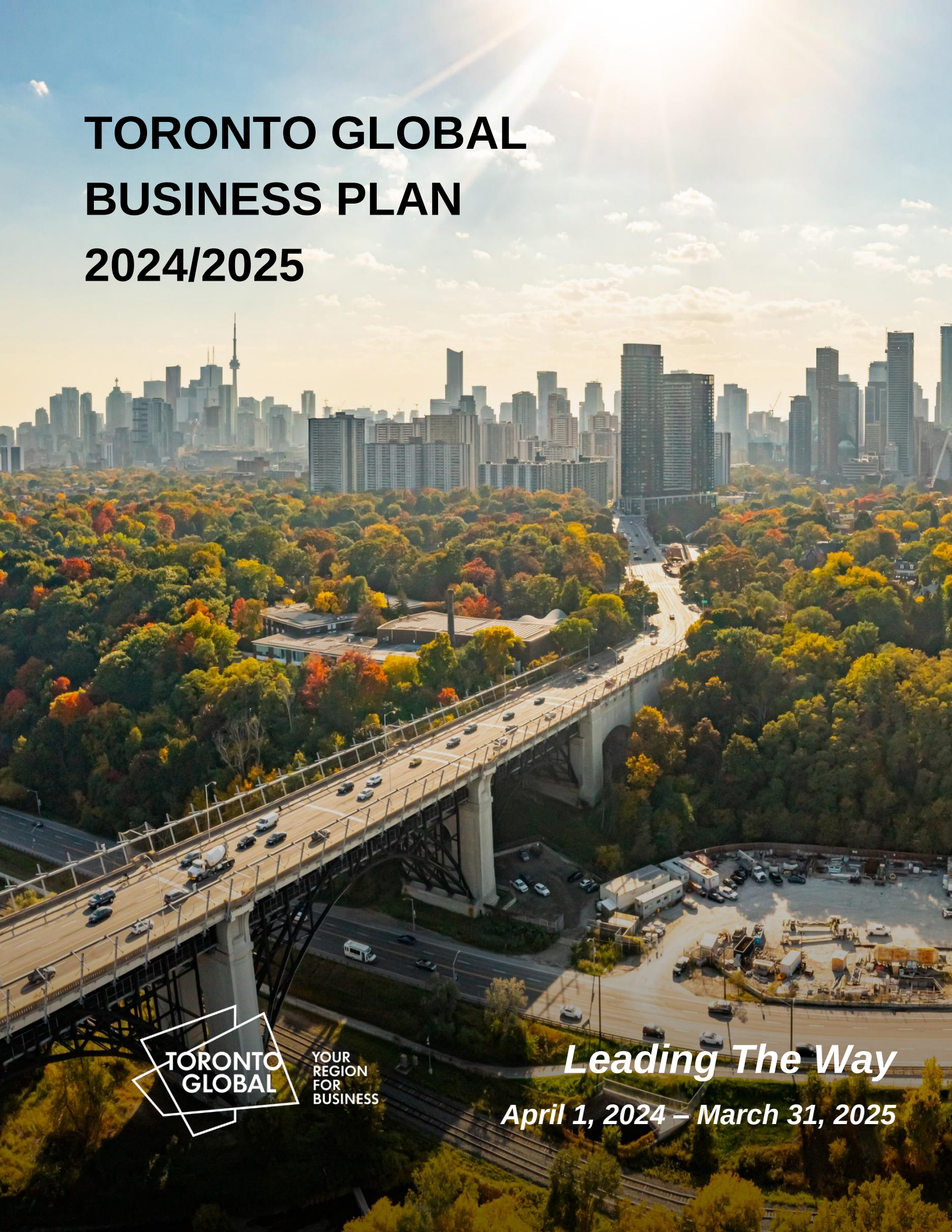
# TORONTO GLOBAL BUSINESS PLAN 2024/2025



TORONTO GLOBAL
YOUR REGION FOR BUSINESS

***Leading The Way***

***April 1, 2024 – March 31, 2025***

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# EXECUTIVE SUMMARY

Toronto Global attracts and supports international companies – from start-ups to scale-ups, to established multi-nationals - to expand, hire and do business in the Toronto Region. Toronto Global's 2024/25 Business Plan, Leading The Way, puts forward our key performance objectives and approach on the organization's mandate to attract new, high-impact, international investment that significantly contributes to the economic growth and prosperity of the Toronto Region.

As a regional partnership, Toronto Global is committed to a collaborative and coordinated approach that enhances the Toronto Region's capacity to attract investment and strengthens our global competitiveness.

## Key Performance Indicator (KPI) Targets

International investment is critical in driving economies, creating jobs and generating tax revenues for governments, along with establishing spin off benefits for domestic business and positive ties to immigration. In line with our previous target ranges, our KPI's for 2024/25 reflect our drive to bring international investment to our region. On a value for money basis we provide an unprecedented return on investment for the three levels of government that support our work. Despite maintaining a status quo funding envelope from all three levels of government since 2017 we have worked hard to punch above our weight and exceed our annual targets.

