Montréal International

Greater Montréal, a Booming Cleantech Industry

A world leading economic development agency

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01

Montréal, A Prosperous City and a Strategic Location

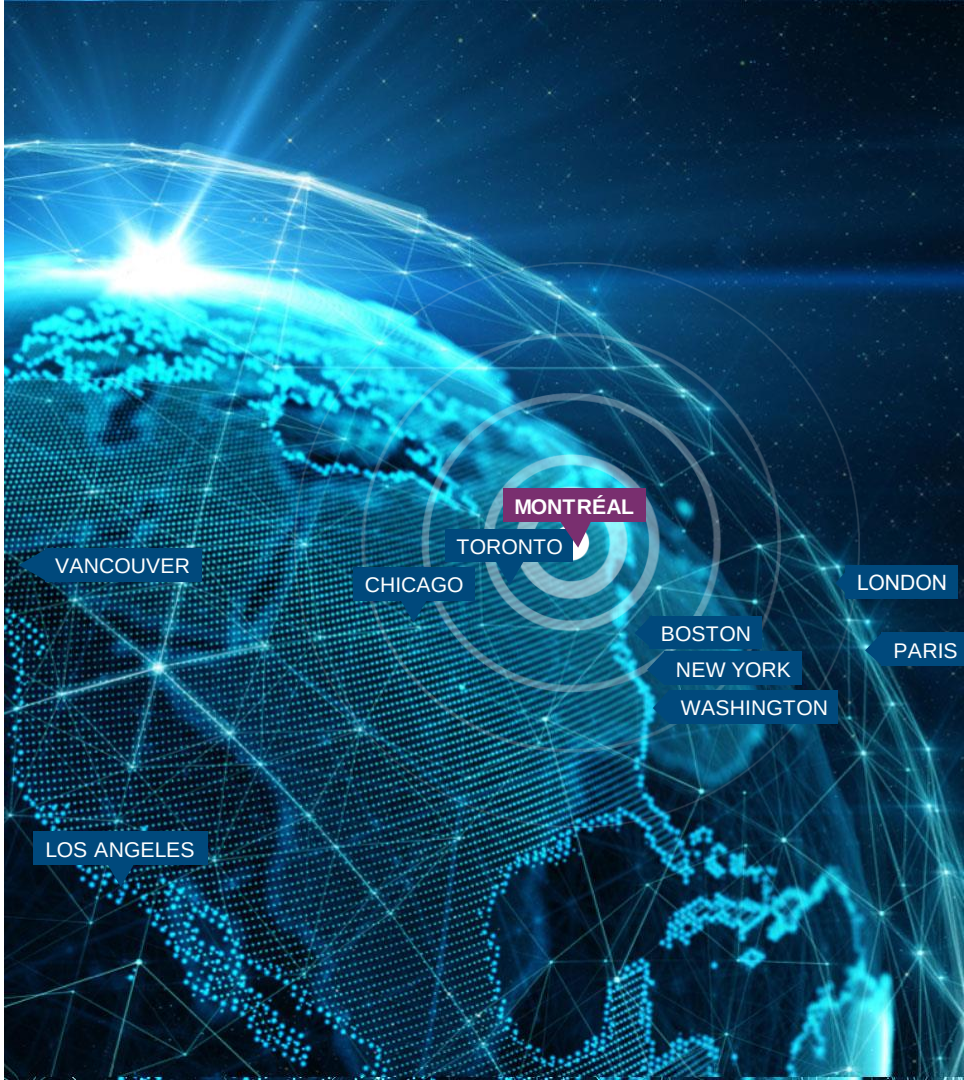
Montréal International

A strong and growing metropolis, strategically located in North America

Population
- **4.3 million residents**
- **23% of population are foreign-born** (34% for the city of Montréal)

Economy
- **Fastest economic growth in Canada in 2021**
- **Among the strongest economic growth forecasts** in Canada in 2022
- **$3.765 billion in foreign direct investment** in 2021 supported by Montréal International

Location
- **82** municipalities, 1 metropolitan area
- **A 90-minute** flight to Boston and New York City
- Less than a **one-hour** drive to the U.S. border



Source: Conference Board of Canada, 2022; Statistics Canada, 2022; Montréal International Analysis.

