

Annual Report
2018/19

TORONTO
THIS IS
REGION





BIG

THIS IS

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**Bold ideas welcome.
New thinking
encouraged.**

**You are invited to
take your business to
incredible new heights.**

**To access the
most dynamic and
innovative region in
the world.**

**Draw on a skilled and
educated workforce
that's second to none.**

**Enjoy the security
and comfort of
a strong, stable
business environment
and exceptional
quality of life.**

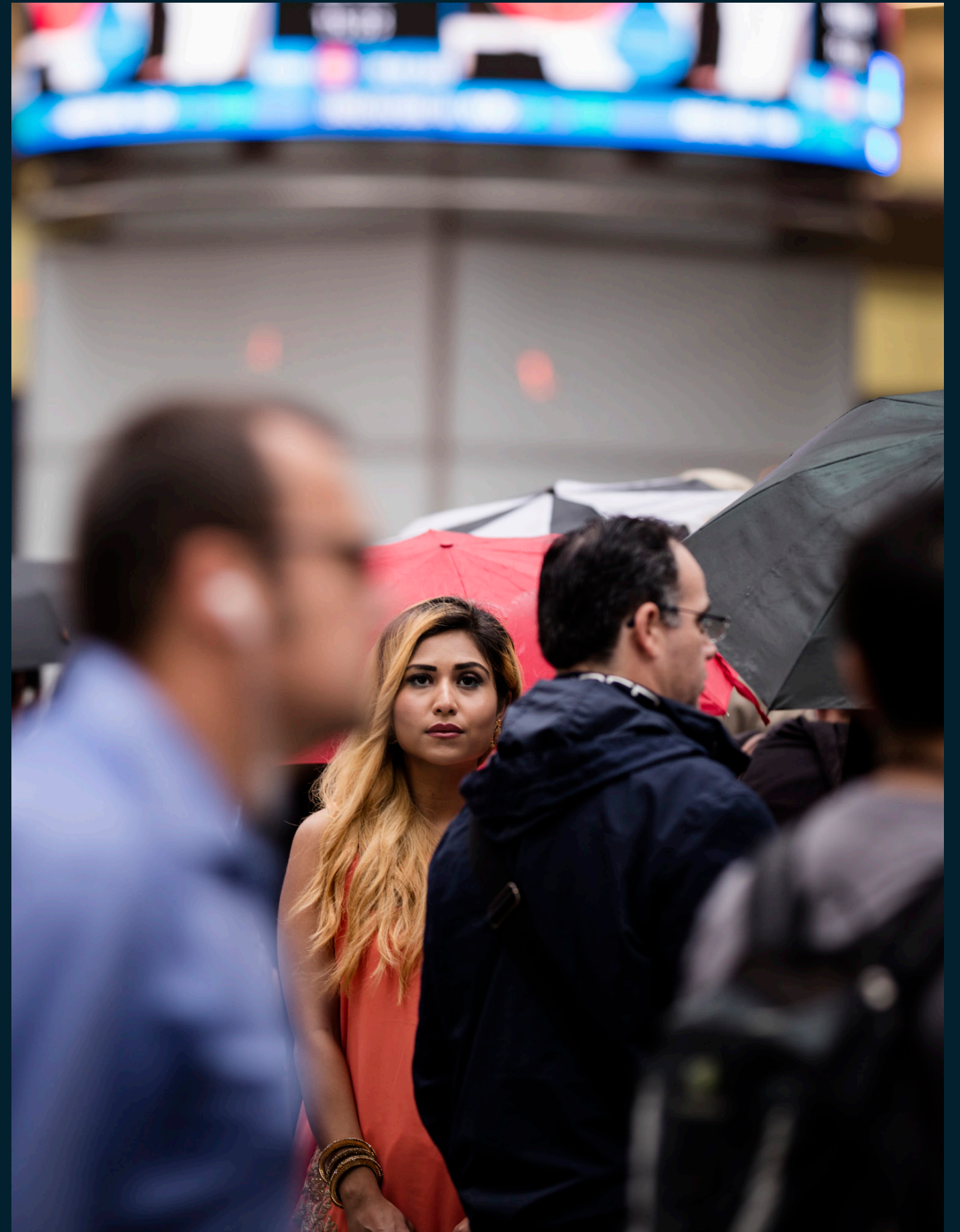
**Welcoming, diverse,
forward-thinking.**

**A place that's so
much greater than
the sum of its parts.**

**This is
Toronto
Region.
This is Big.**

To bigger
and better.

The 2018/2019 annual
report is a reflection of
the big things coming
to better our region.



MESSAGE FROM THE CHAIR AND VICE-CHAIR OF THE TORONTO GLOBAL BOARD OF DIRECTORS

At this year’s Toronto Region Board of Trade Annual Dinner, Collision Founder Paddy Cosgrave delivered a keynote address to the region’s business leaders and city-builders.

Collision, the fastest growing tech conference in North America, relocated to the Toronto Region for the next three years. Collision is an event geared toward startups, featuring discussions on a wide range of technology-related topics. The move is another sign of the growing importance of the Toronto Region in the global tech sector. Cosgrave said something that resonated with the audience: “I didn’t realize Toronto was a big city. Your biggest talent is your humility.”

Speaking on behalf of the Toronto Global Board of Directors, we know that the Toronto Region is big. At the very moment when some countries around the world seem to be shutting their borders, the Toronto Region stands for something very different.

We embrace diversity and treat it as our strength. We stand by the claim that we’re getting bigger and better every day.

We also know that it’s time to put our humility aside when it comes to extolling the infinite virtues of the region to international investors. If we’ve learned anything from our involvement in the Amazon HQ2 process, it’s that the Toronto Region is playing in the big leagues now – amongst tier-one global city-regions, such as New York City, San Francisco, London and Singapore.

We’ve earned the right to have some swagger. This past September alone, the Toronto Region received over \$1.4 billion in investment from U.S. and Canadian technology companies, including Microsoft, Intel and Uber.

AT THE VERY MOMENT WHEN SOME COUNTRIES AROUND THE WORLD SEEM TO BE SHUTTING THEIR BORDERS, THE TORONTO REGION STANDS FOR SOMETHING VERY DIFFERENT.



Mark Cohon O.Ont
Chair, Toronto Global Board of Directors



Janet Ecker C.M
Vice-Chair, Toronto Global Board of Directors

These are big names and big investments and the region has never seen momentum like it’s experiencing right now. We need to give ourselves collective permission to be more proud.

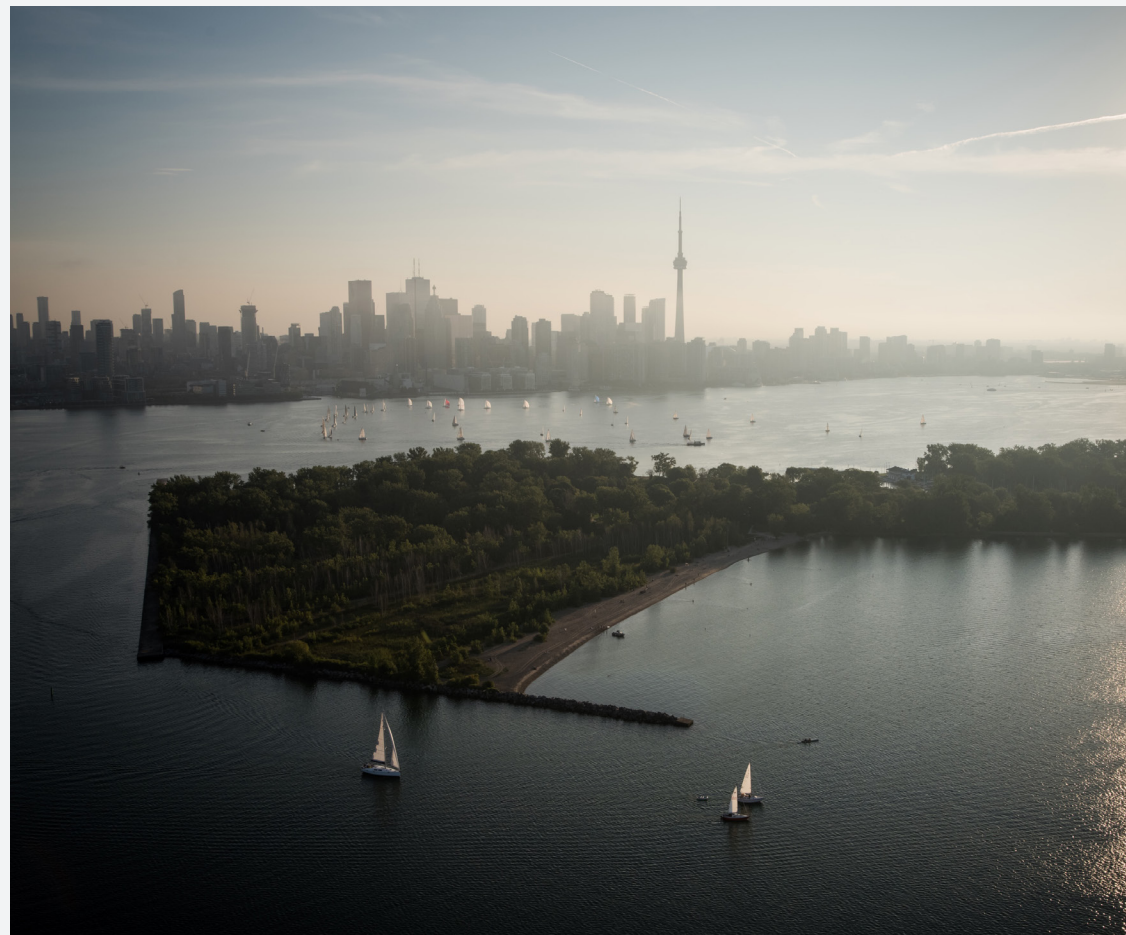
Toronto Global is experiencing significant momentum in its first years of operation, taking advantage of the region’s elevated reputation as a global technology hub and translating this spotlight and acclaim into a growing pipeline of prospective investors. We would like to take the time to thank our municipal partners throughout the region, specifically the Mayors and Chairs and the Economic Development Offices of the Regions of Durham, Halton and York, and the Cities of Brampton, Mississauga and Toronto. We are also grateful for the continued cooperation and partnership of the provincial and federal governments. Support from all levels of government is

invaluable to the work that we do and we will continue to work collaboratively to actively promote the opportunity, scale and growth happening in the Toronto Region.

Reflecting on the past year and looking forward to the year ahead, there are big things in store for the Toronto Region. On behalf of Toronto Global and its Board of Directors, we are ambitious in our goals to secure investments, create jobs and drive economic growth throughout the region. It was reported that for the Collision Conference to grow, it would need to find a “bigger and more globally connected home” from the one it had previously in New Orleans. Those words encapsulate our region and we’re not surprised that Collision found its new home here.

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Whenever I have the opportunity to visit international markets to promote the Toronto Region, I am constantly reminded of the true size and scale of the Toronto Region. As the fourth-largest city in North America, Toronto is in a position to be competing with New York, San Francisco and Chicago. The Toronto Region is big.



The Toronto Region has never had more Canadian swagger – confident but not cocky, proud but not arrogant.



Big Markets.

Together with our partners, the region that we're building is increasingly connected to the wider world. We are a region of 6.4 million people, where a company located here has unfettered access to a global consumer market of 1.7 billion people through our trade partnerships. We are the only country in the world that has a free trade relationship with every G7 nation.



Big Ideas.

The Toronto Region has been building the workforce of the future – diverse, skilled and innovative. We know firsthand that diversity and inclusion lead to creativity, advancements and economic growth. Our talent pool is the source of big ideas, developing solutions to today's big problems.



Big Investments.

Decades of investment in education have borne fruit. We leverage the talent that is available in Canada to attract investment, but it takes years to realize these benefits. You can't create the research of a Dr. Geoffrey Hinton overnight – it's the investment over many decades that creates the space for those types of big innovations to be realized.



Big Opportunities.

The more our economy thrives, creating jobs and maintaining an exceptional quality of life, the more attractive our region becomes to industry leaders and entrepreneurs around the globe looking for the best places to invest and do business.



Toby Lennox
Chief Executive Officer

WE'RE PROUD OF THE GROUNDWORK THAT'S BEEN LAID. NOW ONWARDS AND UPWARDS. TO BIGGER AND BETTER.



PARTNER

SHIPS



The idea that 24 municipalities could come together to represent one unified voice and brand, marketing Canada's financial and business capital; that is big.

Toronto Global would like to extend our appreciation to the Economic Development Officers' (EDO) Management Council for their partnership, commitment and guidance.

As representatives of the municipalities in the Toronto Region, the work performed by the EDO Management Council is critical to supporting and enhancing our services to clients; promoting the region to domestic and international stakeholders; and gathering data to accurately encapsulate the regional value proposition.

