WATERLOO EDC
QUARTERLY REPORT
OCTOBER TO DECEMBER 2017
MESSAGE FROM THE PRESIDENT AND CEO

The fourth quarter of 2017 was a solid bookend to a successful sophomore year. The team continued to focus on executing our three strategic pillars: investment sales, concierge service and investment marketing.

In October, Waterloo EDC partnered with the Toronto Region on a joint-submission for the Amazon HQ2 initiative. This joint-proposal was led by our Toronto-Waterloo Corridor economic development partner – Toronto Global – and included the communities of Toronto Region, Guelph and Waterloo Region. In addition, we supported Ontario’s Innovation Supercluster Initiative which focused on the Advanced Manufacturing sector by bringing new, private sector partners to the table. This initiative is a $950 million Federal government funding program intended to strengthen Canada’s most promising clusters and accelerate economic growth in highly innovative industries. Updates on this exciting economic development initiative are expected in Q1 2018.

In November, I joined respective Mayors, a Councillor and Economic Development staff from the Cities of Cambridge, Kitchener and Waterloo, as well as local companies BlackBerry and ISARA, on an investment mission to the Northeastern United States. We met with corporate executives, key intermediaries and potential business partners in New York City and Boston to promote Waterloo Region’s strengths in autotech, security and fintech.

Supporting the continued growth and expansion of our local business community continues to be a top priority. In Q4 we launched our inaugural Economic Development Speaker Series in partnership with the Greater Kitchener-Waterloo Chamber of Commerce, which focused on supporting the continued growth and expansion of the local business community. The first event of the three part series, Grow Your Business with the European Free Trade Agreement, featured the Honourable Perrin Beatty, President & CEO, Canadian Chamber of Commerce, as the keynote speaker. The second event, Grow Your Business with Immigration, focused on providing information about the new Federal government’s immigration program called the Global Skills Strategy. The last event of the series, Modernization in the Food Sector, with speakers Arnold Drung of Conestoga Meat Packers and Kevin Martin of Martin’s Fruit Farm, takes place in January 2018.

We are excited to announce that our investment promotion website has been launched. The Marketing team has been diligently working throughout 2017 to develop our new website which highlights Waterloo Region’s strengths and unique economic development value proposition to our target audience: international business leaders, site selectors and investment intermediaries. The new site includes a number of state-of-the-art features such as an up-to-date Business Real Estate property search, demographics and statistics and an interactive industry map. Be sure to visit us at: www.WaterlooEDC.ca.

Let’s get to work!

Tony LaMantia
President & CEO

Waterloo EDC is the operating name of Waterloo Region Economic Development Corporation.
2017 BUSINESS PLAN: THREE STRATEGIC PILLARS

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<td>To forge a clear track record of investment attraction and scale up wins.</td>
<td>To build a best-in-class “go to” concierge and advocacy service to facilitate investment attraction and retention.</td>
<td>To increase awareness and interest of Waterloo Region’s unique economic development value proposition in targeted geographies and sectors.</td>
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VISION, MISSION, VALUES

VISION
To be locally rooted, internationally competitive and globally renowned.

MISSION
To build a world-leading legacy of sustainable economic development, prosperity and diversity for Waterloo Region.

VALUES
Collaborative, Professional, Integrity, Accountable, Results-Focused.
INVESTMENT SALES

Waterloo EDC continued to focus on investment attraction as well as retention of local business. The pipeline at the end of December 2017 is summarized in the chart below:

- Approximately 28 potential deals in the pipeline with an estimated value of $156,400,000 and approximately 733 jobs.
- Of potential deals in the pipeline, 53% are in ICT/Tech, 41% are in Advanced Manufacturing and 6% are in Business and Financial Services.
- Notable closed deals included IDT Biologika in Cambridge.

Investment by Sector

In October, Waterloo Region partnered with the Toronto Region to submit a joint-proposal for Amazon’s HQ2 bid. The joint-submission, led by Toronto Global, included Waterloo Region, Guelph, and the Toronto Region and provided a unique opportunity to raise awareness and reinforce the Toronto-Waterloo Corridor as the second largest innovation cluster in North America. More information about next steps for the Amazon HQ2 bid will follow in future reports.
CONCIERGE SERVICE & ADVOCACY

Waterloo EDC, in collaboration with the Automotive Parts Manufacturer’s Association (APMA) and Waterloo Centre for Automotive Research (WatCAR), and title sponsor, Toyota Motor Manufacturing Company, hosted the 2nd annual 2017 AutoTech Symposium at the University of Waterloo’s Federation Hall on October 4th. Our region is a leader in automotive manufacturing as well as connected and autonomous vehicle technology. The Symposium brought together more than 225 delegates from government, academia, research and automotive suppliers and companies to discuss Ontario’s capabilities and the future of the automotive and mobility sectors.

