

**TORONTO GLOBAL
BUSINESS PLAN
2019/20**

FINAL

SEPTEMBER 6, 2019



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EXECUTIVE SUMMARY

Introduction

Toronto Global is responsible for attracting greenfield Foreign Direct Investment (FDI) to the financial and business capital of Canada and the largest city-region in the country. Representing the Cities of Toronto, Mississauga and Brampton and the Regions of Durham, Halton, and York (See Appendix I for the geographic area represented in the Toronto Region), and funded by all three levels of government, Toronto Global is based on a solid partnership and collaboration with our funding partners.

The fiscal year 2019/20 represents an important milestone for Toronto Global. As the organization renews its funding agreements for the next five-year term, we are reflecting on two continuous and very successful years of operations.

As we seek to fulfill the organization's mandate, the attraction of FDI to the Toronto Region, the plan for the year ahead puts an emphasis on continuing efforts that aim to facilitate the distribution of investments across the entire region. Specifically, 2019/20 will seek the advancements of "905" leads through the sales funnel. In doing so, it is our goal to ensure that we are constantly building on our reputation for seeking out qualified leads and providing exemplary client service. At the core of the services we offer to our international clients and partners is a commitment to excellence. We are honoured to work together with our funding partners to execute a regional endeavour for Canada's largest metropolitan region that will serve the interests of the entire region as we meet a new and even more challenging international marketplace.

The 2019/20 Business Plan was approved by the Economic Development Officer's (EDO) Management Council on June 7th, 2019. Suggestions from the EDO Management Council were incorporated and the plan was presented to the Toronto Global Board of Directors for approval on June 17th, 2019. With additional suggestions made by the Board, the Mayors' and Chairs' Strategy Council reviewed and approved the Business Plan on September 6th, 2019.

Previous Year Results

Since Toronto Global's official launch in February 2017 the organization has facilitated 60 new investments into the Toronto Region, representing 3,504 direct jobs (over three years) and a CAPEX of \$496,590,277 (over three years)¹. During these first two years, we have also grown the organization to a full staff complement of 25 people, saw significant growth in our internal lead generation program, tested new approaches to FDI marketing and awareness in the digital space (and won an award for two of these pioneering efforts) and experienced the unique and very public process of responding to Amazon's North American search for HQ2 as the only region outside the United States and Mexico to make the final short list.

¹ As of March 14, 2019

Regional and Global Context

A consideration of historical FDI trends coming into the Toronto Region along with the results of research focused on best-practices for effective investment promotion agencies offers context, insight, and direction for Toronto Global and our partners as we continue to refine operations and deliver on our mandate.

In an increasingly competitive global market, it is all the more imperative that we take a regional approach to FDI attraction, as numerous reports and research attests. Working as a region, we are in a better position to compete with larger city-regions like Boston, New York, Los Angeles, Washington, Dallas, and the Bay Area in order to attract FDI. In addition, FDI remains a key tool for local economic development, as it provides an opportunity to identify gaps in our economy and address them with the entry of innovative foreign firms to complement our core industries.

Plan for 2019/20

In 2019/20, the organization's **metrics** are as follows:

- + 40 new investments
- + 1,800 new jobs (within 3 years)
- + \$300M CAPEX
- + 300 – 400 companies transferred into the sales funnel

Recognizing the emphasis this Business Plan is placing on distributing investments through the region, the organization is also introducing metrics that will allow us to measure our effectiveness in achieving this goal in the coming year, while building our pipeline for later years:

- + 75-100 companies transferred into the sales funnel deemed to have strong potential to locate outside the City of Toronto
- + 24-36 opportunities in Level 2-3 deemed to have strong potential to locate outside the City of Toronto

In addition to the metrics above, starting in 2019/2020, and over the course of the next five (5) years, we are seeking to continue to address the distribution of investments throughout the Toronto Region with both quantitative and qualitative measures. Most recent analysis shows the ratio of investments within the City of Toronto versus the 905 is roughly 85%-15%. That split is reflected on page 7 in a review of our landed investments over the last two years. We would work assiduously to bring that ratio down to a 75%-25% ratio in investments, increasing the number of investments in the 905 by a minimum of 10%. It is important to note that while we are implementing metrics for the 905 these represent the minimum of our efforts in the region. Working to balance out our regional offering and presence with global investors is at the core of what we have done and will be continuing to double down on with our investment attraction, marketing and communications and research and insights teams.

Supplementing these additional regional metrics for landed investments, on the qualitative side we would also:

- + Leverage highly-targeted lead generation contracts focused on investments and leads that have a strong potential to locate outside of the City of Toronto (“905 Leads”);
- + Provide increased transparency with regard to leads through the pipeline, including sharing business cases with our municipal partners and committing to regular follow up on active files;
- + Conducting “tombstone” exercises on both won and lost investments to explore ways in which to improve collective service offering to prospective investors or expand on successful initiatives;
- + Continue to develop and implement sector strategies geared toward increasing our strategic pipeline in the 905;
- + Produce more sector focused social media campaigns;
- + Upgrade and enhance our regional web content;
- + Advance our SEO/SEM strategy;
- + Ensure that 50 per cent of our blog posts depict events, assets, industry profiles or investments in the 905;
- + Develop a new format for our sector profiles that visually depicts the sector clusters across the region in a mapping tool in both print and digital formats to illustrate the wide range of assets across the region.

The focus in 2019/20 is to simultaneously grow and diversify our pipeline, while also directing additional resources to advancing existing opportunities in our pipeline through the investment lifecycle. The Investment Attraction team will move opportunities through the funnel through strategic client engagement, using enhanced regional data and ever improving value propositions. Regional marketing materials are also critical to enabling the organization to distribute investments. Key assets will be marketed, mapped and shared. By increasing prospective investor awareness of the assets/value proposition throughout the region, we will continue to familiarize investors with the diverse opportunities at the regional level. Underpinning our work is the need for increased engagement with our municipal and regional partners, as well as with sectoral partners and the private sector across all lines of the business – Investment Attraction, Marketing & Communications, and Research & Insights.

Additionally, from an Operations and Governance standpoint, Toronto Global will, with our five-year funding secured, implement a five-year strategic plan in accordance with the terms of the funding agreement with our municipal funding partners, as well as solidify our capacity develop and implement the accounting and reporting practices to adhere to an ever evolving and even more intricate funding and governance model. These are important building blocks that will continue to professionalize our collective work within the region in order to achieve our primary goal - attracting foreign companies to set up in the Toronto Region.

It is recognized, however, that addressing the distribution of investments through the entire Toronto Region is both a multi-year endeavor, as well as a collective effort. It is understood that adjustments to approaches and tactics may be required year upon year as more experience is gained over the course of time and as circumstances may change.

Budget

The budget for fiscal year 2019/20 is \$6,783,000 [comprised of \$6,291,000 from our funding partners and \$492,000 from an Invest Canada – Community Initiatives (ICCI) Program grant] and is developed with a view to generating the greatest return to our funding partners. We have learned from our initial years of operations and funding that our financial planning is complicated

by the staggered inflow of funding, from both our provincial and municipal partners, in addition to the fact that our federal funding is on a reimbursement basis only. As a result, we anticipate carrying a deferred contribution balance that will always be used to offset expenditures, as it will be in 2019/20. Our operational budget shares the same fiscal year as our federal and provincial funding partners, which runs from April 1 to March 31.

For the renewal of our funding, we are requesting a five-year funding profile from all three levels of government, together with a cost of living adjustment, in order to stabilize our funding and provide certainty and security for our staff and operations on a go-forward basis. Additionally, in January 2019, Toronto Global's application for federal funding through the Invest Canada Community Initiatives (ICCI) program was approved for \$492,500 of matching funds for 2019.

PREVIOUS YEAR RESULTS

Fiscal year 2018/19 was the final year of operations for Toronto Global under the initial three-year funding agreement. With a commitment by all three levels of government, the new agency was empowered to represent the Toronto Region to foreign investors. The following table summarizes Toronto Global's results to date across a number of key performance indicators.

Key Performance Indicators

Metric	2018/19			Since Launch		
# Investment Projects	33			60		
Direct Jobs Created (projected over 3 years)	2,299			3,498		
Capex (projected over 3 years)	\$300.2 Million			\$495.6 Million		
By Sector (Top 3)	Projects	Jobs	Capex	Projects	Jobs	Capex
<i>Technology</i>	36%	75%	36%	38%	69%	45%
Business & Industrial Services	18%	9%	18%	20%	15%	16%
Financial Services	15%	8%	18%	17%	9%	21%
By Source Market	Projects	Jobs	Capex	Projects	Jobs	Capex
<i>United States</i>	39%	75%	51%	28%	53%	37%
<i>Europe</i>	52%	23%	45%	62%	43%	57%
<i>Asia</i>	3%	1%	1%	3%	2%	3%
<i>Rest of World</i>	6%	1%	3%	5%	2%	3%
By Destination Market	Projects	Jobs	Capex	Projects	Jobs	Capex
City of Toronto	85%	31%	69%	85%	53%	79%
905 Region	15%	69%	31%	15%	47%	21%

Our Scorecard against 2018/19 Initiatives

Progress on our objectives arising from the 2018/19 business plan is indicated in the table below. Select highlights on key 2018/19 initiatives are also summarized below, along with other noteworthy activities and accomplishments not outlined in the 2018/19 business plan.