As Toronto Global seeks to make the largest possible impact we have set our core 2024/25 KPI targets as follows:

| Indicator | Target |
|---|---|
| Investments won | 36 |
| Jobs (over 3 years) | 2200 |
| Capex (over 3 years) | $550 million |

## Strategic Pillars

Toronto Global's efforts continue to be guided by five strategic pillars. Each are associated with their own objectives and set of initiatives. The initiatives are summarized in the table below and are described in greater detail, along with key tactics, in the relevant sections of this business plan. These initiatives are designed to not only help Toronto Global achieve our KPI targets but to also highlight the organization's value as a significant contributor to the region's economic growth as a world leading investment promotion agency.

| Strategic Pillar | Key Initiatives in 2024-25 |
|---|---|
| Winning High Impact Investment Opportunities – *Lead Generation* | + *Target Sectors and Verticals*<br>+ *Align and Grow Presence in Key Global Markets*<br>+<br>+ *Continue a BRE focused FDI Program with the City of Toronto* |
| Winning High Impact Investment Opportunities – *Client Service* | + *Enhancing Client Servicing and Differentiation of Value-add Servicing*<br>+ *Ramp up supports to help clients hire the talent they need* |
| Toronto Region Brand-Building | + *Provide first class marketing support for client announcements*<br>+ *Increase investor awareness of the Toronto Region's advantages*<br>+ *Increase web traffic and social media followers* |
| Investment Readiness | + *Build an updated AI Strategy yielding high-impact projects*<br>+ *Expand and Build on Partnerships for Higher Impact* |
| Regional Collaboration & Operational Excellence | + *Strengthen regional collaboration*<br>+ *Attract and retain a diverse, inclusive, high-performance team* |

## Budget

Toronto Global's core program budget in 2024/25 totals $7,460.000 inclusive of our funding renewal through FEDDEV Ontario in December 2023, the Province of Ontario, our Municipal partners, CECI grants and cash reserves. A breakdown of revenues and expenses are provided within the business plan budget section.

The 2024/25 Business Plan was approved by the Toronto Global Board of Directors on April 15th 2024.

# INTRODUCTION

Toronto Global is the first point of contact for international businesses looking to accelerate expansion, make connections and access talent in the Toronto Region, Canada's business, tech and financial capital. Our business-driven team has provided complimentary concierge services to over 200 companies – including Unilever, Recursion, Sanofi, The Cultivated B, Netflix, Infosys and HSBC – setting the stage for success in the fastest growing, and most educated and diverse marketplace in North America.

Since Toronto Global's inception in 2017, the 200 plus companies we have worked with have invested $3.4 billion in Capex and created 35,000 direct and indirect jobs, resulting in $800 million in tax revenue. With government funding of approximately $7.4 million annually, the return on investment is impressive.

Our vision is to be one of the leading, globally recognized investment attraction agencies in North America.

Our mission is to attract, influence and support international businesses to grow in the Toronto Region.

By attracting new, high impact, international investment, Toronto Global significantly contributes to the economic growth and prosperity of the Toronto Region. As a regional partnership, Toronto Global is committed to a collaborative and coordinated approach that enhances the Toronto Region's capacity to attract investment and strengthens our global competitiveness.

The organization's 2024-25 Business Plan, *Leading The Way,* puts forward our continued approach to deliver, impactfully, on those core objectives over the year ahead. Our activities are guided by five strategic pillars – Lead Generation & Client Service, Toronto Region Brand-Building, Investment Readiness, Regional Collaboration, and Operational Excellence - and take into consideration the local and international environments affecting investment attraction efforts.

# CONTEXT SETTING

Toronto Global's 2024-25 Business Plan takes into consideration a number of factors: the global economic outlook, past results and status of the existing project pipeline, organizational funding and related commitments.

## Global & Domestic Investment Attraction Outlook

Events of the last few years have presented both challenges and opportunities to investment attraction. The global economy was more resilient than anticipated in 2023, but there are continuing issues clouding the horizon and 2024 will bring on further ambiguity and uncertainty. Canada is still facing underlying inflation, high interest rates, and other economic uncertainties that will have an impact on corporate expansion and growth plans. To sum it up – "there are plenty of positives, such as strong growth in services, GDP growth in several economies and stability across multiple indicators, including unemployment. However, this is juxtaposed with a subdued manufacturing environment, a decline in global trade flows, renewed uncertainties about supply chains and lingering inflation." [1]

As well, the headwinds that curbed M & A deal-making in 2022 and 2023 has shifted with Morgan Stanley predicting that global mergers and acquisitions will jump 50% this year as corporate confidence recovers, and economic growth holds up. In 2024 businesses are continuing to onboard remote/hybrid work practices which continues to influence expansion and investment calculations, most notably with reduced need for real estate.

In the January 2024 World Economic Outlook Update, the IMF describes the global economy as "surprisingly resilient" in an upgrade to its October projections. The OECD composite leading indicators point toward a rebound across most developed and emerging economies particularly noting the resilience in the US economy.

Even after the seismic effects on our economy dealing with a global pandemic Canada still remains a top destination for foreign direct investment (fdi) inflows.

According to the 2023 UNCTAD report Canada punches above our weight with the 5th largest FDI inflows after the US, China, Brazil and Australia while being only the 9th largest economy. International investment has long been a critical element contributing directly to Canada's overall economic growth and prosperity. In 2021, according to the Office of the Chief Economist at Global Affairs Canada, there were 17,900 foreign multinational companies (MNE's) in Canada. They were responsible for 26% of capital investment, 19% of jobs in the corporate sector, 24% of total GDP of the corporate sector, 43% of R&D business expenditures and 61% of trade. Ontario has the highest share of foreign MNE jobs at 24%. BC and Alberta follow at 18% and 17%. "Looking ahead at the FDI outlook some challenges remain but some of these challenges on the world stage present opportunities for Canada. The green transition, economic

[1] Global Economics Intelligence, McKinsey & Company, February 21, 2024

security, sound fiscal environment, economic and political stability and access to the US market." [2]

International investment is also of critical importance to help address Canada's lagging productivity. Carolyn Rogers, Senior Deputy Governor at the Bank of Canada, recently highlighted the need for competition and new investment as key ingredients to help improve productivity in Canada. Investment attraction efforts can and should be strategically focused on these ingredients.

