

2020

Metrus Impact Report

Investing in Sustainable Energy
as a Service

About This Report

We’re launching this inaugural Impact Report as part of our effort to lead by example. This report tracks the energy savings, CO2 reduction, and efficiency of our investments in terms of CO2 savings per \$1,000 invested across our entire portfolio. We believe it is time for industry-wide, consistent climate action to include reporting on emissions reductions for all Energy as a Service and climate-related Environmental, Social, and Governance (ESG) projects.

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Our Mission

We are leading the way to a sustainable, low-carbon future by bringing energy efficiency and clean energy projects to life.

CEO Message



Bob Hinkle
President & CEO

Dear Stakeholders,

At Metrus, we work hard every day to accelerate and scale the transition to a low-carbon, sustainable future with investments in energy efficiency and renewable-energy projects. It is not enough, however, to say we only make climate-positive investments. We must be willing and able to track and report the environmental and financial performance of all Energy as a Service investments and do so in a manner consistent with the Science-Based Targets initiative (SBTi). This integration of environmental performance (carbon reduction) with financial performance enables businesses, schools, and hospitals to decarbonize their operations and track and report on the performance of their projects.

I believe annual reporting of CO₂ reductions should be woven into the way the sustainable investment community does business: Climate-impact reports increase accountability, standardize offerings, and shine a spotlight on the environmental and financial benefits for customers, partners and communities. This type of reporting can also serve to accelerate the scale and scope of project implementation by attracting the additional private investment required to upgrade and green our country's buildings and infrastructure.

The information in this report reflects how we screen, value and monitor our investments. Fighting climate change requires time-bound, urgent action and significant capital investment. It also requires standardizing how the Energy as a Service industry operates and how sustainable investments (including ESGs) are tracked and reported. Metrus is eager to set this new standard for tracking and reporting on our climate-positive investments – you'll see it in this report and in the editions that will follow in the years ahead.

Thanks,

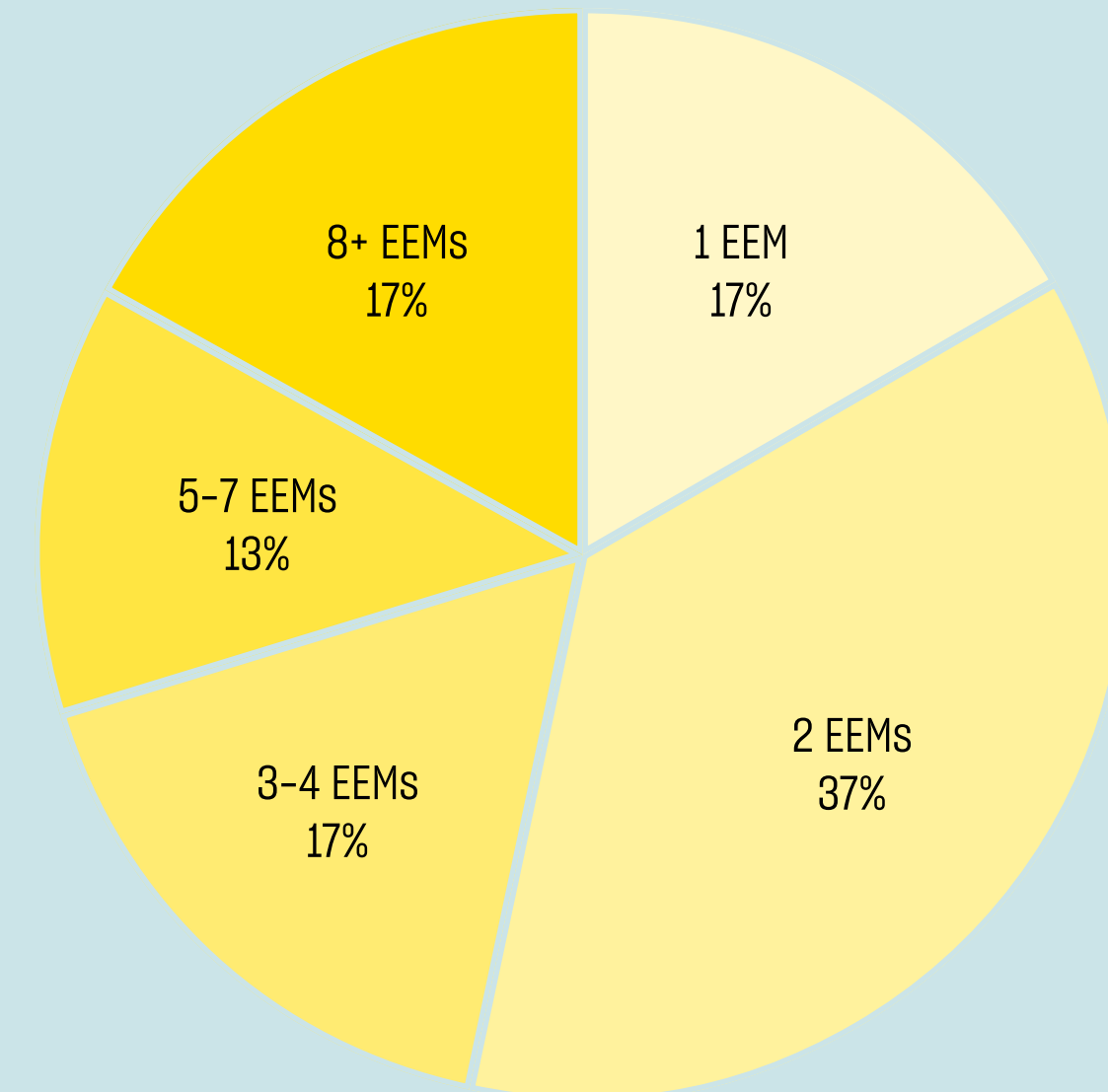
A handwritten signature in black ink, appearing to read 'Bob'.

