

Why foreign companies invest in Greater Montréal



In this document, find out more about Montréal's competitive edge:



**High value-added
sectors**



**A strong and diverse
IT ecosystem**



**A competitive
cost advantage**



**Strong government
support for clean
technologies**



**A deep pool of
highly skilled talent**



**A gateway to 60%
of the world's GDP**



**Mila, the world's
largest academic AI
research lab**



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

And much more...

A world leader in many high value-added sectors



They chose to invest in Montréal

Google

aws

Microsoft

moderna

CAE

Pratt & Whitney
An RTX Business

AIRBUS

SAP

IBM

Medtronic

EPIC
GAMES

Pfizer

Meta

EA

Morgan Stanley

THALES

UBISOFT

ERICSSON

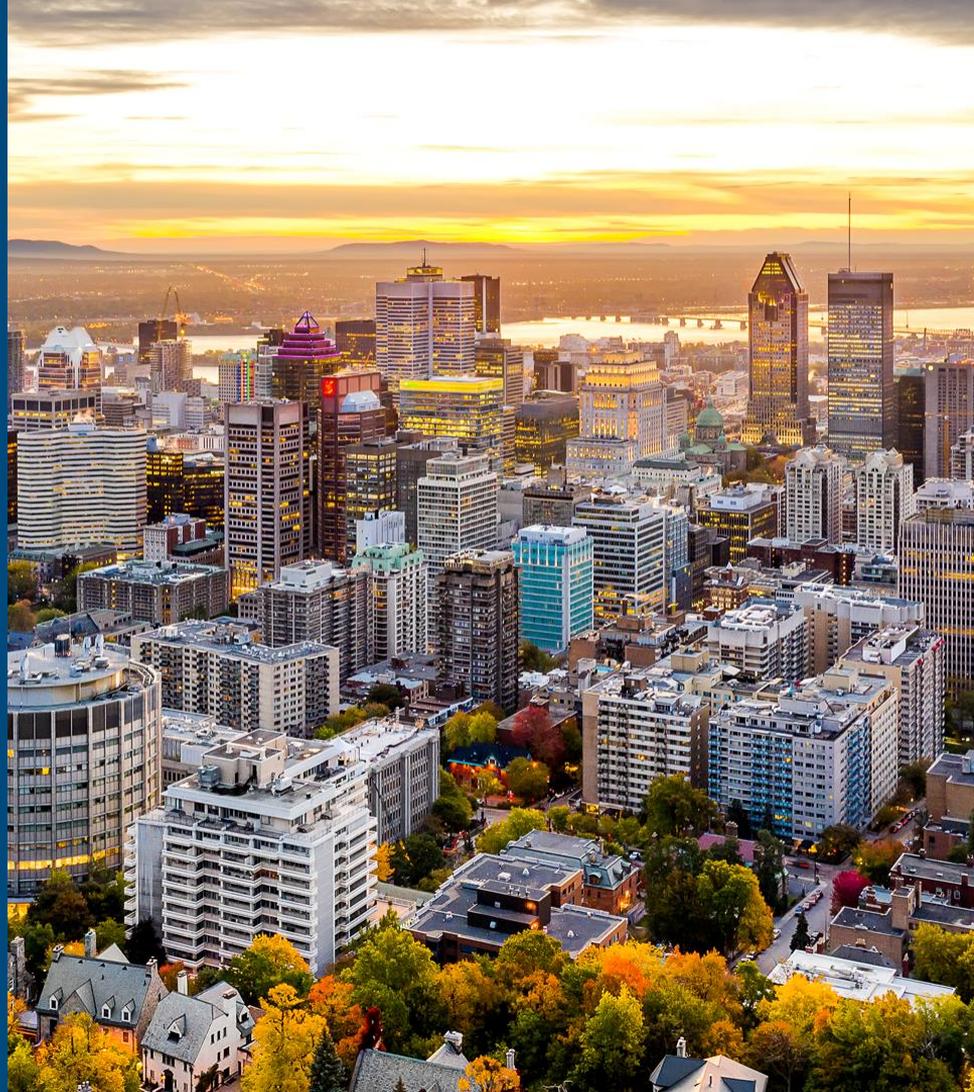
L'ORÉAL
CANADA

ROLLS
ROYCE

RioTinto
Alcan

01

Greater Montréal: So Many Reasons to Invest



Montréal, a strategic location to set up your business



Québec's economic engine

- 56% of Québec's GDP
- \$10B+ in foreign direct investment since 2021 supported by Montréal International



A stable business environment

- A stable economy with a credit rating for Québec
- #1 in North America for the democratic Index