There is indeed a global race for investment and competition is at an all-time high. The global economy will continue to grow more slowly than in the past decade. Investors may be more prudent with longer time horizon for planning and initiating some projects due to high borrowing costs, political instability, government debt in their home country. [3] But even in this context it is more important than ever to communicate that Canada, Ontario and ultimately, the Toronto Region, is a stable, reliable, talent-rich location and a great bet for investment. There is enormous opportunity to leverage our reputation to build a stronger regional economy. All of our work is geared toward putting forward a strong value proposition for investors for the business, financial and tech capital of Canada – the Toronto Region.

## Toronto Global's Pipeline & Results

Toronto Global is riding the momentum of a solid year of results in 2023-24: 44 investments won, 2,647 direct new jobs created (approximately 7,500 including indirect jobs) and $637 million in capital expenditures contributing approximately $140 million in tax revenue for all levels of government (as of March 31, 2024). 34% of jobs and $189 million in capex have landed in the 905. We achieved our highest number of investments in the 905 of all time. This is an impressive year for us both in terms of hitting our target ranges and being able to land 12 projects outside of Toronto. Closing out the year, we announced that Unilever had chosen Toronto as the location for its global AI hub, beating out 15 other competing international cities. This announcement by Unilever represents one of Toronto Global's most significant investment projects in the organization's history.

Collectively, these efforts, alongside our work in client servicing, site selection, data and insights, talent connections, marketing and client announcements have ensured that we continued to provide first class service to global investors looking to reside in one of the fastest growing regions in North America.

In 2023-24, Toronto Global undertook nearly 30 market missions, aligned to our objectives of enhancing our FDI project pipeline, engaging with prospective and current investors, fortifying our international networks, and promoting Toronto Global's value proposition.

These missions, with a primary focus on the USA, Western Europe, and the Indo-Pacific, facilitated direct interactions with key investors. Notably, 8 missions were CEO-led, and 4 were

[2] February 2024 Presentation by the Chief Economist, Global Affairs Canada to the CCCA Annual Board Meeting

[3] February 2024 Presentation by the Chief Economist, Global Affairs Canada to the CCCA Annual Board Meeting

conducted in collaboration with the Minister of Economic Development, Job Creation and Trade, for the Province of Ontario, the Honourable Vic Fedeli.

Staying connected with investors even with the turbulence of the last few years, combined with aggressively targeting new prospective investors, nurturing strong networks in our target markets, and protecting our pipeline of projects continued to result in strong performances across the organization.

In the face of rising competition, the team worked to refine our service offering and competitive advantages, namely our ability to provide high-quality data and business case material rapidly and help clients realize the Region's talent advantage through our Talent Partnerships program. Providing first-class marketing support and opportunities and leveraging clients' events to spotlight groundbreaking investments from Recursion to Unilever to Dneg showcased the value of our services to global investors.

## Toronto Global's Financial Position

Toronto Global begins the 2024-25 fiscal year with a newly secured federal funding agreement. The new agreement with FedDev Ontario is for $2.5 million annually for two years. Our agreement with the Province of Ontario expires in June 2024 and as of March 31st, 2024, we will start renewed discussions with all members of the Toronto Region for a renewal of the three-year municipal agreement which is at $2.2 million per year (for three years, increasing 2% annually).

Toronto Global was approved for up to $276,000 in grant funding through the annual CanExport Communities Initiatives (CECI) program. This amount represents approximately half of the requested funds but is up from $236,000 last year. Note: we were able to take advantage of the program allowing for increased expenditures to be submitted before year-end, so this amount was adjusted upward to approximately $280,000 by the end of the calendar year.

In total, Toronto Global's core program budget for 2024-25 is approximately $7.4 million inclusive of funding through our partners FedDev Ontario, the Province of Ontario, our Municipal Partners, plus CECI grant and cash reserves. Inflationary costs on labour and other fixed costs will continue to put pressure on the budget. While all proposed initiatives have value, it will be necessary to prioritize activities and continue to adjust budget expense allocations throughout the year, balancing new opportunities, unforeseen costs, and cost savings that arise.

## Governance and Government Collaboration

### Municipal Funding and Governance Model

Toronto Global's municipal funding agreement expires in March 2025, and we will be entering into discussions with all members of the Toronto Region and our current municipal partners on the renewal of that agreement at the end of the month. It has been a very collaborative relationship with our colleagues in the City of Toronto and in the Regions of Halton and York. We introduced a new governance structure along with several defined services designed to

embed collaborative mechanisms into operations, enhance coordination and align Toronto Global's investment attraction efforts with our municipal partners. These changes were made following a jurisdictional scan done by Deloitte of comparator organizations, including Montreal International, London & Partners, New York Economic Development Partnership and others that identified best practices for regional investment attraction organizations.

The City of Toronto, as a Principal Contributor, provides funding of approximately $2.1 million per year, is provided two seats on the Board of Directors for the Mayor (or their designate) along with a publicly appointed private representative. Municipal Collaborators, currently including Halton and York Region, provide funding of $52,020 each per year and are entitled to one seat for a Mayor or Regional Chair to collectively represent all Municipal Collaborators.

At an operational level, the Joint Advisory Committee (JAC), is made up of municipal funding partners, including the City of Toronto, Halton Region and York Region. Toronto Global hosted an 'Annual Planning Workshop' with the JAC on March 11th, 2024. During that meeting, JAC members provided input on 2024-25 business planning priorities focused on the municipal services that Toronto Global provides in line with available resources secured from CECI.

## Invest Ontario

The provincial investment attraction agency, Invest Ontario, is an important conduit for us with potential investors. Our provincial funding agreement currently sits directly with the Ministry of Economic Development, Job Creation and Trade (MEDJCT) and we work closely with the team there and at Invest Ontario.  We have regular touchpoints with these teams across a number of divisions.  We look forward to strengthening those engagements in 2024 aligning our efforts more closely with Invest Ontario and securing stable, long-term funding from the Province of Ontario.

