



SDG7 Energy Compact of Fortescue Future Industries
A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. [Please select all that apply, and make sure to state the baseline of each target]

(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

<input type="checkbox"/> 7.1. By 2030, ensure universal access to affordable, reliable and modern energy services.	Target(s): Time frame: Context for the ambition(s): N/A
<input checked="" type="checkbox"/> 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix.	<p>Target(s): By 2030 Fortescue is planning to have deployed 150GW of renewable energy generation across the globe to drive the production of over 15 million tonnes of renewable green hydrogen to the world by 2030.</p> <p>Time frame: 2030</p> <p>Context for the ambition(s): Fortescue is developing a globally significant portfolio of renewable energy projects to produce Green Hydrogen and its derived products such as green ammonia. The rapid deployment of significant renewable energy projects is a critical element in order to limit temperature increases to below 1.5-degrees Celsius. Fortescue has a publicly stated target of being carbon neutral in its operations by 2030.</p>
<input type="checkbox"/> 7.3. By 2030, double the global rate of improvement in energy efficiency.	Target(s): Time frame: Context for the ambition(s): N/A
<input checked="" type="checkbox"/> 7.a. By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	<p>Target(s): By 2025 the Green Hydrogen Organisation (founded and supported by Fortescue) has a global reach through a significant number of National Chapters across the world and is leading the global charge in driving deep decarbonization across industry. The Green Hydrogen Organisation is, through the Green Hydrogen Development Compact, creating a dedicated global collaborative effort to rapidly accelerate the pivot away from fossil-fuel based economies in developing countries to renewable energy including the production and use of Green Hydrogen by establishing a global industry footprint. This global footprint will act as the connection for industry to collaborate and work together on industry standards, goals, expectations and policy.</p> <p>Context for the ambition(s): Global cooperation is essential to the rapid progress required to transition the globe from carbon pollution emitting energy sources to low-cost renewable energy sources. The Green Hydrogen Organisation will bring together government, business, civil society to lead the way in accelerating the introduction and uptake of green hydrogen across the globe.</p>

<input type="checkbox"/> 7.b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked	Target(s): Time frame: Context for the ambition(s): N/A
---	---

developing countries, in accordance with their respective programs of support.	
--	--

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. [Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]

<p>Target(s): Removal of pervasive subsidies for the fossil fuel industries achieved via demonstration of an economically feasible sustainable alternative. Fortescue will prove to governments around the world that renewable energy and green hydrogen are a viable emissions free alternatives to fossil fuel use. While this is established, direct government engagement on the use of subsidies to support scale up of new technologies is paramount. While subsidies may not be needed in perpetuity like current fossil fuel usage, they are necessary to achieve scaled renewable industries in the time frames required to meet the Paris climate commitments.</p> <p>Time frame: 2030</p> <p>Context for the ambition(s): The continued subsidization of the global fossil fuel industries results in a lack of pricing in the negative externalities of this industry such as climate change. If they continue, they will subsidize fossil fuel derived blue hydrogen to the detriment of renewably generated Green Hydrogen and invariably slow the development of this industry.</p>
--

Target(s): Establishment of a globally recognized Green Hydrogen Certification Scheme / Guarantee of Origin Scheme.

Time frame: 2025

Context for the ambition(s): There is an imperative for a globally recognized Green Hydrogen Certification Scheme (otherwise known as a Guarantee of Origin Scheme) to ensure the provenance of Green Hydrogen, can be tracked, and gives certainty to customers who pay a premium for the product. This is also critical as it will see that hydrogen produced from non-renewable sources is identified and priced accordingly. This is a key priority for the Green Hydrogen Organisation and was delivered in May 2022.

Target(s): Fortescue achieves carbon neutrality in operations by 2030 through deployment of various projects and initiatives across its mining operations.

