



2022

ESG REPORT

Environmental, Social & Governance Report

Sustainability is the foundation of our business;

Now, we are paving the way as leaders in environmental, social and governance (ESG) and sustainability in our own operations.

FTCSOLAR.COM

About FTC Solar

FTC is a leading, global provider of solar tracker systems, software and engineering services. Founded in 2017 by a group of renewable energy industry veterans, FTC is headquartered in Austin, Texas, with sales and support resources in Australia, India, the Middle East and Southeast Asia.

“ We remain focused on delivering the highest-quality products and services to our customers, listening to their feedback and creating solutions for the world’s evolving energy needs.



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CEO Statement

2022 was a significant year for FTC Solar and for the broader solar energy industry. Despite supply chain disruptions and geopolitical challenges in 2022, the long-term demand trends for solar have only continued to improve. Utility scale solar is now the lowest-cost source of new electricity generation in most countries worldwide, and accounts for more than 60% of all renewable capacity expansion. The low cost to install along with the traditional governmental and corporate demand drivers are only further enhanced by current high fossil fuel pricing, discussions of energy security in many countries, and the passage of the Inflation Reduction Act in the U.S. Installed and operational solar capacity is expected to increase as much as threefold in the next five years.

As FTC Solar enters 2023, we do so as a much stronger company than just a year ago. Over the past year, we improved our cost and margin profile by eliminating more than a fifth of the steel from our products and launching a higher-margin distributed generation business. We expanded our product offering and available market opportunity by adding a thin-film solution to our 2P Voyager tracker and introducing a new and differentiated 1P tracker called Pioneer. We strengthened our geographic positioning – in the U.S. by announcing a manufacturing joint venture with a leading manufacturer to support customers with domestic content, and internationally by growing project awards outside the U.S. to 10 countries and diversifying our revenue base. Our improvements position us to deliver reliable and cost-effective solar energy solutions to customers around the world for years to come. Customers have taken notice and we entered 2023 with a pipeline of future projects at an all-time high and a backlog well over \$1 billion. Now more than ever, FTC is at the forefront of the clean energy transition.

We are already leaders in providing solar tracker technology and software solutions that help our customers develop and operate the highest-quality solar installations. Sustainability is the foundation of our business; now, we want to be leaders in environmental, social and governance (ESG) and sustainability in our own operations. We have been working to codify our policies and procedures, measure and monitor our environmental impacts and invest in our people and communities. We use our core values and our commitment to sustainability to guide our decision-making processes and support our long-term resilience.

In 2023 and beyond, we look forward to continued growth – growth in our ESG maturity and growth in our ability to deliver cutting-edge solar solutions to our customers. On behalf of all of us at FTC Solar, I am proud to share our 2022 ESG Report and the exciting things we accomplished together over the past year.

Sean Hunkler
President and Chief Executive Officer



Mission, Vision & Values

FTC's mission is to drive energy independence through effective and efficient solar engineering and innovation. We accelerate the adoption of renewable energy and the global transition away from fossil fuels by reducing the cost of construction, simplifying the installation process and improving the energy yield of solar projects. We make solar energy generation more efficient and attainable with our software, engineering and differentiated products.

At FTC, we aim to demonstrate a genuine commitment to our core values and ensure they are central to the way we do business.



Integrity
We do the right thing. We are humble and listen to new ideas. We respect our customers and our teammates.



Accountability
We are all accountable and act with urgency. We are transparent and deliver on our commitments. We come together to solve problems.



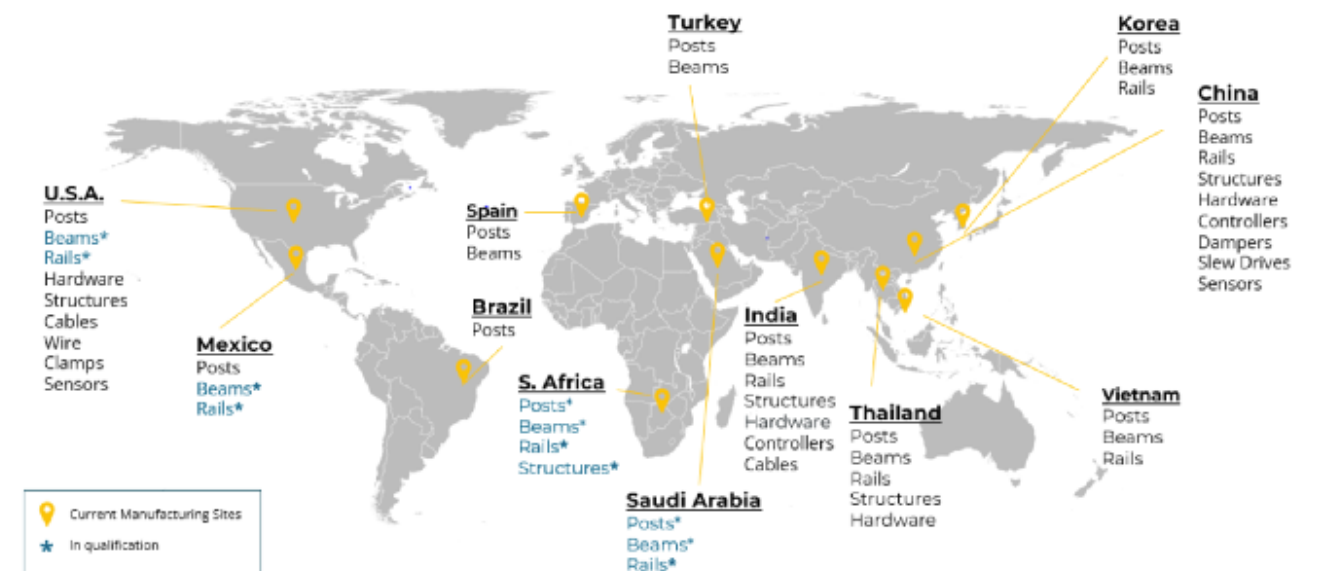
Innovation
We turn great ideas into solutions. We foster a learning culture that values diversity and originality. We collaborate successfully to transform the future



Excellence
We are committed to high quality. We plan well and execute flawlessly. We are focused on results.

Our Global Supply Chain

FTC uses a global asset-light supply chain strategy for optimal efficiency in our globally connected world. We continually work with our suppliers and partners to mitigate disruptions and reduce lead times for projects, allowing us to better serve our global customer base.



United Nations (UN) Sustainable Development Goals (SDGs)

The 17 UN SDGs, which were adopted by the UN Member States in 2015, provide both a common path and an urgent call to action for all countries. At FTC, we strongly believe that our purpose, our business and our goals naturally align with several of the SDGs:



SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all.

We further energy independence and drive affordability and access to clean energy. We continually reduce the costs of our materials and simplify installation processes while increasing efficiency and energy yields.



SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

FTC maintains a culture of inclusivity, and we continue to invest in initiatives for employee development, education and overall well-being. We offer comprehensive benefits and partner with local organizations that help us recruit top talent from within our community.



SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

We partner with leading engineering, procurement and construction (EPC) companies around the world to deploy quality solar installations, and we support innovative sustainability solutions – from hybrid solar and energy storage in Australia to agrivoltaics in Southern Africa.



SDG 10: Reduce inequality within and among countries. We are continually working to simplify our tracker designs and the associated installation processes – by reducing the amount of materials, tools and labor needed for solar installations, we are reducing costs and making solar energy more accessible to communities around the world (especially in developing nations and underserved regions).



SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable. FTC's trackers are installed around the world to support the deployment of clean, renewable and reliable energy. Our trackers are designed to be resilient in harsh climates, with features like high tolerances for slope, wind speeds and extreme temperatures.



SDG 12: Ensure sustainable consumption and production patterns. FTC's trackers are installed around the world to support the deployment of clean, renewable and reliable energy. Our trackers are designed to be resilient in harsh climates, with features like **high tolerances for slope, wind speeds and extreme temperatures.**



SDG 13: Take urgent action to combat climate change and its impacts. FTC's simplified tracker designs require minimal parts and materials. In our own operations, we are working to improve our waste practices and recycling rates. **We achieved 100% e-waste recycling in 2022**



SDG 15: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss. FTC's solar trackers are designed for minimal ground coverage ratio (GCR) and negative impacts to the surrounding land; our new Pioneer 1P tracker requires 18% fewer foundations than current industry designs, meaning less land disturbance.



2022 ESG Highlights



The FTC Solar environmental and sustainability management system achieved the EcoVadis Silver Sustainability Rating for 2022, **placing us in the top 25% of companies assessed.**



FTC is registered as a supplier on Achilles Repto, a pre-qualification system used by the utilities sector to manage supply chain risks and ensure regulatory compliance. By joining this system, we are able to showcase our capabilities and access new opportunities.

Product

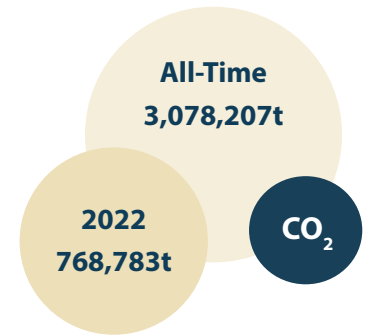
FTC launched the new IP tracker – Pioneer – with numerous sustainability benefits, allowing us to better serve customer needs for new installation types and in new environments.

FTC completed a collaborative agrivoltaic installation in Botswana – the first agrivoltaic project in Africa.

FTC was awarded the largest single project outside of the U.S. in 2022 – the 128 MW Cunderdin hybrid solar and energy storage project in Western Australia through Global Power Generation (GPG).

Environment

In addition to new solar capacity deployed in 2022, we also purchased more than 100 MWh of wind and solar renewable energy certificates (RECs) in the U.S., Australia and India to mitigate our emissions impact. We also offset 660 metric tons of CO₂e through our purchase of verified carbon credits.



Social

We established the FTC DEI Council to oversee programs related to diversity, equity and inclusion (DEI) and expanded our community of Employee Resource Groups (ERGs) to engage more employees and help amplify more voices:

- Women’s Inclusion Network (WIN)
- Military Inspired Leadership (MIL)
- Hispanic/Latino/Mexican Group
- Black Employee Network (BEN)

Governance

FTC published a new Supplier Code of Conduct, further demonstrating our commitment to doing business with companies that align with our values and advance our sustainability-related objectives.

We are proud to announce that in terms of health and safety, **2022 was FTC’s:**

YEAR OF ZERO

- 0** Recordable Incidents*
- 0** Safety Citations
- 0** Environmental Citations

"I'm delighted to share the collaborative efforts that have progressed our ESG initiatives, demonstrating FTC's ongoing commitment to respecting people, property and the planet."

- Julian Mercer, Director of Safety and ESG



*Occupational Safety and Health Administration (OSHA) Recordable Incidents

Product Sustainability Features

FTC's solar trackers and software significantly increase energy production at solar installations by dynamically optimizing solar panel orientation to the sun. Our innovative tracker designs provide compelling performance and reliability, with an industry-leading installation speed advantage.



"With the Pioneer technology, we began with a focus on the details. We learned from previous design iterations and listened to outside feedback to create a robust, high-performing tracker. These improvements are a testament to our engineering team's adaptability, as well as our commitment to learning, improving and being a leader in tracker constructability."

- Nagendra Cherukupalli, Chief Technology Officer



Pioneer – Our New 1P Tracker

In 2022, to supplement our exceptional 2P Voyager tracker, we expanded our product portfolio to include a 1P – or “one-in-portrait” – tracker, Pioneer. The 1P tracker design includes one long row of photovoltaic (PV) modules. Having this new and differentiated tracker greatly expands our served market around the world, giving us more opportunities to win projects where there is a preference or benefit for 1P or where the surrounding environment is more conducive to this tracker design.



FTC's Pioneer tracker comes with numerous sustainability benefits, including safety considerations and simplified installation and maintenance. There are minimal connection points and fasteners needed to assemble the tracker, meaning reduced installation time, reduced costs for materials and labor and reduced safety risk to installers.

Pioneer is **designed to use 18% fewer foundations** than current industry designs and boasts a shorter row length that enables **more than a 5% greater energy output** for a given parcel of land. Additionally, piles for the Pioneer tracker do not need to be driven deep into the ground, which means decreased impact to the surrounding land.

The Nuts & Bolts – Technology Improvements

FTC is committed to continuous improvement in all of our processes, and one example where improvements have made a significant difference is with the design of the Pioneer tracker. Most notably, we wanted to simplify the tracker design and further improve the ease of installation. As a result, we substantially reduced the number of nuts and bolts needed for most installations, and for rail mounting, we eliminated them altogether. Other trackers on the market require nut-and-bolt securing mechanisms, and these components are susceptible to the forces of friction. As the tracker moves, the nuts and bolts can come loose and require upkeep. Instead, the Pioneer tracker uses python clips that hold tracker components together via tension and do not come apart due to friction or vibration. The clips, combined with our patented Slide and Glide methodology, make our trackers quick and easy to install while ensuring long-term resilience.

Quality Consciousness

Our trackers wake up at dawn and work all day, every day to track the movement of the sun and optimize energy capture. Our trackers and software are part of solar installations in some of the most remote locations – our products must be reliable, resilient and require minimal maintenance.

All FTC tracker products have undergone a proactive and methodical Design Failure Modes and Effects Analysis (DFMEA) to help ensure reliability and quality for the lifetime of the product. The DFMEA methodology uses cross-functional engineering expertise to design quality from the start.

In addition, anytime an FTC product faces an issue in the field, we conduct a systematic eight-step analysis resolution process to fix the problem and identify areas for improvement.

Request for Information (RFI) Feedback

In 2022, FTC received 359 RFIs from customers regarding our products. This feedback is invaluable to us – we use this feedback to improve our designs and create the best possible experience for our customers.