The role of the EDO Management Council in Toronto Global's governance structure is to advise and influence organizational decisions, as well as provide a forum for open, honest and forward-looking, mutually beneficial dialogue, and shared purpose among the municipal funding parties. Our municipal partners also provide in-depth expertise and local knowledge throughout the process of investment decisions. Toronto Global seeks the guidance of the EDO Management Council as it develops its business plan (including sector and foreign market priorities, targets and tactics) and reports performance measurement results to date, with a view to ensuring maximum alignment, coordination, and outcomes.

Toronto Global is proud to work with a team of partners tasked with driving investments, jobs and economic growth throughout the Toronto Region. It is important to take a step back from the economic development work that we conduct day-to-day in our

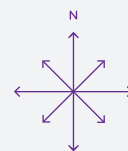
individual municipalities, and look at the advantages of foreign direct investment in a way that permeates boundaries. The benefits that cascade throughout the region from a single investment speak to the need for a regional investment attraction organization selling the Toronto Region as a whole. The idea that 24 municipalities could come together to represent one unified voice and brand, marketing Canada's financial and business capital; that is big.

We value the partnerships that we continue to foster and enhance with the Ministry of Economic Development, Job Creation and Trade, Global Affairs Canada, Fed Dev Ontario, and Invest in Canada, leveraging their in-market expertise and networks to further generate high-quality leads. We are firmly of the view that when Ontario and Canada succeed, we all succeed. Our relationships with Trade Commissioners and Senior Economic Officers in Canadian Embassies and Consulates around the world, and partner organizations continue to be a valuable source for extending our reach into target markets. These representatives provide critical in-market services, including expertise, company introductions and support on investment missions. Consistently ranked as Toronto Global's highest sources of qualified leads, the partnerships we've formed in the federal, provincial and municipal governments help to fuel our pipeline with opportunities in a diverse range of sectors.

Words of support from our partners:

“Working with Trevor Novak and Salman Khan at Toronto Global has been an extremely positive experience for me as a Trade Commissioner. They are incredibly collaborative, responsive and valuable partners for us, who we rely on greatly when servicing U.K. clients interested in the Toronto Region. They are very committed to customer service and have an excellent local network that they draw on (often at very short notice) to pull together programs for our visiting U.K. clients. They are also strong collaborators – consulting and coordinating with our in-market teams to ensure a joined-up approach to U.K. targets, and providing regular updates on companies we have referred to them.”

I never hesitate to refer U.K. companies to them as I know they will be in great hands!”



Nadine Storey
Senior Investment Officer & Trade Commissioner, High Commission of Canada in the United Kingdom



“It is my experience that the talented and dedicated team at Toronto Global are champions of the region, showcasing the strengths of its constituent members while selling the competitiveness of the region as a whole. This is not an easy task, but it is a necessary one.

Through their work on the Amazon bid, they fueled the momentum and helped to put the Toronto Region on the global map. As the regional economy continues to shift due to globalization and rapid technological change, our success and growth is reliant on increasing the ability of our businesses to trade and bringing in more foreign direct investment. We can only do that when the Toronto metropolitan region becomes better known around the world. Toronto Global is making that happen.”

Marcy L. Burchfield
Vice President, Economic Blueprint Institute, Toronto Region Board of Trade

“I just wanted to pass on that it was a very good experience working with Bart at Medica. Everything was done in the spirit of collaboration. Several Federal Trade Commissioners also remarked on that, and how refreshing it is. I look forward to the next Toronto Global visit!”

Chris Begley
Consul - Economic Affairs (Province of Ontario), Ontario International - Munich Trade and Investment Office, Consulate of Canada

“On behalf of the Canadian Consulate General of Canada in Seattle and our trade team, in particular, I want to register our gratitude for the excellent support we've received from Toronto Global over the past year(s) with respect to the numerous FDI leads that we have referred to Liana Hovakimyan and Michael Keoshkerian (both who are stellar Investment/Business Development managers, by the way) for support and follow-up in Toronto.

We always receive quality information on the Toronto Region's value proposition to foreign investors and introductions to local Toronto regional service providers and potential strategic business partners that help move our FDI files forward.

I also note that our team worked very well with Toronto Global on the Amazon HQ2 bid, which resulted in the Toronto Region placing within the top 20 cities in North America to be considered for the billion dollar investment.

In short, you have a stellar team and we look forward to continued collaboration with Toronto Global in the months and years to come!”

Lewis Coughlin
Consul & Trade Commissioner, Acting Trade Program Manager, Consulate General of Canada

↳ The Economic Development Officer (EDO) Management Council

From left to right:

- Leslie Fink**
City of Toronto
- Robert Unterman**
Region of York
- Allison Graham**
City of Brampton
- Simon Gill**
Region of Durham
- Harold Dremin**
City of Mississauga
- Martin Bohl**
City of Brampton
- Christine Carrington**
Region of Halton
- Absent:**
- Bonnie Brown**
City of Mississauga
- John Davidson**
Region of Halton
- Richard Franklin**
Region of York
- Doug Lindeblom**
Region of York
- Denise McClure**
City of Brampton
- Mike Williams**
City of Toronto

We have the people, the stellar academic institutions, and the public commitment to build a world-class technology workforce. The question is not whether we have enough talent, but what can we expect from it.



BIG

TALENT

Access to a deep pool of futureproofed talent is the turbine that propels business in the 21st century. There is only one place in North America that can offer access to the highest quality and quantity of talent than any other competitive jurisdiction. That place is the Toronto Region.

Ontario Institute for Cancer Research, MaRS Discovery District



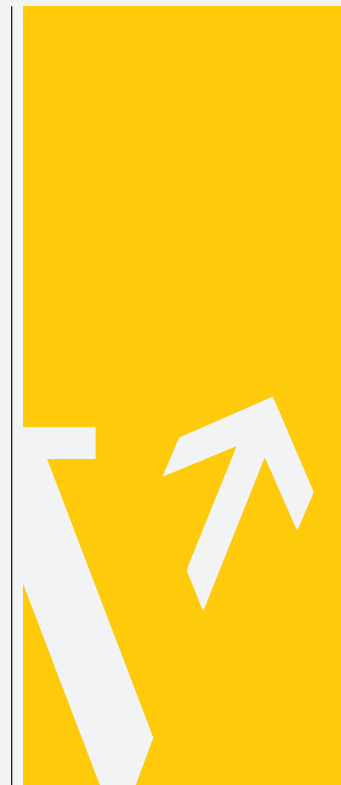
Ontario's publicly-funded colleges and universities are among the best and most innovative in the world. Boasting 13 colleges and universities in its jurisdiction, the Toronto Region harbours an exceptional range of highly-ranked postsecondary institutions.

More than 321,000 students are enrolled across these 13 institutions, accounting for 75 per cent of Ontario's overall postsecondary enrolment. Canada maintains its standing as the most educated country in the world with nearly three-quarters of Canadian adults having received a post-secondary degree. That's 10 per cent higher than the U.S. and 16 per cent above the Organization for Economic Co-operation and Development (OECD) average.



University of Toronto

The University of Toronto remains the highest-ranked university in Canada in five broad subject areas included in the 2019 QS World University subject rankings. It is also the only university in the world to rank in the top 50 for the vast majority of specific subjects included in the rankings.



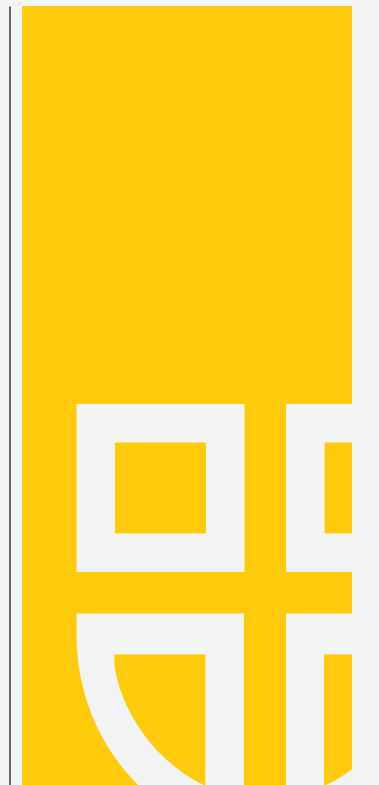
The Vector Institute

The Vector Institute is an independent entity dedicated to AI research, and one of the world's top destinations for deep learning research. Established in 2017 to build on deep learning strengths at the University of Toronto, Vector has grown to include researchers in universities and institutions across Canada. Vector works with industry, institutions, startups, incubators, and accelerators throughout the country to advance AI research and drive its adoption and commercialization.



Sheridan College

Toronto-raised director Domee Shi's 2019 Oscar win for the Pixar short "Bao" had Sheridan College's animation program celebrating – and added yet another notch to its stellar legacy. Shi, a graduate from Sheridan College, is among several Academy Awards-recognized alumni of the program that's been called the "Harvard of Animation Schools" for its reputation for producing top-tier talent.



Durham College

Durham College was named one of Canada's top research colleges in 2018. This is due, in large part, to a new initiative: Durham College's Hub for Applied Research in Artificial Intelligence for Business Solutions (the AI Hub). The Hub is designed to offer industry partners access to technical expertise, state-of-the-art facilities and platforms as well as student talent, helping businesses uncover insights while providing intelligent and autonomous solutions that increase productivity and growth.



In addition to investing in our home-grown talent, the Toronto Region attracts international students in droves. Total international student enrolment has grown 61 per cent since 2012.



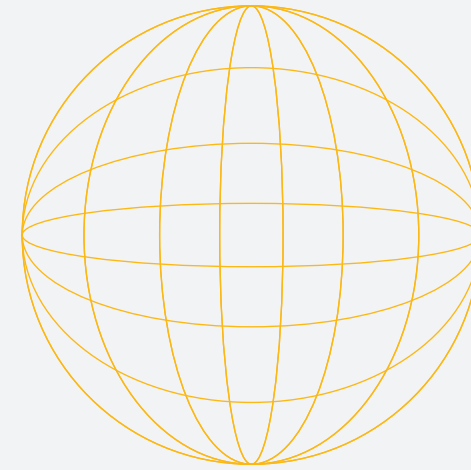
Vaughan Metropolitan Centre

International students are a major economic driver; in 2016 alone, they injected more than \$15.5 billion into Canada's economy. Graduates who stay continue to contribute to our economy, starting businesses and becoming major assets to Canadian companies with their global perspective and ties to international markets. International student visas allow graduates to stay and work in Canada for three years after graduation, giving companies the ability to capture newly-trained and diverse talent.

The quality of university and college education in the Toronto Region is second to none. These world-renowned educational institutions will fuel and futureproof our talent pipeline – a major contributor and guarantor to sustained growth and innovation in our regional economy. That's big.

Total international student enrollment has grown 61% since 2012.

With over 670,000 STEM degree holders and one of the most educated populations in the world, our region is full of incredibly bright people with a diverse range of skill sets and knowledge.



360insights, Whitby



Global Talent Stream

The federal government has made permanent its Global Talent Stream pilot program, through a \$35 million investment over five years starting in 2019. The Global Talent Stream offers timely, responsive and predictable client-focused service to help you access highly-skilled global talent to expand your workforce here in Canada and to be competitive on a global scale.

The Global Talent Stream is available to employers referred by designated referral partners, organizations such as Toronto Global, and employers seeking to hire “highly skilled foreign workers” for occupations on Canada's Global Talent Occupations List. These occupations include information technology and science, engineering and mathematics. Access to skilled talent from around the world is coveted by international businesses and it can all be found right here in the Toronto Region.

THE BIG IDEAS



Toronto
Pearson
Airport



Investors are seeking a region that is highly-connected across all modes of transportation with the ability to move huge volumes of people efficiently across all transit options.

The interconnected urban area that makes up the Toronto Region has the growing population, talented and diverse labour force and investment in infrastructure to attract and connect talent from across the region. All levels of government are committed to improving transit infrastructure to address and stimulate the continuation of growth in the region.

North America's second-largest international airport, Toronto Pearson, touches three of the largest municipalities in Canada and is situated in the heart of the Toronto Region. Toronto Pearson is well located to connect jobs and innovation centres across the region.

Voted by passengers as the Best Large Airport in North America for the second straight year, Pearson welcomed a record breaking 49.5 million passengers in 2018 and contributes directly or indirectly to 6.3 per cent of Ontario's Gross Domestic Product (GDP). More than 49,000 jobs in the airport zone are located at Pearson itself. The Greater Toronto Airports Authority (GTAA) has articulated a vision for Toronto Pearson aspiring to become a mega hub from a global hub, growing its number of international passengers and striving to provide direct air service to 80 per cent or more of the global economy – creating additional jobs, fueling exports and attracting foreign investments.

Air travel at Toronto Pearson has risen significantly over the last several years as major air carriers continue to expand and use Toronto Pearson as a strategic hub in their networks. As a global hub, the airport has 65 air carriers providing flights to 180 international and 35 Canadian cities and was recently ranked second in North America for connectivity, surpassing other major U.S. airports like Atlanta, New York (JFK) and Los Angeles. What does this mean for international businesses? It means greater access to markets, customers and talent. Few other airports in North America play this role and that level of connectivity gives our region and country a competitive advantage over those without this type of direct link to international markets.