Timeframe: 2030

Context for the ambition: Fortescue has committed to achieving and world leading target of being carbon neutral in its operations by 2030. This will be achieved through various means such as deploying green hydrogen as a fuel source across its operations, energy efficiency measures, and installing significant renewable energy generation capacity to electrify its operations where possible.

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. [Please add rows as needed].

<p><i>Description of action (please specify for which ambition from Section 1)</i> Ambition 7.2 By 2030 Fortescue is planning to have deployed 150GW of renewable energy generation across the globe to drive the production of over 15 million tonnes of renewable green hydrogen to the world by 2030.</p> <p>Action: Fortescue will have made a Final Investment Decision on green hydrogen projects across the globe which will together cumulatively establish 150GW of renewable energy power across the globe to drive the production of over 15 million tonnes of renewable green hydrogen.</p>	<p>Start and end date</p> <p>2021 - 2030</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i> Ambition 7a: By 2030 the Green Hydrogen Organisation (led and supported by Fortescue) has a global reach through a significant number of National Chapters across the world and is the leading the global charge in driving deep decarbonization across industry.</p> <p>Action: There are a significant National Chapters of the Green Hydrogen Organisation across the globe.</p>	<p>Start and end date</p> <p>2021 - 2025</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i> Ambition: Removal of pervasive subsidies for the fossil fuel industries.</p> <p>Action: 75% reduction in fossil fuel industry subsidies in developed nations by 2030 achieved via offering a viable alternative green energy source and direct lobbying of governments to realign their financial incentives.</p>	<p>Start and end date</p> <p>2021 - 2030</p>

<p><i>Description of action (please specify for which ambition from Section 1)</i> Ambition: Establishment of a globally recognized Green Hydrogen Certification Scheme / Guarantee of Origin Scheme.</p> <p>Action: Creation and operation of a global Green Hydrogen Certification Scheme / Guarantee of Origin Scheme. The Standard will set the expectations for green hydrogen projects from an emissions and ESG standpoint and certify through independent audits.</p>	<p>Start and end date</p> <p>2021 - 2025</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i> Ambition: Fortescue achieves carbon neutrality in operations by 2030 (from a 2020 baseline) through deployment of various projects and initiatives across its mining operations.</p> <p>Action: Deployment of fixed plant and mobile fleet powered by green hydrogen, improved energy efficiency measures, operation of renewable energy generation (solar, wind) for decarbonization.</p>	

SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for **each** of the actions from section 2. *[Please add rows as needed].*

<p>Action: Final Investment Decision on green hydrogen projects across the globe which will together cumulatively generate 150GW of renewable energy power across the globe to drive the production of over 15 million tonnes of renewable green hydrogen.</p> <p>Outcome: A truly globally significant Green Hydrogen industry has been stood up and in addition to reducing carbon pollution is generating significant positive outcomes (jobs, training, business activity) in the regions where the projects operate.</p>	By 2030
<p>Action: There are a significant National Chapters of the Green Hydrogen Organisation across the globe.</p> <p>Outcome: Green Hydrogen is widely understood around the globe, grey/blue hydrogen are widely understood as being fossil fuel derived and thus carbon polluting, policy and legislative changes in effect which enable the accelerated growth in renewable energy projects and green hydrogen projects.</p>	By 2025
<p>Action: 75% reduction in fossil fuel industry subsidies in developed nations by 2030.</p> <p>Outcome: Accelerated investment in green energy projects than would otherwise have occurred with subsidies in place.</p>	By 2030
<p>Action: A globally recognized and in operation Green Hydrogen Certification Scheme / Guarantee of Origin Scheme.</p> <p>Outcome: Premium pricing is applied to Certified Green Hydrogen which is traded globally.</p>	By 2025
<p>Action: Deployment of fixed plant and mobile fleet powered by green hydrogen, improved energy efficiency measures, operation of renewable energy generation (solar, wind) for decarbonization.</p> <p>Outcome: Fortescue is carbon neutral in its in operations by 2030 and thus removed around 2 million tonnes per annum (2020 levels) of CO2 that would have otherwise been emitted.</p>	By 2030

SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for each of the actions in section 2.