# 2024-25 KEY PERFORMANCE INDICATORS

Toronto Global's Investment Attraction team encompasses our efforts to proactively target, engage and win high impact investments. We compete through our market expertise, dedication to delivering value-add services to our clients and differentiating ourselves through the speed and quality of our data, knowledge, and local connections. Ambitious and proactive, we actively drive towards our objectives.

The organization's 2024-25 Business Plan, Leading The Way, puts forward our approach to deliver, impactfully, on our core objectives over the year ahead.

## Key Performance Indicator (KPI) Targets

As Toronto Global seeks to make the largest possible impact we have set our core 2024-25 KPI targets as follows:

| Indicator | 2024-25 Targets |
|---|---|
| Investments won | 36 |
| Jobs (over 3 years) | 2200 |
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## Defining Impact

Toronto Global defines impact opportunities in a number of ways, including size, in terms of jobs and capex, reputation, i.e., a globally recognized 'brand name' company and strategy, in that it provides a particular value or addresses an existing gap or helps meet a particular objective in the local ecosystem.

New trends are continuing to redefine the best way to measure impact. Working with our partners and stakeholders to define impact will be a focus of our work in 2024. With increased global competition, reduced real estate requirements with remote/hybrid work resulting in reduced municipal revenues, federal/provincial sectoral strategies (life sciences for example), continued emphasis on on-shoring supply chains, achieving Net-Zero emissions and immigration-related objectives measuring impact will be key to the role investment attraction contributes to our economic objectives.

As we continually strive for high impact investment, Toronto Global will measure our progress through the following high impact indicators:

+ Tax revenues associated with investments won
+ Number of jobs per investment won
+ Capex per investment won
+ Regional Distribution of investments

+ Fortune 1000 investors
+ Globally competitive mandate
+ Alignment to sector strategies and filling supply chain gaps

# STRATEGIC INITIATIVES

The following section lays out Toronto Global's regionally collaborative approach to delivering high impact investment projects for the Toronto Region. These initiatives and activities may be modified during the year to reflect circumstances on the ground or to incorporate new opportunities that may arise throughout the year.

## *A. Winning High Impact, High-Value Investment Opportunities: Investment Lead Generation*

Toronto Global's ability to proactively target, advance and close opportunities that provide high value and impact is core to Toronto Global's current and future success. In the face of increasing global competition and economic uncertainty the organization's ability to uncover opportunities and put the Toronto Region on the radar of prospective investors is critical. Our resources are finite, and it is critical to stay focused. Maintaining our competitive, internal-prospecting advantage and doubling down on primary target markets as well as better leveraging the Toronto Region's international business community to take advantage of developed pipelines and networks is expected to yield effective results.

### Target Sectors and Verticals

The global macro environment, local value chains, and talent clusters have positioned the Toronto Region to compete extremely well on a global scale. In 2024/25 the Investment Attraction team will place additional emphasis on engaging and securing innovative-focused investment from a number of key sectors/verticals, including Artificial Intelligence, Hardware and Chip Technologies, Manufacturing, Automotive, Life Sciences, Food Processing and Financial Services

Strategically, these sectors and verticals bring a stronger focus on opportunities that have significant on-premise (vs remote) job requirements, specialized real estate needs and would benefit from proximity to key assets located throughout the Toronto Region.

Previously Toronto Global worked in partnership with local municipalities to identify unique areas of strength and opportunity for investment attraction, prioritizing e-mobility in Halton Region, cleantech in Durham Region and hardware and chip technology in the York Region. For each of these sectors, Toronto Global developed value proposition materials and marketing awareness-building activities to present these opportunities to prospective investors through digital channels. Designed to build awareness and supplement our lead generation activities in the region and these sectors, we will continue to update and leverage these assets in our lead generation, prospecting and marketing activities. In addition, our

paid social media Talent Campaign will also provide assets we will continue to use to highlight our talent pipeline for all of our sectors across the region.

In partnership with our municipal partners, we will also focus on increasing awareness of significant, unique and investment-ready sites across the region that present an opportunity for large-scale greenfield investment projects.

## Align and Grow Presence in Key Global Markets

Enhance presence and reach into key global jurisdictions with the highest opportunity to yield high-impact FDI.

Toronto Global will concentrate 2024-25 in-market activities on our priority markets:

+ United States
+ Western Europe (UK, Germany)
+ India
+ Asia (South Korea, Taiwan, Japan)

Recognizing the growth opportunities the Indo-Pacific markets present, we will look for opportunities to increase our focus on these markets alongside our government partners in alignment with the Government of Canada's Indo-Pacific strategy.

Further supporting a collaborative investment attraction approach, Toronto Global will leverage the ***Toronto Inc. partnership*** to stand out in market. Toronto Global, Destination Toronto, and the Toronto Region Board of Trade jointly announced the formation of the Toronto Inc. partnership, alongside the City of Toronto, at Collision in 2022 to deepen collaboration and champion a shared narrative around the globe.

While each organization has a distinct mandate, they also have a shared audience, and all are actively engaged in promoting the Toronto Region globally as a place to invest, meet, visit, trade and maximize business opportunities. Through this new partnership, the organizations formalize a growing collaboration to undertake joint sales missions in key international markets, jointly elevate the region's profile at major events around the globe and align strategically on a compelling narrative for Toronto. In 2024-25, the Toronto Inc. Partnership, together with Toronto Global's municipal partners, will collaborate on a booth presence and coordinated programming at MedTech which will be held in Toronto this Fall. This event will serve as our Annual Joint Mission in accordance with Toronto Global's municipal services agreement. Additionally, the Toronto Inc. partnerships will again align efforts at Collision in June.

