



sofiac

energy performance

# Urgent

Action to **fight against**  
**climate change**

# Necessary

**Energy transition**

# Complex

**Project development**  
**and implementation**

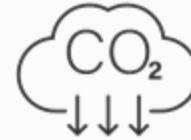
# Needed

**Adapted financing solutions**  
for companies

# By 2040, energy efficiency must...



**Reduce energy demand by a third,**  
while enabling the economy to grow  
by 150 percent



**Generate half of the GHG reduction**  
required to meet the targets agreed  
in the Paris agreement

In a business-as-usual scenario,  
**2/3 of the financially viable economic potential will not materialize**

**A 200M\$ investment fund  
for deep energy retrofit  
and decarbonization  
projects**

Equity partners



Debt partners



Managed jointly by



With the financial support of



# Our mission



**Promote an effective energy transition** to the benefit of businesses, the government, and the economy



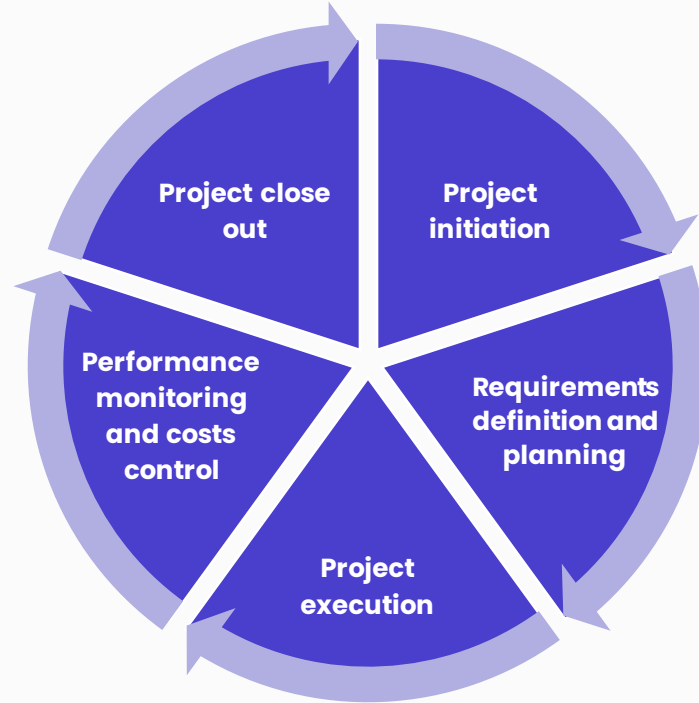
**Increase the profitability and competitiveness of businesses** by reducing energy consumption costs



**Fight against climate change** by reducing greenhouse gas emissions

# Energy efficiency as a growth engine

Policies, taxations, innovation and **market structure**



**SOFIAC develops, invests in, and manages  
deep energy retrofit and decarbonization projects  
to the benefit of Canadian businesses**



**Commercial**  
sector



**Industrial**  
sector



**Multiresidential**  
sector

# Our offer

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

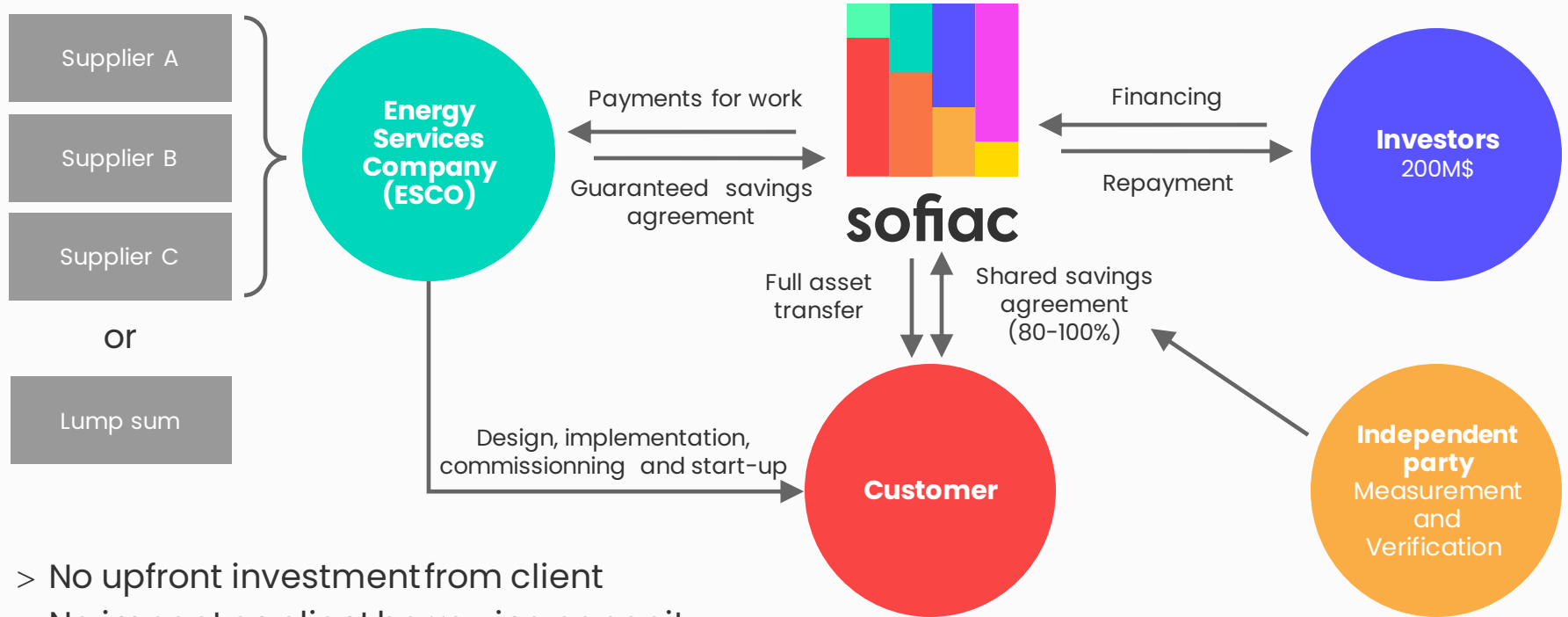
- > **No investment** needed
- > **Turnkey projects**
- > Technically and financially **risk free**
- > **10-to-15-year** contractual arrangements
- > Structured as a non recourse **subordinated debt**
- > Available **across Canada**