02

Québec, a Key Player in the Fight against Climate Change

Parc éolien Montérégie Kemont © Kruger inc.

Montréal International

Québec, a key player in the fight against climate change

No. 1 renewable energy producer in North America

More than **99% of the electricity is produced from a clean and renewable source** (hydroelectricity, wind power, biomass)

Government of Québec's 2030 Plan for a Green Economy: **Reduce GHG emissions by 37.5%** compared to 1990 by 2030 and reach carbon neutrality by 2050

Member of **several international groups** for reducing GHG

WCI, Inc. Western Climate Initiative, Inc.

Regions4 Sustainable Development

BCGA

THE CLIMATE GROUP

RGGI Inc.

Source: Ministère des Relations internationales et de la Francophonie, Incontournable Québec, 2021.


Canal Lachine

Strong government commitment to support clean technologies and the ecological transition

Federal support

- **$8B+** in funding to **decarbonize** and invest in **cleantech**
- **$2.2B over 7 years** to expand the Low Carbon Economy Fund
- **$1.4B** for cleantech development and its commercialization
- **$2.6B over 5 years** in tax credit to spark CCUS technologies

Provincial support

- **Nearly $150M over 5 years** to support Québec companies in the development of cleantech
- **$152.4M over 5 years** to spur energy transition
- Close to **$25G over 10 years** on infrastructures to reduce GHG emissions and adapt to climate change

Metropolitan support

- Significant budgets and efforts to ensure the **ecological transition** by 2030: sustainable mobility, green economy, zero waste future, green infrastructure, etc.
- **Reduce GHG emissions by at least 55%** below 1990 levels by 2030 and **achieve carbon neutrality by 2050**

Source: Government of Québec, 2022 ; Ville de Montréal, 2022 ; Department of Finance Canada, 2022; Québec's Ministère des Finances, 2022; Natural Resources Canada, 2022 ; Clean50, 2022; The Chamber of Commerce of Metropolitan Montréal, 2020 ; Québec's Ministère de l'Économie et de l'Innovation, 2019.

Daniel-Johnson Dam (Manic-5) © Hydro-Québec

Québec's electricity industry, a strategic asset to decarbonize the economy

- **7th** global hydropower producer
- **Hydro-Québec,** Canada's largest electricity producer and one of the largest hydropower producers in the world
- Québec's electricity industry, a thriving sector:
  - **63,000** jobs
  - **$16.9B** contribution to Québec's GDP
  - **$5B** in export to over 170 countries

Many industry leaders are operating in Greater Montréal

SIEMENS Schneider Electric GE Hitachi Energy

Source: Association de l'industrie électrique du Québec, L'industrie électrique du Québec : Pilier d'une économie carboneutre, Annual Report 2021.

A world-class R&D hub

- **Québec, 1st in Canada for R&D investment** in % of GDP with expenditures of $9.7B per year*
- Montréal, **1st city in Canada for university research funding** with close to $2B per year
- Research institutions **in Montréal are among the world's top universities**

McGill Université de Montréal

- **Home to several renowned research organizations** related to cleantech

Hydro Québec Institut de recherche

Chaire de gestion du secteur de l'énergie HEC MONTRÉAL

CanmetÉNERGIE VARENNES CanmetENERGY

Note: * Including $9.3B spent on businesses and universities and $0.4B spent on the government sector.
Source: Research InfoSource, 2021; Statistics Canada, Table 27-10-0359-01, 2016, and Table 27-10-0273-01, 2017; QS World University Rankings 2023

Aerial view of Institut de recherche d'Hydro-Québec (IREQ) in Varennes © Hydro-Québec

© Sylvie Li @ shoot Studio - Tourisme Montréal

A culture of sustainable, low-carbon urban mobility

- **Québec, no. 1 for vehicle electrification in Canada**
- **Largest charging network with 3,400+ electric stations,** including **600 fast charging stations**
- **A public transportation** networks adopting **sustainable mobility technologies**

stm	**Acquire only electric vehicles** as of 2025 and achieve zero emissions for vehicles by 2040
Communauto	Pioneer of car-sharing in North America with **3,000+ vehicles**, including **200+ electric vehicles**
BIXI	Bicycle-sharing system with **2,400+ electric BIXI bikes** and 7,000+ regular BIXI bikes in **700+ stations**
Réseau express métropolitain	67 km of **light rail system** with 26 stations (under construction)

