

Invest Alberta Corporation



ANNUAL
2020-2021
REPORT

MESSAGE FROM OUR BOARD CHAIR	1
MESSAGE FROM OUR CEO	2
BOARD OF DIRECTORS	3
ACCOUNTABILITY STATEMENT	5
EXECUTIVE SUMMARY	6
ACHIEVEMENT OF RESULTS	8
MANAGEMENT DISCUSSION & ANALYSIS	13
REPORT ON RISK MANAGEMENT	16
FINANCIAL REPORTING	17
MANAGEMENT’S RESPONSIBILITY FOR REPORTING	22

Alberta's first investment promotion agency is positioning the province as an ideal place to **invest, work, and live.**



MESSAGE FROM OUR BOARD CHAIR

This is the beginning of a new chapter for Alberta. Albertans know we have a bright future ahead as our province is among the best in terms of talent, geography, infrastructure, business-friendly policies, and a proven eagerness to welcome the world. But as the global competition for investment and business continues to grow, we need to be actively and strategically promoting our advantages to the world to attract job-creating investment and diversify the economy.

Through the creation of Invest Alberta in July 2020, the province signaled it was ready to capitalize on incredible investment opportunities and to position Alberta as the ideal location to invest, work, and live. Supporting and aligned with the government's *Recovery Plan*, Invest Alberta has helped accelerate the province's recovery from the pandemic and attract businesses and investment to the province. With an ambitious mandate of attracting high impact, high value investments, combined with the economic impact of the pandemic, there was an urgency for Invest Alberta to build capacity and immediately begin delivering on its job-creation goals.

My appointment as the Board Chair comes a responsibility for overseeing the work ahead. This responsibility is shared with my fellow Board Members, who are all distinguished individuals in their fields and tireless champions of Alberta. Though Invest Alberta's Board Members come from a variety of backgrounds, we all share in the common mission and passion to bring job-creating investments to Alberta. I am proud of the breadth of talent and credentials that have provided Invest Alberta with the oversight, foresight, and hindsight needed to support its critical work.

The priority of the Board of Directors in the first eight months of operations was to oversee the set up of the organization and build capacity to effectively begin attracting investment

to the province. One of our first major actions was the recruitment of the Chief Executive Officer who we entrusted with building the team and leading Invest Alberta. Working collaboratively with management, Invest Alberta has developed a "first-mile/last-mile" approach that is positioning the province as a destination for global capital and building relationships with regional partners to grow the province's competitive advantages. Invest Alberta will be an important player domestically and abroad, strengthening Alberta's economic development network and act as a strategic advisor to the provincial government to increase competitiveness.

Despite the challenges of starting up a Corporation during a global pandemic, the Board of Directors is already seeing the impact and potential of Invest Alberta. The Invest Alberta team spearheaded the relocation and expansion of innovative firms, including mCloud and Infosys to Alberta. Beyond the job-creation of these activities, attracting firms sends a message that Alberta has the talent and competitive advantages that support business and investment growth. I am confident that Invest Alberta will build off this momentum in the years ahead and announce more high-value and high-impact investments, which will further accelerate the recovery of the province.

On behalf of the Board of Directors, I want to thank the Invest Alberta team, our partners, governments, stakeholders, and the province's business community for supporting the creation of Invest Alberta and its mandate. Through collaboration there has already been tremendous amount of progress made to date, and I truly look forward to seeing what the future has in store for our province.

Best regards,

[original signed by]

R. Scott Hutcheson, Board Chair



MESSAGE FROM OUR CEO

Invest Alberta Corporation was created through legislation in July 2020 in recognition that the province needed a new approach to both support Albertans doing business internationally and attract high-impact, high-value investments to diversify and grow our economy.

As competition for the allocation of capital intensifies around the globe, the Government of Alberta recognized in the Investment and Growth Strategy that a commercially oriented, client focused platform was required to ensure we were able to capitalize on the strategic investment attraction opportunities before us.

To achieve our legislated mandate, Invest Alberta quickly set out to establish itself as a valuable contributor to the economic development ecosystem in the province. To that end, we have aligned our focus along a five-pillar operating platform:

1. Client Focus
2. Sector Focus
3. Global Impact
4. International Alignment
5. Stakeholder Management

The primary focus was recruiting an expert team that can operate within these pillars while demonstrating clear aptitude and deep expertise in their roles. This meant as the team was put into place, we could simultaneously develop our organizational plans while pursuing prospective clients and deliver on our core mandate.

Our organization has developed a strategic plan and a three-year business plan to identify a strong path forward. This has defined how we will measure the return on investment that Albertans have made in Invest Alberta. These foundational documents align with Alberta's Investment and Growth Strategy and Alberta's Recovery Plan in order to ensure that Invest Alberta is operating in alignment with the Government of Alberta's strategic priorities.

Much has been accomplished by Invest Alberta's team in the face of a challenging environment during its start-up phase. COVID-19 has meant that our team stood up the organization virtually, and many of our team have yet to meet face to face. This is especially true across our international offices that have been a point of pride for the Alberta economic development ecosystem since the 1970s. Our international markets team is one of the most important aspects of the service Invest Alberta offers the Alberta government and the municipal development agencies that have unique or sector-specific goals. Our international staff and structure will help bring global investors and businesses to Alberta – while simultaneously supporting Alberta-based firms and communities market effectively into countries where language, travel time, and geography need to be overcome.

While we have already worked with a number of incredible companies that have expanded or established their presence in Alberta, as an organization we have set ambitious targets for the years to come.

We are very bullish on Alberta's future as the most attractive investment destination in the world and we look forward to achieving that purpose as we pivot from our start-up horizon into a long-term growth organization that is laser focused on achieving our mandate.

Best regards,

[original signed by]

David Knight Legg, Chief Executive Officer

BOARD OF DIRECTORS

The primary duty and responsibility of the Invest Alberta Board of Directors is to provide appropriate governance and strategic oversight, such that Invest Alberta fulfills its mandate following good corporate governance practices.

R. Scott Hutcheson, Chair - R. Scott Hutcheson is the Executive Chair of Aspen Properties, a fully integrated, privately held commercial real estate company based in the city of Calgary. Prior to co-founding Aspen Properties in 1998, Hutcheson served as President of a real estate partnership in Florida and was also previously employed as an investment banker for Goldman, Sachs & Co. in New York and San Francisco. Hutcheson is an active member in our community, having served on numerous boards across the country. He is currently the Chair of the Board of Directors of Arts Commons and he is a member of the Board of Directors of Own the Podium. In recent years, Hutcheson also served as the Chair of the Board of the Calgary 2026 Olympic and Paralympic bid for the winter games, has been a member of the Board of Governors of Shawnigan Lake School, a member of the Board of Directors of Opportunity Calgary Investment Fund, the Co-Chair of Calgary Economic Development's, Real Estate Advisory Committee, the Chair of the Board of Winsport, and Chair of the Board of Realpac (the leading commercial real estate industry association). He was an accomplished athlete in his youth, competing as a member of the Canadian Alpine Ski Team from 1978-1982. Hutcheson earned a Master of Science degree from Columbia University and a Bachelor of Science degree from University of Utah.

