

Hamilton Enterprises Holding Corporation

AGM – June 23rd, 2025



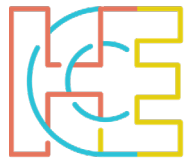
Introduction

Corporate Overview – Purpose Statement

The City of Hamilton and communities beyond are transforming quickly, deeply and irrevocably.

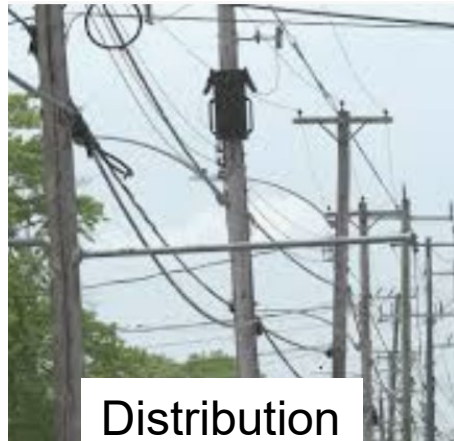
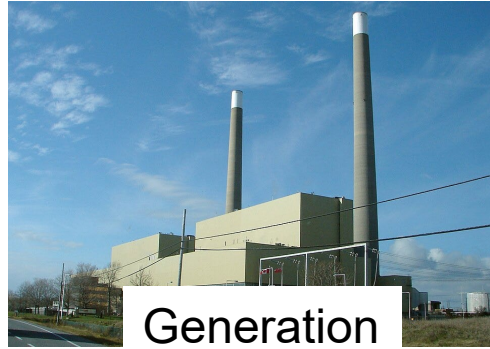
The energy transition, climate change and digital transformation are driving unprecedented challenges and opportunities in communities.

HCE delivers solutions to communities, institutions and businesses through reliable connectivity and affordable energy, delivering smart, purpose-built solutions through the convergence of energy innovation and digital excellence



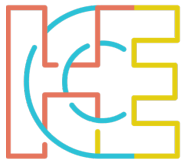
How the Energy Landscape is Evolving in our Community

Energy and Data Unite in the Transformation of our City



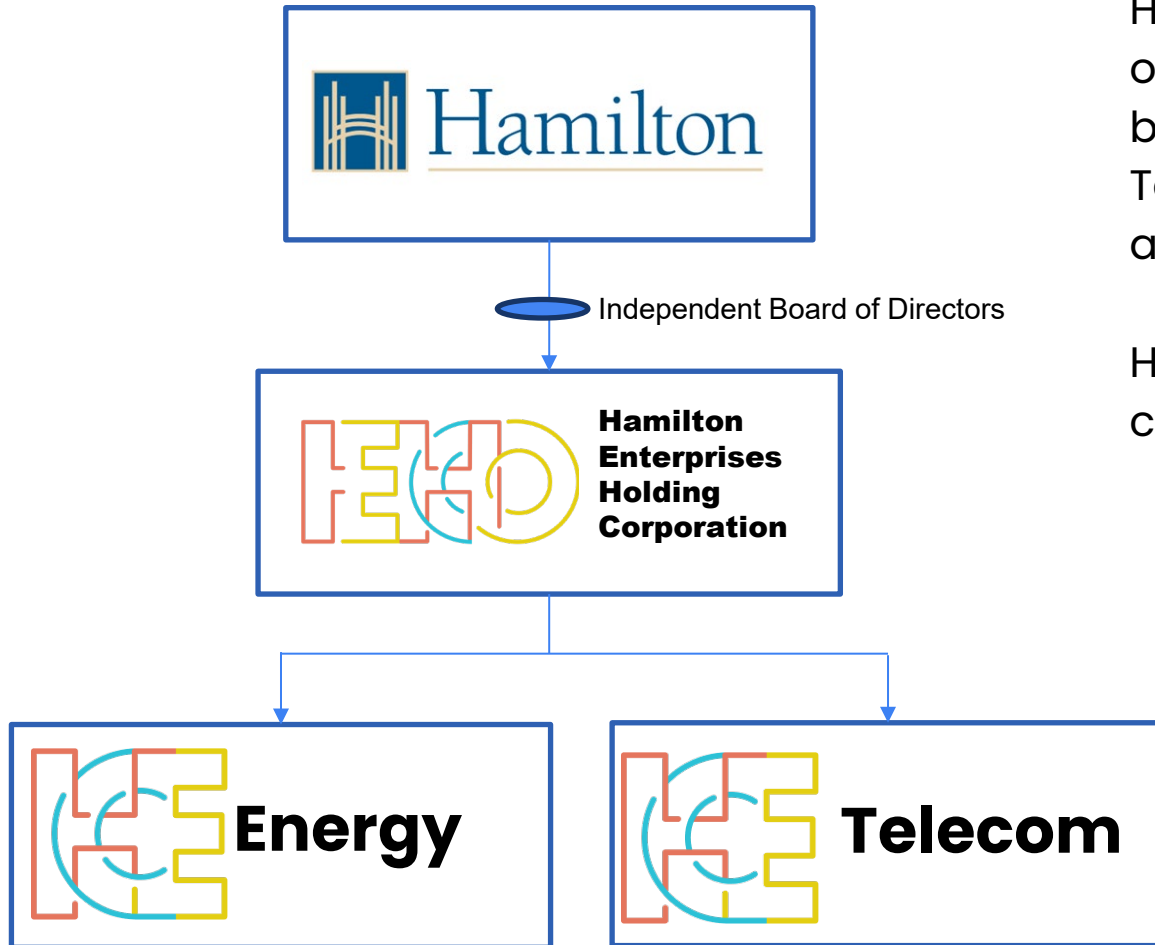
Today's Energy Market
Centralized, Predictable, Vertically Integrated, One-way