Voyager – Industry-Leading 2P Technology

Throughout 2022, we worked to improve the integrity and efficiency of our solar tracker technology. We expanded our Voyager tracker portfolio into large-format modules (LFMs) to accommodate the needs of different customer solar installations. We also improved the resilience of the trackers – **we increased the Voyager wind speed tolerance from 105 mph to 125 mph** to help support the expansion of solar installations into less-favorable environments.

Doug Andrews,
VP Quality, Safety & ESG

Levelized Cost of Energy (LCOE)

We are always designing our solar tracking software to have the lowest possible LCOE. FTC's tracker systems and advanced software already yield, on average, a **17% lower LCOE compared to fixed-tilt mounting systems.**

In 2022, we achieved a **20% steel cost reduction**, and we are now focusing on manufacturing cost improvements as well. With our new Pioneer tracker and improvements to the Voyager technology, we are driving efficiency – decreasing installation times and materials needed while increasing energy outputs.



Tracker Installation – A Two-Person Job

At FTC, the ease of installation of our solar trackers has always been a point of pride. We understand that the installation process affects many areas: worker safety, equipment needs and costs and even the surrounding environment. The majority of the installation of an FTC tracker can be completed by just one or two people – from driving the piles into the ground to placing the tubes and mounting the rails.

Customer-Focused Software

At our core, we support the expansion of solar power and clean, renewable energy around the world. This is why, in addition to our solar trackers, we develop software that is compatible with not only our trackers, but non-FTC solar trackers as well. This way, we can provide high-quality solar tracking software for existing installations instead of requiring customers to remove and scrap hardware that has not yet reached the end of its useful lifespan. We are proud to design tracker-agnostic software that minimizes waste and advances the objectives of our customers and the broader renewable energy industry.

We also offer a free six-month trial of our software, so our customers can know they are receiving the highest-quality and most effective product before they purchase.

Environment

FTC's solar trackers and software significantly increase energy production at solar installations by dynamically optimizing solar panel orientation to the sun. Our innovative tracker designs provide compelling performance and reliability, with an industry-leading installation speed advantage.

Approach to Environmental Management

At FTC, we commit to protecting our environment for the benefit of current and future generations. We design our products and operations to reduce environmental impacts and maximize environmental savings.

Maintaining ISO 14001 Certification

Since 2018, several of FTC's functional groups have maintained ISO 14001:2015 certification through third-party assurance. This standard outlines the requirements for the environmental management system FTC uses to measure and manage the environmental aspects of our activities, products and services we can control or influence.

FTC certifies and scopes our environmental management system to include the following functional groups:

- Design & Engineering
- Sales & Marketing
- Supply Chain
- Planning, Procurement & Logistics
- Installation & Operation



FTC's Environmental Performance



2022 GHG Emissions Summary

* Numbers are rounded to the nearest whole number.

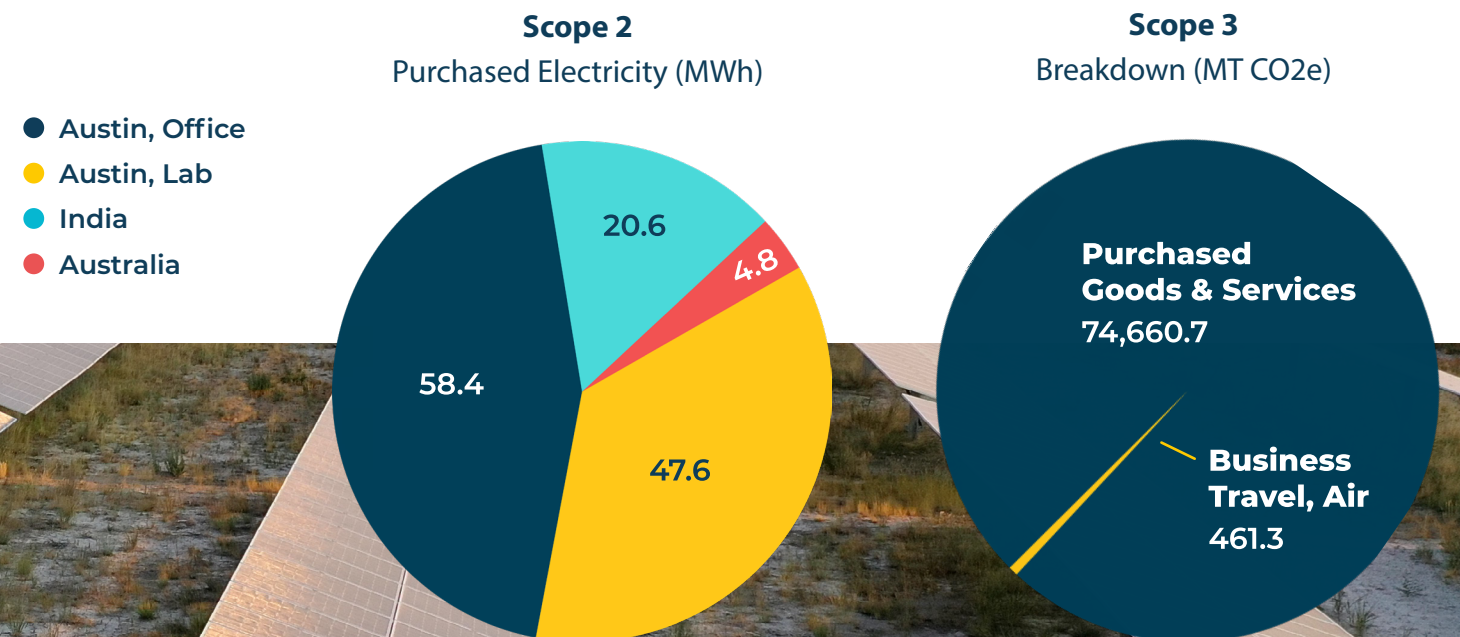


Scope 1 - FTC operates a fleet of light-duty trucks for equipment delivery and technical support.

Scope 2 - Emissions associated with electricity consumption at FTC offices. 100% of purchased electricity at FTC during 2022 was from renewable sources and procured through RECs. The emission factor associated with these RECs is zero.

Scope 3 - This year, FTC Solar started analyzing its Scope 3 indirect GHG emissions for FY 2022. The following Scope 3 categories were included:

- Purchased goods and services – using a spend-based emission factor allocation approach.
- Waste generated in operations – estimated using office averages.
- Business travel – activity-based analysis of air and land travel.



Mitigating Our Impact With Renewable Energy Certificates

In 2022, FTC took action to mitigate the environmental impacts of our greenhouse gas emissions from energy consumption by purchasing renewable energy certificates (RECs) through a reputable provider.

We purchased more than 100 megawatt hours (MWh) of wind and solar RECs in U.S., Australia and India. We also offset 660 metric tons of CO2e through our purchase of afforestation and reforestation carbon credits registered on the Verified Carbon Standard. Through these purchases, we are able to not only offset the impacts of the emissions from our operations, but we can also support positive environmental and humanitarian efforts around the world and contribute to the advancement of UN SDGs that are not always within the direct control of FTC's operations.

