



Invest Alberta Corporation

2021–2022 Annual Report





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2021-2022 Highlights

As Invest Alberta continues to surge forward, we are incredibly proud of the accomplishments that have propelled our growth. **In our first full year of operations, Invest Alberta's clients announced almost \$20 billion in investment projects.**

Even further, Invest Alberta marketing campaigns captured wide-spread attention to amass more than 109 million impressions in markets around the world.

What does this mean for Albertans? The creation of more than 5,500 jobs through Invest Alberta supported projects. The signing of more than 50 agreements designed to lead further investment and trade into Alberta will also bring value to numerous communities across our great province.

Among these achievements, we would like to bring attention to some of the stand-out companies we brought to Alberta!

Mphasis and the University of Calgary, April 2021, Technology Sector

- Mphasis announced plans to set up a new Canadian headquarters in Calgary and hire 500 to 1,000 new tech jobs over the next two years.

Air Products, June 2021, Energy Sector

- Air Products announced an energy complex in Edmonton, which will begin with a transformative \$1.3 billion net-zero hydrogen production and liquefaction facility expected onstream in 2024.

Bird Canada Scooters, June 2021, Technology Sector

- Bird Canada Scooters announced it is moving its headquarters to Calgary with the company sharing that it expects to create about 50 jobs in the city.

RBC, July 2021, Financial Services Sector

- Following the signing of the MOU between Invest Alberta and RBC, RBC announced the new Calgary Innovation Hub that will create 300 meaningful tech roles over the next three years in high-demand areas such as artificial intelligence, data engineering, site reliability engineering, machine learning, data analytics, and more.

Dow Inc., October 2021, Petrochemicals Sector

- Dow Inc. announced its plan to build the world's first net-zero carbon emissions integrated ethylene cracker and derivatives site in Fort Saskatchewan.

Amazon Web Services, November 2021, Technology Sector

- Global tech giant, Amazon Web Services, announced a significant investment in Alberta's tech and innovation ecosystem. They plan to invest up to \$4.3 billion by 2037 on a new cloud computing operation in Calgary, creating more than 950 jobs.

GoodLeaf Farms, November 2021, Agriculture Sector

- GoodLeaf Farms announced it is expanding its operations to Calgary with support from the Alberta government's Investment and Growth Fund. The company's 74,000-square-foot indoor vertical farm will create an estimated 70 jobs.

Brane, December 2021, Financial Services Sector

- Brane announced it chose Calgary, Alberta to headquarter its Brane Trust operations, creating up to 100 full-time jobs over five years and building on Alberta's growing FinTech and blockchain ecosystems.

EY - Canadian Finance Centre of Excellence, January 2022, Financial Services Sector

- EY launched its first Canadian-based EY Finance Centre of Excellence in Calgary and is expected to create 200 new jobs over the next three years.

PACE Canada, March 2022, Energy Sector

- PACE Canada, a global developer and investor in clean energy, announced its Canadian head office will be moving to Alberta and two new energy renewable projects.

Thank You to Our Partners



Successful investment attraction takes a team to deliver results. Invest Alberta has many incredible partners who make the achievements shared throughout this report possible.

Whether it's collaborating on deals, showcasing local opportunities, or announcing the incredible projects launching, Invest Alberta works with partners every step of the way to deliver meaningful investment and jobs across the province.

Alberta is home to nine regional economic development agencies plus municipal economic development staff who work tirelessly to attract investment. Our network of partners in Alberta spans from Cardston in the south to Zama in the north and everywhere in between.

As we proudly share what was accomplished over the year, the team at Invest Alberta wants to recognize and thank all of our partners for their guidance, support, and collaboration. It is a pleasure to work alongside you and we look forward to what we will achieve together in the years ahead.





Executive Summary



Created as part of the government of Alberta's *Investment and Growth Strategy*, Invest Alberta has had a significant year of advancement; attracting investment opportunities, new talent, and creating local jobs to bolster and diversify Alberta's economy.

FEATURE STORY:

GoodLeaf Farms

GoodLeaf Farms announced it is building a multi-million dollar, 74,000 square foot vertical farm in Calgary. Set to be constructed by the end of 2022, the facility will create 70 jobs and supply major metro areas in Alberta, British Columbia and the Prairies with fresh, local, ready-to-eat varieties of leafy greens. This investment is an example of the type of project we are working with our partners on to create jobs and grow Alberta's innovative edge in the agri-food sector.

This past year, Invest Alberta engaged with more than 277 clients including multinational corporations like Amazon, Air Products and Dow, resulting in the creation of more jobs and opportunities for Albertans. We showcased our province as a premier destination for investment due in part to tax advantages, business-friendly policies, market access, a pool of educated talent, and culturally diverse cities. Through efficient allocation of resources and fiscal prudence, we deployed \$14.4 million to efforts that resulted in our clients announcing almost \$20 billion of investment into Alberta.

Strengthening the Alberta story and increasing awareness of the opportunities and benefits of doing business in the province to a global audience is fundamental to Invest Alberta's growth strategy. Invest Alberta's new website, [InvestAlberta.ca](https://investalberta.ca), tells the Alberta story to attract new and lucrative opportunities to the province. Other key marketing initiatives include the Alberta stories video project which captures why Alberta is an investment destination of choice through the lens of seven success stories.



Purpose

To support Alberta in becoming one of the most attractive investment destinations in the world. We do this by leveraging deep industry knowledge in key growth sectors to connect investors and partners with Alberta opportunities that will build a flourishing economy.

Vision

Build on Alberta's strengths and competitive advantages to create and win opportunities that make Alberta's economy the most dynamic in North America.

Mission

Through its international presence, and supported by deep sector expertise, Invest Alberta works collaboratively with partners to provide tailored support to companies, investors, and potential new prospects that attract significant investments and job creating economic activity across Alberta.

To further share Alberta's story and promote investment opportunities, Invest Alberta was heavily involved in global conferences and public events in fiscal year 2021-2022, including being a speaker:

- At the Canada Arab Business Council Business Forum where we also coordinated various Alberta business speakers, and supported a pre-recorded video message from the Minister of Jobs, Economy and Innovation, Hon. Doug Schweitzer, to 600 delegates.
- At the Bloomberg Energy Summit about the hydrogen opportunities in Alberta and its potential to accelerate emissions reductions and the world's energy evolution.
- At the Globe Series Capital Conference to discuss the role of policy, collaboration, and public and private investment to reach net zero goals and grow the economy.
- On the Edmonton Real Estate Forum's panel where our CEO discussed the Edmonton region's strengths and what the future may hold.