Specific project finance and investment metrics are Commercial in Confidence. However, the investment required will be significant. The global supply chains to transition the worlds energy systems are not yet established. This is both a significant risk and an equal opportunity for Fortescue to vertically integrate and become a world leader in green manufacturing while reducing its own emissions.

Fortescue is investing in the entire value chain for green hydrogen. The above will require significant investment by Fortescue, global financial institutions, combined with support from Governments and civil society to ensure these goals are achieved and the irrevocable damage from climate change is halted in its tracks.

4.2. **[For countries only]** In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

<input type="checkbox"/> Financing	Description

<input type="checkbox"/> In-Kind contribution	Description
<input type="checkbox"/> Technical Support	Description
<input type="checkbox"/> Other/Please specify	Description

SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

Across a significant number of countries globally, potentially affecting billions of people. Fortescue has a longstanding commitment to sustainability and the welfare of the communities where it operates, including a zero tolerance approach to modern slavery, forced labour and forced marriage. Fortescue intends to leverage its growth strategy to address other Sustainable Development Goals including economic growth and energy independence in less developed countries. Fortescue's world leading track record in delivering significant opportunities, such as jobs, training and business opportunities in the regions it operates will be continued in its green energy projects.

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.

[up to 500 words, please upload supporting strategy documents as needed]

The proposed actions detailed above will make contributions to advancing the following Sustainable Development Goals by 2030: 7, 8, 9, 11, 12, 13, 14.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.

[up to 500 words, please upload supporting strategy documents as needed]

All of Fortescue's actions set out above align with and the Paris Agreement and net-zero by 2050. Fortescue's actions will contribute to driving global action to net-zero by 2050 or earlier.

Fortescue's decarbonization target of being carbon neutral by 2030 will remove approximately 2 million tonnes (scope 1 and Scope 2) of CO2 per year. Developing a globally significant green energy industry with an initial target of 150GW of renewable energy will remove significant amounts of CO2 production across the globe.

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

As per established business reporting cycles, ongoing media, Australian Stock Exchange media releases, seminars, conferences.

SECTION 7: GUIDING PRINCIPLES CHECK LIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement *I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?* Yes

No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? Yes No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defined by latest global analysis and data including the outcome of the Technical Working Groups? Yes No

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and

priorities. II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? Yes No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? Yes No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? Yes No

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? Yes No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? Yes No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? Yes No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other

SDGs. IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? Yes No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? Yes No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? Yes No **V. Feasibility and**

Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed. V.1. Is the

information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? Yes No V.2. Has the Energy

Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? Yes No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? Yes No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Fortescue's Global Green Energy Compact

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

Fortescue Future Industries

8.3. Lead entity type

Government

Non-Governmental Organization (NGO) Private Sector

Multilateral body /Intergovernmental Organization Academic

8.4. Contact Information

Local/Regional Government Civil Society organization/Youth Institution /Scientific Community Other relevant actor

Philanthropic Organization

Todd Clewett, External Affairs. +1 305 333 1893 tclewett@fmgl.com.au

8.5. Please select the geographical coverage of the Energy Compact

Africa Asia and Pacific Europe Latin America and Caribbean North America West Asia Global

8.6. Please select the Energy Compact thematic focus area(s)

Energy Access Energy Transition Enabling SDGs through inclusive just Energy Transitions Innovation, Technology and Data Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.

Please refer to Fortescue Future Industries website: <https://ffi.com.au/>; [News | Fortescue Future Industries \(ffi.com.au\)](#)

Please refer to the links below for information on Fortescue's approach to communities and generating opportunities in the regions where it operates:
[Celebrating 10 years of Fortescue's Billion Opportunities program | Fortescue Metals Group Ltd \(fmgl.com.au\)](#) and

[fy20-sustainability-report.pdf \(fmgl.com.au\)](#)