Anne McLellan, Vice-Chair - The Honourable A. Anne McLellan, P.C., O.C., A.O.E. served four terms as the Member of Parliament for Edmonton Centre (1993-2006). She served as Deputy Prime Minister of Canada and served as Canada's first Minister of Public Safety and Emergency Preparedness, as well as Minister of Health (2002-2003), Justice and Attorney General (1997-2002), Natural Resources and Federal Interlocutor for Métis and Non-Status Indians (1993-1997). Ms. McLellan joined Bennett Jones in its Edmonton office in July 2006 where she provides strategic advice to the firm and its clients. Ms. McLellan has sat on many distinguished boards including currently serving on the Board of Directors of Cameco and Chairing the Boards of Pearson College UWC, TELUS Edmonton Community Board and the Institute for Research for Public Policy. In May 2015, Ms. McLellan became Dalhousie University's seventh chancellor, a position

she held until May 31, 2020. She was a Distinguished Scholar in Residence at the University of Alberta in the Alberta Institute for American Studies and was awarded an honorary Doctorate of Law degrees by both the University of Alberta and the University of Cape Breton. Prior to her political career, Ms. McLellan worked in academia. She holds a Bachelor of Arts and a Law degree from Dalhousie University and a Master of Laws degree from King's College, University of London.

Bob Dhillon, Member - Mr. Dhillon is the President, CEO and founder of Mainstreet Equity Corp. He is the owner of National Payments, a Visa and MasterCard approved Merchant Processing business for the financial service industry. Mr. Dhillon sits on the board of the Canadian Mortgage and Housing Corporation (CMHC) and serves as the Honorary Consul General for Belize in Canada, based in Calgary. He is the author of the published book 'Business and Retirement Guide to Belize', currently in its second edition. Bob has received numerous awards including Ernst & Young's 2015 Entrepreneur of the Year for the Prairies, Real Estate & Construction category, and has been recognized in *Alberta Venture Magazine* as one of Alberta's 50 Most Influential People. In March 2018, the University of Lethbridge renamed their business school to the Dhillon School of Business in his honour, which aims to provide innovative approaches to education with an emphasis on futuristic learning. Mr. Dhillon completed his MBA from the Richard Ivey School of Business at the University of Western Ontario in 1998. In addition, Bob holds honorary degrees from Lakehead University and the University of Lethbridge. Mr. Dhillon is also a philanthropist and has made significant donations to a variety of causes, including providing free apartment suites to victims of the Fort McMurray and Slave Lake, Alberta fires.

Dr. T. Chen Fong, Member - A radiologist by training, Chen Fong is currently the Professor Emeritus of Faculty of Medicine, University of Calgary. He is also the Co-Chair of the Global Strategy Board of the Creative Destruction Lab, a platform of mentoring of young entrepreneurs. He has 18 years of experience in the building of start up entrepreneurial companies and is the co-founder of Pureweb Incorporated. Mr. Chen currently serves on the board of directors at Pureweb, Clarius Mobile Health, Cohesic Inc., and Innovere Medical. He is active in the community and sits on a number of philanthropic boards in healthcare. Mr. Chen holds an M.D. from University of Manitoba and an Honorary Doctor of Laws from University of Calgary. He was invested into Order of Canada and was inducted into Junior Achievement's Alberta Business Hall of Fame. Other honours include election as Fellow of America College of Radiology.

Ashif Mawji, Member - Ashif Mawji is a serial social entrepreneur, philanthropist, community builder and investor who has built and sold several enterprises and is actively engaged in the community. He presently serves as a Venture Partner at Rising Tide, a San Francisco Bay Area Venture Capital firm. Mr. Mawji is a nationally renowned business owner and winner of numerous awards including BDC's Entrepreneur of the Year, Canada's Top 40 under 40, and has received Canada's 50 Best Managed companies award three years in a row. He received NAIT's Alumni of Distinction Award and was recognized as one of the Top 50 Graduates in 50 years. In 2017, he received the Queen's Golden and Diamond Jubilee medals as well as the Alberta Centennial Medal. NAIT bestowed him with an Honorary Bachelor of Business Administration the same year. Mr. Mawji's board experience includes, Chair of the Edmonton Police Foundation, Chair of the Young Presidents Organization Alberta, Sarah McLachlan School of Music, Stollery Children's Hospital Foundation, Edmonton Oilers Community Foundation, Kids Kottage, Alberta's Promise, Economic Development Edmonton, Northern Alberta Institute of Technology, Corent Technology, University Hospital Foundation, Citadel, CN Community Foundation, and Edmonton Opera. Ashif is also a Honorary Colonel with the Canadian Armed Forces and has been named a Fellow of the Henry Crown Fellowship (Aspen Global Leadership Network) and one of 5 Canadians bestowed with this great honour.

Janet Riopel, Member - Janet Riopel is the President & CEO of the Edmonton Chamber of Commerce. She has deep roots in our community and considerable experience in managing complex, multi-stakeholder projects. She has worked in senior roles in the private, public, and not-for-profit sectors. Janet has devoted her volunteer time to many organizations, including as Board Chair at Edmonton Oilers Community Foundation, Compassion House Foundation, MacEwan University, Edmonton Chamber of Commerce, and the Urban Development Institute. She serves on NAIT's Board of Governors, and was Campaign Chair of United Way of the Alberta Capital Region. She has served on the Boards of Canadian Policy Research Networks, Canada Millennium Scholarship Foundation, and Canadian Home Builders' Association. She sits on advisory committees for Edmonton Airports and the Edmonton Community Foundation. She is a member of the International Women's Forum and the Institute of Corporate Directors. Janet was honoured with the Queen's Golden Jubilee Medal, has twice been named one of Alberta's 50 Most Influential People by Alberta Venture Magazine, was named to the Edmonton Journal's Power 30 list, and was a Global TV Woman of Vision.

Ray Gilmour, Observer - Ray Gilmour is Alberta's Deputy Minister of Executive Council and Secretary to Cabinet. Ray has previously served in several deputy minister positions since joining the public service 12 years ago. Ray is a CPA and graduated with a Master of Business Administration and a Bachelor of Science in agriculture.