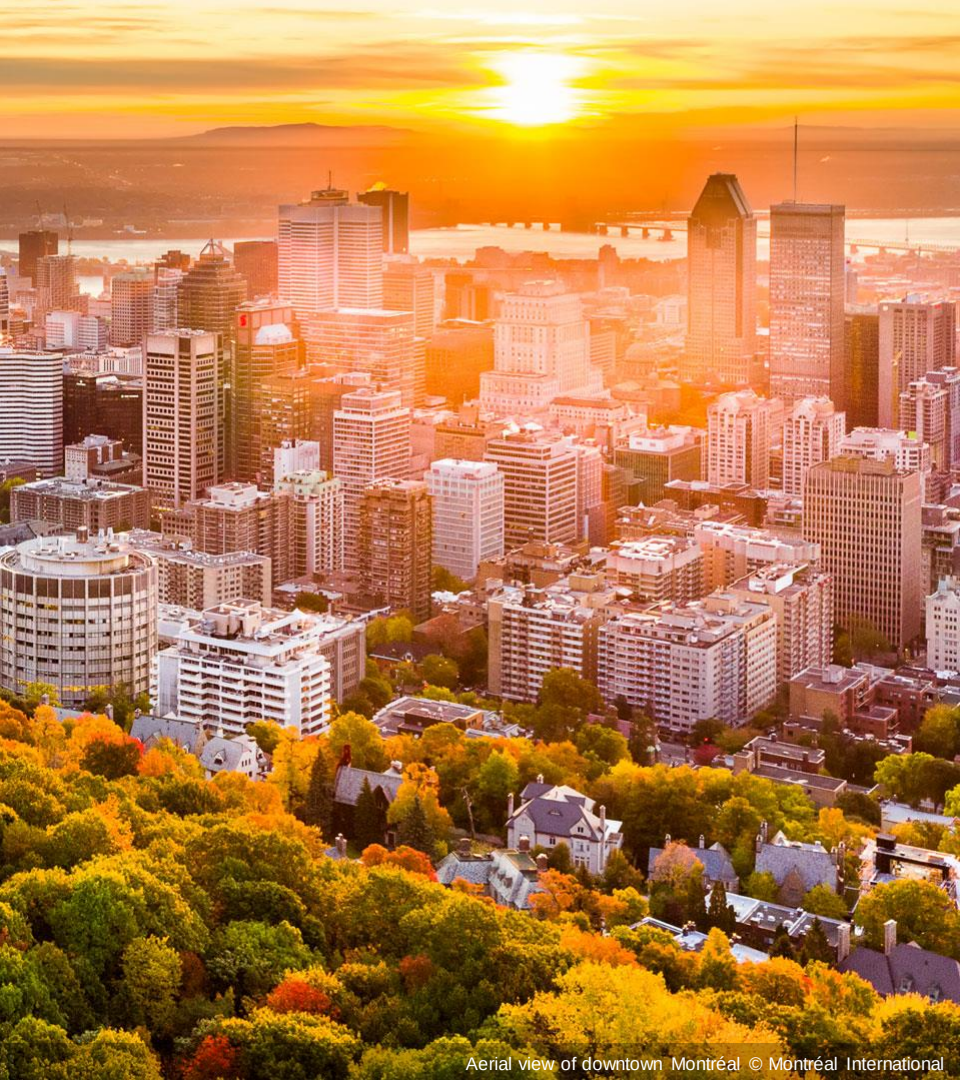
Source: Le Circuit Électrique, 2022; Communauto, 2022; BIXI 2022.

Québec, a pioneer of the circular economy in North America

- **Québec expertise** and solid **collaborative networks**, including:

- **Réseau québécois de recherche en économie circulaire** (RQREC), a network bringing together 110 researchers from 16 universities and 6 colleges
- A **circularity index** developed for the Québec economy in 2021 along with 7 societal goals
- **Key high-potential sectors**: agri-food, energy, construction, and metals

Source: Cirano, Rapport sur l'indice de circularité de l'économie, L'économie circulaire au Québec, 2020.