Our Portfolio

Metrus has operational Sustainable Energy Services Agreement (SESA) projects in 26 states, encompassing more than 490 sites.¹ Our portfolio consists of approximately 30 different types of energy-efficiency measures and technologies.

Energy Efficiency Measures (EEMs) and Technology

Nearly half of our projects feature three or more EEMs, which is consistent with our efforts to bundle upgrades with varying economic and technology profiles to achieve scale. Ninety-seven percent of our projects include lighting, reflecting both its crucial value to customers and its economic importance to unlocking deeper energy retrofits. SESA projects for private sector business, education, and health care customers are all represented in the 8+ category. The 17% of our projects with a single EEM are predominantly for warehouse and distribution center clients.



Measures financed include:

LED Lighting

- Interior
- Exterior
- Controls
- HVAC Reduction

BMS

- Retro-commissioning
- Replacement

Building Envelope

Compressed Air

- Controls
- Replacement

Domestic Hot Water

Water Conservation

Hot Water Heating

Electrical

- Power Factor Correction
- Transformer Replacement

Air Handling Units/Roof Top Units

- Controls
- VFDs

Replacement Chiller

- Controls
- Replacement
- Cooling Tower

Boiler

- Controls
- Replacement

Steam System

- Controls
- Trap Repair

Ventilation Controls

Appliance Replacements

EV Charging

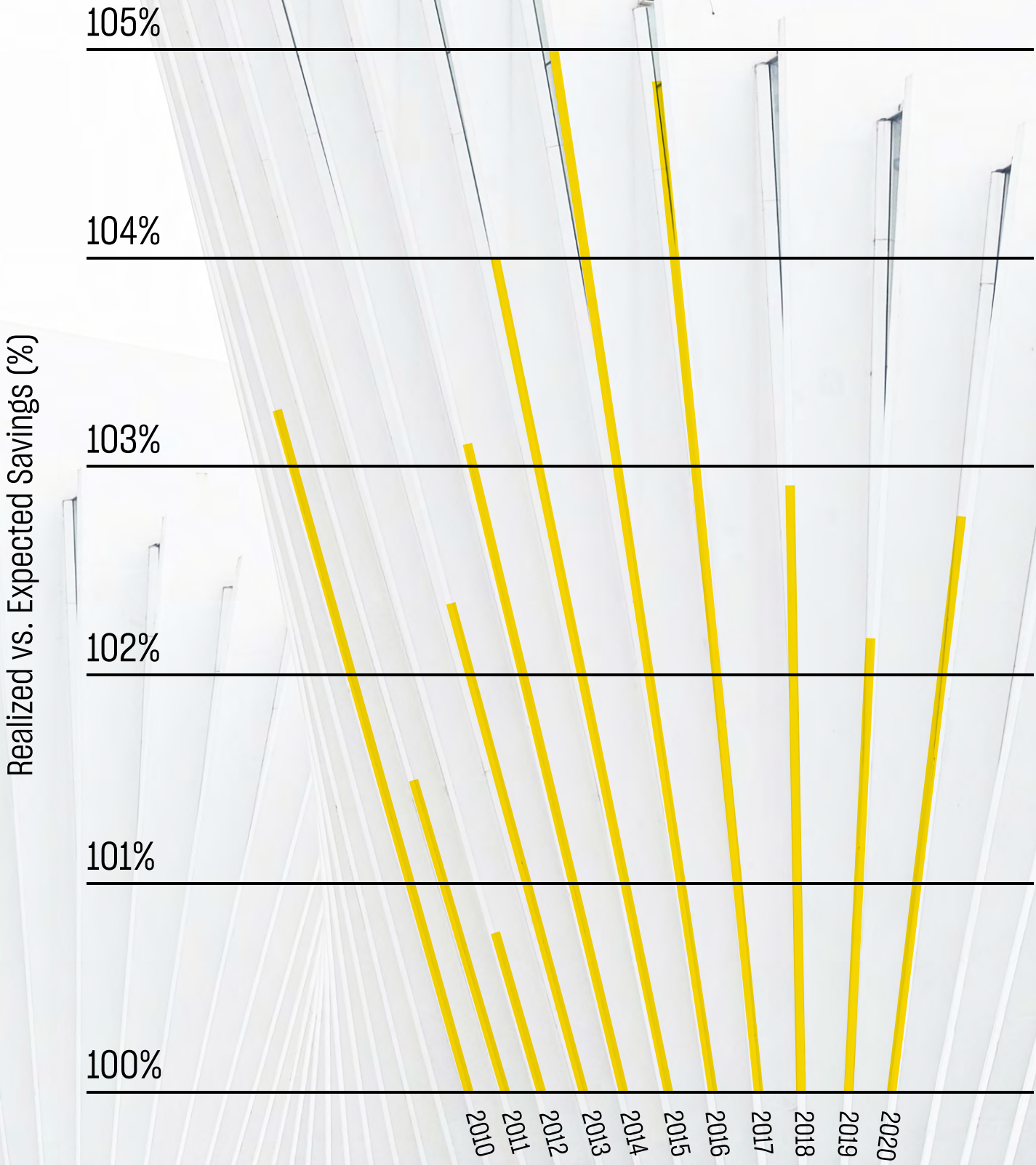
Solar

Battery Storage

Annual Performance

Ongoing measurement of project performance is central to our SESA. Over the last decade, our realized savings have exceeded the expected savings (as projected in an initial energy audit) each year. On average, our portfolio performs at 103% of its expected savings.²

Year	Performance
2010	103.3%
2011	101.5%
2012	100.7%
2013	102.4%
2014	103.1%
2015	104.0%
2016	105.0%
2017	104.8%
2018	102.9%
2019	102.2%
2020	102.7%
	103.0%