ACCOUNTABILITY STATEMENT

Invest Alberta's (Invest Alberta) Annual Report for the period ended March 31, 2021, was prepared under the Board of Director's direction in accordance with the *Planning and Reporting Guide*, and the ministerial guidelines established pursuant to the *Alberta Public Agencies Governance Act* (APAGA) and the *Fiscal Planning and Transparency Act*. All material economic, environmental or fiscal implications, of which we are aware, have been considered in preparation of this report.

[original signed by]

[original dated by]

BOARD CHAIR

DATE



EXECUTIVE SUMMARY

In a time of heightened competition for scarcer investment, the Government of Alberta developed the *Investment and Growth Strategy* to improve Alberta's ability to attract job-creating investment. One of the main outcomes from the strategy was to set up a new investment attraction agency to lead an aggressive global marketing strategy that targets key growth sectors and provides concierge service to the most promising investors in those sectors. Delivering on this strategy, the Government of Alberta created Invest Alberta on July 31, 2020.

As a new Crown corporation, Invest Alberta has focused on building the foundational pieces to set up the agency and province for success for years to come during its start-up phase. This included establishing the Board of Directors, meeting with national and international partners and industry leaders, beginning the transition of the Alberta International Office (AIO) network from the Department of Jobs, Economy and Innovation, and creating operational foundations, such as a website and financial systems. Invest Alberta has developed and implemented key operating policies, such as a *Code of Conduct Policy*, *HR Manual*, and *Travel, Hosting and Expense Policy*. Invest Alberta also funded the development of research that investors and business need to make decisions. This research included standard of living assessment and comparison that found typical household in the finance sector would have between \$30,000 to \$45,000 higher spendable income per year upon relocating to Calgary or Edmonton compared to Vancouver and Toronto. This type of research provides the research and data that encourage companies in coming to and expanding in Alberta.

While the foundational pieces were a significant focus, Invest Alberta has begun delivering on its mandate to attract high-impact, high-value investments into Alberta. Invest Alberta's sector leads began identifying, pitching, and working with clients to attract business and investment into the province. Some of the early successes include a memorandum of understanding (MOU) with mCloud which supported the company's relocation to the province, and working directly with Infosys, an information technology company, which has committed to creating 500 jobs in Alberta over the next three years.

Getting the message to global audiences is a fundamental piece of Invest Alberta's efforts. In the first eight months of operations, the CEO spoke at numerous forums including the Alberta Economic Recovery Summit and the National Energy Roundtable. Alberta's strong environment, social and governance (ESG) record was one of the focal points of these discussions. Invest Alberta launched its first international marketing campaign that took an "Alberta, CAN." message to key markets with stunning Alberta imagery. The campaign had more than 92 million impressions on media platforms such as the Wall Street Journal, CNBC, Fox News, and Bloomberg and resulted in more than 400,000 visits to investalberta.ca site – an increase of approximately 50 times compared to the prior three-year average to the website.

The First Nine Months of Operations at a Glance

+92 million impressions

+500 jobs

+100 company pitches

6 MOUs

2 op-eds

1 new HQ



REPORTING ON PERFORMANCE AND ACHIEVEMENT OF RESULTS

GOAL 1 - Alberta is a top destination of choice for investment.

WHAT WE ACHIEVED

Despite the restrictive conditions of the pandemic, in its first eight months, Invest Alberta was actively identifying and engaging high-potential investors and entrepreneurs in several regions of the world. Invest Alberta staff pitched the advantages of doing business in Alberta and worked with them on specific investment projects. Our staff signed several non-disclosure agreements and provided tailored support services along with coordination and facilitation activities in an effort to move investment decisions forward. Engagements took place across each of our designated priority sectors as well as other areas of the economy and involved all of Alberta's major regions. Six substantive memoranda of understanding (MOUs) with investors and with partners were also signed during this period.

Invest Alberta engaged with more than 100 companies, the majority headquartered outside the province, to discuss projects worth billions of dollars and thousands of jobs in Alberta. Although some of the deals are in early-

stage development, and engagement in many cases is ongoing, tangible progress was made in several cases and Invest Alberta is gratified to have played a meaningful role in securing multiple concrete investment decisions and announcements. Some of the early successes include Infosys, an information technology company, committing to creating 500 jobs in Calgary in the next three years along with upskilling opportunities for the local workforce. Another example is the MOU signed with mCloud, which supported their decision to move their company headquarters into Alberta.

GOAL 2 - Investors enjoy a professional and collaborative investment and business development experience in Alberta.

WHAT WE ACHIEVED

We know that Alberta's success in attracting new and expanded investment into the province will be partially due to Invest Alberta's ability to work collaboratively with our public sector and business partners across the province, and to align and coordinate our strategies and support services.

In its start-up phase, Invest Alberta initiated and enhanced existing partnerships with federal, regional, and municipal partners as well as promoted the advantages of investing and doing business in Alberta. We have also committed to productive partnerships with a range of private sector actors, from law firms to financial institutions to logistics providers to consultancies and more. In fact, Invest Alberta:

- Met with approximately 200 economic development staff and municipal officials across all corners of Alberta, from Cardston in the south to Zama in the North and everywhere in between.
- Established regular meetings with the City of Edmonton and City of Calgary to advance and streamline investment opportunities.
- Engaged with the 22 mayors in the Midsized City Mayors Caucus on the factors municipalities control that lead to final investment decisions.
- Presented to Rural Municipalities Association (RMA) Board and at the RMA Convention on the municipal role in economic recovery.
- Held meetings with all nine regional economic development agencies, Calgary Economic Development, Edmonton Global, Edmonton International Airport, Calgary International Airport, Lethbridge Economic Development, Wood Buffalo Economic Development, and the Alberta Urban Municipalities Board on investment opportunities and areas of collaboration.

In assuming responsibility for Alberta's pre-existing international network of offices and representatives, we were able to take concrete steps to better integrate our international personnel and connect their relationships and market expertise within these collaborative partnerships.

To support the Government of Alberta and Government of Canada's efforts to develop complementary policies and programs designed to attract carbon capture, utilization and storage (CCUS) investment, Invest Alberta led the industry engagement. These activities led to concrete policy and outcome proposals that were designed to have a positive impact on Alberta's future.

We are also pleased to have laid the initial foundation of a concierge service philosophy and framework to ensure that the investor experience in and with Alberta is tailored to investors' specific informational and wider support needs. Invest Alberta is committed to ensuring that Alberta is able to compete with the best in the world when it comes to providing on-the-ground practical support and hospitality as well as virtual and timely advice, insight and information on Alberta's business operating environment and on specific actionable invest opportunities.