Aerial view of downtown Montréal © Montréal International

Montréal stands out for its commitment to the environment

- The city is actively involved in **sustainable development networks across the world:**

C40 CITIES · GLOBAL COVENANT of MAYORS for CLIMATE & ENERGY · ICLEI Local Governments for Sustainability

- Montréal mayor was appointed **Global Ambassador for Local Biodiversity** by Local Governments for Sustainability
- Many international organizations fighting climate change are present, such as:

futureearth · SIE-ISW-SIA · SEE-SWE · Convention sur la diversité biologique · ISSB

- Montréal chosen to host **NATO Climate Change and Security Centre of Excellence** and **the** second part of **the UN Biodiversity Conference (COP15)**

Source: Ville de Montréal, 2022.

03

A Booming Cleantech Industry

Montréal International

Cathédrale Marie-Reine du Monde / Vue panoramique du centre-ville © Tourisme Montréal

A booming cleantech industry

A favourable business environment

- Canada is the second-most attractive country for cleantech companies

Québec's cleantech sector by the numbers

- **85,000+ jobs**
- **Close to $8B** in total annual revenue
- **200** public research groups
- **1,000** organizations revolving around the sector

Source: 2021 Global Cleantech Innovation Index; Ecotech Québec, 2018; EY, 2018; Statistics Canada, Tables 36-10-0632-01, 38-10-0087-01, 38-10-0031-01, 2021.

A collaborative ecosystem that drives the industry's development

Cluster organizations

écotech Québec
Réseau Environnement
CETEQ
cpeq
propulsion Québec
CleanTech Alliance
AQPER
aieq
CARGOM
Éco Entreprises Québec
RECYC-QUÉBEC
Hydrogène Québec
nuvéo
innové

Innovation and research centres

Hydro Québec Institut de recherche
C3E
INO
CanmetÉNERGIE VARENNES
CanmetENERGY
Institut du véhicule innovant
INRS
Mila
Chaire de gestion du secteur de l'énergie HEC MONTRÉAL
CIAMIL
RQEI
CRIBIQ
CIRRELT
CTRI
CTA
Jalon mtl

Accelerators and venture capital

Cycle Capital
SECOND MUSE
MKB GROWTH EQUITY
inovia
WHITE STAR CAPITAL
Cycle Momentum
BLUE VISION CAPITAL
real
bdc
INNOVOBOT
SUSTAINABLE DEVELOPMENT TECHNOLOGY CANADA
PANACHE VENTURES
CENTECH
IDEALIST CAPITAL
bxventures
DIAGRAM

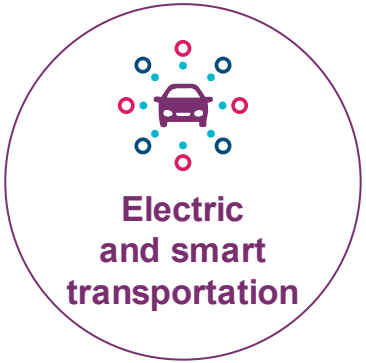
International organizations

futurearth
SIFÉE
SIE-ISW-SIA
SEE-SWE
RIGHTS + RESOURCES
ISSB
Convention sur la diversité biologique
Partenariat mondial pour l'électricité durable
GODAN
Multilateral Fund
COMMISSION DE COOPÉRATION ENVIRONNEMENTALE
CISDL Centre for International Sustainable Development Law

- And many more!

Source: Ecotech Québec, 2022; Sustainable Development Technology Canada, 2022.

Fast-growing cleantech sectors in Greater Montréal



A world-class hub in artificial intelligence

- Global leaders, including **Google, Microsoft** and **Meta**, have made Montréal their AI R&D centre
- Close to **900 researchers** MSc, PhD, post-doc and applied AI students at **Mila**, the world's largest academic research lab in deep learning and reinforcement learning
- Home of **Scale AI**, Canada's AI supply chain supercluster
- Sample of major players located in Greater Montréal:

Mila IVADO Google Meta

DeepMind Microsoft THALES SAMSUNG

Downtown Montréal

Source: Mila, 2021.

