



sofiac

energy performance

by Stuart Galloway
Executive Vice President
Ontario and Western Canada

**A 500M\$
investment fund
for deep energy
retrofit and
decarbonization
projects**

Equity partners



Debt partners



Managed jointly by



With the financial support of



Our offer

Performance-based approach

Self-funded projects paid only through a share of the demonstrated savings

- > **No client investment** needed
- > **Turnkey projects** to reduce GHG emissions or energy consumption by a minimum of 25%
- > Technical and financial **risk free**
- > **10+ year** contractual arrangements
- > **Low internal return rate** by investors
- > Available to all facilities **across Canada**
- > Clients **retains control** of all assets at every project stage



To achieve ESG goals at no cost

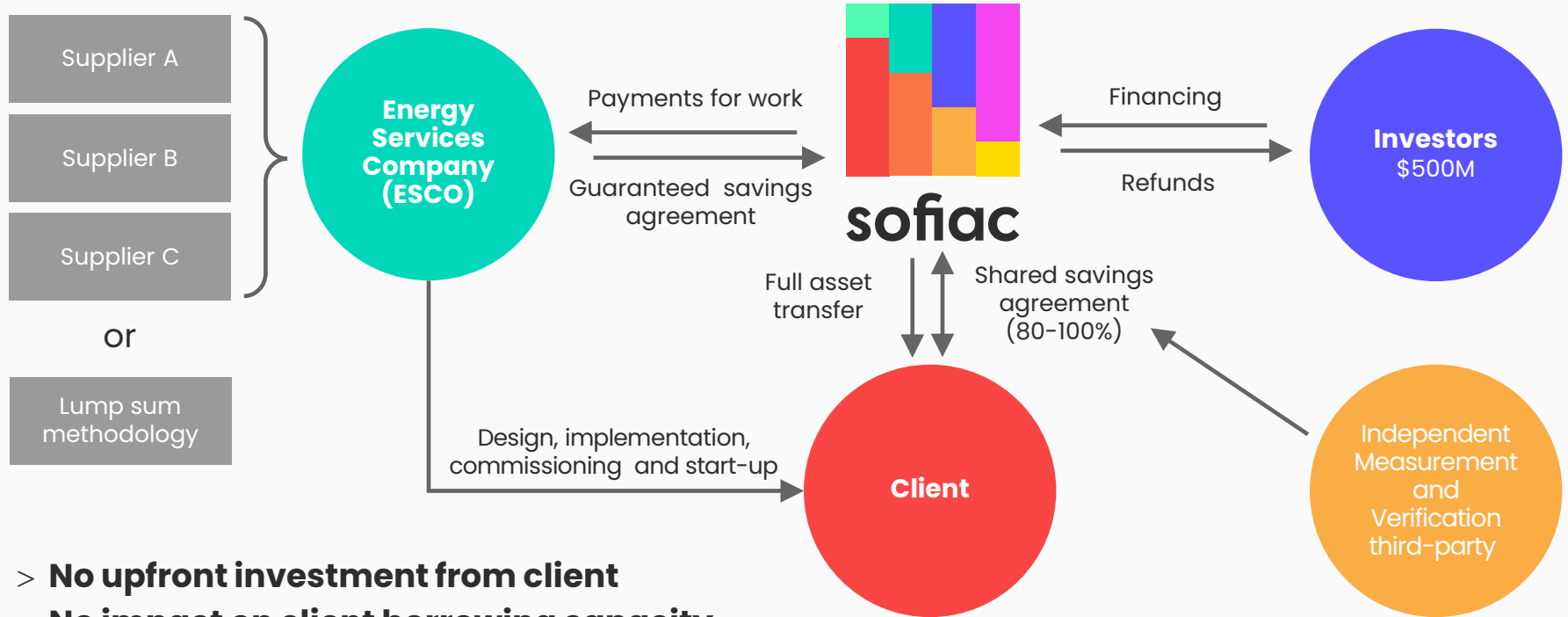
Positive financial impacts for clients



- > **Optimization of all available subsidies**
- > **No impact on corporate financing operations**
 - Non-recourse, long-term subordinated debt
- > **All amortization benefits to the client (Not public sector)**
 - All implemented assets transferred to client as of day one
 - Accelerated depreciation on most investments
- > **Reduced future CAPEX needs**
 - Acceleration of replaced assets without any investments