Reforestation in India



FTC purchased 610 metric tons of CO2e offsets through the reforestation project developed by Mangalam Timber Products Limited (MTPL) in East India. This project involved the reforestation of degraded land owned by more than 12,000 small, impoverished farmers and tribesmen in the region. It also includes the reversal of land degradation in wastelands that have seen severe soil erosion. Through this project, rural communities in East India will see enhanced sources of livelihood and income through the new employment opportunities, as well as education for local farmers on sustainable forestry management practices.

Bukaleba Forest Project in Uganda



FTC also purchased 50 metric tons of CO2e offsets through the Bukaleba Forest Project in eastern Uganda. This project involves the reforestation of approximately 2,000 hectares of degraded indigenous land, which results in direct benefits for numerous surrounding villages and more than 14,000 people. These benefits include:

- Training and employment opportunities for villagers, many of whom are women
- Donations of medical supplies
- Education support through scholarships and donations of timber to schools for infrastructure development
- Seedling donations to community-based, small-scale farmers
- Improved access to social services through infrastructure improvements.

Water

Since FTC does not manufacture solar panels or other equipment, and we do not maintain large production facilities, our water impacts are minimal. In the coming years, we intend to assess our water use and evaluate the associated impacts of our operations and installations in water-stressed regions.

Waste

At FTC, we commit to reducing waste and advancing recycling initiatives both in our operations and in the installation and overall life cycle of our products. We are shifting away from nonrenewable and nonrecyclable materials toward more sustainable materials, like wood and paper, wherever possible. In 2022, we also improved our waste data collection processes.

FTC Solar achieved 100% recycling rate for e-waste in 2022.



Environmental Initiatives

While FTC does not directly manufacture solar panels or other PV hardware, we do operate facilities for product research, development and testing. We endeavor to address the environmental impacts associated with these operations, and we work to find innovative ways to develop the most sustainable products in the most sustainable way.

Our development and testing facility in India is an excellent example of such sustainable innovation. This facility houses a variety of FTC prototypes, which the teams have made functional and use to power some of the facility's operations with renewable energy. This allows us to reduce our overall fossil fuel consumption and GHG emissions, as well as reduce wasted products and materials.

Earth Day 2022

In recognition of Earth Day, FTC partnered with One Tree Planted to plant 235 trees in the Pacific Northwest – one tree for every FTC Solar employee.

Additionally, we held an Earth Day Scavenger Hunt and Litter Pick-Up Day to support local environmental initiatives throughout our community.



Impact of Solar Energy



Since FTC introduced our first tracker in 2017, we have delivered more than 4.5 GW of solar energy capacity. In the U.S. alone, these installations have led to the avoidance of more than 750,000 tons of CO2e in 2022 and more than 3 million tons since our founding.²

Avoided Carbon Emissions - U.S.

● 2017-2021 ● 2022



Equivalent to CO2 emissions from:

Methodology: Megawatts Delivered
Source: US EPA GHG Equivalencies Calculator



Equivalent to CO2 emissions avoided by:



Reflective of cumulative avoided emissions in the U.S. Note that previous years' avoided emissions calculations reflected global emissions.

FTC's trackers are designed to reduce installation complexity, minimize maintenance needs and optimize land use. We are continually working to improve this technology to manage the environmental impacts of solar installations – decreasing the GCR of the solar modules and increasing features like tolerance for wind, extreme temperatures and ground slope – allowing our trackers to be installed in harsh environments with minimal need for grading or other disturbance to the land.

² FTC's avoided emissions are calculated using regional capacity factors and technology-specific emission rates provided by the U.S. Environmental Protection Agency's (EPA's) AVOIDED EMISSIONS and GENERATION TOOL (AVERT). Avoided emissions are calculated only for installations completed in the U.S. from 2017 through 2022.

Agrivoltaic Partnership in Botswana

Late in 2021, FTC Solar announced the onset of our first project in Africa – an emerging market for solar power – in partnership with the engineering, procurement, and construction (EPC) company Soventix, as well as AAAS Energy and the Botswana University of Agricultural and Natural Resources (BUAN).

In the beautiful, but often harsh, landscape of Southern Africa, a community is innovating ways to enhance the local food supply while generating clean, renewable energy. Nestled on the picturesque BUAN campus, the 1.1-megawatt Burn Agri project was installed and began generating power in early- to mid-2022. The project represents a unique opportunity not just for FTC but for BUAN and the entire South African region: the Burn Agri project is the first agrivoltaic installation in all of Africa.

Agrivoltaic projects are solar installations that use the same area of land both for harvesting solar energy and for growing agricultural products. In the case of the Burn Agri project, solar modules were installed above crops like tomatoes, green peppers and more, depending on the season. These crops are then sold at a newly developed shop on the BUAN campus.

"The best part of this project has been seeing it come online and seeing the crops growing; that's been the most rewarding part for me. As a newer company, we're excited to be working with local partners and expanding renewable energy capacity in the area."

- Barry Bester, Senior Sales Manager, Africa

So far – after being operational for nearly one full year – the Burn Agri project has produced higher-than-expected yields of both solar energy and agricultural crops. The increase in crop yields can be at least partially attributed to the shade provided by the solar panels at different points in the day.

The long-term goals of the project are to support sustainable and climate-resilient solutions for growing crops in the harsh African climate while mitigating financial risks associated with agriculture by generating power that can be sold to create a consistent supplemental revenue stream. The power produced is cheaper than power generated through other methods (e.g., fossil fuels) and supplements the power supply for the university, where researchers are working to advance the sciences and the quality of life in their communities.

The project deploys FTC Solar's Voyager 2P tracking solution, meaning it includes our industry-leading installation speeds, high slope tolerance and reduced part count. The installation has a 700mm ground clearance – tall enough for crops to grow underneath – and the 20-row project has proven to use much less water to grow common row crops than traditional agricultural practices. This is crucial, as low rainfall and changing rainfall patterns have led to droughts and have had a significant negative impact on the agricultural sector in the region.

Another important benefit of the Voyager tracker in the Burn Agri project has been the simplified design and installation process, as well as the need for minimal tools; this has allowed for easy and efficient training on how to build and maintain the installations. At FTC, we design our trackers to be as accessible as possible for communities around the world and robust enough to withstand challenging environments.

The Vice-President of Botswana, Slumber Tsogwane, speaking at the product launch at BUAN, commended the university for its achievement with the Burn Agri project, citing that it aligns well with the government's commitment to move away from carbon-intense energy generation. Tsogwane also stated that the project will go a long way toward advancing financial sustainability for BUAN, and he called for more public-private sector partnership that focus on food security and innovative research.

We are excited about this first project in the African solar market – a market that is expected to increase in capacity by more than 100 gigawatts by 2030. As countries around the world continue to make net-zero climate commitments and progress toward decarbonization, developing nations often bear the brunt of negative climate impacts and do not yet have the infrastructure needed to support renewable energy deployment. FTC Solar is proud to partner with strong EPC companies like Soventix that are working to develop quality solar installations that provide clean, reliable solar power to the people and communities of South Africa.