A strategic hub for solving environmental challenges with AI

Several members of Mila, specialize in research that can help fight the harmful impacts of climate change, such as:

- **David Rolnick**, McGill University
- **Yoshua Bengio**, Université de Montréal

Examples of AI research projects on **climate change** and **environmental research**:

- Using AI to visualize the **impacts of climate change**
- AI and climate change: opportunities, considerations, and policy levers to **align AI** with **climate change goals**

Mila has numerous projects with industry and academic partners including the **carbon footprint of AI** and the **reduction of greenhouse gas (GHG) emissions** in the energy sector:

CODE CARBON

An open-source software that help track the carbon footprint of algorithms and code. A collaboration between BCG's GAMMA, Comet, and Haverford College

Climate Change AI

An organization with the goal of catalyzing impactful work at the intersection of climate change and machine learning

Source: Mila, 2021.

Cutting-edge expertise in electric and smart transportation

A solid industry

- **Close to 150 companies**
- **6,200+ jobs**
- **$1.3B in GDP**

A large ecosystem and a strategic location

- **A large ecosystem with expertise across the value chain from** active materials to recycling
- **Specialized vehicle expertise**: buses, coaches, trucks, garbage trucks, armoured vehicles, ambulances, police vehicles, motorcycles, snowmobiles, three-wheel vehicles

Many industry leaders are operating in Greater Montréal

DANA TM4 flo LION NOVABUS Lithion

Source: Propulsion Québec, 2021; Statistique Canada, 2021.

Downtown Montréal © Montréal International

Intelligent infrastructure powered by a thriving technology sector

- **160,000+ IT professionals and 7,000+ companies** in Greater Montréal
- **Lowest operating costs in North America** for software development
- **An AI and cybersecurity hub** contributing to the development of advanced smart infrastructures
- **Broadly diversified expertise:** smart parking, advanced traffic management Systems, advanced transportation pricing system, automotive collision avoidance systems

Major companies in Greater Montréal

Google, Microsoft, OPAL-RT TECHNOLOGIES, immersion, INFODEV, GIRO, TRAFFIC innovation, Orange traffic, K2 geospatial, LeddarTech

Source: Montréal International's estimate based on the 2018 TECHNOCompétences' Labour Diagnostic in ICT in Québec; fDi Benchmark, 2022.

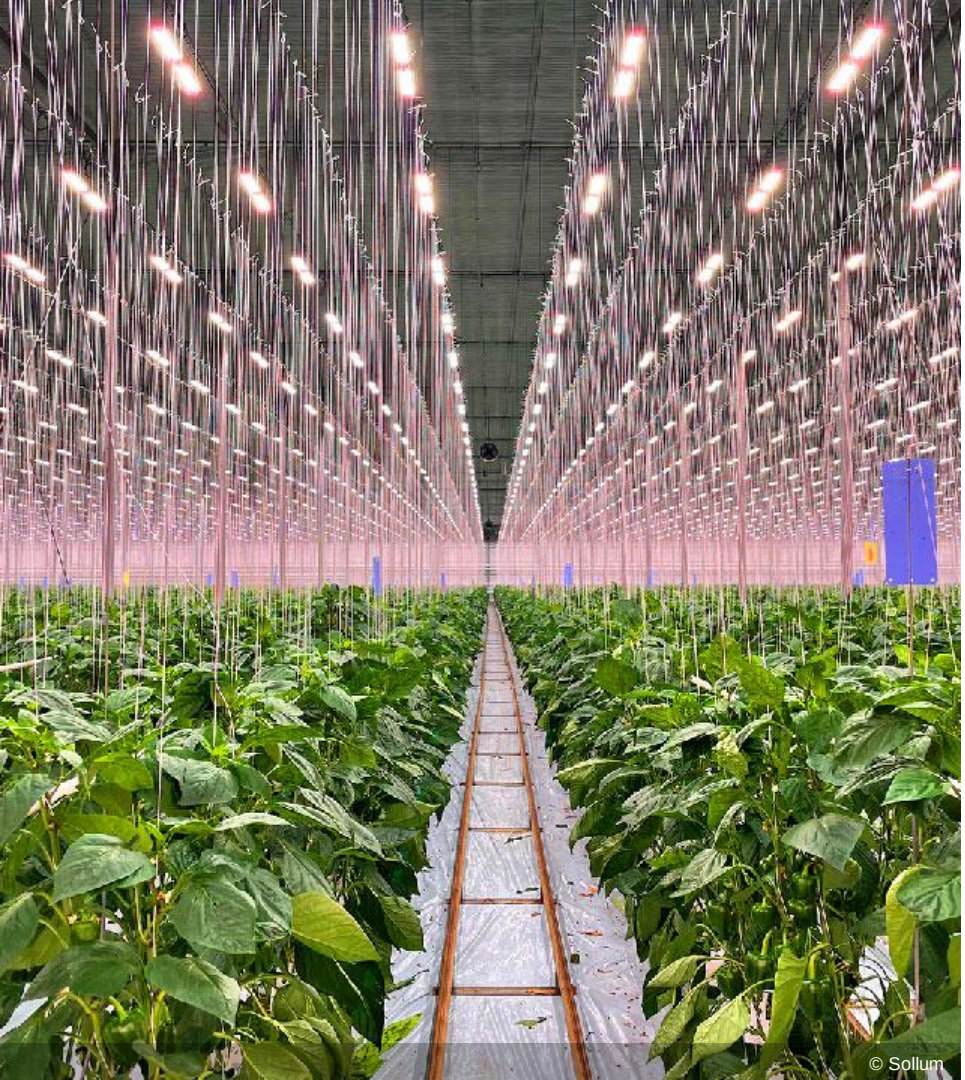
Sustainable buildings, an industry built on solid foundations