## Continuing our Business Retention and Expansion (BRE) FDI Program with the City of Toronto

Continuing our Business Retention and Expansion (BRE) program with the City of Toronto and Toronto Global will be important. We will be focused on securing expansion projects

from local subsidiaries within the City of Toronto, building on previous pilot initiatives that complement the City's team's ongoing leadership in this area.

The Toronto Region is home to 38 percent of Canada's head offices and Canadian locations for nearly half of Fortune 500 companies. Additionally, more than half of our population, equating to roughly 3.5 million people, is foreign-born. Each of these companies and individuals is a potential node in global networks and supply chains.

To better leverage the incredible opportunity that these local international nodes have for uncovering global investment opportunities, Toronto Global will ***focus proactively on building relationships and growing profiles with the City of Toronto's international business community***. This will include providing **enhanced aftercare support** to Toronto Global landed investments in collaboration with municipal partners and supporting the City of Toronto's **business retention and attraction** efforts. Considering 70% of international investment is from companies that have an existing local presence, these activities have significant potential to contribute to lead generation.

This effort also aligns with our 2024-25 focus on artificial intelligence (AI), described in more detail below. There is a significant opportunity to leverage Unilever's AI Hub investment last year to attract similar opportunities with foreign-owned businesses within Toronto that are seeking to develop and adopt AI in domestic operations. Importantly, continued investment and adoption of AI also support the overall objective of improving Canadian productivity performance.

## *B. Winning High Impact, High-Value Investment Opportunities: Client Servicing*

The size and maturity of Toronto Global's pipeline require an increased focus on client servicing. Our pipeline now holds thousands of opportunities, contacts and prospects, with a number of late-stage, high-impact investment projects with the potential to yield approximately 5,000 - 10,000 direct jobs and up to $3 billion capex over the next 3-5 years. These clients need continual advisory and aftercare servicing to protect their potential investment. Services include additional data and insights, site tours, immigration support, government engagement, talent advisory, supply chain advice, marketing and launch support.

### Enhance Client Servicing and Differentiation of Value-add Services.

Grow and enhance our value-added services to meet evolving client needs and continue to differentiate Toronto Global in the marketplace.

Our regional value proposition relies on showcasing the region from a data-first approach, outlining key clusters and industries, and benchmarking the region against competing jurisdictions. Our ability to provide this information rapidly and on demand is a key

differentiator for Toronto Global. Clients, site selectors, and channel partners have continually impressed upon Toronto Global the value they find in our rapid, and high-quality responses.

In all, the business insights team completed over 170 business cases, custom slides and other research materials that advanced our opportunities in 2023/24.

Recognizing this, in 2024-25, we will continue to invest heavily in best-in-class tools and data, as well as our content management system to support a small team of analysts and continue to provide first class service to clients. A business analyst intern will also continue to be allocated to this team with a focus on developing new business content for emerging sectors like AI and markets like the Indo-Pacific which have high investor interest and are supported by the Government of Canada's AI and Indo-Pacific strategy.

## Ramp-up value-added support to help clients hire the talent they need to invest and grow in the Toronto Region

Talent continues to be the primary factor for corporate location decision-making. Access to high-quality labour pools, postsecondary institutions, well-heeled leadership, and a sustainable pipeline of talent are among the primary location requirements for Toronto Global's clients, particularly for innovation-focused and research-intensive firms.

Talent has traditionally been one of the strongest assets that the Toronto Region has to offer, however, key challenges and risks have emerged. Our competitive position as one of North America's most dynamic tech and innovation ecosystems is being consistently challenged due to competition on a global scale, rising labour costs, remote/hybrid work arrangements and overall cost of living pressures.

Due to these competitive forces, Toronto Global implemented a dedicated Talent Partnerships position in 2022-23. The role has been pivotal in mapping and connecting clients into our post-secondary ecosystem and is another major differentiator for Toronto Global. The emerging trend of companies utilizing the available talent pool for local growth rather than international expansion has challenged our advantage in the US tech sector. Increasingly, our focus has been highlighting the quality of talent found in Toronto rather than just availability.

In 2023-24 the team made 65 strategic talent connections and led a talent-focused mission to the Bay Area, meeting with 20 clients, and continuing to position Toronto as a destination for top-quality talent.

This year, in addition to continuing to raise the profile of the Toronto Region's talent advantage through our partnership with Tech Talent Canada, managing Global Talent Stream Category A immigration referrals, and supporting clients in the execution of their local talent attraction strategies, Toronto Global will explore and implement new and enhanced services/events to support clients more directly in identifying and hiring domestic and international talent. As part of Toronto Global's 2024 CECI program grant, funding has been allocated to support talent attraction activities.

### *Supply Chain Onshoring, Resilience and Expansion (SCORE)*

The pandemic had a significant economic impact on regional & global supply chains across the globe and these disruptions have hindered both domestic expansion mandates and foreign investment opportunities within Ontario's key sectors to this day. This was the catalyst for Toronto Global to collaborate with FedDev Ontario to deploy a supply chain resilience program that would look at these challenges from an economic development lens with the primary target of more proactively attracting foreign entities with solutions to address the most critical supply chain gaps.

With the majority of Canada's manufacturing capacity located in Ontario, including a cluster of Canada's top Life Science, Food & Beverage, and Advanced Manufacturing operations residing in the GTA, the Supply Chain Onshoring, Resilience and Expansion (SCORE) program was designed to help navigate around the most-pressing economic gaps. By providing value-added services that included supplier discovery, community development, and supply chain advisory support the program assisted regional firm's domestic expansion targets and helped uncover global firms considering expansion to Ontario to enhance risk mitigation while building North American supply chain resilience. The funded program also supported fellow Consider Canada City Alliance (CCCA) members in Ontario through 8 regional data-mapping and lead-generation projects which aligned the interests of the top economic development offices from the cities of Toronto, London, Niagara, Hamilton, Ottawa, and Waterloo.