What does this mean for international businesses? **It means greater access to markets, customers and talent.**

Toronto's downtown Billy Bishop Airport serves 18 locations including New York, Chicago, Boston and Washington all within 90 minutes. Billy Bishop Airport's downtown location is an asset to the region, providing business travelers direct access to key U.S. markets. Not only is Billy Bishop known and chosen for its convenience, it was also recently ranked in the top ten for Most Scenic Airport Approaches in the world. As Billy Bishop Airport is located on the Toronto Islands, the 2.8 million travelers who fly through the airport annually have the unique opportunity to view Toronto's skyline and ever changing seasonal beauty through the airplane window – arguably the best possible vantage point.

Billy Bishop Airport



W

Access to talent - especially a broad array of skills and perspectives that can help boost innovation - is something all globally competitive companies are looking to leverage and you can find that in spades in the Toronto Region.

BIG

O

T

Downtown Burlington
↗



The ever-increasing number of innovation centres throughout the Toronto Region provide a place and environment for companies to take their product from idea to market - transforming game-changing research to successful commercialization in one place, launching the next generation of products and jobs.



In the Toronto Region, we are innovating at a pace that is almost unparalleled globally, at a time when companies are seeking out specialized talent and fresh ways of thinking and problem solving. In our region, innovation is not contained to specific boundaries or a single municipality – it transcends borders and allows companies to tap into a diverse range of groundbreaking research and disruptive technologies. This is happening in all municipalities across the entire Toronto Region, and that’s big.

MaRS

The MaRS Discovery District is synonymous with innovation. MaRS’ current home – a 780,000-square-foot tower in Downtown Toronto – is more than 99.8 per cent full and is currently home to more than 50 startups, as well as major companies and the Vector Institute for Artificial Intelligence. In partnership with the University of Toronto, MaRS has announced that it will be expanding its footprint to a new innovation centre currently under construction on the lakeshore. The 400,000-square-foot Waterfront Innovation Centre is planned to open in 2021 with space for 3,000 tech workers. MaRS has signed a deal to create a hub where fast-growing Canadian ventures can work alongside corporate partners. That’s big news for innovation in the Toronto Region.



DISTRICT

Ontario Tech University



The Durham Regional Innovation District (the “District”) is a technology-led, innovation-anchored, economic development strategy, seeking to reimagine and reposition the Durham Region as an innovation leader. The District will include the Innovation Station, a 60,000-square-foot physical location offering centralized services, and a network of four in-market, niche sector-focused accelerators across the region: an Advanced Technology Accelerator, a Nuclear Energy Innovation Accelerator, an Advanced Logistics Accelerator, and an AgriFood Technology Accelerator. The District is changing the innovation game in Durham Region.



Announced in the 2017 federal budget, the Pan-Canadian AI Strategy – a \$125 million, five-year plan and the world’s first national AI strategy – recognized the convergence of Canada’s unique aptitude in artificial intelligence. The Toronto Region is one of three Canadian AI hubs identified as sites of historic breakthroughs. The Strategy seeks to increase the number of outstanding AI researchers and graduates; establish three institutes of AI excellence; lead the world’s understanding of AI science and societal impact; and to support a national AI research community. This first-of-its-kind national vision and strategy means big things for AI innovation in Canada and the Toronto Region.

BRAM + RYE

In 2019, the City of Brampton, in collaboration with Ryerson University, will open a brand new business incubator space designed to support both emerging startups and established businesses. The incubator will allow entrepreneurs to gain access to funding, receive peer-to-peer mentoring and participate in a range of business development programs. It will provide entrepreneurs with a one-stop-shop, including a host of business-related services at their fingertips, plus an energizing work environment. Located in the heart of downtown, the 4,500-square-foot facility is set to become an important icon of the innovative and enterprising environment that the city is helping to create.

Toronto Region has the most educated talent pool among countries of the Organization for Economic Co-operation and Development (OECD).

UNITY



BIG

OPPORTU



OPP



Here are our Top Ten Rankings for 2018/2019 and why they mean big things for business in the Toronto Region:



1.

Canadian Welding Bureau, Milton

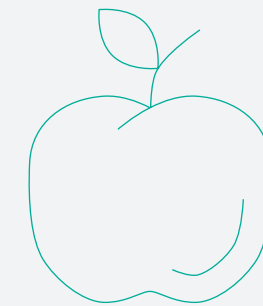


September 2018 Brought Over \$1.4B in International Investment for Toronto's Tech Ecosystem¹

The Toronto Region has never seen momentum like it's experiencing right now. In September 2018 alone, the city drew over \$1.4 billion in investment from U.S. and Canadian companies, ranging from global tech giants to local startups. With major announcements, such as Microsoft, Uber, Shopify and Intel, the list of companies investing here reads like a who's-who on the global tech leaderboard. With all of the capital flow coming into the city, one thing remains clear: foreign direct investment, combined with our homegrown companies, is critical in creating and maintaining a rich, unparalleled tech ecosystem.

¹MaRS: "September brought over \$1.4 billion in international investment for Toronto's tech ecosystem." (October, 2018)

2.



Canada Tops List as Most Educated Country in the World²

Canada maintains its standing as the most educated country in the world with 56.7 per cent of Canadian adults having received a postsecondary degree. That's 10 per cent higher than the U.S. and 16 per cent above the Organization for Economic Co-operation and Development (OECD) average. More people in the Toronto Region have higher education degrees per 100,000 people than any major U.S. city. We are building the workforce of the future and our futureproofed talent pipeline is the answer to the global talent shortage.

²CNBC: "The 10 most educated countries in the world." (August 30, 2018)

3.

Toronto Region Ranks Highest in Tech Jobs Growth in Canada and the United States³

According to CBRE, Toronto was the fastest-growing market for tech jobs in 2017, creating 28,900 tech jobs. The Toronto Region's tech scene is so hot, it created more jobs than the San Francisco Bay area, Seattle and Washington, D.C., combined last year, while leapfrogging New York in a ranking of "talent markets." The tech talent pool in the Toronto Region is an asset for companies unparalleled in any jurisdiction across North America and the list of recent investments is proof that our talent is not going unnoticed.

³The Globe and Mail: "Toronto ranks highest in tech jobs growth in Canada, U.S." (July 24, 2018)

4.



Toronto Region Ranked the Top City in North America for Number of Construction Cranes⁴

The "Crane Index" demonstrates how fast cities are growing and more cranes equals more development. Toronto's crane dominance was significantly more than any other city in North America this year. In this recent report, the study found that Toronto had 97 cranes in use – 32 more than second-place Seattle, which had 65. This ranking is another indication of the speed at which our region is growing and the opportunity for companies to be a part of something big.

⁴The New York Times: "Counting Cranes." (August 16, 2018)

5.

6.



Canada Day, Downtown Newmarket



Canada Ranked Second in the 2018 A.T. Kearney FDI Confidence Index⁵

Canada moved up three spots to its highest ranking in the history of the Index. An update to the Investment Canada Act, the newly established Invest Canada agency, and new trade agreements prove to be boosting investor optimism. Recent changes to Canada's immigration policies have cemented Canada's position as a magnet for global talent and graduate retention – another bonus for investors.

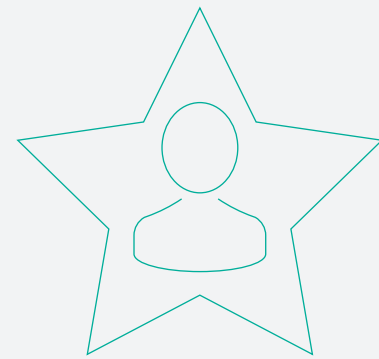
⁵A.T. Kearney: "The 2018 A.T. Kearney Foreign Direct Investment Confidence Index." (May, 2018)

Canada Ranked First in Quality of Life and Third in Best Countries Overall⁶

Thanks to its prestige, economic stability and quality of life, Canada emerged as one of the leaders on a new list that ranks the countries with the best reputations around the world. In other categories, Canada was deemed to have the best quality of life. The story behind our enviable quality of life ranking is simple but significant: we are progressive, we are diverse, we are inclusive and we are stable.

⁶U.S. News: "Best Countries Ranking." (January, 2019)

7.



Canada is One of the Best Countries in the World for Attracting Talent⁷

Canada retained its title for the fifth consecutive year, a result of its strong emphasis on skills training and education. In Toronto, we are heralded as the most multicultural city in the world and our labour force and economy benefit directly from our diversity and inclusivity. We build doors, not walls, and those doors open to highly-skilled economic immigrants and international students.

⁷Toronto Star: "These countries are the best in the world at attracting talent." (November 19, 2018)

8.

Rattlesnake Point Conservation Area, Milton



Toronto Region Ranked in Global Top Ten for Innovation⁸

Toronto ranks amongst the top cities in the world for its potential as an innovation economy, assessing factors such as the startup ecosystem and economic opportunity for innovators. Innovation at every scale is happening throughout the Toronto Region and international investors have boundless opportunities to conceive, design, test, and build just about anything, for just about any market, with just about any partner you could imagine.

⁸REP Magazine: "This Canadian city ranks in the global top 10 for innovation." (August 20, 2018)

9.



Absolute Condos, Mississauga



Toronto Region Named One of the Best Places for Millennials⁹

The Toronto Region is a leading jurisdiction in tech innovation, with low taxes, and an easy process to apply for credit. When making a move, millennials consider factors including availability of funding for early-stage businesses, ease of internet access and tolerance, along with quality of life indicators, such as diversity, safety and inclusivity. The region boasts all of these traits and more, making it a hub for millennials to live, study and work.

⁹Bay Street Bull: "Best places for millennials to start a business." (July, 2018)

10.

Toronto Region Ranked One of the Most Futureproof Cities in the World¹⁰

The Toronto Region has momentum, stamina and is ready to tackle the future head-on, cracking the top ten on a list of global cities "that have the futureproofing capacity for longer-term success." Ranked according to factors like higher education infrastructure, innovation capability and technology firms, the region is an established market that demonstrates its readiness for the future. Our government partners make a concerted effort to plan strategically for growth in the future, placing the highest priority on futureproofing our talent.

¹⁰World Economic Forum: "These are the 30 cities best placed for long-term success." (July 5, 2018)

2018/2019 RESULTS

33 Total Investments

Working with global investors from a range of markets and industries, the Toronto Global team, assisted by our partners in the federal, provincial and municipal governments, facilitated 33 new investments in the Toronto Region in 2018/2019.

30 in-market visits conducted to meet with qualified leads

18 in-market visits to markets in the United States

12 in-market visits to international markets

2,299 Jobs

Total number of jobs expected to be created within 1-3 years of operation

Capital Expenditure
Total investment amount for 3 years

\$300,205,327

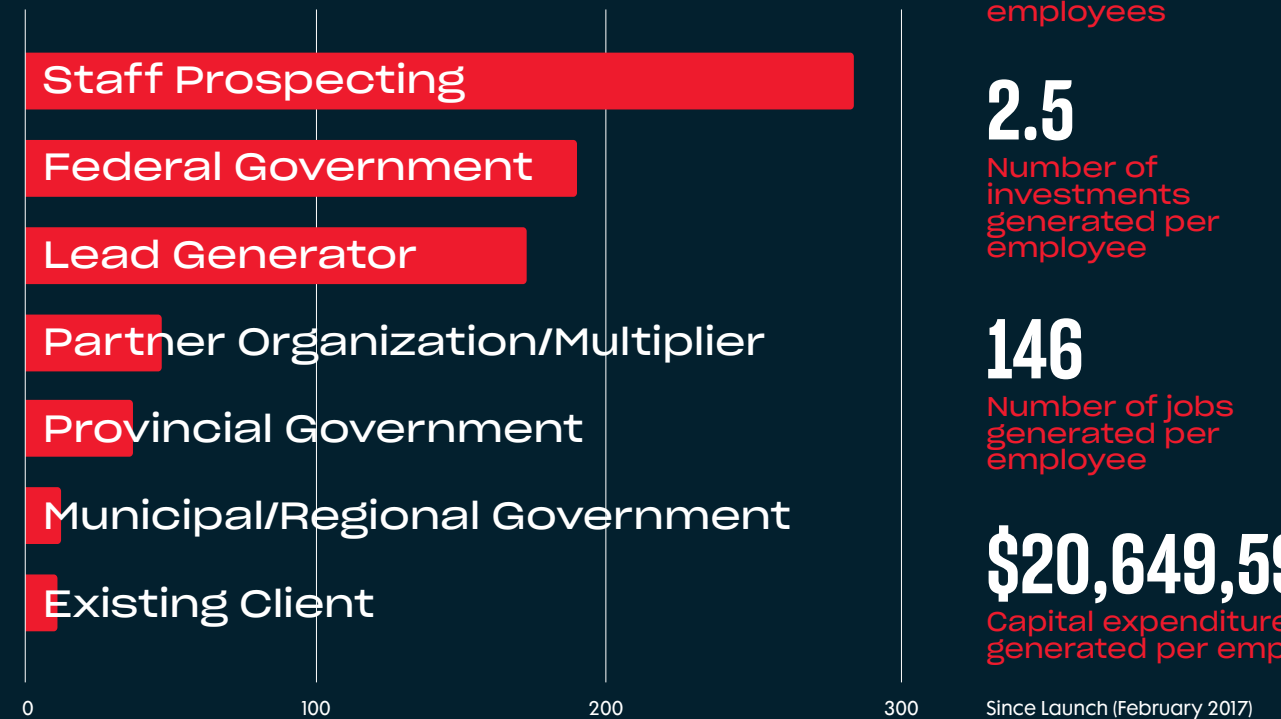
contributed to GDP*

\$252,890,000

This GDP number will have a multiplier effect on the Toronto Region's economy and will continue to increase with new successful investments in future years.