- **A construction sector at the heart of Québec's economy with 280,000+ workers** and **30,000+ companies** in 2021
- **Public investments expected to reach $130B** between 2020 and 2030
- **An expertise in advanced materials**: engineered wood, polymers, coating concrete, ceramic, glass, etc.
- **Multiple fields of application:** building automation, property management, energy efficiency, rental management, etc.

Key actors in smart buildings, such as:

Schneider Electric · WSP · BRAINBOX AI · DIMONOFF

Source: Tourisme Montréal, 2022 ; Statistics Canada, Table 14-10-0392-01, 33-10-0395-01, 2021 ; Commission de la construction du Québec (CCQ), 2021 ; Gouvernement du Québec, Action plan for the construction sector, 2021.



An AgTech industry at the forefront of innovation

The agri-food industry, a major contributor to Québec's economy with 450,000+ jobs and 80,000+ companies

$2.4B in government funding for innovative manufacturers to foster their digital transformation (2020-2024)

A large scope of applications, such as : precision agriculture, vertical farming, robotics, cultured meat, alternative farming methods (permaculture, biodynamic farming), etc.

Zone AgTech in Repentigny

An incubator that promotes innovative businesses to advance **technology-based agriculture**

zone agtech

Source: AgTech, 2020 ; Québec Institute of Statistics and MAPAQ, *Le bioalimentaire économique - Bilan de l'année 2020*; Montréal International's estimates.


Crew Collectif & Café © Susan Moss

A booming startup ecosystem

- Canada is the **most attractive country** in the world for entrepreneurs according to the OECD
- **$8 B+** in VC investments between 2017 and 2021 in Québec
- **Six of Canada's ten most active venture capital (VC) funds** in 2021 are based Montréal
- **30+ incubators/accelerators**
- **Close to 60 coworking spaces**

Source: OECD, "Indicators of Talent Attractiveness", 2019; Réseau Capital, 2021; Startups Montréal, 2022; PME Montréal, 2022.

A place where startups scale and raise in cleantech

- **850M$+ in VC investments** between 2017 and 2022 in Cleantech in Québec
- Presence of **many specialized VC funds**, such as:

Cycle Capital · IDEALIST CAPITAL · MKB GROWTH EQUITY · SECOND MUSE

- **Examples of recent funding in Cleantech** (US$):

Lithion (Lithium-ion battery recycling) — **$51M** (2022) *Series A*	BRAINBOX AI — **$24M** (2021) *Series A*
GHGSat — **$45M** (2021) *Series B*	CarbiCrete — **$12M** (2022) *Series A*


Laval City

Source: Réseau Capital, 2021.