With Lara Swift, Co-Founder and Chief Operating Officer, Swift Labs, acting as our master of ceremonies (MC), and notable speakers including the Hon. Steven Del Duca, Minister of Transportation, David MacFarlane, Managing Director, ESCRYP, and Dave Resnick, Head of Google Canada’s Automotive division, who discussed how artificial intelligence and machine learning are disrupting the auto industry.

In conjunction with the 2017 AutoTech Symposium, Waterloo EDC launched the second edition of our AutoTech Ecosystem map. As a major hub for automotive innovation, the ecosystem map highlights Waterloo Region’s strengths in the automotive and mobility sectors, including globally significant companies that are driving the future of vehicle and mobility innovation.
Throughout the fourth quarter, Waterloo EDC supported Ontario’s Advanced Manufacturing Innovation Superclusters Initiative proposal. This Federal government program is designed to help strengthen Canada’s most promising clusters and accelerate economic growth in highly innovative industries. Our proposal, one of nine that was shortlisted for potential funding, focuses on significantly increasing Canada’s manufacturing competitiveness through enhanced private and public partnership in research. More information about next steps for the Innovation Superclusters Initiative will follow in future reports.

In addition, Waterloo EDC sponsored and/or participated in more than 50 events in the last quarter of 2017. Most notably, we partnered with the GKWCC, to host a three-part Economic Development Speaker Series focused on supporting the continued growth and expansion of our local business community.

The first event, Grow Your Business with the European Free Trade Agreement, in November, offered an insightful keynote from the Honourable Perrin Beatty, President & CEO, Canadian Chamber of Commerce, that focused on the new trade deal between Canada and Europe and the significant benefits for local and other Canadian business communities. The second event in the series, Grow Your Business with Immigration, held in December, featured leading immigration industry experts Stephen Green, Senior Partner at Green & Spiegel, and Tim Callan, Team Leader at Agilec. This expert panel discussed current immigration policies and strategies, including the new Global Skills Strategy program, to grow your workforce. The third event in the series, Modernization in the Food Sector, will be held in January 2018.

In November, Waterloo EDC hosted our Public Information Meeting in Cambridge, Ontario, and provided an update about our 2017 achievements and the outlook for 2018, followed by a Q&A with local constituents and community stakeholders.
INVESTMENT MARKETING & AWARENESS

The Waterloo EDC team participated in more than 20 inbound and outbound missions with potential investors including a number of high profile and globally significant organizations.

In November, representatives from Waterloo EDC, Mayors, a Councillor, and Economic Development staff from the cities of Cambridge, Kitchener and Waterloo travelled to the Northeastern US on a four-day expansion and investment-focused mission.

With extensive support from in-market Federal Trade Commissioners and Provincial Senior Economic Officers, Waterloo Region representatives attended 24 meetings, including the Canadian Consulate’s Site Selector Luncheon, AUVSI Unmanned Systems’ event, and the 2017 BlackBerry Security Summit, where City of Waterloo Mayor Dave Jaworsky spoke as a panelist, as well as a number of high-potential opportunities with globally significant companies.

“We have seen a lot of great things happen in Waterloo Region [since our Silicon Valley mission], and we anticipate more of the same with this business development mission.”

Berry Vrbanovic, Mayor – City of Kitchener

The team hosted a number of inbound missions, many with high profile and globally recognized businesses to highlight Waterloo’s strengths in connected and autonomous vehicles, security, artificial intelligence and quantum.

Waterloo EDC also participated in a foreign direct investment-focused mission to Europe with 11 other Canadian cities, regions and provinces as part of the Consider Canada City Alliance (CCCA) association. Over the course of the five-day mission to Zurich, Amsterdam and Paris, the team met with 24 companies interested in learning more about Waterloo’s unique value proposition for their businesses.

The Waterloo EDC Marketing team completed development of our much-anticipated new website at the end of the year, which targets international business decision makers and site selectors. Our objective for the website is to drive potential foreign investment sales leads for our community and includes updated design and content as well as special features that simplify the process for locating information about our community. In conjunction with the website, the team also developed our “Why Waterloo for Business” investment marketing video, which showcases our community’s unique value proposition to potential international investors and intermediaries. An official launch of the new website and video will take place in early 2018.

For October 1 – December 31