



## Frequently Asked Questions

**Q1. What exactly is “Energy Performance Management” and what is the basis for ENXSuite’s claim that this constitutes a new market segment and product category?**

A1. Energy Performance Management (EPM) is a new and comprehensive set of sustainability best practices for Fortune 1000 enterprises and cross-industry organizations that uniquely combines four primary capabilities. The first component of EPM enables organizations to track their actual energy usage and/or reduction performance – as opposed to theoretical or forecast performance – against historical, existing and proposed sustainability initiatives and energy reduction goals. Based on this tracking capability, EPM’s second core attribute enables organizations to identify new opportunities to reduce costs, mitigate risks and grow revenue. In short, EPM helps organizations monetize environmental assets. The third key aspect of EPM is the ability to leverage energy reduction best practices to meet specified reduction objectives. Based on these three core attributes, EPM, for the first time, enables organizations to transform energy, carbon and sustainability initiatives into measureable financial assets.

**Q2. What specifically is unique about ENXSuite’s EPM platform?**

A2. For the first time, enterprises can capture accurate energy performance management data across the entire organization and quantify energy and sustainability metrics as an asset or liability. As a result, functional areas responsible for sustainability and energy reduction within an organization can leverage the same EPM platform for differing requirements. For example, facility managers now have a coherent data management and reporting solution that reflects up-to-the minute sustainability and energy consumption/efficiency metrics for individual, regional, geographically dispersed and worldwide facilities. This is a major departure from reactive, one-dimensional spreadsheet-oriented tracking “tools” that only capture small subsets of historical information that contain aging information of limited value. Sustainability executives can leverage ENXSuite’s EPM platform via energy and sustainability planning modules that provide energy

target management, green SLA management, energy reduction planning and forecasting, energy project evaluation and policy modeling and management. Finally, the executive suite can leverage ENXSuite's energy portfolio management tools equipped with business intelligence dashboards to quickly and easily determine their organization's energy performance and its impact on the company bottom line, at a glance.

**Q3. What is unique about ENXSuite's ability to track organizational performance against sustainability initiatives and energy reduction goals?**

A3. ENXSuite's EPM system is the industry's first cloud-based platform to implement sustainability business intelligence. This on-demand EPM platform provides actionable intelligence to help companies systematically analyze, model, mine and manage the performance of their enterprise-wide energy assets. The comprehensive software contains a consolidated energy data model that provides a unified view of energy sources, GHG, carbon, water waste and other resources. By combining a rich set of data mining and business intelligence capabilities, companies can, for the first time, run their sustainability and energy reduction initiatives as a business. As a result, ENXSuite customers can accurately evaluate current inventories, set precise reduction targets, and optimize reduction initiatives by connecting to the world's largest sustainability and energy management network.

**Q4. How exactly does ENXSuite help organizations identify new opportunities to reduce energy costs, mitigate risks and grow revenue relative to energy reduction objectives?**

A4. ENXSUITE has developed a comprehensive Energy Performance Management (EPM) platform that provides actionable intelligence enabling companies to continuously plan, analyze, and manage their entire energy and sustainability footprint. ENXSUITE's EPM offers a cloud-based, on-demand suite of applications leveraging a field-proven energy and sustainability platform. This includes an energy performance management product that provides a unified, "single pane of glass" view of multiple sources of energy, GHG, carbon, water and waste. Each of these applications is tightly coupled with a rich set of business intelligence and data mining capabilities that transform energy and sustainability initiatives into asset performance management best practices.

ENXsuite's modular approach helps companies of all sizes to monitor energy consumption and model proposed reductions of energy and emissions to determine the corresponding financial impact on operations. In addition, actual performance versus reduction targets can be continuously managed with ease.

**Q5. Why haven't organizations treated energy sources, GHG, carbon, water and waste as vital assets or liabilities until now?**

A5. Until the emergence of energy performance management technologies, this simply hasn't been possible. Previously, energy management has been a decentralized function at best, with the primary tool of choice being simple spreadsheets. This legacy technology lacks business intelligence, data mining, project planning and forecasting capabilities, each of which is essential for asset performance management best practices.

**Q6. What U.S. and International sustainability programs are supported by the ENXSuite EPM platform?**

A6. ENXSuite software capabilities, calculation and carbon accounting tools are based on domestic and international standards and institutions. Industry accepted methodologies and up-to-date emission factors from sources such as GHG Protocol, IPCC, TCR, EPA, DEFRA, NGER and CAPP are represented in the software. Waste and water categories are modeled and reported per current GRI categories.

**Q7. What market dynamics are driving the need for ENXSuite's Energy Performance Management solutions?**

A7. Carbon mandates are in existence in many regions around the world and will continue their global reach, placing greater demands on achieving and maintaining compliance. But that's the tip of the iceberg. Sustainability performance is now under increasing scrutiny by shareholders, investors, suppliers, buyers and customers. And significantly tighter regulations on energy accountability are inevitable. On top of this, energy consumption and associated waste are the second biggest operational line item on enterprise balance sheets. Despite this perfect storm, the vast majority of organizations still lack a coherent energy and sustainability strategy and have precious few energy performance management methodologies at work.