All these opportunities furthered Alberta as an ideal place to do business, curating potential investment leads and positioning Alberta as a desirable market for investment.

Invest Alberta has also been a voice in national news outlets including an op-ed in the National Post focusing on market access for Alberta's energy sector and an interview on BNN Bloomberg to discuss Alberta leading the way in hydrogen and clean energy investments.

FEATURE STORY:

Air Products Canada

Air Products, a world leader in hydrogen production, announced a billion-dollar plan to build a new net-zero hydrogen complex in Edmonton – to operate the most competitive and lowest-carbon intensity hydrogen network in the world. Our partners at Edmonton Global played a key role on this project and Invest Alberta signed an agreement with the company to support its growth in Alberta. Together, we continue to support this innovative project as it sets to create jobs, investments, and cutting-edge solutions for net-zero hydrogen production and carbon capture and storage in Alberta.



Message from our Board Chair

When we think of Alberta, we often think of a province as diverse in economy as it is in landscape. From the plains of Southern Alberta to the forests of Northern Alberta, our great province is connected by a highly educated workforce that drives innovation and investment. Alberta's competitive advantage is not just in its global connectivity or stable financial systems but, above all, in its people's deftness to capitalize on emerging sectors while advancing its existing industries.

This mentality helped carry Alberta through the pandemic and into an era of growth. The weight of previous years is lifting as employment trends up. Communities are revived as their businesses pick up speed and tourists experience our province's incredible offerings.

Alberta has fixed its sights on leading the country in economic recovery, and Invest Alberta is proud to play a pivotal part in this growth. In 2021-22, our first full year of operations, we set the stage for our organization to support our province. In 2022 we are ready to continue to build on the momentum to showcase a vast array of opportunities in Alberta to the world. This was demonstrated in our ability to transform our funding into billions of dollars in investment, and that is just the beginning.

The momentum Invest Alberta generated last year has continued to build thanks to the diligent work of the Board Members and the recruitment of our new Chief Executive Officer, Rick Christiaanse. We also added a new member to the Board this past year, Laura Daniels, who stepped into the role of Audit and Finance Committee Chair.

Invest Alberta has been a conduit for several new investments to Alberta. From Amazon's \$4.3 billion announced investment to build a new cloud computer hub in Calgary to Air Products' billion-dollar net-zero hydrogen facility in Edmonton to Dow's net-zero carbon emissions integrated ethylene cracker and derivatives site in Alberta's Industrial Heartland to the Northern Petrochemical Corporation's plans for a \$2.5 billion carbon-neutral integrated ammonia and methanol complex near Grande Prairie, the benefits of Invest Alberta's work are being felt across the province. These projects are also signaling to investors worldwide that Alberta is a top destination for global investment into high-tech and innovative industries.

On behalf of the Board of Directors, I would like to thank the Invest Alberta team and our partners for another year of tremendously productive work. It is a combined effort by these parties that has helped us lead Alberta through a series of tests and into a future that captures global intrigue.

Reflecting on the immense achievements of the last year has fueled Invest Alberta's desire to deliver on our promise to Albertans to help diversify our economy and attract high-impact and high-value jobs. Our team remains dedicated to advancement as we anticipate the new opportunities that lie ahead for our province and by association – its incredible people.

Best Regards,

Scott Hutcheson



Message from our CEO



When I joined Invest Alberta in October 2021, we embarked on accelerating the mission to break down barriers for investors and attract high-impact investments to the province. Recognizing our partners play a key role in investment attraction, I engaged with Invest Alberta's incredible network. Throughout two months of engaging with both the global Invest Alberta team and more than 100 stakeholders, the path forward for our organization became unequivocally clear.

The development of our people and organizational culture was a top priority for me. Through continuous improvements and adaptations, Invest Alberta is transforming how we deliver profitable outcomes for Albertans and we introduced a new team structure that furthered our high-performance culture. The Business Development team now boasts regional directors, supported by a Chief Operating Officer, who have inspired a renewed focus on deal funnel management and delivery.

True to our belief in cultivating long-term relationships, Invest Alberta is forming an end-to-end delivery team. The benefits of this team for our clients are immeasurable. Not only will it give rise to quality leads but it will also ensure a rewarding client experience and a level of post-deal care that will result in more jobs for Albertans. At the same time, we have strengthened our Finance and Operations team through new leadership to improve our financial reporting and efficiency.

Amid these organizational shifts are technological changes that enable Invest Alberta to expand its capacity, capabilities, and core offerings. The launch of our organizational-wide CRM system made tracking deals and sharing information a more efficient process. We also spearheaded several significant research projects to garner the data and intelligence needed to identify opportunities and sell the competitive advantage our great province offers. Matching these measurements are the compelling videos, photos, websites, and international ad campaigns by our marketing team that have accumulated more than 109 million impressions over the past year.

At the helm of this ground-breaking organization, I have been diligently working to engage international markets by leading our team and partners to connect with global investors, leading to piqued interest in Alberta as a place worthwhile of investment. Being where our clients are is vital to our ability to attract investment, and our presence in international markets is evolving so that we can maximize our return on investment.

While the competition for attracting investment is fierce, Alberta's top talent, tax advantages, market access and vibrant cities make our province an ideal location for investment. Alongside our efforts have been leading public figures, including Alberta's senior political leaders, who have supported in advancing deals and backing a compelling message.

Above all, I am exceedingly proud of the results Invest Alberta has achieved in a short period of time. The advancement of numerous deals such as Amazon, EY, and GoodLeaf Farms speak to the confidence in our province and the scale of opportunities we are capable of securing. I am fortunate to be supported by the Board of Directors who has provided invaluable strategic guidance on this journey.

Our efforts have proved to be fruitful in bringing investment to Alberta — with \$14.4 million spent, we attracted and supported investors and businesses who announced nearly \$20 billion in investment to our province, which we look to continue to grow. A strong return on the investment Albertans have made in us.

If Invest Alberta's first full year of operations is any indication of the success to come, I believe the future holds meaningful job-creating investment that will diversify Alberta's economy and deliver value to the everyday lives of Albertans.

Best Regards,

Rick Christiaanse



Accountability Statement

The Invest Alberta Corporation's Annual Report for the period ended March 31, 2022, 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

June 9, 2022

BOARD CHAIR

DATE

Strategic Context



This past year has been one of continuous improvement, growth, challenges, and successes.