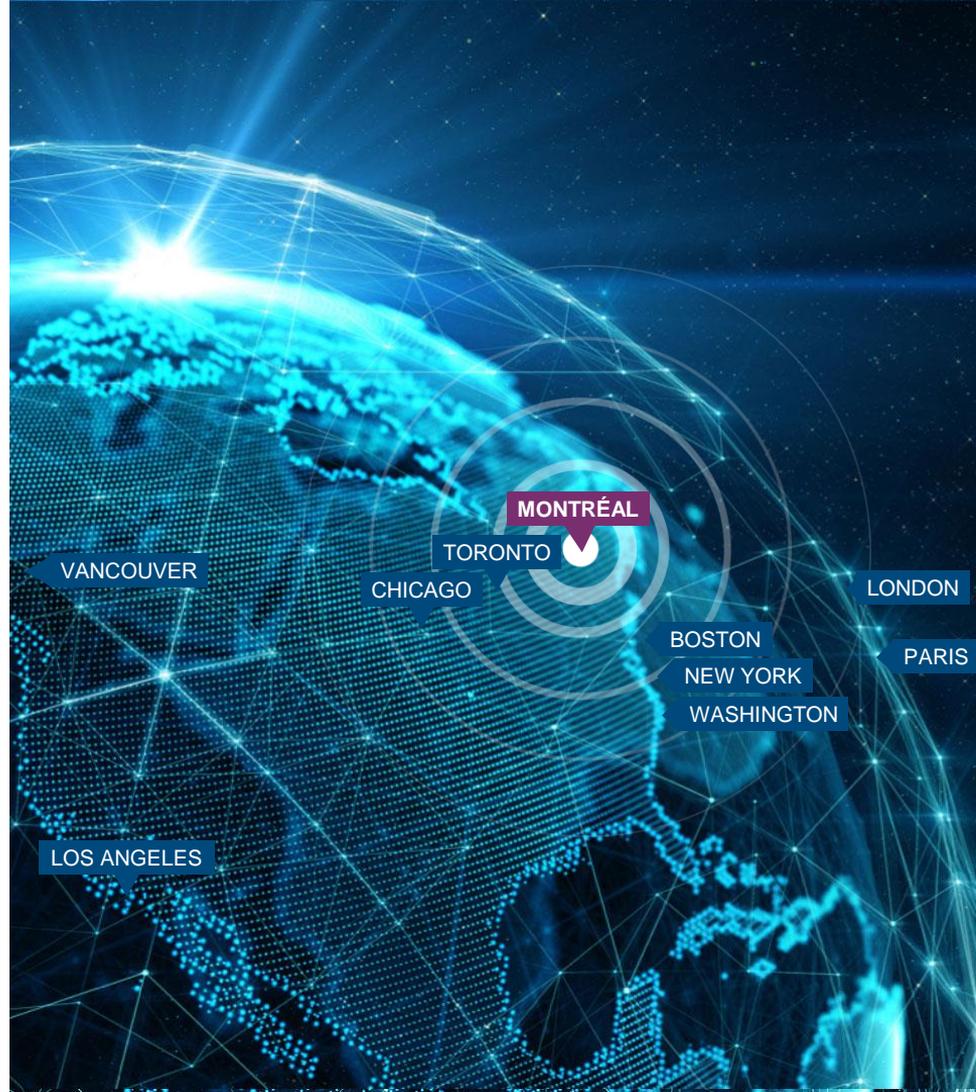
Access to a large talent pool

- 3 million strong workforce
- 56% of the population is bilingual (French and English)



A strategic location

- Less than an hour's drive to the U.S. border
- A gateway to 60% of the world's GDP





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\$57 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, 2022; World Bank, 2022; Census Bureau, 2020; Montréal International analysis.

High-quality transport infrastructures



- **16 million passengers** in 2022
- **Direct flights to over 145 destinations, including 80+ internationally**
- Major investments of **\$2.5 billion** planned over five years, from 2021 to 2026



- **2nd largest port** in Canada and **1st container port** in Eastern Canada
- **2,000+ vessels** per year
- **35+ million metric tonnes of merchandise** in transit every year, including 41% containerized cargo



A world leader in many high value-added sectors



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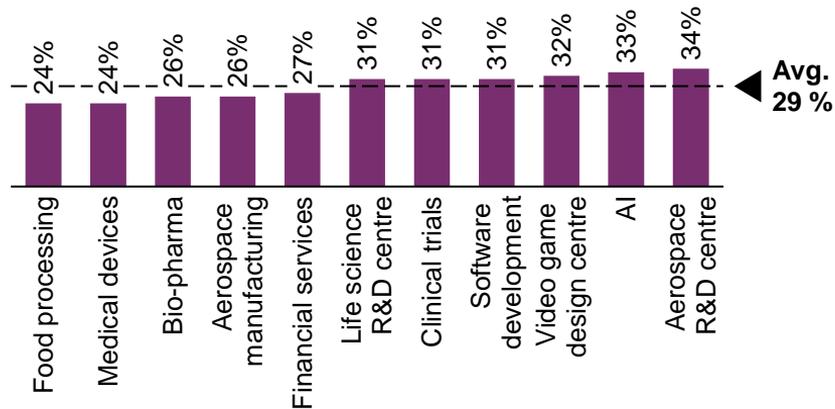
RioTinto
Alcan

A 29% cost advantage in high value-added sectors

Overall, running a business is **less expensive in Greater Montréal** than in other major metropolitan areas in Canada and the U.S.

Cost advantage of Greater Montréal in a selection of industries

Comparison to the average of the 20 largest metropolitan areas in Canada and the U.S., 2023



Top reasons to invest in cleantech in Montréal



- ▲ **A booming cleantech ecosystem** with **400+ innovative companies**
- ▲ **Québec's electricity, a strategic asset to decarbonize the economy:** 99%+ of the electricity is produced from clean and renewable sources
- ▲ **70,000+ university students** with useful skills to propel the cleantech industry in Québec
- ▲ **A key player in the fight against climate change:** Québec aims to be carbon neutral by 2050 and was one of the first governments to introduce carbon pricing
- ▲ **Cutting-edge expertise:** green chemistry, green transportation, building decarbonization, agtech, renewable energy, and many more!
- ▲ **A deep and growing pool of highly qualified talent** with 500,000+ STEM workers*
- ▲ **A collaborative research ecosystem** with **200+ public research groups** that drives the industry's development
- ▲ **Many potential clients in a variety of markets,** such as the Port of Montréal, which aims to achieve carbon neutrality by 2035
- ▲ **Broad government support** and **numerous advantageous tax incentives** to help develop the technologies of the future!