Tomorrow's Energy Market
Distributed, Intermittent, Horizontally Integrated Bi-directional



Introduction

Corporate Structure - HEHCo



Hamilton Enterprises Holding Corporation (**HEHCo**) is wholly - owned by the City of Hamilton and contains two subsidiary businesses that operate in the non-regulated Energy and Telecommunication sectors. HEHCo was established in 2017 after Horizon Utilities merged to form Alectra.

HEHCo's subsidiary businesses operate under the commercial brand of Hamilton Community Enterprises (**HCE**).

Subsidiary Businesses



Hamilton Community Enterprises - Energy



Hamilton Community Enterprises - Telecom



Founded in 2002, HCE Energy provides environmentally sustainable District Energy and Renewable Technology solutions to the City of Hamilton and various other public and private institutions

HCE Energy VISION

To be a catalyst for urban transformation by delivering innovative, community centered energy solutions that are resilient, low-carbon, and affordable - empowering cities, industries, and residents to thrive.

HCE Energy MISSION

At HCE Energy, we believe that access to clean, reliable, and cost-effective energy is foundational to a prosperous future. Building on our legacy of public service and leadership in district energy, we are advancing scalable solutions - from waste heat recovery to integrated utility systems - that reduce emissions, lower energy costs, and strengthen community resilience.



District Energy

Solar PV

Distributed Energy
Resources

Geo-Exchange

Operations &
Maintenance Services



Introduction

HCE Telecom

Founded in 2015, HCE Telecom provides mission-critical Internet and data technology solutions to the MUSH sector and Enterprise businesses across the Greater Toronto Hamilton Region.

HCE Telecom VISION

To lead in shaping the digital future, delivering responsive, mission-critical networks that drive innovation and enable connected businesses, institutions and cities to thrive

HCE Telecom MISSION

To deliver agile, innovative, and solution-driven telecommunications and security services that put our customers first, empowering businesses and institutions with reliable connectivity, exceptional support, and technology that evolves with their needs



