chain, we aim to continue to expand our relevant due diligence processes.



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Climate Change Mitigation & Resource Efficiency

Working to Reduce the GHG Emissions of our Operations >

Resource Efficiencies at our Sella 1 Facility >

Water Efficiency >

Solvent Purification and Reusage in Sella 2 >

Environmental Compliance of our Operations >

SolarEdge's solutions contribute to the efforts to mitigate global climate change. Our renewable energy solutions reduce carbon emissions by millions of tonnes each year, enabling individuals, organizations, and governments to reduce their carbon footprint. Across our operations and in our supply chain, we continually seek to produce, distribute, deliver, and maintain our materials in ways that will minimize resource consumption and reduce environmental impact.



Working to Reduce the GHG Emissions of our Operations

As part of our commitment to minimize negative environmental impact, we have set a greenhouse gas (GHG) emission intensity reduction target. Our current target is to achieve a 30% reduction in total Scope 1+2 GHG emissions per million \$ revenue by 2025, compared to that of 2020.

We are taking several steps and continue to search for additional reduction opportunities to allow us to progress towards our target:

- We installed SolarEdge PV systems on the rooftops of three Company sites (Sella 1 and our headquarters in Herzliya in Israel, and Milpitas in the U.S), partially replacing fossil-fuel based external electricity. The installed three systems have a combined capacity of approximately 1 MWp. In 2023, we aim to install new SolarEdge PV systems on the roofs of three additional sites: Sella 2 (Korea), Umbertide (Italy), and our offices in London (U.K.). Additional sites are also being examined for potential PV system installation.
- We have recently implemented an innovative electricity savings method in the new Sella 2 site. The production process of lithium-ion batteries involves using significant amounts of electricity in the charge/discharge cycles of battery formation. The technical limitations of the traditional battery production process often cause this electricity to be discharged without reusage. In contrast, the new method planned for Sella 2 production is designed to use an innovative electricity reservoir, allowing for an estimated 50% of the discharged electricity to be reused.
- In May 2022, our Sella 1 manufacturing site in Israel transitioned to purchasing all of its external electricity needs from a recently opened private power plant. This private power plant produces its electricity using a highly efficient process that employs natural gas exclusively for combustion. It has a significantly improved carbon intensity compared to the general grid electricity in Israel, which still includes partial combustion of coal. The related Scope 2 emission reduction has, therefore, partially commenced in 2022, with full-year realization expected in 2023.
- Our R&D facility at Modiin has installed smart energy-saving systems, such as motion detectors, which allow AC and lighting systems to use less power when not in use.
- To complement the previous steps, we are examining additional opportunities for integrating renewable energy in other areas of our operations.

Despite these efforts, our 2022 emission intensity increased to 13.53 tonnes CO₂e/\$M revenue, compared to 13.39 tonnes CO₂e/\$M revenue in 2021 (an increase of 1%). However, the 2022 emission intensity was still lower by 5% compared with the 2020 base year. Our absolute Scope 1+2 emissions rose by 60% in 2022 compared to 2021, while revenues also increased significantly, at a similar rate (by 58%). The vast majority of the 2022 increase in our emissions was related to electricity and natural gas consumption at the newly opened Sella 2 site in Korea. Even with the innovative electricity saving method described above for Sella 2, battery production is generally more energy intense than the manufacturing of our solar products. Also, since the site is still in its ramp-up phase, some of its energy consumption is yet to be reflected in increased revenues. Therefore, the overall intensity (emission per revenue) has increased. If excluding the Sella 2 ramp-up activities, the Scope 1+2 emission-per-revenue has decreased in 2022 by 33% compared with 2021.

We will consider updating and/or rebaselining our emission targets moving forward, to better reflect our significantly expanded operations.



Resource Efficiencies at our Sella 1 Facility

Our Sella 1 manufacturing site in Israel began full operation in 2021. The site was designed to operate at high levels of energy and resource efficiency, with continuous improvements facilitated through advanced operation and monitoring systems. Existing and newly improved features include:

- New and highly efficient machinery such as chillers, air blowers, air treatment systems and lighting, all designed to achieve high usage efficiencies and minimize energy consumption.
- Site personnel engagement in continuous monitoring and control of site conditions and change of external climate to adjust the operating terms accordingly and preserve energy. For example, recent improvements were made to the site's heating, ventilation and air-conditioning (HVAC) operation system algorithm which enabled the reduction of about one third of its previous energy consumption.
- Establishment of an automatic shut-down routine for AC and lightning for weekends, when the site is not operating.
- The site uses a mixed bed resin system for water deionization (prior to usage in the production process). This system was designed to allow almost all water consumed to be reused in the process. Further details below.
- The recent optimization of the water deionization process parameters has significantly reduced the frequency of required resin replacement.
- The output process water cleaning system was also recently improved with a new precipitation tank installed upstream to the system's filters. The improved process has enabled a significant reduction of required filter replacements.

Water Efficiency

Almost all water used at SolarEdge's operated sites is provided by municipal water supplies. Water from other sources is a negligible part (1%) of total water withdrawal.

In general, the activities at all SolarEdge sites and offices are not water intensive. A total of ~63,000 m3 withdrawn by our global operations in 2022 is equivalent to the estimated annual domestic consumption of approximately 800 people (based on average consumption in Israel)^[1].

