FTC SOLAR

2023

ESG PROGRESS 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.

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Introduction

Despite challenges, 2023 was a positive year for FTC Solar and the solar energy industry. Global solar installations soared in 2023, reaching up to 440 gigawatts (GW).[1] This trend is expected to continue, with solar capacity tripling in the next five years. In 2023, we secured strategic contracts to deliver our cutting-edge technology and enhance the impact of solar energy projects. We are actively contributing to the clean energy revolution.

As a leading provider of solar trackers and software solutions, we also continued our efforts to formalize our ESG practices, track our environmental impact, and invest in our employees and communities in 2023. Our core values and commitment to sustainability guide our decisions and ensure our long-term success.

The future is full of opportunity for FTC Solar. We are committed to continuing our ESG practices and reporting, while delivering real-world positive impact. We are excited to share our accomplishments and look forward to what's next.

We are proud to highlight our ESG achievements in 2023.

[1] U.S. Department of Energy. National Renewable Energy Laboratory (NREL) — Quarterly Solar Industry Update. Released January 25, 2024.

Mission, Vision, & Values

FTC's mission is to drive energy independence through effective and efficient solar engineering and innovation.

We were founded on three key pillars that guide our company:

Sustainability, as we were born from sustainable products

Innovation, in the energy transition

Asset-light, to provide efficient and flexible capacity

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.

At FTC, we aim to demonstrate a genuine commitment to our four 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 collaborate to create world-class solutions. We foster a learning culture. We turn great ideas into our future.
- **Excellence:** We are committed to high quality. We plan well and execute flawlessly. We are focused on results.

OUR PRODUCTS AND SERVICES

Single-Axis Trackers

Voyager — Industry-Leading 2P Technology

Our Voyager tracking system is built upon a self-powered, two-panel in-portrait ("2P") single-axis tracker design utilizing a 60-meter independent row architecture. Over the last two years, we have worked to further improve the integrity and efficiency of our solar tracker technology.

We expanded our Voyager tracker portfolio into ultra-large-format modules (ULFMs) and U.S. thin-film modules to accommodate the needs of different customer solar installations. We also improved the resilience of the trackers by increasing Voyager's wind speed tolerance from 105 mph to 125 mph to help support the expansion of solar installations into less-favorable environments.

Pioneer — Our Innovative 1P Tracker

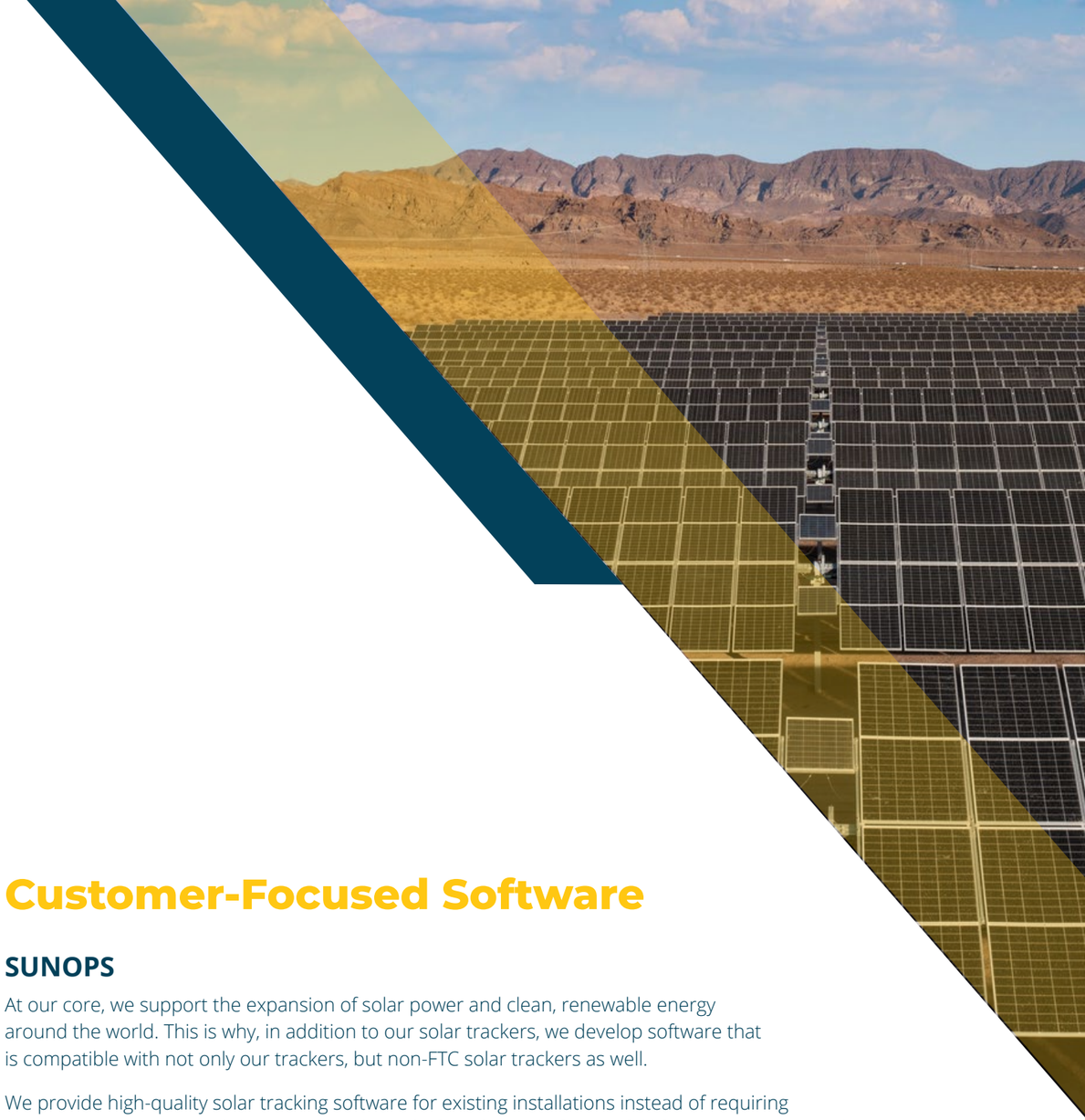
Our Pioneer 1P solar tracker solution leverages technological advantages of Voyager and provides cost savings to our customers relative to other 1P solutions, including faster assembly capability, a reduced pile count and embedment depth, and higher slope tolerance. In addition, our solutions come with several sustainability benefits, including safety considerations and simplified installation and maintenance.

