



2013-14
ACTIVITY REPORT



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FINANCE MONTRÉAL ACTS AS A AND PROMOTION OF QUÉBEC'S



CATALYST FOR THE DEVELOPMENT FINANCIAL SERVICES INDUSTRY



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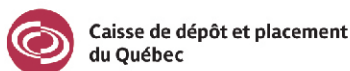


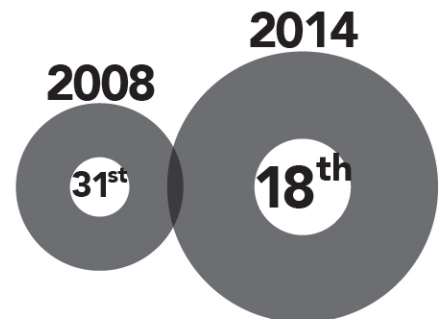
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KEY INDICATORS

MONTRÉAL'S RANKING IN THE GLOBAL FINANCIAL CENTRES INDEX



NUMBER OF JOBS IN QUÉBEC'S
FINANCIAL SECTOR

150 000

NUMBER OF FINANCE JOBS CREATED
IN QUÉBEC FROM 2002 TO 2012

15 000

FINANCE INDUSTRY'S SHARE OF QUÉBEC'S GDP:

6.2%



A VISION FOR AN INDUSTRY

Since its founding at the end of 2010, Finance Montréal, Québec's financial industry cluster, has implemented a strategic plan for a unified approach to promoting and developing the province's financial services industry. In 2013 and 2014, this work became more structured, and the pace quickened significantly. On December 31, 2014, Finance Montréal had 24 Governors and 13 Associate Members, as well as close to 300 volunteer industry professionals contributing to its development and promotion. The organization's growth is a testament to its relevance, as well as to the industry's willingness to come together and support financial expansion in Montréal.

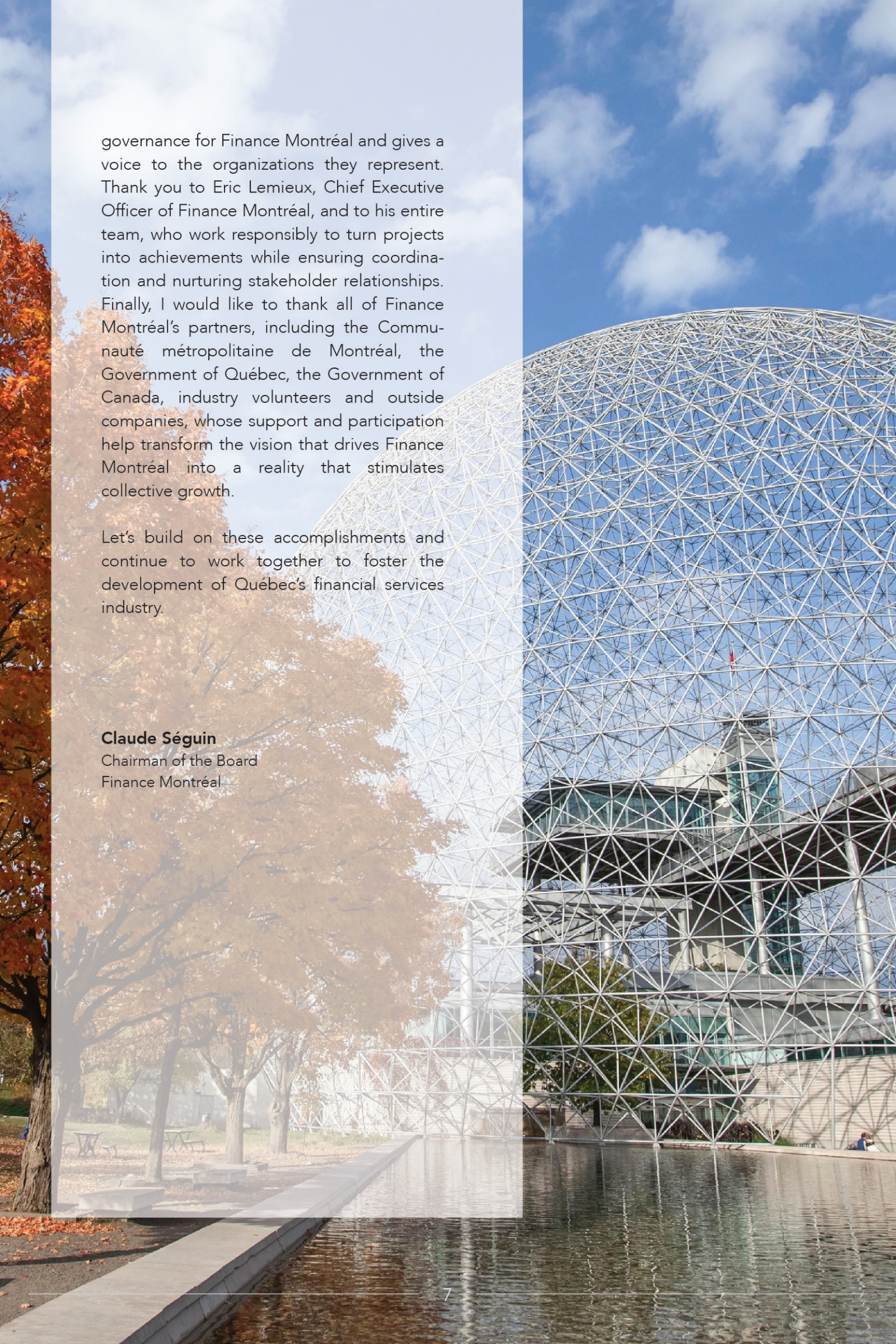
Finance Montréal's actions are guided by its desire to produce tangible results that benefit all its members and, more broadly, the Québec economy. This is the heart of our mission. We bring together a wide range of financial players to address our common priorities, which entail fostering an environment conducive to business where capital is accessible, sharing best practices to face new challenges affecting the financial industry, maintaining a constant influx of competent young graduates from institutions of higher learning, stimulating financial entrepreneur-

ship, enhancing the reputation of Québec's financial sector and attracting foreign financial corporations to Québec.

This last priority is also shared with the International Financial Centre of Montréal, Finance Montréal's sister organization. The excellent collaboration between these two organizations, which share various resources and work together to develop Montréal as a financial centre, is worth noting.

With the recent adoption of its strategic plan, *Ambition 2020*, more than ever, Finance Montréal is focusing on its role as a catalyst. Our ambitions are high, yet attainable: we intend to further export Montréal's know how in finance, increase high-value-added activities that benefit the Québec economy as a whole, and promote Québec's finance-specific assets, both locally and abroad.

On behalf of the Board of Directors, I would like to thank the members of Finance Montréal's Board of Governors for their leadership and vision. This organization is largely the result of their efforts and ongoing support. I would also like to thank the members of the Board of Directors, whose work ensures good



governance for Finance Montréal and gives a voice to the organizations they represent. Thank you to Eric Lemieux, Chief Executive Officer of Finance Montréal, and to his entire team, who work responsibly to turn projects into achievements while ensuring coordination and nurturing stakeholder relationships. Finally, I would like to thank all of Finance Montréal's partners, including the Communauté métropolitaine de Montréal, the Government of Québec, the Government of Canada, industry volunteers and outside companies, whose support and participation help transform the vision that drives Finance Montréal into a reality that stimulates collective growth.

Let's build on these accomplishments and continue to work together to foster the development of Québec's financial services industry.

Claude Séguin

Chairman of the Board
Finance Montréal



2013–2014: A SPRINGBOARD TO SUCCESS

In the last two years, Finance Montréal has become Québec's flagship finance cluster. Our organization is now recognized and appreciated for its role as a catalyst for Québec's financial sector and a place where its many members can come together and pool their resources.

Our strategy to develop Québec's financial strengths has led to many positive outcomes. In 2011, six work groups representing the financial industry's distinguishing characteristics and strengths were put in place, in collaboration with executives from Finance Montréal member institutions. Our main strengths lie in retirement management, the development of technological services applied to finance, and derivatives. Our work in infrastructure financing, financial entrepreneurship and human resources is also a source of added value and wealth creation.

Because the dynamism of our efforts is very important to us, we periodically re-evaluate their relevance. As a result, certain work groups have become units that produce value-added services: for example, the Human Resources work group established the Québec Centre of Excellence for Finance, and the Retirement work group helped create the *Pôle de recherche appliquée en retraite*,

an applied research hub on retirement.

With close to 150,000 jobs, our financial sector is one of Québec's most important service-producing industries. Montréal is currently ranked 18th on the Global Financial Centres Index, ahead of cities like Paris, Dubai, Tel Aviv and Rio de Janeiro, and up from 31st in 2008. This is proof of our ability to advance and compete with the best.

Finance Montréal has asserted its presence on the world stage by forming strategic alliances, such as its partnership agreements with the Shanghai Financial Association and the Global Risk Institute. In January 2015, a new agreement will be signed with the Casablanca Finance City Authority. These collaborations help stimulate international trade and allow us to share best practices on cross-cutting themes like risk management, to the benefit of all Finance Montréal members.

Our universities have an excellent reputation abroad, and the same goes for education in finance; some 30 research centres in such advanced sectors as derivatives, pension plan administration, and mathematical and computational finance operate here. The work of Finance Montréal's Québec Centre

of Excellence for Finance allows us to make the most of these strengths and ensure the industry's needs in terms of skills are fully met through the training available in our institutions of higher learning.

As a complement to its role as a catalyst, Finance Montréal also promotes Québec as a financial centre. The last two years were thus marked by the creation and implementation of a corporate communication and marketing plan. Various initiatives have allowed us to build the Finance Montréal brand and increase its visibility, making a significant contribution to the enhancement of our financial centre and its unique positioning compared with that of other international financial hubs.

Finance Montréal organizes many events, including the FinTech Forum, the International Pension Conference of Montreal and seminars in financial centres abroad, to fulfil its mission to promote industry leaders as well as the talents that form the basis of our reputation and expertise.

Competition in the financial industry is fierce and on a global scale. We must continue to develop the assets that set us apart, our own personality, to compete with financial centres worldwide and seize opportunities as they arise. The Finance Montréal team is ready to move forward with its strategic plan, Ambition 2020, and is committed to accomplishing its mission and fostering the group efforts that support Québec as a financial centre.

As my three-year mandate comes to an end, I am proud of everything we have accomplished and learned. I truly appreciate the opportunity that Desjardins Group has given me, as well as the trust that has been invested in me, in particular by Jean Houde and Claude Séguin, the former and current Chairmen of the Board of Finance Montréal, as well as Jacques Girard, the International

Financial Centre's Chairman of the Board. Establishing this organization would not have been possible without the unwavering support of our financial centre's stakeholders and a dynamic team fully committed to our industry's success. This team's many talents were key to Finance Montréal's achievements. I would like to thank the members of the financial community for their involvement, and special thanks go to the entire Finance Montréal and International Financial Centre team; it has been a pleasure working with you over the past three years. Finally, I would like to wish every success to my successor.