Internet

Private Networks

Wi-Fi

Data Centre

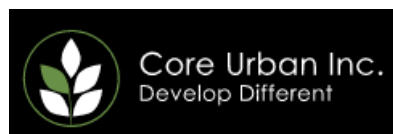
Internet Security

Design & Build



A few of our Customers

Over 220 and growing





HCE Engaged in the Community

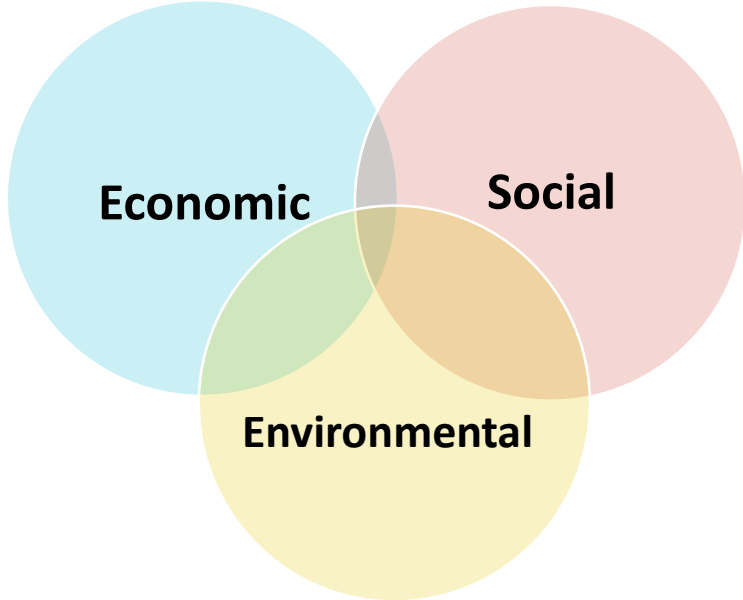


ENGINEERING
W. Booth School of Engineering
Practice and Technology

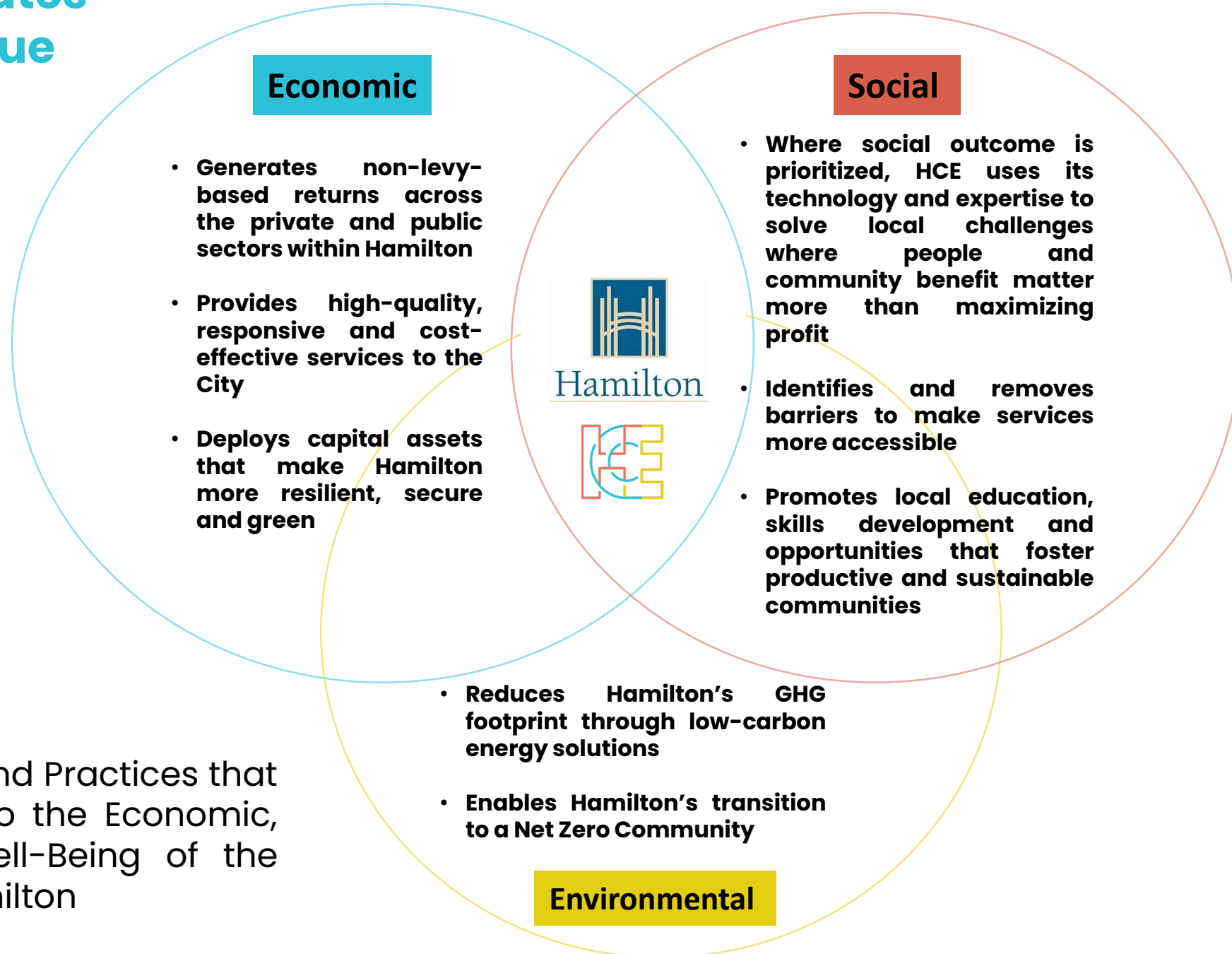


How HCE Generates Shareholder Value

Triple Bottom Line



HCE is Committed to Policies and Practices that Recognize our Responsibility to the Economic, Social and Environmental Well-Being of the Citizens and Businesses of Hamilton

