

Magna International Facility Emissions Challenge

Driving Down Emissions for Year-Round Facility Comfort

Frequently Asked Questions - Updated March 14, 2025

What is the goal of the Magna International Facility Emissions Challenge?

The Magna Innovation Challenge seeks innovative, cost-effective solutions to reduce Scope 1 emissions from Magna's manufacturing facilities while maintaining operational reliability and comfort. Solutions should integrate seamlessly with existing systems, demonstrate a clear path to return on investment, and have the potential for scalability across Magna International's global network.

Who is Magna International?

Magna International is one of the world's largest auto suppliers and is committed to achieving net zero emissions by 2050, with science-based targets verified to reduce Scope 1 and 2 emissions by 42% and Scope 3 emissions by 25% by 2030. The company is driving decarbonization through energy optimization initiatives, transitioning to 100% renewable electricity globally by 2030, and integrating sustainable practices into its manufacturing operations. Magna also collaborates with over 10,000 suppliers, customers, and startups to promote sustainability across the automotive supply chain.

Who is running the Magna International Facility Emissions Challenge?

Magna International selected <u>Foresight Canada</u> as the delivery partner to coordinate the Magna International Facility Emissions Challenge.

Foresight Canada helps the world do more with less, sustainably. As Canada's largest cleantech innovation and adoption accelerator, we connect public and private sectors to the world's best clean technologies. We de-risk and simplify the adoption of solutions that improve productivity, profitability, and economic competitiveness, all while addressing urgent climate challenges. We are well-positioned to lead the green economic transition, having supported 1,370+ companies to generate \$534M in revenue and \$2.1B in capital support, run 60+ industry challenges, created 8,980+ green jobs, and reduced a projected 70+ Mt of GHG emissions.

What is the opportunity for the successful applicant to the Magna International Facility Emissions Challenge?



The selected winner will have the opportunity to pilot their solution in a Magna facility located in Ontario and work with Magna's facility team to ensure a smooth implementation. If the pilot proves successful, the solution could be scaled across Magna's global network, providing significant growth potential. Furthermore, winners will gain valuable industry exposure and validation from one of the world's largest automotive parts suppliers.

How can I be eligible for the Magna International Facility Emissions Challenge to be selected?

To be eligible for the Magna International Facility Emissions Challenge, you must submit an application in accordance with the <u>Magna International Facility Emissions Challenge Program Guide</u>.

Your technology must meet the criteria outlined in the Innovator Guide and be evaluated as one of the most closely aligned with the competition's goals and objectives. The winning technology will be announced in June 2025.

What are the eligibility requirements to participate in the Magna International Facility Emissions Challenge?

The Challenge is open to all applicants, including technology developers, academic institutions, research laboratories, and small and medium-sized enterprises (SMEs).

- Solutions must be at a Technology Readiness Level (TRL) of 7+
- Open to Canadian and global innovators.
- Applicants must meet Magna's safety, compliance, and operational standards.
- Solutions should be commercially deployable and adhere to facility <u>workplace safety</u> <u>regulations in Ontario.</u>

I am a non-Canadian-based company. Can I apply to the Magna International Facility Emissions Challenge?

Yes. This challenge is open to both Canadian and international applicants. A successful solution will get to work with Magna International's facility team to pilot their technology at a Magna facility in Ontario. This means the successful applicant must comply with <u>local regulations and industry standards</u> and have the legal working right to operate in Canada.

Are there any requirements regarding where the technology is developed?

There are no specific requirements for where the technology is developed; it can be Canadian or internationally developed.



What technology readiness level (TRL) does my technology need to be to participate?

The Magna International Facility Emissions Challenge is open to technology solutions at TRL7+.

When will the challenge winner(s) be announced?

The winner(s) will be announced in June 2025.

About the Application

How do I apply for the Magna International Facility Emissions Challenge?

In order to apply to the Challenge, you will need to register and submit an application through the <u>Magna International Facility Emissions Challenge Platform</u>.

Is entry to the Magna International Facility Emissions Challenge confidential?

Yes. Entries to the Challenge will be confidential. They will be shared in confidence with those involved in administering the competition and assessing entries: Magna International and Foresight.

If I apply, how will the information I submit be used?

Your privacy is immensely important to us, and we respect the need for confidentiality. If you apply, all of the information and documents submitted will only be viewed by the Magna International Review Committee and Foresight's staff for the purpose of applicant selection, with the exception of the submitted non-confidential project description.

What are the evaluation criteria for the Magna International Facility Emissions Challenge?

The evaluation criteria reflect the different goals of the Challenge and are used to rank the applications. They are as follows:

Cost-Effectiveness

• Strong business case with a short-to-medium-term return on investment.

Emission Reduction Impact

Demonstrated capability to reduce Scope 1 emissions effectively.

Reliability

o Proven performance with minimal maintenance requirements.

Scalability



o Potential for implementation across multiple Magna facilities globally.

Innovation

• A unique but not first-of-a-kind demonstration is encouraged.