Eric Lemieux

Chief Executive Officer
Finance Montréal and
International Financial Centre of Montréal



MEMBERS OF FINANCE MONTRÉAL'S BOARD OF GOVERNORS



LÉOPOLD BEAULIEU

President and Chief Executive Officer, Fondation



RICHARD BOIVIN

Assistant Deputy Minister, Policies Pertaining to Financial Institutions and Corporate Legislation, Ministère des Finances du Québec



SYLVAIN BOULÉ

President and Chief Executive Officer, Montrusco Bolton Investments



PIERRE GABRIEL CÔTÉ

President and Chief Executive Officer, Investissement Québec



JEAN-RENÉ HALDE

President and Chief Executive Officer, BDC



ISABELLE HUDON

Executive Chair, Quebec and Senior Vice-President, Client Solutions, Sun Life Financial



MONIQUE F. LEROUX

Chair of the Board, President and Chief Executive Officer, Desjardins Group



PIERRE MATUSZEWSKI

Chief Executive Officer, Société Générale (Canada)



LOUIS MORISSET

President and Chief Executive Officer, Autorité des marchés financiers



R. JEFFREY ORR

President and Chief Executive Officer, Power Financial Corporation



RENÉ PERREAULT

President and Chief Executive Officer, HR Strategies Inc.



JEAN RAYMOND

Vice-Chairman & Managing Director, Head of Wholesale Banking – Québec, CIBC



MICHAEL FORTIER

Vice Chairman,
RBC Capital Markets



LOUIS GAGNON

President, Service &
Distribution, Intact
Financial Corporation



SERGE GODIN

Founder and
Executive Chairman
of the Board,
CGI Group inc.



CHARLES GUAY

President and Chief
Executive Officer,
Standard Life



L. JACQUES MÉNARD

Chairman,
BMO Nesbitt Burns
and President, BMO
Financial Group,
Quebec



ALAIN MIQUELON

President and Chief
Executive Officer,
Montréal Exchange &
Group Head of
Derivatives Markets,
TMX Group



GAÉTAN MORIN

President and
Chief Executive
Officer, Fonds de
solidarité FTQ



ÉRIC MORISSET

Vice-Chairman,
Québec Market,
TD Bank Group



RÉJEAN ROBITAILLE

President and Chief
Executive Officer,
Laurentian Bank



MICHAEL SABIA

President and Chief
Executive Officer,
Caisse de dépôt et
placement du Québec



ROBERT TELLIER

Regional Vice
President, Group
Retirement Solutions
and Group Benefits,
Manulife Financial



LOUIS VACHON

President and Chief
Executive Officer,
National Bank

MEMBERS OF FINANCE MONTRÉAL'S BOARD OF DIRECTORS



LÉOPOLD BEAULIEU

President and Chief Executive Officer, Fondation



MARTIN BEAULIEU

Senior Vice President and Chief Operating Officer, DTCD (Direct to Consumers Distribution), Intact Financial Corporation



MICHEL BERGERON

Senior Vice President, Marketing and Public Affairs, BDC



RICHARD BOIVIN

Assistant Deputy Minister, Policies Pertaining to Financial Institutions and Corporate Legislation, Ministère des Finances du Québec



SYLVAIN BOULÉ

President and Chief Executive Officer, Montrusco Bolton Investments



SUZANNE GENDRON

Managing Vice-President, Desjardins Group Cooperation and Corporate Affairs and Vice-President of the Board



JACQUES GIRARD

Chairman of the Board, International Financial Centre - Montréal



STEVE HARVEY

Dean, John Molson School of Business, Concordia University



PIERRE MATUSZEWSKI

Chief Executive Officer, Société Générale (Canada)



ALAIN MIQUELON

Président et chef de la direction, Bourse de Montréal et Chef des marchés de dérivés, Groupe TMX



LORRAINE PILON

Executive Vice-President, Corporate Affairs, Human Resources and Secretary, Laurentian Bank



JEAN RAYMOND

Vice-Chairman & Managing Director, Head of Wholesale Banking – Québec, CIBC



ROGER RENAUD

President, Standard Life Investments Inc.



HENRI-PAUL ROUSSEAU

Vice-Chairman, Power Corporation of Canada and Power Financial Corporation



CLAUDE SÉGUIN

Chairman of the Board, Finance Montréal - Senior Vice-President, Corporate Development and Strategic Investments, CGI Group inc.



ALAN DE SOUSA

Mayor of Saint-Laurent, City Councillor of Montréal



PHILIPPE DUBOIS

Vice-President, HR Stratégies Inc.



ROBERT DUMAS

President, Sun Life Financial Quebec



LAURENT FERREIRA

Executive Vice-President and Managing Director, Derivatives and Proprietary Trading, National Bank Financial Markets



CLAUDE GAGNON

Director, Operations and Executive Assistant to the President, BMO Financial Group, Quebec



BERNARD MORENCY

Executive Vice-President, Depositors, Strategy and Chief Operations Officer, Caisse de dépôt et placement du Québec



ÉRIC MORISSET

Vice-Chairman, Québec Market, TD Bank Group



LOUIS MORISSET

President and Chief Executive Officer, Autorité des marchés financiers



JEAN-CLAUDE PAGÉ

Vice Chairman of the Board and Chief Executive Officer, Optimum Group Inc.



SYLVIE PINSONNAULT

Vice-President, Investment Funds, Business Immigration and Tax Measures, Investissement Québec



PATRICE SIEBER

Vice President and Regional Operating Officer, Quebec Headquarters, Royal Bank of Canada



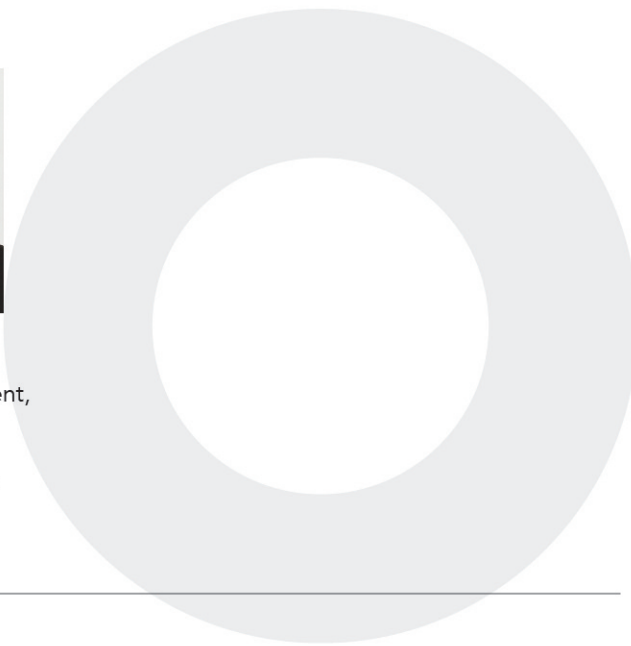
ROBERT TELLIER

Regional Vice President, Group Retirement Solutions and Group Benefits, Manulife Financial



JEAN WILHELMY

Senior Vice-President, Aerospace, Construction and Services, Fonds de solidarité FTQ



FINANCE MONTRÉAL ASSOCIATE MEMBERS



FRANÇOIS CODERRE

Dean - Faculty of
Administration,
Université de
Sherbrooke



JEAN-GUY DESJARDINS

Chairman of the Board,
Chief Executive Officer,
Fiera Capital Corporation



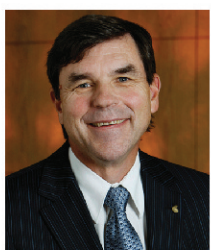
MICHEL GENDRON

Dean, Faculty of
Administrative
Sciences,
Laval University



JACQUES GIRARD

Chairman of the
Board, International
Financial Centre -
Montréal



JEAN-CLAUDE PAGÉ

Vice Chairman of the
Board and Chief
Executive Officer,
Optimum Group Inc.



STÉPHANE PALLAGE

Dean,
ESG UQAM School
of Management



MICHEL PATRY

Director,
HEC Montréal



JACQUES PRZYBYLAK

Managing Director,
Chief Operating Officer
Canada, BNP Paribas



STEVE HARVEY

Dean,
John Molson School
of Business,
Concordia University



JACQUES LUSSIER

Chief Executive Officer,
IPSOL Capital,
President,
Board of Directors,
CFA Montréal



RICHARD MORIN

Managing Director,
Investment Industry
Association of
Canada



KIA RASSEKH

Manager and Senior
Policy Advisor,
Québec, Conseil des
fonds d'investissement
du Québec



MORTY YALOVSKY

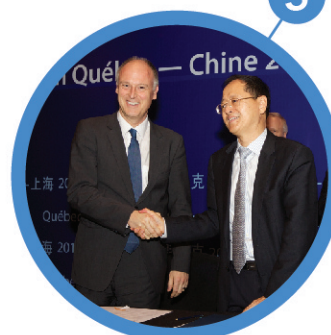
Professor and Interim
Dean, Desautels Faculty
of Management,
McGill