Top reasons to invest in AI in Montréal



- ▲ Many global leaders, including **Google, Samsung and Meta**, have established one of their AI R&D centres in Montréal
- ▲ More than **35,000 experts with AI skills** in Montréal
- ▲ **#1 in Canada for university research funding** with \$1.6B+ per year and the **university capital of Canada**
- ▲ Cutting-edge expertise developed by **world-renowned researchers** such as **Yoshua Bengio, Joëlle Pineau, Doina Precup**, and many more!
- ▲ A large Tech talent pool with skills transferable to AI
- ▲ **34% less expensive for an AI company** compared to the 20 largest metropolitan areas in Canada and the U.S.
- ▲ Presence of **MILA**, the world's largest academic AI research centre and **IVADO**, Canada's largest AI consortium
- ▲ **24,000+** university students enrolled in AI-related programs in Québec
- ▲ Many attractive tax credits and incentives for R&D and talent development

Montréal, an attractive destination for foreign investors in AI

2016



Opens Google Brain Montréal headed by Hugo Larochelle

2017



Acquires Maluuba and announces a plan to hire 40 AI specialists



Opens an AI lab headed by Joëlle Pineau, Associate Professor at McGill University



Opens an AI lab in collaboration with Québec AI Institute Mila



A new Centre of Research and Technology in AI expertise (cortAIx)



Opens a second international AI lab



RBC opens an AI lab

2018



Expands to accommodate up to 60 researchers



An innovation centre focused on applying AI to customer experience



The first VC from Silicon Valley to open an office in Montréal



Expands research lab and hires Geoff Gordon



An AI office focused on deep-learning



Opens an AI R&D centre

2019



Strategic alliance with Québec AI Institute Mila



Launches its global accelerator focused on R&D in AI and automation



Opens a new AI lab and expands its workforce by 450 people

2020



A major innovation and operational center



An innovation hub to develop digital and AI innovations for healthcare solutions



A worldwide AI Hub in partnership with Centech



An AI innovation hub

2021



A machine learning team to focus on drug discovery



An R&D centre for remote environmental infrastructure monitoring and observation



Industrial Centre of Excellence for AI and industrial IoT (AIoT)

2022



Launch of Next G-AI Research and Innovation Centre



Samsung AI Center opens a modern lab to develop wireless and robotics technologies



New office in Montréal and \$2.5B committed to local tech and AI ecosystems

2023



An AI R&D centre hub for drug discovery



First North American office for market analysis and client satisfaction

The ideal location to develop applied AI in many cutting-edge sectors

Management and marketing tool	 Dialog Insight	 DELVE LABS	 kaloom networks	 Revuze	 Semecon ANALYTICS	 keatext
Life sciences	 Insilico Medicine	 BIOS	 AFX MEDICAL	 Valence Labs Powered by Recursion	 Recursion	 Dialogue
FinTech	 PERFIQT	 BOAST	 BOREALIS AI	 Overbond	 Quantolio	 Revelate
Cleantech	 BRAINBOX AI	 dcbel	 WHALE SEEKER	 nectar	 VIA	 FAIMDATA
Industrial and automation	 THALES	 ARA ROBOTICS	 JIT base	 VENTION	 ITNX	 IRYStec FORVIA Faurecia
Creative industries	 LANDR	 Unity	 MOMENT FACTORY	 technicolor	 UBISOFT	 eidos montreal

- And many more!

02

Solid Foundations to Propel the Cleantech Industry





Québec, a key player in the fight against climate change

- **The lowest GHG emissions per capita** in North America
- **Aims to be carbon neutral by 2050 and reduce GHG emissions by 37.5%*** through the Québec government's Plan 2030 for a Green Economy
- **Part of the Québec-California carbon market** (cap-and-trade system)
- Member of **several international groups** for reducing GHG, such as:

 **CLIMATE GROUP**



 **Regions4**
Sustainable Development



 **BOGA** BEYOND OIL & GAS ALLIANCE

*Compared to 1990.

Source: Hydro-Québec, 2023; Government of Québec, Plan for a green economy; Ministère des Relations internationales et de la Francophonie, Incontournable Québec, 2021; Montréal International compilation.

Strong government support for clean technologies and ecological transition

\$13.6B for the implantation of the Green Economy plan 2030 

\$3B in funding to **Natural Resources Canada** over 13 years to support **clean electricity projects** (beginning in 2023-2024) 

\$500M in the **Strategic Innovation Fund** to support the **development and application of clean technologies*** 

\$30M to support companies that **develop and commercialize clean technologies** in the 2023-2024 budget of Québec 

*The Strategic Innovation Fund will also dedicate up to \$1.5B of its existing resources to projects in areas such as clean technologies, critical minerals and industrial transformation

Source: Budget of Québec 2023-2024, 2024-2025; Budget of Canada, 2023-2024; Montréal International compilation.