Investment Attraction	Research & Insights Marketing & Communications	Human Resources	Business Operations & Governance
<ul style="list-style-type: none"> + Identify targets & priority markets & sectors for 2019/20 + Integrate new lead generation tools & upgrade the CRM + Focus on strengthening and diversifying our pipeline for future growth + Grow the team's regional knowledge and expand regional value propositions + Pilot with participating municipalities to identify gaps in their ecosystem to target prospects & identify existing foreign companies looking for an expanded mandate 	<ul style="list-style-type: none"> + Regional & cross-sectoral technology and innovation research project + Regional Data Inventory & Benchmarking Database + Implement the financial & life sciences sector strategies – including seeking alignment with partner organizations + Data and content management system + Website/SEO Strategy & Update + Social Media Strategy & Asset Design + Regional Video & Photography + Work with partners and the provincial government on joint marketing and research initiatives 	<ul style="list-style-type: none"> + Update & review organizational chart & review staffing requirements for the year + Build-out staff complement & review HR role within the office + Refine and build upon ongoing employee individual objective setting & annual performance reviews which are aligned with job evaluations and performance metrics + Plan for enhanced training & coaching + Implement an annual employee engagement survey + Implement succession plan which aligns to diversity & inclusion initiatives 	<ul style="list-style-type: none"> + Complete five-year strategic plan for Board review & consideration + Align enhanced accounting and reporting frameworks for added compliance in 2019/20 + Review office space requirements & arrangements + Ensure compliance with new Accessibility Act + Review back office operations & shared services in light of new consolidation of our shared services provider with CreateTO +

.In Progress Not Completed

- + Finalized the hiring of a professional staff complement numbering 25 people, with over half working on the Investment Attraction team. Of the 25 staff members, 14 people are client facing, and the remainder are focused on the supporting functions of Research & Insights, Marketing & Communications, and Business Operations and Senior Management. We currently have one vacant position on the Investment Attraction team, which will be filled upon confirmation of our funding renewal. Alongside recruiting high caliber staff, we also established performance metrics and objectives for all staff, with specific expectations and accountabilities.
- + Met 11 times with the Economic Development Officers (EDO) Management Council.
- + Conducted 30 missions: 18 to U.S. markets (most of which were one- or two-day missions), and 12 to international markets. The U.K. and the U.S. continue to be the two areas of heaviest concentration.
- + Continued to onboard the following investor prospecting and intelligence tools for the Investment Attraction team to complement our existing tools: Pitchbook, Costar, LinkedIn Sales Navigator, FDI Benchmarks, FDI Intelligence, and FDI 365. In addition to these, we added IBIS World, LinkedIn Talent Insights and Salary Assessor. These tools are essential to augment and supplement our lead generation outreach and our ability to facilitate investment location decisions.
- + Expanded on our digital strategy across a number of platforms and upgraded our presence on social media with two paid social media campaigns targeting attendees at the AI Summit in London, U.K. in May 2018, and a sector-focused campaign targeting C-Suite executives in the U.K. and the U.S. in February 2019.
- + Worked closely with our provincial and federal colleagues to align our client service model to maximize our collective effectiveness and to ensure close cooperation in integrating both our lead generation and outreach activities.
- + Attended over 57 events in the region to engage directly with our municipal partners in a variety of forums.
- + Served as the lead agency, together with our funding partners, to respond to Amazon's Request for Information that was distributed to the 20 city-regions that made their HQ2 shortlist. In addition, we organized the Toronto Region's site visit from the team at Amazon in 2018. Following their visit, we also updated the original bid book with more recent available data. To date, it has been downloaded 20,000 times, and counting. We continue to use the bid book with prospective clients and are very proud of the work that was done by all our colleagues in submitting one regional bid on behalf of the Toronto Region. Our participation in the Amazon HQ2 process has significantly raised the profile of the Toronto Region internationally, resulting in a total media exposure of 38,615, including 22,690 mentions on social media, 15,925 online news mentions, and a total advertising value equivalency of \$143 million².

² Meltwater, 2018

- + Toronto Global partnered with the Neptis Foundation to improve the Geoweb tool and significantly increase the number of datasets used in the tool. The updated tool was launched in October 2018 and has proven to be highly effective in showcasing to potential investors the expanse and dynamic nature of the Toronto Region by demonstrating patterns of land use, transportation networks, demographics, languages spoken, housing, labour, industry clusters, commuter travel, and more.
- + Toronto Global played a supporting role to the Institute of Competitiveness & Prosperity, which hosted the first international cluster conference ever held in Canada, in developing Day One of the TCI Network Cluster Conference programing. Specifically, Toronto Global assisted with the facilitation of economic development collaboration across municipalities and organizations within the Toronto Region to create approximately 10 cluster immersion experience tours.

THE REGIONAL & GLOBAL CONTEXT

As Toronto Global prepares to enter its third year of operations with renewed five-year funding agreements from all three levels of government, we wanted to take stock of and contextualize the organization's role and results within this regional and global economy. This review aims to both verify and identify new and continued areas of focus for the organization as we seek to fulfill our mandate: the attraction of investment to the region, and the distribution of investments across the region.

The effects of the Amazon HQ2 process, along with the collective efforts of Toronto Global and partners to showcase the Toronto Region as a competitive location for business are paying off. As our results to date showcase, the Toronto Region is becoming increasingly recognized as a competitive jurisdiction for FDI. However, this is not the time slow those efforts. Global competition for investment and talent only continues to increase. As a result, the Toronto Region must not lose its recent momentum, but rather double down its efforts to maintain its competitiveness and promote its attributes to the world. For this, we look to research on best practices with respect to the effectiveness of Investment Promotion Agencies (IPAs). Additionally, to accomplish the goal of distributing investments more broadly among Toronto Region municipalities, we must first gain a better understanding of FDI trends and the implications for investment and job creation in the region, over the past several years to determine where investments have naturally landed to inform a path forward.

Regional Distribution of Jobs and Investments

Toronto Global results to date show the majority of investment projects coming to the Toronto Region choosing to locate in the City of Toronto, and primarily within Downtown Toronto. That said, we fully recognize the importance placed on realizing investment projects within all Toronto Global funding municipalities.

To put Toronto Global results into context, this pattern of investment and job concentration in Downtown Toronto is not unique to Toronto Global; but rather has been observed as a broad "urbanization" trend both within the Toronto Region and globally. Analyzing the historic distribution of FDI projects across the region using fDi Markets data shows similar results and offers useful trends and insights³.

With regard to the share of FDI landing in the Toronto Region, fDi Markets data from 2003-2018 shows that 26 per cent of total investment projects, 39 per cent of jobs, and 45 per cent of CAPEX landed outside of the City of Toronto.

These numbers align with the findings of a Neptis Foundation report, entitled, *Planning the*

³ fDi Markets Crossborder Investment Monitor, accessed March 2019. Note: fDi Markets Crossborder Investment Monitor relies on populating its database by capturing information from public announcements. As a result the database is skewed towards Greenfield (rather than Expansion) projects and is not necessarily fully comprehensive of all investment projects. Therefore, analysis should be taken as directional.

Next GGH, released on November 30, 2018, which examined the increasing concentration of jobs located in Toronto's downtown core. The report shows that the extended region is in the midst of a dramatic shift where a more balanced pattern of urban and suburban employment growth has given way to the hyper-concentration of knowledge-based activities in and around Downtown Toronto. Between 2006 and 2016, the tendency toward geographic concentration was even stronger than what was between 2001 and 2011.

This data and report underscores the need for Toronto Global and our partners to work to address the distribution of investment across the region.

Regional Economic Development

It is critical to note that the major report recommendation for tackling economic dispersion throughout the region is to address it as a region. The report highlights the fact that the Toronto Region, unusually for such an important regional economy, lacks a regional economic development strategy and stresses that, "a strategic, regional perspective is key to the competitiveness and successful planning of the region."

The Neptis Foundation report is only the latest in an extensive collection of studies on regional economic development in the Toronto Region. From the 2009 OECD *Territorial Review of the Toronto Region*; the 2010 Toronto Board of Trade study entitled, *Better Together – Driving Regional Economic Cooperation and Development*; the 2011 Toronto Region Research Alliance study entitled, *Rationale for a Regional Economic Development Organization*; and the 2013 report commissioned by Pricewaterhouse Coopers (PwC) entitled, *Roadmap to Revitalization*, all called out for a more regional approach to economic development and planning across the Toronto Region.

Investment Promotion Agencies: Best Practices

A recent report by the London School of Economics (LSE) Global Investments and Local Development team entitled, *FDI inflows in European regions: What role for investment promotion agencies?*, echoes the importance of a regional approach when looking specifically at investment promotion. The report reviews and recommends successful policies for investment promotion agencies and concludes, "that regional agencies work – regardless of what kind of region they're set up in, they bring more foreign companies, more investment and more local jobs."

The 2018 report, "*Collaborating for Investment Attraction in the Toronto Region*" by the Innovation Policy Lab from the University of Toronto's Munk School of Global Affairs also emphasized that to attract investment from foreign companies, city-regions must think globally. The leading firms of today weigh location decisions on the basis of what strategic asset regions as a whole can offer in a highly competitive marketplace.

Looking more specifically at effective tactics, the LSE report revealed that the most effective strategy for regional IPAs involves the definition of a specific targeting plan toward key sectors of the local economy. This reinforces other research on the topic. For example, the ECORYS report, *Exchange of Good Practice in FDI Promotion*, identifies that best FDI results are achieved by taking a sub-sector approach that includes identifying 'missing links' in domestic ecosystems and corporate value chains. Further, the study correlated 'consultancy-

driven' IPAs with higher inflows of FDI. If the IPA shifts its mindset from simply promoting general image and overall investment climate toward becoming a consultancy-driven service organization that understands the needs of corporate location decision makers, it attracts more FDI flows. This implies that an ability to deliver deep industry knowledge and advice is an important offering.

Another key insight from this research references the importance of Business Retention & Expansion activities. The LSE report highlights that embedding foreign firms into the local economy is at least as important as their attraction – unless foreign firms embed into the local economy primarily by building links with local firms, in which case the benefits could be negligible.

Toronto Global has looked to Montréal International for best practices in the Canadian context. Montréal International CEO, Hubert Bolduc, presented to Toronto Global staff, the Economic Development Officers Management Council, and the Board of Directors in fall 2018. The discussions provided insight and lessons learned throughout Montréal International's 26-year mandate that includes attracting FDI, international organizations, and international strategic workers, as well as promoting the competitive and international environment of Greater Montréal. Finally, as witnessed when collaborating to build the pitch for Amazon's HQ2, when the wider Toronto Region presents a united front, it represents a formidable economic region that is attractive to international business.