Positive (free) cash flows from day one and for the whole contract duration

An innovative commercial structure



- > **No upfront investment from client**
- > **No impact on client borrowing capacity**
- > **Contractual agreement of 10+ years**
- > **Technical, financial and operational risks taken by SOFIAC**

Agnostic to all technical solutions



Potential technical solutions

- > Lighting retrofit
- > Efficient motors and pumps
- > Variable drives
- > Heat recovery
- > Chiller plant retrofit
- > Thermal storage
- > Aerothermal and geothermal energy
- > Control system
- > Electrical peak management
- > CO2 refrigeration
- > Passive solar technologies
- > Fuel switching to cleaner sources

Clients retains control of all assets at every project stage

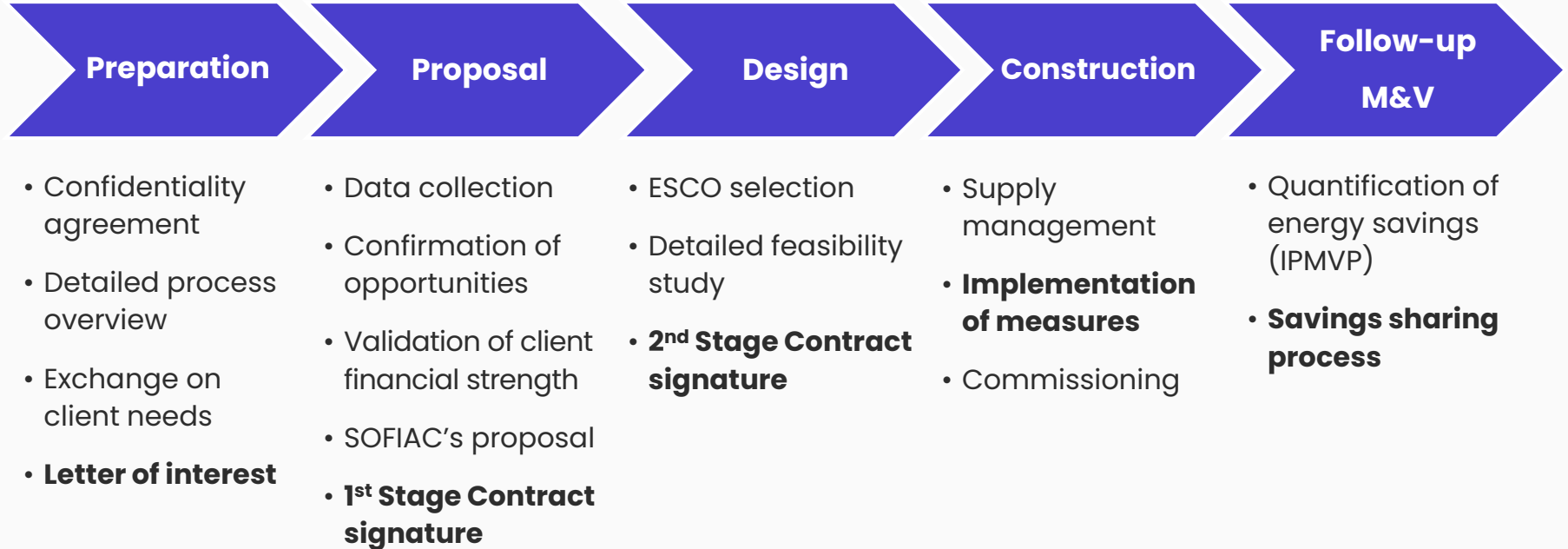


**By keeping control of what
should or shouldn't be
included in the project**



**By getting full asset ownership
and operational control once
installed**

Development and implementation process



Management team



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