GOAL 3 - Global awareness of Alberta's investment and business advantages.

WHAT WE ACHIEVED

Invest Alberta is a marketing and investment promotion platform to effectively reach investors, corporate executives and entrepreneurs who can deliver high-value, high-impact capital, talent, intellectual property, and momentum in particular industries. Clients operating in our key sectors are targeted directly by our staff throughout the world, and indirectly through international marketing.

The marketing team led several foundational elements designed to increase awareness and improve perception of Alberta as an investment destination on the world stage. A new investalberta.ca website, with messaging tailored to our clients combined with spectacular Alberta imagery, was developed and published. The website follows the visual identity that was created to guide Invest Alberta's marketing and promotional pieces.

Broader communications activities were also carried out as a way of promoting Alberta and attracting business to the province. Two op-eds by Invest Alberta CEO were published in national newspapers that made a fact-based case on key competitiveness matters. Additionally, the team created social

media accounts on LinkedIn and Twitter and began engaging and communicating Alberta's story.

Invest Alberta launched its first international marketing campaign to key markets with the "Alberta, CAN." creative platform, amplifying unique selling propositions while creating an emotional connection to Alberta. The campaign had more than 92 million impressions on platforms such as the Wall Street Journal, CNBC, Fox News, and Bloomberg and resulted in more than 400,000 visits to investalberta.ca – an increase of approximately 50 times compared to the prior three-year average.

While Invest Alberta leverages its international office network in several markets around the world, we recognize that we cannot be successful on our own. Invest Alberta started to establish close working relationships with key partners, such as Global Affairs Canada and the federal Trade Commission Service. This allowed Invest Alberta to access an expanded global network that, in future years, will ensure a critical presence in existing and future target markets. This sharing of information on the opportunities emerging in Alberta, as well as the changing interests of the market, will give Invest Alberta a truly global reach and access to investors.



Figure 1 – Part of Invest Alberta’s first global campaign



Figure 2 – Part of Invest Alberta’s first global campaign



Figure 3 – Part of Invest Alberta’s first global campaign



ALBERTA, CAN.

IN ALBERTA, CANADA, YOU CAN.

You want to make things happen. Whether it's a feature film or new fuels, we're on your side.

Alberta has Canada's lowest corporate, payroll, and sales taxes; the youngest, best educated workforce; and the most liveable and affordable cities. All set against a backdrop of breathtaking landscapes and business friendly policies.

We knock down barriers and cut red tape so you can start up, scale up, and succeed without limits.

Dream big. In Alberta, you can.

InvestAlberta.ca

Invest Alberta is a Government of Alberta Crown Corporation.



MANAGEMENT DISCUSSION AND ANALYSIS

Invest Alberta management recognizes the significance of the mandate we have been given to assist the Government of Alberta in job creation for Albertans and strengthening prosperity for the province. The creation of Invest Alberta took place at a key juncture in Alberta's history, as we face new and exacerbated economic and social challenges. Launched amidst a global pandemic that has hit Albertans hard, Invest Alberta is driven by the need to support the province's emergence as rapidly as possible. Alberta also faces some deep structural challenges unrelated to the health crisis, notably a need to diversify the economy and expand economic growth in the context of a rapidly transforming global economy.

Alberta is, fortunately, well-positioned to capitalise on existing and emerging business opportunities. A growing global middle class, particularly in emerging markets, is keen to access Alberta's high quality manufactured goods, professional services, high quality food and agricultural products, and world class tourism and education experiences. Alberta is a recognised leader in energy sector innovation and know-how as the world looks to transition traditional energy sectors to decisively respond to a changing climate. Despite some economic uncertainties and a recent reduction in global foreign direct investment (FDI) flows, the world still has ample capital that business leaders and entrepreneurs are ready to deploy to compelling business opportunities.

In a period of acute fiscal pressures, management has actively been cost-conscious. A concentration of effort was made to attract top talent, particularly with priority sector expertise, so we could begin the work quickly to pitch the province virtually to potential investors. We ensured we had the right staff present in key international markets that were open or relatively open. We also withheld or curtailed spending on expenses such as overhead and supplies, choosing to share or rent small temporary spaces and borrow used furniture to the fullest extent possible. The hiring of several generalist or administrative positions was put on hold until after global markets reopened, both in Canada and internationally. The plan to open additional international representation was slowed until operating conditions improve. These fiscal austerity measures translated into an underspend against the current period budget and will help offset a portion of the Government of Alberta's future operating commitment to Invest Alberta.

The Five Key Pillars of The Initial Start-up Phase

1. CLIENT FOCUS

Invest Alberta's clients consist of three key cohorts: capital market investors; corporate executive decision makers; and entrepreneurs. Capital investors, including private equity, pension funds, financial institutions and hedge funds, have significant pools of capital to invest and are often looking at various locations where they can get the greatest return on their investment. Invest Alberta will target corporate executives who are the decision makers on where the company will be focusing their efforts, which in turn often influence where jobs are created. Entrepreneurs are the creative and innovative leaders that are coming up with the solutions for the world's problems; they not only help diversify Alberta's economy, they can lead to significant job creation.

We are conscious that some of our key clients, notably capital market investors and their directors, are increasingly looking at environmental, social, and governance (ESG) factors when making their business decision. Invest Alberta has recognised its role in ensuring Alberta's compelling and track-record on ESG are known in capital markets. Management has used this start-up period and the pandemic operating context to deepen our expertise and tools to effectively engage investors and their financial backers on this vital subject to advance Alberta's economic and social interests. This work will help ensure that a strong and fact-based ESG narrative is communicated to clients, leading to positive investment decisions in Alberta.

2. SECTOR FOCUS

While Invest Alberta will pursue and support all potential investments considered high-value and/or high-impact, as defined in our legislation, the sectors our personnel focused on align with the Government of Alberta's Investment and Growth Strategy. These consist of the principal sectors of energy, agribusiness and tourism, and of enabling sectors of financial services, aviation and logistics, and technology and innovation.

3. GLOBAL IMPACT

Our marketing efforts have been designed to shape a narrative that Alberta is a top choice for global capital and talent. The first international marketing campaign exceeded industry standards on a number of fronts, and the experience and data Invest Alberta collected will shape future campaigns to make them even more impactful.

In addition, Invest Alberta staff have been creating tailored pitches by client and sector and focus on data-driven measures and investment at each stage of a marketing plan that moves from awareness to meetings, to visits, to agreements, and integration with our partners. Our core pitch has highlighted eight key Alberta investment advantages: the tax advantage; welcoming regulatory environment; availability of talent; excellent infrastructure; attractive input costs and incentives; global connectivity; overall affordability and one of the best lifestyles on the planet. Every pitch has contained several of these parts, with different proportional emphasis depending on the client and the sector.

