

Greater Montréal, a Thriving Hub for FoodTech and Food Processing



A world leading economic development agency





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Montréal International's
Personalized, Free and
Confidential Services

Top reasons to invest in FoodTech and food processing in Greater Montréal



A complete ecosystem with 850+ companies and close to **50,000 workers in food processing**



Strong R&D capacities and cutting-edge expertise: R&D, AgTech, FoodTech, robotics, etc.



The most bilingual and trilingual population in Canada



A strategic location with access to 1.5+ billion consumers, thanks to trade agreements and seamless integration within North American distribution networks



Canada's university capital and 1st for university research funding in Canada with \$1.6B+ per year



The lowest operating costs for a food processing company among the 20 largest metropolitan areas in Canada and the U.S.



A leading logistic hub in proximity to the U.S. border: less than 48 hrs to reach over 320M consumers by truck



30,000+ university students enrolled in food processing-related programs in Québec



Many attractive incentives for the manufacturing industry

01

A Strategic Location in North America



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





Montréal's Old Port

A gateway to 60% of the world's GDP

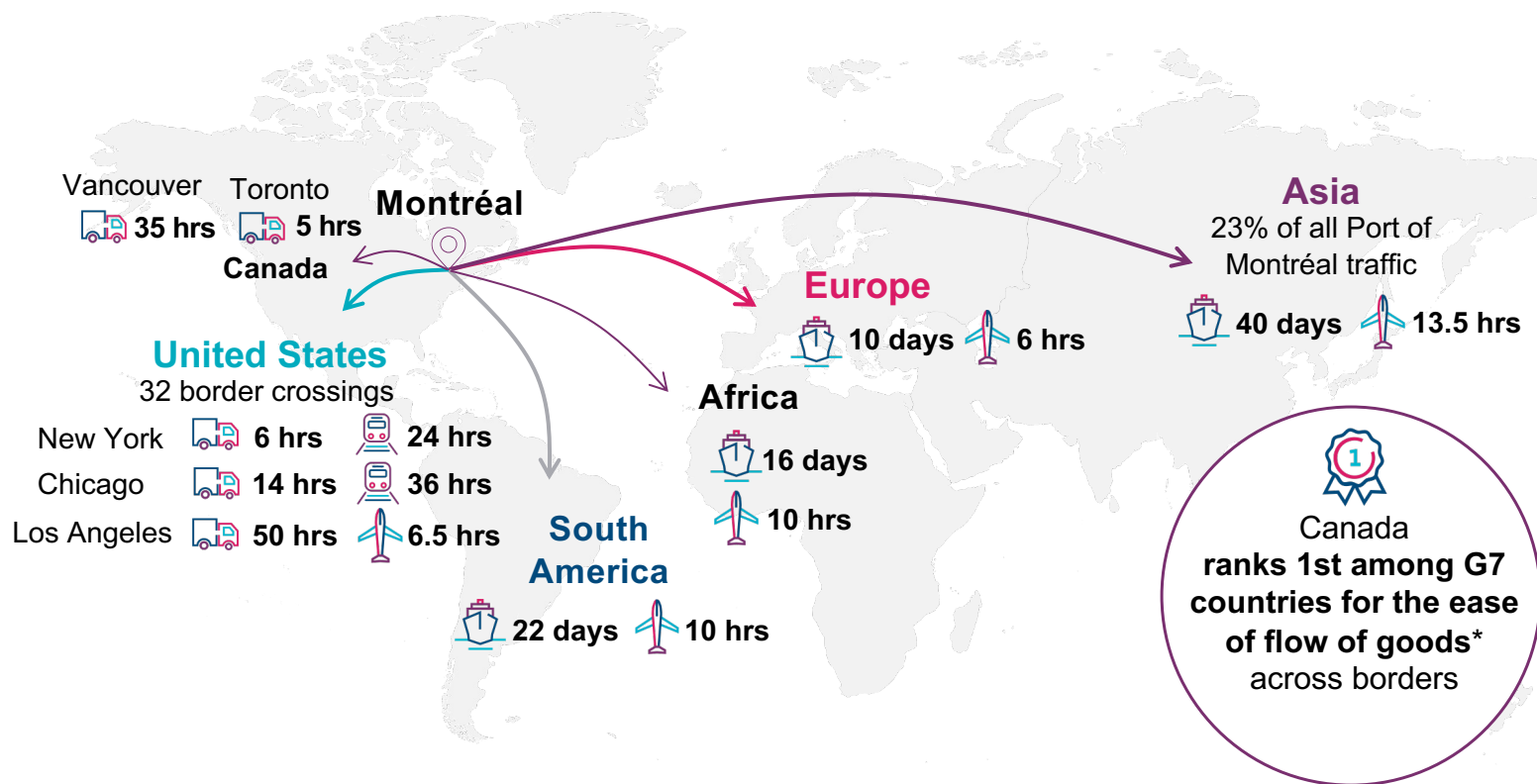
Thanks to **CUSMA, CETA, CPTPP**
and 12 other free trade agreements in force*