Amidst the uncertainties brought on by the pandemic, Invest Alberta and its partners have seen success and momentum that has propelled Alberta's economy and industry diversification forward, as well as significant internal growth.

The easing of restrictions set the stage for economies to begin to rebound – but sudden shifts in demand worldwide and several other factors contributed to worldwide logistics challenges. Commodity prices such as lumber and oil skyrocketed, and with it, the cost of doing business. Other supply chain issues resulted in shortages in computers, vehicles, and other electronic equipment. Certainly, some firms' investment decisions were altered as potential growth in some sectors was dampened due to production being inhibited.

Despite these challenges, from both a fiscal and economic perspective, the Government of Alberta remains optimistic as Alberta ended its 2021-2022 fiscal year in a strong economic position. Highlights from Budget 2022 include an estimated GDP growth of 5.8% over 2021, and forecasts calling for continued growth above 5%. Employment continued its recovery throughout 2021, climbing upwards as businesses continued to reopen.

Moreover, the outlook for global foreign direct investment (FDI) into Canada and Alberta was favorable throughout the year. In 2020, Alberta had the highest value and largest number of announced FDI projects of any time within the prior six years. The sources of FDI in Canada are becoming more diversified¹, with Europe and Asia now representing a larger share than the U.S. The U.S. is the largest source of FDI inflows to Canada, comprising 44% of Canada's total FDI inflows in 2020². FDI inflows from Europe and Asia comprised 40% and 10%, respectively².

¹ Deloitte. (2022). Global Environmental Scan for Invest Alberta.

² Global Affairs Canada. (2021). State of Trade 2021 - A Closer Look at Foreign Direct Investment.

STRATEGIC CONTEXT

As a large Canadian province, Alberta benefits from the many features that make Canada a successful attractor to FDI such as the presence of top talent, strong levels of post-secondary educational attainment, tax advantages, dynamic cities, market access, and a stable macroeconomic profile.

These are some of the key strengths Invest Alberta leveraged as part of Alberta's competitive advantage when selling Alberta to the world. We are seeing a growth in investor confidence and opportunities as in 2021, non-residential capital investment in Alberta increased by 11.2% from 2020 to \$54.1 billion¹. In 2021, Alberta's per capita investment spending was \$12,176, which was the highest per capita spending of all provinces and 70% higher than the Canadian average of \$7,182 per capita¹.

FEATURE STORY:

Dow Inc.

Dow Canada plans to build the world's first net-zero emissions ethylene and derivatives complex in Fort Saskatchewan, Alberta. The complex will triple Dow's current capacity, while retrofitting the site's existing assets to net-zero carbon emissions. Alongside our partners, Alberta's Industrial Heartland Association and the City of Fort Saskatchewan, Invest Alberta provided the necessary support that resulted in this multi-billion dollar investment coming to Alberta.

Companies were advancing opportunities throughout the province. Calgary had significant success in attracting FDI, notably in the technology sector with much of this success a result of the work of our partners at Calgary Economic Development. Key examples include Amazon Web Services, which recently announced a multi-billion-dollar investment to create a cloud computing hub in Calgary; India-based Mphasis,



which plans to open a Canadian headquarters in the city; and IT consulting firm, Infosys, which also announced plans to expand to the region. We collaborated with our partners at Edmonton Global and Alberta's Industrial Heartland to support significant investments in the Edmonton region which resulted in Air Products announcing plans to build a \$1.3 billion net-zero hydrogen production and liquefaction facility; and Dow Inc. announcing plans to build a net-zero carbon emissions ethylene and derivatives facility near Edmonton. Dow's investment may be the largest in the province in over a decade. Other parts of the province also saw opportunities being announced, such as Northern Petrochemical Corporation's intention to build a \$2.5 billion hydrogen facility near Grande Prairie.

Invest Alberta has undergone strategic operational refreshment that has poised our organization for rapid growth and success in the future. In October, we welcomed our new CEO, Rick Christiaanse, and strengthened our leadership team with a new Chief Financial Officer in early 2022, while simultaneously expanding our overall capacity. Among these additions, we also grew our board with the addition of Laura Daniels, who became Chair of the Audit & Finance Committee. With the addition of new technologies and a CRM system, we focused on building an integrated Invest Alberta brand through strategic marketing efforts such as a new website, promotional videos, fact sheets and marketing campaigns. Moreover, we have gone through extensive development of internal policies and procedures to empower our team to mitigate potential risks and optimize opportunities while deploying \$14.4 million of our budget.

¹ Government of Alberta. (2022). Economic Dashboard Investment Analysis - February 25.



Reporting on Performance and Achievement of Results

Outcome 1 – Alberta is a top destination of choice for investment

Key Performance Indicator	Actuals 21-22	Target 21-22
Concluded MOUs & NDAs	52	50
Annual # of jobs created through IAC support as reported by clients	5,620	3,000
Cumulative value of investment leveraged with the IGF	N/A¹	\$200 million
Investment into Alberta facilitated by IAC as reported by clients	\$19.4 billion	\$10 billion

1. Not available due to there being one IGF announced project in the 2021-22 fiscal year, and commercial confidentiality required on the value of the investment.

To increase Alberta's viability as a top destination of choice for investment, Invest Alberta focused on projects that would lead to job creation. Fiscal prudent decisions resulted in \$14.4 million being spent over the year which resulted in supporting nearly \$20 billion in announced investment from Invest Alberta clients coming to the province. Some of the major projects included Amazon Web Services' \$4.3 billion cloud computing investment and Dow's multi-billion-dollar investment that will result in the world's first net-zero carbon emissions petrochemical plant being in Alberta.



AN ALBERTA PRESENCE AT JAPAN'S LARGEST TRADE SHOW FOR FUNCTIONAL AND HEALTH INGREDIENTS IS SUPPORTING INVEST ALBERTA'S MANDATE.

Creating jobs is one of the primary focuses of Invest Alberta, and clients reporting more than 5,600 new opportunities for Albertans is a significant achievement. Notably, Mphasis announced they will be hiring 1,000 Albertans, RBC will provide 300 high-tech jobs, Brane Capital will be hiring for 100 jobs, and EY announced 200 jobs. We are expecting these numbers to grow as there are several more partnerships that have yet to post public job figures.



GOODLEAF FARMS ANNOUNCED IT IS EXPANDING ITS OPERATIONS TO CALGARY, CREATING AN ESTIMATED 70 JOBS.