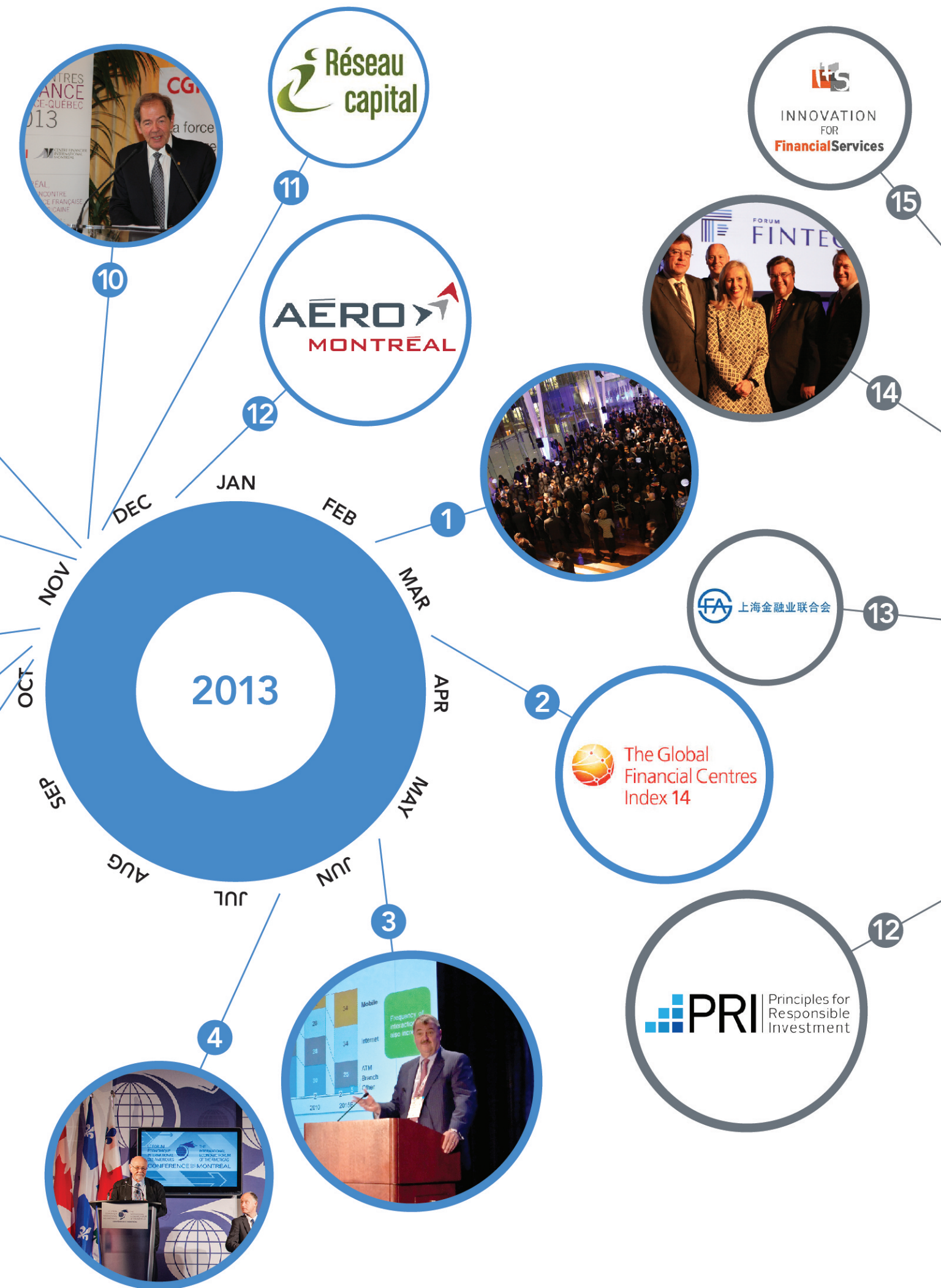


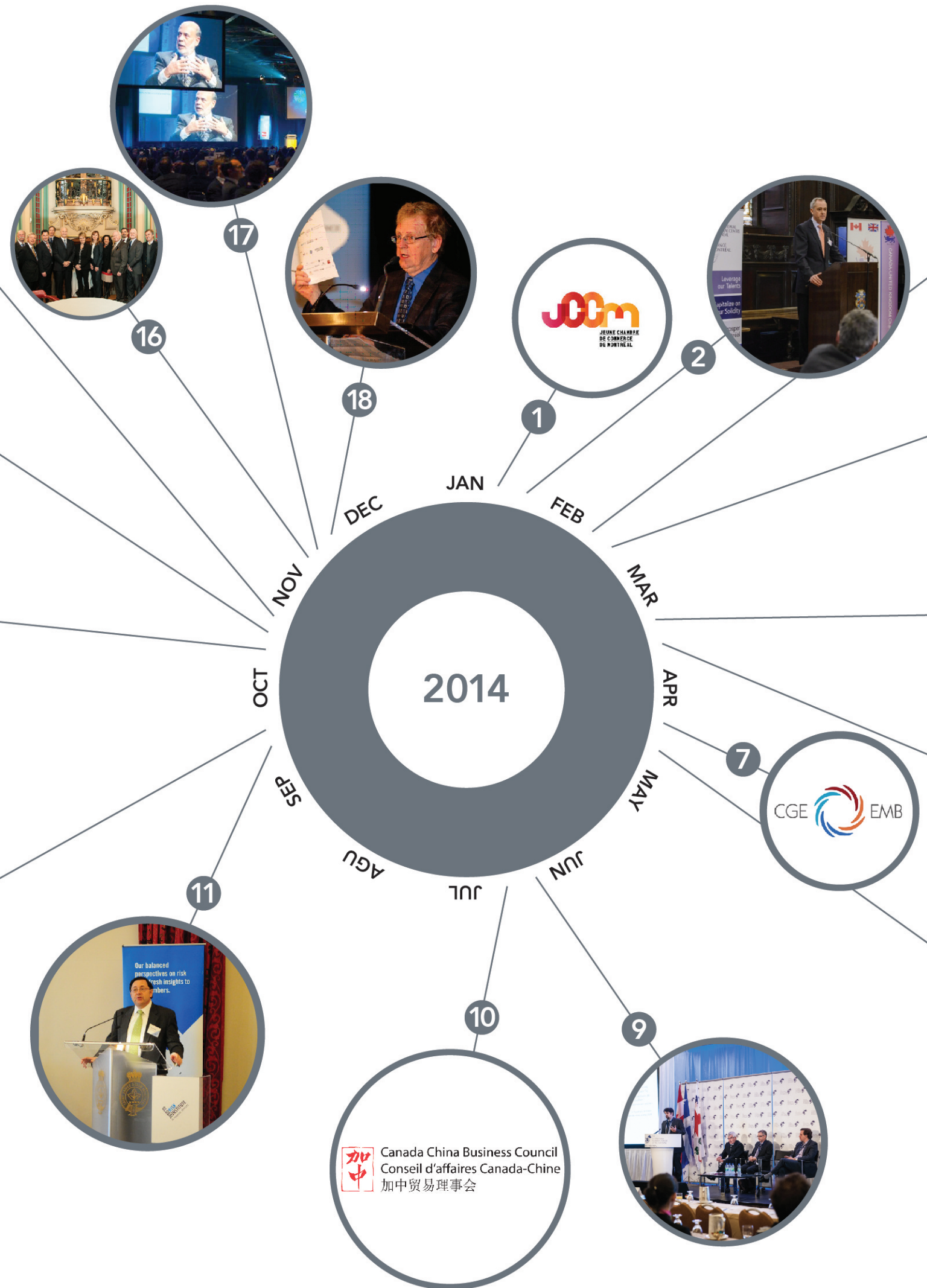


2013 HIGHLIGHTS

- 1** — **FEBRUARY:** Finance Montréal and IFC-Montréal annual cocktail at the *Caisse de dépôt et placement du Québec*, attended by Nicolas Marceau, Minister of Finance and the Economy
- 2** — **MARCH:** Montréal unveiling of the Global Financial Centres Index, attended by Mark Yeandle, Associate Director of Z/Yen Group of London
- 3** — **MAY:** First edition of the Montréal FinTech Forum at *Centre Mont-Royal*
- 4** — **JUNE:** First edition of the International Pension Conference of Montreal, which is part of The International Economic Forum of the Americas
- 5** — **OCTOBER:** Signing of a partnership agreement with Shanghai Financial Association and participation in the Canada China Business Council's Annual General Meeting
- 6** — **OCTOBER:** Presentation of the 2013 State of the Financial Services Industry conference with the Oliver Wyman consulting firm
- 7** — **OCTOBER:** Presentation of CFA Montréal's Asset Management Forum
- 8** — **NOVEMBER:** Organization and presentation of a luncheon with Louis Vachon of National Bank at the New York Yacht Club in New York City, USA
- 9** — **NOVEMBER:** Conference with Robert Shiller, economist and 2013 winner of the Nobel Prize in Economic Sciences, in partnership with CFA Montréal
- 10** — **NOVEMBER:** Organization and presentation of a luncheon with Serge Godin of CGI at the *Cercle de l'Union Interalliée* in Paris, France
- 11** — **NOVEMBER:** Participation in a breakfast conference on the impact of Montréal's sectoral clusters on the investment ecosystem with *Réseau capital*
- 12** — **DECEMBER:** Participation in the AeroFinancing Summit organized by Aéro Montréal, Québec's aerospace cluster







2014 HIGHLIGHTS



1— **JANUARY:** Guest speaker for the *Jeune chambre de commerce de Montréal* on promoting Montréal internationally



2— **JANUARY:** Organization and presentation of a luncheon conference with Gordon J. Fyfe of PSP Investments at the Stationer's Hall in London, United Kingdom

3— **FEBRUARY:** Presentation of the 2014 Financial Open bursary competition at HEC Montréal

4— **FEBRUARY:** Organization and presentation of the Finance Montréal and IFC Montréal annual cocktail at the *Caisse de dépôt et placement du Québec*, attended by Nicolas Marceau, Minister of Finance and the Economy

5— **MARCH:** Participation in the Professional Risk Management International Association (Montreal Chapter) Career Day

6— **MARCH:** Presentation of a discussion with Yvon Charest of Industrial Alliance before the American Chamber of Commerce in Canada, Quebec Chapter



7— **APRIL:** Participation in the cocktail to launch the Emerging Managers Board

8— **APRIL:** Participation in the Montréal International and City of Montréal mission to New York City, United States

9— **JUNE:** Organization and presentation of the second International Pension Conference of Montreal, which is part of The International Economic Forum of the Americas

10— **JUNE:** Participation in the Canada China Business Council summit on the internationalization of the Renminbi

11— **SEPTEMBER:** Presentation and participation at the Global Risk Institute's annual conference

12— **SEPTEMBER:** Presentation and participation at the United Nations Principles for Responsible Investment conference held in Montréal

13— **OCTOBER:** Participation in the Québec Premier's trade mission to China

14— **OCTOBER:** Organization and presentation of the second edition of the Montréal FinTech Forum

15— **OCTOBER:** Presentation and participation at the Innovation for Financial Services conference held in Montréal

16— **NOVEMBER:** Organization and presentation of the seminar luncheon with Jean-Guy Desjardins of Fiera Capital at the New York Yacht Club, New York City, USA

17— **NOVEMBER:** Presentation of a conference with Ben Bernanke, former chairman of the Board of Governors of the Federal Reserve System (United States), in Montréal, in partnership with CFA Montréal

18— **NOVEMBER:** Participation in the *Cercle finance du Québec* symposium on retirement and investments





"The Québec financial industry has all the necessary assets to compete with the best in the world."

- Eric Lemieux, Chief Executive Officer, Finance Montréal

FROM COMPETITORS TO COLLABORATORS

When we think about the global financial services industry, cities like New York, London, Hong Kong and Singapore immediately come to mind. However, other financial centres like Montréal are gaining momentum by specializing in niche markets. In 2013 and 2014, international recognition of Montréal's financial industry was confirmed when it ranked 18th on the Global Financial Centres Index published by the Z/Yen Group of London. Faced with fierce, worldwide competition in this industry, where different financial centres are fighting hard to attract capital and talent, how does Montréal create value for investors and financial service consumers?