Direct access to **1.5 billion consumers**
and a **combined GDP of US\$50 trillion**
(60% of the world's output of goods and services)

**Only Canada has free trade agreements
with all other G7 countries**

*Canada-United States-Mexico Agreement (CUSMA), Comprehensive Economic and Trade Agreement (CETA) and Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)
Source: World Trade Organization, 2020; World Bank, 2019; Census Bureau, 2020..

The ideal access point for an efficient supply chain



* Time required for export and import documentary compliance and border compliance.
Source: CargoM, 2023; Transport Québec, 2020; World Bank Group, "Doing Business", 2020.

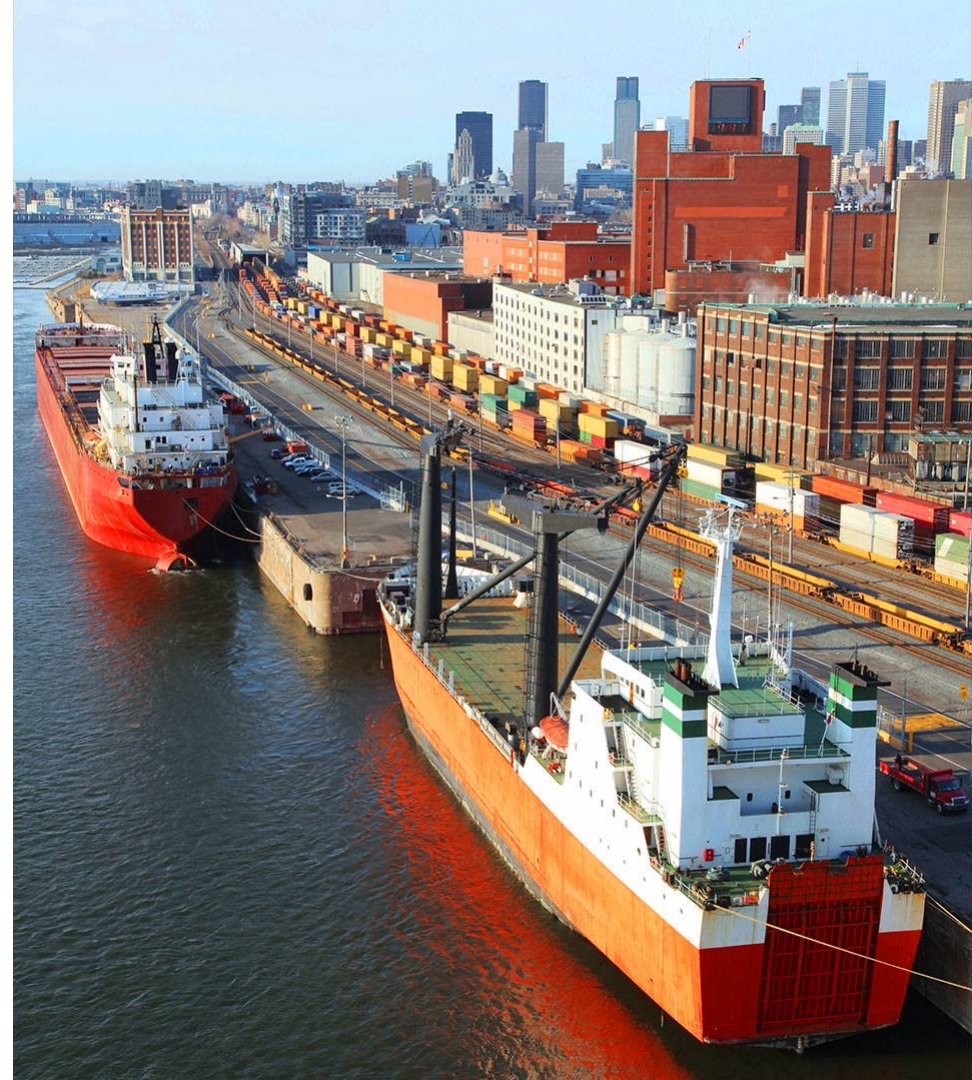
A multimodal hub

High-quality transportation infrastructure

- **Intermodal transportation hub:** air, maritime, road and rail transportation
- **Over 142 million tonnes of goods** handled
- **3 industrial port zones (IPZ)** in greater Montréal (Montréal, Contrecoeur, Côte-Sainte-Catherine) providing competitive advantages for transportation and logistics

The largest container port in Eastern Canada

- **2,000+ ships/year, 2,500 trucks/day and 60–80 trains/week**
- **Over 42 M tonnes of merchandise** in 2022



02

A Rich and Diverse Ecosystem




Québec, a key actor in the food processing industry

- **Agri-food, a substantial sector** in Québec's economy with **11% of jobs** and **10% of export**
- **1st** producer of milk, pork, cranberries, table eggs and maple products in Canada
- **1st** for the percentage of certified organic farms in Canada