Many promising cleantech startups are based in Montréal

BRAINBOX AI

BrainBox AI is redefining building automation and pioneering **grid-interactive buildings through artificial intelligence** to address the energy transition challenge

GHGSat

GHGSat has developed satellites and aircraft sensors to **measure greenhouse gas emissions** directly from industrial sites, providing actionable insights to businesses, governments, and regulators

CarbiCrete

Carbicrete's patented technology allows manufactures to **produce cement-free carbon-negative concrete with waste and CO2**

SOLLUM

Inspired by nature, Sollum Technologies offers greenhouse producers **the only smart LED lighting solution** which dynamically recreates and modulates the full spectrum of the Sun's natural light

PYROWAVE

Pyrowave is a pioneer in the **electrification of chemical processes based on low carbon footprint** microwaves and leader in the plastic's circular economy and chemical recycling

xebec

Xebec specializes in deploying a portfolio of proprietary **technologies for the distributed production of hydrogen, renewable natural gas, carbon capture, oxygen and nitrogen**

04

A Large Pool of Highly Qualified Talent

Vue aérienne de Montréal © Montréal International

MTL INTL Montréal International

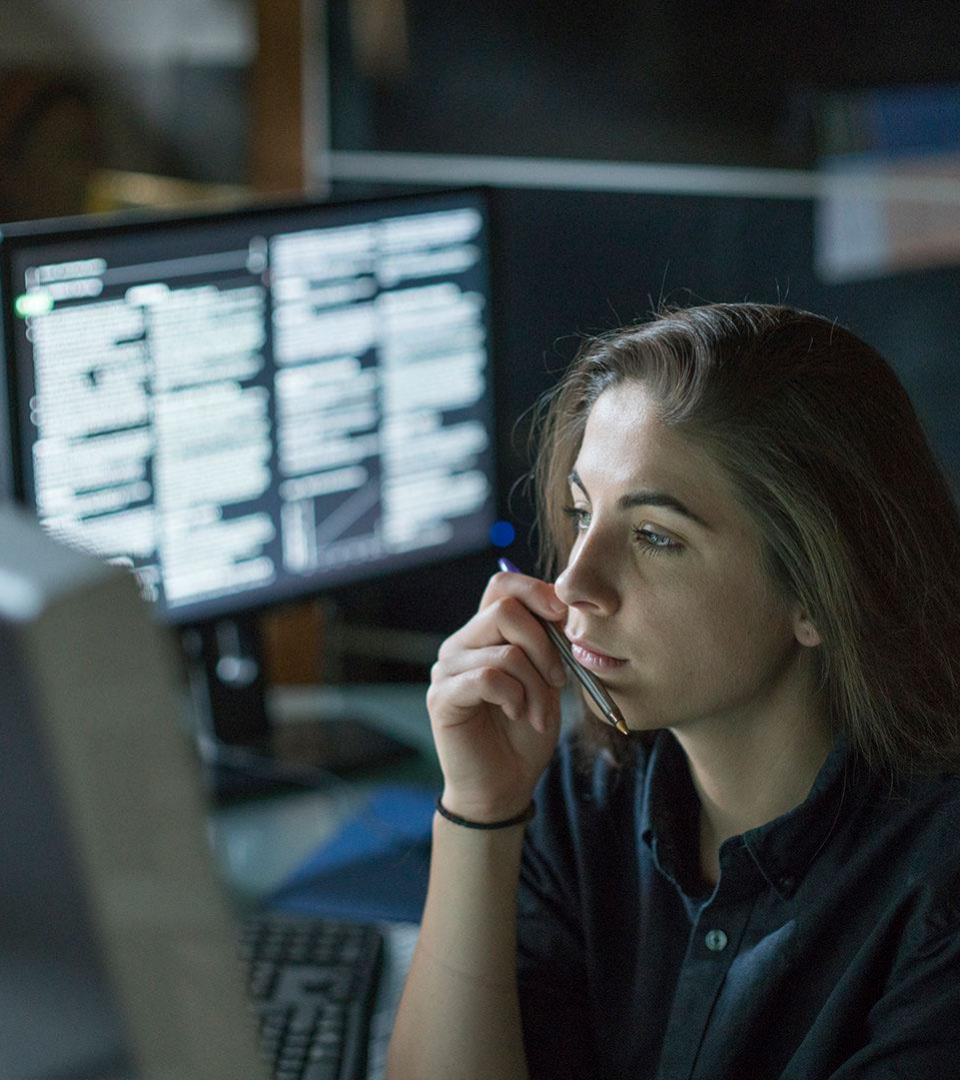
Among the best student city in the Americas and Canada's university capital

- **Canada's university capital**: 15 university institutions and 100+ colleges
- **600,000+ post-secondary students in Québec**, including **350,000+ university students** and **65,000+ international students**
- **Over half of Québec's students** are located in Greater Montréal
- **1st in Canada for university research funding** with nearly $2B per year

Among the best student cities in the world and Best student city of Canada

QS Best Student Cities Rankings 2023

Source: QS Best Student Cities in the World 2023; Québec Ministry of Education and Higher Education, 2022; Research Infosource Inc., 2022.