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. Piles for the Pioneer tracker do not need to be driven deep into the ground, decreasing the impact to the surrounding land and reducing the overall footprint.

In 2023 we also continued to broaden compatibility options for Pioneer, including for ULFMs and the newest Series 7 U.S. thin film modules as well as additional foundation options, like screw piles.

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. Most 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

SUNOPS

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.

We provide high-quality solar tracking software for existing installations instead of requiring customers to remove and dispose of hardware before 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.

Our new SUNOPS software provides a holistic view of solar plant performance by monitoring and analyzing all operating asset data. By leveraging tracker analytics, SUNOPS helps identify and diagnose a myriad of issues across an entire solar site, providing actionable insights for field teams to resolve problems quickly. The net result of SUNOPS implementation is higher availability of our tracker system, thus generating more energy over time than other non-optimized systems.

ENVIRONMENT

Our Approach to Environmental Management

At FTC, we commit to protecting our planet for the benefit of current and future generations. Our products and services are designed to reduce environmental impacts and maximize environmental savings.

Maintaining ISO 14001 Certification

Since 2018, FTC has 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
- Planning, Procurement & Logistics

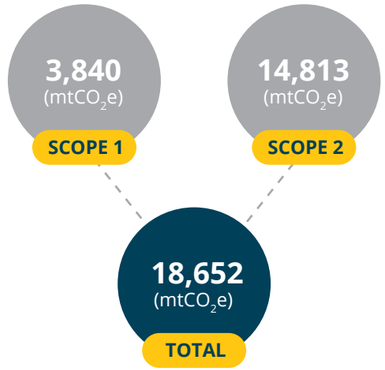
Sales & Marketing
- Installation & Operation
- Field Operations
- Quality and Reliability

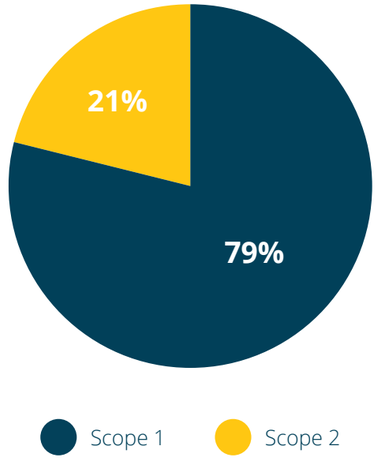
Supply Chain

FTC's Environmental Performance

Energy & Emissions

- **Scope 1:** FTC operates a fleet of light-duty trucks for equipment delivery and technical support.
- **Scope 2:** Emissions associated with purchased electricity at FTC Solar's offices in the U.S. (Texas), India, and Australia.
- This year, we are evaluating our Scope 3 indirect GHG emissions to include in future reporting.