- **2nd** province in Canada for food processing

Food Processing by the number

 **\$7.9B** of GDP

 **\$6.6B** in international exports

 **70,000+** jobs

 **2,800+** companies





Montréal, 1st food processing Centre in Québec

48,000+ jobs

850+ companies

- **The largest concentration of food processing companies** in Québec
- A seamlessly integrated ecosystem that combines **agriculture production**, a **knowledge-based industry**, a **vast network of suppliers** and a **high-quality labour force**, which contributes to expertise development and networking opportunities

Examples of world leaders investing in food processing in Montréal

2013-2014



Expansion of its yogurt plant



Acquisition of production equipment



Consolidate its Canadian production in Montréal

2015-2016



Establishes its Canadian head office



Built a new packaging plant



Expanded its distribution centre



Opening of a micro-brewery



Expansion of its meat processing plant

2017-2018



Increased production capacity



Expanded its meat processing plant



Fusion of 4 ice cream distributors



Added a bread and pastry line



Built a new brewery



Expanded its distribution centre

2019-2020



Automated a second brioche burger bun production line



New Ketchup line



Opened a local office to support Canadian growers



Plant-based producer, opened a co-plant

2021-2022



Open a climate-controlled indoor farm

A large number of internationally recognized food processing companies operating in various sectors