A deep pool of highly skilled talent

- **1,087,900 direct and indirect jobs* in STEM**** in Québec
- Close to **63,000 members** registered with Québec's Order of engineers

- **Close to 34,000 students** enrolled in engineering programs
- **12,000+ graduates** in engineering
- Research institutions ranked among top universities worldwide

McGill

Université de Montréal

Note: * Including 33% STEM professions (e.g., chemists, engineers, and mathematicians) and 67% STEM-related professions (e.g., land surveyors and industrial designers).
** STEM: Science, technology, engineering, and mathematics.
Source: Statistics Canada, special compilation based on data from Labour Force Survey, 2019; Ministère de l'Éducation et de l'Enseignement supérieur, 2021; Montréal International compilation; Ordre des ingénieurs du Québec, 2021.

110,000+ university students in programs related to sustainable development in Québec

University programs related to sustainable development	Students enrolled, 2021-2022	Graduates 2021
Engineering	53,722	12,348
Applied sciences	36,215	6,742
Pure sciences	23,518	3,764
Environment (environmental quality and pollution)	3,537	743

Source: Ministry of Education and Higher Education, 2022; compiled by Montréal International.

05

Attractive Costs and Incentives

Montréal International

Funding provided for major projects and investment

SIF

Strategic Innovation Fund (SIF) – Net Zero Accelerator Initiative

- **Provide up to $8B to support large-scale investments** in key industrial sectors across Canada: decarbonization of large emitters, Cleantech and battery ecosystem development, etc.

ESSOR

ESSOR Program (Volet 3 - Reduction of the environmental footprint)

- Repayable contributions (interest-free or low-interest loans) and non-repayable contributions
- **Up to 20% of eligible expenditures** (minimum $100,000)


Downtown Montréal © Montréal International

Source: Science and Economic Development Canada, 2021; Investissement Québec, 2022.

Several programs to spur innovation

Scientific Research and Experimental Development (SR&ED) Program

- **15% credit from the Government of Canada**, and **14% non-repayable credit from the Government of Québec**

InnoVÉÉ/PROMPT

- Contribution up to **40% of eligible expenses** for **university-company collaborative R&D projects**

INNOV-R

- Funding for **projects aiming to reduce GHG emissions in Québec**. **Covers up to 50% of eligible expenses** for a collaborative partnership between an academic organization and a business operating in Québec

Québec Technoclimat program

- **Up to $3M per project** (50% of eligible expenses) to support innovation in relation to energy and the reduction of GHG emissions

Compétivert

- Loan for projects related to the green economy to increase sustainable productivity of businesses with a funding of **$50,000+**

Tax Holiday for Foreign Researchers and Experts

- **Five-year Québec income tax exemption** at the personal level: 100% of salary for the 1st and 2nd year; 75% for the 3rd year; 50% for the 4th year; 25% for the 5th year


Seaway terminal of Sainte-Catherine © MRC de Roussillon

Tax credits to support cleantech development

Federal tax credit for investments in cleantech

- **Up to 30%** in credit focused on net-zero technologies, battery storage solutions and clean hydrogen*

Investment Tax Credit for Carbon Capture, Utilization, and Storage (CCUS)

- Repayable credit for eligible corporate expenditures in CCUS**
- **Up to 60% in credit** to purchase CO_2 capture equipment and **37.5%** for transportation, storage and use equipment **between 2022 and 2030*****

Note: * Details of the design of the credit to come at the next fiscal update in fall 2022; ** Depending on eligible uses (CO_2 storage in concrete and/or dedicated geological storage) and CCUS projects; *** Credit rates will be set at 50% between 2031 and 2040.
Source: Department of Finance Canada, 2022.

06

Montréal International: Personalized, Free and Confidential Services

Montréal International

Montréal International, a single point of access to a series of personalized, free and confidential services

Long-term strategic support

Economic data and communication services

Government relations facilitation

Incentive programs assistance

Foreign workers immigration assistance

International recruiting solutions

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