The financial industry took a first step in 2010 to address this question: at the invitation of Raymond Bachand, Québec's then finance minister, a shared workplace benefiting everyone was put in place. The province's leading financial institutions decided to create Finance Montréal, a cluster that acts as a catalyst for the development of Québec's financial services industry.



WORKING TOGETHER TO GROW OUR INDUSTRY

Companies were quick to get on board. By the end of 2014, Finance Montréal, which only had a few members when it was founded, had 24 Governors and 13 Associate Members. These member institutions include banks, insurance companies, pension funds, portfolio managers, brokers, Québec's six major universities and public agencies. Finance Montréal's growth and the diversity of its members are a testament not only to its relevance, but also to a shared vision of its development by numerous stakeholders.

Even though several Finance Montréal members compete on a daily basis, their representatives leave that competition at the door when they come to work at Finance Montréal. This is the organization's greatest strength, its very essence: working together to develop the financial industry and its contribution to Québec's economy.

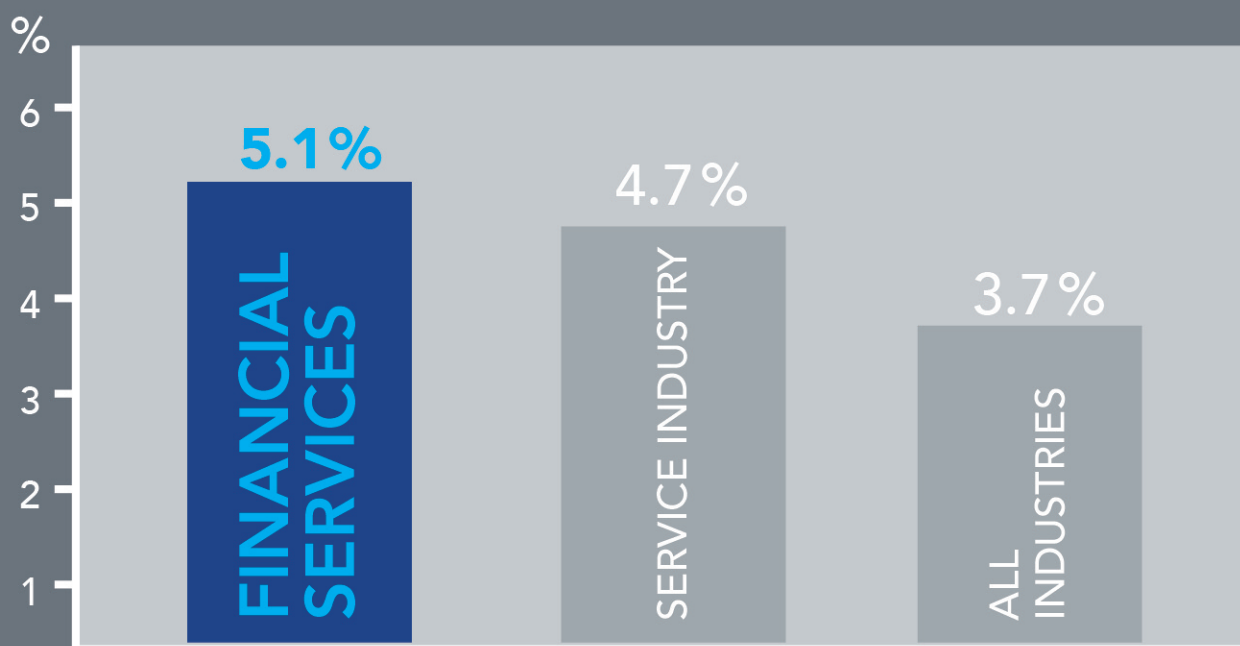


SIX WORK GROUPS OF GROWTH

Finance Montréal's mission is to develop and promote Québec's financial industry by stimulating growth and high-value-added financial activities that are strategic to the industry's development. Finance Montréal thus supports the entire Québec economy while enhancing Montréal's international reputation. The city is particularly proficient in four finance segments, which are expected to grow significantly over the next decades and have been identified as the pillars of the financial services industry in Québec's metropolis. Furthermore, two transverse pillars have also been identified as foundations on which the four vertical pillars can be built:



In 2013–2014, Finance Montréal created work groups for each of these pillars which are made up of 12 to 15 people, most of whom are executives among Finance Montréal's Governors and Associate Members. Significant work has been done in these work groups, which has led to concrete results.



Average annual GDP growth rate
for the Greater Montréal from 2000 to 2010

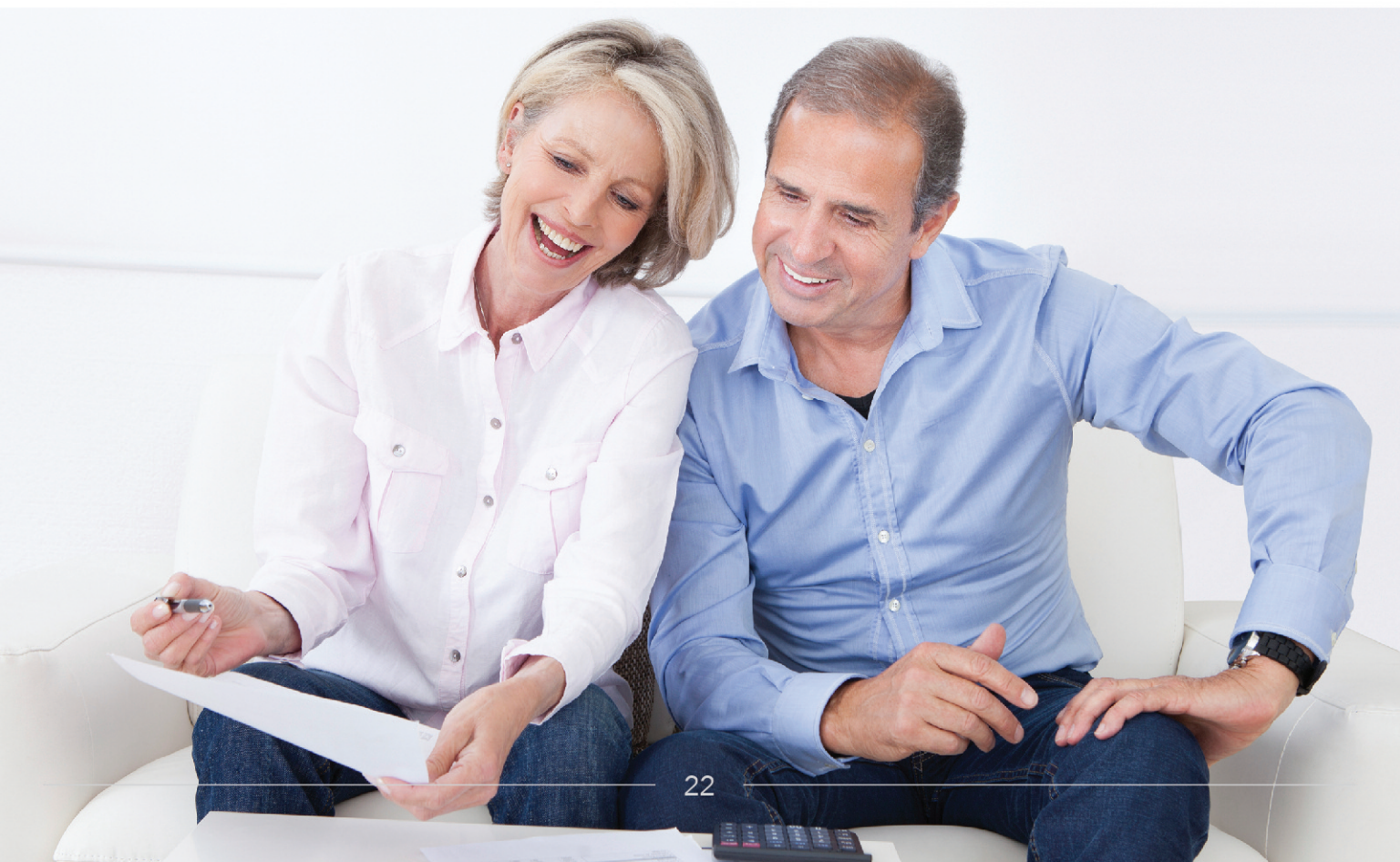
RETIREMENT WORK GROUP

Achievements

Finance Montréal is working on consolidating Québec's leadership in retirement management through innovative research, events and international promotion of Québec know-how.

Below are the work group's main achievements in 2013–2014:

- Organization and presentation of two editions of the International Pension Conference of Montreal
 - > A day of presentations and debates dedicated entirely to retirement-related socioeconomic issues as part of The International Economic Forum of the Americas, attended by 200 to 400 local and international participants
- Creation of the *Pôle de recherche appliquée sur la retraite* (applied research hub on retirement)
 - > This hub aims to facilitate consensus-building within the financial industry, with a view to increasing the scope, transfer and impact of research on society's retirement needs
- Development of a snapshot of Smart Beta products from a risk management, performance improvement and management fee control perspective
- In cooperation with *Question Retraite*, launch of an online and radio awareness campaign called *L'argent, parlons-en !*



Ongoing projects

- Third edition of the International Pension Conference of Montreal on June 8, 2015, as part of The International Economic Forum of the Americas
- Identification, by the applied research hub on retirement, of research opportunities on the transition from work to retirement, which, along with population aging, will be a significant challenge in the years to come, not only for employers and workers, but also in terms of the ability to drive economic growth

DID YOU KNOW ?

- **TWO** of the world's top 100 institutional investors are in Montréal
- Montréal has almost **250** pension funds of different sizes



"For almost 50 years, La Caisse de dépôt et placement du Québec has developed substantial expertise in the pension sector as well in assets that reflect that we are a long-term investor. This gives us an edge when it comes to attracting and retaining the best talent. At Finance Montréal we work together to ensure that Montréal takes its place internationally as a centre with strong know-how and expertise."