*Based on estimates provided by the City of Toronto (2017), \$110,000/employee. This number is an average of GDP in current dollars for all industries. These GDP numbers are based on immediate and short-term hiring but do not include future projected growth and expansion, which will further enhance and benefit the region.

OPPORTUNITIES BY SOURCE



24 Toronto Global employees

2.5 Number of investments generated per employee

146 Number of jobs generated per employee

\$20,649,594.87 Capital expenditure generated per employee

RESULTS TO DATE

Metric	2018/19			Since Launch		
Investments	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
Technology	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
United States	39%	75%	51%	28%	53%	37%
Europe	52%	23%	45%	62%	43%	57%
Asia	3%	1%	1%	5%	2%	3%
Other	6%	1%	3%	5%	2%	3%

The 2018/2019 year marked a significant milestone for Toronto Global, with a record 33 investments, \$300 million in investment, and 2,299 jobs created over three years.

RES



BIG

WORLD

The majority of the organization’s investment inflows came from the U.S. and U.K. markets, with 12 and nine deals respectively, primarily as a result of the need for a strong, stable business environment, as well as an overarching demand for highly-skilled talent across all sectors. Accordingly, sectors like financial services, ICT and other technology-related opportunities continue to represent the majority of investments and dominate the organization’s pipeline.

Compared to 2017/2018, Toronto Global saw a strong increase in the average size of its three-year total investments, growing from \$7.2 million to \$9.1 million per investment in 2018/2019.

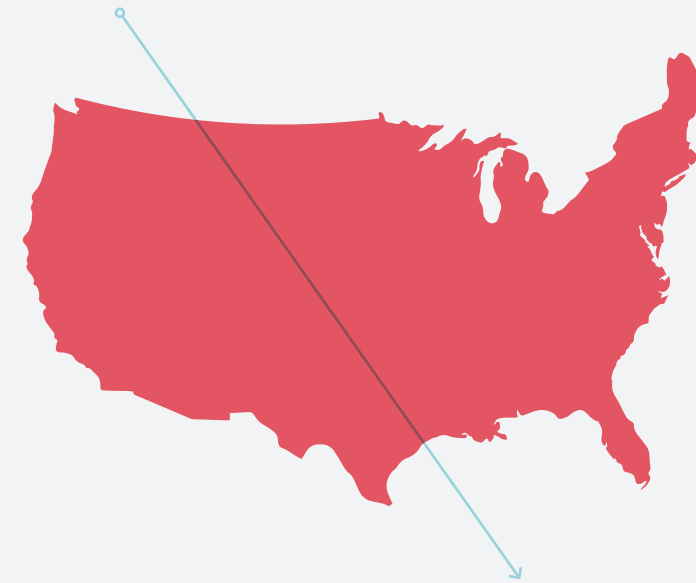
This was largely a result of the organization’s focus in targeting larger projects that yield greater impact in terms of job creation and total investment, as well as the conversion of Toronto Global’s pipeline of prospects to investments.

In all, the organization’s pipeline – the array of companies who have been identified as having the potential to expand to the Toronto Region or have an active expansion project they’re currently considering – contains a range of 1,850 opportunities (from prospect to level three), an increase of 900 over 2017/2018. This number indicates the organization’s level of activity and reflects one of the organizations greatest assets – the pool of future potential investments for the region, which the organization can draw upon over the near and

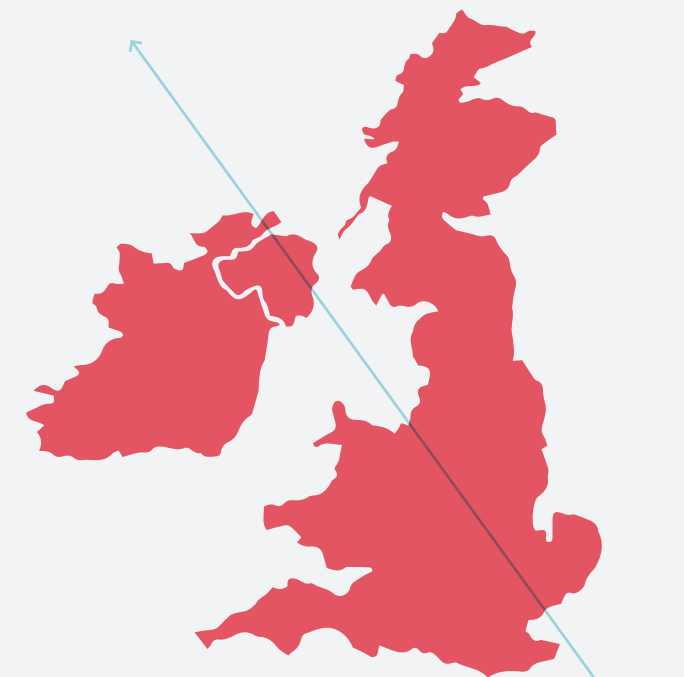
medium term. Going forward, Toronto Global will look to enhance resources and expertise to increase our ability to convert opportunities to investments.

The majority of these new opportunities were added via the organization’s in-house lead generation program. However, the organization also relies on a number of other sources for its leads, including our federal and provincial partners and other networks. In 2018/2019, Toronto Global received roughly 240 leads from our government partners. Leads from these sources tend to be very high quality, typically being further advanced in the pipeline, and having an active expansion or relocation project.

U.S.



21 investments combined from U.S. and U.K. markets



U.K.



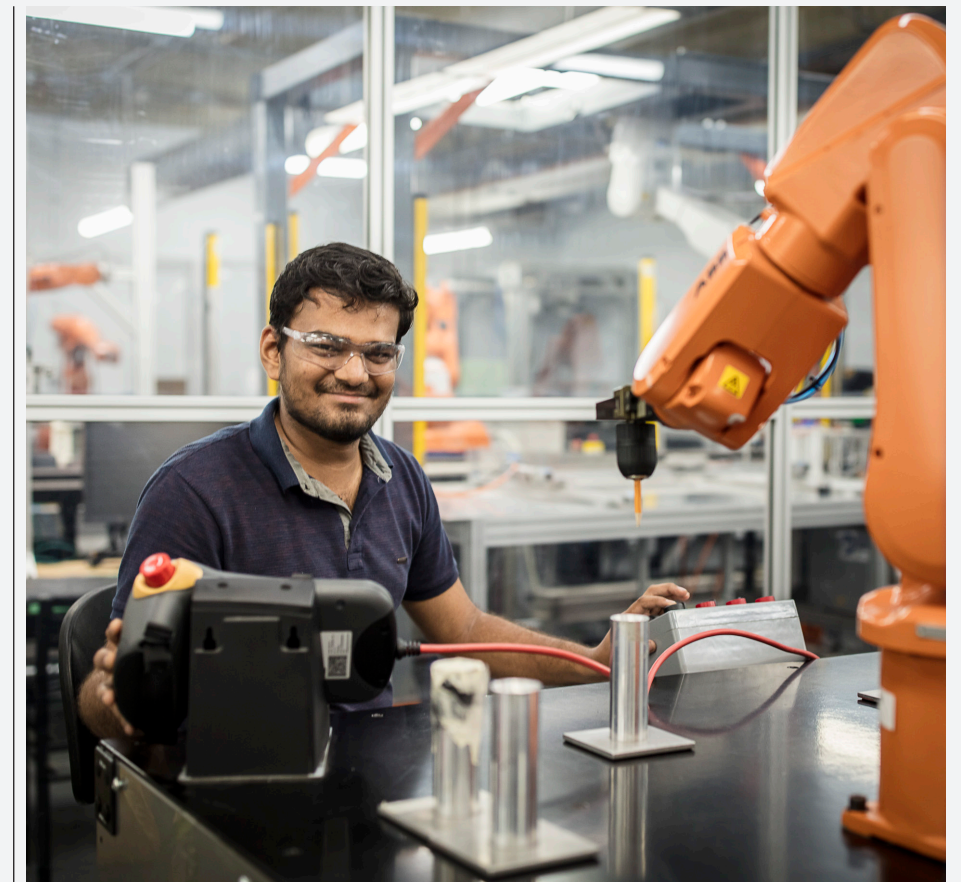
36% of investments in 2018/2019, were technology-focused.

360insights, Whitby



At Toronto Global, we will continue to challenge ourselves, not only to meet metrics, but to think big.

Sheridan College
- Davis Campus,
Brampton



Of the 33 investments in 2018/2019, 36 per cent were technology-focused, which tend to locate in the City of Toronto's downtown core. This presents both a continued opportunity and challenge for the organization, as it looks to execute on its mandate of both attracting greenfield investments, and distributing these investments throughout the region.

As such, the organization has prioritized the execution of a stronger regional strategy, focusing on increasing the number of investment projects locating across the entire region and strengthening our relationship with the economic development teams throughout the Toronto Region.

This strategy includes targeted value proposition development, with emphasis on specific sectors for regional municipalities; and pipeline diversification to focus on targeted industries, including a greater variety of technology verticals. Toronto Global has developed Life Sciences and Financial Services sector strategies to identify and prioritize opportunity areas for companies that would be the most attracted to and desirable for the Toronto Region, along with a go-to-market strategy for Toronto Global in the prioritized opportunity areas.

The organization has seen a significant shift in the diversity of prospects entering the pipeline –

moving toward a funnel that is more representative of the economic and sectoral diversity of the region. The approach will work to drive investments across the Toronto Region, over the short to medium term.

Toronto Global has also been responsible for a number of assists – opportunities where the organization has had a hand in an expansion or relocation project into the Toronto Region, but, does not meet all of the criteria to claim the project as an investment. This 'value-test' is visible in all of the work our organization undertakes, and reflective of the dedication and pride with which the Toronto Global team undertakes its work. As we close the books on the 2018/2019 fiscal year, it is imperative that we continue to adapt our strategic focus based on regional priorities, geopolitical shifts and the changing landscape of FDI attraction. At Toronto Global, we will continue to challenge ourselves, not only to meet metrics, but to think big.



BIG

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At a time when distorted numbers ricochet around the internet at the speed of a 4G connection, reliable, accessible data about our society is more valuable than ever.

RESEA

101**RGH**

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Toronto Global's response to the Amazon HQ2 RFP put a strong focus on highlighting how the Toronto Region stacks up to other major North American metros on key location-decision criteria.

Since then, the Research & Insights team has been steadily growing the organization's inventory of comparable data; adding more indicators and more comparative metros – at times, a challenging task and big undertaking, given the issue of Canada's data deficit and differences in how jurisdictions collect and share data.

"At a time when distorted numbers ricochet around the Internet at the speed of a 4G connection, reliable, accessible data about our society is more valuable than ever. And yet, in fields ranging from public health to energy economics to the labour force to the status of children with disabilities, there's a lot that Canada simply doesn't know about itself."¹¹

This past year, the research team sought expert guidance from Standard Urban Metrics (SUM), the advisory arm of the World Council on City Data, to collect data for European metro regions. This partnership paves the way for the development of more targeted investor pitches in key markets such as the U.K. and the Netherlands, particularly in light of Brexit and CETA. Additionally, the Toronto-Waterloo Region Tech and Innovation FDI Strategy Project added important indicators to our

inventory that are particularly relevant to businesses deciding where to make technology and innovation centre investments around the globe. Toronto Global has also been working closely with our municipal partners and other affiliated partners such as Tourism Toronto, TOHealth!, Toronto Finance International, the Toronto Region Board of Trade, MaRS, and more, to align and amplify messaging that best highlights our regional value proposition.

By solving for these data gaps and retrieving difficult-to-come-by data and comparators, our Investment Attraction team has been equipped with comprehensive, and up-to-date data and business cases to present to investors.

¹¹ The Globe and Mail: "In the dark: The cost of Canada's data deficit." (January 26, 2019)



"Showcasing the strengths of the Toronto Region and its constituent members, while selling the competitiveness of the region as a whole, is not an easy task, but it is a necessary one."

Marcy Burchfield,
Toronto Region
Board of Trade



Visualizing the Toronto Region

While comparative data helps to get the Toronto Region on a company's short list, Toronto Global also needed a way to showcase a holistic view of the region to prospective investors to better describe its dynamics and function. This objective led to the development of an important partnership with the Neptis Foundation, centred on enhancing its existing Geoweb tool to provide a groundbreaking view of big picture trends shaping the entire Toronto Region.