Implications for Toronto Global

Sector-based Approach

The sector-based recommendations coming out of the research on best practices of IPAs align well with the conclusions of discussions between Toronto Global and the Economic Development Officers Management Council to place increased focus on opportunities in the 905 both in the technology industry and in other sectors as a key tactic for greater distribution of investment projects throughout the region.

Using a broad definition of 'tech' that is based on the approach used by the Brookfield Institute⁴ for Entrepreneurship and Innovation in their recent report, *Who are Canada's Tech Workers?*, we took a closer look at the fDi Markets data. The analysis shows that 'non-tech' investment projects are more than two times more likely to land outside of the City of Toronto. Since 2003, 18 per cent of tech investment projects landed outside of the City of Toronto compared to nearly 40 per cent of non-tech investments.

As the bulk of Toronto Global's current pipeline and wins are tech-focused, this analysis confirms the rationale that placing additional resources toward sector diversification within the opportunity pipeline is a valid tactic to broaden investment across the region. It is recognized that certain sub-sectors of tech, such as enterprise software, back office tech and IT solutions

⁴ Brookfield Institute for Entrepreneurship and Innovation developed an 'industry' definition for technology from the ground up by adopting and applying methodologies first used by the U.K.'s Nesta, the United States Bureau of Labor Statistics, and the Brookings Institution. For more information please see the report, [The State of Canada's Tech Sector, 2016](#).

has traditionally sought locations outside of Downtown Toronto. This broader view of tech will also be employed. To further inform this direction, we also looked more granularly at industry sectors and clusters in order help prioritize our activities. Not surprisingly, most financial services investment projects land in the City of Toronto. On the other hand, about half the investments in the life sciences sector have landed outside the City of Toronto. The regional shares are even higher for the “advanced manufacturing” sub-sectors of automotive, aerospace, food and beverage, and industrial equipment industries.

With that in mind, the current year business plan will consider the role that investment attraction can play in addressing the changing manufacturing landscape across the region. As we double down on efforts to better define the opportunities for FDI in these (advanced) manufacturing sub-sectors, we can more effectively identify, pitch, and facilitate location decisions throughout the entire Toronto Region, recognizing that these types of investments typically have a longer decision-making timeline.

Leveraging Existing Foreign-Owned Firms

For the Toronto Region to receive full benefit from FDI, foreign companies must embed their operations into the local economy. This understanding highlights the need to ensure aftercare services to landed investments are optimized across the region. Additionally, it points to an opportunity to build on investments already made by foreign companies in the region with intentional efforts focused on attracting new global mandates for these organizations that would expand their footprint, connection and commitment to the Toronto Region. Discussions with our colleagues across the country reveal that up to 70 per cent of foreign direct investment is the result of reinvestment and expanded global mandates by existing firms.

In accordance with our funding agreement, Toronto Global will support our municipal partners in their efforts to uncover prospective opportunities to attract new mandates from existing foreign firms and identify gaps/companies within foreign firm global value chains to target.

Partnerships and Collaboration

Toronto Global’s governance and operating model embodies regionalism as its *raison d’être*. However, the organization’s mandate is solely focused on greenfield investment attraction, which is only one component of a regional economic development strategy. There are few other local organizations that operate with a regional mandate – for instance, Metrolinx for regional transportation planning, and more recently, the launch of the Toronto Region Board of Trade’s Economic Blueprint Institute. This signals that they are taking steps to move toward the development of a regional economic development strategy that considers the entire Toronto Region.

As Toronto Global moves forward, particularly with regard to a sector focus, we will seek out important collaborative partnerships that aim to identify a role and direction for investment attraction as part of more comprehensive regional economic and cluster development strategy.

The following sections outline the major initiatives and activities that the Toronto Global team will undertake over the course of 2019/20 as we work toward achieving the key objectives introduced above.

THE PLAN FOR 2019/20

In 2019/20, the organization's **metrics** are as follows:

- + 40 new investments
- + 1,800 new jobs (within 3 years)
- + \$300M CAPEX
- + 300 – 400 companies transferred into the sales funnel

Recognizing the emphasis this Business Plan is placing on distributing investments through the region, the organization is also introducing metrics that will allow us to measure our effectiveness in achieving this goal in the coming year, while building our pipeline for later years:

- + 75-100 companies transferred into the sales funnel deemed to have strong potential to locate outside the City of Toronto
- + 24-36 opportunities in Level 2-3 deemed to have strong potential to locate outside the City of Toronto

In addition to the metrics above, starting in 2019/2020, and over the course of the next five (5) years, we are seeking to continue to address the distribution of investments throughout the Toronto Region with both quantitative and qualitative measures. Most recent analysis shows the ratio of investments within the City of Toronto versus the 905 is roughly 85%-15%. That split is reflected on page 7 in a review of our landed investments over the last two years. We would work assiduously to bring that ratio down to a 75%-25% ratio in investments, increasing the number of investments in the 905 by a minimum of 10%. It is important to note that while we are implementing metrics for the 905 these represent the minimum of our efforts in the region. Working to balance out our regional offering and presence with global investors is at the core of what we have done and will be continuing to double down on with our investment attraction, marketing and communications and research and insights teams.

Supplementing these additional regional metrics for landed investments, on the qualitative side we would also:

- + Leverage highly-targeted lead generation contracts focused on investments and leads that have a strong potential to locate outside of the City of Toronto ("905 Leads");
- + Provide increased transparency with regard to leads through the pipeline, including sharing business cases with our municipal partners and committing to regular follow up on active files;
- + Conducting "tombstone" exercises on both won and lost investments to explore ways in which to improve collective service offering to prospective investors or expand on successful initiatives;
- + Continue to develop and implement sector strategies geared toward increasing our strategic pipeline in the 905;
- + Produce more sector focused social media campaigns;
- + Upgrade and enhance our regional web content;

- + Advance our SEO/SEM strategy;
- + Ensure that 50 per cent of our blog posts depict events, assets, industry profiles or investments in the 905;
- + Develop a new format for our sector profiles that visually depicts the sector clusters across the region in a mapping tool in both print and digital formats to illustrate the wide range of assets across the region.

To achieve these results, Toronto Global has developed **four key themes** with consideration given to our results to date, feedback from our funding partners, and the wider regional and global context for economic development and investment attraction. These objectives have the main purpose of fulfilling our mandate: the attraction of investment to the region, and the distribution of investments across the region:

1. Building a Larger and More Diverse Pipeline
2. Continuing to Increase Capacity to Advance Opportunities
3. Increasing Prospective Investor Awareness of the Assets/Value Proposition Throughout the Region
4. Reinforcing our Strong Operational Capacity

Key Initiatives and activities relating to each of the above four objectives are summarized in the overview table below, by lead division.

2019/20 KEY INITIATIVES

Investment Attraction	Research & Insights	Marketing & Communications	Human Resources & Business Operations
<ul style="list-style-type: none"> + Pipeline diversification through lead generation and prospecting + Selective use of lead generation contracts for pipeline diversification + Undertaking non-technology focused business missions + Executing on Life Sciences and Financial Services sector strategies + Strengthening relationships with Federal and Provincial partners + CRM Upgrade + Strategic client engagement training 	<ul style="list-style-type: none"> + Advanced Manufacturing Strategy Development + Deeper Sector Knowledge Initiatives: Sector Expertise Consultants, Knowledge-Building Workshops + Business Case Library Tool Implementation + Shared Data Visualization Tool Pilot + IA Research Support Specialist Intern + Filling Data Gaps: Business Costs, Post-secondary education + Phase 2: Toronto-Waterloo Tech & Innovation FDI Strategy Project 	<ul style="list-style-type: none"> + Leveraging insights from the Salesforce/Pardot tool + Sector-focused social media campaigns + Enhanced regional website content + SEO/SEM Strategy + Regional Sector Profiles/Asset Maps + Increased regional visual content 	<ul style="list-style-type: none"> + Repatriation of finance, accounting, payroll, audit and compliance from Shared Services provider into Business Operations + Financial reporting for all funding partners + Procurement policy + Development of five-year strategic plan + Learning & development

2019-20 PLAN - OBJECTIVES

1. Building a Larger and More Diverse Pipeline

Introduction

Over the last two years of operations, Toronto Global has built a robust pipeline, which represents the organization's total pool of FDI opportunities that have been identified as having the potential to, or expressed interest in, international expansion and possibly, in the course of making that decision, locating in the Toronto Region.

As our team has been at full operating capacity for only two years, and given that there is typically a 24-36 month sales cycle needed to close a foreign direct investment decision, it will take time for some of these opportunities to move through the sales cycle. Accordingly, Toronto Global has worked diligently to build internal lead generation capacity, as well as develop a presence in the sectors and markets with the highest potential for greenfield FDI in order to deliver quality investments and meet our targets.

In this context, the investment attraction team has focused on key markets with a high return on investment, like the U.S. (both east and west), and Europe (the U.K., Holland, and Germany), as well as sectors including technology, financial services, business services, and life sciences. This strategy has allowed the organization to scale the pipeline and has yielded strong investment results. Reflecting the Toronto Region's strength as an emerging tech powerhouse, our pipeline is dominated by companies in the broad technology sector. This sectoral strength cannot be minimized in its importance, as it serves to generate valuable jobs, investment, and garner precious international profile for Canada, Ontario, and the Toronto Region. On the other hand, these companies have the tendency to choose to locate in the City of Toronto rather than other locations in the Toronto Region, thus calling upon Toronto Global and our partners to focus attention on the distribution of investments through the Toronto Region.

The organization transferred 379 active opportunities into sales funnel (Levels 1, 2, or 3) in 2018/19, adding to our existing pipeline, for a total of 675 opportunities presently active in our sales funnel. These numbers are a snapshot of the organization's level of activity, and reflect the current pool of future potential investments for the region (See Appendix II for the definitions of the stages in Toronto Global's pipeline).

Expected Outcome

Toronto Global will continue to build a highly diverse pipeline that will bring investment to the region, focusing on opportunities that align with the sectoral strengths of the entire Toronto Region. In addition, the team will balance the strong potential that the technology sector provides throughout the Toronto Region for greenfield FDI with advancing the 905 tech clusters and prospecting in other non-tech sectors in order to help distribute investments across the region as a whole.