The SCORE program is in its final phase and has yielded a pipeline of approximately 1,500 potential jobs, led the development of a proprietary survey tool, and helped to advance more than 50 of Toronto Global's FDI client files. SCORE also supported the creation of a public mapping dashboard with data on more than 10,000 businesses across three key sectors while delivering important insights to economic development leaders across Southern Ontario. This involved working directly with 8 partner organizations and has had a direct impact on over 100 domestic companies. Toronto Global's funding for SCORE from FedDev Ontario was extended to the end of the 2023 fiscal year and the assets from the program are currently being transitioned to the project's key stakeholders.

## *C. Toronto Region Brand-Building*

In support of Toronto Global's mandate to attract new, high impact, international investment to the Toronto Region, it's critical, particularly in an increasingly competitive international investment attraction landscape, that the Toronto Region's message to global investors is clear, compelling, and *heard* by international business leaders. Our marketing efforts will be increased in 2024 to provide upgraded and targeted messaging to investors that sets us apart from our competitors. However, job number one will continue to be to distinguish ourselves by providing our clients with first-class marketing and communications support to enhance their local brand awareness, promote activities such as hiring or special projects, and provide guidance and strategic public/media relations advice for their investment announcements.

## Provide first-class marketing support for client announcements

Under the Toronto Region Brand-Building pillar, our activities are focused first and foremost on supporting our clients with strategic marketing, communications and social media advice to support their brand awareness campaigns before, during and after their entry into the Toronto market. Additionally, the Marketing & Communications team is engaged when clients launch their new international investment in our region, providing a range of services from event support and the coordination of/with dignitaries to proactive and strategic media relations and media product development, to content creation and strategic dissemination across all channels. Toronto Global will continue to enhance its public relations and marketing support services to investors that have made a significant contribution to the Toronto Region economy and for which the Toronto Global team has been working directly with the company to reach the announcement stage (e.g., high job numbers, regional location, social impact, sectors of focus). Offering a standard of excellence in our marketing support to our clients is a proud feature of the services offered by our marketing and communications team.

Our team is constantly building increased awareness of the competitive advantages of the Toronto Region to international business decision-makers as an ideal location for corporate expansion.

An important objective is to ensure that Toronto Global is recognized as a critical regional partner and best-in-class international investment attraction agency amongst both global investors and stakeholders and that the value of foreign direct investment continues to be considered as an important tool to meet economic development objectives in the region.

## Increase global investor awareness of the Toronto Region's advantages

Few, if any, regions around the world can compare to Toronto Region's talent offering. This region is home to one of the most diverse, highly educated populations in the world, as noted by the OECD. There are eighteen colleges and universities within a one-hour radius graduating hundreds of thousands of students each year, many from globally ranking and experiential learning programs. The region welcomes more immigrants annually than any other destination in Canada, along with a stream of international students who are provided pathways to permanent residency. Our talent strengths are first-class and diverse across industries and emerging technologies. Highlighting our talent value proposition is critical.

In 2023-24, Toronto Global launched a paid digital media campaign to tell the Toronto Region's talent story and assist in generating increased awareness and leads, fueling our pipeline by driving relevant traffic to our website to connect with us. This activity was approved for support as part of Toronto Global's 2023 CECI program allocation.

Given the increasingly critical role that the availability of talent plays in location decisions, showcasing the Toronto Region's talent advantages to prospective international investors was important. The campaign was called, "All Here. All In." The strategy was executed with our municipal partners and launched in the United States and the UK from October 12th till

November 30th, 2023. It was also timed to overlap with the Toronto Inc. presence at the MedTech conference in Anaheim, California in order to drive conference attendees to our booth to learn more about our talent advantage. It showcased our Talent Connections Program as an asset to businesses looking to hire top talent and the talent assets housed across the region.

As talent truly is a regional asset, this activity was undertaken in direct partnership with our municipal partners.

The digital communications strategy involved:

+ working with a consultant/creative agency to develop a campaign theme and strategic messaging that resonates with international investors, based around the slogan: All here. All in.
+ the development of a new brand video for Toronto Global, some shorter, sector-specific GIFs and carousel ads, an interactive landing page, and a talent business case to communicate the messaging across several digital channels
+ creating new web content and implementing search engine optimization and conversion rate optimization tactics to increase the likelihood that the Toronto Region is among the top results for investors searching for relevant investment location keywords
+ hiring an intern to support the digital communication strategy execution, focused on writing and updating web content, social posts and other relevant communication materials.
+ The landing page and videos/assets that were created for this strategy can all be found here.
+ Ads placed on LinkedIn, Facebook, Google Search and Display – LinkedIn's best results and video ads best performing.

The outcomes included nearly 4.1 million impressions, 6500 clicks through to our website and over 60 form fill-outs. Of these completed contact forms, 13 have entered into the sales pipeline. We also saw a 14.3% increase in LinkedIn followers (added over 500 followers) and had 1.3K YouTube video views over the course of the campaign.

Building on the collaboration of the talent campaign, this year's Joint Marketing Activity will be to work alongside our municipal partners to build out assets and an organic campaign to highlight the regional AI strengths and opportunities that are articulated in the AI Strategy (described below), with the support of 2024 CECI funding. AI remains an immense opportunity to secure high-impact investments from both new and existing investors across all markets. The AI lab investment by Unilever has set a precedent, attracting interest from companies across a number of industries.

With the increased focus on the Indo-Pacific, we will also combine our efforts to target both this key sector and market as we sell our value proposition to investors.