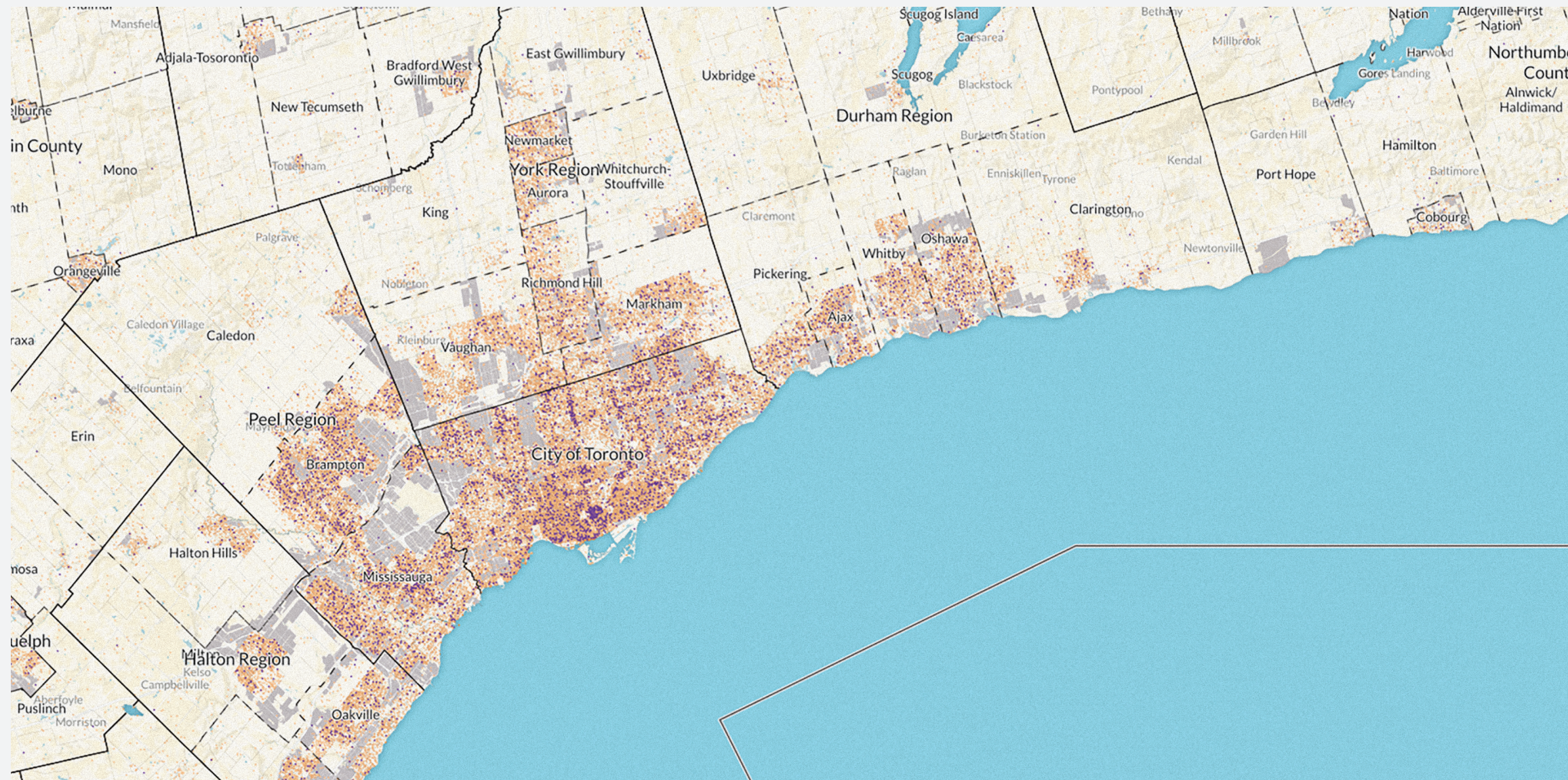
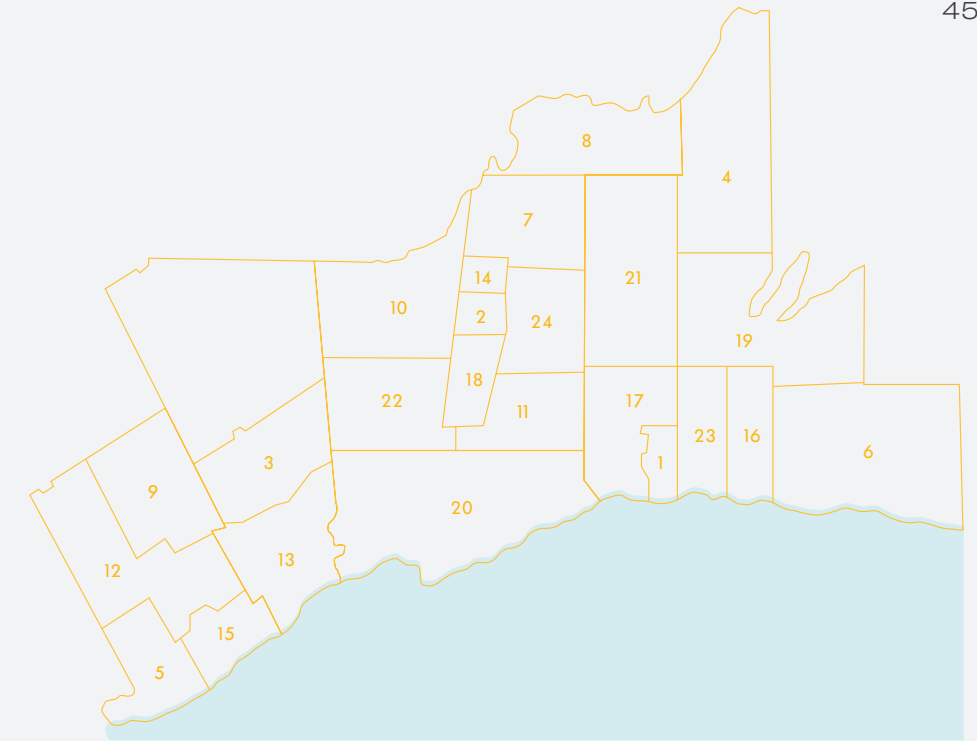
The partnership upgraded the Geoweb from its 2011 Census base information to 2016 data, increasing the number of indicators in the municipal and regional profiles from 30 to 80. Particularly

important for investment attraction, the upgraded tool now incorporates 30 new economic and labour market mapping layers that are important to business location decisions and allow for more sophisticated filtering and mapping of complex Census data sets such as immigrant languages, which contains close to 200 variables.

The upgraded tool was launched in October 2018 and is publicly available. In addition, the Neptis and Toronto Global partnership led to new data-sharing partnerships between the Toronto Region Board of Trade, Toronto Global and our municipalities that continues today.

TORONTO GLOBAL'S 24 MUNICIPALITIES

- | | |
|---------------------|----------------------------|
| 1. Ajax | 14. Newmarket |
| 2. Aurora | 15. Oakville |
| 3. Brampton | 16. Oshawa |
| 4. Brock | 17. Pickering |
| 5. Burlington | 18. Richmond Hill |
| 6. Clarington | 19. Scugog |
| 7. East Gwillimbury | 20. Toronto |
| 8. Georgina | 21. Uxbridge |
| 9. Halton Hills | 22. Vaughan |
| 10. King | 23. Whitby |
| 11. Markham | 24. Whitchurch-Stouffville |
| 12. Milton | |
| 13. Mississauga | |



“Today, the Neptis Geoweb tool is integral to our ability to describe the dynamics of the Toronto Region to prospective investors. By helping to visualize aspects like industry clusters, languages spoken, commuting patterns, existing and planned transportation connections and more, the Neptis Geoweb tool allows investors to make well-informed decisions about where to locate their business in the region.”

Bethany Moir
 Director, Research & Insights,
 Toronto Global

BIG

THIS IS

Toronto Global Marketing Campaign

For the 2018/2019 year, the Communications and Marketing team has focused its digital marketing efforts on developing and executing our social media campaign: This is BIG. This is Toronto Region.



TORONTO THIS IS REGION

This campaign was unprecedented for Toronto Global and its marketing team. It proved to be a unique and ambitious test case to undertake for an agency in economic development and investment attraction.

Toronto Global has been recognized as a trailblazer among Investment Promotion Agencies both for our approach to the use of digital media for lead generation and for the innovative ads we are creating that help us to stand apart from our competitors. And that's big.

The BIG campaign was built with a focus on brand awareness, targeting business decision-makers on LinkedIn to share videos and creative and most importantly, to shine a spotlight on our key sectors, including financial services, technology and life sciences.

Building on the momentum from Amazon and the success of our

award-winning Amazon UXTO campaign, Toronto Global has an engaged audience to amplify our message, with approximately 5,200 followers on Twitter and 2,600 followers on LinkedIn. Additionally, over 20,000 people have downloaded the Amazon HQ2 bid book from our website to date. However, in order to foster new relationships on social media within our target audience, the goal of Toronto Global's BIG campaign was to feature engaging and "thumb-stopping" digital advertisements that directed users to updated content and creative on our industry webpages. We took considerable efforts to ensure that our content speaks to key discussion items that international



business expansion decision-makers need to address in order to make an investment decision.

The BIG campaign seeks to apply new creative concepts, as well as video and photography from across the region to tell a comprehensive story about how truly big the Toronto Region is and the scale of our offering to international investors. The inspiration for this campaign was to build on the exposure of the Amazon HQ2 process to reinforce our message to international stakeholders: the Toronto Region is a major player, not only in North America, but globally, and we're only getting bigger and better.

TORONTO GLOBAL HAS BEEN RECOGNIZED AS A TRAILBLAZER AMONG INVESTMENT PROMOTION AGENCIES

CAMPAIGN METRICS

1,063,539

Number of LinkedIn members reached

2,365,281

Impressions

422

Number of new LinkedIn followers

8,638

Clicks to website

54%

Increase in visits to website

315,765

Video views

13,996

Engagements

Success Story

Cognizant

Cognizant, a Fortune 500 company, is one of the world's leading technology and business services companies. Headquartered in New Jersey, Cognizant works with major companies in industries from healthcare to banking to help transform their business, operating and technology models for the digital era.



Cognizant partners with companies to apply powerful technologies like cloud-based data, artificial intelligence, the Internet of Things, and virtual and augmented reality, to transform their businesses and experiences for customers. Cognizant's business exists to help its clients – many of whom are Canada's largest companies – innovate, adapt, compete and grow in the face of continual shifts and disruptions in their markets brought about by the digital age. In its work, Cognizant depends on highly-skilled, deeply knowledgeable professionals, who are experts in a range of technologies and industries.

Mississauga skyline



Mississauga is an important digital hub for Cognizant's Canadian operations. The Toronto Region and Mississauga are home to many of our Canadian clients, including the country's leading banks, major insurance companies and retailers. We recognize and applaud the broad-based strength of your economy and continue to be impressed by your pool of talented professionals, your first-rate universities and colleges and your unrelenting commitment to growth and job creation. We are pleased to be a part of the community."

Allen Shaheen
Executive Vice President,
Cognizant

Beginning in June 2017, Toronto Global and the Province of Ontario worked closely with Cognizant to help them understand the Toronto Region's advantages relative to other North American tech hubs, in terms of cost, talent availability, international market access and quality of life – information that was used to build a business case that Cognizant could take to their leadership team. Additionally, Toronto Global provided in-depth information on each of the region's municipalities when it came to the location decision, broadening the focus from one municipality to many. Ultimately, Cognizant chose Mississauga as the location for its new 50,000 square-foot technology and services delivery centre. This state-of-the-art facility, complete with training rooms, a digital lab, and a co-innovation space, will allow Cognizant to work alongside clients to build and deliver specialized technology and industry-specific solutions.

Toronto Global was also instrumental in helping Cognizant to build partnerships with regional stakeholders, including Seneca College. Seneca is now working

in collaboration with Cognizant to provide a new technology training program aimed at enhancing skills for current IT professionals, and building skills for students and other individuals interested in pursuing technology careers. Toronto Global also worked closely with the economic development team at the City of Mississauga to ensure Cognizant was able to access local services, including settlement and assistance with permitting and zoning.

After setting up in Mississauga, Cognizant was able to rapidly hire specialized software engineers, developers, network engineers, system engineers and business analysts – a testament to the region's abundant tech talent supply.

The site in Mississauga was initially planned to house 400 employees in 2018. Cognizant was able to recruit high-quality tech talent so quickly that the company has since leased another floor of the building to house an additional 200 employees.

New Investments in 2018/ 2019

Toronto Global was proud to facilitate 33 new investments to the Toronto Region over the past year.



31 Media

Technology – United Kingdom

Headquartered in London, U.K., 31 Media is a multi-platform media and communications company committed to providing high-brow publications and reports, well-respected community-based websites and cutting-edge conferences and events. 31 Media was referred to Toronto Global through the Federal Trade Commissioner and Counsellor (Commercial-Ontario). Having identified several countries and cities over a three year period, 31 Media chose Canada, and specifically Toronto, due to its size and market within North America.