Our Impact

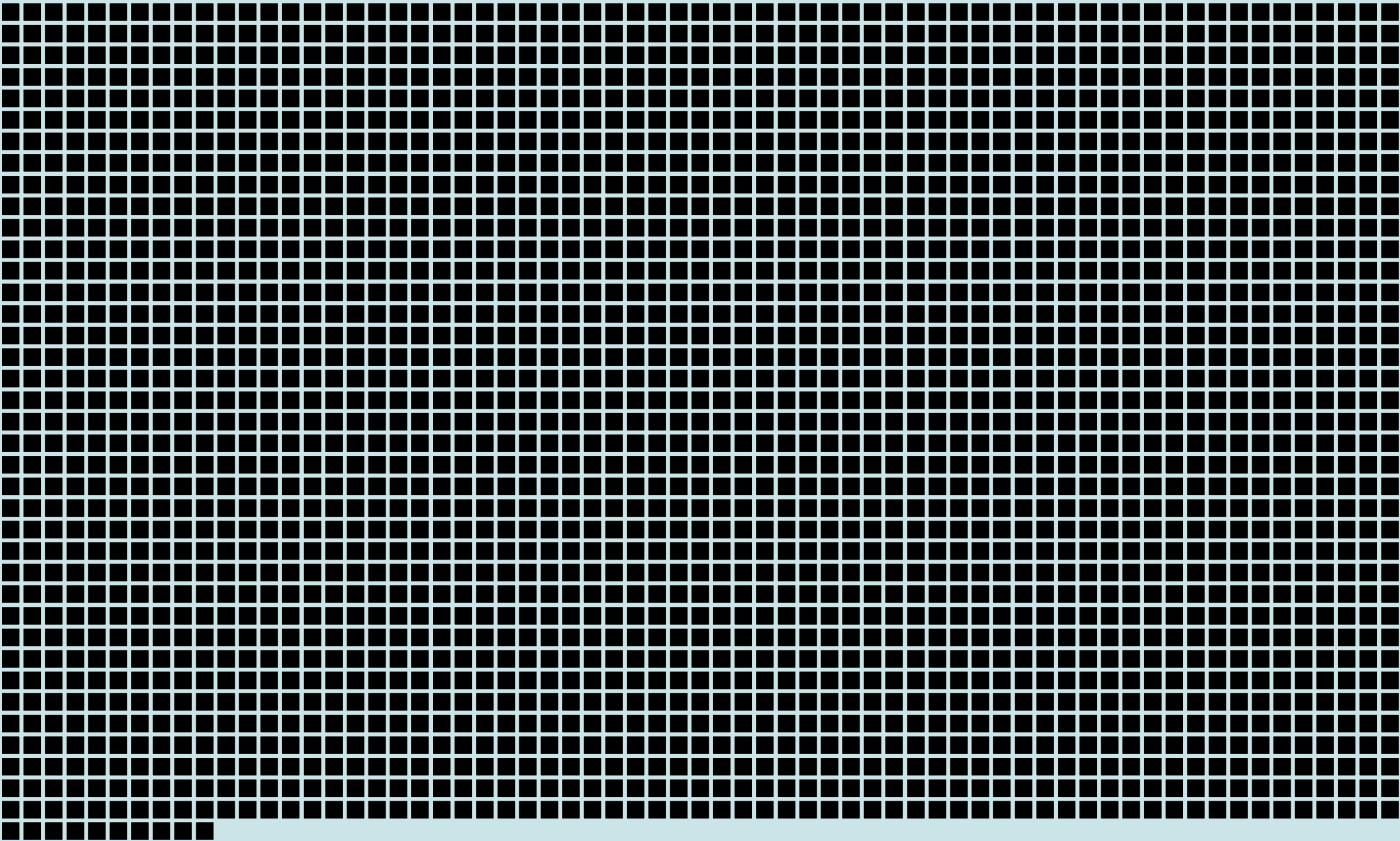
Environmental performance is interwoven into each of our projects. We prepare annual reports that detail project-level CO₂ savings broken out by Scope 1 and Scope 2 emissions to facilitate customer reporting under SBTi.³