Nevertheless, we aim to conserve water wherever possible and use only what is strictly needed to support our teams in our global sites and offices. In several of our locations, we conserve water through water-saving devices on faucets and showers, and low-water flush mechanisms in our bathrooms, and leak detection systems.

Our Sella 1 production site in Israel excels in water efficiency and recycling. The primary water on-site usage is for the washing of residual coating and solder flux. This de-ionized water is maintained in a closed cycle which is entirely separate from the site's wastewater system. The excess water from the process is re-treated and is almost entirely reused, with only small amounts of evaporated water being unretrievable. In 2022, over 6000 m3 of water were reused in this manner at Sella 1.

The Sella 2 site, which opened in 2022 and is currently in its ramp-up phase, is also highly efficient in water usage patterns. The site implemented a coolant circulation system that allows for almost all water used in its cooling tower to be reused through thousands of repeated process cycles each year, greatly diminishing the quantity of any related wastewater.

Overall, around 20% of our entire global water consumption is composed of internally recycled/reused water.

Solvent Purification and Reusage in Sella 2

Our Sella 2 site in South-Korea uses NMP (N-Methyl-2-Pyrrolidone) as a solvent for lithium-ion battery cell production. The site has set up an efficient NMP purification system, which allows to purify and reuse approximately 90% of the NMP material.

This system significantly reduces the need to send NMP for external purification and/or to hazardous waste treatment. This results in greater resource efficiency, and an overall reduced environmental impact.

Environmental Compliance of our Operations

We fully comply with all environmental (and other) regulations that apply in all regions where we operate. To date, SolarEdge has not experienced a single environmental incident that resulted in any retaliatory steps from regulators in any country. We have not been subject to any fines, penalties or sanctions related to environmental regulations.



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Waste Management



We fully comply with all environmental (and other) regulations that apply in all regions where we operate. To date, SolarEdge has not experienced a single environmental incident that resulted in any retaliatory steps from regulators in any country. We have not been responsible for any fines, penalties or sanctions related to environmental regulations.

In 2022, 71% of our total waste generated was sent for recycling, with an additional 16% of total waste sent to incineration with energy recovery.

We recognize the challenges of electronic waste as a contributor to environmental degradation and are examining further options to reduce electronic waste from our supply chain with a target to achieve near-zero electronic waste-to-landfill.

All e-waste generated directly at our manufacturing, R&D and logistic sites is collected and handled by certified WEEE (Waste Electrical and Electronic Equipment) handlers and recyclers. In general, our products are designed for long-term use and carry multi-year warranties (10-25 years). Nonetheless, we work to ensure the recyclability of our products for their eventual end-of-life stages. Through our long-term engagement with our main e-waste handling companies, we have learned that our solar products (such as inverters and Power Optimizers) can be recycled, and in a cost-effective manner.

Among other actions, we have ensured that the potting (protective polyurethane filling) that coats the assembled circuit boards and critical parts of our Power Optimizers does not create an obstacle for the recycling of the valuable electronic components. The e-waste handling companies have demonstrated to us their developed methods for successfully separating the potting material from the encased e-waste. The potting is also a key factor in assuring the longevity of our Power Optimizers, helping to protect them from weather conditions through their 25 years of warranted lifetime. This allows for reduced material consumption and reduced waste generation, while achieving the increased power production that our systems allow.

In the past year, we have conducted on-site visits with some of our main e-waste handling companies and have found the on-site recycling processes for our products to operate according to our expectations. We will continue to examine the recyclability of our products (across all company affiliates) to ensure their compatibility within the new circular economy.



New office recycling program

In 2022, we launched an enhanced recycling program for our headquarters in Herzliya Israel to further engage our employees in environmental practices while contributing to the reduction of our environmental impact. Supported by 40 employee Recycling Champions, we installed recycling bin systems at different locations throughout our offices and educated employees on how to separate office waste effectively. The program includes separate bins for food packaging, paper, drink containers, e-waste, batteries and expired medicine.

Other SolarEdge sites and offices have also undertaken local efforts to reduce environmental impact. For example, our site in Umbertide Italy has created sustainability guidelines, which were distributed to all local employees. The guidelines include several practical steps employees can take during their day-to-day activities to reduce their environmental impact in the areas of energy, water and paper consumption, and reducing waste output.



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About This Report

Thank you for your interest in our fifth annual Sustainability Report, representing our commitment to accountability and transparency to our stakeholders and our impact on sustainable development, society and the environment.

This report has been prepared in reference to Global Reporting Initiative (GRI) Standards. GRI principles have informed our reporting approach: materiality (the issues relevant to our most significant impacts and which are of most importance to our stakeholders), stakeholder inclusiveness (responding to stakeholder expectations and interests), sustainability context (presenting our performance in the context of sustainability) and completeness (inclusion of the information that reflects significant economic, environmental, and social impacts to enable stakeholders to assess our performance).

We also report for the third time in accordance with the Sustainability Standards Accounting Board (SASB) Standard for Solar Technology and Project Developers, in line with the growing expectations of our investors for financially material sustainability disclosures.