“Toronto is a vibrant, cosmopolitan, diverse environment that has a strong labour market which is underpinned by strong economic output and a fantastic infrastructure. The decision to open 31 Media Canada Inc. was made that much easier by the team at Toronto Global, who from the off were professional, courteous, responsive, diligent and above all took the time to understand the needs of our business.”

Grant Farrell
CEO, 31 Media



Achmea Canada (Onlia)

Financial Services – The Netherlands

Established in 1811, today Achmea is the largest insurance provider in the Netherlands, including non-life, health, income protection, pension services and asset management. Toronto Global's Investment Attraction team identified Achmea as a potential opportunity for foreign direct investment in the Toronto Region during a mission to the Netherlands. Achmea signed an agreement with Fairfax Financial, a Canadian holding company, to jointly provide a fully digital property and casualty insurance proposition under the new Onlia brand. In Toronto, Onlia will operate on the fully online IT-platform of InShared, the digital property and casualty insurer of Achmea.

Arterys

Life Sciences – United States

Arterys, based in the U.S., develops 4D Flow technology, which generates precise measurements of blood flow noninvasively and non-radiatively, anywhere in the body. The company's medical imaging SaaS analytics platform combines the best of cloud computation and machine learning to improve diagnostic and therapeutic decisions. Arterys was identified by Toronto Global's Investment Attraction team as an FDI opportunity. Arterys established an engineering office in Toronto of 10-15 people in order to take advantage of the data science and AI talent throughout the region.



BLive

Technology – Brazil

BLive is a Brazilian technology services company focused on mapping, understanding, and developing solutions in which data needs to be made for customers immediately and reliably. The company is developing systems with PDAs, Tablets, Smartphones, and long-range RFID control systems. Introduced to Toronto Global during a mission to Brazil with the Consider Canada City Alliance, BLive set up a Canadian headquarters in Mississauga as a base for providing technological solutions to its international clients.

Bolt

Technology – United States

Bolt is the U.S.-based provider of an online payment platform designed to drive e-commerce businesses with newfound revenue. The company's platform uses next-generation fraud algorithms that approve more orders and also covers 100 per cent of fraudulent chargebacks, enabling e-commerce businesses to retain customers and lift conversion rates. Toronto Global was introduced to Bolt through a service provider in technology recruitment, Syndesus, and chose to expand to Toronto to establish an engineering office.

New Investments in 2018/ 2019

Canadian Institute of Food Safety

Education – Australia

The Australian Institute of Food Safety (AIFS) is Australia's leading provider of food safety education and training. AIFS is dedicated to the promotion of better food safety practices within Australia and has a mandate to educate the public. Introduced to Toronto Global by the Federal Trade Commissioner in Brisbane, AIFS chose Toronto as the location for its subsidiary, where it operates as the Canadian Institute of Food Safety, providing online education to people working in the food and hospitality industries. AIFS selected Toronto for a number of reasons, including the location of its client base, talent attraction and the region's record of excellence in food safety and security.

“Toronto Global proved to be an invaluable resource to us throughout the process. From helping us to find office space, to getting us set up with financial institutions and helping us find answers to HR and payroll questions – there wasn't a single problem they couldn't help us solve. Overall, it has been a smooth transition and we're sure it would have been much more stressful if we hadn't had Toronto Global by our side.”

Stuart Hilditch
Executive Director,
Canadian Institute
of Food Safety

Centreon

Technology – France

Founded in France, Centreon is committed to helping organizations digitally transform and futureproof their IT operations. Its mission is to deliver a robust and scalable, single-source IT infrastructure monitoring tool that improves uptime, reduces costs and improves performance analysis of business-critical systems and applications. Centreon was introduced to Toronto Global through the Canadian Embassy in Paris. Based in Toronto, the company is optimally positioned to support the mature IT market in North America with proven monitoring solutions for converging and hybrid IT infrastructures.

“There is an energy around Canada right now with the government and its ability and willingness to create business here. There are so many research and development projects going on in IT - around machine learning, artificial intelligence and fintech... We couldn't be more excited to be launching our North American operations at this time.”

Romain Le Merlus
Co-founder and
Chief Executive Officer,
North America,
Centreon

Clearpool

Financial Services – United States

Clearpool is a U.S.-based provider of electronic trading software designed to develop technology for

the modern market microstructure. The company's electronic trading software uses advanced algorithmic and execution management systems, enabling market participants to achieve better quality executions in an evolving equity market microstructure and competitive landscape. Identified by our Investment Attraction team, Toronto Global worked with Clearpool to understand the financial services and technology landscape in the region, as well as provide advice and insight on talent, immigration and R&D tax credits.

Cognizant

Technology – United States

Cognizant, a Fortune 500 company, is one of the world's leading technology and business services companies. Headquartered in New Jersey, U.S., Cognizant works with major companies in industries from healthcare to banking to help transform their business, operating and technology models for the digital era. Toronto Global was introduced to Cognizant through a service provider. The team at Toronto Global worked to help Cognizant understand the advantages of multiple locations within the Toronto Region based on the needs of its business, with Cognizant ultimately choosing Mississauga as the location of its new 600-person, 50,000 square-foot technology and services delivery centre. This state-of-the-art facility, complete with training rooms, a digital lab, a delivery centre, and a co-innovation space, will allow Cognizant to work alongside clients to build and deliver specialized technology and industry-specific solutions.

New Investments in 2018/ 2019

Toronto Global also worked closely with the economic development team at the Province of Ontario and the City of Mississauga to facilitate the company's successful entry into the market.

Clik.ai

Financial Services – India

Clik.ai is an India-based artificial intelligence company that became the first to bring automated underwriting to commercial real estate, in an endeavor to make the underwriting process quicker, accurate and fully automated. Introduced to Toronto Global by the Trade Commissioner in India, Clik.ai took advantage of the federal government's Entrepreneur Start-Up Visa Program, which grants permanent residence to immigrant entrepreneurs while assisting them to become established in Canada. Backed by accelerator and designated partner of the Start-Up Visa program, Ryerson Futures, Clik.ai relocated its global headquarters to Toronto. The company established operations in Toronto to access the North American market and recruit skilled talent for a number of positions, including positions in AI and data science, as well as User Experience and Customer Success Managers.

Ember Group

Business Services – United Kingdom

Ember Group is a business services group providing specialist management consultancy, training, analytics and executive search in the U.K. Ember Group's Toronto office will be home to a team of 25 people, including consultants and analysts working with North

American clients, including a major global financial services organization. Ember Group was introduced to Toronto Global by the Federal Trade Commissioner and Counsellor (Commercial-Ontario) in London, U.K.

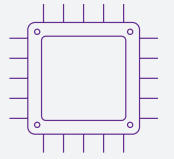
Etsy

Technology – United States

Etsy is an e-commerce website from the United States focused on handmade or vintage items and supplies, as well as unique factory-manufactured items. Identified by our Investment Attraction team, and co-ordinating our efforts with the federal government, Toronto Global was able to arrange meetings between Etsy and Prime Minister Justin Trudeau during his visit to New York City. Etsy's investment in Toronto includes opening a new artificial intelligence research and development centre. This location will play host to leading figures from local universities and Toronto's deep pool of world-class machine learning and engineering talent.

“Etsy is dedicated to creating opportunities for creative entrepreneurs across Canada, and this addition will deepen Etsy's roots in Toronto's robust tech community. We are excited to add more world-class talent from Canada to Etsy's engineering team so that we can continue to make our marketplace the best destination for buying and selling unique and special goods.”

Mike Fisher
CTO, Etsy



Filament AI

Technology – United Kingdom

Filament AI is a U.K.-based team of specialists seeking to help enterprises apply AI in their businesses, understanding that the skills needed to do this are expensive and in short supply, and the infrastructure requirements are complicated. Introduced to Toronto Global through the Federal Trade Commissioner and Counsellor (Commercial-Ontario) in London, U.K., Filament AI set up a sales and product development operation in Toronto to take advantage of the talent and research emerging from local universities, along with the advanced AI ecosystem in the region.

“Toronto Global was essential to the process of expanding Filament.ai into North America. From our evaluation of Toronto to our growth into 2019, we have benefited from the organization's support on business development, accounting, legal affairs, marketing and PR. I strongly urge U.K. businesses looking to set up shop in Toronto to lean on the team as much as I did!”

Colum Elliott-Kelly
Chief Strategy Officer
& General Manager
North America,
Filament AI

New Investments in 2018/ 2019

HSBC

Financial Services – United Kingdom

HSBC, headquartered in the U.K., is a multinational banking and financial services holding company. It is the seventh-largest bank in the world and the largest in Europe. Toronto Global was introduced to HSBC through the Federal Trade Commissioner in London, U.K., and worked closely with HSBC's GBM Data & Innovation team to develop a compelling value proposition highlighting the Toronto Region over top-tier global cities. HSBC selected Toronto as the location to build its Global Data & Innovation Lab, employing 80 people.

iMist

Advanced Manufacturing – United Kingdom

London, U.K.-based iMist produces water mist fire protection systems that are cost-effective, environmentally friendly and a less damaging alternative to fire sprinklers. iMist STX12 water mist technology provides highly effective fire protection to domestic and residential properties. Introduced to Toronto Global through the Federal Trade Commissioner and Counsellor (Commercial-Ontario), iMist selected Mississauga as the location for its 50-employee manufacturing operation.

Innovise Software

Technology – United Kingdom

Innovise Software, from Birmingham, U.K., builds technology for the facilities management and support services

industries, with applications that support granular cost control of workforces operating within this very low-margin sector. Innovise Software was introduced to Toronto Global by the Federal Trade Commissioner and Counsellor (Commercial-Ontario) in London, U.K. to establish a sales team based in Toronto.

Insight Data Science

Education – United States

Insight Data Science is a U.S. company that operates a postdoctoral training fellowship program. The company's program enables scientists to learn the industry specific skills needed to work in the growing field of big data at leading companies. The company was referred to Toronto Global through the Federal Trade Commissioner in New York City, and Insight Data Science opened its Canadian office in Toronto.

Italia Alimentari

Food & Beverage – Italy

Italia Alimentari is a leading Italian manufacturer of cured meats and hams, snacks, finger foods and deli specialties. The company exports its products to 50 countries worldwide. Toronto Global became acquainted with Italia Alimentari through the Federal Trade Commissioner in Rome and assisted the establishment of the company's operations in Brampton. Working in partnership with a Brampton company, Italia Alimentari set up operations for meat products cutting and packaging.

Kistler Group

Advanced Manufacturing – United States

U.S.-based Kistler Group is the global leader in dynamic measurement technology for measuring pressure, force, torque and acceleration. Toronto Global was introduced to the Kistler Group through the Federal Trade Commissioner in Detroit, and the company chose to open its new sales centre in Mississauga. As its first Canadian location, the Kistler Canada office represents a significant expansion of the company's global presence and solidifies its strong commitment to Canadian customers. Kistler Group's Mississauga location serves to advise and support customers as well as manage sales in Canada's automotive and aerospace industries.



Mazars

Financial Services – United States

Based in the U.S., Mazars is an international advisory and financial services firm specializing in audit, accountancy, tax, legal and other advisory services. Mazars was referred to Toronto Global by the Federal Trade Commissioner in New York City. The company's Toronto office will allow for closer proximity to its clients located in the region, expand the national scope of its services in assurance, accounting, tax and advisory as well as reinforce the Global Infrastructure Finance team's position as a major advisor to clients in North America.

New Investments in 2018/ 2019

Nanoport Technology

Technology – United States

Nanoport Technology, is a research and development lab from the U.S., providing hardware- and software-based magnetic connector systems designed to physically combine mobile devices for data transfer. Referred to Toronto Global by the team at the MaRS Discovery District, Nanoport Technology's new Toronto office is focused on marketing and sales to support the increasing demand for their technologies.

Osborne Recruitment Consultancy

Business Services – Ireland

Osborne is a recruitment consultancy specializing in permanent, temporary and contract positions, based in Dublin, Ireland. Over the past number of years, its team of recruitment specialists have successfully partnered with several well-established Canadian clients from its base in Ireland. Osborne Recruitment Consultancy and Toronto Global were acquainted through shared networks and the company established an office of 26 employees in Toronto to recruit for specialist sectors, including Accounting & Finance, Office, Secretarial & Customer Service, IT, Technical & Engineering, Sales & Marketing, Executive, HR & Legal Appointments.

“We have built strong working relationships with our Canadian clients over the past number of years and we have thoroughly enjoyed working with them to date. Toronto is a world-class city with a positive, modern business culture and very accessible from Ireland - choosing the Toronto Region for our first international team on the ground made perfect sense.”

Rachel Brown
Recruitment & Business Manager,
Osborne Recruitment

Presto

Technology – United States

U.S.-based Presto, formerly E la Carte Inc., is modernizing restaurant dining rooms with its tools, most notably the PrestoPrime EMV Terminal. Using specialized hardware and software designed to meet the unique needs of restaurants, Presto's products enhance the guest dining experience, streamline operations, and increase clients' brand value. Toronto Global became acquainted with Presto after direct outreach to the company prior to a mission to the San Francisco Bay Area. Drawn to the region for its diversity and innovation in the technology sector, Presto has opened a Toronto office, which is expected to employ approximately 30 people.

