

AMERESCO RECEIVES THE 2023 COMPANY OF THE YEAR AWARD

*Identified as best in class in the North American
energy services industry*



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Ameresco excels in many of the criteria in the energy services space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Addressing Decarbonization Needs with Advanced Technologies and Creative Financing

Founded in 2000, Massachusetts-based Ameresco is a leading independent provider of integrated clean energy technologies, services, and solutions for a low-carbon future. Leveraging over two decades of

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**- Maria Benintende,
Industry Director Energy & Environment**

experience and having delivered over \$13 billion in projects, the company helps governmental, institutional, utility, commercial, and industrial customers across North America and Europe benefit from energy efficiency measures and renewable energy generation.

The road to net zero requires a holistic approach and the adoption of various solutions for electrification, energy efficiency, and clean energy power generation. Unlike competitors that focus their offerings on a single

technology solution or reduction area, Ameresco provides a balanced offering to improve energy efficiencies and reduce carbon footprints from both the demand and supply sides, optimizing the entire system. One of the strongest service areas for Ameresco is the design and implementation of energy efficiency and retrofit projects. The company combines advanced technology and techniques to help clients meet their unique energy-savings and energy-management needs across major building and industrial systems, such as heating, ventilation, and air conditioning (HVAC); lighting; water; and steam.

On the supply side, Ameresco develops and builds right-sized renewable energy plants located at or close to customers' sites and holds and operates its asset portfolio to deliver clean electricity, heat, and cooling; processed biogas; and renewable fuels. The company is one of the most experienced participants in renewable natural gas (RNG) in North America.

Having started with biogas projects from its inception, Ameresco currently holds 26 operating projects and has 20 more in the construction and permitting stages. In addition, Ameresco is a supplier of choice for photovoltaic (PV) installations, now operating 132 small-scale PV plants, and is making outstanding progress in battery energy storage systems (BESS) deployment. With a long list of executed energy storage projects deployed across municipal utilities to large federal projects, Ameresco added a new deal with Southern California Edison in late 2021 to develop 537.5 MW/2,150 MWh of battery storage across three sites.

In addition to mastering a comprehensive list of services and distributed energy resources (DERs), another differential of Ameresco's value proposition is the diversity of financing structures available for customers. Depending on customers' requirements, Ameresco offers different commercial structures that include engineer-procure-construct (EPC), performance contracting, design-build-own-operate-maintain (DBO), power purchase agreements (PPAs), and energy-as-a-service (EaaS) models, wherein Ameresco retains ownership of the completed plant. Such a comprehensive energy service portfolio and flexibility in commercial delivery models allow Ameresco's customers to meet their economic, operational, and technical needs.

Best Practices Example

According to Frost & Sullivan research, Ameresco is a one-stop-shop, advanced energy service provider, as highlighted in the case study of the United States Coast Guard (USCG) Training Center Petaluma in northern California. The \$43 million energy savings performance contract (ESPC) project consists of a microgrid integrating an existing backup generator with a new 5-MW solar PV system and 11.6-MWh battery. On the demand side, the contract includes deploying smart controls for buildings, LED lighting improvements, HVAC equipment upgrades, and EV charging infrastructure installation. Ameresco's solution can power the entire site in case of a power interruption, bringing higher energy security and resiliency to the facility. With the budget-neutral financing model, USGC addressed critical energy improvements with advanced solutions in a short time frame, which would have been impossible with the traditional capital expenditure (CAPEX)-based approach.

Best Practices Implementation: Powerful Partnerships and Strategic Sources to Navigate Supply Chain Constraints

Ameresco has many best practices that span its operational and technology areas. Since the beginning of the COVID-19 pandemic, however, excellence in strategic sourcing has become an especially critical element to sustain the company's success. For other cleantech integrators and manufacturers, supply constraints across the global renewable and battery storage value chains, driven by lockdowns and exponential demand in the EV space, are causing considerable delays in project execution and incurring pricing pressure.

Anticipating these challenges, Ameresco's financing team took a proactive approach in 2021 and set up a

strategic group of procurement professionals to work with all regions to understand and plan for sourcing needs for the following 2 to 5 years. With such advanced planning, the company has a considerable margin to maneuver and minimize the impact of more extended delivery deadlines.

Another strength that positions Ameresco better than its competitors is its good relationships and partnerships with its vendors to ensure they remain in a good place in the supply queue. With its reputation built through two decades in the business; firm environmental, social, and governance (ESG) commitments; and solid financial position, the company is regarded as a trusted partner for suppliers. Ameresco maintains long-standing partnerships with Tier I providers across BESS, PV modules, turbines, HVAC, LED systems, and controllers, allowing it to navigate present challenges and deliver high-quality projects.