Taking into consideration the current pipeline, and our continued push towards sectoral diversification, the organization will generate a total of 24-36 opportunities into Level 2-3 that

are deemed to have the strong potential to locate outside of Downtown Toronto. Toronto Global expects this will yield an increased number of regional investments over the short to medium term.

In order to ensure that we continue to generate investor interest in areas outside of Downtown Toronto, it will be important to stoke the pipeline so that there is a continued supply of potential investors over the medium to longer term. Therefore, Toronto Global will endeavour to transfer 75-100 companies into the sales pipeline that are deemed to have a strong potential to be attractive to the assets and attributes locate outside of Downtown Toronto.

Working with our regional and municipal partners we will also review the quality of the jobs and leads we are attracting. This is a medium term goal that we will address in collaboration and cooperation with our partners who have the connections to the local business community and what they need and/or can leverage to supplement their existing ecosystem.

It should be noted that, as with every investment decision, it is the client who will be making the final determination as to where the investment lands. In addition, Toronto Global and the Toronto Region are always in a serious battle against competition from across the country and the globe for investment decisions.

Key Performance Indicators:

- + 75-100 companies transferred into the sales funnel deemed to have strong potential to locate outside the City of Toronto
- + 24-36 opportunities in Level 2-3 deemed to have strong potential to locate outside the City of Toronto

Activities

Lead Generation and Prospecting Activities

Toronto Global's investment attraction team is organized by market, with teams actively targeting and prospecting FDI opportunities in key U.S. (four staff), U.K. (two staff), European (two staff), Asian markets (two staff) and a responsive team who intercept inquiries from across the globe (two staff). The team relies on its in-house prospecting activities, as well as a number of partnerships to deliver the majority of its investment leads.

Across all sources, the number of leads from the technology sector have been high, which reflects the strong tech industry and associated assets in the Toronto Region. The U.S. and the U.K. continue to be the source of the bulk of our new investment wins. The two teams combined represent half of the current Investment Attraction team. The U.S. remains the most important market for us.

For 2019/20, Toronto Global will continue to focus its lead generation and prospecting activities on building a more diverse pipeline of FDI opportunities. In doing so, market teams will target companies in sectors with direct alignment with the region.

Market	Submarket	Sectoral Alignment
USA	USA East	Financial Services, Advanced Manufacturing, Life Sciences, Food and Beverage, Tech
	USA West	Advanced Manufacturing, Life Sciences, Food and Beverage, Tech
Europe	Germany, Netherlands	Life Sciences, Advanced Manufacturing, Tech
	United Kingdom, Nordics	Financial Services, Life Sciences, Tech
Asia	Japan, Korea	Life Sciences, Advanced Manufacturing, Tech

The federal and provincial governments are an important source of leads for the organization, and valuable partners for Toronto Global. Through the federal trade commissioner service, a specialized group of investment officers stationed in Canadian Embassies and Consulates around the world, Toronto Global receives access to highly qualified leads and executive introductions. Toronto Global also leverages their international presence to meet with clients in market on the organization's behalf. Likewise, the Province of Ontario's Senior Economic Officers (SEOs) also provide in-market assistance and are a valuable source of leads.

In 2018/19, Toronto Global received approximately one-third of our overall leads from the federal and provincial governments. Leads from these sources tend to be very high quality, and are typically farther advanced in the pipeline, having an active expansion or relocation

project.

Toronto Global has developed a strong relationship with the trade commissioners. They are able to act as our in-market representative with potential clients, and hand over files and investment leads to our Investment Attraction team. The team advances the opportunity to the next level through a number of activities: providing in-depth business cases, organizing regional tours, and ensuring the company has a full understanding of the advantages of expanding into the Toronto Region relative to other jurisdictions.

Additionally, when the Toronto Global team travels to a market where a trade commissioner or SEO is based, they will invite the trade commissioners and SEOs to Toronto Global-arranged company meetings and networking events, introduce them to clients, as well as leverage their in-market presence for advice and assistance.

For 2019/20, Toronto Global will continue to develop our positive relationship with the trade commissioners and SEOs, with the goal of engaging with prospective companies in markets located outside of the larger technology hubs, in an effort to further diversify the pipeline. Toronto Global will continue to pursue the regional “pilot projects,” which were launched in 2018/19. These projects entail working directly with participating funding partners to build stronger working relationships, undertake joint prospecting initiatives, examine local supply chains, and collaborate on business retention and expansion opportunities. This collaboration is crucial in advancing our regional mandate. Providing more transparency of the progress through the pipeline to our municipal partners including sharing business cases with our municipal partners, conducting “tombstone” exercises on both won and lost investments and regular follow up on active files. Regional marketing materials are also critical to enabling the organization to distribute investments.

So far, the results of our pilot projects have been encouraging. Toronto Global has seen an increase in the number of interactions with our municipal funding partners, as well as enhanced collaboration on prospecting and servicing investment leads. Accordingly, there has been a marked increase in the number and diversity of new leads entering the pipeline.

Third Party Lead Generation Contracts

Toronto Global’s internal lead generation program has traditionally been complemented by the selective use of third party lead generation firms. The organization has worked to reduce its reliance on lead generators as a source of leads, instead focusing on building the prospecting and strategic selling capacity within the Investment Attraction team. In 2018/19, we saw a marked decrease in the number of qualified leads from lead generators. Lead generation mandates are exercised judiciously, as we always seek to make the most effective use of our resources. In 2018/19, lead generators were used primarily to offset internal lead generation capacity, as well as complement business missions.

For 2019/20, the organization will continue to assess the use of lead generation firms and may reduce its use of lead generation contracts, leveraging them only when needed to add capacity to the Investment Attraction team, or for highly specialized prospecting initiatives. These could include working with our municipal partners to leverage lead generation contracts for our targeted activities in the 905.

Business Missions

Toronto Global's business missions are an important way in which the investment attraction team is able to meet directly with prospective investors. When undertaking missions, Toronto Global focuses on market development, while also taking the time to reconnect with existing clients to advance opportunities. To ensure we are maximizing the value of our business missions and undertaking our activities in an efficient and effective manner, missions are approved as warranted according to the number and quality of direct meetings that can be confirmed with qualified prospective clients, as well as the size and quality of potential investment opportunities. In addition, a small number of missions are undertaken each year to fulfill obligations to the Consider Canada City Alliance (CCCA), or to attend economic development conferences.

For 2019/20, Toronto Global will continue to align missions to the assets and economic strengths and sectors within the entire Toronto Region. The organization will also work closely with our municipal and other partners to ensure that we are coordinating our mission schedules for the year in order to avoid overlapping or duplicating our work with international clients. (Click [here](#) for a preliminary draft mission schedule for 2019/20).

Executing on Existing Sector Strategies

In 2018/19, Toronto Global, in collaboration with a number of partners, developed targeted strategies for the Life Sciences and Financial Services sectors.

These strategies provide a blueprint for engaging with relevant organizations, as well as a number of focus areas for prospecting FDI in each sector. To date, the organization has had strong success with these strategies, generating 103 and 277 (respectively) highly qualified financial services and life sciences opportunities to the pipeline in 2018/19.

2019/20 will represent a continued focus on the execution of these two strategies, in-line with the organization's push to further diversify its pipeline. Toronto Global will continue to narrow in on the areas under each sector with the highest potential for greenfield FDI for future prospecting.

Advanced Manufacturing Sector Strategy Development

To support the objective of pipeline diversification and driving investment throughout the region, the Research & Insights team will undertake a series of additional strategies in sectors that are currently under-represented in our opportunity pipeline, namely: advanced manufacturing, with a particular focus on aerospace, automotive, and food and beverage. It should be noted that the development of these sector strategies is a longer-term initiative that, although may not result in a marked increase of advanced manufacturing investment leads this fiscal year, is a signal to Toronto Global's commitment to building our capacity and focus for the future. ICCI has approved project spending of up to \$186,000 toward the development of advanced manufacturing strategies.

This advanced manufacturing focus presents a clear opportunity to align our FDI efforts with the activities of the recently launched advanced manufacturing supercluster organization, NGen Manufacturing. Additionally, a focus on advanced manufacturing allows us to leverage the

region's unique advantage of having both a strong technology and manufacturing base, as well as specific provisions within new free trade agreements (e.g. CUSMA, CPTPP and CETA). Further exploration of the tech-related FDI opportunities within these more traditional sectors is a recommendation coming out of the forthcoming Toronto-Waterloo Region Tech and Innovation FDI Strategy undertaken in 2018/19.

Toronto Global puts considerable importance on developing our FDI sector strategies for the Toronto Region in consultation with a wide range of partners in an effort to ensure that the type of FDI opportunities we are pursuing for the Toronto Region are aligned with, and have a positive impact on, regional economic development and cluster development strategies. Taking a broader view of clusters, supply chains, regional assets, etc., helps to bolster our value proposition and provide potential investors with a stronger understanding of the ecosystem they have access to from a location within the Toronto Region.

Key objectives for these sector strategies include:

- + Identification of key opportunity areas for FDI that:
 - + Support cluster growth/transformation in the Toronto Region
 - + Provide a compelling business case for establishing a location in the Toronto Region
- + Development of a refined value proposition and tools, including:
 - + Asset Map
 - + Business Case
 - + Presentation Deck
- + Development of a strategic target list, including:
 - + Key criteria/sources to identify leads
 - + Initial target list companies that best meet criteria

2. Continuing to Increase Capacity to Advance Opportunities

Introduction

Toronto Global's lead generation efforts over the last two years have yielded a strong pipeline of opportunities. In 2019/20, the team will shift some resources from building the target pool to moving existing targets and prospects through the sales funnel toward a successful investment. The initiatives/activities within this theme consider both productivity and knowledge. By enhancing the team's ability to respond more quickly and with ever-improving strategic advice and information, Toronto Global will be better positioned to support an increased number of clients through the corporate location decision-making process.