“Working with Toronto Global has been an incredible experience. The team has given its support from day one, offering multiple options for us to look into and setting up meetings with industry

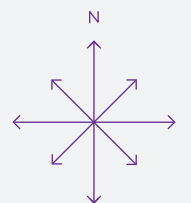
leaders in the Toronto Region. It has definitely helped us to know which resources are out there for us and how we can best navigate the startup and tech industry.”

Ashima Suri
Head of Operations -
Toronto, Presto

Rebel Group

Business Services – The Netherlands

Headquartered in the Netherlands, Rebel Group helps public and private organizations bridge the gap between their infrastructure needs and financial resources by focusing on developing public-private partnerships (P3s), innovative capital financing, project delivery strategies, efficient management, and performance improvement. Toronto Global's Investment Attraction team identified Rebel Group as a potential FDI opportunity for the Toronto Region and scheduled a meeting during the team's mission to the Netherlands. After meeting Rebel Group and hosting the company in Toronto, it established a consulting operation in Toronto, where the company is actively hiring and conducting consulting and strategy work in the Toronto Region.



New Investments in 2018/ 2019

Refinery29

Technology – United States

Refinery29 is a trailblazing digital media and entertainment company for young women with a global audience footprint of 550 million across all platforms. Toronto Global was introduced to Refinery29 through a lead generator in the U.S. and assisted the company in its expansion to the Canadian market, headquartered in Toronto. Refinery29 identified Canada as a strong organic audience for its content and launched in Toronto to appeal to its underserved female millennial audience, including a mix of localized content and global stories across fashion, beauty, wellness, politics and culture.

RepRisk

Financial Services – Switzerland

RepRisk, based in Switzerland, is a global leader and pioneer in data science, specializing in premium Environmental/Social/Governance (ESG) and business conduct risk research and quantitative solutions. Toronto Global's Investment Attraction team identified RepRisk as a potential FDI opportunity. Meeting with the RepRisk team in Switzerland and hosting them here in the Toronto Region, Toronto Global worked with the company to establish its 25-employee branch in Toronto. Through a global presence with offices in Germany, the Philippines, Switzerland, and now Canada, RepRisk moves to a setup that allows for 24-hour business operations, further improving its ability to serve clients, including the world's largest financial institutions and businesses.



Resolver

Business Services – United Kingdom

Resolver, a U.K.-based organization with millions of consumers, launched an innovative new tool for Canadian consumers to help manage their complaints with businesses. This web-based platform provides consumers with an effective and streamlined process through which they can reach out to address Canadian businesses. Through staff outreach by our U.K. market team, Toronto Global worked with Resolver to establish its sales and support office in Toronto, employing 50 people. Resolver is in Toronto to launch an innovative utility providing Canadian consumers a new choice for lodging complaints to businesses and achieving resolution satisfaction.

“We are extremely proud to bring this new tool to Canada. We’ve had tremendous success helping consumers in the U.K., and can’t wait to start helping Canadian consumers.”

James Walker
Founder and CEO,
Resolver Group

Skylight

Technology – United States

Skylight, based in the U.S., develops an online platform designed to manage home renovation and reinvention projects. The company's platform is designed to help in assigning a proven contractor and monitor progress to create a homeowner's budget based on typical patterns for similar projects to keep projects organized, enabling homeowners to get their homes renovated within a given budget and schedule. Through Ontario's Senior Economic Officer based in San Francisco, Toronto Global assisted Skylight in its software development office expansion to Toronto.

“Building our team in Toronto gives us much more runway with our venture capital dollars, allowing us to focus more on building our business and less on our bank balance. The tech community in Toronto is growing every day and we are excited to be a part of it.”

Fiona Lake Waslander,
Co-Founder & Chief Product
Officer, Skylight Tools Canada
Inc.

Swissborg

Technology – Switzerland

Swiss company, Swissborg, is revolutionizing wealth management services with a community-centric approach powered by blockchain technology, offering Swiss-made crypto investment solutions to the

New Investments in 2018/ 2019

world. Toronto Global was introduced to Swissborg at the Toronto Global London Launch blockchain event in November 2017, through keynote speaker, Manie Eager, Chairman of the Blockchain Association of Canada. Swissborg chose Toronto for its AI R&D office expansion, based on the talent pipeline flush with developers and software engineers.

Terminal

Business Services – United States

Headquartered in San Francisco, U.S., Terminal is a remote teams company that helps growing tech companies quickly hire the engineers they need to scale. Terminal was introduced to Toronto Global through the Federal Trade Commissioner in San Francisco. Terminal builds remote development teams and supports the entire employee experience – from providing premium shared workspaces to fostering community. The company chose to locate its 90-employee consulting office in Toronto, drawn by the world-class talent, educational institutions and calibre of companies throughout the region.

“The skills, expertise, and professionalism of the tech ecosystem in Toronto have only continued to increase in the last few years. I’m excited to be expanding our services into Toronto to help bring new opportunities to the region and support companies that are scaling rapidly.”

Veronique St-Germain
Director of Recruiting, Terminal

TSP Projects

Business Services – United Kingdom

TSP Projects, based in the U.K., is a multi-disciplinary solutions business with extensive engineering capabilities and specialist expertise in the transportation and energy industries. Employing more than 420 highly experienced staff, it works in partnership with its clients to develop and deliver high quality, innovative technical solutions. The company chose to locate in Toronto based on the substantial investments in Ontario by the provincial government on a variety of rail initiatives, providing the company with an ideal base for expansion into the Canadian market. TSP Projects was introduced to Toronto Global by the Federal Trade Commissioner and Counsellor (Commercial-Ontario).

“We have set up a Toronto office with a small team of U.K. design and engineering specialists, and we intend to develop the business with the assistance of the experts at Toronto Global, whose guidance has been invaluable.”

Keith Moverley
Rail Director, TSP Projects

Ulule

Technology – France

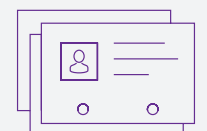
France-based pioneer crowdfunding platform, Ulule, enables creative, innovative and community-minded projects to test ideas, build a community and make it grow. Ulule has become the leading European crowdfunding website, with over

26,000 successfully funded projects, more than 2.4 million members worldwide and a record success rate of close to 70 per cent. Toronto Global became acquainted with Ulule through our partners at the Ministry of Economic Development, Job Creation and Trade. Ulule's Toronto location serves as a sales and marketing office for the North American market.

VanHack

Business Services – The Netherlands

VanHack is an international recruitment agency with offices across Europe and most recently, Vancouver and Toronto. The company has built a community of over 145,000 software developers, designers and digital marketers ready to relocate. Toronto Global met VanHack at the 2018 Mobile World Congress exhibition in Barcelona and worked with the company to set up its business, with a mandate to bring incredible talent to the Toronto Region. VanHack is helping local companies to meet their growing tech talent needs by tapping into talent from around the globe, with a particular focus on increasing awareness about the federal government's global talent stream visa.





The Toronto Global team would like to extend our appreciation to our Board of Directors for their commitment to our organization and to the Toronto Region. Their guidance, support and active leadership throughout our region has been instrumental in our efforts to attract international investment.

Toronto Global would like to recognize our former board members Ted Egawa and Tina Lee and thank them for their dedication to our Board of Directors.

From left to right:

Cecile Chung
General Counsel & Corporate Secretary, Samuel Group of Companies

Lisa de Wilde
Chief Executive Officer, TVO

Nitin Kawale
Former President, Enterprise Business Unit, Rogers

Bilal Khan
Managing Partner & Head, Deloitte Data

Sriram Iyer
President & Chief Executive Officer, ICICI Bank Canada

Ted Egawa
President & Chief Executive Officer, Canon Canada

Geneviève Bonin
Partner, McKinsey & Company

Jodi Kovitz
Founder & Chief Executive Officer, #movethedial

Janet Ecker
Vice-Chair, Toronto Global Board of Directors

Mark Cohon,
Chair, Toronto Global Board of Directors

Satish Rai
Chief Investment Officer, OMERS Capital Markets

Steve Howse
President, Millington & Associates

Tina Lee
Chief Executive Officer, T&T Supermarkets

Catherine Roche
Head, Office of Strategic Management, BMO Financial Group

Toronto
Global Team

Our staff complement continues to get bigger and better. The Toronto Global team is composed of diverse, skilled and motivated staff that have contributed immensely to the momentum that the organization has achieved. Each member of the team has offered a unique perspective and approach to foreign investment attraction. We are proud of the progress and achievements we have made to date and look forward to building on this success and bringing significant benefits and investment to our dynamic region.



From left to right:

Salman Khan
Senior Advisor,
Investment Attraction,
Europe

Ellen Mitchell
Advisor, Investment
Attraction

Leslie Sutherland
Vice President, Human
Resources & Business
Operations

Sean Mui-Tummers
Advisor, Investment
Attraction

Julia Sakas
Director, Marketing &
Communications

JanWillem Gille
Director, Investment
Attraction, Europe

Terrie O’Leary
Executive Vice
President, Business
Strategy & Operations

Toby Lennox
Chief Executive Officer

Nicholas Pantaleo
Digital Marketing
Specialist

Bethany Moir
Director, Research &
Insights

Erika Thompson
Communications
Specialist

Dan Silverman
Executive Vice President,
Investment Attraction

Liana Hovakimyan
Director, Investment
Attraction, North America

Daniel Hengeveld
Director, Investment
Attraction

Cecillia Long
Manager, Business
Operations

Matthew Castaldo
Research & Insights
Associate

Ashleigh Ryan
Research & Insights
Analyst

Erin Hennessey
Investment Attraction
Research Specialist

Matt Switzer
Manager, Investment
Attraction, North America

Nicole Jarosz
Executive Assistant to the
Chief Executive Officer

Trevor Novak
Director, Investment
Attraction, Europe

Johnny Tan
Manager, Investment
Attraction, Asia

Bart Deelen
Senior Advisor, Investment
Attraction, Europe

Michael Keoshkerian
Senior Advisor,
Investment Attraction,
North America

Graeme Cooke
Senior Advisor,
Investment Attraction,
North America

Absent:
Catherine Lee
Advisor, Investment
Attraction, Asia

Winston Young
Chief Financial Officer

Toronto Region
Mayors & Chairs

Toronto Global would like to extend a BIG thank you to the Mayors and Chairs of the Toronto Region for their continued support and commitment to collaboration.



Bonnie Crombie
Mayor of Mississauga



John Tory
Mayor of Toronto



Patrick Brown
Mayor of Brampton



Gary Carr
Halton Regional Chair



John Henry
Durham Regional Chair



Wayne Emmerson
York Regional Chair

TORONTO GLOBAL 2018/2019 AUDITED FINANCIAL STATEMENTS

GTA Region Investment
Attraction [operating as
Toronto Global]

Financial statements
March 31, 2019

Independent auditor's report

To the Members of the GTA Region Investment Attraction [operating as Toronto Global]

Opinion

We have audited the financial statements of the GTA Region Investment Attraction [operating as "Toronto Global"], which comprise the statement of financial position as at March 31, 2019, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Toronto Global as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of Toronto Global in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Toronto Global's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Toronto Global or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Toronto Global's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Toronto Global's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether

a material uncertainty exists related to events or conditions that may cast significant doubt on Toronto Global's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Toronto Global to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst + Young LLP

Chartered Professional Accountants,
Licensed Public Accountants

Toronto, Canada
July 20, 2018

Statement of financial position

	2019	2018
	\$	\$
ASSETS		
Current		
Cash	2,339,969	2,999,141
Investments ^[note 3]	–	163,008
Accounts receivable ^[notes 6 and 10]	222,739	10,046
Provincial contributions receivable ^[notes 6 and 10]	175,558	512,494
Government of Canada contributions receivable ^[notes 6 and 10]	955,128	166,916
Municipal contributions receivable ^[notes 6 and 10]	160,038	–
Prepaid expenses	104,871	65,141
Total current assets	3,958,303	3,916,746
Tangible capital assets, net ^[note 7]	125,132	114,180
	4,083,435	4,030,926
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities ^[notes 4 and 5]	1,096,999	1,572,896
Deferred contributions ^[note 6]	2,861,304	2,343,850
Total current liabilities	3,958,303	3,916,746
Deferred capital contributions ^[note 8]	125,132	114,180
Total liabilities	4,083,435	4,030,926
Contingencies and commitments ^[notes 11 and 12]		
Net assets	–	–
Unrestricted	4,083,435	4,030,926

See accompanying notes

On Behalf of the Board



Director



Director

Statement of operations

	2019	2018
	\$	\$
Revenue		
Contributions from Province of Ontario ^[note 6]	1,782,108	1,118,100
Contributions from Government of Canada ^[note 6]	2,765,129	2,781,590
Contributions from Municipalities ^[note 6]	1,780,923	1,619,025
Contributions from Invest Canada Community Initiatives ^[note 6]	441,479	380,175
Interest income	19,867	–
Amortization of deferred capital contributions ^[note 8]	47,775	55,934
	6,837,281	5,954,824
Expenses		
Labour and staff costs ^[notes 4 and 9]	4,289,109	3,356,507
Consulting fees	561,656	415,244
Professional fees	215,488	772,416
Marketing costs	719,258	325,327
Office	316,829	269,830
Rent and occupancy costs	281,450	289,088
Travel	202,139	176,048
Shared services ^[note 5]	170,517	267,457
Printing	33,060	26,973
Amortization of tangible capital assets	47,775	55,934
	6,837,281	5,954,824
Excess of revenue over expenses for the year	–	–

See accompanying notes.