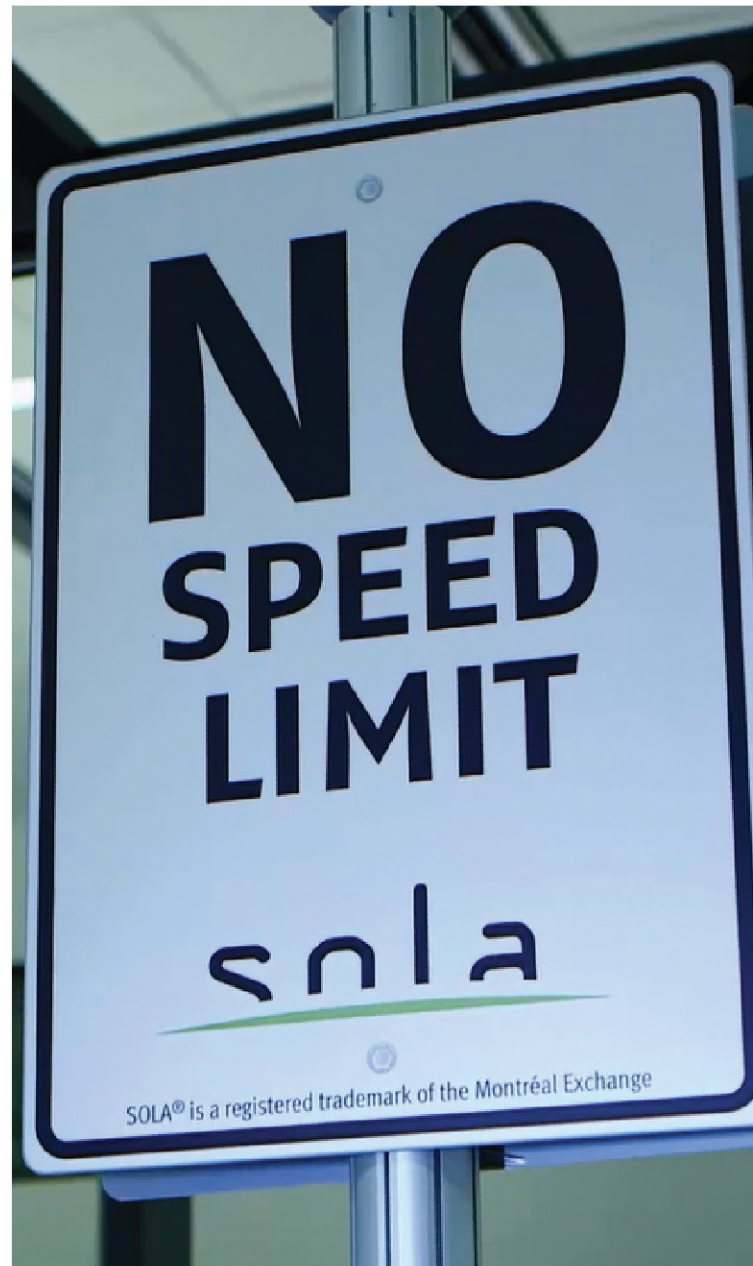
Michael Sabia
President and Chief Executive Officer,
Caisse de dépôt et placement du
Québec, Governor of Finance Montréal
and leader of the Retirement work group

DERIVATIVES WORK GROUP

Achievements

The Montréal Exchange has enabled Québec's metropolis to benefit from a significant presence on the global derivatives market. Finance Montréal wants to maintain and increase Montréal's leadership in the structured trading of derivatives. Below are the work group's major achievements to date:

- In collaboration with the Montréal Exchange, launch of an incentive program for the creation of prop trader jobs
- Monitoring of the regulatory framework and standards development in the financial services industry, in particular with respect to the use of derivatives in portfolio management
- Implementation of The Canadian Derivatives Exchange Scholars Program for graduate students conducting research on derivatives or financial risk management
- Support for the development of the Montreal Institute of Structured Finance and Derivatives (IFSID), whose mission is to conduct research and provide training on derivatives



Ongoing projects

- Implementation of the hedge fund simulation contest, in partnership with the university network and transaction system providers
- Organization of an awareness event on the use of derivatives for medium-sized pension funds
- Incorporation of mandatory basic derivatives training into the curriculum to obtain a stockbroker's licence
- Training for finance managers on the use of derivatives as risk management tools



"In the financial services industry, technology is a competitive asset, in particular for exchanges. Over the past 15 years, we have been able to access a unique talent pool in Montreal's technology space and we have leveraged technology to build our marketplace and to gain access to international customers. Our derivatives trading and clearing platform is used not only in the Montreal Exchange but also at other exchanges in the U.S. and across Europe. Through our collective work within Finance Montréal, we will continue to develop and position the Montréal Exchange as a competitive player in the global derivatives market."

Alain Miquelon
President and Chief Executive Officer,
Montreal Exchange, Governor of Finance
Montréal and leader of the Derivatives
work group

FINANCE AND TECHNOLOGY WORK GROUP

Achievements

The purpose of this work group is to connect the finance industry with information technology (IT), identify needs and develop innovative IT tools that will lead to accelerated growth in the financial sector. The objective is to position Montréal as a key player on the world stage with respect to technologies applied to finance, including financial intermediation, investment and insurance. Below are the work group's major achievements in 2013–2014:

- Implementation of a strategy to attract international financial software companies
- Discussions on the implementation of a shared services centre, with service offerings being used by several Finance Montréal member institutions
- Assessment work on the feasibility of establishing a Big Data research centre that would serve as a collaborative innovation platform
- Completion of a strategic study on the challenges and risks affecting the technology workforce for Montréal's finance sector



Ongoing projects

- Support for international firms in establishing financial software development centres in Montréal
- Development of a strategy to foster technological innovation among Québec entrepreneurs and support their local and international expansion
- Development of a proof of concept for establishing a shared services joint venture involving several Finance Montréal member institutions
- Establishment of an innovation centre for Big Data and other leading-edge technologies for finance



- Development of a strategy to align the development of leading-edge technology skills with the finance sector's current and future workforce needs



“Locally in Montreal, we have a strong expertise in technology, particularly applied to financial services. It was natural to bring together and mix finance and technology specialists in our working group to be able to help firms harness the growth expected in both sectors.”

Louis Vachon
President and Chief Executive Officer,
National Bank, Governor of Finance
Montréal and leader of the FinTech
workgroup

INFRASTRUCTURE WORK GROUP

Achievements

This work group aims to strengthen the ties between the different infrastructure stakeholders, e.g. engineers, contractors, managers and bankers. Global infrastructure investment needs are substantial, and the state of public finances has made increased private sector participation essential. As a result, demand for private financing for infrastructure projects is on the rise across the globe. Finance Montréal's Infrastructure work group is seeking to capitalize on these opportunities. Below are the work group's major achievements in 2013–2014:

- Preparation of a memorandum to government authorities linking infrastructure investment with national economic productivity and proposing financing alternatives to overcome budgetary constraints
 - Completion of an international benchmarking mandate with the Center for Interuniversity Research and the Analysis of Organizations (CIRANO) to identify best practices for developing an integrated infrastructure industry
-
- Creation of two committees
 - > Image of the industry and government
 - > Integrated vision and financing



Ongoing projects

Development of a communication strategy for the solutions proposed in the memorandum, to convey the recommendations made. The objectives are as follows:

- Develop Québec industry and expertise by launching major projects
- Structure the process for awarding mandates and build project support expertise
- Improve the infrastructure industry's reputation in Québec by disseminating information on its successes in alternative project delivery
- Develop a Québec-specific integrated offering model for infrastructure projects that can be exported
- Propose effective solutions for raising capital



“Capitalizing on the significant growth in the global infrastructure market, Finance Montreal aims to position Québec as an international leader in the design, construction, management and financing of infrastructure. The goal is to pool existing expertise and help bring together the different stakeholders of the infrastructure industry in Québec: engineers, constructors, managers and financiers.”

Jean Wilhelmy
Senior Vice-President, Aerospace, Construction, Services and Transportation, Fonds de solidarité FTQ, Director of Finance Montréal and leader of the Infrastructure work group

FINANCIAL ENTREPRENEURSHIP WORK GROUP

Achievements

A key indicator of any industry's health is its ability to attract, develop and cultivate entrepreneurship. The purpose of this work group is to facilitate the expansion of new financial sector businesses. It focuses on the needs of new finance entrepreneurs, in particular for increased access to seed capital. Below are the work group's major achievements to date:

- Launch of the Emerging Managers Board, whose goal is to promote and contribute to the development of local emerging managers through networking, education and mentoring
- Promotion of the new tax credits put in place by the Government of Québec:
 - > Tax credit relating to new financial services corporations
 - > Tax credit for the hiring of employees by new financial services corporations
- Completion of a strategic study on international benchmarking of financial entrepreneurship support
- Initiatives to facilitate the interpretation of existing regulations and the development of tools for financial entrepreneurs, at both the registration process and the regulatory compliance monitoring levels

DID YOU KNOW ?



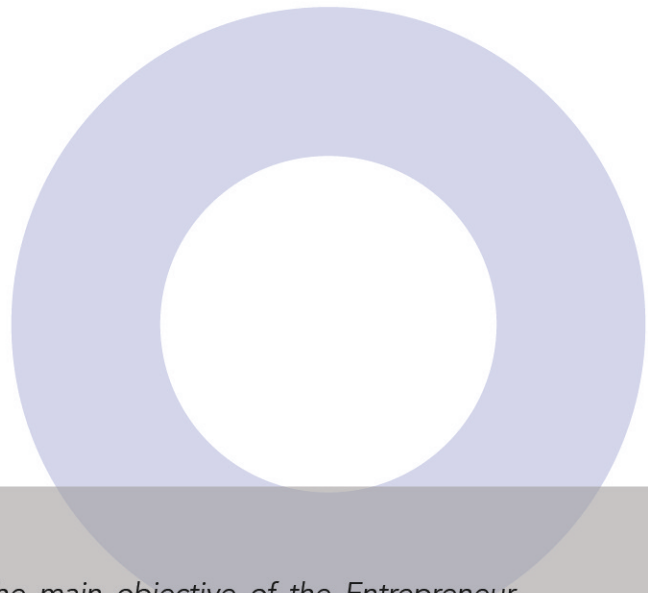
Number of portfolio management firms founded in Québec since 2000

Source : *Finance et investissement*, october 2014



Ongoing projects

- This work group's efforts are centred on three areas:
 - > Seed money
 - > Rules and regulations
 - > Start-up assistance and support
- Creation of a \$200 million fund to provide emerging managers with seed money
- In collaboration with the AMF, improvement of the tools available for the registration process as well as compliance monitoring
- Support for the Emerging Managers Board's start-up assistance and support efforts
- Implementation of the recommendations stemming from the strategic study on financial entrepreneurship support



"The main objective of the Entrepreneurship working group is to ensure that more portfolio management firms start up in Quebec. The program that we are developing aims to offer a solution to those responsible for asset allocation, to encourage them to assign more mandates to emerging managers."