Expected Outcome

It is expected that these initiatives/activities will lead to an increase in the number of prospective companies advancing levels (stages) within Toronto Global's pipeline, along with a corresponding increase in the number of opportunities selecting the Toronto Region for their investment.

Activities

Strategic Client Engagement

Toronto Global has worked to develop strong lead generation and prospecting expertise within its Investment Attraction team. With staff generated leads now accounting for the bulk of new prospects entering the organization's pipeline, the focus can now shift to ensuring these prospects can be moved through the pipeline to successful investments.

For 2019/20, Toronto Global will look to further develop the organization's capacity in this regard by providing training for key skill sets, like strategic selling and client management, as well as further economic development training, to ensure the organization can capitalize on its large prospect pool. We will also provide our municipal partners with increased sight lines to our sales efforts. From training to strategy to tactics to targeting to execution and a successful close all those stages are critical to our expanded efforts across the region.

Deeper Sector Expertise

Last year, Toronto Global undertook a number of key initiatives to build the team's knowledge and capacity to identify and service FDI opportunities across each of Toronto Global's priority sectors. These activities included: introducing a series of sector-based workshops; assisting in the development of, and participation in, the TCI Network Cluster Immersion Experiences; and enhancing or developing more strategic relationships with a broader base of industry/cluster organizations. These activities contributed to building high-level value proposition/business case content and developing a larger roster of industry expertise.

In 2019/20, we will continue to build on these efforts with a focus on the following activities:

+ *Sector Expert Consultants*

While previous activities have helped to build up a broad knowledge of the Toronto Region's high-level value proposition across several industry sectors, in some cases, successfully advancing and closing more FDI projects requires deep sector knowledge that can address the technical nature of the business. While Toronto Global has ongoing relationships and projects with the region's main cluster organizations for these sectors to support implementation of the FDI strategies – TOHealth! and Toronto Finance International – we would benefit from additional sector expertise in ensuring prospective investors receive the information and service they require to make a timely, well-informed (and favourable) business location decision.

Toronto Global successfully applied for funding for 'sector-expert consultants' as part of its 2019 ICCI application. The intention is for the 'sector expert' funding to supplement existing efforts and enhance support to Toronto Global's Investment Attraction team in providing clients with timely and reliable value-added strategic advice and connections that will help overcome identified roadblocks (e.g. regulations, market expansion strategies, etc.) as well as set up impactful familiarization visits, with the objective of increasing closed deals in these sectors across the region.

The use of sector expert consultants is intended to supplement our interaction and collaboration with relevant sector-focused EDOs available in select municipalities. We also envision these additional resources as a critical part of addressing the need for enhanced regional content and input into our work.

+ *Knowledge-Building Workshops*

Toronto Global will continue with the concept of the Knowledge-Building Workshop pilot initiative started in 2018/19. These workshops are regularly-scheduled team training sessions that typically invite guest-speakers to present to the team on a variety of topics aimed at improving our collective knowledge and sparking new ideas that will positively contribute to our ability to attract international investment. In 2019/20, the workshop program will have a strong sector-knowledge focus with particular emphasis placed on bringing in individuals and organizations that can help the Investment Attraction team overcome identified challenges to advance opportunities in non-tech sectors.

Productivity & Insight Tools

In 2019/20 Toronto Global will implement a number of productivity and insight tools designed to provide key insights and efficiencies that will support the team in advancing opportunities through the pipeline.

CRM Upgrade

The CRM is the backbone of the organization, providing a complete inventory of our client base, service providers and team KPIs throughout the year, and is integral to the work of the Investment Attraction Team.

Toronto Global adopted the existing CRM system from its predecessor organization, Invest Toronto. A thorough review of the CRM was conducted, with the system being substantially rebuilt and its functionality enhanced to incorporate increased users and capacity in measuring results and tracking clients along the investment cycle. Although improvements were made, the system has now reached capacity and doesn't capture needed upgrades and integration with our website.

For 2019/20 the organization will procure and implement a CRM that fully meets the needs of the organization. Paramount in this will be the ability to better track and report on opportunities in Toronto Global's pipeline, and it is expected to yield the following benefits:

- + Improved tracking of opportunities at each stage of the sales cycle
- + Contact points across platforms (email, LinkedIn, Twitter)
- + Integration with Toronto Global's website
- + Reporting capability that provides greater insight to management and funding partners

Salesforce/Pardot Insights

In early 2019, the Toronto Global Marketing & Communications team engaged a new tool, Pardot, which will help our team to better understand our audience. Pardot provides us with the tools to create, deploy, and manage our online and social media marketing campaigns to drive results and access a full suite of analytics all in one place, and the information is stored directly in the CRM. The tool allows us to understand who is engaging with the digital and social content we produce and what those users are interacting with on our website, giving us better insight into what information investors are looking for. Full tracking of audiences from social to website to email is Pardot's biggest asset, whereas Google Analytics only provides us access to clicks and time spent on pages without identifying where/who those clicks are coming from.

Using Pardot, the Marketing & Communications team can assist the Investment Attraction team with moving opportunities through the pipeline by retargeting current clients, leads and prospects currently captured in our CRM with highly customized content and ads that speak directly to their needs and identify opportunities for their businesses in the Toronto Region. This tool can assist with re-engaging the client, providing them with relevant information, and reconnecting them with the Investment Attraction team to revisit the opportunity and help to convert them into a win.

Business Case Library Tool

Over the course of 2018/19, the Research & Insights team developed business case material for approximately a dozen sectors, along with standardized business case content for key topics, including: market size and access, talent pipeline, immigration and diversity, transportation and infrastructure, real estate, and quality of life. We have also initiated the process of implementing a content library and management system that will house all of this content and support the Investment Attraction team in responding more quickly to investor

inquiries with regional high-quality, targeted, on-brand business case and presentation material. The tool will also improve Toronto Global's ability to keep business case data and information up to date and ensure that critical content is easily distributed and accessed by all staff. This effort will continue into 2019/20 with the goal of a full corporate launch by summer 2019.

Data Visualization Tool

Implementing a data management and visualization tool to enhance our ability to efficiently analyze and update an increasing number of datasets was a stated objective in 2018/19. Relatedly, developing a shared data tool that could also be accessed by staff and (ideally) partners was a secondary objective (and forthcoming recommendation) of the Toronto-Waterloo Region Tech and Innovation FDI Strategy project. In exploring options for how best to undertake these objectives, we determined that we did not allocate sufficient resources in 2018/19. Therefore, Toronto Global successfully applied for 2019 ICCI funding to undertake a Data Management and Shared Visualization Tool Pilot Project as part of this year's Business Plan. The intention is to leverage the regional data developed for both the Amazon HQ2 RFP and the forthcoming Toronto-Waterloo Region Tech and Innovation FDI Strategy project and work with a consultant to organize, visualize and improve access to these datasets for Toronto Global's Investment Attraction and Marketing & Communications teams, as well as for partners.

Further, it is our objective to, where possible, align efforts with partners with a long term view to developing a complementary set of tools with robust regional data and functionality to support the development of strong, data-supported regional value propositions. To this end, the Research & Insights team will participate as a steering committee or working group member for Invest in Canada's Data Lake Initiative as well for the Toronto Region Board of Trade's Economic Blueprint Regional Data Project.

Dedicated Investment Attraction Research Support Specialist (Intern)

Toronto Global successfully applied for 2019 ICCI funding for an intern that would be dedicated to supporting research requests from the Investment Attraction team. This position is integral to increasing the capacity of the Investment Attraction team to advance opportunities through the opportunity funnel by supporting the client follow up process. The position's primary focus will be to assist in client meeting preparation and regional business case development by undertaking customized research (when necessary) and assembling relevant, available data/resources.

Filling Data Gaps

Toronto Global undertook several research projects and acquired new data tools in 2018/19 in an effort to continue building our inventory of comparative data relevant to the site selection process that supports the development of strong business cases to assist in advancing opportunities through the pipeline. The focus in 2019/20 is as follows:

- + *Business Costs Data and Financial Modelling*: Invest in Canada is spearheading an initiative with KPMG and MMK Consulting to address the gap resulting from the discontinuation of the KPMG Competitive Alternatives tool in 2018. The Research & Insights team will be part of the Steering Committee for this project, which is kicking off in April 2019.

- + *Postsecondary Education Data:* In 2019/20 Toronto Global will hold discussions with the Province of Ontario, the Common University Database Ontario (CUDO), Colleges Ontario, HEQCO, and other identified relevant partners. The goal is to build support and a scope of work for a tool that will allow for open access to up-to-date and consistent postsecondary education data from both the university and college systems that can be readily accessed to better support investment location decisions. A future proofed talent pipeline is what is propelling the Toronto Region forward as an international investment destination. Providing detailed information about the educational attainment of our talent base, both present and future, is critical.

3. Increasing Prospective Investor Awareness of the Assets/Value Proposition throughout the Region

Introduction

Toronto Global's Investment Attraction team works closely with prospective investors to provide customized solutions that are unique to their specific business needs. The Research & Insights and Marketing & Communications teams support and enhance the efforts of the Investment Attraction team to communicate a regional message through the provision of relevant and factual data and through marketing material that effectively showcases the assets of the entire region.

The following initiatives will be undertaken in 2019/20 to further communicate the regional value proposition to investors at every stage of the investment lifecycle to ensure they are aware, familiar and comfortable enough with the business offering across the entire region to make an informed decision that will set their business up for success.

Expected Outcome

A broadened awareness internationally of the business opportunities within the Toronto Region that exist at the regional level for prospective companies and other stakeholders.

Key Performance Indicators

Toronto Global has been extremely successful over the past year at increasing awareness and engagement on our website and social media channels. In the United Kingdom alone, we saw a 1,951.8 per cent increase in new users to our website. Additionally, we also saw a 34.3 per cent increase in new traffic from the United States.