“

"We are happy to be working with FTC Solar on this project that features a strong environmental and social component, that specifically supports the university and its research in addressing two of the greatest concerns on the African continent: food security and energy. FTC Solar's differentiated tracker solution and customer-focused approach is a perfect fit for this project."

- Jean-Paul de Villers
Soventix Managing Director
for Southern Africa



Amplifying Impact – Upcoming Projects Around the World

Australia: FTC’s Largest Projects Outside the U.S.

In early 2022, FTC was awarded a contract from the leading Australian energy infrastructure business, APA Group, to provide our 2P Voyager tracker technology to a new 99 MW project in Queensland. At the time, this was our largest single international project.

Then, later in the year, we were selected to provide Voyager tracker technology for the 128 MW Cunderdin hybrid solar and energy storage project in Western Australia through GPG. This represents our largest single project outside of the U.S. to date and reflects our continued efforts to expand our global presence and access to clean energy around the world.



"We're pleased to be utilizing FTC Solar's tracker technology on this important project. The Cunderdin project will be the largest of its kind in Australia, and the high-energy density and highly constructible design of FTC's 2P Voyager solution will lend itself well in this development."

- Pedro Serrano
Chief Business Development Officer, GPG



"We're proud to be a part of this landmark project. Over the past 18 months, we have continued to expand our presence in Australia...This project represents our 23rd project in Australia, and our largest single project in the country to date, with another impressive customer."

- Patrick Cook, Chief Commercial Officer, FTC Solar

Pioneer to Provide 500MW With Primoris

In 2022, FTC was selected by Primoris Renewable Energy (PRE) to supply at least 500MW of solar tracker technology for several project sites in the U.S.

PRE is expected to use our new Pioneer 1P tracker technology on multiple projects to ensure optimal performance while reducing capital costs and labor requirements. Through this agreement, FTC and PRE will be able to expand access to affordable and reliable clean energy throughout the U.S.

"We are pleased that this partnership with FTC will allow Primoris Renewable Energy (PRE) to provide additional value to select clients. This teaming agreement is based on our strong business relationship, FTC's commitment to innovation, and the ability to provide 100% domestic trackers to the market."

- Anthony Vorderbruggen, Sr. Vice President of Operations, Primoris Renewable Energy

Supporting Small-Scale, Distributed Generation (DG) Solar

In partnership with solar contracting company AUI Partners, FTC Solar's DG Solutions Business Unit will be providing solar tracking services for sites under 20MW in North America. This collaboration will ensure our customers can achieve maximum energy optimization with our proven 2P tracker software combined with AUI's expertise in site design and construction.

Through this partnership, we will be supporting a variety of segments, including commercial and industrial, community solar programs and even one-off projects for sectors such as agriculture.

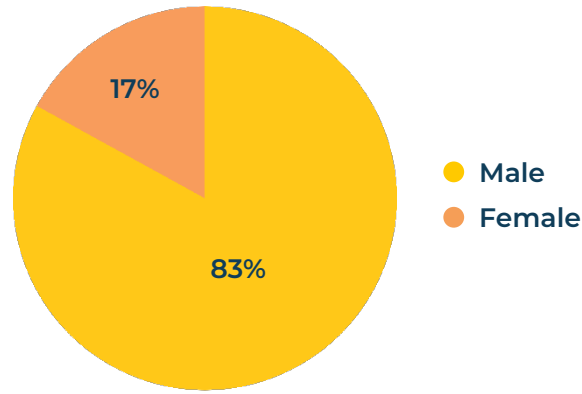
"We see tremendous growth potential for this market over the next few years. However, for it to grow successfully, resilient turnkey solutions are imperative, and working with the team at AUI Partners will help us complete these projects quickly, which is a win for both the customer and the planet."

- Sean Hunkler, Chief Executive Officer

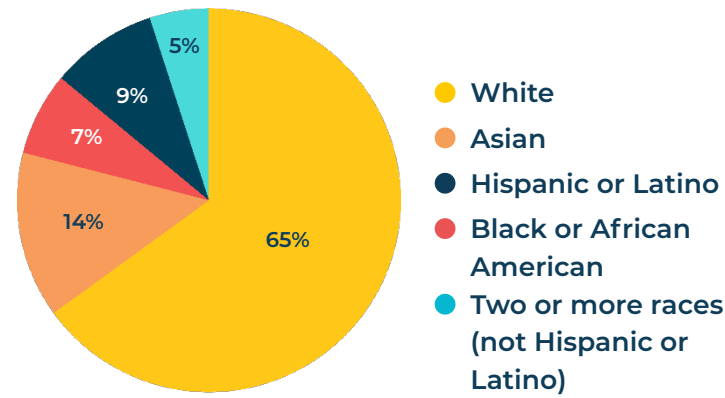
Social



Our Employees: Global Gender



Our Employees: U.S. Ethnicity

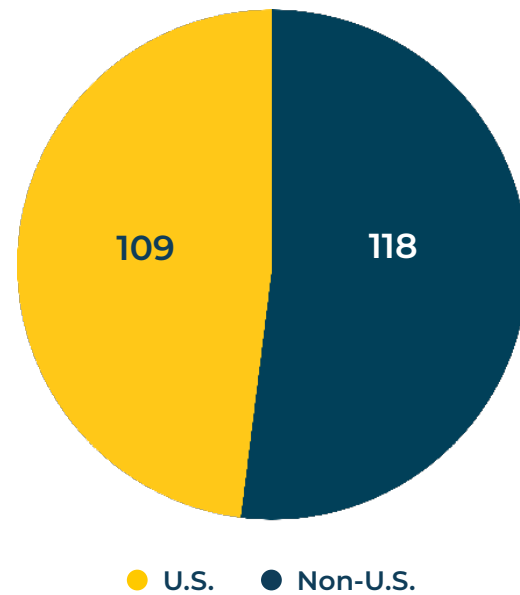


Diversity, Equity & Inclusion (DEI)

We are continually evolving our DEI programs and initiatives to better serve our people and ensure they feel safe and supported at work. In 2022, these actions included:

- Establishing the FTC DEI Council to oversee and advise programs related DEI. The FTC DEI Council included global representation of Executive Leadership Sponsors, Executives for Employee Resources (ERGs), and ERG Lead Chairpersons who come together to discuss current events, engage in critical thinking on key topics and collaborate on FTC's DEI strategy.
- Expanding our community of ERGs to engage more employees and help amplify more voices. These ERGs include:
 - Women's Inclusion Network (WIN)
 - Military Inspired Leadership (MIL)
 - Hispanic/Latino/Mexican Group
 - Black Employee Network (BEN)
- Conducting internal analysis related to equitable compensation.
- Providing more opportunities in the community for outreach and talent attraction.

Total Employees



WIN Attends Texas Women's Conference



In 2022, FTC's WIN attended a Women's Conference in Texas. This event provided an opportunity for networking, community building and raising awareness around topics that are of interest to everyone at FTC. The initiative reflects a growing focus at FTC on providing the women of our organization with a more visible platform.