The scope of the Report is:

- ▄ All SolarEdge operations world-wide unless otherwise specifically stated. Environmental data is reported for all sites and offices that have more than only marketing and sales activities, supported by an estimation that marketing and sales activities add to less than 1% of the total energy consumption and waste generation of the company.
 - ▄ Quantitative performance data is supplied for calendar year 2022 and prior years where available. Corporate information and progress updates are also included from early 2023.
 - ▄ All dollar amounts quoted in this report refer to U.S. currency (USD).
- In data tables, some figures may not calculate to 100% or to exact totals due to rounding effects.



This report has been verified internally but not externally assured.

We welcome your feedback and invite you to send comments to:

Roy Weidberg
Head of ESG
Sustainability@solaredge.com

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GRI Content Index

GRI 1: Foundation 2021
GRI 2: General Disclosures 2021
GRI 3: Material Topics 2021

Reference	Description	Page reference or response
1	GRI 1: Foundation 1	SolarEdge Technologies Ltd has reported the information cited in this GRI content index for the period January 1 st to December 31 st 2022 with reference to the GRI Standards.
2-1	Organizational details	Company Profile
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About This Report
2-4	Restatements of information	GRI Data Tables (GRI 305-2: GRI 305-4; GRI 403-9)
2-5	External assurance	About This Report
2-6	Activities, value chain and other business relationships	Company Profile
2-7	Employees	Powering People- entire chapter ; GRI Data Tables (GRI 102-8)
2-8	Workers who are not employees	GRI Data Tables (GRI 102-8)
2-9	Governance structure and composition	2023 Annual Meeting and Proxy Statement (P. 13-16, 22-24)
2-10	Nomination and selection of the highest governance body	2023 Annual Meeting and Proxy Statement (P. 12)
2-11	Chair of the highest governance body	2023 Annual Meeting and Proxy Statement (P. 14)
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance
2-13	Delegation of responsibility for managing impacts	Sustainability Governance
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance
2-15	Conflicts of interest	Ethics & Compliance
2-16	Communication of critical concerns	Sustainability Governance
2-17	Collective knowledge of the highest governance body	2023 Annual Meeting and Proxy Statement (P. 18)
2-18	Evaluation of the performance of the highest governance body	2023 Annual Meeting and Proxy Statement (P. 25-26)
2-19	Remuneration policies	2023 Annual Meeting and Proxy Statement (P. 55 & 65)
2-20	Process to determine remuneration	2023 Annual Meeting and Proxy Statement (P. 54, 56 & 61)
2-21	Annual total compensation ratio	2023 Annual Meeting and Proxy Statement (P. 67)
2-22	Statement on sustainable development strategy	Sustainability Strategy & Performance
2-23	Policy commitments	Sustainability Strategy & Performance
2-24	Embedding policy commitments	Sustainability Strategy & Performance
2-25	Processes to remediate negative impacts	
2-26	Mechanisms for seeking advice and raising concerns	Ethics & Compliance
2-27	Compliance with laws and regulations	Ethics & Compliance
2-28	Membership associations	Involvement in Industry Associations
2-29	Approach to stakeholder engagement	GRI Data Tables (GRI 102-43)
2-30	Collective bargaining agreements	GRI Data Tables (GRI 102-41)
3-1	Process to determine material topics	Sustainability Strategy & Performance
3-2	List of material topics	Sustainability Strategy & Performance
3-3	Management of material topics	Sustainability Strategy & Performance