Dairy products



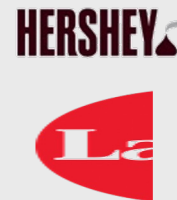
Beverages



Pastry & bakery goods



Sugar & confectionery



Fruits & vegetables



Meat products



Processed food



Flour & grains



EXCELDOR



03

A Vibrant Innovation-Driven Sector



A global R&D centre

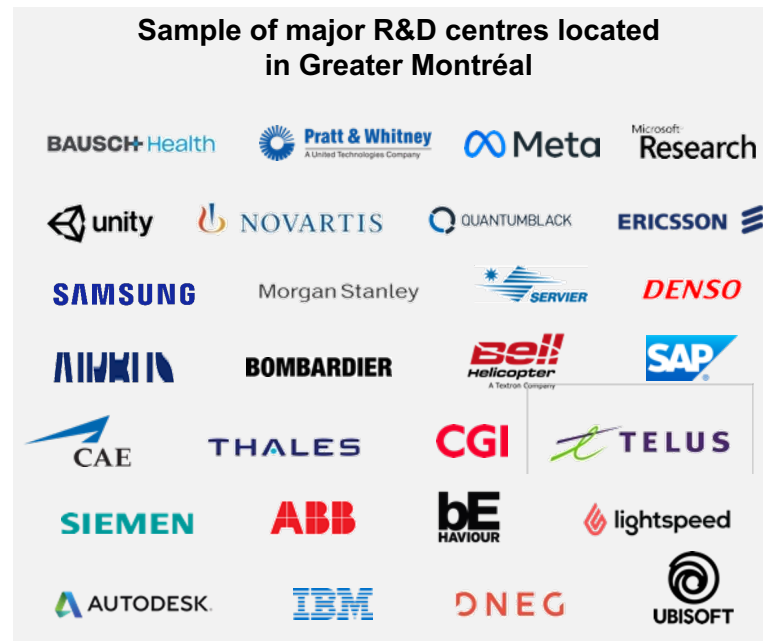
- **R&D is the leading inward foreign direct investment (FDI) business activity** in Greater Montréal between 2015 and 2020* (30%+ of total FDI)
- Numerous **R&D centres and innovation labs** of major companies are active in AI, software development, aerospace, life sciences, cybersecurity, video games, etc.
- Québec is also **1st in Canada for R&D investments in % of GDP**: \$9.7B in R&D spending**
- Tailor-made R&D tax credits, among the most generous in Canada and the U.S.

Note:

* From May 2015 to April 2020.

** including \$5.7B spent by companies and \$3.6B by universities.

Source: Tier 2 Cities of the Future 2020/21 Winners, based on Fdi Markets, 2021; InfoSource , 2019; Statistics Canada, Table 27 10 0359 01, 2016, and Table 27 10 0273 01, 2017.



Greater Montréal stands on a strong information technology ecosystem

- **190,000+ IT workers** and **7,000+ companies**
- **The lowest operating costs** for software development*, ahead of Toronto, Boston, New York and San Francisco
- **Broadly diversified industry:**



Software development

Among the top metropolitan areas in Canada and the U.S. for tech job concentration



Cybersecurity

1st in Canada for cybersecurity study programs, courses, research chairs and university labs



FinTech

A global hub with many cutting-edge expertise in PayTech, PropTech, InsurTech, etc.



Quantum technology

Quantum communications expertise provided by prominent researchers such as Gilles Brassard



Video Game

Among the top five largest video game development hubs in the world



AI and big data

One of the best places to invest in AI in North America

Examples of major companies located in Greater Montréal

Google Microsoft IBM THALES

accenture

AUTODESK

FUJITSU

SAP

IACFT
ire the N
i Systems Securi

upgrade

Atos

SAMSUNG

technicolor

OneSpan
Be build. Be secure.

unity

CGI

GOSECURE

Meta AI

ERICSSON

SOCIÉTÉ GÉNÉRALE

Genetec

DASSAULT
SYSTEMES

Morgan Stanley

EA

WB
GAMES

UBISOFT

EPIC
GAMES

AUTODESK

*Among the 20 largest metropolitan areas in Canada and the U.S.

Source: Statistics Canada, 2022; fDi Benchmark, 2023; CBRE, "Scoring Tech Talent", 2022; Serene-Risc, 2019.

Close to 50 research centres fostering bio-food innovation

Research organisms

ITAQ | INSTITUT DE
TECHNOLOGIE
AGROALIMENTAIRE
DU QUÉBEC

CRAM

irda INSTITUT DE RECHERCHE
ET DE DÉVELOPPEMENT
EN AGROENVIRONNEMENT

CEROM
Centre de recherche sur les grains inc.

McGill

RITA

3S^{pack}

Centre de recherche en agroalimentaire
pour Global Food Security
Institut pour la sécurité
alimentaire mondiale
Marnaret & Gulliam