### Continue to drive prospective investors to torontoglobal.ca and increase social media followers

As jurisdictions around the world ramp up their efforts to compete for global investment, the importance of having an effective, 'searchable' website and engaging digital assets that capture the attention of global investors and generate leads, is only expected to increase. In advance of our talent campaign and in advance of the mission to MedTech in 2023 Toronto Global launched a refreshed torontoglobal.ca website. We intend to maintain and enhance our digital marketing initiatives in 2024-25 by:

+ Implementing continual web performance enhancements to improve search engine optimization and conversion rate optimization.
+ Developing target-market-focused web pages that tailor messaging to specific countries in their own languages
+ Optimizing our 'Always-in-Market' digital campaigns and ongoing Search campaign quarterly with refreshed Search keywords, ad copy and ad creative
+ Refreshing the weekly News Monitor and Stakeholder newsletter with an updated look and feel
+ Continuing to have a proactive social media strategy across all channels
+ Launching a social follower's campaign/follower ad and boosting well-performing posts and executive content with paid dollars to reach new audiences beyond our current following and invite them to engage and follow us.
+ Testing new approaches to reach new audiences, such as sponsorship/advertorial opportunities in key publications.

## *D. Investment Readiness*

Underpinning our ability to attract high impact investment opportunities to the Toronto Region ensures we remain a highly attractive jurisdiction to international investors and that we are well-poised to respond to emerging opportunities and shifting investment attraction landscape.

### Build an Updated AI Strategy yielding high-impact projects

In collaboration with Toronto Global municipal and ecosystem partners, and other AI stakeholders, the 2024-25 Joint Research Activity will be focused on developing a coordinated AI FDI Action Plan: building on Toronto's standing as a world-leading AI hub. The Action Plan aims to capitalize on regional AI assets and opportunities to support investment attraction activities that will most strongly contribute to sustainable growth and prosperity in the Toronto Region in the era of artificial intelligence.

Toronto's global recognition as an innovation powerhouse has established the city as a magnet for cutting-edge research and investment in AI. While a drop in global rankings (moving to 5th from 3rd globally) signals challenges ahead, we continue to see strong interest

from investors, which has been bolstered by increased attention in generative AI following the public release of ChatGPT.

### Expand and Build on Partnerships for Higher Impact

Expand partnerships with key organizations, people and interlocutors

As a regional partnership, Toronto Global is committed to continuing to utilize, sell and leverage the assets we have right across the region to attract investors. To support our ability to do that, Toronto Global will work with our municipal funding partners to market available sites and opportunities for new business development and to attract global investment.

To build up our expertise and share best practices with our municipal partners Toronto Global will work with a consultant to coordinate a custom training program (supported with CECI funding) on leading best practices in investment readiness and client servicing within the current economic environment to better inform both our client-facing teams and regional partners on the latest international best practices to jointly support and facilitate international investment.

## *E. Regional Collaboration & Operational Excellence*

### Strengthen Regional Collaboration

Toronto Global's municipal funding agreement introduced a governance structure along with several defined services designed to embed collaborative mechanisms into our operations and enhance coordination of Toronto Global's investment attraction efforts with municipal partners. With municipal funding and adherence agreements set to expire in March 2025, in 2024-25, Toronto Global will be focused on the renewal of our municipal agreement with all members across the region.

At the governance and board level, we will be onboarding new Board members in 2024. In addition to having Councillor Shelley Carroll from the City of Toronto as the Mayor of Toronto's designate on our Board of Directors, along with Chair Wayne Emmerson, 905 Regional Chair representative and Chair of York Regional Council, Toronto Global has also provided for our provincial and federal funding partners to have observer status on the Board. The nomination committee will recruit new private sector Board members this year, prioritizing diversity in skills, regional representation, industry experience, and demographics to strengthen Board composition and support Toronto Global's current strategy and future vision. New board directors will be officially confirmed at the Annual General Meeting scheduled for June 2024.

## Attract and retain a diverse, inclusive, and high-performing team

The professionalism and dedication of Toronto Global's staff is the primary driver of the organization's ability to deliver results on behalf of the Toronto Region. With increasing competition for talent, it is of critical importance that Toronto Global double down on its ongoing efforts to provide an inclusive, supportive, engaging, and flexible work environment that attracts top candidates and retains our best-in-class people. Part of these retention efforts will include proactive workforce and succession planning to create opportunities for upskilling existing talent to foster internal career development and growth.

Success in achieving a strong organizational culture is measured through employee satisfaction and engagement metrics and benchmarks, including, Trust Index results and employee net promoter score (eNPS), in addition to analysis of annual turnover rates and achievement of certification or ranking on select "Best Employer" lists. In 2024-25, Toronto Global will continue a focus on 'culture-first people practices,' building on the successful implementation of an inclusive hybrid work model. The flexibility of a hybrid work environment is key to providing our people a sense of autonomy, empowerment, and support in balancing their work schedules with personal and family priorities. A hybrid workplace also provides us with a competitive advantage and enhances the employee value proposition in order to attract high-quality talent during future recruitment initiatives. Starting on April 1st, 2024, our employees will be working a minimum of three days of the week in the office with two of these as dedicated anchor days to actively drive organization-wide collaboration.

Last year's responses to the second Great Place to Work survey saw advancements across all five Trust Index dimensions (credibility, respect, fairness, pride, and camaraderie), and identified cultural strengths as well as areas for further development. We will be continuing to work on areas of improvement but overall, the survey results show a strong improvement across the board and a consistent increase in employee's view of Toronto Global as a great place to work.