4. INTERNATIONAL ALIGNMENT

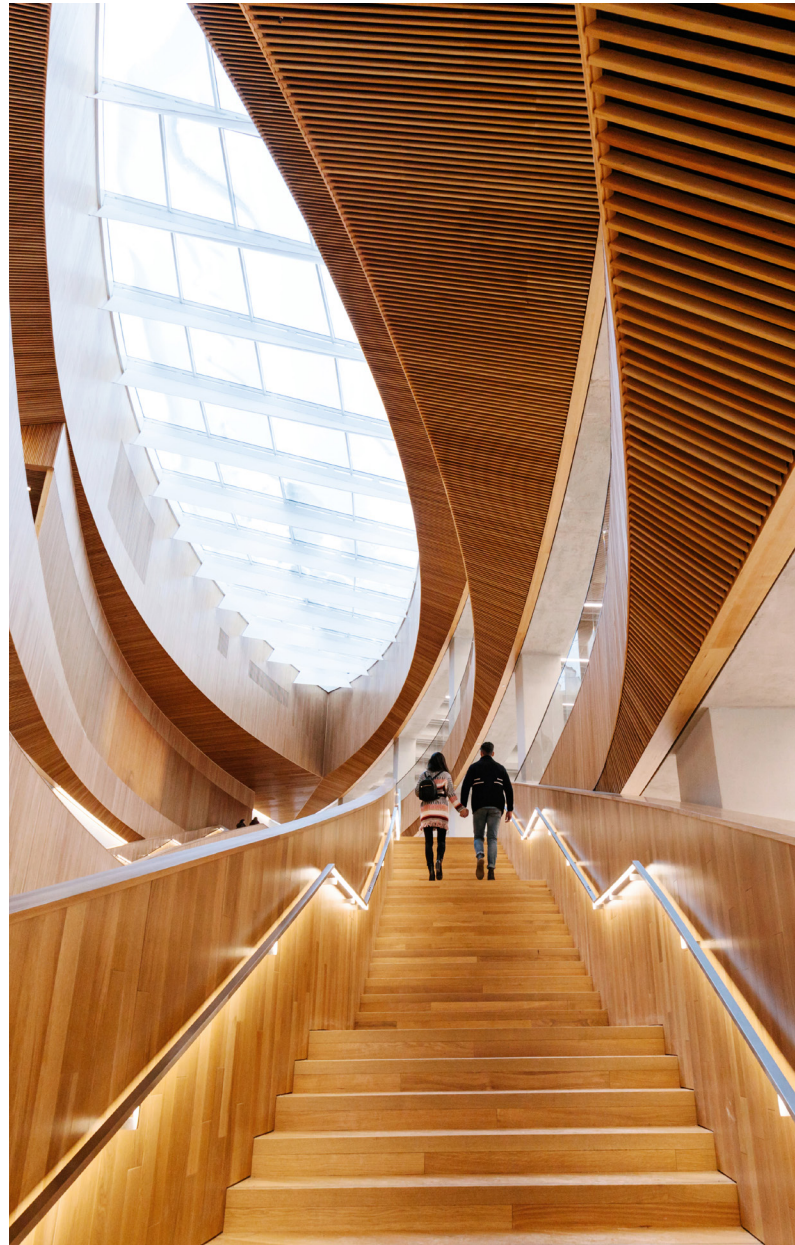
Invest Alberta has been mandated to expand Alberta's international representation to currently underserved international markets that are designated priorities for investment and trade. While the Alberta's international network was officially transitioned to Invest Alberta on April 1, 2021, the team began working with the Government of Alberta and international office staff on reform and modernizations across the network.

5. STAKEHOLDER MANAGEMENT

Invest Alberta's stakeholder management has been one of the priority activities for Invest Alberta as investment attraction is a team effort. Engagements with municipal, provincial, and federal partners was a valuable way to share information, collaborate, and efficiently support our clients.

LOOKING AHEAD

Even as global vaccination rates continue to intensify and pandemic restrictions on societies, including in Alberta, are gradually lifting, it will still be some time before markets and societies restore to a pre-pandemic state. Corporations, entrepreneurs, and institutional investors will be starting to re-activate and mobilize business expansion plans. Invest Alberta management has been actively preparing as well, fully aware that competitor jurisdictions are doing the same. Invest Alberta, with active involvement and direction from its board directors, has finalized its overarching *Strategic Plan* and related three-year *Business Plan 2021-2024*. Concrete steps are being planned to fill talent gaps at home and abroad, to finalize the international expansion plan, and to begin the refined but critical work of honing sector and geographic strategies. Invest Alberta's *Annual Report 2020-2021* represented the partial first year of the Corporation's life, a key period of start-up and stand up, and laying the foundation for assertive and effective engagement in the year to follow of investors across the global market landscape. Management is confident that work undertaken during this reporting period will position Invest Alberta to successfully execute its important mandate as the pandemic gradually lifts. Albertans deserve nothing less.