GRESA

Canada
CMRC-ARC

 Agriculture et
Agroalimentaire Canada

CRSV

College centres for technology transfer

CINTECH
AGROALIMENTAIRE

 CENTRE DES
TECHNOLOGIES DE L'EAU

ITEGA
Institut de technologie des emballages
et du génie alimentaire

CEFRQ

Centre d'expertise fromagère
du Québec

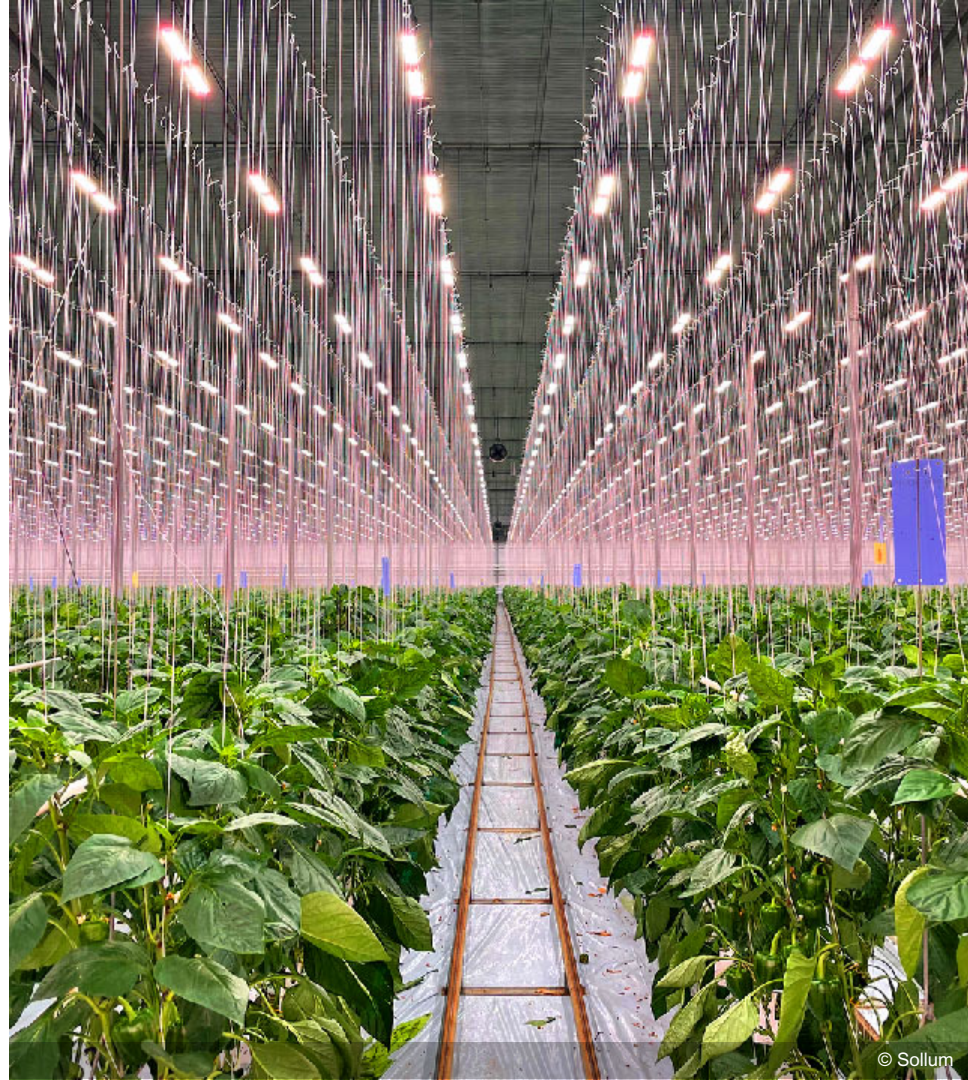
valacta

- And many more!



A world-class innovation zone in AgTech and bioproducts

- **Zone Agtech** in Repentigny, **15 km² hub** that promotes innovative businesses to advance **technology-based agriculture**
- Access to financing, strategic support, talent, market and a strong ecosystem
- 10,000 sq. ft. **incubator**
- 60,000 sq. ft. **accelerator**
- **Up to \$250,000** of funding per project
- **3,000** scientists, partners and potential users
- **A large scope of applications, such as:** precision agriculture, vertical farming, robotics, cultured meat, alternative farming methods (permaculture, biodynamic farming), etc.