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 non-renewable and non-recyclable materials toward more sustainable materials, such as wood and paper, wherever possible.

Impact of Solar Energy

Since we introduced our first tracker in 2017, we have delivered more than 5.5 GW of solar energy capacity.

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 ground coverage ratio (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.

Apex Solar Project — Dillon, Montana

In October 2023, Governor Greg Gianforte of Montana joined our customer, Clēnera, for a ribbon cutting ceremony to celebrate a new solar project utilizing FTC Solar trackers.

Developed, constructed, and operated by Clēnera, an Enlight Renewable Energy subsidiary, the 600-acre facility is now one of the largest in Montana. With 198,300 modules, it will supply 80 megawatts emission-free alternating current, powering 13,500 homes.

"The power generated at the Apex Solar Farm will serve Montanans as a reliable and clean source of energy for many years to come. This project is another step forward for Clēnera in putting new technologies into operation at a large scale."

— Jason Ellsworth, co-founder and CEO of Clēnera.

"This site experiences extremely cold weather. While that can pose challenges, it also helps FTC ensure that we have an incredibly robust cold-weather solution. We were very pleased to be selected by Clēnera to supply our high-performing trackers for this exciting project."

— Ken Johnston, VP, Distributed Generation for FTC Solar.

Supplier Engagement

The transition to a low-carbon and sustainable future requires collaboration. This year, we launched a new Supplier Engagement Program dedicated to empowering our supply chain partners to integrate sustainable practices while ensuring consistent quality. As part of this initiative, our work with strategic suppliers focused on three key pillars:

- **Knowledge & Data Sharing:** Engage with suppliers to share information regarding their environmental performance such as energy consumption, product footprint, and programs to improve energy efficiency. This will allow us to establish necessary baselines and KPIs for setting our own targets and goals.
- **Quality Integration:** Ensure the highest quality is maintained.
- **Recognition & Reward:** Celebrate achievements and incentivize progress through relationship expansion.

This program fosters a responsible supply chain, strengthens our ESG performance, and delivers the quality we pride ourselves in. We are committed to continuously evolving this program and will share our progress in future reports.

Climate Change

Climate change has primarily impacted our business operations by supporting an increase in demand for solar power, which directly benefits us as a supplier of solar tracking technology. The growth and efficiency of solar technology is vital to the low-carbon economy transition. To date, climate change has not resulted in any material negative impact on our operations.

We recognize the potential risks of disruptions to our supply chain due to extreme weather events and take certain actions to mitigate these risks. Some of them include:

- **Diversifying Suppliers:** Expanding our supplier base to reduce reliance on any single source.
- **Local Sourcing:** Partnering with more local suppliers to minimize shipping needs. Reductions in Shipping Costs and emissions (Shipping, Trucking, and Rail).
- **Strategic Partnerships:** Collaborating with larger, more scalable steel producers to support our growth, while remaining mindful of environmental regulations in the steel industry.

From a product perspective, we also design our solar trackers with high-slope tolerance to withstand increasingly harsh environments, wind mitigation features for enhanced stability in strong winds, and reduced foundation requirements, which minimize land disturbance during installation.

Our next-generation trackers will provide terrain-following capabilities that will further reduce customers' need to grade land, leaving more of the environment untouched and prevent erosion and deterioration of natural resources.

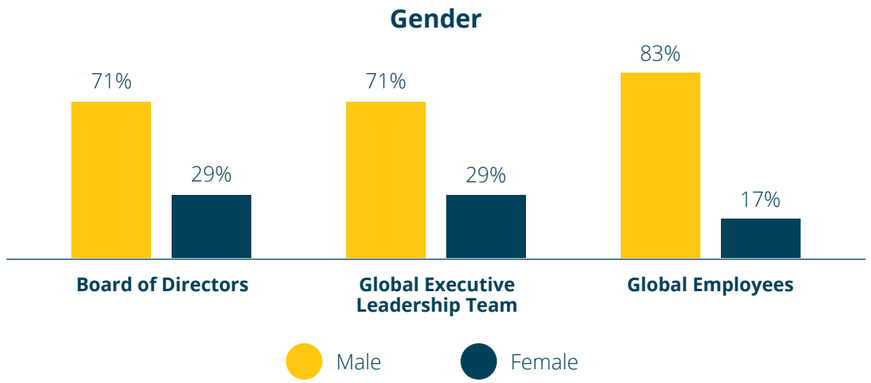
By taking these proactive measures, we aim to thrive in a climate-conscious market and ensure that our products contribute to a more sustainable future.