Lifetime CO₂ Savings Across
Our Portfolio

783,825
total tons of CO₂ saved⁴

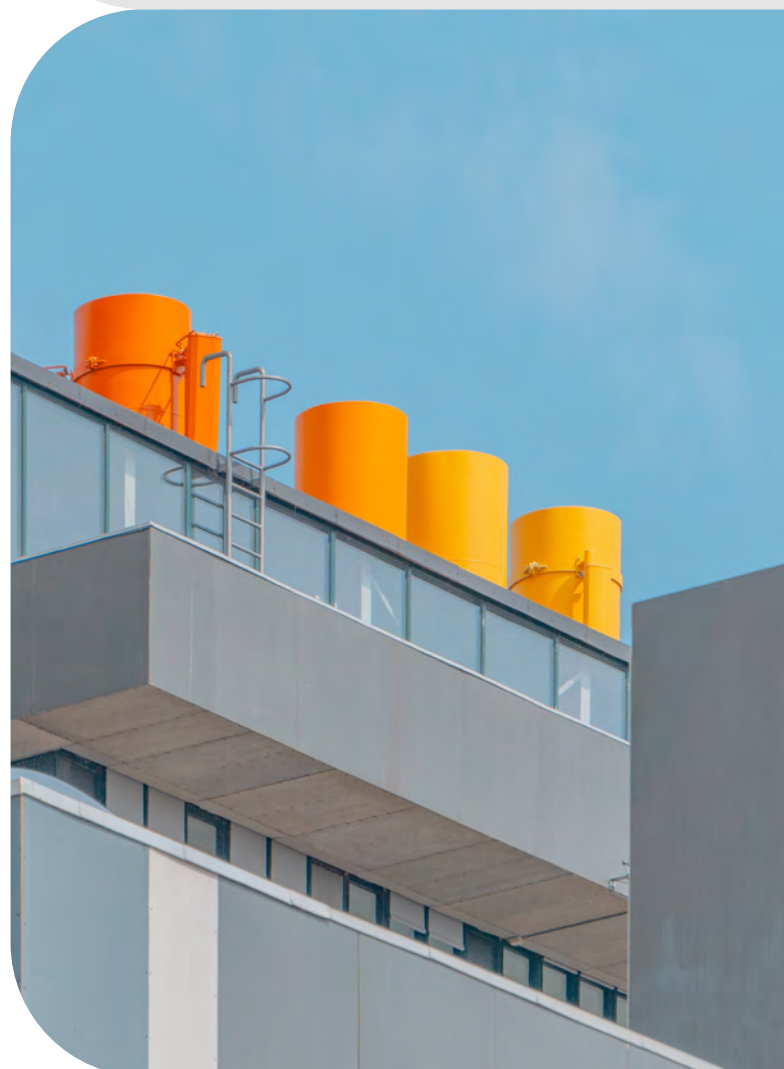
That's the equivalent of 24,802 cars
being taken off our roads each year.⁵