GRI Material Disclosures

Material impact	GRI Standard	GRI 103 Management Approach (2016) GRI 103-1, 103-2, 103-3	Indicator	Page/Omissions
Affordable Clean Energy	GRI 203 (2016) Indirect Economic Impact		203-2 Indirect economic impacts	Our Global Climate Impact
Smart Energy Solutions			203-2 Indirect economic impacts	Smart Innovation
Product Development and Innovation			203-2 Indirect economic impacts	Smart Innovation
Responsible Employer	GRI 401(2016) Employment	<u>Recruitment, Retention & Talent Pipeline</u>	401-1 New hires and turnover	GRI Data Tables (GRI 401-1)
	GRI 403 (2018) Occupational Health and Safety	<u>Health & Safety</u>	403-1 Occupational health and safety management system	GRI Data Tables (GRI 403-1)
			403-2 Hazard identification, risk assessment, and incident investigation	GRI Data Tables (GRI 403-2)
			403-3 Occupational health services	GRI Data Tables (GRI 403-3)
			403-4 Worker participation, consultation, and communication on occupational health and safety	GRI Data Tables (GRI 403-4)
			403-5 Worker training on occupational health and safety	GRI Data Tables (GRI 403-5)
			403-6 Promotion of worker health	GRI Data Tables (GRI 403-6)
			403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	GRI Data Tables (GRI 403-7)
			403-8 Workers covered by health and safety management system	GRI Data Tables (GRI 403-8)
			403-9 Work-related injuries	GRI Data Tables (GRI 403-9)
			403-10 Work-related ill health	GRI Data Tables (GRI 403-10)
	GRI 404 (2016) Training and Education	<u>Training & Development</u>	404-1 Average training hours	GRI Data Tables (GRI 404-1) Data by gender/category not available
			404-2 Programs for upgrading employee skills and transition assistance programs	Training & Development
			404-3 Percentage of employees receiving regular performance and career development reviews	GRI Data Tables (GRI 404-3)
	GRI 405 (2016) Diversity and Equal Opportunity	<u>Diversity, Equity, & Inclusion</u>	405-1 Diversity of governance bodies and employees	GRI Data Tables (GRI 405-1)
Climate Resilience	GRI 305 (2016) Emissions	<u>Our QEHS Policy</u>	305-1 Direct (Scope 1) GHG emissions	GRI Data Tables (GRI 305-1)
			305-2 Energy indirect (Scope 2) GHG emissions	GRI Data Tables (GRI 305-2)
			305-3 Other indirect (Scope 3) GHG emissions	GRI Data Tables (GRI 305-3)
			305-4 GHG emissions intensity	GRI Data Tables (GRI 305-4)
Product Sustainability	Non-GRI Indicator		LCA value of PV Inverters	Lifecycle Assessment
Resource Efficiency	GRI 302 (2016) Energy	<u>Our QEHS Policy</u>	302-1 Energy consumption within the organization	GRI Data Tables (GRI 302-1)
			302-3 Energy intensity	GRI Data Tables (GRI 302-3)
	GRI 303 (2018) Water and Effluents	<u>Our QEHS Policy</u>	303-1 Interactions with water as a shared resource	Our QEHS Policy
			303-2 Management of water discharge-related impacts	Our QEHS Policy
			303-3 Water withdrawal	GRI Data Tables (GRI 303-3)
			303-4 Water discharge	GRI Data Tables (GRI 303-4)
			303-5 Water consumption	GRI Data Tables (GRI 303-5)
Ethical Sourcing & Supplier Management	GRI 308 (2016) Supplier Environmental Assessment		308-1 New suppliers screened using environmental criteria	Supplier Management
Community Investment	GRI 413 (2016) Local Communities	<u>Community Outreach</u>	413-1 Operations with local community engagement, impact assessments, and development programs	We currently do not have complete data regarding our community activities around the world. Key operations such as Israel, accounting for more than 50% of our workforce have programs in place. We plan to improve our tracking of activities in the coming years.
Ethical and Compliant Conduct	GRI 419 (2016) Socioeconomic Compliance	<u>Our Approach to Compliance</u>	419-1 Non-compliance with laws and regulations in the social and economic area	No instances of socioeconomic non-compliance.
Human Rights	GRI 412 (2016) Human Rights Assessment	<u>Our Approach to Human Rights</u>	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	GRI Content Index
Customer success	Non-GRI Indicator		Customer survey feedback	Customer Service
Waste Management	GRI 306 (2020) Waste	<u>Our QEHS Policy</u>	306-1 Waste generation and significant waste-related impacts	Waste Management
			306-2 Management of significant waste-related impacts	Waste Management
			306-3 Waste generated	GRI Data Tables (GRI 306-3)
			306-4 Waste diverted from disposal	GRI Data Tables (GRI 306-4)
			306-5 Waste directed to disposal	GRI Data Tables (GRI 306-5)
Biodiversity and ecological impacts	GRI 304 (2016) Biodiversity		304-2 Significant impacts of activities, products, and services on biodiversity	Our operations do not have a significant/material impact on biodiversity.
Governance	GRI 205 (2016) Anti-corruption		205-3 Confirmed incidents of corruption and actions taken	Ethics & Compliance



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GRI Data Tables

GRI 102-8 Information on employees

Employees by contract	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Direct employees full-time	782	2,458	3,240	1,040	2,925	3,965	1,349	3,515	4,864
Direct employees part-time	9	2	11	14	21	35	27	35	62
Total direct employees	791	2,460	3,251	1,054	2,946	4,000	1,376	3,550	4,926
Contingent workers	74	100	174	98	171	269	115	253	368
Total workforce	865	2,560	3,425	1,152	3,117	4,269	1,491	3,803	5,294
Employees on permanent contracts	782	2,458	3,240	1,041	2,959	4,000	1,383	3,530	4,893

Note:
Contingent workers figures include manufacturing workers in Israel and Italy, and some external consultants employed on a full-time basis in various countries.

Employees by region and gender	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
EMEA	559	1,739	2,298	802	2,119	2,921	1,040	2,439	3,479
Americas	51	189	240	60	226	286	89	275	364
Asia	181	532	713	192	601	793	247	836	1,083
Total	791	2,460	3,251	1,054	2,846	4,000	1,376	3,550	4,926
Percentage of women	24%			28%			28%		

Women in workforce	2020			2021			2022		
	Women	Total	% Women	Women	Total	% Women	Women	Total	% Women
CEO and direct reports (VPs, global leaders)	8	50	16%	7	59	12%	8	73	11%
Managers	92	510	18%	115	641	18%	148	749	19%
Employees	691	2,691	26%	932	3,300	28%	1,222	4,104	30%
Total	791	3,251	24%	1,054	4,000	26%	1,376	4,926	28%

Note:
Data represents headcount at year end

GRI 102-41 Collective bargaining agreements

290 employees based in Italy are covered by collective bargaining agreements, representing 7% of our employee base at our main employment regions (Israel, Korea, Europe the U.S.). These regions account for 87% of our global employees. Data is not currently available for employee in other locations.