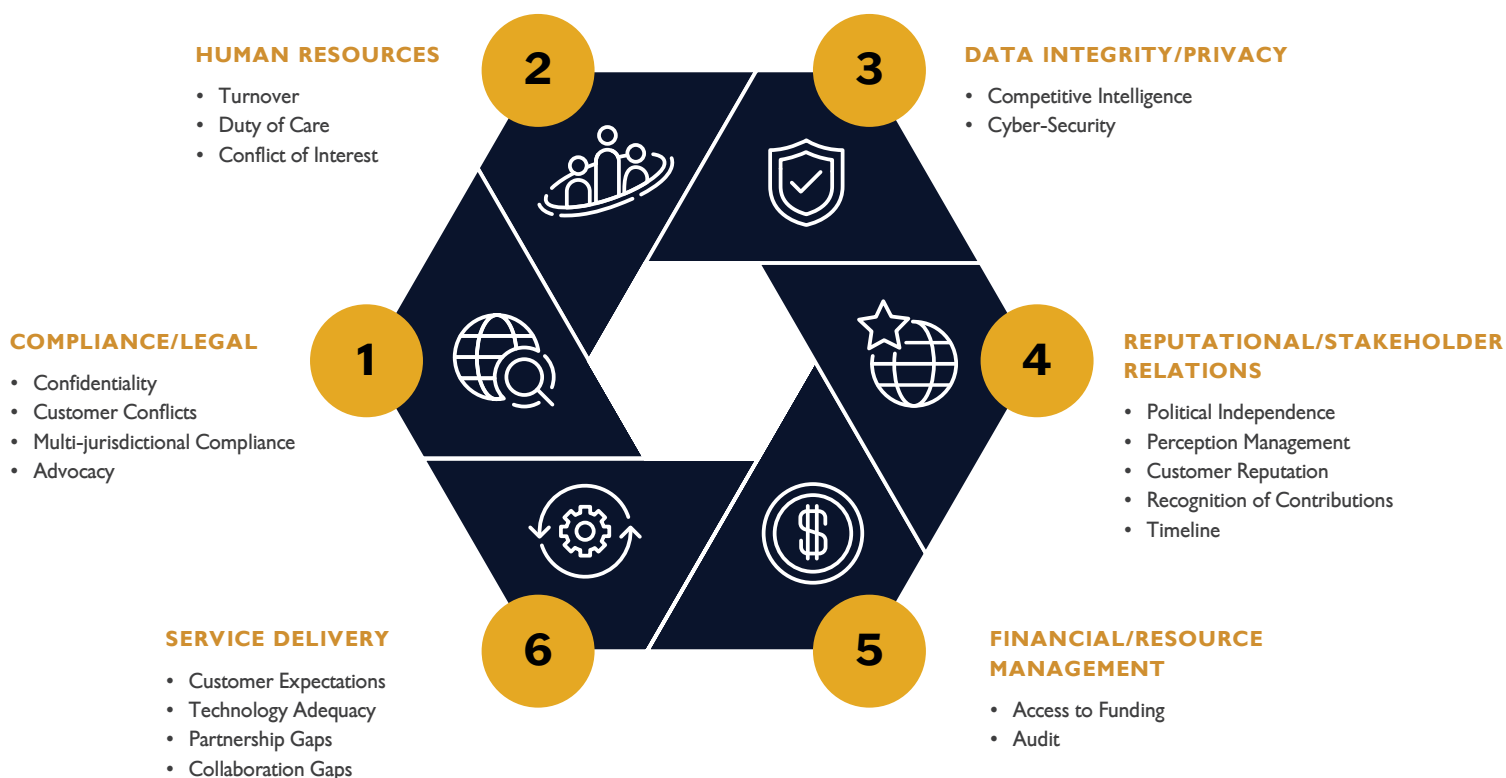


RISK MANAGEMENT

To increase the likelihood of achieving its outcomes, Invest Alberta must consider and manage its strategic risks. As part of the stand-up of Invest Alberta, the Board of Directors has been overseeing the development of an Enterprise Risk Management Framework.

In consultation with Invest Alberta's legal counsel, formal policies (e.g., *Human Resource Policy*; *Code of Conduct*; and *Travel, Hosting and Expense Policy*. were developed and deployed to all staff to mitigate internal and external risks and ensure compliance with best practices. Additionally, processes for core functions (e.g., establishing non-disclosure agreements and memorandums of understanding) were created and implemented.

Due to the COVID-19 crisis, one of the risks that emerged during the first year of Invest Alberta operations was the critical shift of employees working from home rather than in a formal office setting. We mitigated the risk associated with this critical change by providing staff with required technology and ensuring that face-to-face meetings still took place via videoconference. This risk not only meant that IAC staff interacted with each-other differently but also with potential investors who were not able to travel to Alberta.



Invest Alberta Corporation

Financial Statements

For the period from July 31, 2020 to
March 31, 2021

**INVEST ALBERTA CORPORATION
FINANCIAL STATEMENTS
MARCH 31, 2021**

TABLE OF CONTENTS

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Debt

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Expenses – Detailed by Object

Schedule 2 - Salary and Benefits Disclosure

Schedule 3 - Related Party Transactions

Independent Auditor's Report

To the Board of Directors of the Invest Alberta Corporation

Report on the Financial Statements

Opinion

I have audited the financial statements of the Invest Alberta Corporation (the Corporation), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, change in net debt, and cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2021, and the results of its operations, its changes in net debt, and its cash flows for the period then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Corporation in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

June 2, 2021
Edmonton, Alberta

INVEST ALBERTA CORPORATION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying Invest Alberta Corporation (IAC) financial statements have been prepared and presented by management, who is responsible for the integrity and fair presentation of the information.

These financial statements are prepared in accordance with Canadian public sector accounting standards. The financial statements necessarily include certain amounts based on the informed judgments and best estimates of management.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the IAC has developed and maintains a system of internal controls to produce reliable information for reporting requirements. The systems are designed to provide reasonable assurance that IAC transactions are properly authorized, assets are safeguarded from loss and the accounting records are a reliable basis for the preparation of the financial statements.

The Auditor General of Alberta, the IAC's external auditor appointed under the *Auditor General Act*, performed an independent external audit of these financial statements in accordance with Canadian generally accepted auditing standards and has expressed his opinion in the accompanying Independent Auditor's Report.

IAC's Board of Directors (the Board) are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. In both the presence and absence of management, the Board meets with the external auditors to discuss the audit, including any findings as to the integrity of financial reporting processes and the adequacy of IAC's systems of internal controls. The external auditors have full and unrestricted access to the members of the Board.

[original signed by]

David Knight Legg
Chief Executive Officer

[original signed by]

Michael Matishak
Chief Financial Officer

INVEST ALBERTA CORPORATION
STATEMENT OF OPERATIONS
FOR THE PERIOD FROM JULY 31, 2020 TO MARCH 31, 2021

	2021	
	Budget	Actual
	<i>(in thousands)</i>	
Revenues		
Government of Alberta Grants (Note 4)	\$ 6,000	\$ 2,431
	6,000	2,431
Expenses (Note 2(a) and Schedules 1 and 3)		
Services	750	556
Administration and operating costs	1,935	1,232
Marketing	1,500	355
Website and marketing products	500	181
Investor Services	1,315	100
Amortization	-	7
	6,000	2,431
Operating surplus	-	-
Accumulated surplus at beginning of period	-	-
Accumulated surplus at end of period	\$ -	\$ -

The accompanying notes and schedules are part of these financial statements.