■ = 10 cars



2020: Annual CO₂ Savings

97,418
annual tons of CO₂ saved



Scope 1

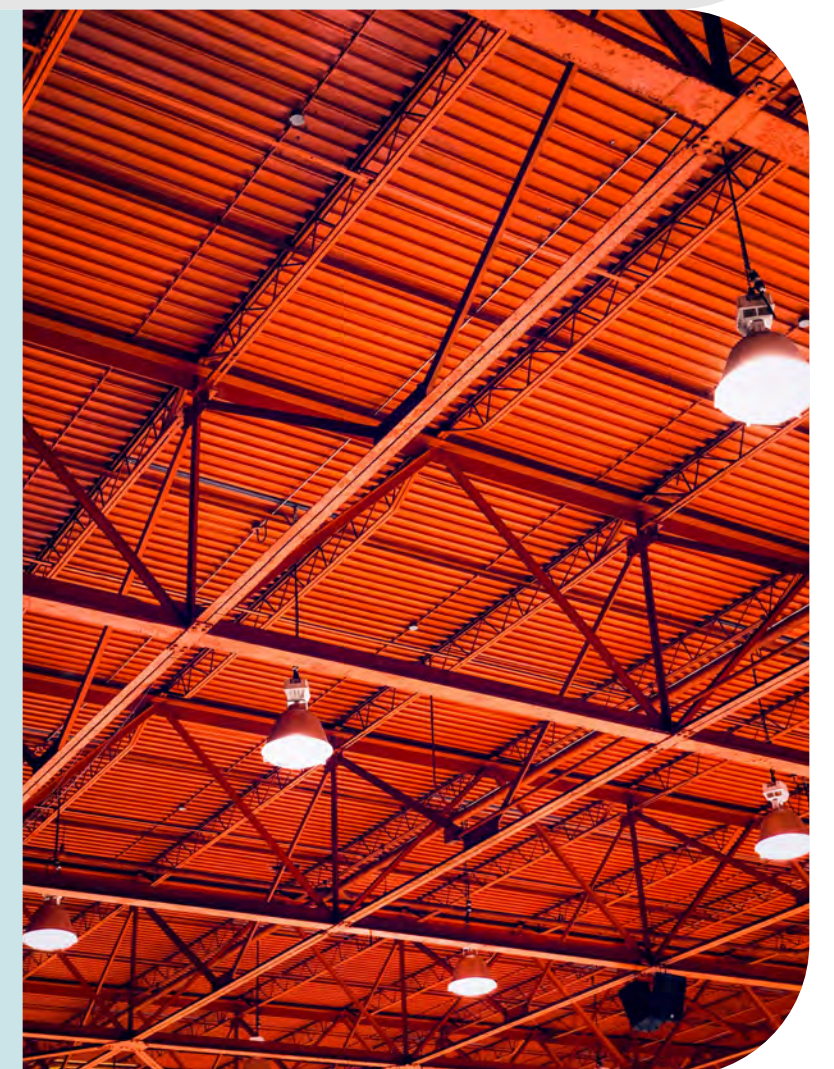
Direct emissions that occur at an organization's location (e.g., natural gas-fired furnaces, oil-fired boilers, etc.)