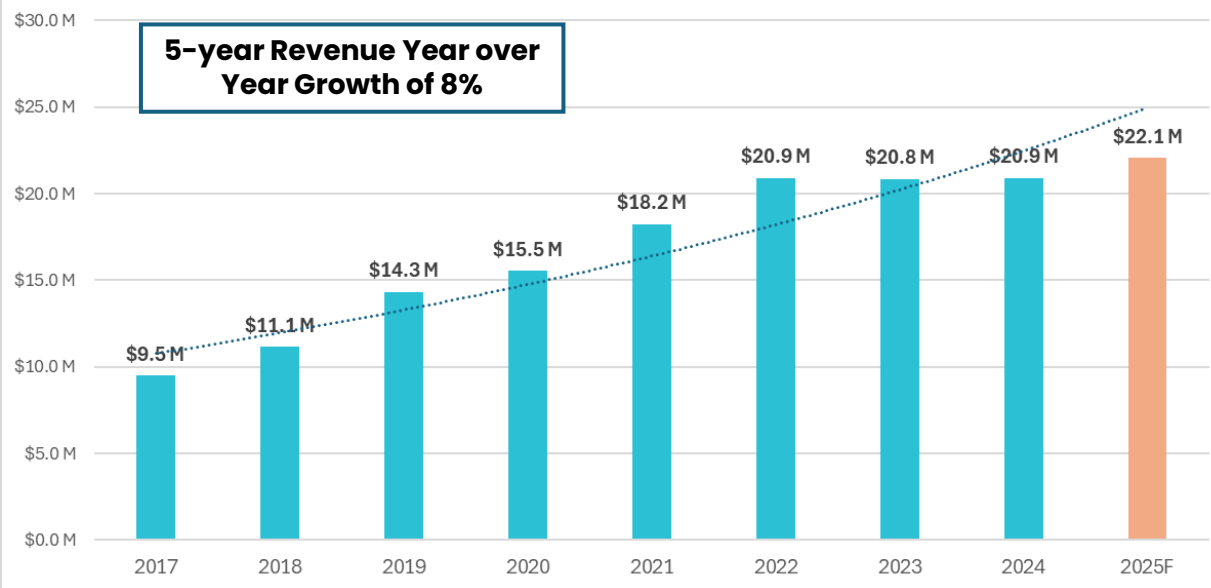




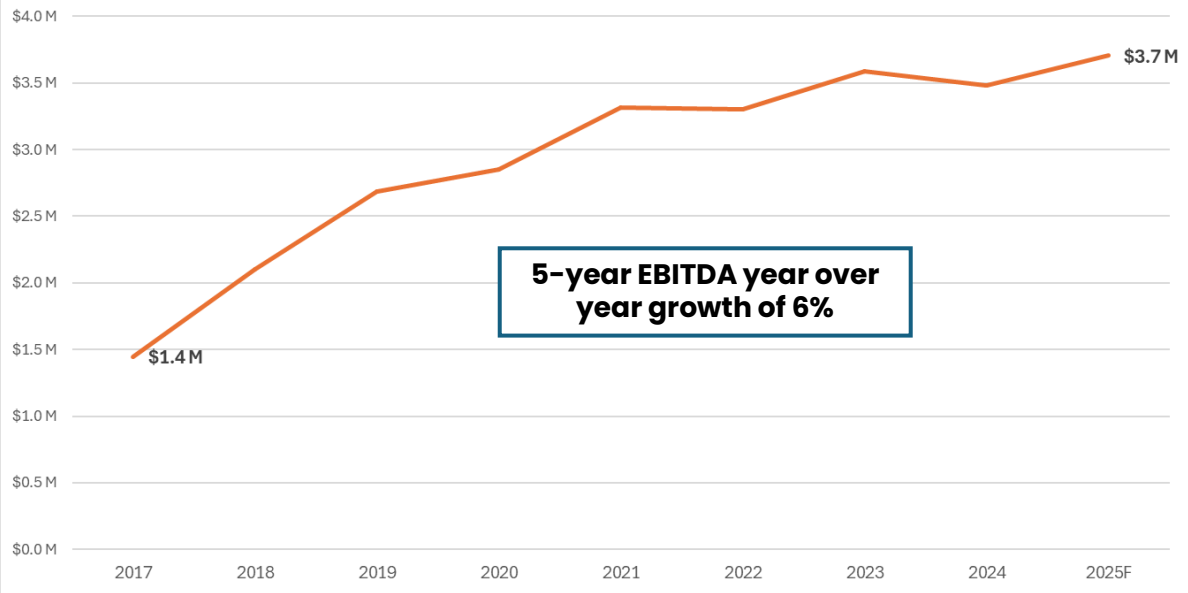
How HCE Generates Shareholder Value

Financial Performance

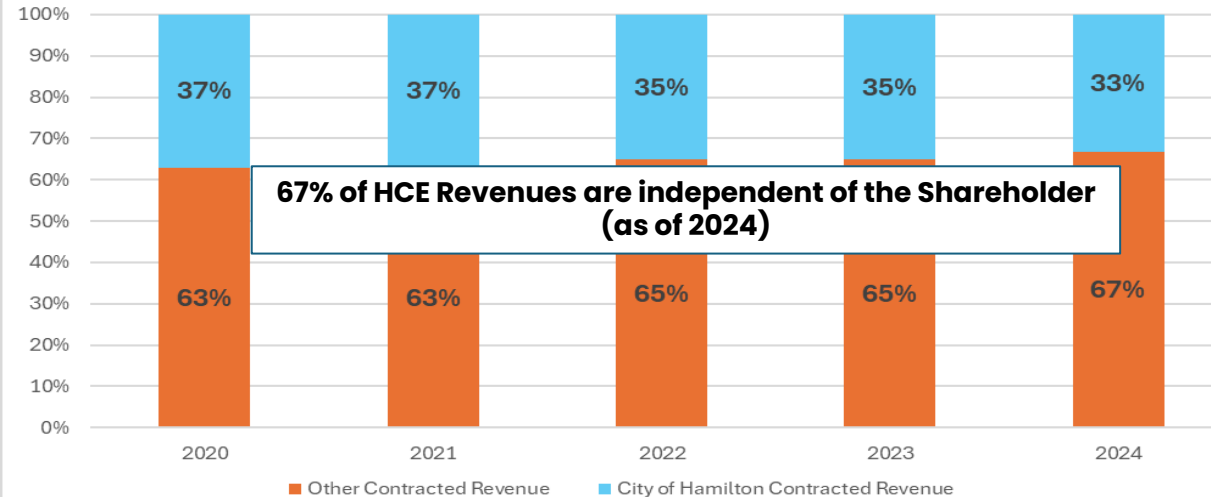
HCE Revenue



HCE Normalized EBITDA



HEHCo Revenue Composition
2020 to 2024

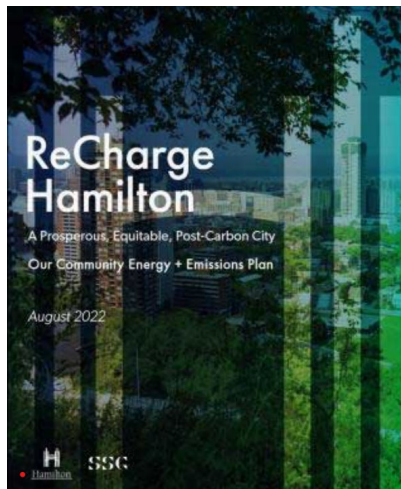


Through proceeds from its operations, HEHCo has reinvested \$9M into the Hamilton economy, supporting green energy and Internet initiatives over the last 5 years

- Canadian Telecom's 5-year average growth is 2.4% as per CRTC
- Canadian District Energy projected 5-year average growth is 7.8% as per KVB Global research

We are working in partnership with Council, City Staff and the wider community to enable the priorities that aim to create a sustainable, vibrant and transparent City

Sustainable Economic & Ecological Development
Safe and Thriving Neighbourhoods
Responsiveness & Transparency



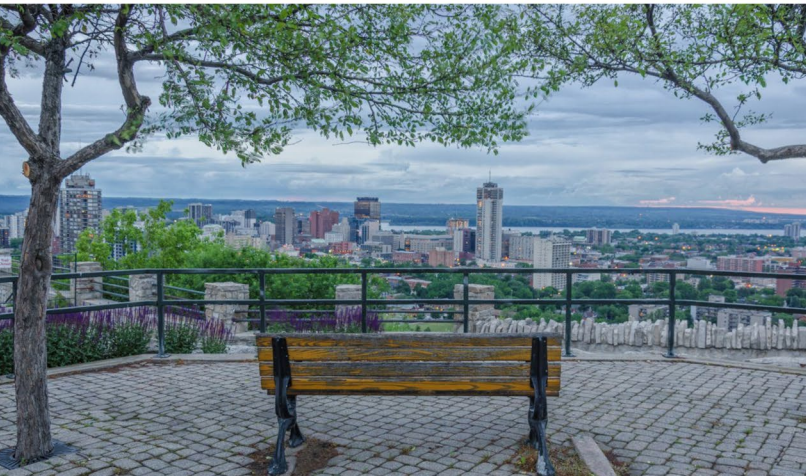
City of Hamilton
City-Wide Green Building Standards
DRAFT CONTENT





Examples of Triple Bottom Line in Action

Social Benefit	Environmental Benefit	Economic Benefit
<ul style="list-style-type: none">• Rapid deployment of critical data network infrastructure and rapid restoration of the essential services the City provides to the residents of Hamilton during the onset cyber incident response	<ul style="list-style-type: none">• Completion of The Energy Harvesting study that proved the economic viability to repurpose 143,000MWh of wasted thermal energy to eliminate in excess of 27,000 tonnes annually of carbon emissions through investment into District Energy.	<ul style="list-style-type: none">• HCE generates stable cash flows that are reinvested into growth, operations and long-term capital planning