**INVEST ALBERTA CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021**

	2021
	<i>(in thousands)</i>
Financial Assets	
Cash and cash equivalents (Note 5)	\$ 3,957
Other receivables (Note 6)	4
Due from Government of Alberta (Note 7)	142
	<u>4,103</u>
Liabilities	
Accounts payable and other accrued liabilities (Note 8)	800
Deferred revenues (Note 9)	3,569
	<u>4,369</u>
Net Debt	<u>\$ (266)</u>
Non-financial Assets	
Tangible capital assets (Note 14)	\$ 82
Inventories of supplies (Note 15)	8
Prepaid expenses (Note 16)	176
	<u>266</u>
Net Assets	<u>\$ -</u>
Net Assets	
Accumulated surplus (Note 15)	<u>\$ -</u>
Contingent liabilities (Note 11)	
Contractual obligations (Note 12)	
The accompanying notes and schedules are part of these financial statements.	
Approved by the Board of Directors:	
[original signed by]	[original signed by]
R. Scott Hutcheson	The Honourable A. Anne McLellan, P.C., O.C., A.O.E.
Board of Directors - Chair	Board of Directors - Vice Chair

INVEST ALBERTA CORPORATION
STATEMENT OF CHANGE IN NET DEBT
FOR THE PERIOD FROM JULY 31, 2020 TO MARCH 31, 2021

	2021	
	Budget	Actual
	<i>(in thousands)</i>	
Operating surplus	\$ -	\$ -
Acquisition of tangible capital assets	-	(89)
Amortization of tangible capital assets	-	7
Acquisition of inventories of supplies	-	(8)
(Increase) in prepaid expenses	-	(176)
Increase in net debt	-	(266)
Net debt at beginning of period	-	-
Net debt at end of period	\$ -	\$ (266)

The accompanying notes and schedules are part of these financial statements.

INVEST ALBERTA CORPORATION
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM JULY 31, 2020 TO MARCH 31, 2021

	<u>2021</u> <i>(in thousands)</i>
Operating transactions	
Operating surplus	\$ -
Non-cash items included in operating surplus	
Amortization of tangible capital assets	<u>7</u>
	<u>7</u>
(Increase) in other receivables	(4)
(Increase) in due from Government of Alberta	(142)
(Increase) in inventories of supplies	(8)
(Increase) in prepaid expenses	(176)
Increase in accounts payable and other accrued liabilities	800
Increase in deferred revenues	<u>3,569</u>
Cash provided by operating transactions	<u>4,046</u>
Capital transactions	
Acquisition of tangible capital assets	<u>(89)</u>
Cash (applied to) capital transactions	<u>(89)</u>
Increase in cash and cash equivalents	3,957
Cash and cash equivalents at beginning of period	<u>-</u>
Cash and cash equivalents at end of period	<u><u>\$ 3,957</u></u>

The accompanying notes and schedules are part of these financial statements.

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 1 AUTHORITY AND PURPOSE

Invest Alberta Corporation (IAC) is a provincial corporation established on July 31, 2020 and operates under the authority of the *Alberta Investment Attraction Act*, Chapter A-26.4 of the Statutes of Alberta, 2020. The mandate of IAC is to

- promote investment in Alberta, with a focus on high-value or high-impact investment,
- identify and pursue investment in Alberta, with a focus on high-value or high-impact investment,
- deliver and facilitate seamless and responsive investment attraction services that are targeted and customized for investors and that make the investment decision-making process as informed as possible for those investors, and
- support the Government of Alberta in performing trade promotion and advocacy activities.

The IAC is exempt from income taxes under the *Income Tax Act (Canada)*.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the IAC, which is part of the Ministry of Jobs, Economy and Innovation (Ministry) and for which the Minister of Jobs, Economy and Innovation (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided or performance obligations have not been fulfilled by year end is recognized as unearned revenue and recorded in accounts payable and other accrued liabilities.

Government transfers

Transfers from all governments are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recognized as deferred contributions if the eligibility criteria for use of the transfer, or the stipulations together with the IAC's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the IAC complies with its communicated use of the transfers.

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the IAC meets the eligibility criteria (if any).

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Grants and transfers are recognized as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Valuation of Financial Assets and Liabilities

The IAC's financial assets and liabilities are generally measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Accounts receivable	Lower of cost or net recoverable value
Accounts payable and other accrued liabilities	Cost

The IAC has no financial assets or liabilities in the fair value category and has no derivatives or unsettled exchange gains or losses; therefore, a Statement of Remeasurement Gains and Losses is not included in these financial statements.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the IAC's financial claims on external organizations and individuals, at the period end.

Cash and Cash Equivalents

Cash is comprised of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid, investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Liabilities

Liabilities are present obligations of the IAC to external organizations and individuals arising from past transactions or events occurring before the year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- (i) are normally employed to deliver government services;
- (ii) may be consumed in the normal course of operations; and
- (iii) are not for sale in the normal course of operations.

Non-financial assets include tangible capital assets, inventories of supplies and prepaid expenses.

Tangible Capital Assets

Tangible capital assets of the IAC are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. An asset acquired, other than computer software, with a life of more than one year and a cost of \$5,000 or more is capitalized. Tangible capital assets are recognized at cost less accumulated amortization, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Computer hardware and software	3 Years
--------------------------------	---------

Inventories of supplies

Inventories of supplies are valued at the lower of cost and replacement cost. Cost is determined on a first-in, first-out (or "weighted average") basis.

Prepaid expenses

Prepaid expenses is recognized at cost and amortized based on the terms of the agreement.

Note 3 FUTURE CHANGES IN ACCOUNTING STANDARDS

The Public Sector Accounting Board issued the following accounting standards:

- **PS 3280 Asset Retirement Obligations (effective April 1, 2022)**
This standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- **PS 3400 Revenue (effective April 1, 2023)**
This standard provides guidance on how to account for and report on revenue, and specifically, it differentiates between revenue arising from exchange transactions and non-exchange transactions.

Management is currently assessing the impact of these standards on the financial statements. IAC has not yet adopted these standards.

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 4 BUDGET

In order to commence the IAC's operations, the Government of Alberta committed \$6 million as an operating grant over a one year period. The budget for the IAC was included in the 2020-21 Government Estimates under the Ministry of Jobs, Economy and Innovation. For the 2020-21 fiscal period, a \$6 million grant target was initially set in the Ministry of Jobs, Economy and Innovation as the budget for fiscal 2020-21.

Note 5 CASH AND CASH EQUIVALENTS
(in thousands)

Cash and cash equivalents consist of:

Cash

	2021
	\$ 3,957
	<u>\$ 3,957</u>

Note 6 OTHER RECEIVABLES
(in thousands)

Other receivables are unsecured and non-interest bearing.

Other receivables

	2021
	\$ 4
	<u>\$ 4</u>

Note 7 DUE FROM GOVERNMENT OF ALBERTA
(in thousands)

Due from the Ministry of Jobs, Economy and Innovation

	2021
	\$ 142
	<u>\$ 142</u>

Note 8 ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES
(in thousands)

Accounts payable

Other accrued liabilities

	2021
	\$ 549
	251
	<u>\$ 800</u>

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 9 DEFERRED REVENUES
(in thousands)

	<u>2021</u>
Deferred grant revenue	<u>\$ 3,569</u>
	<u>\$ 3,569</u>

The IAC recorded the excess of funds received of \$6,000 over amounts expensed in the amount of \$2,431 as deferred grant revenue of \$3,569.