An advantage in advanced manufacturing thanks to expertise in robotics and automation

- Montréal has **cutting-edge expertise in engineering**: advanced robotics, innovative manufacturing, the Internet of things, etc.
- **A multitude of robotics labs**, including:



CIM CENTRE POUR
INTELLIGENT
MACHINES

- The **Productivity innovation** initiative, launched by the Québec government and Investissement Québec encourages businesses to innovate by embracing new technologies and processes, including automation, digitization, robotization and AI
- **\$2.4B** in government funding for **innovative manufacturers** to foster their digital transformation (2020-2024)

Many companies provide equipment and services specialized in robotics and automation



FRONTMATEC

SIEMENS





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**



Greater Montréal's homegrown successes



Sollum offers a foresighted LED lighting solution to create optimal growing conditions for your field and improve efficiency



Nectar's mission is to ensure the health of honey bees by helping beekeepers apply the care at the right time through bee-friendly and human technology



Motorleaf's AI services provide automated harvest yield forecasts preventing harvest loss and optimizing growing conditions



Lufa Farms opened the world's first commercial rooftop greenhouse right in Montréal, setting the groundwork for a more ecological and economical model for urban farming



Impactful Health R&D develops compostable active packaging to prolong the shelf life of fresh fish



ChrysaLabs develops of autonomous robotic solutions for urban agriculture



Larvatría manufactures antiparasitic organic fertilizer and antimicrobial insect proteins through an innovative biorefining process



Eocycle produces compact and affordable proximity wind turbines for the agricultural sector

- And many more!

04

A Deep and Growing Pool of Highly Qualified Talent



A rich talent pool to fill food processing jobs

Examples of occupations related to food processing

Workers
2022

Manufacturing Manager	18,400
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Process control and machine operators, food and beverage processing	9,800
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Chemical technologists and technicians	9,300
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Labourers in food and beverage processing	5,600
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Supervisor in food and beverage processing	4,400
--	-------

- And many more!



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 \$1.6B+ per year*



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

QS Best Student Cities Rankings 2023

* Tied with Toronto.

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



Specialized training centres

Vocational and technical training



Public higher education institution offering training programs in agriculture production and food processing, including 3 specialized technical programs in food processing and food quality technology; agricultural business management and technologies; and horticultural production and environmental technology



Vocational training centre offering 5 Diploma of Vocational Studies (DVS) in agri-food and motorized equipment maintenance. Thanks to a partnership with Collège Lionel-Groulx, they also offer 2 collegial programs related to agriculture



At Campus de Saint-Hyacinthe, this technological training centre offers 6 training programs leading to a Diploma of College Studies (DCS) and a diploma in agri-food technology



This institution offers a program in processing leading to an Attestation of College Studies (ACS) aiming at training a highly qualified workforce in food manufacturing and supervision of personnel

University



The Faculty of Agricultural and Environmental Sciences focuses on strategic research activities, from basic molecular sciences to applied sciences in agriculture, food and environmental sciences, with applications in the medical and industrial fields

More than 30,000 university students enrolled in a program related to food processing in Québec

University programs related to food processing	Students enrolled 2021-2022	University graduates 2021
Mechanical Engineering	11,027	1,679
Electrical Engineering	7,959	1,193
Biochemistry	2,648	375
Chemistry	2,458	361
Chemical Engineering	2,234	330
Production Management	1,888	404
Rural and Agricultural Engineering	1,433	230
Food science and technology	798	181
Rural and Agricultural Economy, Agriculture	697	116

- And many more!



Aerial view of Campus Macdonald of University McGill farms
© Photos d'Air Photo Max, gracieuseté du Campus Macdonald, Université McGill