Vital Proulx
President and Chief Investment Officer,
Hexavest and Leader of the
Financial Entrepreneurship work group

QUÉBEC CENTRE OF EXCELLENCE FOR FINANCE

(Human Resources work group initiative)

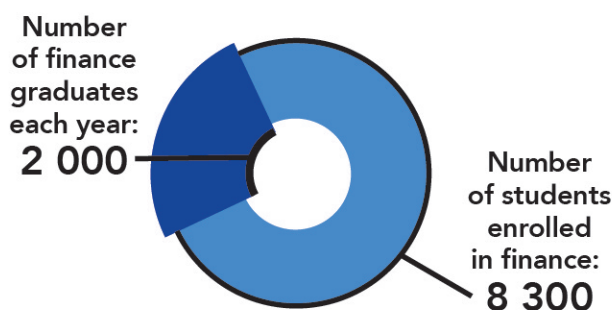
The Québec Centre of Excellence for Finance (QCEF) is the main result of the Human Resources work group's efforts. QCEF opened in November 2013 with a mission to promote careers in the financial sector and match financial institution needs with the appropriate skills. Concretely, the QCEF's objectives are the following:

- Promote careers in finance, training programs and job opportunities in the financial sector
- Consolidate new training needs identified by the sector
- Coordinate the development of new training programs with universities
- Develop and deliver certifications valued by the financial industry and participants
- Contribute to the national and international recognition of Québec's areas of excellence in finance

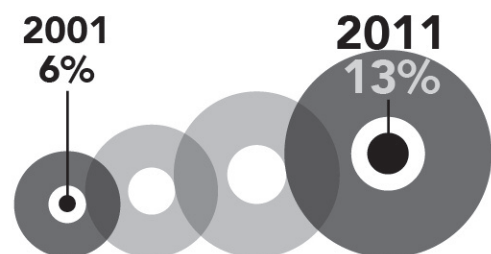
Achievements

- Implementation and delivery of professional training courses on risk management, finance for financial industry employees who are not finance professionals, financial spreadsheet programs, compliance practices and specialized training in IT management; close to 50 people took part in the courses given by the QCEF in 2014
- Design, development and online launch of an integrated internship platform giving students one-stop access to internships offered by many financial institutions; in 2013–2014, close to 100 internships were filled via this platform
- Completion of a study on the breadth of the finance workforce, in collaboration with *Conseil emploi métropole*
- Launch of a university tour and organization of conferences to showcase the QCEF and promote financial careers

FINANCE STUDENTS IN QUÉBEC



FINANCE STUDENTS FROM ABROAD IN QUÉBEC





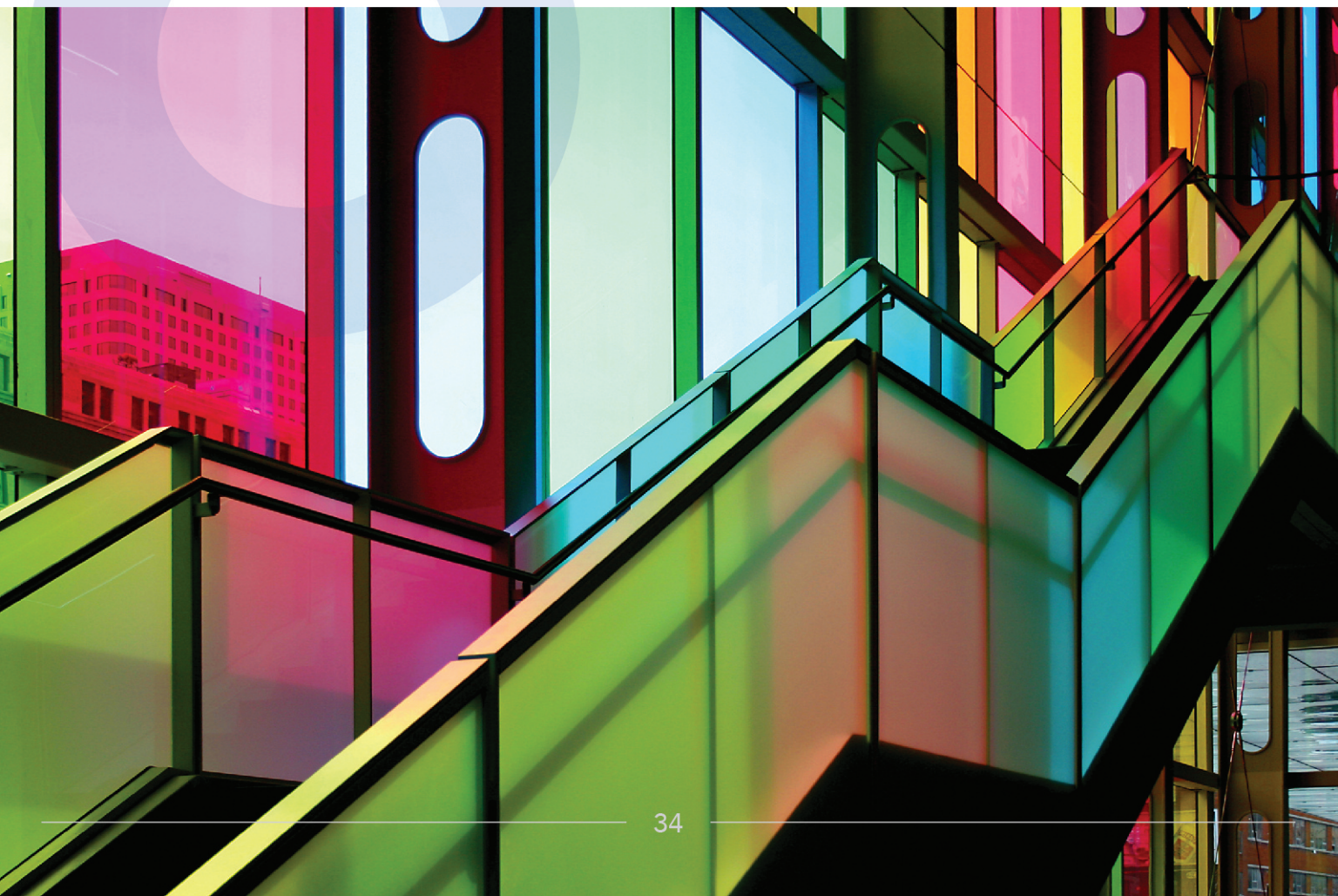
"Thanks to the size and the strength of the financial institutions present in Montréal, we can develop programs which will benefit finance professionals. This will help increase Montréal's competitiveness on a global basis. Through our work within Finance Montréal, we also want to retain local talent and help foreign professionals immigrate here and work in Montréal because at the end of the day, financial services are about people."

Monique F. Leroux
Chair of the Board, President and Chief Executive Officer, Desjardins Group, Governor of Finance Montréal and leader of the Human Resources work group

PROMOTING OUR FINANCIAL INDUSTRY AT HOME AND ABROAD

Promoting Québec's financial industry is the second part of Finance Montréal's mandate. The goal is to enhance Montréal's reputation as a world-class financial centre. To do this, an integrated communication strategy with several action areas was put in place in 2013–2014. Below are the organization's main communication priorities:

- Unification of the Finance Montréal and International Financial Centre Montréal brands, so that both organizations speak with one voice: positioning, attributes and common value proposition, thus enabling target audiences to quickly and clearly recognize the originator of the message
- Production and implementation of an integrated corporate communication strategy ensuring consistency in all communication and marketing actions, as well as reputational risk management
- Strengthening of relationships with Finance Montréal stakeholder communication teams, as well as with external partners
- Positioning among local and international media as the go-to reference for the financial industry in Montréal and Québec



LOCAL AND INTERNATIONAL CONFERENCES

Finance Montréal and IFC-Montréal organize six major conferences every year:

- > The International Pension Conference of Montreal, which is part of The International Economic Forum of the Americas



- > The Montréal FinTech Forum



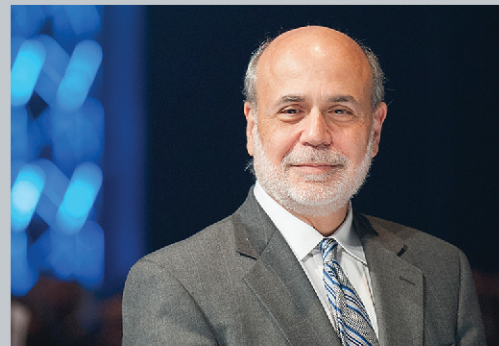
- > Conferences in New York, Paris and London presenting leaders of the Québec financial services industry



- > An annual cocktail that brings together close to 400 leaders in the financial services industry



2013 Finance Montréal and IFC-Montréal annual cocktail attended by Nicolas Marceau, Minister of Finance and the Economy



Conference with Ben Bernanke, former Chairman of the Board of Governors of the Federal Reserve



Presentation of the Montréal FinTech Forum



Presentation of the International Pension Conference of Montreal

In addition, Finance Montréal has deployed a sponsorship strategy to support its partners and ensure its visibility during their conferences and events. The Chief Executive Officer and the Chairmen of the Boards of Finance Montréal and IFC Montréal spoke at many of these public events and conferences:

- > AeroFinancing Summit organized by Aéro Montréal, Québec's aerospace cluster
- > United Nations Principles for Responsible Investment conference
- > Global Risk Institute conference
- > Conference of financial leaders presented by The Canadian Club
- > Economic forecasting conference presented at the Montreal Council on Foreign Relations
- > Cercle finance du Québec symposium on retirement and investments
- > Conferences featuring political leaders presented by the Board of Trade of Metropolitan Montreal



Seminar luncheon with Louis Vachon of National Bank at the New York Yacht Club in the United States



Seminar luncheon with Serge Godin of CGI at the Cercle de l'Union Interalliée in Paris, France



Seminar luncheon conference with Gordon J. Fyfe of PSP Investments at the Stationer's Hall in London, United Kingdom



Seminar luncheon with Jean-Guy Desjardins of Fiera Capital at the New York Yacht Club, United States

A NEW PRESENCE ON THE WEB

In October 2013, Finance Montréal launched its new website, www.finance-montreal.com. The site, shared by Finance Montréal and International Financial Centre Montréal, aims to deliver original content as well as tools for foreign investors, local finance professionals and students:

- o A georeferenced map of Montréal's financial institutions
- o An IFC-Montréal tax credit calculator
- o An integrated internship platform for finance students
- From October 2013 to December 2014, the new Finance Montréal website attracted nearly 20,000 unique visitors, and nearly 100,000 website pages were viewed
- A new joint newsletter, The Montréal Asset, was developed by Finance Montréal and International Financial Centre Montréal in the winter of 2013 and is regularly sent to everyone in our databases of finance contacts around the world
- New social media accounts were created on Twitter, YouTube and LinkedIn which are fed content that emphasizes the strengths of Québec's financial industry. FinTech Forum social media accounts are also active



MEDIA POSITIONING

Below are some of Finance Montréal's activities to position itself among the media as a key reference for the financial industry in Montréal and Québec:

- > A visibility exchange agreement was entered into with a major media group with financial publications
- > Finance Montréal maintained and developed its relationships with the Québec press
- > Regular press releases were issued to journalists and published in Québec and Canadian media
- > Finance Montréal organized media reachouts when questioned on key topics (e.g. single securities regulator project, deployment of a Renminbi trading centre in Canada, development of the FinTech industry in Montréal)
- > Finance Montréal, IFC-Montréal and FinTech Forum were mentioned nearly 500 times by online media between January 1, 2013 and December 31, 2014



Sauvegardé le lundi 6 octobre 2014 à 7h34 | La Presse+
Publié le 06 octobre 2014

AFFAIRES

Un « chantier » prioritaire



Martin Vallières
La Presse

Finance Montréal, le plus important regroupement de « chantiers » prioritaires, afin d'inscrire les services bancaires et financiers.