<ul style="list-style-type: none">• Hamilton Gives Award recipient for the Sustainable Hamilton Award. Recognizing HCE commitment to attaining a greener and more sustainable future for Hamilton.	<ul style="list-style-type: none">• Continuous improvement initiatives to district energy assets to maximize efficiencies, including a feasibility study to transition to sustainable heat generating technologies to further reduce our carbon footprint.	<ul style="list-style-type: none">• Generate shareholder value by reducing City of Hamilton operating costs by \$ 3.3 M annually through core energy and telecommunication services.
<ul style="list-style-type: none">• Continue to expand and develop new innovative ways to provide affordable, high-quality Internet for social housing, avoiding hidden costs.	<ul style="list-style-type: none">• Boosting grid resiliency through Industrial Conservation & Demand Management using HCE's combined heat and power assets at 79 Bay and Pier 10 assets. Reducing electrical grid stress during heat waves and other high demand peaks.	<ul style="list-style-type: none">• Continued growth of revenue streams independent of the Shareholder, demonstrating HCE's ability to generate returns from commercial activities across the region.
<ul style="list-style-type: none">• Deliver and operate public space wi-fi that supports over 35k unique users per month.	<ul style="list-style-type: none">• Conducted a study on the viability for a 2MW solar-PV project at the new 330 Wentworth transit facility.	<ul style="list-style-type: none">• Delivering 5-year above-market growth, demonstrating strength in the services HCE provides through varying economic conditions.