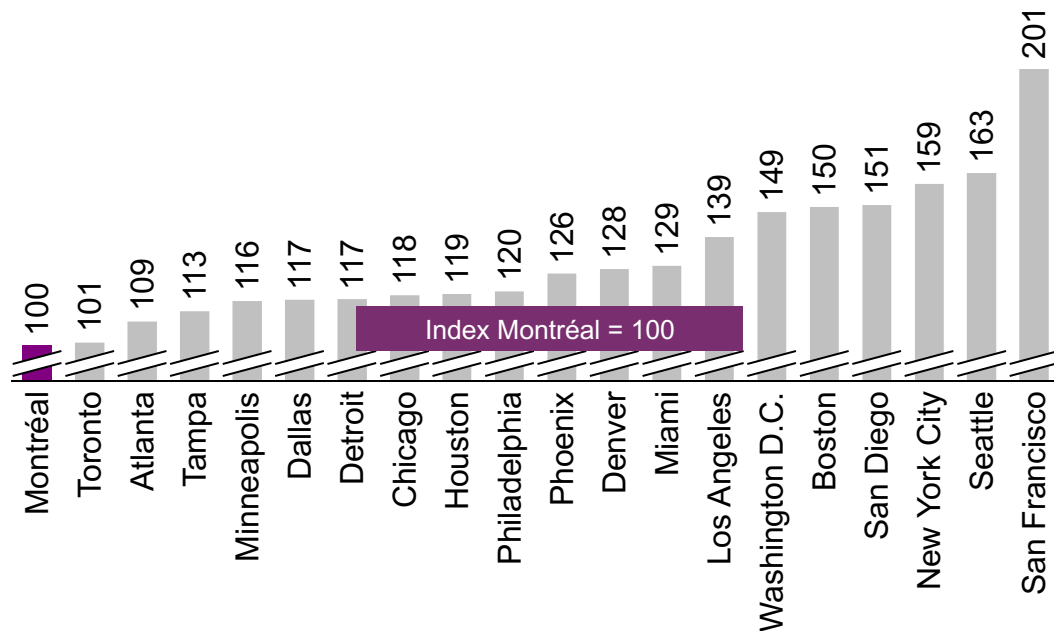
05

Attractive Operating Costs and Incentives



The lowest operating costs among the largest metropolitan area in Canada and the U.S.

Operating costs index for a food processing business
20 largest metropolitan areas in Canada and the U.S., 2023



24% cost advantage

compared to the average
20 largest metropolitan
areas in Canada and
the U.S.

Advantageous salaries for employers

Annual salaries* (CA\$) for 8 typical professions in food processing, 2023

	Montréal	Toronto
Production helper	\$40,571	\$43,723
Food Scientist	\$75,357	\$80,867
Process control technician	\$80,786	\$86,350
Biologist	\$87,882	\$94,044
Food chemist	\$89,163	\$95,467
Operations supervisor	\$92,955	\$99,850
Quality assurance technician	\$109,070	\$116,975
Quality assurance manager	\$136,314	\$146,197

* Base salaries based on Level 2 (Intermediate level with 5 to 7 years experience) at the 75th percentile, for the Food Manufacturing (NAICS 311000). Source: Economic Research Institute, 2023.



Low mandatory benefit costs for employers

Examples of mandatory benefit costs for employers, 2023

Gross annual salary*	\$50,000	\$100,000	\$125,000
Québec Public Pension Plan (employee: 6.40%; employer: 6.40%, max. \$4,038.40)	\$3,200.00	\$4,038.40	\$4,038.40
Québec Parental Insurance Plan (employee: 0.494%, employer: 0.692%, max. sal. of \$91,000)	\$346.00	\$629.72	\$629.72
Employment Insurance (employee: 1.27%, employer: 1.78%, max. sal. of \$61,500)	\$890.00	\$1,094.70	\$1,094.70
Health Services Fund (max. 4.26% if global salary total is more than \$7M)	\$2,130.00	\$4,260.00	\$5,325.00
Commission des normes du travail (Labour standards board) (0.06%, max. sal. of \$91,000)	\$30.00	\$54.60	\$54.60
Commission de la santé et sécurité du travail (Occupational health and safety board) (0.41% in service sector, max. sal. of \$91,000)**	\$205.00	\$373.10	\$373.10
Workforce Skills Development and Recognition Fund - Québec Training Law 1% (1% of their total payroll in training for employers with total annual payroll over \$2M)	\$500.00	\$1,000.00	\$1,250.00
Total benefit costs	\$7,301.00	\$11,450.52	\$12,765.52
Total cost	\$57,301.00	\$111,450.52	\$137,765.52
Total benefits in % of gross annual salary	14.60%	11.45%	10.21%