Montréal stands out for its commitment to the environment

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



- **A commitment to reduce GHG emissions by at least 55% below 1990 levels by 2030 and achieve carbon neutrality by 2050**
- **Host of NATO Climate Change and Security Centre of Excellence and the second part of the UN Biodiversity Conference (COP15) in 2022**
- **Presence of many international organizations fighting climate change**
- **Mayor of Montréal, ICLEI's* Global Ambassador for Local Biodiversity**
- **Montréal, most sustainable city in the world**
Compare the market, 2023

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

- **99%+ of the electricity is produced from clean and renewable sources:**
 - **93% from hydro**
 - **5% from wind**
 - **2% from other sources***
- **Québec, 7th most important hydropower producer in the world** thanks to Hydro-Québec, Canada's largest electricity producer
- A decision from the government to invest in renewable energy **dating from 1944**
- Examples of **companies involved in the electric power industry:**



Greater Montréal stands on a strong and diverse IT ecosystem



**170,000
workers**

Among the top tech
job hubs in North
America, with 31%
growth
(2018–2023)



**6,000+
companies**

\$8.6B in foreign
investment supported
by Montréal
International since
2018



**Diversified
industry**

AI, big data,
cybersecurity,
software
development, and
many more!

Examples of companies that chose Montréal to invest in IT



- And many more!

Greater Montréal stands on a solid manufacturing industry

▲ They chose Montréal to invest in manufacturing:

STELIA

Pratt & Whitney
A United Technologies Company

msb

AIRBUS

AP&C
A GE Additive Company

bell Helicopter

H55

F/LIST

NOVABUS

ALSTOM

BACG

NEUMAN
ALUMINIUM

Coca-Cola

Kraft

BRIDOR

BEYOND MEAT

MOLSON
COORS
Inverness company

ZIMMER BIOMET

Medtronic

SIEMENS
Healthineers

- And many more!



240,000+
workers

Close to 50% of the
labour force of
Québec works in
Montréal



6,300+
companies

\$760M in private
investment supported
by Montréal
International since
2018*



Diversified
industry

Aerospace, food
processing,
transportation,
medical devices, and
many more!

03

A Booming and Vibrant Ecosystem



A booming cleantech industry

Canada, a favorable business environment

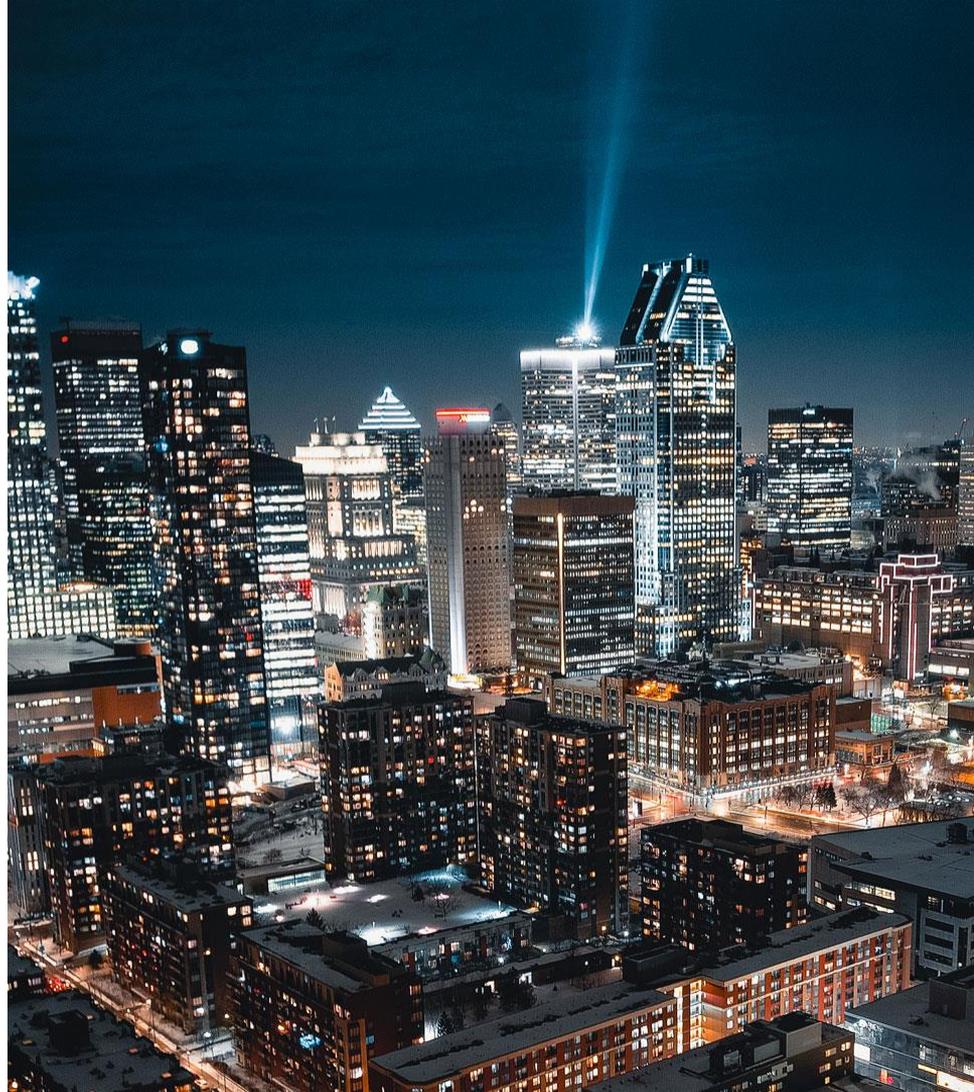
- **#2 most attractive country in the world for cleantech**

Global Cleantech Innovation Index, 2023

Québec, a thriving cleantech hub

- **400+ innovative companies**
- **80,000+ jobs**
- **\$20B of GDP**
- **\$8.5B in total annual revenue**

Source: Government of Canada, Dashboard of cleantech companies, 2022;
Institut de la Statistique du Québec, Tableau de bord pour la mesure de
l'économie verte au Québec [in French only], 2023.