Finance Montréal tiendra d'ailleurs à la fin de l'année prochaine un séminaire de haut niveau sur les enjeux de l'enseignement supérieur.

Par ailleurs, Forum FinTech sera immédiatement suivi de l'Innovation for Financial Services.

« Le secteur bancaire a la réputation d'être le plus récent exercice, le secteur financier est en fait parmi les entreprises les plus anciennes du monde, vice-président de l'Informatique basée à Montréal.

CGI

Le marché mondial des entreprises de services financiers est en plein essor, le secteur financier est en fait parmi les entreprises les plus anciennes du monde, 20 des 25 principales banques du monde, 20 des 25 principales

FI FINANCE ET INVESTISSEMENT

26.09.2014 - 08:17 - FINANCE ET INVESTISSEMENT

Industrie

ISR: lancement de l'Engagement de Montréal sur le carbone

Finance Montréal salue le lancement de l'Engagement de Montréal sur le carbone, une déclaration engageant les investisseurs institutionnels qui l'adopteront et divulguer l'empreinte carbone de leur portefeuille.

Le lancement de l'Engagement de Montréal a été fait lors de la conférence organisée par l'organisation United Nations Principles for Responsible Investment (PRI) cette semaine à Montréal.

« L'investissement responsable fait partie des orientations stratégiques de Finance Montréal. Nous entendons jouer un rôle significatif dans les efforts de promotion de ces principes à l'échelle mondiale », soutient Eric Lemieux, directeur général de Finance Montréal et du Centre financier international de Montréal.

Afin de démontrer son soutien aux PRI, Finance Montréal s'est alliée au PRI Québec pour mettre sur pied un consortium de 18 institutions financières qui agit comme présentateur principal de l'événement.

« Tout au long de la semaine, des investisseurs institutionnels de partout du monde ont pu tisser des liens avec notre communauté d'affaires et découvrir les forces de l'industrie financière de Montréal, notamment en ce qui a trait à l'investissement responsable. Il s'agit d'un succès important pour la métropole québécoise, un succès qui est aligné sur des valeurs grandement partagées par plusieurs Québécois », ajoute Eric Lemieux.



Sauvegardé le jeudi 16 octobre 2014 à 6h38 | La Presse+
Publié le 16 octobre 2014

AFFAIRES

La cybersécurité au cœur des préoccupations en finances



Martin Vallières
La Presse

La « révolution numérique » s'accélère dans le secteur des services financiers, au point où sa bonne gestion devient déterminante pour la compétitivité des institutions financières et leur survie même à moyen terme, a-t-on entendu hier au Forum FinTech organisé par Finance Montréal.

En contrepartie, ce bond des technologies dans la gestion et la livraison des services financiers s'accompagne d'une croissance rapide des risques d'attaques informatiques qui ciblent les masses de données de comptes clients et les transactions de paiement électronique.

« En matière de cybersécurité, c'est clair qu'il y a un très grand besoin de concertation entre tous les intervenants au niveau de l'industrie [des services financiers], mais aussi des gouvernements et des agences de sécurité pour contrer ce fléau », a indiqué M. Vachon, président de la Banque Nationale, lors de sa présentation à titre de président d'honneur du Forum FinTech.

« De plus, on constate que des attaques de fraude informatique de plus en plus sophistiquées ne ciblent pas seulement les institutions et les grandes entreprises, mais aussi de plus en plus d'entreprises de taille moyenne. Comme dirigeants d'entreprise, nous devons tous être de plus en plus prudents et revoir nos mesures de cybersécurité. »

M. Vachon a cité en exemple les questions sur la cybersécurité auxquelles ses homologues à la direction de la plus grande banque américaine, JPMorgan Chase, ont dû répondre mardi lors de leur présentation des résultats trimestriels. C'était aussi peu de temps après la divulgation par la banque que l'information sur plus de 80 millions de comptes clients aux États-Unis avait été la cible d'un cyberattaque sans précédent dans le secteur bancaire américain.

« La cybersécurité est devenue un enjeu très important dans le secteur des services financiers, et de plus en plus aussi un enjeu de société. »

— Louis Vachon, président de la Banque Nationale et président d'honneur du Forum FinTech

STRATEGIC PARTNERSHIPS THAT CREATE VALUE FOR THE INDUSTRY

Finance Montréal and IFC-Montréal have established strategic partnerships with organizations that have shared interests. These partnerships involve resource sharing, information distribution, promotional and logistical support, professional training, student exchanges and cross-referencing. Below are some of Finance Montréal's partner organizations:



Shanghai Financial Association



Le Cercle de la finance du Québec



Association des économistes québécois



Casablanca Finance City Authority



Global Risk Institute



American Chamber of Commerce in Canada



Emerging Managers Board



Young Canadians in Finance



THEY SAID...

“Through its implication in the International Pension Conference of Montréal which is held during the International Economic Forum of the Americas, Finance Montréal demonstrates that by multiplying showcase activities, networking opportunities and communications efforts on issues faced by the financial services industry, we contribute to position Montréal as an important financial center for local and international institutions.”

- Henri-Paul Rousseau
Vice-Chairman, Power Financial Corporation
and Director of Finance Montréal



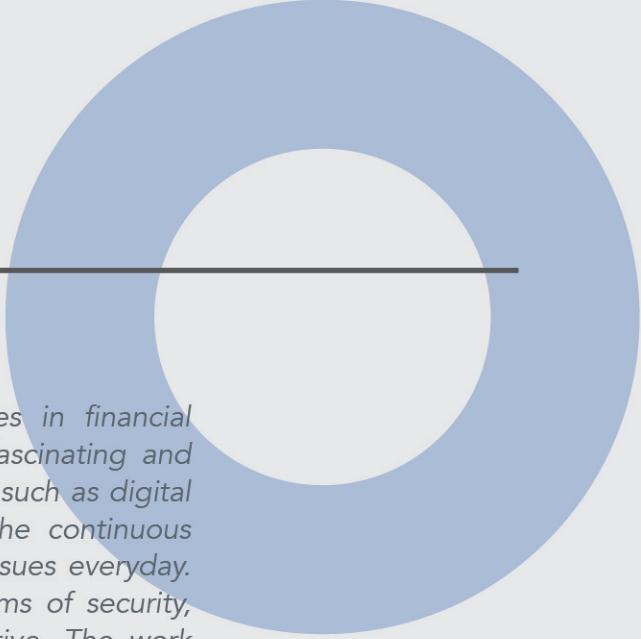
“The creation of the Pension Applied Research Center (PARC) is a concrete result of Finance Montréal’s working group on pension. This new research center will increase the scope, the reach and the output of research on pension while focusing on the needs of the industry and society. The PARC represents the spirit of Finance Montréal in which member’s common objectives are met through engaging projects whose results benefit to all.”

- Clément Gignac
Senior Vice-President and Chief Economist,
Industrial Alliance

“The purpose of the FinTech Forum is to help local companies seize international opportunities. The three contests which are part of the Forum are a good way to support college students and early-stage entrepreneurs. Furthermore, the internationally renowned speakers help put Montréal and its leading-edge industry on the world map. We provide the participants of FinTech Forum with an experience that fosters innovation and advancement.”

- Pierre Matuszewski
President, Société Générale Canada, Finance Montréal
Governor and Head of the organizing committee
of the 2014 FinTech Forum





“New technologies are causing disruptive changes in financial institutions’ business models. This exuberance is fascinating and comes with significant challenges. In fact, advances such as digital currencies, crowdfunding, mobile payments and the continuous delivery of financial services are bringing up new issues everyday. The financial services industry must adapt— in terms of security, client experience, regulation —to remain competitive. The work accomplished within the finance and technology work group of Finance Montréal allows actors of the financial services industry to share best practices to meet the constantly evolving expectations of both industry professionals and consumers of financial services.”

- Pierre Miron

Executive Vice-President, Operations and Information Technology, Caisse de dépôt et placement du Québec and member of the finance and technology work group of Finance Montréal



“There are a great deal of highly skilled managers and a sufficient number of pension funds to allow for more asset management firms to grow in Montreal. The contribution of these firms to Québec’s financial services industry can indeed be considerable. Currently, emerging managers are struggling to get their first significant mandates. As a result, they do not have the opportunity to demonstrate their competencies and expand their business model. We hope to provide an adequate response to this major challenge.”

- Stéphane Corriveau

President and Managing Director, AlphaFixe and member of the Financial Entrepreneurship work group

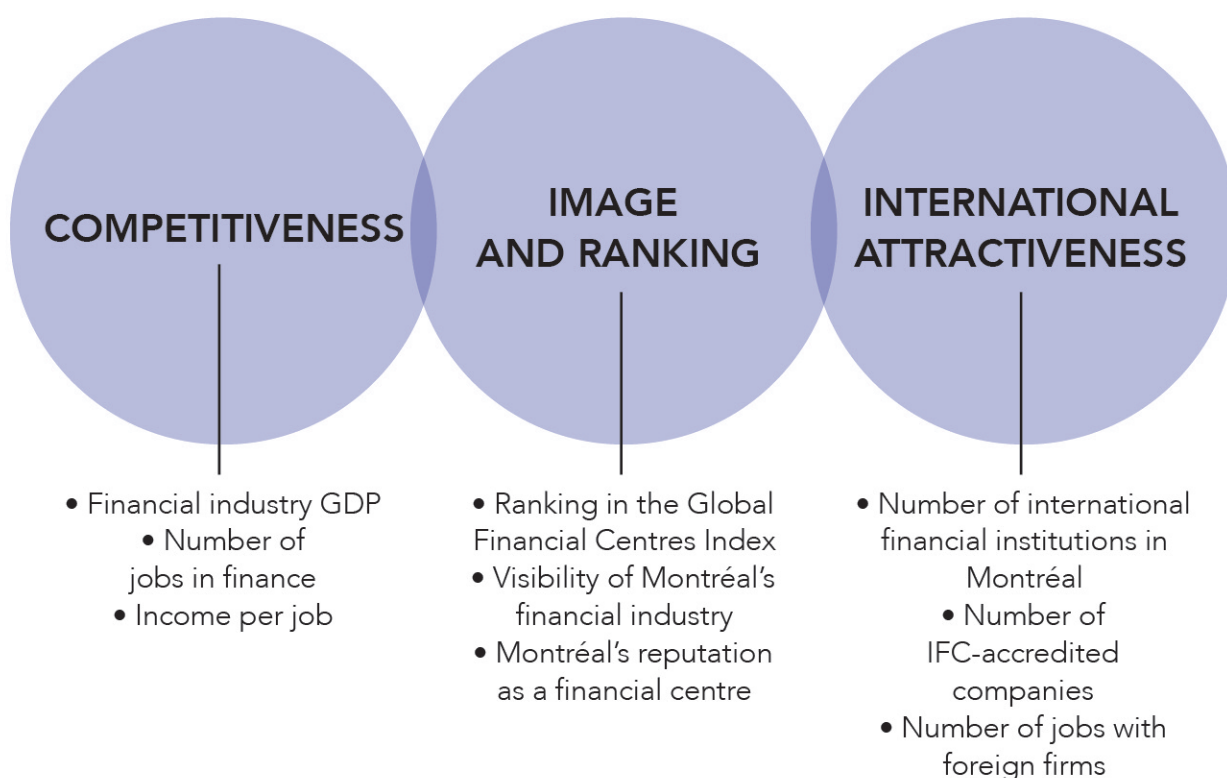
AMBITION 2020 : FINANCE MONTRÉAL HAS SET ITS COURSE