Following the conference, FTC surveyed members of WIN to find out how well we are doing in our efforts to empower the women of our organization. A total of 100% of participants said they either "Agree" or "Strongly Agree" that they feel empowered at FTC to ask for help on work-related topics. Additionally, more than three-quarters of participants said they feel empowered to:

- Develop their careers.
- Share their opinions on topics related to their roles.
- Seek a mentor.
- Escalate unfair treatment.

More than three-quarters of participants also said that at FTC, they are:

- Recognized and heard in cross-functional meetings.
- Recognized and heard within their teams.
- Recognized and heard by leadership.
- Safe and supported as women at FTC.

FTC Culture Champions

We have been on our culture journey since forming in 2017, and we are proud to leverage the diversity of backgrounds at FTC – in people, in experience and in industries – and we are excited about what the future holds.

Our Culture Champions include individuals at all levels of the organization who promote our core cultural values and help to foster a positive company culture.



"For FTC Solar, we are committed to sustainability and enabling future renewable energy. Success means people coming to work feel a sense of belonging, know their value and impact what's possible, including the innovation of solving for the impossible. It means people can feel our culture and know this is FTC."

- Giselle Phan,
Chief People Officer



Health & Safety

At FTC, the personal health and safety of each employee is of the utmost importance, and we work to create better, safer working conditions throughout our global operations.

We use the ISO 45001 framework to address occupational health and safety risks in the workplace, using best practices from international standards and regulatory agencies. FTC holds ISO 45001:2018 certification, and we use a separate but aligned qualification process with our contract suppliers.

YEAR OF ZERO

In 2022, with more than 450,000 total hours worked across all of our operations, FTC achieved a landmark accomplishment concerning the health and safety of our people: **Zero OSHA Recordable Incidents.**

FTC A.W.A.R.E.

In 2022, we established FTC A.W.A.R.E., and we will continue to build on this program in 2023. The A.W.A.R.E. program is meant to enhance education and general awareness around safety measures, as well as to improve safety practices and ensure accountability throughout our operations.



A.W.A.R.E.
Stay safe. Be AWARE.

- A** Apply sound judgement
- W** Wear your PPE
- A** Avoid unsafe actions
- R** Routinely check your buddy
- E** Educate others about safety



ISO 45001

FTC maintains an ISO 45001 certification for occupational health and safety through effective management systems. Our certification was verified through our third-party certification body.



Recruitment & Retention

Local Recruiting Partners

We have maintained strong, multiyear partnerships with the local organizations around our headquarters in Austin, Texas, that help us recruit top talent from within our community. These organizations include:



Employee Experience

FTC has invested resources in developing a workforce where our teams can enjoy a collaborative environment. The FTC workplace is one in which compassion, tolerance, transparency and an eagerness to achieve the best results possible can create both a nurturing and challenging employee experience.



We are creating an internal community of people who are not only proud to work in the renewable energy industry, but who are proud to work at FTC.

- Amy Meekings, HR Program Manager

“ When asked what they value most about working at FTC Solar, employees listed the following: ”



“...ability to develop strong working relationships with **leaders of the organization**...”

“...**working for a company furthering clean power initiatives**...”

“...the **work/life balance** and the capability to use my experience in various projects...”

“...**supportive team members**...”

“...I appreciate that the organization emphasizes **transparency**...”

Comprehensive Benefits

FTC offers competitive wages, growth and development opportunities and a comprehensive benefits package*, including:

- Medical, dental and vision insurance
- Life insurance
- Flexible Personal Time Off (PTO)
- Parental leave
- Disability insurance
- 401(k) with company match (up to 5%)
- Adoption assistance
- Commuter benefits

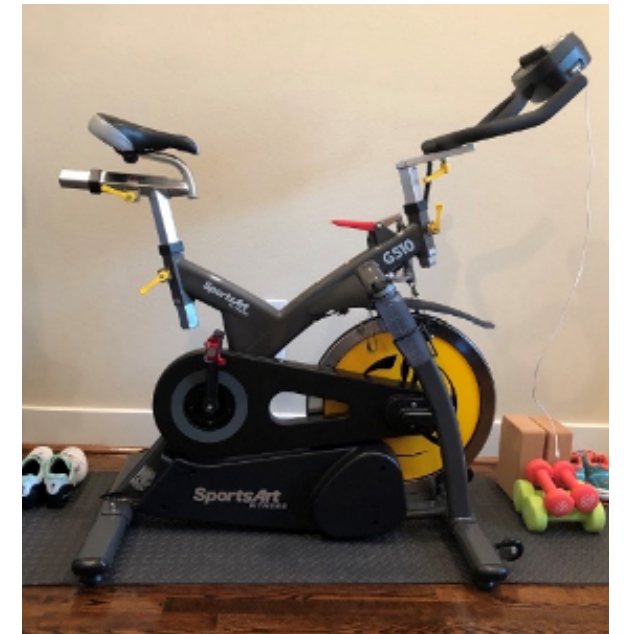
Additionally, at FTC, all employees become company shareholders when they are hired. By providing our employees with a stake in the company, we help ensure that everyone is committed toward our shared mission.

**Note that some benefit offerings may vary by country.*

Employee Well-Being

Beyond traditional benefit offerings at FTC, we go above and beyond to ensure our people are well, both physically and mentally. In 2022, we offered a mindfulness and meditation course for employees.

We are always proud when our people display an authentic commitment to our shared values, both inside and outside of the workplace. For example, our Treasury Manager, Opal Desaire, uses her SportsArt ECO-POWR™ cycle in her free time to get exercise and improve her overall well-being, as well as to generate utility-grade electricity. The cycle has built-in micro-inverters that harness the power of human energy and put it back into the grid, offsetting energy savings.



Executive Leadership Team (ELT) Involvement

The FTC ELT has been increasingly involved in employee engagement and development initiatives. ELT members participate in global roundtable discussions to help give a voice to employees at all levels. The executives receive authentic feedback about new HR programs and are able to voice their concerns. Additionally, ELT members are involved in mentorship programs and volunteer organizations within the local community.

Our Communities



At our core, FTC is a community-minded company. Beyond developing products that promote access to affordable solar energy, we also support causes that align with our values and those of our employees. We are proud to share a number of the charitable efforts and initiatives FTC and our employees around the world completed in 2022.

Community Impact Initiatives

Breast Cancer Awareness

FTC's WIN conducted a fundraiser for breast cancer awareness during National Breast Cancer Awareness Month.

Angel Tree Wish Lists

During the holiday season, members of WIN helped fulfill wish lists for underprivileged children in the community. We are delighted to support our employees as they work to make a difference in the lives of the children in their communities.

Supporting Veterans' Mental Health

FTC MIL supported a Combat Veterans organization dedicated to the mental health and well-being of veterans.



Black History Month

During February of 2022 – recognized as Black History Month in the U.S. – **FTC made charitable contributions to a number of associated nonprofit organizations.** Recipients included the NAACP and SixSquare, a local organization that celebrates and preserves Black history, art and culture in Central East Austin, Texas.