5,808
annual tons of CO₂ saved

Scope 2

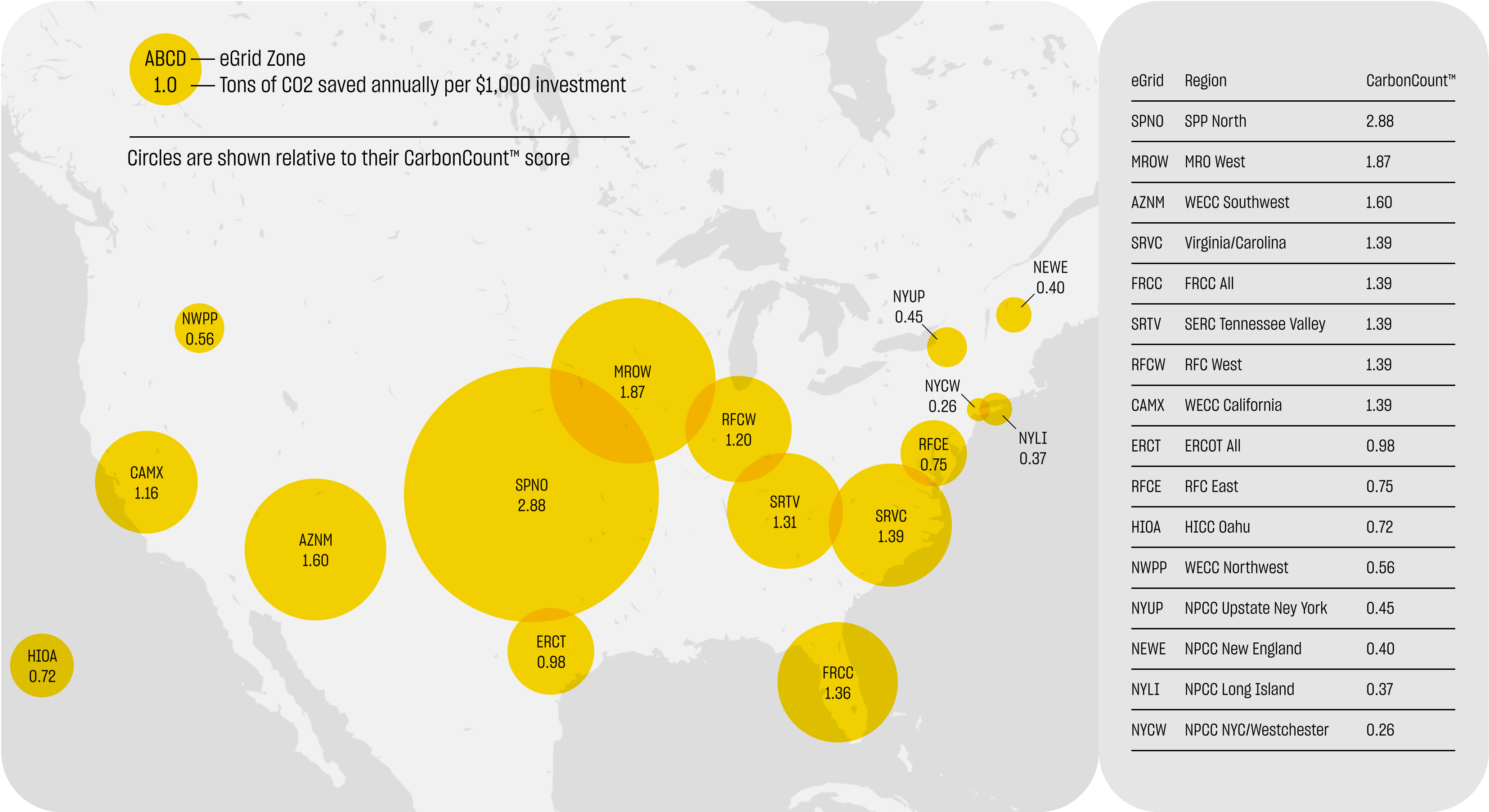
Indirect emissions that are generated elsewhere in service to an organization (e.g., purchased or acquired electricity, steam, etc.)

91,610
annual tons of CO₂ saved




Annual CO2 Savings per \$1,000 of Investment


Metrus measures the efficiency of its investments in reducing CO2 (tons) by using CarbonCount™ as a scoring tool.⁶ Higher ratios mean greater carbon reduction per \$1,000 of investment.⁷ The data below represents the average scoring for Metrus projects located within 14 different regional eGrid zones.⁸ Results vary based on the CO2 mix of the local grid and type of efficiency upgrades.



2020: Total Annual Energy Savings

Our projects include a wide range of energy-efficiency improvements that generate both electric and thermal energy savings.⁹

 **205,725,589**
kWh of electricity saved

 **215,995**
gallons of fuel oil saved

 **473,074**
therms of natural gas saved

 **3,845,000**
gallons of water saved

Case Study

Queens University

Education



Total Metrus investment
\$1.80 million

CarbonCount™
0.41

A Metrus SESA enabled Queens University of Charlotte to upgrade critical energy infrastructure without adversely impacting its balance sheet. The school replaced three chillers and an outdated building management system with state-of-the-art equipment, increasing efficiency and resiliency across the campus. The SESA structure allowed Queens to add LED lighting and water efficiency measures to the project in order to achieve even greater energy savings and CO₂ reductions. With upgrades across 25 buildings, Queens will see annual energy savings of \$190,000 and will reduce its annual CO₂ emissions by 720 tons.

Case Study

Bristol Hospital

Health Care



■ Total Metrus investment
\$4.18 million

■ CarbonCount™
0.32

Healthy buildings are vital to patient care. Faced with an aging physical plant and an urgent need to reduce operational costs and reduce the facility's energy and water consumption, Bristol Hospital turned to Metrus to spearhead a wide-scale retrofit project. Through Metrus' Sustainable Energy Services Agreement (SESA), Bristol Hospital implemented a multi-site project that included LED lighting retrofits, building envelope upgrades, an energy management system, water conservation, and air-handling unit replacements. The project reduced the hospital's energy and water use by more than 20%, saving 1,226 tons of CO₂ annually.