How is my application going to be reviewed?

Your application will be assessed by Magna International's Review Committee, which will evaluate your technology and business according to the established criteria. An initial screening will be conducted based on the evaluation criteria outlined in the program guide. Using these scores, the Review Committee will select the top applications to be presented during a virtual pitch session at the end of May 2025. The winning technology will be chosen shortly after this pitch session.

Is there a screening process to ensure that the technology does not infringe on other patented technologies?

It is the responsibility of the applicants to ensure their technologies are not infringing on other patented technologies.

Can we submit the same entry under different companies?

No. If two companies are working on the same technology, only one is allowed to submit the entry. This company serves as the lead applicant, representing the submission, while additional parties may be listed as partner organizations.

Can the same company submit more than one technology?

Yes. A company can submit multiple technologies if they are in separate applications.



About the Challenge Process

What are the phases of the application process?

The application process is one phase. Interested participants are required to fill out the application form asking you to detail your technology solution and business.

Foresight will review the application form for eligibility and completeness before being evaluated by the Magna International Review Committee.

Selected finalists will be invited to present themselves and their technology at a virtual pitch session at the end of May 2025 to help the review team make their final decision.

Is there a maximum number of applications participating in the challenge?

No. All applications submitted before the submission window closes will be reviewed.

What are the relevant dates of the Magna International Facility Emissions Challenge?

The expected timeline is as follows:

Key Dates



What do I do if I am selected to be a finalist?

If selected as a finalist, you will be invited to present your technology solution to the reviewer panel.

Can I ask for a second review of my application if I am not selected as a finalist?

No. There is no appeal process.



Will I receive feedback on my application if I am not the winner of the Challenge?

No. Application-specific feedback will not be provided to unsuccessful applicants.

Is there any support during the application process?

Yes. You can contact Foresight by email with any questions you may have regarding the application to challenges@foresightcac.com.

There will also be an information webinar held on March 4, 2025, to provide details about the award competition, including a Q&A period.

How will Foresight, the competition coordinator, communicate with me?

Foresight will communicate with applicants using the email address of the organization's representative provided in the application form.

Will I receive notifications on the status of my application?

You will be notified when you start an application when you successfully submit your application, and when the finalists are announced. There will not be intermediate status updates.

Q&A from Informational Webinar

How can we receive details on Magna's current processes, equipment, or technology to better understand the issues and tailor our solution?

We encourage you to review the Program Guide, which includes key details and an Appendix outlining technical constraints. Due to the diversity of technologies used across Magna facilities, we cannot provide a comprehensive list of existing equipment. We recommend keeping your solution as adaptable as possible to ensure it applies broadly across different facility types.

Is Magna willing to help fund the winning pilot project?

Magna is evaluating multiple pathways to support the winning applicant. A strong business case and a clear payback period will be critical factors in determining potential funding opportunities.

Does Magna require any form of exclusivity from the winner.

No, Magna does not require exclusivity from the winning solution.

Which Magna business units are involved in this challenge?

This challenge is division specific. The key divisions are split during. Presstran Industries (St. Thomas, Ontario) and Modatek Systems (Milton, Ontario). Each division operates its own



sustainability and world-class manufacturing initiatives, and solutions may be evaluated at the division level.

Can applicants receive more details on facility floor plans, expected budget, pilot facility size, or design plans?

The goal of this innovation challenge is to identify solutions that could be adaptable to different facilities. At this initial stage, we are open to more general solutions that could respond to a range of facility sizes.

How does Magna measure costs and success related to internal ROI for facility charges?

This is specific to the division level, however, common methods include measurement and verification (M&V) approach or linear regression model for large scale solutions.

Will more than one company be able to pitch?

Yes. Multiple companies will be invited to pitch.

What type of funding is available? Is it structured or milestone-based?

The opportunity here is to get exposure to the Magna team with the potential to pilot in Ontario and potentially scale across Magna's international network. Magna does conduct benchmarking between divisions, especially in Ontario. Solutions that make it to the pitch stage, but are ultimately not selected for this opportunity could still be in consideration for future opportunities.

What has Magna done so far to reduce emissions?

Magna has ambitious, Science-Based Targets (SBTs) and has already implemented successful energy reduction initiatives. However, the company is actively seeking new, innovative solutions that have not yet been considered to further reduce emissions and improve efficiency.

Are IESO or Enbridge-funded projects considered an asset?

Magna will evaluate all proposals based on the same set of criteria outlined in the Program Guide.

Is there a preference for hardware- or software-based solutions?

The challenge is technology-agnostic. Both hardware and software solutions are welcome, as long as the benefits are clearly described and well-presented in an innovative, well-thought-out manner.

If a solution reduces facility emissions but not specifically from heating systems, is it still valid?



Yes. If your solution can effectively reduce facility emissions, we encourage you to apply, even if it is not specifically focused on heating-related emissions.

Contact

If you have any questions regarding the Magna International Facility Emissions Challenge, please send them to challenges@foresightcac.com.