AMAZON WEB SERVICES ANNOUNCED ITS \$4.3 BILLION CLOUD COMPUTING INVESTMENT INTO ALBERTA.

Invest Alberta continued to collaborate with the Government of Alberta on the *Investment and Growth Fund* by identifying potential deals and engaging with clients on their application. There are several deals that have been approved that have not yet been publicly announced.

Memorandums of understanding (MOUs) and non-disclosure agreements are tools to advance investment and trade deals. These agreements are signed by decision makers, and not only help establish a relationship with Invest Alberta but signal their intent to do business in the province. For example, our MOU with PointsBet Canada is supporting the company on its investment journey as PointsBet looks to Alberta as a potential destination for high-impact investment.

FEATURE STORY:

Amazon Web Services

Global tech giant Amazon Web Services (AWS) announced an investment of up to \$4.3 billion by 2037 on a new cloud computing operation centre in Calgary. In collaboration with Calgary Economic Development and the Government of Alberta, we continue to work alongside AWS' initiatives through workforce retraining and upskilling to grow the talent pool in Alberta to support the cloud computing industry. The **new project is projected to create more than 950 jobs.**



Outcome 2 – Investors enjoy a seamless investment and business development experience in Alberta.

Key Performance Indicator	Actuals 21-22	Target 21-22
Annual referrals to investment attraction partners	55	25
Annual partner satisfaction survey	65%	80%
Value of export and trade deals supported through IAC activities as reported by clients	\$2.9 million	\$20 million

Invest Alberta enhanced partnerships with federal, provincial, regional, and municipal partners through regular engagements and projects.

Having local support has been found to be a successful avenue in bringing critical business to the province.

Notably, Invest Alberta’s first partner satisfaction survey identified some key areas of improvement as we build out the team and look at ways of improving our relationships with stakeholders and growth.

Trade initiatives have proven difficult to execute due to restrictions and logistics challenges by the pandemic; however, Invest Alberta will continue to support the Government of Alberta to achieve its objectives.



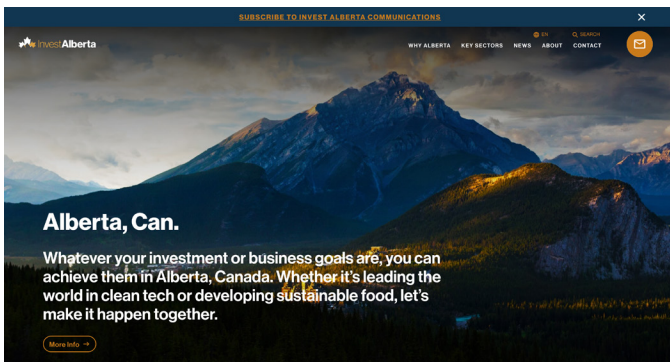


Outcome 3 – Global awareness of Alberta’s investment and business advantages.

Key Performance Indicator	Actuals 21-22	Target 21-22
Annual # of pitches to raise awareness of competitive advantages and opportunities in Alberta	132	100
Annual marketing efforts reach as measured by campaign impressions, and website traffic	109.15 million	150 million
Number of active clients being supported by the IAC	277	90

To increase global awareness of Alberta’s investment and business advantages, Invest Alberta focused on strategic marketing strategies and campaigns to increase engagement. Its new website, InvestAlberta.ca, launched in December 2021. The site provides in-depth information on why Alberta is the optimal investment destination and is designed to showcase Invest Alberta as an innovative investment attraction agency.

The number of active clients Invest Alberta supported increased as the organization has grown and focused its efforts. It is important for Invest Alberta to showcase the opportunities in all regions of the province. Of the projects that companies had identified a location, more than 35% of the opportunities Invest Alberta was working on at the end of the fiscal year were in rural parts of the province.



NEW INVESTALBERTA.CA WEBSITE



ONE OF INVEST ALBERTA'S MARKETING CAMPAIGNS SEEN IN GLOBAL MARKETS



The campaign results were phenomenal, achieving 103 million impressions and 350,000 website visits.

Additionally, an eight-part Alberta Stories video series has been produced as Invest Alberta's first set of branded video assets to promote Alberta. The inspirational series covers success stories in many of Invest Alberta key sectors, and one cross-sector video focused on ESG that are intended to build a strong emotional connection to Alberta as business leaders give first-hand, authentic testimonials on why Alberta is a great place to do business.

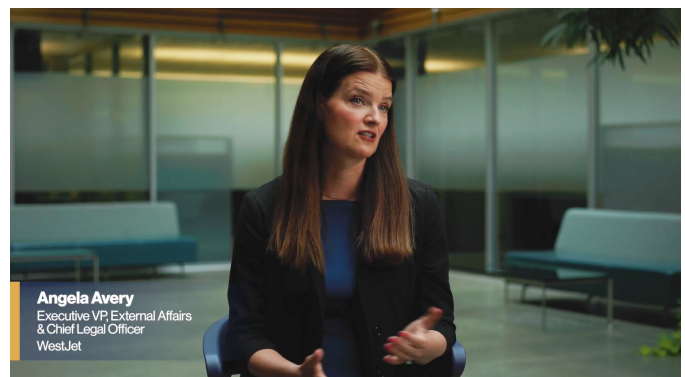
Several marketing campaigns were deployed during this fiscal year. An ESG-centered campaign was launched in Toronto, New York, and London, strategically timed to align with key ESG events in those markets. The campaign, which ran October-December 2021, was successful in reaching a highly-qualified, niche audience of key decision makers.

A second marketing campaign targeting Toronto, Vancouver, Houston, San Francisco, and Seattle was in-market from January-March 2022. Aligning with our objective of increasing awareness of Alberta as an investment destination, the campaign took a multi-channel approach to reach decision makers across awareness-driving channels (LinkedIn and display), while increasing engagement through paid search (SEM). The campaign results were phenomenal, achieving over 103 million impressions and nearly 350,000 website visits.

Invest Alberta's marketing focus has also led to an emphasis on lead generation. A lead generation campaign was launched in February 2022, and in the first five weeks, the campaign

reached 462 accounts and has seen engagement from 77% of the companies, generating 273 leads overall.

Lead generation through pitches was also a key initiative. Invest Alberta promoted Alberta investment opportunities in target markets and across energy, agriculture, and technology sectors.