Cyber Resilience, Public Safety & Community Access

How HCE Telecom Kept the City of Hamilton Connected When it Mattered Most in 2024

- **Rapid Emergency Response**

- In the face of the City's cyber event, HCE rapidly built and deployed parallel networks, restoring critical services such as Fire, Long-Term Care, and more in real-time, minimizing downtime and protecting public safety.

- **Enhanced Cybersecurity Services**

- Introduced new offerings including Managed Firewalls and 24/7 Managed Detection & Response solutions to strengthen the City's digital resilience.

- **Secured Public Internet Access**

- Delivered a highly available, managed virtual firewall for Hamilton Public Library, ensuring secure, uninterrupted internet access for the community.

- **Reliable & Responsive Partner**

- Activated new telecom services and completed urgent network changes — often within 24 hours — while supporting City IT staff with expert technical guidance.

- **Connecting Vulnerable Communities**

- HCE continues to develop innovative, affordable internet solutions for social housing communities, helping ensure the most vulnerable residents stay connected.



What is Hamilton's Integrated Community Energy Network

Downtown District Energy – Integrated Heat & Cooling & Electricity



Hamilton City Hall



Lister Block



FirstOntario Centre



Hamilton Convention Centre



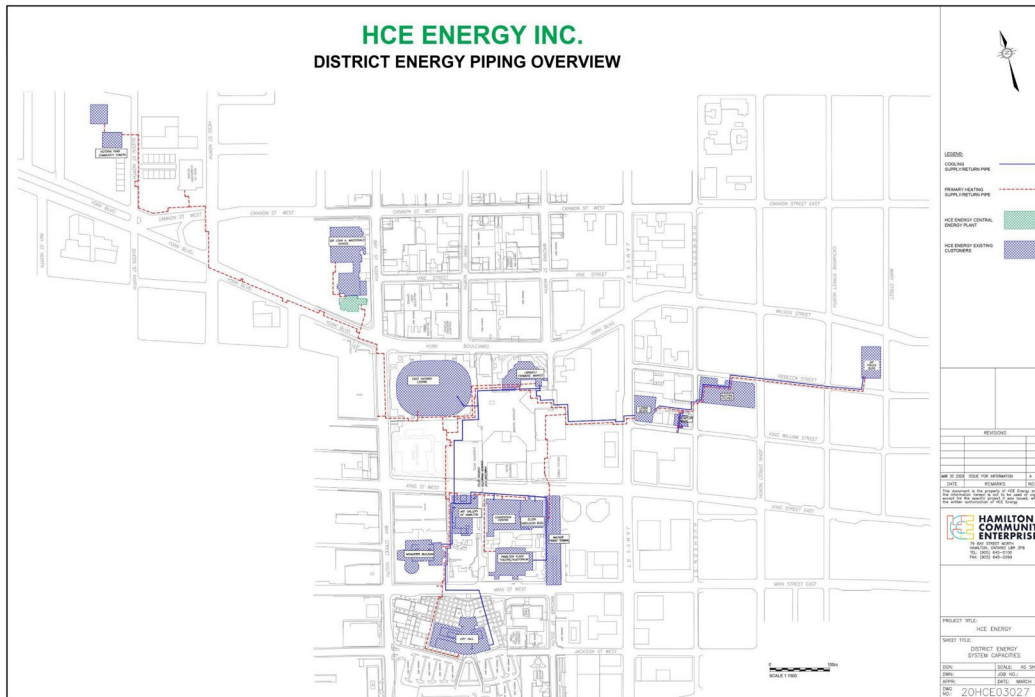
David Braley Health Sciences Centre



Alectra Utilities Office



Art Gallery of Hamilton



Victoria Park Community Homes



Templar Flats



Hamilton Public Library/Farmer's Market



FirstOntario Concert Hall



HCE Central Energy Plant



Ellen Fairlough Building



Hamilton Police ISF

- HCE provides an innovative bundle of heating, cooling, domestic hot water, and electricity for up to 2.5 million square feet of institutional, commercial, and multi-residential properties, offering reliable, resilient, and cost-effective energy solutions.
- HCE's existing District Energy footprint is adjacent to the next wave of development in the downtown core, with the potential to connect in excess of 7700 units of new development