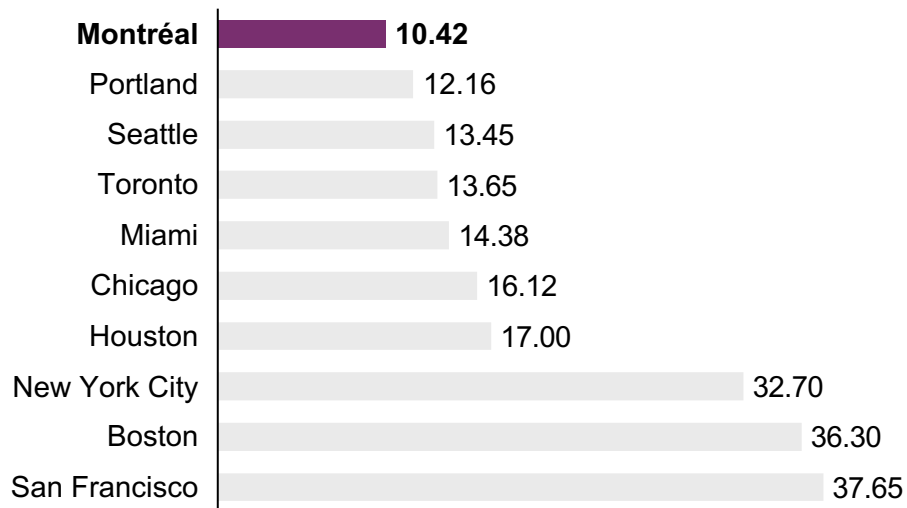
Note: *Paid vacation represents a minimum of 4% of salary and is included in gross salary. Some rates apply up to a maximum insurable revenue.

**The rate for the service sector (65110 - *Bureau de courtoisie; bureau de services professionnels; bureau offrant des services de soutien administratif*) is 0.41%. The average premium rate in 2023 is \$1.50 per \$100 of payroll.

Source: Revenu Québec, 2023.

Low and stable energy costs for small-power customers

Average electricity rates
Small-power customers, ¢/kWh—excluding tax, CA\$
Selected metropolitan areas in Canada and the U.S., April 2022



More than 99% of the electricity in Québec is produced from a **clean, renewable sources**

- **Stable electricity rates** thanks to water resource helping protect electricity rates from the volatility of oil and gas prices
- The **quality** and **reliability** of the power grid are also two major advantages

Funding provided for major projects and innovation



ESSOR Program (Stream 2)

- Financial assistance* covering **up to 25%** of qualifying expenditures (**min. \$100,000**) to support investment projects that foster business productivity and growth



Tax holiday for large investment projects

- Tax exemption up to 15% of total qualifying investment expenditures to facilitate large-scale investment projects



Tax Credit for Investment and Innovation (C3i)

- Tax credit of 20% of the value of production equipment or computer equipment and software package purchases



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**



Strategic Innovation Fund (SIF)

- Repayable and non-repayable contributions of **up to 50%** of eligible costs for a project of **at least \$20M**



Productivity innovation

- Term loan of **\$50,000 or more** to finance the implementation of innovative projects

*Refundable (interest-free & low interest loans) and non-refundable contributions.

Source: Investissement Québec, 2022; Ministère des Finances, 2022; Revenu Québec, 2022; Gouvernement of Canada, 2022; Innovation, Science and Economic Development Canada, 2022; Compilation by Montréal International.



Incentives to attract and develop talents

Workforce Training Measure (MFOR)

- **Up to 50%** of eligible costs for the implementation of a training program (**up to \$5M**)

Tax holiday for foreign researchers and experts

Five-year Québec income tax exemption

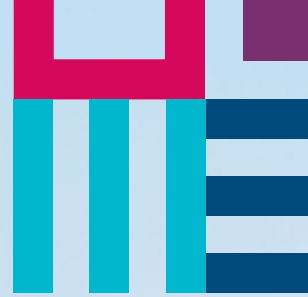
- **0%** of provincial income tax for the 1st and 2nd year
- **25%** for the 3rd year
- **50%** for the 4th year
- **75%** for the 5th year

Mitacs: internship units to drive collaboration and innovation between universities and companies

- **\$64.6M** invested by the government of Québec to fund innovation internships

06

Montréal International's Personalized, Free and Confidential Services



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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