“Make Montréal a dynamic and innovative financial centre that serves the Québec economy”

This is Finance Montréal’s *raison d’être*. In 2014, its Governors, Directors, Associate Members and Management Team worked together to develop a five-year strategic plan called Ambition 2020, which identifies the organization’s scope of activities and goals from now until 2020. Three main objectives were set to make Montréal a dynamic and innovative centre:

1. Become more competitive and develop the competencies in our areas of excellence
2. Highlight the financial sector’s performance and its contribution to Québec’s economy
3. Continue to promote Montréal as a financial centre internationally, to attract foreign firms

Indicators have been selected to assess the attainment of these objectives. They make up Finance Montréal’s performance dashboards. These indicators are grouped into three categories: Competitiveness, Image and Ranking, and International Attractiveness. Each category comprises a set of measures.



WORK GROUPS AND AREAS OF EXCELLENCE

Finance Montréal's six initial work groups embody time-specific initiatives, each overseen by an industry leader with a view to delivering a specific result. Once the work group's action plan is finalized and approved, the group is dissolved, and the actions become Finance Montréal mainstays. Starting in 2015, these work groups will be promoted as areas of excellence within the Montréal financial centre; they will thus become assets featured in promotional efforts on the international stage. Furthermore, the format of certain work groups will change, and other work groups will end to make room for endeavours in new areas:

- > The Derivatives work group is coming to an end and becoming an area of excellence
- > The Human Resources work group is now overseen by the Québec Centre of Excellence for Finance (QCEF)
- > The Infrastructure work group will become part of the new Investment Capital work group

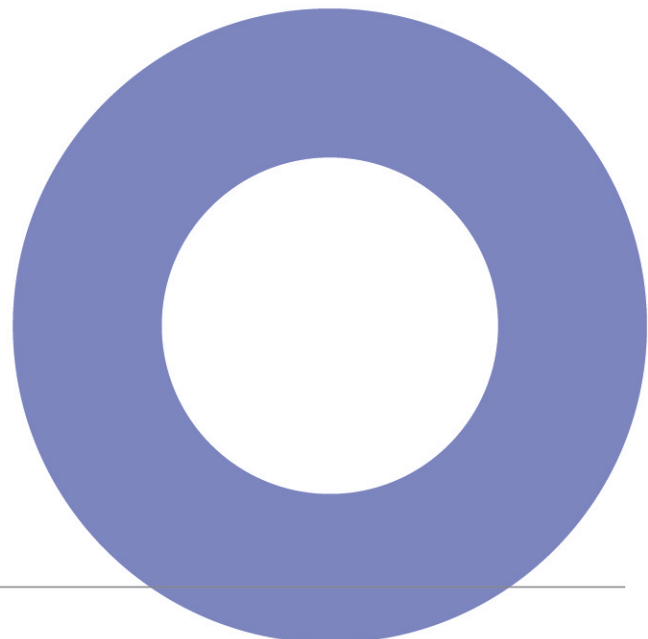
As for promoting Montréal's financial industry, the following areas of excellence will be put forward:

- > Retirement
- > Derivatives
- > Technologies applied to finance

Further to the decisions made by Finance Montréal's Governors and Directors, the organization will be developing new work groups as part of the Ambition 2020 strategic plan:

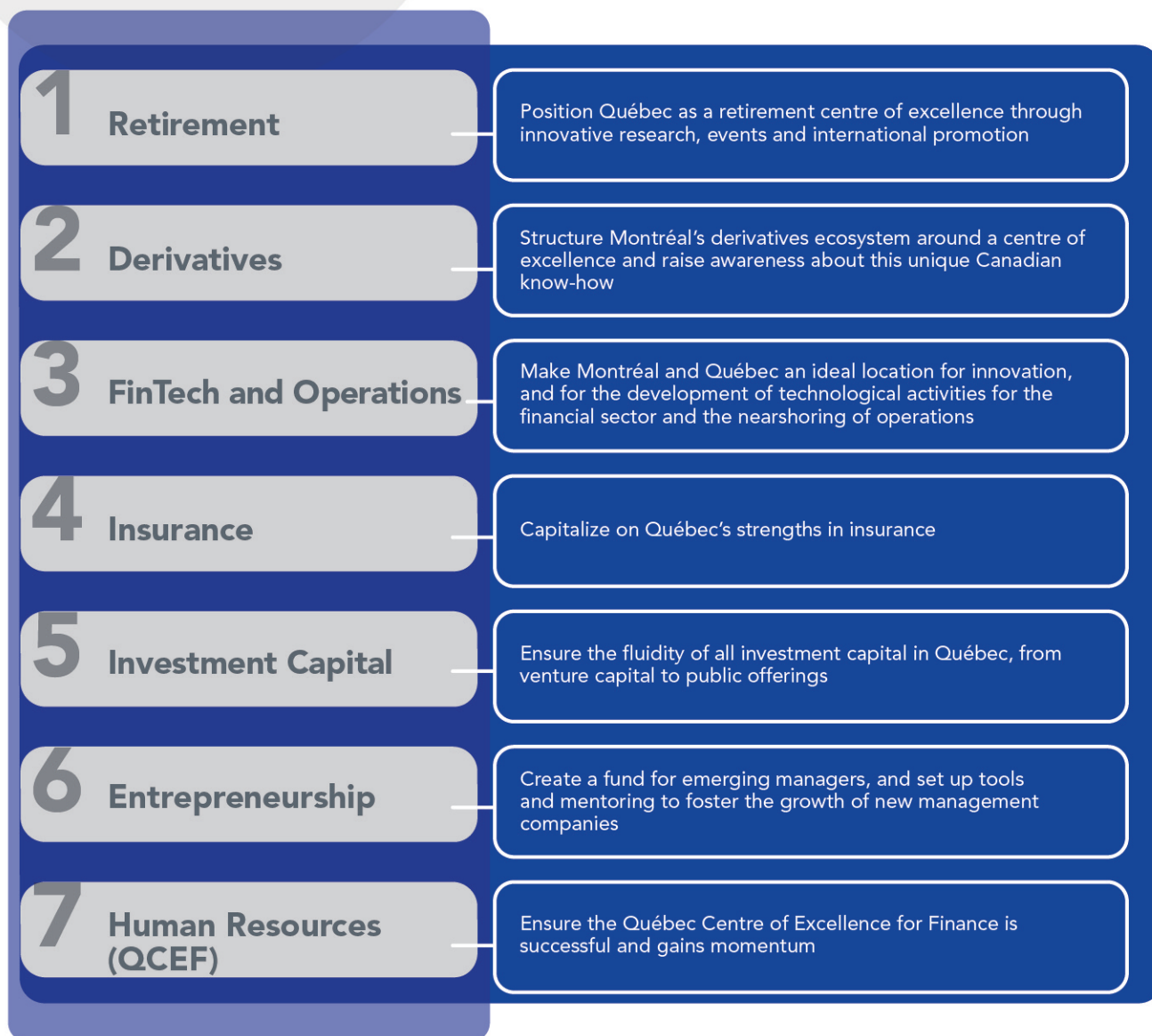
- > Responsible investment and green finance
- > Insurance
- > Investment capital

As the efforts of these work groups progress, certain areas could become Montréal financial centre areas of excellence.



AMBITION 2020 : SPECIFIC GOALS

As part of the Ambition 2020 strategic plan, specific goals have been set for every work group and area of excellence:



By working together to achieve these specific goals, Finance Montréal will accomplish its mission and turn Ambition 2020 into results. In so doing, the organization will create significant added value for Montréal's financial industry and make a positive contribution to Québec's real economy.



FINANCE MONTRÉAL AND IFC-MONTRÉAL TEAM



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Chief Executive
Officer, Finance
Montréal and
IFC-Montréal



MATTHIEU CARDINAL
Director of
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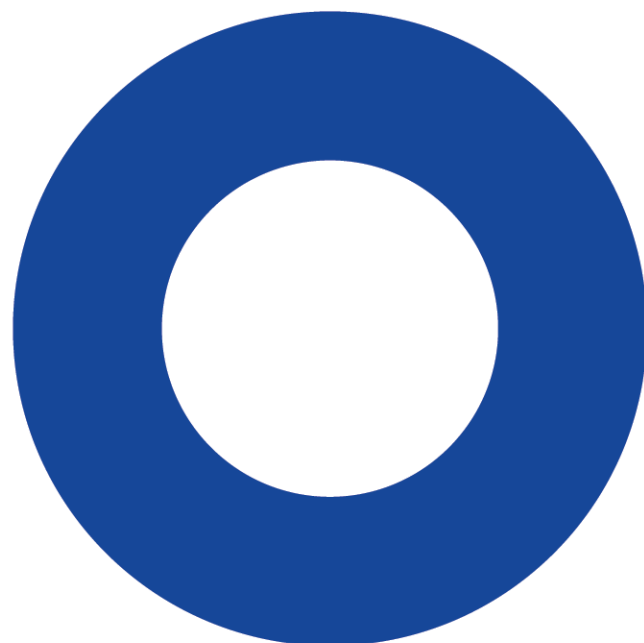


ANNIE TREMBLAY
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MANY THANKS

TO ALL OF FINANCE MONTRÉAL'S PARTNERS





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