Hamilton's Integrated Community Energy Network

Downtown District Energy – Integrated Heat & Cooling & Electricity

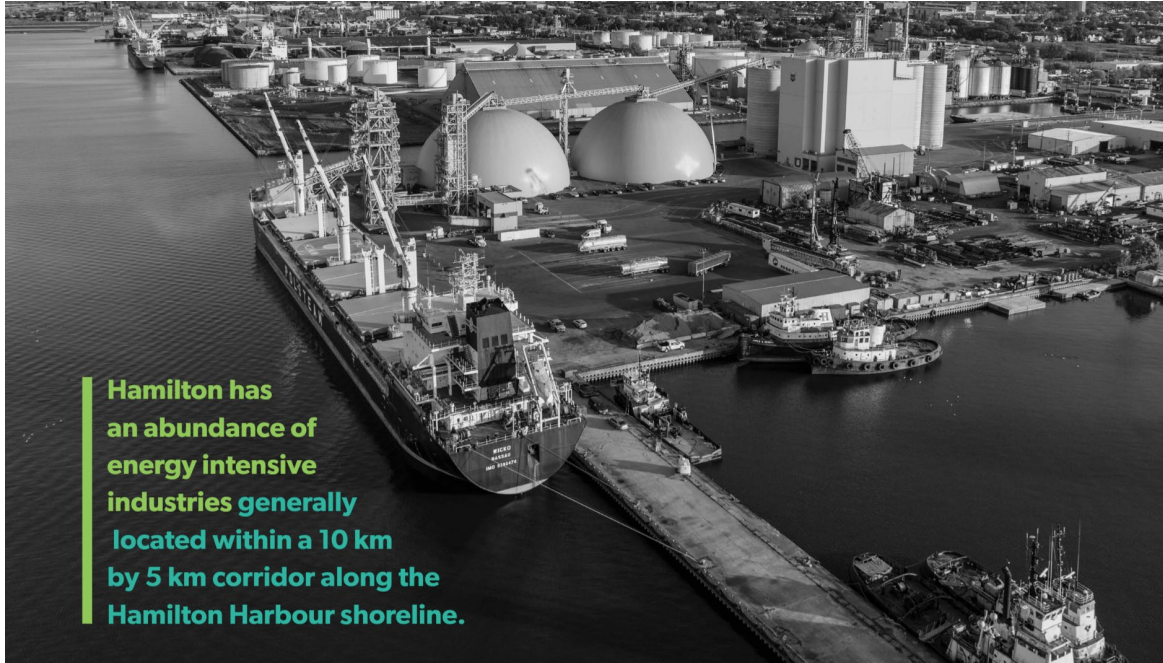
- An early example of a Distributed Energy Resource (DER)
- History of decarbonization, sustainability and resiliency.
- Young System ¼ way into its life cycle
- Solid foundation to build upon
- Opportunities exist to make it easier for the private sector to say YES to district energy, including enacting enabling policies and incentives.





Hamilton has an Opportunity to be Canada's Next-Gen Energy Leader

Turbocharge Economic Growth and Achieve Climate Objectives Simultaneously



Hamilton has an abundance of energy intensive industries generally located within a 10 km by 5 km corridor along the Hamilton Harbour shoreline.

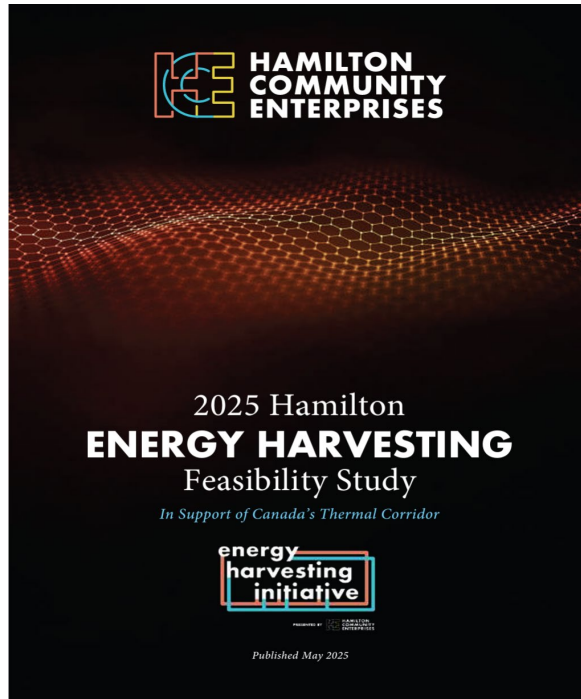


There is a significant opportunity for the Hamilton community to develop a world-class district energy system that will enable the City of Hamilton to achieve its GHG reduction targets and climate action goals while growing the local economy.