Compounding this is the disconnect between departments responsible for measuring and reporting on energy and sustainability management (think Environment/Health/Safety or Corporate Social Responsibility) and the executive suite who has historically overlooked this data that has focused largely on compliance and damage control issues. The bottom line is this: despite the significant financial implications of energy and sustainability, companies are not managing this data as assets or liabilities the way the other departments manage business problems.

**Q8. What size enterprises and functional areas [facility managers, sustainability officers, CFOs, CEOs] within organizations is ENXSuite targeting?**

A8. ENXSuite specializes in large F1000 companies as well as public sector customers who are increasingly cognizant of the need to reduce energy consumption and associated GHG emissions as well as the financial impact on the balance sheet. The ENXSuite platform addresses the needs of facility managers, sustainability officers, chief financial officers and chief executive officers who are tasked with energy data management, energy reduction and policy management and the impact of energy performance on the company bottom line, respectively.

**Q9. Who are representative customers currently deploying ENXSuite solutions? How applicable is ENXSuite's EPM platform to vertical markets?**

A9. With over 12,000+ facilities under management spanning five vertical markets, ENXSUITE is being deployed by blue chip Fortune 500 organizations that include Northrop Grumman, K-Mart, Sears, Morgan Stanley and more. Customers in the public sector include the City of Chicago. Given the increasingly important role EPM plays in compliance, risk mitigation, cost containment, environmental protection and financial growth opportunities, vertical industries spanning aerospace and defense, consumer packaged goods, financial services, high technology/communications and retail are all market segments benefiting from the ENXSuite EPM platform.

**Q10. What are ENXSuite's key competitive barriers to entry?**

A10. The Energy Performance Management market sector is in its nascent stages. As a result, there are precious few domain experts with the requisite knowledge about industry requirements and dynamics, how to transfer that expertise into product development efforts, sufficient understanding of regulatory requirements and a host of other factors. ENXSuite has 'cornered the market' on the industry's top talent pool by attracting a Who's Who of sustainability and energy management expertise, providing the company with a considerable domain expertise advantage that manifests itself in product development, sustainability advisory consulting, comprehensive process design, and professional training and certification programs.

From a product stability standpoint, the company's software-as-a-service (SaaS) platform is field tested with customers operating high security environments including aerospace and defense companies contracted by the US Government, Fortune 100 banking institutions and government entities, all with global energy assets modeled on the ENXSuite platform.

And from a product functionality standpoint, the ENXSuite platform maintains the industry's most comprehensive solution set that features a

highly integrated set of strategic modules grouped by data management and reporting, energy and sustainability planning and energy portfolio management.

At a more granular level, the platform provides a wide range of unique capabilities. This includes guided navigation for energy performance management. It also provides analytical functions tightly integrated with operational screens and provides organizational context with deep “drill down” capabilities. Key financial metrics including ROI, NPV and IRR are provided for energy portfolios. Plus the system provides multi-dimensional energy and sustainability data models, multi-dimensional analysis and reporting, utility billing, reconciliation and GHG calculations and smart grid integration via NIST.

**Q11. What is ENXSuite’s partnership strategy?**

A11. ENXSuite maintains an aggressive partnership program that is tapping into four key sectors: service providers, resellers and distributors, solution providers and energy/environmental specialists. Currently, ENXSuite has service provider partnerships with COLT, Energy Systems Group (ESG), Logica and Project Performance Corporation. Carasoft is ENXSuite’s initial reseller. NISC is ENXSuite’s initial solutions provider partner. And AMEE is the company’s first energy/environmental specialist partner.

**Q12. ENXSuite was originally founded as Carbon Networks, developer of the first carbon management software. What’s behind the name change?**

A12. Upon its founding in 2005, CarbonNetworks initially focused on a software platform that provided companies with an efficient tool to manage and minimize the consequences of polluting GHG emissions. In the ensuing five years since its founding, the company’s business has expanded rapidly from carbon to energy performance management on a much broader scale than initially conceived. In large part, company founder Michael Meehan successfully educated the market that through the use of cloud-based sustainability technology, companies can benefit financially by reducing their impact on the environment through carbon and energy reductions. Consequently, Carbonnetworks changed its name to ENXSuite in May 2010. Today, ENXSuite is helping companies all over the world to manage and reduce their impact on the environment while monetizing energy assets.

**Q13. Why has energy management only recently become a corporate priority?**

A13. Until recently, organizations have not had enough incentive to apply appropriate energy management best practices because of the absence of proper regulation and previously non-existent carbon markets and offsets. In effect, companies have historically operated with a “license to pollute”. This environmental complacency has down a complete about face. Through increasing market education, the emergence of global carbon mandates, and increasingly stringent environmental regulations, energy management and sustainability has become more of a priority. Not only are compliance issues reshaping corporate sustainability policies, company stakeholders are demanding more “green” operations, manufacturing, products and supply chains given the growing impact these practices are having on an organization’s brand equity. On top of this, energy performance management technology has emerged as a proven best practice for transforming energy, carbon, water and waste into measureable and management financial assets. This transformation is enabling new opportunities to reduce costs, mitigate compliance risks and grow revenue.

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