GRI 102-40 List of stakeholder groups

GRI 102-42 Identifying and selecting stakeholders

GRI 102-43 Stakeholder engagement

GRI 102-44 Key topics and concerns raised

Primary stakeholders	Means of engagement	Key expectations
Employees	A range of internal communications channels throughout the year	Meaningful work, fair compensation, ability to learn and develop, fair and ethical treatment. A company that they can be proud to work for. Competent leadership. Safe and empowering work culture.
Customers	Meetings, customer service surveys, professional training events	Product quality, fast and reliable service, improved carbon footprint, reliability, responsiveness to needs, competitive pricing.
Suppliers	Periodical meetings and discussions	Fair dealing, opportunity to compete (especially diversity or minority suppliers), opportunity to engage in new developments.
Regulators	As needed to support current and emerging regulatory requirements	Compliance, transparency, collaboration to resolve regulatory issues in ways that benefit national and local interests. Compliance with climate change initiatives. Transparent disclosure.
Investors/ Stockholders	Annual meetings, dialogue with investors and research analysts	Return on investment, reliable financial and production forecasts, strong governance and responsible and ethical conduct. Transparent disclosure.
Communities	Community events, volunteering in communities	Safeguarding the environment and ecological impacts in communities. Supporting communities in improving lives. Local hiring. Local economic contribution.
Environmental organizations	Targeted engagement on specific topics, conferences, industry events	Environmental contribution, mitigation of negative impacts, remediation, engagement and dialogue on environmental matters.

GRI 302-1: Energy consumption within the organization

GRI 302-3: Energy intensity

Fuels and purchased electricity	Units	2020	2021	2022
Natural Gas	GJ	0	1,824	60,298
Diesel	GJ	1,777	5,496	6,270
Gasoline	GJ	13,110	18,048	24,033
Electricity purchased from Grid	GJ	141,821	168,049	268,060
Solar PV generated	GJ	92	800	4,442
Total energy consumption	GJ	156,799	194,217	385,703
Energy intensity	GJ / \$ million revenues	107	99	124

GRI 305-1: Direct (Scope 1) GHG emissions

GRI 305-2: Energy indirect (Scope 2) GHG emissions

GRI 305-4: GHG emissions intensity

GHG emissions	Units	2020	2021	2022
Direct (Scope 1) GHG emissions	MT CO ₂ e	1,056	1,710	7,001
Energy indirect (Scope 2) GHG emissions	MT CO ₂ e	19,722	24,853	35,085
Total Scope 1+2 emissions	MT CO ₂ e	20,779	26,293	42,086
Emissions intensity (Scope 1+2)	MT CO ₂ e/\$ million revenues	14.24	13.39	13.53

Note:
Fuel and gases use DEFRA 2022 conversion factors.
GHG emissions use 16-2020 conversion factors except for Israel (IEC - Israel Electric Corporation, 2020) and U.S. (EGRID 2020 factor for subregion WECC California and WECC Northwest).
GHG gas emissions include carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).
Refrigerant gas (HFC) emissions are only included from 2022 and onwards, as data was not previously available. However, these emissions formed only 2.5% of the total Scope 1 emissions in 2022, with almost all (97.5%) of Scope 1 emissions still related to fuel consumption.
Scope 2 emissions are reported using a market-based method. Solar PV generated power is reported with zero related emissions.
Scope 2 emission data for 2020 and 2021 has been restated and emissions are slightly lower than previously reported, due to minor retractive changes in emission factors.
The 2022 increase in electricity consumption and in the related Scope 2 emissions are attributed mostly to the start of full-scale production at Sella 1 throughout the entire year.
Similarly, the 2022 increase in electricity and natural gas consumption, and the related increase in Scope 1 and 2 emissions are attributed to the newly opened Sella 2 site in Korea, currently in its ramp-up stage.

GRI 305-3: Other indirect (Scope 3) GHG emissions

Scope 3 emissions	Units	2020	2021	2022
Contract manufacturer emissions (Category 1: Purchased Goods and Services)	MT CO ₂ e	21,334	18,133	26,262

Note:
The Scope 3 emissions reported above only relate to the electricity used by our contract manufacturers for producing SolarEdge products. These emissions form part (but not all) of our Category 1: Purchased Goods and Services. We aim to expand our Scope 3 inventory going forward.
Scope 3 emission data for 2020 and 2021 has been restated and emissions are slightly lower than previously reported due to minor retractive changes in emission factors.

GRI 305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

Emissions	Units	2020	2021	2022
NOx (Nitrous oxide emissions)	MT	0	0	0.7

Note:
The NOx emissions reported above are relevant only from 2022 with our newly opened Sella 2 site in South Korea.

GRI 303-3: Water withdrawal

GRI 303-4: Water discharge

GRI 303-5: Water consumption

Water withdrawal	Units	2020	2021	2022
Water withdrawal	m3	21,572	39,467	62,811
Water withdrawal intensity	m3/\$ million revenues	14.66	20.10	20.10
Water discharge	m3	13,972	13,225	37,469
Water consumption	m3	7,600	26,342	25,042
Water recycled/reused on site	m3	-	6,159	6,229

Water withdrawal - contract manufacturers for SolarEdge production	Units	2020	2021	2022
Water withdrawal - contract manufacturers	m3	186,656	222,624	286,349