Supporting Veterans

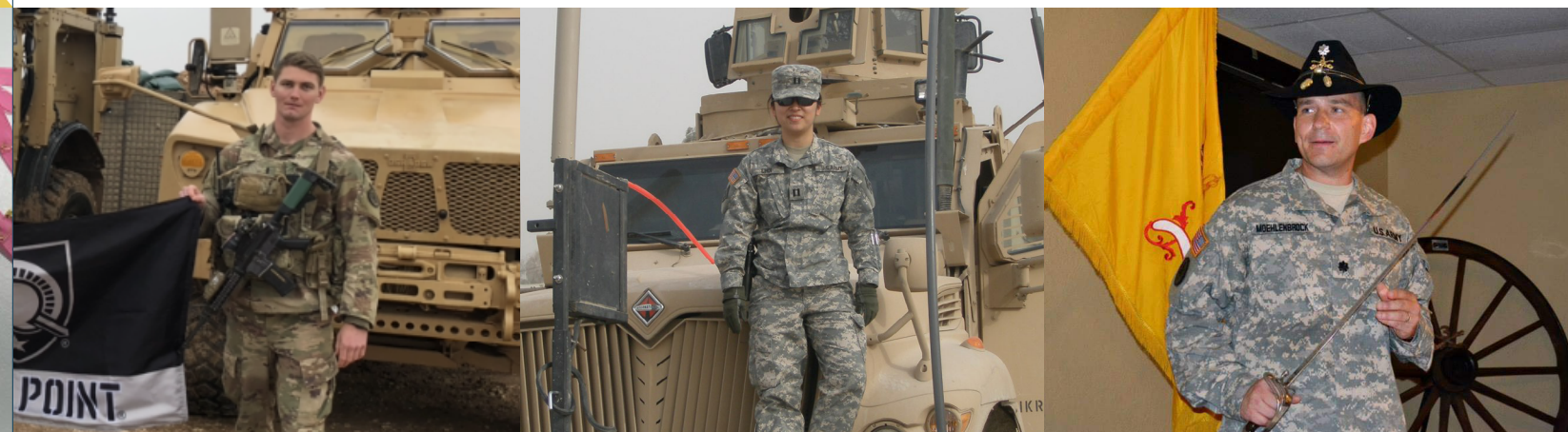
Folds of Honor Golf Tournament

FTC was proud to be an All-American Title Sponsor of the 2022 Folds of Honor charity golf tournament in Austin, Texas. Proceeds from the tournament are used to provide educational scholarships to the spouses and children of fallen and disabled service members. Since its founding in 2007, Folds of Honor has awarded more than 44,000 scholarships to veteran families, with more than 40% of the scholarships going to minority and underrepresented recipients.



Academy Securities Money Market Funds

FTC currently holds shares in the J.P. Morgan U.S. Government Money Market Fund. This fund offering and share class are made possible through the partnership between J.P. Morgan Asset Management and Academy Securities, the first and only post-9/11 investment bank owned by disabled U.S. veterans. The initiative furthers the bank and asset managers' commitments to mentoring, training and hiring U.S. military veterans who are transitioning into the civilian workforce, and our investment in the fund furthers FTC's goal of supporting veterans.



Governance

Board of Directors

The FTC Board of Directors consists of eight members, including five independent members:

- Shaker Sadasivam
- Sean Hunkler
- David Springer
- Ahmad Chatila
- William Aldeen "Dean" Priddy, Jr.
- Isidoro Quiroga Cortés
- Lisan Hung
- Tamara Mullings

Board Demographic Data

Demographic Background	Percentage of Board Members
Gender	
Male	75%
Female	25%
Race/Ethnicity	
Caucasian/White:	37.5%
Asian (excluding Indian/South Asian)	25%
Black/African American	12.5%
Middle-Eastern/North African	12.5%
Hispanic/Latin American	12.5%



Board Committees

Board Member	Audit Committee	Compensation Committee	Nominating & Corporate Governance Committee
Lisan Hung	Member	Member	Chairperson
Tamara Mullings		Member	
William Aldeen "Dean" Priddy, Jr.	Chairperson	Member	Member
Shaker Sadasivam ★	Member	Chairperson	Member

Chairperson
 Member
 Chairman of the Board



Policies & Practices

FTC maintains several policies and best practices that guide our actions as an employer, an environmental steward and a corporate citizen:

- Anti-Bribery and Corruption Policy
- Code of Business Conduct and Ethics
- Environmental Policy
- Quality Policy
- Safety Policy
- Supplier Code of Conduct

Organizational Memory

One endeavor we began in 2022 is the creation of a repository of knowledge – documenting all data, processes, improvements, etc. – to ensure we have a lasting organizational memory that will be preserved for years to come.

Process Improvements

Another ongoing initiative that took hold in 2022 has been the improvement of processes at all levels of our organization. This has included improvements to:

- Creating designs.
- Communicating with manufacturers.
- Validating and storing products.
- Handling materials.



Supply Chain Management

FTC is working to further diversify our supplier base to ensure resilience in the face of disruptions, increase screening protocols and due diligence processes and support our partners in their own ESG efforts.

Responsible Sourcing

Since FTC does not manufacture steel or other products, we are not directly responsible for sourcing the raw materials necessary for production. However, as noted above, we work with our suppliers to ensure they are sourcing materials in an ethical and sustainable manner.

Supplier Code of Conduct

In 2022 and early 2023, we worked diligently to develop a Supplier Code of Conduct, establishing a set of guidelines and best practices to which we hold our suppliers.

Climate Change Risks & Mitigation Efforts

FTC, like most companies, faces risks related to climate change, as first publicly outlined in our [2021 ESG Report](#). Our supply chain faces risks of disruptions due to extreme weather events. We are responding to these risks by expanding the diversity of our supplier base and partnering with more local suppliers to reduce shipping and transportation needs.

As our company continues to grow quickly, we also face transitional risks related to the scaling of our operations. To meet production demand, we are increasingly partnering with larger-scale steel producers, rather than smaller suppliers. As our supplier base grows, we are conscious of the environmental impacts of steel manufacturing, especially as the regulatory landscape around these high-emitting industries evolves.

We also face climate-related risks in the use phase of our products, and we are adapting our designs to help mitigate these risks as much as possible for our customers. The enhanced features of our solar trackers – including high tolerances for wind, extreme temperatures and ground slope – allow them to be installed in increasingly hostile environments with minimal disturbance to the surrounding land. These design adaptations are of increasing importance, as extreme climate conditions continue while the world works to transition toward clean and renewable energy.

Conclusion – Our Path Forward

In 2023 and beyond, FTC Solar will remain committed to sustainable innovation and advanced engineering; we will continue to design products and technology that ensure we remain at the forefront of the solar industry and the global clean energy transition.

We will remain focused on delivering the highest-quality products and services to our customers, listening to their feedback and creating solutions for the world’s evolving energy needs.