In 2024-25, Toronto Global will continue to refine and deliver innovative People & Culture programs and practices that prioritize a positive and inclusive workplace where employees feel valued, respected, and supported. Budget depending, this includes:

+ Fostering a positive work-life balance:
    + Continuing to offer a flexible, hybrid work model while increasing the number of days in the office to encourage more collaboration and provide greater mentorship opportunities for early-career staff;
    + Rolling out the "work-from-anywhere" policy for the second year

+ Recognizing, celebrating, and rewarding exceptional work:
    + Continuing with the 4th annual CEO and Chair Recognition Award and sharing peer nominations with individual nominees to maximize impact
    + Showcasing employee successes, achievements, and experiences to personify how Toronto Global's culture and values are "lived in action"

- Facilitating opportunities for regular communication and feedback
    - Organizing 1-2 annual off-sites to reflect on progress, and challenges and find opportunities to continually improve
    - Implementing a revamped performance review process for 2024/25 to support individual achievement, core competencies, and shared success
    - Encouraging and supporting staff committees and clubs to undertake meaningful work of benefit to the organization (e.g. DEI Committee, Social Committee, Book Club, etc.)

- Investing in employee growth and development:
    - Maintaining a generous education/professional development fund policy
    - Encouraging and supporting staff to attend job-relevant local events, panels, conferences, and workshops to stay up to date on trends and build professional networks
    - Exploring tools, resources, and strategic organizational design to support career pathing and progression framework

- Emphasizing diversity, equity and inclusion:
    - Removing systemic barriers in recruitment through partnerships with community agencies and adding to our library of diversity and inclusion tools and resources
    - Advancing organizational level diversity and inclusion strategy by embedding inclusive design into policies, processes, training, performance management, decision-making, and other workplace initiatives.

2023 also saw the development of a Vision, Mission and Values statement for Toronto Global. Developed by our employees, the encompassing statement seeks to define where we want to go and how we want to get there.

## VISION

To be one of the leading, globally recognized investment attraction agencies in North America.

## MISSION

To attract, influence and support international businesses to grow in the Toronto Region.

## VALUES

### We're not just keeping up; we're leading the way.[4]

With resilience as our compass, we redefine the meaning of success. Never settling for average, we consistently raise the bar.

### Client first, always.[5]

Putting our clients first is not just a practice – it's a promise. Relationships are at the heart of everything we do.

### Your search stops here.[6]

When it comes to the Toronto Region, no one knows it better. Driven by a deep passion for our city, we take pride in ensuring our clients are positioned to thrive.

### Our work makes a difference.[7]

We are committed to shaping Toronto's future. We understand the importance of what we do and the impact our work carries.

### Together we are better.[8]

The success of our company is intertwined with the wellbeing of our employees. When we draw on our diverse experiences, we always win.

[4] aligns to INNOVATIVE
[5] aligns to ACCOUNTABLE
[6] aligns to PASSIONATE
[7] aligns to IMPACTFUL
[8] aligns to COLLABORATIVE & INCLUSIVE

# BUDGET

As we anticipate another year of economic uncertainty, inflationary cost pressures, and potential cash flow challenges related to completing discussions with regards to our funding renewal with the Province of Ontario, management will adopt a flexible budget approach for this fiscal year similar to last year.

Management will highlight key priorities in this business plan and adjust budget expense allocations throughout the year, balancing new opportunities, unforeseen costs, and cost savings that arise. As in this past year, any changes would be within the CEO's existing spending authority limit. Management will present to the Board a mid-year reforecast to update the budget and advise of any significant variances in both the first six-month period and the projected second six-month period.

A breakdown of the expected revenue of $7.4 million to fund the expenditures for this fiscal year is below.

## Expected Revenue

### Core and CECI

| Source | |
|---|---|
| FEDDEV | $2,500,000 |
| Province of Ontario | $2,500,000 |
| Municipal Partners | $2,184,000 |
| CECI | $276,000[9] |
| **TOTAL** | **$7,460,000** |

This budget contains cost assumptions based on our best estimates of the timing of costs and moderate inflationary impacts. The fiscal budget for 2024-2025 has been prepared with the following key assumptions:

+ Toronto Global's current Transfer Payment Agreement with the Province of Ontario will be renewed or extended in an amount of at least $2.5 million annually.
+ Toronto Global will embark on increased travel missions to supplement our investment pipeline.
+ Toronto Inc. $55,000 commitment to joint initiatives.
+ Labour and staff costs include the addition of interns. Funding is partially supported through the CECI program.
+ Marketing and Communications will support the investment attraction activities with increased activities and staff throughout the 2024/25 fiscal year. They will include

[9] Based on CECI approved project expenses, grant funded at 50% of total spend

increasing brand awareness, marketing initiatives, social media and digital campaigns in addition to the resources approved through CECI.

## Expected Disbursements

**Toronto Global**
**2024/2025 Budget - Full Year**

| | Business Plan Budget Full Year Total |
|---|---|
| **Core and CECI Expenses** | |
| **Labour and staff costs** | 5,695,000 |
| **Professional Services** | |
| Lead Generation Services | 145,000 |
| Professional Fees | 75,000 |
| Industry/Sector Research & Benchmarking Tools | 350,000 |
| Creative Design Marketing/Website Services | 225,000 |
| Sponsorship & Promotional Events | 25,000 |
| Total Professional Services Costs | 820,000 |
| **Office Expenses** | 300,000 |
| **Rent & Occupancy Costs** | 430,000 |
| **Travel (Airfare/ Hotel/ Conventions/ Misc. Travel)** | 210,000 |
| **Capital Costs** | |
| Facilities Improvements | |
| IT Capital Expenditures | 5,000 |
| Furniture and Fixtures | |
| Total Capital Cost | 5,000 |
| **Toronto Global FY 2024 Budget** | **7,460,000** |

## Risks and Challenges

Toronto Global receives roughly 33 percent of funding in grants and the remaining 67 percent in the form of project cost reimbursement. Cash flow management is critical to maintain the flow of disbursements where funding is based on reimbursement of expenditures. Toronto Global will seek to leverage cash advances from its funding partners wherever possible and also has an operating line of credit of $538,000 available to bridge cash flow timing challenges.