A collaborative ecosystem that supports the industry's development

Cluster organizations



Accelerators and venture capital



Innovation and research centres



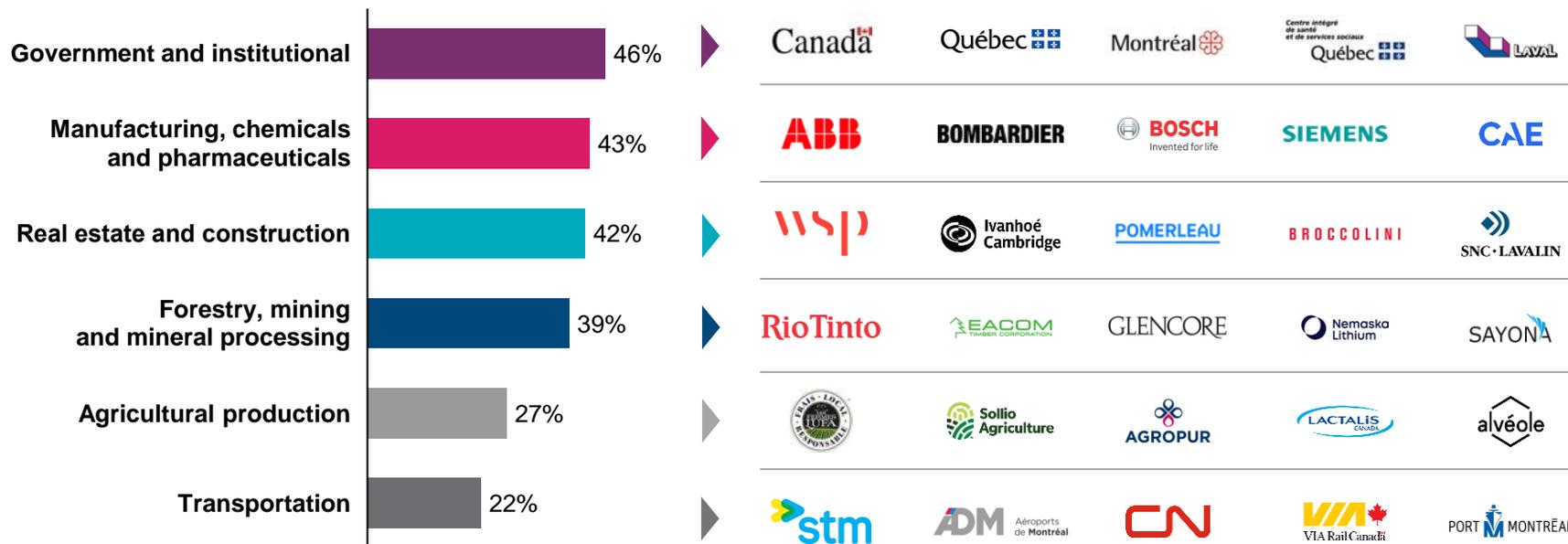
International organizations



- And many more!

An expertise applied to many leading markets

Primary markets served by Québec cleantech companies*
and examples of key clients



*2017, in % of respondents, N = approximately 100. According to a survey conducted in 2017 (a sample of 1,300 companies from different sectors), 56% of Québec companies implemented initiatives with a sustainable development component.

Source: EY, 2018.

An opportunity to scale your business in cleantech

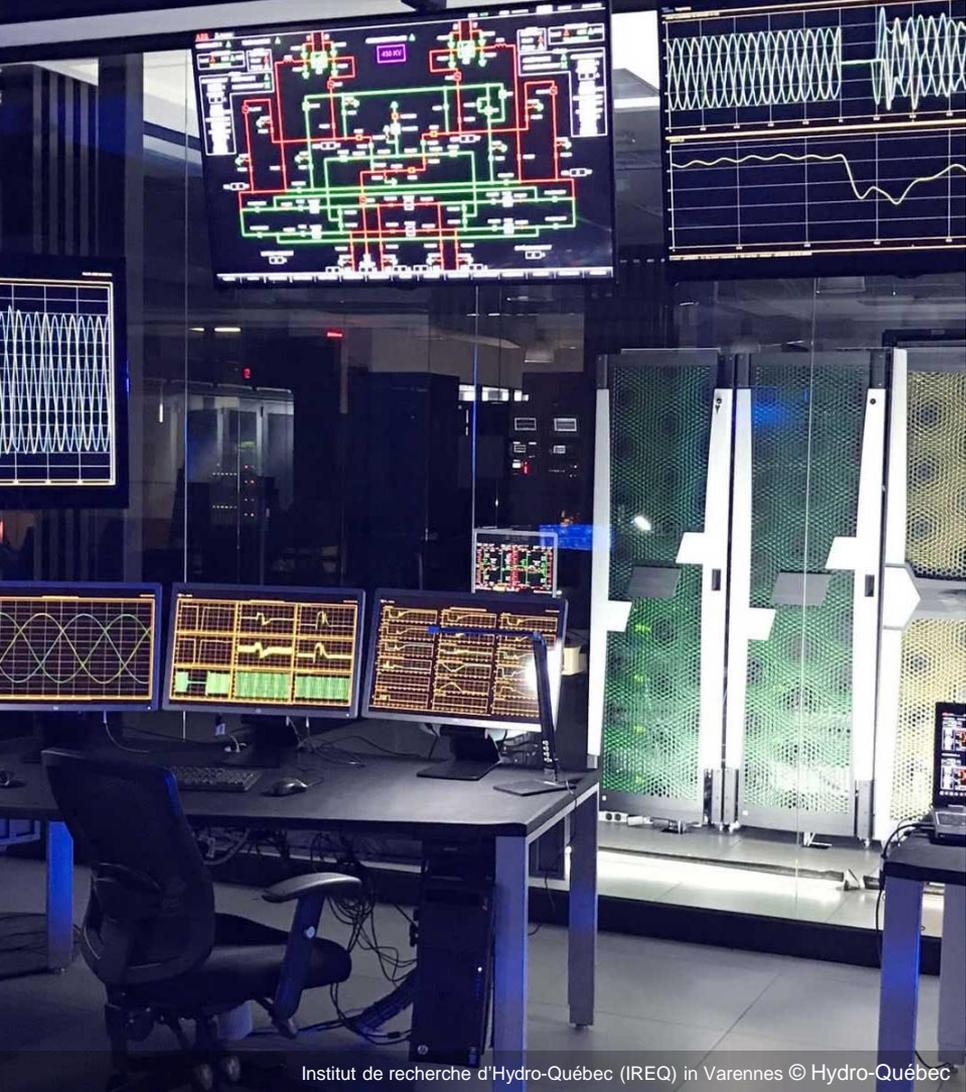
- Close to **\$1B in VC investments** between 2018 and 2023 in cleantech in Québec
- Presence of **many specialized VC funds**, such as:



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

	\$50M (2023) Series B		\$43M (2023) Series A
	\$28M (2023) Series B		\$92M (2022) Series A
	\$34M (2022) Series A		\$12M (2022) Series A





A hub for innovation and R&D

- **Québec, #1 in Canada for R&D investment** in % of GDP with expenditures of \$11.5B per year*
- **200+** public research groups in cleantech
- **Home to several renowned research organizations** related to cleantech



- **Pioneer in circular economy** with leading organizations specialized in the field



*Including \$6.6B spent by companies, \$4.4B by universities and \$0.5B by the administrative sector.

Source: Statistics Canada, Table 36-10-0402-02, 2023 and Table 27-10-0273-01, 2023; Montréal International analysis.

Mila, the world's largest academic AI research lab with many initiatives in cleantech

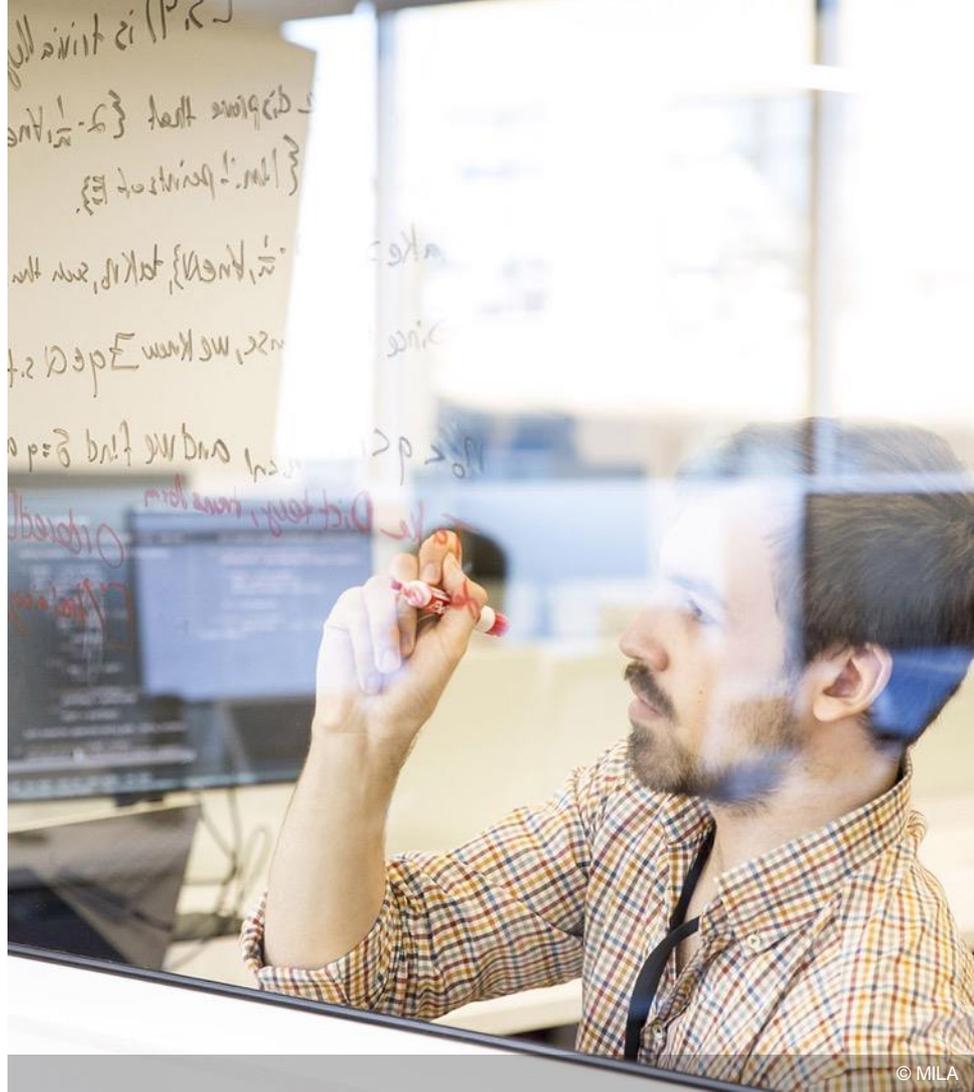
- **A collaborative research ecosystem with 1,400+ members**, as well as startups and major companies
- Many projects with industry and academic partners including the **carbon footprint of AI** and the **reduction of greenhouse gas (GHG) emissions** in the energy sector, such as:



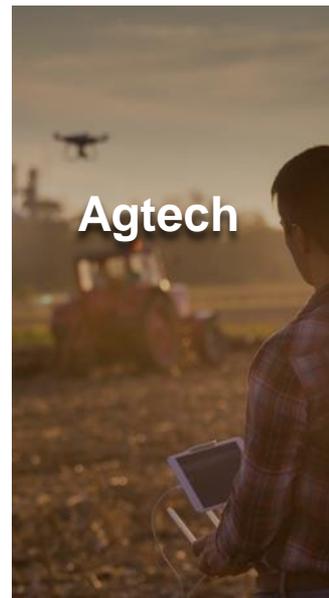
An open-source software that helps track the carbon footprint of algorithms and code. A collaboration between BCG's GAMMA, Comet, and Haverford College



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

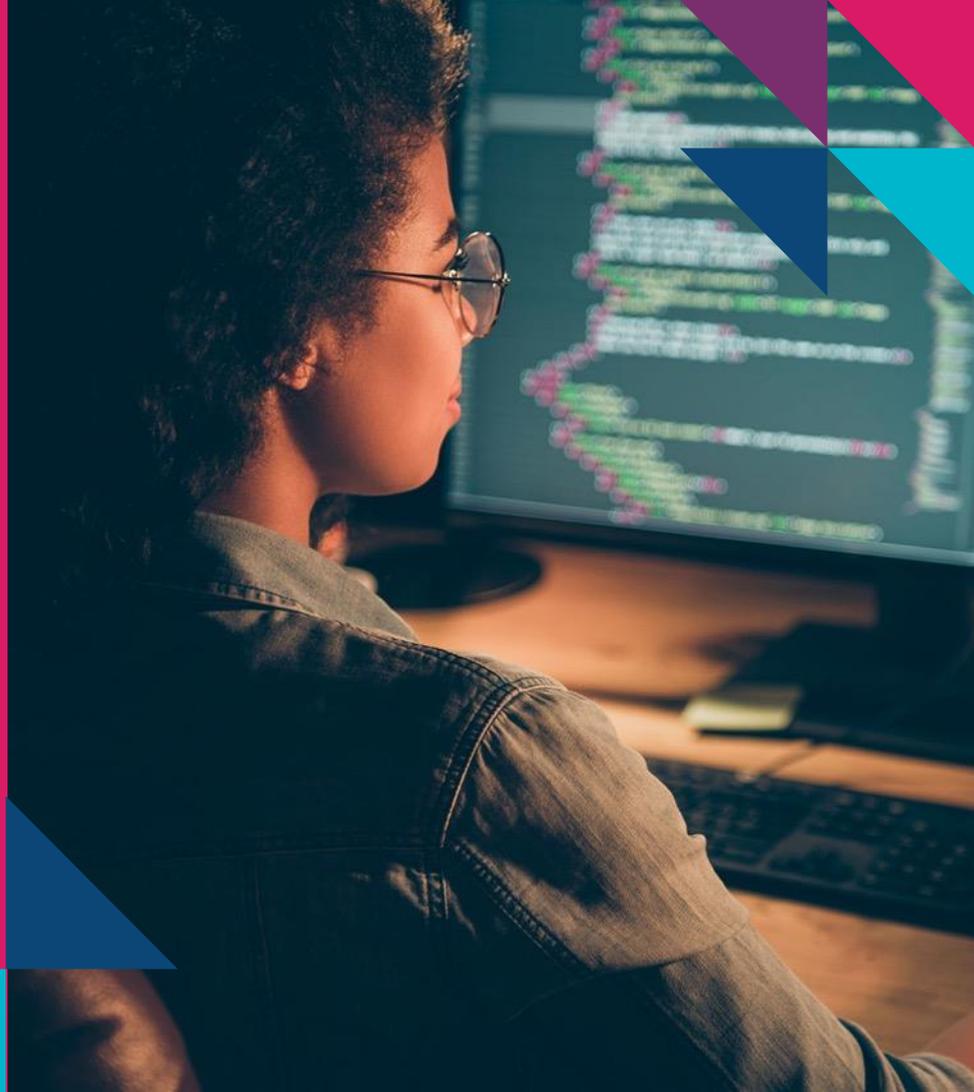


Leading-edge expertise in many cleantech sectors



04

A Large Pool of Highly Qualified Talent





A deep pool of highly skilled talent



548,400 jobs in STEM*

- **33% of STEM professions**
(e.g. chemists, engineers, mathematicians)
- **67% of STEM-related professions**
(e.g. land surveyors, industrial designers)



621,500 managerial and professional jobs (including marketing professionals, accountants, lawyers, executives, etc.)



70,000+ members registered with Québec's Order of engineers

*STEM: Science, technology, engineering, and mathematics.
Source: Statistics Canada, special compilation based on data from Labour Force Survey, 2023; Québec's Order of engineers, 2023; Montréal International analysis.