Ameresco's most recent partnership with Powin LLC, a global leader in manufacturing battery energy storage solutions, was announced in May 2022. The companies signed a contract for the supply of 2.5 GWh of BESS that will guarantee part of Ameresco's increasing energy storage demand to 2025 to be used in its customers' and owned sites as a standalone asset, paired with solar, or integrated into a microgrid solution.

Excelling in Growth: Solid Financial Performance and Impeccable Customer Feedback

The right combination of solutions, leadership, and best practices implementation transpires in the company's financial performance. From 2017 to 2022, Ameresco's revenues increased by over 20%, with its EBITDA growing at an even higher rate as the company's margins improve based on recurring business lines and customers. The company has continued to expand its addressable market through more comprehensive and complex projects and assets, including more advanced technologies, such as BESS and microgrids, smart controls, and artificial intelligence (AI).

Over the last two decades, Ameresco has built a strong reputation and longstanding partnerships with customers in North America, now expanding that reputation into the European market. Frost & Sullivan recognizes Ameresco for meeting customers' needs and exceeding their expectations as they value its one-stop-shop energy service partner approach and the business impact of its solutions for a more resilient and sustainable energy future.

According to Paul Farnan, Principal Deputy Assistant Secretary, US Army, "The new BESS aligns with the Army's Installation Energy and Water Strategic Plan to provide resilient, efficient and affordable energy on our installations...It is designed to help reach future resiliency goals, and directly aligns with the Army Installations Strategy and the Army Climate Strategy."¹

According to Mike Allen, Sustainability Lead Consumer, GlaxoSmithKline (GSK), "The completion of this [solar] project marks a pivotal moment for us at GSK Consumer Healthcare, as a continued step in the right direction for enacting real change that reduces our environmental impact and helps us deliver on our larger sustainability initiatives."²

With the Inflation Reduction Act (IRA) signed into a bill in August 2022, Ameresco's growth prospects have

¹ Ameresco; "[Ameresco Awarded 6-MW Battery Energy Storage System \(BESS\) at U.S. Army's Fort Detrick Base](#)"

² Ameresco; "[GSK Consumer Healthcare Announces Completion of Solar Panel Project for Oak Hill Site in Partnership with Ameresco](#)"

never been greater. The new and extended tax credits for renewables, energy storage, energy efficiency, and fuel-switching initiatives, among others, will considerably increase the feasibility and payback of a larger array of projects, driving demand for Ameresco's comprehensive range of services.

The Best in-house Talent to Maintain a Leadership Focus

Ameresco has over 1,300 business and energy professionals with high-level technical skills, split across 65 regional offices throughout North America and Europe. Specialized in-house teams design and execute projects by seamlessly collaborating throughout all stages of project lifecycle development, permitting, engineering, project management, compliance, legal, and operations. When these experienced teams

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come together, they leverage Ameresco's advanced clean technology portfolio and integrate it creatively to deliver tailored and efficient energy solutions for customers.

Frost & Sullivan finds that a significant part of Ameresco's success in customer satisfaction and continued growth comes from the company's experienced employees and their vocation to stay ahead of the rapid innovation in the energy sector.

Ameresco invests in career development and training

across technologies to foster and maintain an innovative environment suitable to developing the next generation of sustainable leaders. Every person in the organization is encouraged to understand the company's full suite of services and take on new responsibilities, contributing to employees' motivation and morale and leading the company to earn the 2022-2023 Great Place to Work, a prestigious certification based on staff input.

One of Ameresco's remarkable initiatives is the Center of Excellence in Advance Technology training sessions that the company's Corporate Communications department holds for all employees monthly. The sessions enable greater familiarity with subject matter experts, new technologies, and the company's innovation roadmap. Ultimately, this initiative ensures that every employee can leverage the best technologies available to meet customers' needs, helping the company constantly expand its product offerings and services to new and existing customers.

Conclusion

Ameresco has the right combination of services, advanced technologies, and financing options to help all types of governmental and business customers achieve their decarbonization goals. For over 22 years, the company has demonstrated exemplary performance in customer satisfaction, becoming a trusted long-term energy partner for several organizations in North America. Ameresco remains a reference in the energy efficiency and DER space, inspiring its talent to become energy transition leaders.

Furthermore, Ameresco has strong financial key performance indicators, having experienced continued growth but remaining a nimble and customer-centric organization. Frost & Sullivan determines that Ameresco is best positioned to capture market opportunities from increasing decarbonization ambitions in the business-to-business space, which will now be accelerated by the impacts of the IRA.

For its strong overall performance, Ameresco earns Frost & Sullivan's 2023 North American Company of the Year Award in the energy services industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

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Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