ALBERTA STORIES VIDEO PROJECT THAT CAPTURED WHY ALBERTA IS AN INVESTMENT DESTINATION OF CHOICE THROUGH THE LENS OF SEVEN SUCCESS STORIES.



Management Discussion and Analysis

Invest Alberta recognizes the significance of the mandate we have been given by the Government of Alberta to grow and strengthen Alberta's economy. New opportunities in a variety of sectors, including hydrogen and technology, will play a key role in job creation for Albertans and strengthen prosperity for the province. Invest Alberta continues to be driven by the need to support the province's emergence from the pandemic and advance the diversification of our industries that will result in economic abundance for generations to come.

This year, significant research was undertaken that has provided us with the underlying critical factors that make Alberta globally competitive in all our sectors of focus as well as conducting market analysis and competitiveness on Alberta's key sectors, including: Energy and Petrochemicals, Financial Services, Agriculture and Agri-Food, Aerospace, Advanced Energy Technologies, Health and Life Sciences, Digital Technologies, Advanced Manufacturing and Materials, and Tourism. We analyzed current and future global markets and economic conditions to identify potential areas of focus and primary competitor jurisdictions for each of the identified focus areas to better position us to approach these sectors. Continuous improvement is fundamental to Invest Alberta's ongoing success, and the foundational research completed over the year will help make us more effective in selling the investment opportunities in Alberta to global investors.





In addition to this competitiveness and sector research, we completed major target audience research to get integral insights on the perception and behaviours of investor audiences. We are using this significant research to inform Invest Alberta's global brand and marketing strategies, articulating the best ways to target and engage with these key audiences in meaningful ways. As such, marketing was a considerable focus for us this year as we developed numerous materials, from a new logo and fact sheets to promotional videos and new websites to better convey Alberta's story.

FEATURE STORY:

EY Finance Centre of Excellence

EY Canada launched its first Canadian-based EY Finance Centre of Excellence in Alberta. The centre will offer cutting-edge internal finance services that meet the most pressing needs of the business and is expected to create 200 new jobs over the next three years, including 50 immediate new hires. Invest Alberta worked collaboratively with Calgary Economic Development to support EY Canada with its planning processes to bring the innovative centre to the province.

Traveling to Houston, Texas to participate in the 23rd World Petroleum Congress, Invest Alberta supported a delegation from the Government of Alberta, led by Alberta Premier Jason Kenney and Energy Minister Sonya Savage. There was also a mission with Finance Minister, Travis Toews, to New York; a mission with Jobs, Economy and Innovation Minister, Doug Schweitzer to Toronto; and a mission with Invest Alberta executives to Ireland and London. By meeting clients and investors in person, we are showcasing Alberta's leading industries and identifying and advancing new opportunities that will usher in more investment and job creation.

Additionally, we welcomed clients from around the world to Alberta, introduced them to potential partners, and provided tailored services to help them determine Alberta was the top choice for the investment.

One of the main drivers of the results in 2021-2022 was the priority we put on building out the team and establishing a strong organizational culture.

Our HR team developed a robust onboarding program in support of attraction and retention of employees and allowing new staff to contribute quickly to the organization's success. We focused heavily on recruitment to support consistent and rapid ramp-up of staffing, thereby growing organizational capacity. This work added approximately 25 net new staff, including leaders for each of Invest Alberta's target sectors, while also re-organizing staff to allow for efficiencies and focus.

Supporting this growth was a finance team improving processes, driving efficiencies and supporting strategic decisions. As part of our continued quest for efficiency, we built robust systems and processes that helped us deliver on our commitment to the responsible use of taxpayer dollars and ensure a return on the investment made in the organization. In its first full year of operations, Invest Alberta spent \$14.4 million of our \$25 million budget, which netted a return of our clients announcing \$19.4 billion in investments into the province. In addition to prudent fiscal decisions, the reduced spend over the year was impacted by restrictions to travel and events due to the ongoing pandemic.



With our new CEO and the build out of our organizational capacity came an increased emphasis and focus on growing our deal funnel. Our results to date show great promise. By the end of the fiscal year, the newly implemented customer relationship management (CRM) system was tracking more than 310 potential investment and trade opportunities from 277 different clients. This reaffirms our commitment to working with our partners because, while Invest Alberta team has grown, we will need to continue to collaborate with federal, provincial, regional, rural, and municipal partners to advance and conclude these deals.

It is also important to note that our international presence supported our efforts to grow the deal funnel and land job creating investment in the province. For example, our team in Japan identified and encouraged deals by providing Japanese investors with the useful information and analysis on federal and provincial policies, regulations, and by connecting them to key Alberta organizations. Through their and our partners' efforts, several exciting announcements were made, such as Itochu's \$1.3 billion ammonia plant in Fort Saskatchewan as well as Mitsubishi partnering with Shell Canada on a low-carbon hydrogen facility near Shell's Scotford, Alberta, facility. As our international presence evolves, our teams located in strategic markets around the world will continue to work with our partners to attract job creating investment into Alberta.

One of the ways we measure our progress is through memorandum of understanding. These agreements are primarily signed by senior executives and build a mutual understanding of what is needed to get high-impact and high-value deals past the finish line. We have found this tool is particularly valuable in many of the international markets we operate in, as the agreements help nurture and solidify relationships that lead to investment. In fact, over the fiscal year, more than ten companies we signed memorandum of understanding with announced their job creating investment into the province. We look forward to making more announcements as we continue to work on the projects we have already signed agreements on.

We are extremely appreciative of our Board of Directors, who continue to provide considerable support to Invest Alberta to exceed our mandate. In addition to their responsibility of providing strategic oversight to the organization, they supported the closure of deals, spoke on behalf of Invest Alberta at events and also organized key events, such as a stakeholder meeting to discuss areas of collaboration in the energy, international investment, infrastructure, clean-tech and ag-tech sectors.





Risk Management

To increase the likelihood of achieving our outcomes, Invest Alberta must consider and manage strategic risks.

Led by the Board of Directors, we developed and implemented an enterprise risk management (ERM) program designed to support the achievement of strategic goals and objectives.

Through the development and implementation of an ERM program, risks were consistently identified, assessed, and mitigated through aligned efforts across Invest Alberta. The risks are categorized as Strategic, Operational, Compliance, and Financial, and mitigation strategies were developed for each of the identified risks.