The next steps in our ESG journey include finalizing and publishing a comprehensive suite of ESG-related policies that clarify our positions and guide our practices, furthering our DEI efforts at all levels of our organization, identifying and addressing our climate-related risks and continuing to increase the quality and efficacy of our ESG disclosures



Sustainability Accounting Standards Board (SASB) Index

Renewable Resources & Alternative Energy Sector

Solar Technology & Project Developers Sustainability Accounting Standard

Metric	SASB Code	Response	Page	Additional Info
Energy Management in Manufacturing				
Total energy consumed	RR-ST-130a.1	131,389.8 kWh		
Percentage grid electricity	RR-ST-130a.1	100%		
Percentage renewable	RR-ST-130a.1	0%		
Water Management in Manufacturing				
Total water withdrawn	RR-ST-140a.1			Not currently tracked
Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	RR-ST-140a.1			Not currently tracked
Description of water management risks and discussion of strategies and practices to mitigate those risks	RR-ST-140a.2			Not currently tracked
Hazardous Waste Management				
Amount of hazardous waste generated; percentage recycled	RR-ST-150a.1	None generated; none recycled		
Number and aggregate quantity of reportable spills, quantity recovered	RR-ST-150a.2	None		

Metric	SASB Code	Response	Page	More Info
Ecological Impacts of Product 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	FTC products promote better use of land management for solar production.	P. 6, 10-14	
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	FTC designs its products to have minimal negative impacts to the existing environment, community and infrastructure at installation sites, and we are conscious of the various risks surrounding solar installations, including health and safety risks for on-site installers, environmental risks from land excavation and risks to the broader community in terms of energy access and affordability.	P. 10-14	
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	While there are currently limited policies at the federal level that support the adoption of solar energy in the U.S., FTC is aware of and working to address current regulatory initiatives that can lead to potential disruptions in our supply chain, especially those related to the import of solar panels and other materials essential to meeting the growing demand for solar and other renewable energy systems to be integrated into existing grids.		

Metric	SASB Code	Response	Page	More Info
Product End-of-Life Management				
Percentage of products sold that are recyclable or reusable	RR-ST-410b.1	Approximately 90% by weight (tracker is primarily steel)		
Weight of end-of-life material recovered; percentage recycled	RR-ST-410b.2	Approximately 90% by weight (tracker is primarily steel)		Note that product life is 25 years, and FTC has been in business with the tracker for only four to five years. There is currently not a recycling program in place, but it is a future opportunity.
Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds, or beryllium compounds	RR-ST-410b.3			FTC is working to confirm exact revenue by weight of products that contained the listed substances; it is expected that amounts will be negligible, if any at all.
Materials Sourcing				
Description of the management of risks associated with the use of critical materials	RR-ST-410a.1	These risks are negligible, as most of FTC's products are primarily comprised of steel, and the recycling process is well established.		
Description of the management of environmental risks associated with the polysilicon supply chain	RR-ST-410a.2	FTC does not use significant amounts of polysilicon – it is used primarily in Row and Zone Controllers and Pony Panels.		The majority of polysilicon used in solar panels are managed and provided by the sites. Evaluation of these risks would happen at the supplier level.
Activity Metrics				
Total capacity of photovoltaic (PV) solar modules produced	RR-ST-000.A			Not relevant to FTC's business
Total capacity of completed solar energy systems	RR-ST-000.B	Since FTC introduced our first tracker in 2017, we have delivered more than 4.5 GW of solar energy capacity.		





GHG Inventory Methodology

The FTC Solar GHG emissions inventory follows the guidance provided in the World Resource Institute's Greenhouse Gas Protocol to assess the direct emissions (Scope 1), indirect emissions associated with the purchase of energy (Scope 2), as well as Scope 3 emissions.

For our Scope 1 emissions, the data includes operational emissions from mobile combustion, such as business travel for installations. For fugitive emissions, which contribute only 3% of the total Scope 1 emissions for FTC, we estimated based on industry averages. Stationary combustion emissions are not significant contributors as FTC does not produce any power on its own using fossil fuels; we found these emissions to be negligible and not material.

Our Scope 2 emissions calculations include electricity consumed in locations (U.S. and International) under active operations of FTC Solar for 2022. Scope 2 location-based emissions factors for the U.S. operations in Texas were taken based on ERCOT data, for India based on Central Electricity Authority Data, Ministry of Power, Gov. of India, and for Australia on National Greenhouse Accounts (NGA) Factors provided by the Department of Industry, Science, Energy and Resource, Govt of Australia. Emissions calculations cover emissions of CO₂, N₂O, and CH₄ from electricity and heat generation, as well as those resulting from transmission and distribution losses. Gases are converted to CO₂ equivalent (CO₂e) by multiplying the global warming potential (GWP), which is a default factor for each greenhouse gas.

For our Scope 3 emissions, we determined the appropriate geographical and operational boundaries and identified the most material Scope 3 categories to include in the analysis. Scope 3 emissions are indirect GHG emissions, resulting from the activities of the company, but occurring in the value chain from sources not owned or controlled by the company. Scope 3 emissions occur upstream or downstream of the company and are divided into 15 official and mutually exclusive categories. For the 2022 analysis, FTC considered emissions from purchased goods and services (category 1), waste generated in operations (category 5), and business travel (category 6).

Calculations of avoided metric tons of CO₂e (MT CO₂e) were derived from the estimated energy production of our solar deployments and converted into comparable metrics using the [Environmental Protection Agency \(EPA\) Greenhouse Gas Equivalencies Calculator](#).

Forward-Looking Statements and Other Important Legal Information

This report and the materials or websites cross-referenced contain statements that are aspirational or reflective of our views about our future performance that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified through the inclusion of words such as "aim," "anticipate," "aspire," "believe," "commit," "endeavor," "estimate," "expect," "goal," "intend," "may," "plan," "seek," "strive," "target," "projection," "will," and "work," or similar statements or variations of such terms and other similar expressions. The forward-looking statements in this document and the materials or websites cross-referenced concern our goals, progress or expectations with respect to corporate responsibility, sustainability, employees, environmental matters, policy, and business risks and opportunities. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. These statements are based on numerous assumptions that we believe are reasonable but are open to a wide range of uncertainties and business risks. In addition, these statements may be based on standards for measuring progress that are still developing, controls and processes that continue to evolve, and assumptions that are subject to change in the future. Consequently, actual results may vary materially from what is contained in a forward-looking statement.

For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to our business in general, see our Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on February 28, 2023, and our subsequent periodic reports filed with the SEC from time to time. Copies of these filings are available on the FTC Solar, Inc. website at investor.ftcsolar.com or on the SEC website at www.sec.gov. All forward-looking statements in this report are based on information currently available to us, and we assume no obligation to update these forward-looking statements in light of new information or future events.

The information included in, and any issues identified as material for purposes of, this document may not be considered material for SEC reporting purposes. In the context of this report, the term "material" is distinct from, and should not be confused with, such term as defined for SEC reporting purposes. Website references and hyperlinks throughout this document are provided for convenience only, and the content on the referenced third-party websites is not incorporated by reference into this report, nor does it constitute a part of this report. We assume no liability for the content contained on the referenced third-party references.



FTC Solar integrates engineering, software, and lean construction to lower installation costs and deploy reliable solar tracking solutions to advanced projects around the world.

North America, Latin America Europe, Africa, India
Middle East & North Africa Australia
Asia

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