Note:
Almost all water at SolarEdge operated sites is withdrawn from municipal water supplies. Water from other sources is a negligible part of total water withdrawal (<0.5%).
The vast majority of the water discharge disclosed in the table above is directed to a wastewater treatment plant within the industrial complex where our Narsana site (Korea) is located.
Discharge of office sanitary and kitchen water is not currently measured and is therefore excluded from the water discharge figure above. Water consumption in the table above is calculated by subtracting the annual water discharge from the water withdrawal and excludes internally recycled water.
Water consumption reported for contract manufacturer sites was specifically used for producing SolarEdge products.
The 2021 increase in water withdrawal is attributed mostly to the start of full-scale production at Sella 1 throughout the entire year. The 2022 increase is attributed to the newly opened Sella 2 site in Korea.
For the sake of disclosure in this report, the terms "water recycling" and "water reuse" are used interchangeably. See the "Water efficiency" section for details on how water is being recycled/reused at our Sella 1 and Sella 2 sites.

GRI 306-3: Waste generated

GRI 306-4: Waste diverted from disposal

GRI 306-5: Waste directed to disposal

Waste generated	Units	2020	2021	2022
Hazardous waste	MT	393	570	514
Non-hazardous waste	MT	577	1,245	2,338
Total waste generated	MT	950	1,815	2,852
Percentage waste diverted from disposal	%	67%	59%	71%

Number of lost days due to injury	342	332	378
Injury rate (TRIR)	0.66	0.50	0.61
Lost day rate (LTIR)	15.03	11.86	11.0
Fatality rate	0	0	0

Occupational safety performance: contractors	2020	2021	2022
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Number of recordable injuries (TRI)	0	1	4
Number of lost days due to injury	0	32	24

Note:
Hazardous waste increased in 2021 due to the launch of our new facility (Sella 1) and the change in production process and increased production of Niram.
Non-hazardous waste increased in 2021 due to the launch of new facilities (Sella 1 and Modin in Israel) and additional post COVID-19 activity in Italy. A further increase in non-hazardous electronic and battery waste occurred at several of our global sites, with enhanced 2022 activities. However, almost all increased waste in 2022 was treated by recycling or incineration with energy recovery, therefore significantly increasing our rate of waste diverted from landfill.

GRI 403-1: Occupational health and safety management system

GRI 403-2: Hazard identification, risk assessment, and incident investigation

GRI 403-3: Occupational health services

GRI 403-4: Worker consultation on occupational health and safety

GRI 403-5: Worker training on occupational health and safety

SolarEdge takes a proactive approach to assuring the occupational health and safety of our employees, ensuring that we are compliant with laws and regulations while striving for safety excellence. All our global manufacturing and R&D operations are certified to ISO Occupational Health and Safety Quality Management Standard ISO 45001:2018. We conduct regular risk assessments and incident investigation in line with ISO requirements. In all of our manufacturing and R&D sites, employees participate in safety activities and in defining safety programs, requirements and measures. Annual safety training is mandatory for all employees and specialized safety training is conducted for those in relevant or high-safety-risk roles. Only a minority of SolarEdge sites provide occupational health services onsite. However, in the event of a safety incident or need for medical consultation, Safety Officers in place at all sites are trained in appropriate responses to ensure needed medical attention is provided.

GRI 403-6: Promotion of worker health

We encourage employees to maintain good health and support their efforts with a range of recreational activities that help improve physical energy and reduce stress, as well as healthcare benefits. See section [Health & Safety](#).

GRI 403-7: Occupational health and safety impacts linked by business relationships

We are working to ensure our suppliers understand and agree to adhere to our Supplier Code of Conduct and have already received acceptance of its terms from hundreds of our key suppliers and all of our contract manufacturing sites (see section: [Responsible Procurement](#)). The Code of Conduct explicitly references "Protection of Workers" and the maintenance of occupational health and safety provisions.

GRI 403-8 Workers covered by an occupational health and safety management system

We aim to certify all current and future manufacturing and R&D sites under our operational control to relevant ISO standards for management systems in the fields of quality, environment, and safety.

Currently, 100% of the designated sites (where 66% of our total global employees work), have been certified to ISO 45001 (safety management).

GRI 403-9: Work-related injuries

Occupational safety performance: employees	2020	2021	2022
Hours worked	4,551,822	5,596,975	6,892,675
Number of fatalities	0	0	0
Number of high-consequence work-related injuries	1	0	0
Number of recordable injuries (TRIR)	15	14	21
Number of lost days due to injury	242	332	378
Injury rate (TRIR)	0.66	0.50	0.61
Lost day rate (LTIR)	15.03	11.86	11.0
Fatality rate	0	0	0

Occupational safety performance: contractors	2020	2021	2022
Number of fatalities	0	0	0
Number of high-consequence work-related injuries	0	0	0
Number of recordable injuries (TRIR)	0	1	4
Number of lost days due to injury	0	32	24

Occupational safety performance: workforce (employees + contractors)	2020	2021	2022
Number of fatalities	0	0	0
Number of high-consequence work-related injuries	1	0	0
Number of recordable injuries (TRIR)	15	15	25
Number of lost days due to injury	342	364	402

Notes:
TRIR and LTIR rates are calculated using the 200,000-multiplication factor, which represent the total number of hours 100 employees would work in a year (100 workers x 40 hours x 50 weeks).
SolarEdge working hours are based on actual hours worked for all employees where available, representing approximately 85% of the total workforce. For the remaining employees, best estimates were used, based on average hours worked in the measured locations.
Coverage includes all company employees based in all operational facilities and marketing and sales offices around the world. Contractor employee incidents are tracked and reported for the same global boundaries. The reported safety incidents include all on-site incidents and job-related traffic incidents.
TRIR and LTIR rates for 2019-2020 have been restated to exclude contractor employees and include only company employees, due to data limitations regarding the work hours of our contractor employees. Nevertheless, we monitor and report all safety incidents related to our contractor employees, provide them with needed safety training and equipment, and act to prevent any risk to their personal health and safety.
See section [Health & Safety](#) for an explanation on the increase in TRIR rate in 2022, compared with 2021.