Keeping in mind the influence of the Amazon HQ2 process and the effects of two previous targeted paid social media campaigns, the table below illustrates the year-over-year increase in visitors to torontoglobal.ca from 2017/18 to 2018/19:

Metric	2017/18	2018/19	YOY Change
Number of new users	34,266	45,741	33.5%
Number of new users from the U.K. (as a result of the AI Summit and BIG paid social media campaigns)	610	12,516	1,951.8%
Number of new users from the U.S. (as a result of the BIG paid social media campaign)	5,409	7,264	34.3%
Number of page views (driving traffic deeper into the site)	121,794	137,723	13.1%
Number of About us page views	6,549	8,606	31%
Number of Toronto Region Quick Facts page views	1,372	1,763	29%

Along the way, we also revamped our home page, added a new page for Artificial Intelligence and updated our Financial Services, Life Sciences and Tech industry pages with increased regional content with a focus on keywords for search engine optimization. Along with the new industry pages, we also introduced a new blog focused on defining the many attributes of the Toronto Region that would be beneficial to potential investors and written by staff. These new additions to our web site also resulted in increased viewers to the site and increased engagements. The numbers to date are:

- + 30,582 views of refreshed Home Page, with time spent on the page increasing from five second to one minute and twenty-five seconds (average)
- + 20,178 views of new AI page
- + 1,659 views of new Toronto Global Blog

In addition, please find below the YOY changes in views to our previous industry landing pages and the three new revamped industry pages:

New Page	2017/18	2018/19
Financial Services	625	2,137
Technology	805	1,811
Life Sciences	530	1,240

As we have not yet done a sector-based social media campaign driving traffic to these pages before the BIG campaign, the 2017/18 numbers can be used as a benchmark during non-campaign years for traffic to our industry pages. The increase in traffic for 2018/19 demonstrates the enhanced engagement on those pages as a result of a paid campaign in two key markets.

Another important addition to our website was the launch of a new interactive map of the Toronto Region. Our objective with this map was to ensure that we addressed key questions from investors about access to market, and flight and drive times from the region to major cities across North America, South America, Europe and Asia. Since its launch, Toronto Global has seen 61.21 per cent of traffic to the map coming from international audiences. In 2019/20, we hope to continue to drive further traffic to this map and our refreshed home and industry pages, as it helps to address key location decisions and inquiries to our Investment Attraction team.

Activities

Social Media Campaigns

The two previous paid social media campaigns, the targeted campaign to Amazon employees in the fall of 2017 and the AI Summit in London in June of 2018, were our first entries into the paid social media world. After developing the content and establishing our metrics, our big push internationally was the design and execution of our “BIG” campaign. Our target was to generate a 50 per cent increase in C Suite executives from the U.S. and the U.K. engaging on our site and to see a 250 person increase in followers on our LinkedIn profile. Both metrics were achieved and surpassed.

The launch of our first sector based paid social media campaign with LinkedIn targeted at the U.S. and U.K. markets was an important initiative for Toronto Global. The campaign included content that highlighted the regional opportunities in our major sectors to a targeted audience of C-Suite, investors, site selectors and decision makers in those industries. The theme of this campaign was, “This is BIG. This is Toronto Region,” and the focus was not only to highlight the size and scale of our region and the fact that we are competing with some of the largest markets in North America, but also to communicate the BIG opportunities throughout the region in our diverse economy. A focus on our major sectors provided an opportunity to deliver a truly regional message to our target audience, highlighting regional assets in each industry and driving traffic to our revamped industry webpages, which have been updated to include enhanced regional content.

To illustrate the effects of paid social media campaigns in reaching our target international investor audience, please find below the results of the BIG campaign on LinkedIn:

- + 145% increase in new users to torontoglobal.ca
 - + 118% increase in new users from the U.S.
 - + 532% increase in new users from the U.K.
- + 422 new followers to Toronto Global LinkedIn profile
- + 1,063,539 LinkedIn members reached
- + 2,365,281 impressions
- + 13,997 engagements (likes, comments, shares)
- + 8,638 clicks to torontoglobal.ca
- + 315,765 video views

A BIG Win for a Lead Gen Test

During the BIG campaign, Toronto Global decided to set aside a small budget toward testing forms across social and our website. As Toronto Global had previously never tested lead generation forms, we saw this as an opportunity to determine whether potential investors would be willing to provide their contact information in exchange for deeper insights about the region. Working with our Investment Attraction team to pull current prospects and clients from our CRM database, we used this list to re-engage current prospects with our brand. Leveraging the increased awareness of the region and Toronto Global's services from the Amazon bid, we decided to test an ad that asked investors if they would like a similar business case to the one that was prepared for HQ2. If users were interested, they could simply download our HQ2 business case by providing their contact information with their LinkedIn profile data.

With our small lead generation test, Toronto Global saw 125 forms filled with LinkedIn profile data. This meant that the Marketing & Communications team was able to forward these leads over to our Investment Attraction team to be qualified.

Although a good portion of the forms filled were from existing opportunities, the fact that these current prospects provided their contact details showed us that our current clients re-engaging with our brand and showing interest in the Toronto Region. This also provides an opportunity for the Investment Attraction team to follow up with them, and could in turn help to move them through the sales funnel.

The True Value Add of Social Media Campaigns

Following the BIG campaign, we worked with LinkedIn to review the overall benefits and results from the campaign in order to start establishing benchmarks for Toronto Global in future campaigns. From their vantage point, the campaign was an important entry for Toronto Global as it achieved an overall engagement rate of 0.59 per cent versus the industry benchmark of 0.40 per cent. The campaign also drove a total of \$92,744 in earned media value which was 60 per cent of the total spend, while the industry benchmark for earned media value is 10 per cent. This means that we received an added bonus on our total media spend. All of our sponsored content campaigns exceeded LinkedIn benchmarks. The LinkedIn benchmark for click through rate (CTR) on a campaign was 0.35 per cent versus Toronto Global's CTR of 0.50 per cent, meaning that we performed above benchmark. In addition, we were able to engage an extremely senior audience, which was an overriding target we sought to achieve in our investor outreach. Toronto Global's measure for engagement was 0.59 per cent, versus the industry benchmark of 0.40 per cent.

<u>Most engaged job titles</u>	<u>Most engaged company/ Industry</u>	<u>Most engaged job functions</u>
Director	Financial Services	Business Development
Managing Director	Hospital & Health Care	Sales
Owner	IT & Services	Operations
Founder	Insurance	Finance
CEO	Pharmaceuticals	Engineering

Our content marketing score also increased in February 2019 to the middle of the pack amongst our peer set, and during the BIG campaign, we were able to jump to second place amongst competitor organizations. Reach, frequency and engagement are keys to increasing your content marketing score, and the metrics also revealed that with our targeted investor audience, increased frequency is critical for results. We will need to improve on the frequency of our engagement going forward in order to have increased results above what we achieved on this first big international outreach.

As the LinkedIn and website analytics provided above demonstrate, paid social media campaigns not only increase traffic to our website and profile views on our social media accounts, but they also ensure that our brand is reaching our target international audiences in key markets (the U.S. and the U.K.). When a campaign ends, our level of activity cannot be sustained unless we continue to be in market. Increased investor engagement and visitors to our website drop off dramatically, our international audience is no longer engaged and the remaining traffic to our website is mostly from within Canada. With the goal of promoting the Toronto Region internationally to enhance awareness of our regional business offering, the benefits of paid social media campaigns are significant. With our final marketing budget still to be determined, we will be able to benchmark future campaigns against the established results we have been able to secure with our “BIG” campaign. Social media is key to build-up our profile internationally.

With both our paid advertising campaigns for the AI Summit and BIG combined, Toronto Global saw a BIG increase to our performance:

- + 40,335 clicks to TorontoGlobal.ca
- + 4,365,281 impressions of our brand messaging across social channels
- + 55,596 engagements (likes, shares, comments)
- + 417,591 video views

The Marketing & Communications team will also work with the Investment Attraction team to identify opportunities (i.e. major conferences, events, or business missions) in key markets in order to continue to expand our reach and promote the region to global investors via social media. We already work with the Business Events division at Tourism Toronto, who represent tourism opportunities in the City of Toronto, Mississauga and Brampton, to leverage opportunities presented by these international conferences.

In order to remain top of mind for investors, we must continue to seek ways to enhance our profile in key international business circles. Looking forward, we will also be looking at ways we can leverage the hosting of Collision in the Toronto Region for the next three years as a way of engaging with prospective investors. Our team is working closely on a number of avenues of engagement with our municipal and federal colleagues.

The ultimate goal of all of these efforts will be to drive traffic to our new landing pages on the website and convert our audience into leads for the team to connect with our Investment Attraction advisors.

SEO/SEM Strategy

With our website refresh underway, in 2019/20, the team will work to produce an SEO/SEM Strategy that includes regional keywords throughout, ensuring that visitors are not only driven to the relevant pages on our site to find the information required to inform their investment decision, but also to drive traffic to pages with relevant regional content that the investor would be interested in based on the keywords they have chosen. The goal is to drive traffic to a revamped website that clearly presents a strong regional value proposition.

Paid social media campaigns and digital advertising are a pre-requisite to enhancing our reach. They have a positive impact on our Search Engine Optimization (SEO) ranking, which ensures that the Toronto Global website is found easily by prospective investors based on the search terms they enter via Google, Bing, AOL, Alexa, etc. 2019/20 will include the design and implementation of an SEO/SEM strategy to improve our search ranking. It is important to note that all of our competitors are in the paid social media space.

We have been able to benchmark our standing with our competitors using the Salesforce Pardot tool, which ranks the Toronto Global website among our fellow EDO peers. Currently, torontoglobal.ca ranks far behind from Montreal, Hamilton, Quebec, Ottawa, Calgary, Vancouver, and Halifax in an organic search. We are only ahead of Waterloo and Edmonton. Ultimately, this means that if an investor searches about business expansion in Canada, our fellow Canadian cities would appear before Toronto Global. Now many of our competitors have been up and operational for many years, are connected to their city's website etc. but it shows that we have a lot of work to do to increase our awareness and profile. As a long term stretch target, we would ideally like to see torontoglobal.ca in the top five investment attraction websites in Canada and the top ten in North America both in the next five years. As the business and financial capital of the country, we need to do more to enable the global investor to find us and navigate what looks like a complicated and competitive space across the Toronto Region and in fact globally.

