

## CANADA GROWTH FUND ANNOUNCES FIRST CLEANTECH FUND COMMITMENT

Montreal, March 25, 2024 – Today, Canada Growth Fund Inc. (“CGF”) announced a C\$50M commitment to Idealist Climate Impact Fund LP (the “Fund”), a fund managed by Montreal-based Idealist Capital (“Idealist”), an investment manager pursuing commercialization stage growth equity investment opportunities in companies whose products, technologies and services are accelerating the energy transition.

This partnership, CGF’s first investment in Quebec, is an initial step in its strategy to develop a more resilient ecosystem of growth-stage cleantech financial investors in Canada. The strategy includes creating partnerships with select investment fund managers who can lead capital raises and provide active asset management support to Canadian cleantech companies at the critical commercialization and scale-up phases where new products, technologies, and services begin creating value.

CGF’s first investment in a cleantech fund is in keeping with its mandate to foster growth and innovation in the Canadian clean technology sector. In Canada, growth-stage cleantech capital raises are challenging and generally small by virtue of the size of the market and an insufficient number of financial sponsors with enough funds to actively pursue such investment opportunities. This results in less capital available to Canadian entrepreneurs looking to accelerate the commercialization of their products, technologies and services, and longer times to close capital rounds. CGF has identified this gap as an important market deficiency holding back Canadian cleantech companies and project developers today.

Through its cleantech funds strategy, CGF will provide further credibility and investable capital to Canadian managers to speed up the growth of targeted companies. CGF will also encourage managers and portfolio companies to adopt best-in-class ESG practices. CGF believes that supporting select managers should, over time, lead to a higher volume of quality opportunities across the Canadian market and attract more sophisticated investors to Canadian cleantech companies.

“Today’s investment underscores CGF’s strategic role in Canada’s cleantech market, as a catalytic investor seeking to accelerate the growth of promising Canadian cleantech companies,” said Patrick Charbonneau, President and CEO of the Canada Growth Fund Investment Management team (“CGFIM”). “By supporting growth-stage cleantech managers, CGF is expanding access to capital in the Canadian market and playing an important role in supporting partners positioned to provide strategic direction and capital markets expertise.”

Idealist is an experienced team of investors with a track record of supporting the growth of cleantech businesses. The Fund’s strategy is focused on themes that fit well with CGF’s cleantech investment strategy, including the decarbonization of power supply, electrification of transportation, decarbonization of industrials, and promotion of a circular economy. Through this fund commitment, CGF is looking to position itself as a partner of choice to provide further support to companies with sizeable investments needs.

“Idealist is enthusiastic to partner with the Canada Growth Fund to accomplish our common goal of creating value for Canadians as we navigate the energy transition,” said Pierre Larochelle, Co-Managing Partner at Idealist. “With today’s commitment from CGF, we’re able to support much larger capital rounds and move faster to bring capital into the growing energy transition ecosystem to the benefit of Canadian entrepreneurs,” said Steeve Robitaille, Co-Managing Partner.

This transaction builds on CGF's successful first few months of operations, including its recent investments in Eavor Technologies Inc., a Canadian geothermal energy company, and Entropy Inc., a developer of technologically-advanced carbon capture and sequestration projects. CGFIM can deliver complex transactions such as these by leveraging PSP Investments' rigorous and established processes and arm's length governance model.

### **About CGF and its mandate:**

CGF is a C\$15 billion arm's length investment vehicle that will help attract private capital to build Canada's clean economy by using investment instruments that absorb certain risks in order to encourage private investment in low carbon projects, technologies, businesses, and supply chains.

CGF is intended to help Canada to meet the following national economic and climate policy goals:

- a) reduce emissions and achieve Canada's climate targets;
- b) accelerate the deployment of key technologies, such as low-carbon hydrogen and carbon capture, utilization, and storage (CCUS);
- c) scale-up companies that will create jobs, drive productivity and clean growth across new and traditional sectors of Canada's industrial base;
- d) encourage the retention of intellectual property in Canada; and
- e) capitalize on Canada's abundance of natural resources and strengthen critical supply chains to secure Canada's future economic and environmental well-being.

Further information on CGF's mandate, strategic objectives, investment selection criteria, scope of investment activities, and range of investment instruments can be found in the [technical backgrounder](#) published by Finance Canada.

### **About PSP Investments and Canada Growth Fund Investment Management Inc.:**

PSP Investments is one of Canada's largest pension investment managers with C\$243.7 billion of net assets under management as at March 31, 2023. It manages a diversified global portfolio composed of investments in capital markets, private equity, real estate, infrastructure, natural resources, and credit investments. Established in 1999, PSP Investments manages and invests amounts transferred to it by the Government of Canada for the pension plans of the federal Public Service, the Canadian Forces, the Royal Canadian Mounted Police, and the Reserve Force. Headquartered in Ottawa, PSP Investments has its principal business office in Montréal and offices in New York, London, and Hong Kong. For more information, visit [investpsp.com](http://investpsp.com) or follow us on LinkedIn.

In Budget 2023, the Government of Canada announced that PSP Investments would act as the exclusive and independent investment manager for CGF. PSP Investments has created a wholly owned subsidiary, Canada Growth Fund Investment Management Inc., to that end.

### **Related products:**

- [Technical Backgrounder: Canada Growth Fund](#)
- [Budget 2023](#)
- [PSP Investments 2023 Annual Report](#)

## **About Idealist Capital**

Idealist Capital is an investment firm focused on accelerating the energy transition by providing growth capital to entrepreneurs with a primary focus on the Canadian market. Idealist Capital supports businesses whose activities enable positive climate impact across one of three themes – (i) the decarbonization of power supply, (ii) the electrification of transportation, and (iii) the decarbonization of industrials and circular economy. The Firm has a mandate to achieve excellent risk-adjusted returns while scaling solutions which are beneficial to the climate. Idealist Capital underwrites its carbon impact and integrates critical non-financial KPIs in its asset management process to build sustainable platforms. To learn more about Idealist Capital, visit [Idealist Capital](#).

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## Forward-Looking Information

Certain statements contained in this News Release constitute forward-looking statements or forward-looking information (collectively, “**forward-looking information**”). Forward-looking information relates to future events or future performance. All information other than statements of historical fact is forward-looking information.

While CGF believes the expectations and material factors and assumptions reflected in the forward-looking information contained herein are reasonable as of the date hereof, there can be no assurance that these expectations, factors and assumptions will prove to be correct. Forward-looking information is not a guarantee of future performance and actual results or events could differ materially from the expectations of CGF expressed in or implied by such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information is subject to a number of known and unknown risks and uncertainties.

Readers are cautioned that events or circumstances could cause actual results to differ materially from those predicted, forecasted, or projected. Statements, including forward-looking information, are made as of the date of this News Release and CGF does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. The forward-looking information contained in this News Release is expressly qualified by this cautionary statement.