Note 10 FINANCIAL RISK MANAGEMENT

The IAC has the following financial instruments: accounts receivable, accounts payable and other accrued liabilities. The IAC has exposure to the following risk from use of financial instruments:

(a) Liquidity Risk

Liquidity risk is the risk the IAC will not be able to meet its obligations as they fall due. Liquidity risk is associated with the IAC's financial liabilities. The IAC's exposure to liquidity risk arises due to its cash flow requirements to fulfill payment of its accounts payable and accrued liabilities. The IAC manages this risk by obtaining adequate funding from the Ministry.

Note 11 CONTINGENT LIABILITIES

At March 31, 2021, the IAC was not named as defendant in any specific legal actions and there are no other known contingent liabilities.

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 12 CONTRACTUAL OBLIGATIONS
(in thousands)

Contractual obligations are obligations of IAC to others that will become liabilities in the future when the terms of the contracts or agreements are met.

	<u>2021</u>
Obligations under operating leases, contracts and programs	\$ 1,920

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Operating leases, contracts and programs
2021-22	\$ 1,066
2022-23	485
2023-24	207
2024-25	54
2025-26	54
Thereafter	54
	<u>\$ 1,920</u>

Note 13 BENEFIT PLAN
(in thousands)

The IAC provides benefits whereby it makes available contributions for Registered Retirement Savings Plans (RRSP) on behalf of employees of the IAC. The contributions are calculated based on a fixed percentage of the employee's salary to a maximum of the RRSP contribution limit as specified in the *Income Tax Act (Canada)*. The expense of \$77 included in these financial statements represents the current contributions made on behalf of these employees.

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 14 TANGIBLE CAPITAL ASSETS
(in thousands)

	Computer Hardware & Software	2021 Total
Estimated Useful Life	3 Years	
Historical cost		
Beginning of period	\$ -	\$ -
Additions	89	89
	<u>89</u>	<u>89</u>
Accumulated Amortization		
Beginning of period	-	-
Amortization expense	7	7
	<u>7</u>	<u>7</u>
Net Book Value at March 31, 2021	\$ 82	\$ 82

Note 15 INVENTORIES OF SUPPLIES
(in thousands)

	2021
Promotional supplies	\$ 8
	<u>\$ 8</u>

Note 16 PREPAID EXPENSES
(in thousands)

	2021
Sponsorships	\$ 150
Services	20
Rent	6
	<u>\$ 176</u>

INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021

Note 17 ACCUMULATED SURPLUS
(in thousands)

	Unrestricted surplus	2021 Total
Balance at beginning of period	\$ -	\$ -
Operating surplus	-	-
Balance at end of period	<u>\$ -</u>	<u>\$ -</u>

Note 18 APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors approved the financial statements of the IAC.

INVEST ALBERTA CORPORATION
EXPENSES – DETAILED BY OBJECT
FOR THE PERIOD FROM JULY 31, 2020 TO MARCH 31, 2021

Schedule 1

	2021	
	Budget	Actual
	<i>(in thousands)</i>	
Salaries, wages and employee benefits	\$ 2,000	\$ 1,063
Supplies and services	4,000	1,361
Amortization of tangible capital assets (Note 14)	-	7
Total expenses ⁽¹⁾	\$ 6,000	\$ 2,431

(1) The Ministry of Jobs, Economy and Innovation settled some expenses incurred during the period on behalf of the IAC.

**INVEST ALBERTA CORPORATION
SALARY AND BENEFITS DISCLOSURE
FOR THE PERIOD FROM JULY 31, 2020 TO MARCH 31, 2021**

Schedule 2

	2021			
	Base salary (1)	Other cash benefits (2)	Other non- cash benefits (3)	Total
	<i>(in thousands)</i>			
Board of Directors				
Chair (4, 5)	\$ -	\$ 16	\$ 1	\$ 17
Board Members (4, 5)	-	49	2	51
Executive				
Chief Executive Officer (6)	132	-	8	140
Acting Chief Operations Officer (7)	-	-	-	-
Chief Financial Officer (8)	62	-	-	62
Director of Communications (9)	60	-	11	71
Director of Operations (10)	59	-	11	70
Total	\$ 313	\$ 65	\$ 33	\$ 411

Other than honoraria referenced below, the Chair and Members of the Board receive no remuneration for participating on the Board.

- (1) Base salary includes regular salary.
- (2) Other cash benefits include honoraria payments. There were no bonuses paid in 2021.
- (3) Other non-cash benefits include employer's share of all employee benefits and contributions or payments made on behalf of employees including RRSP, health care, dental coverage, group life insurance, short and long term disability plans, and car allowance.
- (4) The Board was appointed by the Lieutenant Governor in Council by Order in Council on July 31, 2020.
- (5) Remuneration and expenses of the Board are prescribed as that specified in Schedule 1, Part A of the Committee Remuneration Order.
- (6) Position filled on September 23, 2020.
- (7) Position was filled on an interim basis with assistance from the Ministry and for no additional consideration.
- (8) Position filled on October 1, 2020.
- (9) Position filled on November 9, 2020.
- (10) Position filled on November 23, 2020. Previously, the position was filled on an interim basis with assistance from the Ministry and for no additional consideration.

**INVEST ALBERTA CORPORATION
RELATED PARTY TRANSACTIONS
FOR THE PERIOD FROM JULY 31, 2020 TO MARCH 31, 2021**

Schedule 3

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's Consolidated Financial Statements. Related parties also include key management personnel and close family members of those individuals in the IAC. There were no transactions between the IAC and its key management personnel or close family members during the year.

The IAC had the following transactions with related parties reported in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties. In addition to the information contained below, during the period, and in accordance with the terms of the shared services agreement between IAC and the Ministry, the Ministry made a number of personnel available to set up, operate, and assist with the administration of IAC. These services were provided in kind.

	2021	
	Entities in the Ministry	Other Entities
	<i>(in thousands)</i>	
Revenues		
Grants from the Ministry of Jobs, Economy and Innovation	\$ 2,431	\$ -
Expenses		
Other services	\$ 70	\$ 5
Receivable from		
Ministry of Jobs, Economy and Innovation	\$ 142	\$ -
Deferred revenue		
Ministry of Jobs, Economy and Innovation	\$ 3,569	\$ -