Case Study

Fortune 100

Warehousing & Distribution



■ Total Metrus investment
\$74.28 million

■ CarbonCount™
1.05

Metrus navigated an uneven landscape of utility rates and landlord requirements to implement energy-efficiency upgrades across this Fortune 100 company's sprawling enterprise. Working with its ESCO and lending partners, Metrus crafted a Sustainable Energy Services Agreement (SESA) that featured the flexibility and scalability required to ensure the projects, spread across 56 sites, are economically viable and rapidly deployed. Taken together, the projects reduce electricity demand for lighting by 71%. They will reduce CO₂ emissions by 73,297 tons annually, which is the equivalent of taking 14,461 cars off the road each year. There have been eight project tranches in two years; more projects with this customer are underway.

Our Commitment

Metrus partners with leading coalitions and organizations that bring diverse stakeholders together in the fight against climate change. These partnerships amplify the urgent message that reducing emissions is of critical importance and requires broad-based commitment.

Our partnerships

**AMERICA IS
ALL IN**

\$100 million

The America Is All In initiative (formerly We Are Still In) is a diverse coalition of U.S. leaders who support halving US emissions by 2030 and reaching net zero emissions by 2050. Metrus is already more than halfway toward its commitment to finance \$100 million in sustainable energy projects as part of this ongoing initiative.



\$175 million

The Department of Energy's Better Buildings Challenge is a partnership of businesses, manufacturers, cities, states, universities, and school districts committing to improve the energy efficiency of their buildings by at least 20% over 10 years. Metrus was one of the first financial allies to join this program. After hitting its initial investment commitment, Metrus is 80% of the way to meeting its latest \$175 million commitment.

Other key partnerships



Diversity, Equity, and Inclusion

Metrus is dedicated to creating a work environment that reflects our commitment to diversity, equity, inclusion, empowerment and anti-racism. We respect and learn from different viewpoints and lived experiences. We welcome, support and benefit from the perspectives of people who differ in race, culture, ethnicity, gender identity, physical ability, religion, and sexual orientation.

We believe that having diverse employees, business partners and community relationships is vital to delivering our services and achieving our mission of bringing energy efficiency and clean energy projects to life. At Metrus, diversity of thought and experience is respected and viewed as essential to excellence.

We are at our best when every member of our team is respected, included, and heard. Metrus is a place where everyone can show up as themselves and do their best work every day. Metrus is US.

End Notes

- 1) Sites are unique locations that may be incorporated in multiple projects.
- 2) Performance is determined by measured and verified savings using the Efficiency Valuation Organization's International Performance Measurement and Verification Protocol (IPMVP): <https://evo-world.org/en/products-services-mainmenu-en/protocols/ipmvp>. Each calendar year may not align with a project's annual period; therefore savings are weighted between calendar years based on the project's substantial completion date.
- 3) U.S. Environmental Protection Agency eGRID Scope 1 and 2 Emissions: <https://www.epa.gov/greeningepa/greenhouse-gases-epa>.
- 4) All conversions into CO₂ are based on U.S. EPA eGRID regional emission data: <https://www.epa.gov/egrid>.
- 5) U.S. EPA Greenhouse Gas Equivalencies Calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.
- 6) Used Alliance to Save Energy Carbon Count to calculate CO₂ (tons saved annually) / \$1000 invested: <https://www.ase.org/carboncount>.
- 7) Each \$1,000 investment represents the cost of installing the energy efficiency upgrades in that eGRID region.
- 8) U.S. EPA eGRID regional emission data: <https://www.epa.gov/egrid>.
- 9) Savings in 2020 are determined by measured and verified savings using IPMVP when available. Otherwise, expected savings are included. In instances where the calendar year may not align with a project's annual period, savings are weighted between calendar years based on the project's substantial completion date.