Hamilton has an Opportunity to be Canada's Next-Gen Energy Leader

Canada's Thermal Corridor – A District Energy Opportunity Like No Other



Study Statistics

- Study commenced January 2023 and concluded Dec 2024
- Report issued June 2025
- HCE led the study and secured \$550k in funding with major funding contributors from The Atmospheric Fund and the Federation of Canadian Municipalities
- The study confirmed tangible value for all key stakeholders: suppliers | customers | distributors | municipality

Anticipated Results from the Project's First Five Phases

\$250 million
infrastructure investment
over ten years

80% reduction
in GHGs versus business-as-usual –
an estimated 27,000 tonnes
per year improvement

143,000 MWh
per year of recycled green heat

50,000 MWh
per year of electrical
conservation with an electrical peak
reduction of 13 MW

\$247 million
savings in new electrical generation,
transmission and distribution
infrastructure in the first 10 years

\$12 to \$33 million
in additional profits
for industry over
the Project term



Hamilton has an Opportunity to be Canada's Next-Gen Energy Leader

All Boats Rise with Tides



Economically decarbonizes building heating, a leading source of greenhouse gas emissions, by using industrial waste heat.



Offsets electricity use for building heating, reducing generation, transmission and local distribution investments.



Provides a cost-effective **building retrofit pathway** that addresses the enormous challenge of tackling **carbon lock-in** and making existing buildings net zero.



Creates a local large-scale **infrastructure development opportunity**.



Anchors industry and jobs with new revenue streams for manufacturers and supply chains.



Offers **resilience, security and affordability** based on a local supply of energy.

**energy
harvesting
initiative**

POWERED BY  HAMILTON INFRASTRUCTURE

- Attraction, retention and growth of our homegrown manufacturing sector (employers of local workers and suppliers of waste heat to enable Hamilton's transition to low carbon building heating – a win/win scenario)
- Large infrastructure project with spin-off procurement and jobs – timing is right
- Significant GHG reductions in support of city's decarbonization goal
- Affordability – access to affordable building heating for everyone, including residents in public housing
- Proven approach around the globe. It's not a technology barrier; it requires updating policy



Hamilton has an Opportunity to be Canada's Next-Gen Energy Leader

HCE's vision directly aligns with Ontario's new Integrated Energy Plan

Energy for Generations

Ontario's Integrated Plan to Power the Strongest Economy in the G7



June 2025

Ontario 

1. Driving Decarbonization and Growth

The plan's focus on economic growth and low-carbon energy aligns with the study's proven GHG reductions and local economic benefits.

2. Integrated Energy Solutions

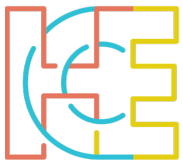
Both the plan and the study promote integrated planning by using waste heat to reduce grid reliance and support a resilient, multi-source energy system.

3. Cost Savings & Grid Optimization

By leveraging alternative energy, the study demonstrates significant infrastructure cost avoidance and helps ease pressure on Ontario's electricity grid.

4. Enabling High-Demand Developments

The plan's new requirements for large energy users can be met through district energy or waste heat recovery, reducing emissions and expediting approvals. This approach is especially strategic for the Bayfront Industrial Area and developments such as Steelport.



Summary

A Vision for Hamilton's Next Generation Energy and Sustainability Future

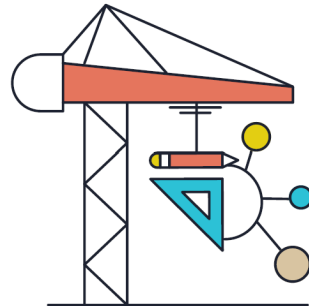
- Hamilton Community Enterprises envisions Hamilton as a Canadian municipal leader in energy and next-generation utilities.
- The Energy Harvesting Study identifies a significant municipal infrastructure investment to develop a new large-scale District Energy corridor that advances economic growth, as well as a pathway for Hamilton to achieve its sustainability objectives
- This strategic investment in next-generation energy infrastructure will create jobs, strengthen local business competitiveness, and significantly enhance the quality of life for all residents.
- Team up with HCE and its partners in outreach to higher levels of government and the private sector to realize the vision of Canada's Thermal Corridor

Together, let's set the benchmark for sustainability, transparency, and innovation, shaping a vibrant future that positions Hamilton as a model community for generations to come.

Thank You



www.hce.net



**Connected
Technologies For A
Sustainable Future**



HEHCo Resolutions

- Approval of the 2024 Audited Financial Statements
- Appointment & Remuneration of the Auditor for 2025
- Appointment of Directors of Hamilton Enterprises Holding Corporation