GRI 403-10: Work-related ill health

Occupational Safety Risk Assessments have not resulted in identification of specific occupational ill-health topics. We continue to monitor this as part of our ongoing safety programs and audits.

GRI 401-1: New employee hires and employee rates

New hires	New hires - 2020			New hires - 2021			New hires - 2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
< age 30	115	282	407	148	204	412	196	402	598
age 30 - 50	179	421	600	193	541	734	299	735	1,034
> age 50	40	84	124	54	109	163	75	127	202
Age not noted	25	98	123	19	83	102	13	39	52
All new hires	865	895	1,254	414	997	1,411	583	1,303	1,886

New hire rates	New hire rates - 2020			New hire rates - 2021			New hire rates - 2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
< age 30	4%	9%	13%	4%	7%	10%	4%	8%	12%
age 30 - 50	6%	13%	18%	5%	14%	18%	6%	15%	21%
> age 50	1%	3%	4%	1%	3%	4%	2%	3%	4%
Age not noted	1%	3%	4%	0%	2%	3%	0%	1%	1%
All new hires	11%	28%	39%	10%	25%	35%	12%	26%	38%

Leavers	Leavers - 2020			Leavers - 2021			Leavers - 2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
< age 30	46	77	123	54	144	198	73	182	255
age 30 - 50	54	129	183	81	250	331	156	408	562
> age 50	10	49	59	11	40	51	11	104	145
Age not noted	31	126	157	12	43	55	8	36	44
All ages	141	381	522	158	477	635	278	728	1,006

Turnover	Turnover rates - 2020			Turnover rates - 2021			Turnover rates - 2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
< age 30	1%	2%	4%	1%	4%	5%	1%	4%	5%
age 30 - 50	2%	4%	6%	2%	6%	8%	3%	8%	11%
> age 50	0%	2%	2%	0%	1%	1%	1%	2%	3%
Age not noted	1%	4%	5%	0%	1%	1%	0%	1%	1%
All ages	4%	12%	16%	4%	12%	16%	6%	15%	20%

GRI 404-1: Training

Training category	Hours of training in 2021			Hours of training in 2022		
Professional job-specific training	14,408			32,094		
Soft skills training	7,916			7,575		
Safety training	6,867			22,866		
Management training	2,847			6,731		
Ethics						

SASB Disclosure

SASB Disclosure

Topic	Accounting Metric	Code	Response
Energy Management in Manufacturing	(1) Total energy consumed in GJ/%	RT-CP-130a.1	GRI 302
	(2) Percentage grid electricity in GJ/%	RT-CP-130a.1	GRI 302
	(3) Percentage renewable in GJ/%	RT-CP-130a.1	GRI 302
Water Management in Manufacturing	(1) Total water withdrawn in GJ/%	RT-CP-140a.1	GRI 303
	(2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	RT-CP-140a.1	Almost the entire water consumption of SolarEdge sites is for our sites in Israel and Korea, both of which are considered high/extremely high water stressed countries. However, our activities are not water intensive. The total of ~63,000 m³ consumed by our sites in 2022 is equivalent to the estimated annual domestic consumptions of only 800 people ^[1] . We therefore do not consider water consumption a material issue in relation to our activity, for now. See section: Water Efficiency for our efforts to reduce water consumption.
	Description of water management risks and discussion of strategies and practices to mitigate those risks	RT-CP-140a.2	Water consumption is modest and currently does not present significant risk for SolarEdge.
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled in MT/%	RR-ST-150a.1	GRI 306
	Number and aggregate quantity of reportable spills, quantity recovered	RR-ST-150a.2	None
Ecological Impacts of Project Development	Number and duration of project delays related to ecological impacts	RR-ST-160a.1	None
	Description of efforts in solar energy system project development to address community and ecological impacts	RR-ST-160a.2	Not material for SolarEdge – our Inverters and Optimizers do not generate material negative ecological impacts.
Management of Energy Infrastructure Integration & Related Regulations	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	RR-ST-410a.1	SolarEdge 2022 Annual Report on Form 10-K : p. 20, 25, 32-33
	Description of risks and opportunities associated with energy policy and its impact on the integration of solar energy into existing energy infrastructure	RR-ST-410a.2	SolarEdge 2022 Annual Report on Form 10-K : p. 20, 32-33
Product End-of-life Management	Percentage of products sold that are recyclable or reusable	RR-ST-410b.1	This data is not currently available
	Weight of end-of-life material recovered, percentage recycled	RR-ST-410b.2	This data is not currently available
	Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds, or beryllium compounds	RR-ST-410b.3	We use a small amount of antimony compounds at an estimated <0.1% of our total production.
	Description of approach and strategies to design products for high value recycling	RR-ST-410b.4	Product End-of-Life, Waste Management
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RR-ST-440a.1	Not applicable to SolarEdge
	Description of the management of environmental risks associated with the polysilicon supply chain	RR-ST-440a.2	Not material for SolarEdge: only a very small portion of our global business involves the purchase and sale of solar panels. See section: Human Rights in China for more details.
Activity Metrics	Total capacity of photovoltaic (PV) solar modules produced in MW	RR-ST-000.A	2022 Performance Summary
	Total capacity of completed solar energy systems in MW	RR-ST-000.B	2022 Performance Summary
	Total project development assets in \$	RR-ST-000.C	Data not currently available



How can we help you?