**Enabling the achievement of ESG goals**



# An innovative structure



- > No upfront investment from client
- > No impact on client borrowing capacity
- > Contractual agreement of 10-15 years
- > Technical, financial and operational risks taken by SOFIAC

# We partner with renowned and experienced ESCOs committed to delivering excellence and results

**AECOM**

 **AINSWORTH**

**BaulinE**  
Le souci des gens et des bâtiments

c·nergie

 **ecosystem**

 **ENERGERE**  
SOLUTIONS ÉCONÉRGÉTIQUES

 **EQUANS**

**Honeywell**

**Johnson  
Controls** 

**SIEMENS**

 **TRANE**

**MCW** 

**SOTECK clauger** 

 **sofiac**  
energy performance

# Positive financial impacts for clients

- > **Optimization** of all **available subsidies**
- > **No impact** on corporate **financing operations**
  - Non-recourse, long-term junior debt
- > **Asset transfer and amortization benefits**
  - 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 cash flows from day one  
and for the whole contract duration**

# 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**

# SOFIAC's proposal framework



## All project parameters defined jointly by SOFIAC and its client

- > Duration of the agreement (10 to 15 years)
- > Shared savings ratio
- > Energy escalation rate
- > Expected energy efficiency measures
- > Exclusions(if any)
- > Open book or lump sum approach
- > Savings measurement and verification strategies

# Additional positive impacts



## Finances

Improve competitiveness

Reduced operating costs

Increased property value



## Certifications

ISO 50 001

LEED EB

BOMA Best



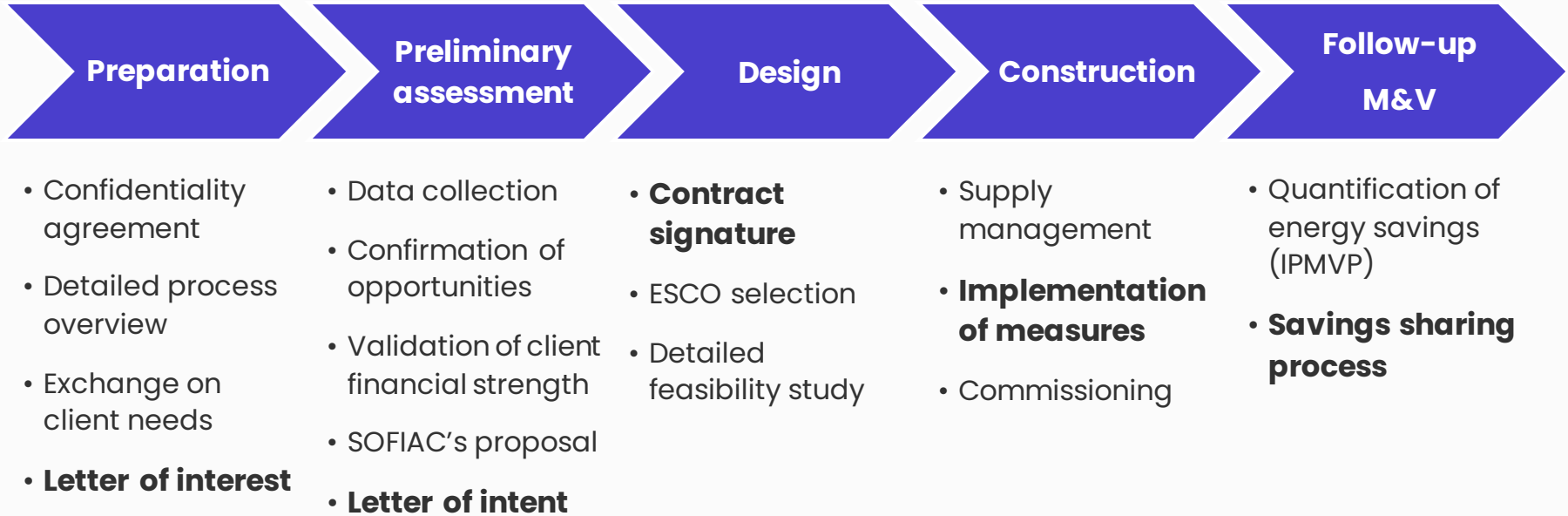
## ESG

Important Decarbonization

Net-zero objective

Other potential benefits (HFC and ODS reduction)

# Development and implementation process





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