Regional Website Content

In 2018/19, the Toronto Global team worked with our Investment Attraction team to gain a better understanding of what kind of content our foreign investor audience engages with, and leveraged new regional data from the Research & Insights team to create new regional content for our main landing pages (Home Page, Media Centre, and Sector pages). The revised format for the pages is more visual and interactive, encouraging the visitor to engage with the content on the page and driving them deeper into the website.

In 2019/20, the remaining pages on the website will be redesigned in a similar fashion, using new regional content generated in collaboration with our municipal colleagues and the Research & Insights team, and with the counsel of the Investment Attraction team.

The Marketing & Communications team has also introduced new pages to the website, including the TG Blog, and an interactive map, which have been very popular to date with our international audiences. The Blog is an important addition to the website, as it provides an opportunity to regularly introduce original, regional content including keywords that investors would use to search for location opportunities, which improves our Search Engine Optimization (SEO). The Blog will be leveraged to showcase assets, success stories, innovations and

business opportunities from across the region. Going forward, we will ensure that 50 per cent of our blogs focus on regional content and/or feature a regional guest blogger or story.

Using the new visual content that was created over the course of 2018/19 (in the form of video and images), the website refresh will be enhanced with additional regional content across all pages to further represent the regional story and present an optimized regional value proposition for investors. Leveraging data from the sector strategies conducted by the Research & Insights team, and highlighting key assets and success stories and from around the region, the website will better represent the ecosystem and supports in all five major sectors (Financial Services, Technology, Life Sciences, Food & Beverage, Advanced Manufacturing, and Cleantech) from across the Toronto Region.

It is crucial that the website tells the full regional story, as our SEM/SEO Strategy and paid social media campaigns will drive investors to our website to learn more about opportunities for their business expansion across the region. These marketing tactics will often be the first point of contact we have with investors, making it all the more important that the content reflects our strengths as a region in order to generate leads for the Investment Attraction team and promote the continued awareness of our region to our target audiences internationally.

Regional Sector Asset Maps

The current Sector Profiles leveraged by the Toronto Global Investment Attraction team were created with the goal to remain concise and highly visual. Feedback received from the team and our partners indicated that the content in the sector profiles was too high level, and that we require materials that are more content rich, but still highly visual and engaging. The team would also like to revamp the profiles to include more regional content and to leverage the new regional images obtained through our regional photography initiative in the summer of 2018.

The Marketing & Communications team, leveraging regional data from the sector strategies undertaken by Research & Insights, and with the assistance of the Investment Attraction team, will develop a new format for our sector profiles that visually depicts the sector clusters across the region in a mapping tool, includes new regional content, and that works in both print and digital formats. The creative challenge will be to work with our graphic design firm to develop a format that works across both mediums that can be shared with clients during meetings, sent along to prospects through Sales Navigator or via email, and can be pushed out to our audiences through social media.

Regional Content

In 2018, Toronto Global expanded our library of regional video and images to represent the entire Toronto Region on our website and across our marketing initiatives. Working with an agency they shot approximately six hours of b-roll to be used for promotional videos that highlight the quality of life, talent, and business value proposition across the Toronto Region, in addition to sector-specific short videos to be used on social media to drive traffic to our website and generate leads. In addition, still images were also shot during the video shoot, and dedicated regional photography days were set up to travel across the region and take images that both showcase the beauty of the region and highlight the innovative businesses that are excelling in the Toronto area. In total, we received approximately 250 new high quality images through this project to improve our library. We worked directly with our municipal partners in deciding where to shot and what images would work within our business context. Those were

very valuable interactions and we were very appreciative of the time and effort our partners took to engage with us on this project. All of our partners can access Toronto Global's video and still library.

In order to remain relevant and for our content to be constantly refreshed and representative of the entire region, Toronto Global will continue to build our video and image library throughout 2019/20.

4. Reinforcing our Strong Operational Capacity

Human Resources

We are proud of the workforce we have in place. Their professionalism and dedication is the primary driver of Toronto Global's ability to deliver results on behalf of the Toronto Region.

The Toronto Global team is comprised of a group of professionals from diverse business backgrounds, with a number of team members having municipal experience and others having worked in business/government throughout the region/province and around the world. They are available around the clock for their clients and have often gone above and beyond to help us deliver for the region. We are also proud that our staff live and commute from across the region, representative of the workforce we are selling to investors. Toronto Global launched its business operations with 11 staff members in February 2017. We have since increased our headcount to a total of 25.

In 2018/19, Toronto Global conducted our first employee engagement survey. This was an opportunity to provide staff with an anonymous vehicle to give feedback to the company on a variety of matters. We are pleased to report that we have a strongly engaged workforce as we enter 2019/20, and we will be extracting conclusions from the report in order to continually improve the performance of the company and its employees. Two important takeaways from the survey include the heavy work load on staff, as demand for our services outstrips capacity, and the desire to take advantage of more training and professional development opportunities.

Objective Setting & Annual Performance Reviews

Developing individual performance metrics that align with the organization's set KPIs, as well as individual and team goals and objectives is important to ensure the team is focused on achieving success and representing the values of Toronto Global. Our goal is to ensure we have an engaged and committed workforce.

In 2018/19, we completed our first full year of performance management. In so doing, we rolled out our initial Annual Performance Review program. This program ensures all staff have clear measurements for assessing performance in an unbiased manner. We will continue to build on this in 2019/20.

Employee Engagement & Learning and Development

One area of focus identified in the employee engagement survey was the need for more training, both formal and informal. In 2019/20, Human Resources will develop and implement a Learning & Development Roadmap. It will be made up of four training quadrants: 1) training for all staff with regard to required legislation training; 2) individual training and development needs; 3) people leader training, and 4) training specific to the development of employees identified within the Succession Plan.

Business Operations

Five-Year Strategic Plan for Board of Directors and Management Team

Toronto Global's Board of Directors, in concert with Management, is responsible for setting the strategic direction of Toronto Global for the following five years.

In 2019/20, once the funding renewals from all three levels of government are finalized, we will establish, in accordance with the requirements of our various funding agreements, a five-year strategic plan.

Transition of Shared Services Arrangements

Our Shared Services Agreement with CreateTO (the successor to the Toronto Port Lands Company) will terminate on March 31, 2019. In anticipation of the termination of this agreement, Toronto Global has been repatriating certain functions previously provided by CreateTO, including payroll, benefits, and accounting functions. In addition, we are in the final stages of assuming all reporting specific to funding to the three levels of government.

As we move forward in 2019/20, we will complete a gap analysis to determine where we might need to source additional back of house support to ensure that all administrative and business operations functions are provided directly or through the services of an external partner.

Finally, we will build on the procurement policy that we employed while under the Shared Services agreement with CreateTO. It is our intention to develop a unique procurement policy and practice that builds on the rigour of the one that is currently employed, but that is reflective of the nature and size of our business.

Revenue & Budget

Funding Structure

Toronto Global receives funding from the Government of Canada, the Province of Ontario, the Cities of Brampton, Mississauga and Toronto and the Regional Municipalities of Durham, Halton and York. The funding is subject to the terms of specific agreements entered into between Toronto Global and each order of government.

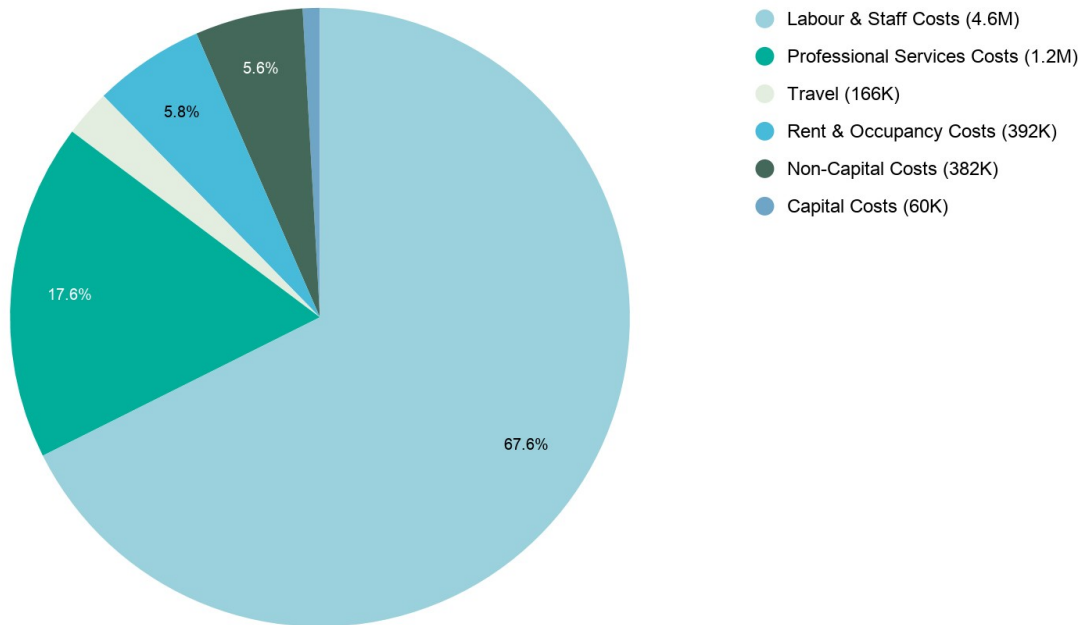
Expenditures

Toronto Global operates with efficiency and effectiveness at all levels of our business. The chart below displays the approximate distribution of the Toronto Global 2019/20 budget. As you will note, and as is the norm in most organizations, the majority of our budget is dedicated to salaries.

As our agency is essentially a professional services organization, it is important to recognize that salary dollars drive investment attraction, lead generation, marketing, and client servicing work.

In our present status quo budget, we have approximately \$0.8M of discretionary program dollars, and \$4.6M of labour costs. The fixed non-labour costs of the organization, including our office rent, IT services, professional fees, and corporate overhead, are slightly under \$1.3M this year.

