

Major investments in SOFIAC for large-scale energy efficiency retrofit projects in Quebec

Press release

For immediate release

Montreal, October 28, 2021 – The Société de financement et d'accompagnement en performance énergétique du Québec s.e.c. (SOFIAC) closed its financing package thanks to investments of up to \$200 million by the Canada Infrastructure Bank (CIB) and Fiera Private Debt. These investments make SOFIAC the largest energy efficiency initiative in Canada. They will enable commercial, industrial and multi-residential buildings in Quebec to be modernized and their greenhouse gas emissions (GHG) reduced. SOFIAC was launched in January 2021, and is an initiative of Econoler and Fondation, with the support of the Ministère de l'Énergie et des Ressources naturelles du Québec (MERN).

The financing package provides that CIB will lend up to \$100 million and Fiera Private Debt up to \$60 million. Fondation will invest up to \$30 million in share capital. The MERN is granting a subsidy of \$5.5 million.

These investments will enable SOFIAC to extend its turnkey solution for large-scale energy efficiency retrofits to owners of buildings whose overall annual energy expenditure totals more than one million dollars, thereby significantly reducing their costs and greenhouse gas emissions.

Contributing to Quebec's and Canada's energy transition

The energy cost reduction target ranges from 25% to 40% per project. This should reduce greenhouse gas emissions by 30% to 50%, resulting in the complete decarbonization of these buildings.

The projects will be implemented in the next five years and will enable an estimated annual reduction of 20,000 tonnes of GHG emissions, thus contributing greatly to Quebec's and Canada's transition to a low-carbon future.

The deployment of SOFIAC's projects is part of the effort to reach the target of the Quebec government's 2030 Energy Policy, which aims to enhance energy efficiency by 15% and reduce the amount of petroleum products consumed by 40%. SOFIAC is also among the initiatives that will help meet the federal government's commitment to reducing Canada's GHG emissions.

Quotes

“The positive transformation of our society requires sound and innovative partnerships. By creating SOFIAC with Econoler and by mobilizing key financial actors like CIB and Fiera Private Debt, Fondaction is combining structuring conditions for reaching ambitious and realistic energy efficiency targets and taking action in the fight against climate change.”

Geneviève Morin, President and Chief Executive Officer of Fondaction

“Because of these major investments, SOFIAC will continue to develop as an innovative mechanism for breaking down barriers that could impede the implementation of energy efficiency projects for buildings in Quebec’s private sector. SOFIAC will considerably accelerate the implementation of energy efficiency measures in Quebec businesses and will play a key role in ensuring an efficient and profitable energy transition.”

Pierre Langlois, President of Econoler

“We are pleased to announce our investment in SOFIAC, an innovative financing model that will enable large-scale retrofit projects to be carried out with no upfront investment from building owners. This is a promising initiative that fits perfectly with the \$2 billion Green Infrastructure Initiative and will have a long-term material impact on infrastructure and economy in Canada.”

Ehren Cory, President and Chief Executive Officer of the Canada Infrastructure Bank

“Fiera Private Debt is proud to provide a long-term financing solution to SOFIAC’s innovative energy efficiency platform, which is supported by experienced and quality sponsors, Econoler and Fondaction. SOFIAC’s turnkey solutions will meet the needs of commercial and industrial clients’ infrastructure modernization projects – increasing energy efficiency while reducing greenhouse gas emissions.”

Andrew Shannon, Managing Director at Fiera Private Debt

“SOFIAC is extremely pleased today to have reached this crucial milestone. We will be the link between available capital and clean energy market forces. With our zero-cost implementation mechanism, we will generate significant cash flows for our clients. We will also help them take advantage of the generous subsidy programs available. With our turnkey offer and our sound expertise in cleantech deployment, we are breaking down barriers today and enabling our clients to acquire leading-edge facilities that are key to decarbonizing our economy.”

Michel Méthot, General Manager of SOFIAC

About SOFIAC

Founded in 2020, SOFIAC helps commercial and industrial sector businesses to increase their profitability and competitiveness through the development, financing, and implementation of energy efficiency projects. SOFIAC’s innovative business model enables its clients to benefit immediately from a portion of the savings generated by

reduced energy consumption, thereby enabling them to save without spending. For more information, go to sofiac.ca

About Econoler

Econoler is an international firm with 40 years of experience in the design, implementation, evaluation and financing of energy efficiency and renewable energy programs and projects. Over the years, Econoler has contributed to developing and implementing approximately 4,000 projects in over 160 countries.

Econoler has, among other things, developed an internationally renowned expertise in the design and implementation of customized financing mechanisms for various markets for the purpose of implementing energy efficiency projects. Whether it be through tailor-made lines of credit offered to banks, guarantee programs, specialized funds, carbon financing or innovative programs for all sectors, Econoler has developed a very high-level expertise to support all market players interested in implementing or providing such mechanisms. For more information, go to econoler.com or our [LinkedIn page](#).

About Fondaction

A forerunner in sustainable finance for the past 25 years, Fondaction brings together individuals and companies that are mobilizing for the positive transformation of society, taking action to make Québec's economy more equitable, inclusive, green and successful. As a labour-sponsored fund, Fondaction represents tens of thousands of savers and hundreds of companies committed to helping Québec progress. It manages a total of \$2.96 billion in net assets invested in several hundred companies and in financial markets, prioritizing investments that generate positive economic, social and environmental impacts in addition to a financial return. Fondaction helps create and maintain quality jobs, reduce inequalities and fight climate change. For more information, go to fondaction.com or our [LinkedIn page](#).

About the Canada Infrastructure Bank

The Canada Infrastructure Bank is mandated to invest \$35 billion in federal funding and attract private sector investment in new revenue-generating infrastructure projects that are in the public interest and support Canada's economic growth. The Growth Plan launched by the CIB in October 2020 calls for \$2 billion to be invested in building retrofits. The CIB's investments are subject to due diligence and approval by its Board of Directors. <https://cib-bic.ca/en/>

About Fiera Private Debt

Fiera Private Debt, a subsidiary of Fiera Capital Corporation (TSX: FSZ), is a leading pan-Canadian diversified non-bank private debt platform. The subsidiary's role essentially involves deploying the capital of investors who are looking for higher yields and lower volatility. Fiera Private Debt provides short-term loans to real estate developers or property owners, short to mid-term loans to mid-market businesses as well as long-term senior secured investment grade corporate and infrastructure loans. As of September 30, 2021, the company has over \$2.6 billion in assets under

management including \$542 million in undrawn commitments.

www.fieraprivatedebt.com.

Fiera Private Debt is not registered with the U.S. Securities and Exchange Commission and does not currently provide services in the United States or to U.S. investors.

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