Contact a product expert or sales representative

Join the SolarEdge Conversation

Contact us



Appendix – Report Footnotes by Section

Report Homepage

- 1 Based on revenues. Source: IHS PV Inverter Market tracker, Fourth Quarter 2022. The 4 years mentioned are 2018-21, with 2022 parallel data not yet available upon the release of this report
- 2 Global electricity consumption continues to rise faster than population, U.S. Energy Information Administration, June 15, 2020, <https://www.eia.gov/todayinenergy/detail.php?id=44095#>
- 3 International Energy Outlook 2021, U.S. Energy Information Administration, October 6, 2021, <https://www.eia.gov/outlooks/ieo/introduction/sub-topic-01.php>
- 4 New Energy Outlook 2020 by Bloomberg New Energy Finance (BloombergNEF) <https://about.bnef.com/new-energy-outlook-2020/>

Sustainability Highlights

- 1 Commenced operations on May 22

Company Profile

- 1 Based on revenues. Source: IHS PV Inverter Market tracker, Fourth Quarter 2022. The 2022 annual data was not yet available upon the release of this report.
- 2 Emissions avoided annually through the full-year usage of all SolarEdge systems shipped by the end of 2022. The calculation was based on an average conservative ratio of 1,100 kWh per installed kW. The calculated kWh were converted to saved emissions using the Greenhouse Gas Equivalencies Calculator of the EPA: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>
- 3 GAAP basis. For additional information, please see our financial report for the quarterly period ended March 31, 2022, filed on Form 10-Q. <https://investors.solaredge.com/node/11861/html>.

Governance Practices

- 1 ESG: Environmental, Social, Greenwashing? Forbes.com, Jan17,2022. <https://www.forbes.com/sites/betsyatkins/2022/01/17/esg-environmental-social-greenwashing>

Our Global Climate Impact

- 1 Climate change top challenge over the next decade, UNESCO global survey finds, UN News, March 31, 2021, <https://news.un.org/en/story/2021/03/1088812>
- 2 Emissions avoided annually through the full-year usage of all SolarEdge systems shipped by the end of 2022. The calculation was based on an average conservative ratio of 1,100 kWh per installed kW. The calculated kWh were converted to saved emissions using the Greenhouse Gas Equivalencies Calculator of the EPA: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Our Clean Energy Solutions

- 1 Why consumers are charging toward electric vehicles, Ernst & Young, May 23, 2022, https://www.ev.com/en_us/automotive-transportation/mobility-consumer-index-wave-3

Helping Global Businesses Transition to Low-Carbon Energy

- 1 Nations online', Taiwan, <https://www.nationsonline.org/oneworld/taiwan.htm>

Smart Innovation

- 1 As at end of December 2021.

Recruitment, Retention & Talent Pipeline

- 1 The remaining 4% of the employees were recruited shortly before the end of 2022, and therefore did not receive a performance review by year-end.

Fair & Quality Employment

- 1 Survey held in January 2023, by the Giora Golan research institute, for the Drushim-IL job seeking web-service. The ~3000 responders were asked to provide opinion on 118 large companies, which employ over 500 employees in Israel. Full results are available in this link (Hebrew only): https://makospecial.co.il/50companies_2023

Diversity, Equity, & Inclusion

- 1 All levels of management – from executives to team leaders.
- 2 The 2021 analysis is available on our website, as of the publication of this report. The full 2022 analysis shall be published later in 2023.
- 3 The 2022 EEO-1 form will be published later in 2023, data not yet available at the publication of this report.

Community Outreach

- 1 Donation per profit ratio was calculated using the 2022 total donations, divided by the 2021 total net profits. We consider this ratio to be representative, since our donation budget is planned at the beginning of each year as a percentage of last year's profits. If the 2022 total donations would be divided by the 2022 net profits, the result reflects a 0.38% ratio.

Responsible Procurement

- 1 As of the publishing of this sustainability report, our most updated available conflict mineral report is for 2021. The 2022 conflict mineral report will be published later by June 1, 2023.

Climate Change Mitigation & Resource Efficiency

- 1 Source: Mei-Avivim water corporation- Average annual water consumption per person in Israel in ~80 m3.

SASB Disclosure

- 1 Based on the average water consumption of a resident of Israel, source: Mei-Avivim water corporation,

Message From Our CEO

- 1 Renewable generation surpassed coal and nuclear in the U.S. electric power sector in 2022, U.S Energy Information Administration <https://www.eia.gov/todayinenergy/detail.php?id=55960>