- **Strategic risks:** Strategic risks relate to the achievement of Invest Alberta's strategic business plans and/or objectives. These risks are associated with governance, planning, resource allocation, major initiatives, market dynamics and communications.
- **Operational risks:** Operational risks relate to risk of losses resulting from inadequate or failed internal processes, people, and systems. They are associated with human resources, IT, physical assets, hazards, health and safety, education and research, revenue cycle, and business operations.
- **Compliance risks:** Compliance risks refer to risks associated with the compliance with applicable laws, regulations, and policies. These are risks usually associated with legal and regulatory matters in both a domestic and international environment.
- **Financial risks:** Financial risks are risks that may have a financial impact on Invest Alberta and are associated with accounting and reporting, liquidity and credit, shared services, capital structure and mergers, acquisitions and divestures.

Integrated views on risks, risk exposure, and correlated mitigation actions are being assessed, managed, and monitored by Management and communicated regularly to the Invest Alberta Board of Directors. Formal policies were developed, refined, and deployed to mitigate internal and external risks and ensure compliance with best practices. Additionally, processes for core functions were created and implemented across the organization.

Due to the ongoing COVID-19 pandemic, employees largely continued to work from home rather than in a formal office setting. We mitigated the associated risk by providing staff with the required technology and ensuring that 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.



Disclosures

Invest Alberta has a robust **Code of Conduct** policy (approved by the Ethics Commissioner) to prevent real, perceived, or potential conflicts of interest from arising. Employees and Directors are required to show their actions and decisions are ethical, impartial, and independent. This includes Board Members declaring any real or perceived conflicts at the start of each Board and Committee of the Board meeting. The minutes of the Board meetings are publicly posted on InvestAlberta.ca.

As a public Crown corporation, Invest Alberta adheres to the Government of Alberta's directives and regulations, including those around expense disclosure. The disclosure requirements provide greater detail on travel, accommodation, meal and hospitality expenses, with details publicly posted on InvestAlberta.ca.



GLOBAL PRESENCE



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 Invest Alberta

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INVEST ALBERTA CORPORATION

Financial Statements
Year Ended March 31, 2022

INVEST ALBERTA CORPORATION
FINANCIAL STATEMENTS
MARCH 31, 2022

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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 control 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, 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 are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. The Board of Directors exercises this responsibility through the Audit and Finance Committee, composed of Directors who are not employees of IAC. In both the presence and absence of management, the Audit and Finance Committee meets with the external auditors to discuss the audit, including any findings as to the integrity of financial reporting processes and the adequacy of our systems of internal controls. The external auditors have full and unrestricted access to the members of the Audit and Finance Committee.

Original signed

Chief Executive Officer
Rick Christiaanse

Original signed

VP, Finance and Administration
Jasmine Nuthall

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, 2022, and the statements of operations, change in net debt, and cash flows for the year 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, 2022, and the results of its operations, its changes in net debt, and its cash flows for the year 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.

Emphasis of matter – corresponding information

I draw attention to Note 1 of the financial statements that describes the corresponding information, which is for eight months, compared to the current period of 12 months. My opinion is not modified in respect of this matter.

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, 2022
Edmonton, Alberta

INVEST ALBERTA CORPORATION
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2022

	March 31, 2022		March 31, 2021	
	(12 Months)		(8 Months)	
	Budget	Actual		Actual
	(Note 4)	(Note 1)		
	<i>(in thousands)</i>			
Revenues				
Government Transfers				
Government of Alberta Grants	\$ 25,250	\$ 14,836	\$	2,431
Investment Income	-	7		-
	<u>25,250</u>	<u>14,843</u>		<u>2,431</u>
Expenses (Note 2(b) and Schedules 1 and 3)				
Services	13,875	6,008		556
Administration and Operating Costs	6,749	6,521		1,232
Marketing	2,626	1,531		355
Website and Marketing Products	-	211		181
Investor Services	2,000	66		100
Amortization	-	36		7
	<u>25,250</u>	<u>14,373</u>		<u>2,431</u>
Annual Operating Surplus	<u>\$ -</u>	<u>\$ 470</u>	<u>\$</u>	<u>-</u>
Accumulated Surplus at Beginning of Year		-		-
Accumulated Surplus at End of Year (Note 8)		<u>\$ 470</u>	<u>\$</u>	<u>-</u>

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

**INVEST ALBERTA CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022**

	March 31, 2022	March 31, 2021
	<i>(in thousands)</i>	
Financial Assets		
Cash and Cash Equivalents (Note 5)	\$ 8,652	\$ 3,957
Accounts Receivable	185	146
	<u>8,837</u>	<u>4,103</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	1,597	800
Deferred Revenue (Note 7)	7,634	3,569
	<u>9,231</u>	<u>4,369</u>
Net Debt	<u>(394)</u>	<u>(266)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 9)	84	82
Inventories of Supplies	-	8
Prepaid Expenses	780	176
	<u>864</u>	<u>266</u>
Net Assets	<u>\$ 470</u>	<u>\$ -</u>
Net Assets		
Accumulated Surplus (Note 8)	<u>\$ 470</u>	<u>\$ -</u>
Contingent Liabilities (Note 10)		
Contractual Obligations (Note 11)		

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

Approved by the Board of Directors

Original Signed

R. Scott Hutcheson
Board of Directors - Chair

Original Signed

The Honourable A. Anne McLellan, P.C., O.C., A.O.E.
Board of Directors - Vice Chair

INVEST ALBERTA CORPORATION
STATEMENT OF CHANGE IN NET DEBT
YEAR ENDED MARCH 31, 2022

	March 31, 2022 (12 Months)		March 31, 2021 (8 Months)
	Budget	Actual	Actual
	<i>(in thousands)</i>		
Annual Operating Surplus	\$ -	\$ 470	\$ -
Acquisition of Tangible Capital Assets (Note 9)		(38)	(89)
Amortization of Tangible Capital Assets (Note 9)		36	7
Acquisition of Inventories of Supplies		-	(8)
Consumption of Inventories of Supplies		8	-
Change in Prepaid Expenses		(604)	(176)
Increase in Net Debt		(128)	(266)
Net Debt at Beginning of Year		(266)	-
Net Debt at End of Year		\$ (394)	\$ (266)

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

INVEST ALBERTA CORPORATION
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2022