Statement of changes in net assets

Year ended March 31

	2019	2018
	Unrestricted	Total
	\$	\$
Net assets, beginning of year	–	–
Excess of revenue over expenses for the year	–	–
Net assets, end of year	–	–

See accompanying notes.

Statement of cash flows

	2019	2018
	\$	\$
Operating activities		
Excess of revenue over expenses for the year	–	–
Add (deduct) items not involving cash		
Amortization of tangible capital assets	47,775	55,934
Amortization of deferred capital contributions	(47,775)	(55,934)
Accrual of interest on restricted investments	163,008	(793)
Amortization of rent adjustment	2,202	2,210
	165,210	1,417
Changes in non-cash working capital balances related to operations		
Decrease (increase) in accounts receivable	(212,693)	30,858
Decrease (increase) in contributions receivable	(611,314)	795,879
Decrease (increase) in prepaid expenses	(39,730)	5,283
Increase (decrease) in accounts payable and accrued liabilities	(478,099)	609,470
Increase (decrease) in deferred contributions	517,454	(402,043)
Cash provided by (used in) operating activities	(659,172)	1,040,864
Investing activities		
Acquisition of tangible capital assets	(58,727)	(159,188)
Cash used in investing activities	(58,727)	(159,188)
Financing activities		
Contributions used to fund capital assets	58,727	159,188
Repayments to the Greater Toronto Marketing Alliance	–	(105,700)
Cash provided by financing activities	58,727	53,488
Net increase (decrease) in cash during the year	(659,172)	935,164
Cash, beginning of year	2,999,141	2,063,977
Cash, end of year	2,339,969	2,999,141

See accompanying notes

Notes to financial statements

1. Nature of operations

The GTA Region Investment Attraction ["Toronto Global"] was incorporated on July 27, 2015 as a not-for-profit organization without share capital under the Business Corporations Act (Ontario) and has continued under the new Canada Not-for-profit Corporations Act as of July 1, 2017. Toronto Global is exempt from income taxes under section 149(1)(1) of the Income Tax Act (Canada).

The objectives of Toronto Global include promoting the competitive advantages and business opportunities in the Greater Toronto Area and to raise the profile of the Greater Toronto Area to attract foreign direct investment in order to maintain and expand the economy of the region.

2. Summary of significant accounting policies

Basis of accounting

These financial statements are prepared by management in accordance with Part III of the CPA Canada Handbook – Accounting, which sets out generally accepted accounting principles for not-for-profit organizations in Canada. The significant accounting policies are summarized below.

Revenue recognition

Toronto Global follows the deferral method of accounting for contributions, which include government and other grants. Externally restricted contributions are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related eligible expenses are incurred. Externally restricted contributions relating to tangible capital assets are deferred when initially recorded in the accounts and recognized as revenue on a basis consistent with amortization of the related tangible capital assets. Unrestricted contributions are recognized as income when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

Investments in fixed income securities not designated to be measured at fair value are initially recorded at fair value plus transaction costs and are subsequently measured at amortized cost, less any provisions for impairment.

All transactions are recorded on a trade date basis.

Other financial instruments, including cash, accounts receivable, contributions receivable and accounts payable and accrued liabilities, are recorded at fair value and are subsequently measured at cost, net of any provisions for impairment.

Unless otherwise noted, it is management's opinion that Toronto Global is not exposed to significant interest rate risk, currency risk, market risk or credit risk arising from financial instruments.

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Computer equipment
3 years

Leasehold improvements
Term of the lease

Furniture and fixtures
5 years

Rent and occupancy costs and deferred lease escalations

Rent expense is recorded in rent and occupancy costs in the statement of operations on a straight-line basis over the term of the lease. Differences between the straight-line rent expense and the payments, as stipulated under the lease agreement, referred to as lease escalations, are included in accounts payable and accrued liabilities.

Notes to financial statements

Employee future benefits

Defined contribution plan accounting is applied to the multi-employer defined benefit plan. Contributions are expensed on an accrual basis, as Toronto Global has insufficient information to apply defined benefit plan accounting.

Contributed goods and services

Contributed goods and services are not recognized in these financial statements.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates are based on the information available at the date of preparation and are reviewed annually to reflect new information as it is available. Measurement uncertainty exists in the financial statements primarily related to the impairment in contributions receivable and the estimated useful lives of tangible capital assets. Actual results could differ from those estimates.

3. Investments

Investments consisted of a guaranteed investment certificate which was redeemed in February 2019 for the principal plus accrued interest of \$163,765 [2018 – \$162,000, maturity date of December 27, 2018]. This investment certificate had an annual yield of 0.60% [2018 – 0.45%].

4. Services agreement

Toronto Global had entered into a services agreement with Invest Toronto Inc. [“Invest Toronto”], a subsidiary of the City of Toronto, wherein Toronto Global will pay to Invest Toronto fees equal to one-half of all gross salaries paid by Invest Toronto to its employees for the various investment attraction-related services Invest Toronto

has provided to Toronto Global. Advancement of funds was provided from Invest Toronto to Toronto Global for expenditures to be shared or fully reimbursed by Toronto Global. This arrangement was made to assist in the launch of Toronto Global and was no longer required in this fiscal year.

As at March 31, 2019, accounts payable and accrued liabilities relating to funds advanced for operations were nil [2018 – \$305,651] to Invest Toronto. In addition, the accounts payable and accrued liabilities relating to services provided by Invest Toronto employees were nil [2018 – \$387,587].

5. Shared services

Toronto Global has agreed with Toronto Port Lands Company [“TPLC”], a subsidiary of the City of Toronto, to share certain administrative, accounting and other corporate services on a cost allocation basis. Included in accounts payable and accrued liabilities is an amount of \$29,388 [2018 – \$52,579] owing to TPLC for shared services costs. There are no set terms of repayment for these amounts and no interest is being charged by TPLC. The services agreement was terminated effective March 31, 2019, with all services repatriated back to Toronto Global, with the exception of a pledge for some continuing support for the completion of the fiscal 2019 external audit.

Notes to financial statements

6. Deferred contributions

Toronto Global receives contributions from the Government of Canada, the Province of Ontario and Regional Municipalities of York, Halton and Durham, the Cities of Mississauga, Brampton and Toronto [the “Municipalities”], which have certain restrictions associated with the use of the funds. Deferred contributions represent unspent contributions for expenses to be incurred in future years.

The contribution agreement between Toronto Global and the Government of Canada, represented by the Federal Economic Development Agency for Southern Ontario, made on December 2, 2016, covered the period from April 1, 2016 to December 31, 2018. This agreement stipulated a contribution amount of \$6,000,000 payable in respect of eligible and supported costs incurred by Toronto Global as prescribed in the agreement. Subsequent to year-end, a new agreement was made as of May 16, 2019 covering the period from January 1, 2019 to December 31, 2023. This agreement stipulates a maximum contribution of up to \$10,000,000 in respect of eligible and supported costs incurred by Toronto Global as prescribed in the agreement.

The contribution agreement between Toronto Global and the Province of Ontario was signed on June 16, 2017 and covered the period from April 1, 2016 to December 31, 2017. This agreement stipulated a contribution of \$2,500,000 payable as set out in the agreement. A renewal contribution agreement between Toronto Global and the Province of Ontario was signed on April 15, 2018 and covered the period from January 1, 2018 to March 31, 2019. This agreement stipulated a contribution amount of \$2,500,000 as set out in the contribution agreement. Subsequent to year-end, the Province of Ontario agreed to extend the current agreement to June 30, 2019. In addition, negotiations are under way with the Province of Ontario to enter into a new multi-year transfer payment agreement.

Changes in the deferred contributions balance are as follows as at March 31:	2019	2018
	\$	\$
Balance, beginning of year	2,343,850	2,745,893
Contributions from the Government of Canada	2,765,129	2,781,590
Contributions from the Province of Ontario	1,807,281	512,494
Contributions from the Municipalities	2,000,836	1,980,969
Contributions from Invest Canada Community Initiatives	441,479	380,175
Transfer to deferred capital contributions ^[note 8]	(58,727)	(159,188)
HST rebate from prior year expenses	350,962	–
Interest income earned on excess funds in the year	–	807
Amounts recognized as revenue in the year	(6,789,506)	(5,898,890)
Balance, end of year	2,861,304	2,343,850

The contribution agreement between Toronto Global and the Municipalities made on December 2, 2016 covers the period from April 1, 2016 to March 31, 2019. This agreement is for a total contribution amount of \$5,942,907 payable as set out in the agreement. Subsequent to year end, four of the six Municipalities have obtained council approval for the continuation of funding and two Municipalities are awaiting council approval.

In addition to the above noted contributions, Toronto Global has been appointed as one of the recipients by the Government of Canada to receive contributions to implement a project that supports the communities’ efforts to attract, retain and expand foreign direct investment and is ultimately designed to strengthen the economy at the community level. The first agreement was signed March 29, 2017 and covered eligible costs up to a maximum of \$400,000 from January 1, 2017 to December 31, 2017. The second agreement was signed on February 14, 2018 and covered eligible costs up to a maximum of \$235,000 for the period from January 1, 2018 to December 31, 2018. The amended agreement was signed on December 12, 2018 and covered eligible costs up to a maximum of \$428,063 for the period from January 1, 2018 to December 31, 2018.

Pursuant to the above agreements, Toronto Global has recognized a contribution of \$441,479 [2018 – \$380,175] towards eligible expenditures incurred. Of this amount, \$29,452 [2018 – \$10,000] is included in accounts receivable on the statement of financial position.

Notes to financial statements

7. Tangible capital assets

Tangible capital assets consist of the following:

	2019		2018	
	Cost \$	Accumulated Amortization \$	Net book value \$	Net book value \$
Computer equipment	123,856	57,235	66,621	30,640
Leasehold improvements	54,312	29,865	24,447	37,458
Furniture and fixtures	56,273	22,209	34,064	46,082
	234,441	109,309	125,132	114,180

In 2018, Toronto Global purchased \$98,283 of capital assets from Invest Toronto [note 4].

8. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations.

Changes in deferred capital contributions balance are as follows:	2019	2018
	\$	\$
Balance, beginning of year	114,180	10,926
Transferred from deferred contributions [note 6]	58,727	159,188
Amortization of deferred capital contributions for the year	(47,775)	(55,934)
Balance, end of year	125,132	114,180

Notes to financial statements

9. Salaries and employee benefits

Included in the labour and staff costs are Toronto Global's current service contributions to the Ontario Municipal Employees Retirement Fund ["OMERS"] pension plan totalling \$355,473 [2018 – \$301,175].

Toronto Global makes contributions to OMERS, which is a multi-employer pension plan, on behalf of some of its employees. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on length of service and rates of pay. Employees and employers contribute jointly to the plan.

Since OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees. As a result, Toronto Global does not recognize and share in the OMERS pension surplus or deficit. The most recent valuation for financial reporting purposes completed by OMERS as at December 31, 2018, disclosed net assets available for benefits of \$97.4 billion with pension obligations of \$97.4 billion.

10. Financial instruments and risk management

Toronto Global's operating activities expose it to a range of financial risks. The following analysis provides information of Toronto Global's risk exposure as at March 31, 2019.

Credit risk

Credit risk on financial instruments is the risk of a financial loss occurring as a result of default or insolvency of a counterparty on its obligation to Toronto Global. The total carrying value of cash and contributions receivable as presented in the statement of financial position represents the maximum credit risk exposure as at the date of the financial statements. Toronto Global manages and controls

credit risk with respect to accounts receivable by only dealing with recognized, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis. At March 31, 2019, there were no significant amounts that were past due or impaired.

Liquidity risk

Toronto Global is exposed to the risk that it will encounter difficulty in meeting obligations with its financial liabilities. Toronto Global derives all of its operating revenue from various levels of government with no firm commitment of funding in future years. Toronto Global expects it will meet all obligations due within one year through cash and other resources, together with funding from the federal, provincial and municipal governments.

11. Commitments

Future minimum commitments for rent of Toronto Global's premises are as follows:

	\$
2020	204,986
2021	212,692
2022	212,692
2023	212,692
2024	106,346
	949,408

12. Credit facility

Toronto Global has an available revolving line of credit of \$538,000 bearing interest at the bank's prime rate and secured by Toronto Global's personal property.

Toronto Global has a Standby Letter of Credit facility from the bank for an amount of \$162,000 for security for OMERS [note 9].



Brant
Street Pier,
Burlington



Toronto Global

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info@torontoglobal.ca



Design: Clear Space