Montréal, best city in the world to study



Canada's university capital:

15

University institutions with campuses

90+

Colleges

50+

Vocational training centres



A large pool of students ready to join the workforce

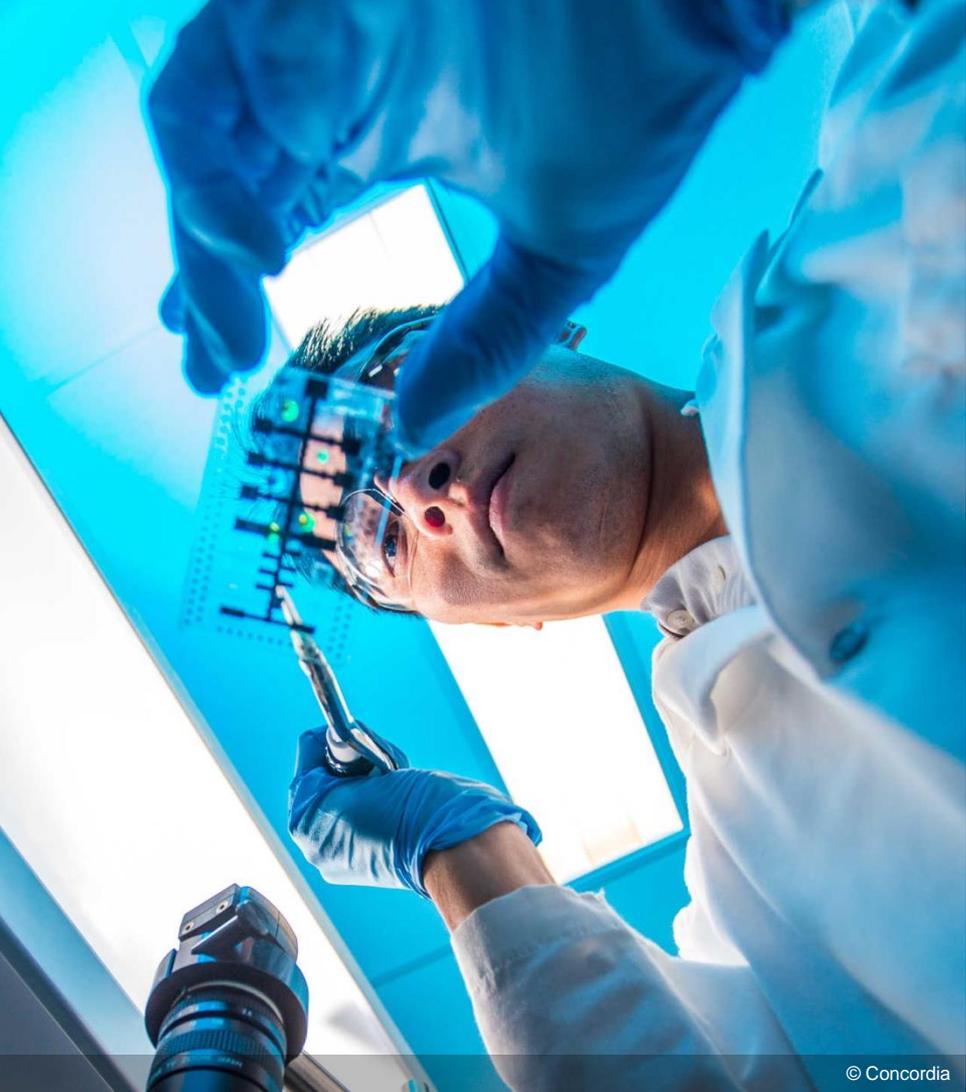
500,000+ post-secondary students, including 60% on Greater Montréal campuses



Montréal, selected as the world's best city to study abroad

Helpful Professor, 2023





70,000+ students with useful skills to propel the cleantech industry in Québec

University programs related to sustainable development	Students enrolled, 2023-2024	Graduates 2022
Engineering	33,316	12,124
Applied sciences	25,631	6,770
Pure sciences	13,416	3,694
Environment (environmental quality and pollution)	2,055	745

Source: Ministère de l'Éducation et de l'Enseignement supérieur, 2023; Montréal International compilation.

05

Attractive Costs and Incentives



Advantageous incentives for cleantech companies



Major projects and Innovation

ESSOR Program (Stream 3 - Reduction of environmental footprint)

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

Strategic Innovation Fund (SIF) – Net Zero Accelerator Initiative

Up to \$8B to support large-scale investments in key industrial sectors across Canada: decarbonization of large emitters, cleantech and battery ecosystem development, etc.

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



Research and Development tax credit

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



Talent development & attraction

Workforce Training Measure (MFOR-E)

Up to 40% of eligible costs for the implementation of a training program

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: Accelerate Program – Business component

A collaborative research program where the partner organization's contribution of \$7,500 is matched by the academic institution, for a total research award of \$15,000

Many tailor-made tax credits for projects in cleantech



Clean Technology Manufacturing Tax Credit

30% refundable tax credit
for clean technology
manufacturing and
processing



Clean Electricity Investment Tax Credit

15% refundable tax credit
to encourage and
accelerate investments
in clean electricity



Clean Hydrogen Investment Tax Credit

15% tax credit,
up to 40%, for clean
hydrogen investments



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

Repayable credit
for eligible corporate
expenditures in CCUS*
of **up to 60% in credit**
to purchase CO₂ capture
equipment and **37.5%**
for transportation, storage
and use equipment
between 2022
and 2030**

*Depending on eligible uses (CO₂ 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; Science and Economic Development Canada, 2021; Investissement Québec, 2022.

06

Montréal International: Personalized, Free and Confidential Services



Personalized, free and confidential support for setting up or expanding your business

We support foreign companies, subsidiaries already established in Greater Montréal, and international entrepreneurs in their investment projects



Strategic and operational support
(business plan, sectoral expertise)



Site selection assistance
(regional economic data, comparative reports)



Advice on funding sources (financial and tax incentives)



Access to an established network of partners, university institutions and research centres



Montréal International, a world-leading economic development agency



...and many more!





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