	March 31, 2022 (12 Months)	March 31, 2021 (8 Months)
	<i>(in thousands)</i>	
Operating Transactions		
Annual Operating Surplus	\$ 470	\$ -
Non-cash Items Included in Annual Operating Surplus		
Amortization of Tangible Capital Assets (Note 9)	36	7
	<u>506</u>	<u>7</u>
Increase in Accounts Receivable	(39)	(146)
(Increase)/Decrease in Inventories of Supplies	8	(8)
Increase in Prepaid Expenses	(604)	(176)
Increase in Accounts Payable and Accrued Liabilities	797	800
Increase in Deferred Revenue	4,065	3,569
Cash Provided by Operating Transactions	<u>4,733</u>	<u>4,046</u>
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 9)	(38)	(89)
Cash Applied to Capital Transactions	<u>(38)</u>	<u>(89)</u>
Increase in Cash and Cash Equivalents	4,695	3,957
Cash and Cash Equivalents at Beginning of Year	3,957	-
Cash and Cash Equivalents at End of Year	<u>\$ 8,652</u>	<u>\$ 3,957</u>

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

**INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2022**

Note 1 AUTHORITY AND PURPOSE

Invest Alberta Corporation (IAC) operates under the authority of the *Alberta Investment Attraction Act*, Chapter A-26.4 of the Statutes of Alberta 2020.

The purpose of IAC:

- 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.

IAC is an agent of the Crown in right of Alberta and as such has a tax exempt status. IAC was established on July 31, 2020, and the information included in the financial statements reflects the first complete fiscal year consisting of 12 months ending March 31, 2022 as compared to the 8 month period ending March 31, 2021.

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 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 by year end is recognized as unearned revenue and recorded in accounts payable and accrued liabilities.

**INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2022**

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

(b) Basis of Financial Reporting (Continued)

Government Transfers

Transfers from all levels of governments are referred to as government transfers.

Government transfers are recognized as deferred contributions if the eligibility criteria for use of the transfer, or the stipulations together with 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, IAC complies with its communicated use of the transfers.

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

Investment Income

Investment income includes interest income and is recognized as revenue as earned.

Expenses

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

Valuation of Financial Assets and Liabilities

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 Accrued Liabilities	Cost

The carrying value of these financial assets and liabilities approximates their fair value.

IAC does not have any transactions involving financial instruments that are classified in the fair value category, has not engaged in any significant foreign currency transactions, and has no remeasurement gains and losses; therefore a Statement of Remeasurement Gains and Losses has not been presented.

**INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2022**

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

(b) Basis of Financial Reporting (Continued)

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 IAC's financial claims on external organizations and individuals, as well as cash at year end.

Cash and Cash Equivalents

Cash comprises 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. 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 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.

Liabilities also include contingent liabilities where future liabilities are likely.

Foreign Currency Translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at transaction dates. Carrying values of monetary assets and liabilities reflect the exchange rates at the Statement of Financial Position date.

**INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2022**

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

(b) Basis of Financial Reporting (Continued)

Non-Financial Assets

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

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

Non-financial assets are limited to tangible capital assets and prepaid expenses.

Tangible Capital Assets

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.

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

Computer Hardware and Software	3 Years
--------------------------------	---------

Tangible capital assets are written down when conditions indicate that they no longer contribute to IAC's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

Prepaid Expenses

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

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recognized based on an assessment of collectability of accounts receivable. Amortization of tangible capital assets is based on the estimated useful lives of tangible capital assets. Accrued Liabilities are based on management estimates of expenses incurred but not invoiced to IAC at March 31, 2022.

**INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2022**

Note 3 FUTURE CHANGES IN ACCOUNTING STANDARDS

The Public Sector Accounting Board has approved the following accounting standard, which is effective for fiscal years starting on or after April 1, 2023:

- **PS 3400 Revenue**

This accounting standard provides guidance on how to account for and report on revenue, and specifically, it differentiates between revenue arising from exchange and non-exchange transactions.

IAC has not yet adopted this accounting standard. Management is currently assessing the impact of this standard on the financial statements.

Note 4 BUDGET

(in thousands)

A preliminary business plan with a budgeted net zero surplus/(deficit) was approved by the Board on May 18, 2021 and the full financial plan was submitted to the Minister of Jobs, Economy and Innovation. The budget reported in the Statement of Operations reflects the original net zero surplus/(deficit).

Note 5 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and cash equivalents consist of:

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Cash and Cash Equivalents	\$ 8,652	\$ 3,957
Total	<u>\$ 8,652</u>	<u>\$ 3,957</u>

Cash and cash equivalents consists of funds in operating accounts and deposits with CIBC.

Note 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Accounts Payable	\$ 1,388	\$ 549
Accrued Liabilities	209	251
Total	<u>\$ 1,597</u>	<u>\$ 800</u>

**INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2022**

Note 7 DEFERRED REVENUE

(in thousands)

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Deferred Revenue	\$ 7,634	\$ 3,569
Total	<u>\$ 7,634</u>	<u>\$ 3,569</u>

IAC recorded the excess of funds of \$22,000 over amounts expensed in the amount of \$14,373 as deferred revenue of \$7,634.

Note 8 ACCUMULATED SURPLUS AT YEAR END

(in thousands)

IAC inherited a permanent advance as a prepayment to Global Affairs Canada in the amount of \$470 from the Ministry. IAC recognized this amount as Government of Alberta grant revenue.

Note 9 TANGIBLE CAPITAL ASSETS

(in thousands)

	Computer Hardware and Software	<u>March 31, 2022</u>	<u>March 31, 2021</u>
		Total	Total
Estimated Useful Life	3 years		
Historical Cost			
Beginning of Year	\$ 89	\$ 89	\$ -
Additions	38	38	89
	<u>127</u>	<u>126</u>	<u>89</u>
Accumulated Amortization			
Beginning of Year	7	7	-
Amortization Expense	36	36	7
	<u>43</u>	<u>43</u>	<u>7</u>
Net Book Value March 31, 2022	<u>\$ 84</u>	<u>\$ 84</u>	
Net Book Value March 31, 2021	<u>\$ 82</u>		<u>\$ 82</u>

Note 10 CONTINGENT LIABILITIES

At March 31, 2022, 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, 2022

Note 11 CONTRACTUAL OBLIGATIONS

(in thousands)

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

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Operating Leases	\$ 2,615	\$ 1,920
Service Contracts	4,526	-
	<u>\$ 7,141</u>	<u>\$ 1,920</u>

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

	<u>Operating Leases</u>	<u>Service Contracts</u>	<u>Total</u>
2022-23	\$ 529	\$ 2,751	\$ 3,280
2023-24	623	1,671	2,294
2024-25	578	51	629
2025-26	453	51	504
2026-27	324	1	325
Thereafter	108	1	109
	<u>\$ 2,615</u>	<u>\$ 4,526</u>	<u>\$ 7,141</u>

Note 12 BENEFIT PLANS

(in thousands)

IAC participates in a Registered Retirement Savings Plan (RRSP) program on behalf of employees of IAC. The contributions are calculated based on a fixed percentage of the employee's annual base salary to a maximum of the RRSP contribution limit as specified in the *Income Tax Act (Canada)*. The expense of \$284 included in these financial statements represents the current contributions made on behalf of these employees.