2019/20 Budget \$6,783,469



2019/20 Draft Budget

April 1, 2019 – March 31, 2020

2019/2020 Budget (\$)	
Labour & Staff Costs	
Salaries	4,388,888
Chair's Honorarium	75,000
Staff Recruitment	2,000
Training, Education Learning & Professional Development	30,770 *
Shared Staff, Contract Employees, Interns	80,000 **
Employee Engagement & Familiarization Events	10,000
Total Labour & Staff Costs	4,586,658
Professional Services	
Lead Generation Services	335,000 ***
Consulting Fees	371,000 ****
Accounting & Audit Fees	90,000
Legal Fees	6,000
Global Benchmarking Tools	60,000
Industry Reports and Research	20,000
Investment Attraction CRM Licenses	19,500
Creative Design Marketing Services	100,000
Research & Marketing Data	30,000
Digital and Social Media Strategy	50,000
Website Design & Maintenance	50,000

Corporate Collateral Materials	7,500
Translation & Interpreter Costs	5,000
Video and Photography	45,000
Event Tables & Tickets	7,000
Total Professional Services Costs	1,196,000
Shared Services	0
Non-capital Costs	
Printing/Stationery/Business Cards	43,167
Office Expenses	338,900
Total Non-Capital Costs	382,067
Rent & Occupancy Costs	392,109
Travel	
Airfare/Hotel/Conventions/Misc. Travel	166,035 *****
Capital Costs	
Facilities Improvements	20,400
IT Capital Expenditures	30,000
Furniture & Fixtures	10,200
Total Capital Costs	60,600
Total Expenses	6,783,469
2019/20 Toronto Global Budget	6,783,469

Sources of Revenue/Funding

Federal	1,810,000
Provincial	2,500,000
Municipal	1,980,969
Subtotal	6,290,969
ICCI Grant	492,500
Total revenue to support 2019/2020	6,783,469

- * Training, Education Learning & Professional Development include FDI Training incorporating approved ICCI funding
- ** Shared Staff, Contract Employees, Interns include budget for Intern Salary incorporating ICCI funding
- *** Lead Generation costs include budgets for individual market strategies and approved ICCI projects
- **** Consulting Fees costs include approved ICCI projects
- ***** Travel includes funds for in-market missions incorporating approved ICCI projects

Note: Toronto Global acquired the existing office of Invest Toronto, including the office space, furniture, capital inventory, electronic equipment, existing leases, and shared services agreement. With a modest renovation budget, we were able to maximize our space to accommodate 25 staff. We are presently at capacity, and our physical constraints hamper our ability to grow or offer co-location opportunities with any operational partner. We have secured an additional 1,746 square feet of office space adjacent to our current offices, however, our ability to occupy the space is dependent on the outcome of our funding renewal process.

2019 Invest Canada ICCI Application

PROJECT YEAR	ACTIVITY DESCRIPTIONS	TOTAL PROJECT COST	ICCI CONTRIBUTION
2019	+ Awareness Building and Business Case	\$ 195,000.00	\$ 97,500.00
	+ Robust and Diversified Pipeline	\$ 515,000.00	\$ 257,500.00
	+ FDI Analysis and Action Plan	\$ 251,000.00	\$ 125,500.00
	+ FDI Training Course	\$ 24,000.00	\$ 12,000.00
	TOTAL:	\$985,000.00	\$492,500.00

*Toronto Global received \$422,027.19 in total ICCI funding in 2018. This was an increase from the original amount of \$235,000.

Another feature of Toronto Global's budget includes the resources we receive from the federal government through the Invest Canada – Community Initiatives (ICCI) Program. ICCI supports communities for FDI initiatives and activities. The ICCI program provides reimbursement of up to 50 per cent of eligible expenses – for example, a project with a total of \$200,000 in eligible expenses would receive \$100,000 back from the program. Funding support is in the form of non-repayable contributions, and agreements are made for a one-year period.

Toronto Global's 2019 application was submitted in October 2018. In January 2019, we received funding confirmation for \$492,500 of approved expenditures. As noted, however, our budget has to accommodate the provision of funds for the full amount – \$985,000 – until the money is reimbursed.

CONCLUSION

The 2019/20 annual Business Plan identifies concrete goals and targets for Toronto Global and offers a work plan outlining key initiatives and activities for the organization to undertake in pursuit of these objectives. Obtaining feedback from our funders and stakeholders is critical to the business planning process to ensure widespread buy-in, coordination and collaboration.

As Toronto Global seeks fulfill its FDI mandate and continually refine operations, this year's work plan is organized under four key themes: Building a Larger and More Diverse Pipeline, Continuing to Increase to Capacity to Advance Opportunities, Increasing Prospective Investor Awareness of the Assets/Value Proposition throughout the Entire Region and Reinforcing our Strong Operational Capacity.

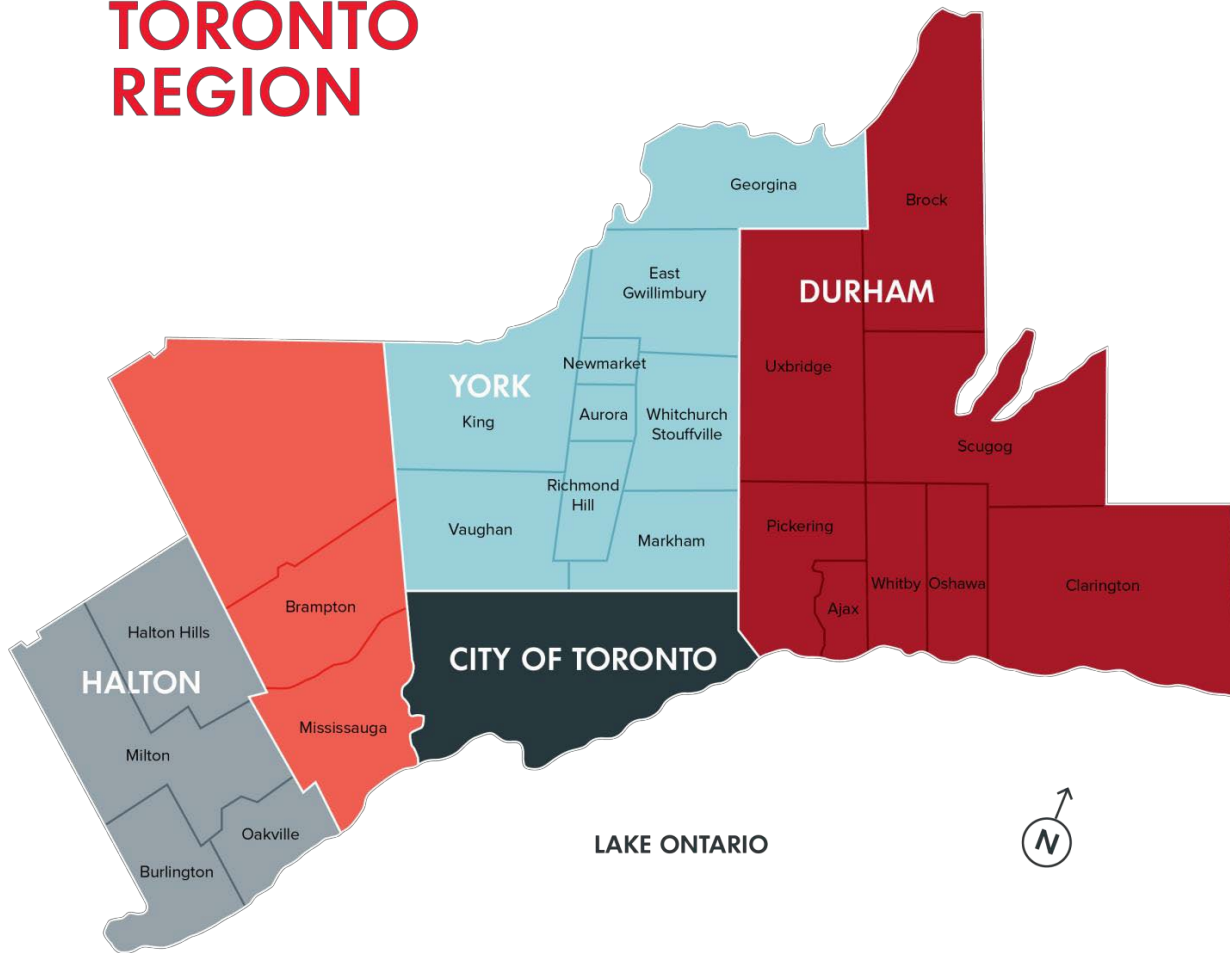
The organization has also introduced secondary metrics that reflect the emphasis in 2019/20 on efforts aimed to build a robust sales funnel of opportunities that have strong potential to locate across the region.

Toronto Global plays an important role in promoting the widespread attributes that make the Toronto Region a competitive jurisdiction for FDI. We represent a formidable economic region that is attractive to international business. We look forward to building on recent momentum and doubling down on our collective efforts to promote the incredible opportunity this region offers to international businesses and facilitate increased FDI throughout the entire region.

APPENDIX I

Regional Map

TORONTO REGION



APPENDIX II

Pipeline Definitions

Level		Definition
Target Pool		Companies that have been referred to Toronto Global or identified as potential prospects to contact
Prospect		Qualified leads that have engaged with Toronto Global and have some future plan to expand
Sales Funnel	Level 1	Serious interest to expand internationally or relocate with willingness to consider the Toronto Region among other international locations. Project timeline: within 3 years
	Level 2	Committing resources to international expansion or relocation with a willingness to consider the Toronto Region among other international locations. Project is 90 days to 18 months from decision on where to locate among international locations which might include the Toronto Region
	Level 3	Company is known to be in final decision making process and Toronto Region shortlisted among a number of known or unknown international locations. A decision is expected within 90 days.
	Projected-Investment	In the process of establishing a location in the Toronto Region Company is working on finalizing location, hiring employees, incorporating, Toronto Global confirming investment numbers with the company
	Investment	Company has secured a location in the Toronto Region and has hired employees