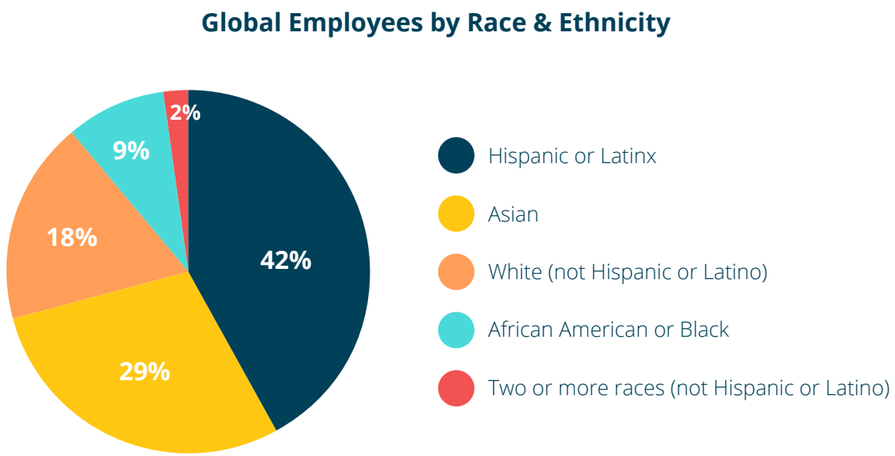
SOCIAL

Our Employees

Employee Demographics

We are committed to promoting a diverse workforce. As of December 31, 2023, approximately 90% of our employees were located in North America and India, with the remainder based primarily in China, Australia, and other Southeast Asian or Middle Eastern countries.





We also seek to attract, advance, and empower women in advancing their skills and career opportunities through networking, mentorship, and professional development.

Diversity, Equity, and Inclusion

As part of our diversity, equity, and inclusion efforts, we have further expanded our community of employee resource groups (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)

Women's Innovation Network (WIN)

Our WIN ERG is focused on attracting, empowering, and investing in women's skills and career opportunities.

This group holds periodic online meetings and events open to the entire employee population at various times during each year. As of December 31, 2023, women held the following leadership positions within the company:

Leadership Positions Held by Women

Women on the Board of Directors	**2**
Women on the compensation committee of the Board of Directors	**2**
Women on the Audit Committee of the Board of Directors	**1**
Women on the executive leadership team	**2**
Women program managers	**13**
Women people managers	**8**

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.

FTC A.W.A.R.E.

In 2022, we established FTC A.W.A.R.E, and we continued 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.

In 2023, with more than 450,000 total hours worked across all of our operations, FTC experienced one OSHA Recordable Incident, putting our Total Recordable Incident Rate (TRIR) at 0.44.

GOVERNANCE

Board of Directors

Our Board consists of seven members, including five independent members.[2]

- Shaker Sadasivam
- David Springer
- Ahmad Chatila
- William Aldeen “Dean” Priddy, Jr.
- Pablo Barahona
- Lisan Hung
- Yann Brandt

Our Board has established an Audit Committee, Compensation Committee, and Nominating and Governance Committee, consisting solely of independent members, to advise the full Board on various matters, including ESG issues.

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
- Environmental Policy
- Safety Policy
- Code of Business Conduct and Ethics
- Quality Policy

As our company continues to grow, we also face transitional risks related to the scaling of our operations. To meet production demand, we partner 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.

[2] This reflection of FTC’s Board of Directors is representative of the time of publication, not the close of FT23.

CONCLUSION

Our Path Forward

In 2024 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.

Sustainability Accounting Standards Board (SASB) Index

Renewable Resources & Alternative Energy Sector

Solar Technology & Project Developers Sustainability Accounting Standard

Metric	SASB Code	Response	Page	Additional Information
Energy Management in Manufacturing				
Total energy consumed	RR-ST-130a.1	126,743 kWh of electricity consumption.		
Percentage grid electricity	RR-ST-130a.1	100%		
Percentage renewable	RR-ST-130a.1			
Water Management in Manufacturing				
Total water withdrawn	RR-ST-140a.1			This data is currently not collected by FTC Solar.
Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	RR-ST-140a.1			This data is currently not collected by FTC Solar.
Description of water management risks and discussion of strategies and practices to mitigate those risks	RR-ST-140a.2			This data is currently not collected by FTC Solar.
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		
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.		
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.		
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.		
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)		

Metric	SASB Code	Response	Page	Additional Information
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-440a.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-440a.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 5.5 GW of solar energy capacity.