Note 13 FINANCIAL RISK MANAGEMENT

IAC has the following financial instruments: cash and cash equivalents, accounts receivable, deferred revenue, accounts payable and accrued liabilities.

IAC is exposed to a variety of financial risks associated with its use of financial instruments; interest rate risk, liquidity risk, other price risk, credit risk, and foreign currency risk.

**INVEST ALBERTA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2022**

Note 13 FINANCIAL RISK MANAGEMENT (Continued)

(a) Interest rate risk

Interest rate risk is the risk that the rate of return and future cash flows on IAC's cash and cash equivalents held in bank accounts will fluctuate because of changes in market interest rates. As IAC holds bank deposits that are interest bearing and accounts payable which are non-interest bearing, IAC is not exposed to significant interest rate risk relating to its financial assets and liabilities.

(b) Liquidity risk

Liquidity risk is the risk that IAC will encounter difficulty in meeting obligations associated with financial liabilities. IAC enters into transactions to purchase goods and services on credit. Liquidity risk is measured by reviewing IAC's future net cash flows for the possibility of negative net cash flow. IAC manages the liquidity risk resulting from its accounts payable obligations by maintaining cash and cash equivalents resources in interest bearing bank deposits.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. IAC's financial instruments are not exposed to changes in market prices.

(d) Credit risk

IAC is not exposed to any significant credit risk from potential non-payment of accounts receivable. As at March 31, 2022, the balance of accounts receivable does not contain amounts that are uncollectible.

(e) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. IAC's exposure to the risk of changes in foreign exchange rates relates to expense transactions denominated in foreign currency. This risk may include, but is not limited to time delay between transaction and settlement of payment, as well as translation of payments between foreign currencies. IAC does not hold any financial assets or liabilities denominated in foreign currency.

Note 14 SUBSEQUENT EVENTS

Subsequent to the year end, and effective on April 1, 2022, the Ministry determined a change in control over the Alberta International Offices from IAC to the Ministry.

Note 15 APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors approved the financial statements on June 2, 2022.

INVEST ALBERTA CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
YEAR ENDED MARCH 31, 2022

SCHEDULE 1

	March 31, 2022		March 31, 2021
	(12 Months)		(8 Months)
	Budget	Actual	Actual
	<i>(in thousands)</i>		
Salaries, Wages and Employee Benefits	\$ 7,545	\$ 4,613	\$ 1,063
Supplies and Services	17,705	9,724	1,361
Amortization of Tangible Capital Assets (Note 9)	-	36	7
Total Expenses	\$ 25,250	\$ 14,373	\$ 2,431

INVEST ALBERTA CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE
YEAR ENDED MARCH 31, 2022
(In thousands)

SCHEDULE 2

	March 31, 2022 (12 Months)			March 31, 2021 (8 Months)	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-Cash Benefits ⁽³⁾	Total	Total
Chair of the Board of Directors ⁽⁴⁾	\$ -	\$ 26	\$ -	\$ 26	\$ 17
Members of the Board of Directors ⁽⁴⁾	-	81	-	81	51
Executives					
Chief Executive Officer ⁽⁵⁾	253	28	45	326	140
Vice President, Business Development ⁽⁶⁾	106	2	19	127	-
Vice President, Investor Services ⁽⁷⁾	165	5	31	201	-
Vice President, Finance and Administration ⁽⁸⁾	49	-	10	59	-
Vice President, International Markets ⁽⁹⁾	71	-	16	87	-
Vice President, International Offices and Acting Chief Operating Officer ⁽¹⁰⁾	46	-	10	56	-
Chief Financial Officer ⁽¹¹⁾	-	-	-	-	62
Director, Operations ⁽¹¹⁾	-	-	-	-	71
Director, Communications ⁽¹¹⁾	-	-	-	-	70
	\$ 690	\$ 142	\$ 131	\$ 963	\$ 411

⁽¹⁾ Base salary includes regular salary.

⁽²⁾ Other cash benefits include honoraria, vehicle allowance and vacation payouts. There were no bonuses paid in 2022.

⁽³⁾ Other non-cash benefits include IAC's share of all employee benefits and contributions or payments made on behalf of employees, supplementary retirement plans, health care, dental coverage, and group life insurance.

⁽⁴⁾ The board consists of seven independent members including the Chair, whose honorarium is disclosed separately.

⁽⁵⁾ Occupancy of the position changed on June 17, 2021 and October 25, 2021.

⁽⁶⁾ Position was filled July 19, 2021 and vacated January 1, 2022.

⁽⁷⁾ Position was filled July 5, 2021.

⁽⁸⁾ Position was filled January 3, 2022.

⁽⁹⁾ Position was acting Chief Executive Officer June 17, 2021 to October 24, 2021, and vacated January 1, 2022.

⁽¹⁰⁾ Position was vacated June 8, 2021.

⁽¹¹⁾ Position no longer meets the definition for disclosure purposes effective April 1, 2021.

**INVEST ALBERTA CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
YEAR ENDED MARCH 31, 2022**

SCHEDULE 3

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta Consolidated Financial Statements. Related parties also include key management personnel and close family members of those individuals in Invest Alberta Corporation.

IAC paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

At March 31, 2021 and March 31, 2022, there were no related parties transactions associated with:

- Key management personnel and close family members of those individuals in IAC.
- Companies connected to members of IAC's Board of Directors.

IAC had the following transactions with related parties reported on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	March 31, 2022 (12 Months)	March 31, 2021 (8 Months)
	<i>(in thousands)</i>	
Revenues		
Grants	\$ 14,836	\$ 2,431
Other	-	-
	<u>\$ 14,836</u>	<u>\$ 2,431</u>
Expenses		
Other Services	41	70
	<u>\$ 41</u>	<u>\$ 70</u>
Receivable from	<u>\$ 159</u>	<u>\$ 142</u>
Deferred Revenue	<u>\$ 7,634</u>	<u>\$ 3,569</u>