



TFSA

TORONTO FINANCIAL
SERVICES ALLIANCE

Toronto Region: A Dynamic Fintech Hub

Location, tech talent and competitive business environment: Toronto has all the attributes of a world-class Fintech hub.

4th

Canada is the 4th largest cybersecurity hub in terms of deal flow with Ontario leading the country.



World Class Fintech Hub

Companies whose technologies support the financial services sector have found an ideal North American location in Toronto. More than 13,000 tech companies in the Toronto region, from startups to global technology leaders, deliver hardware, software, and communications services to the North American and global financial services industry.

Key Incubators and Accelerators in the Toronto Region

Communitech

DMZ Ryerson

Highline

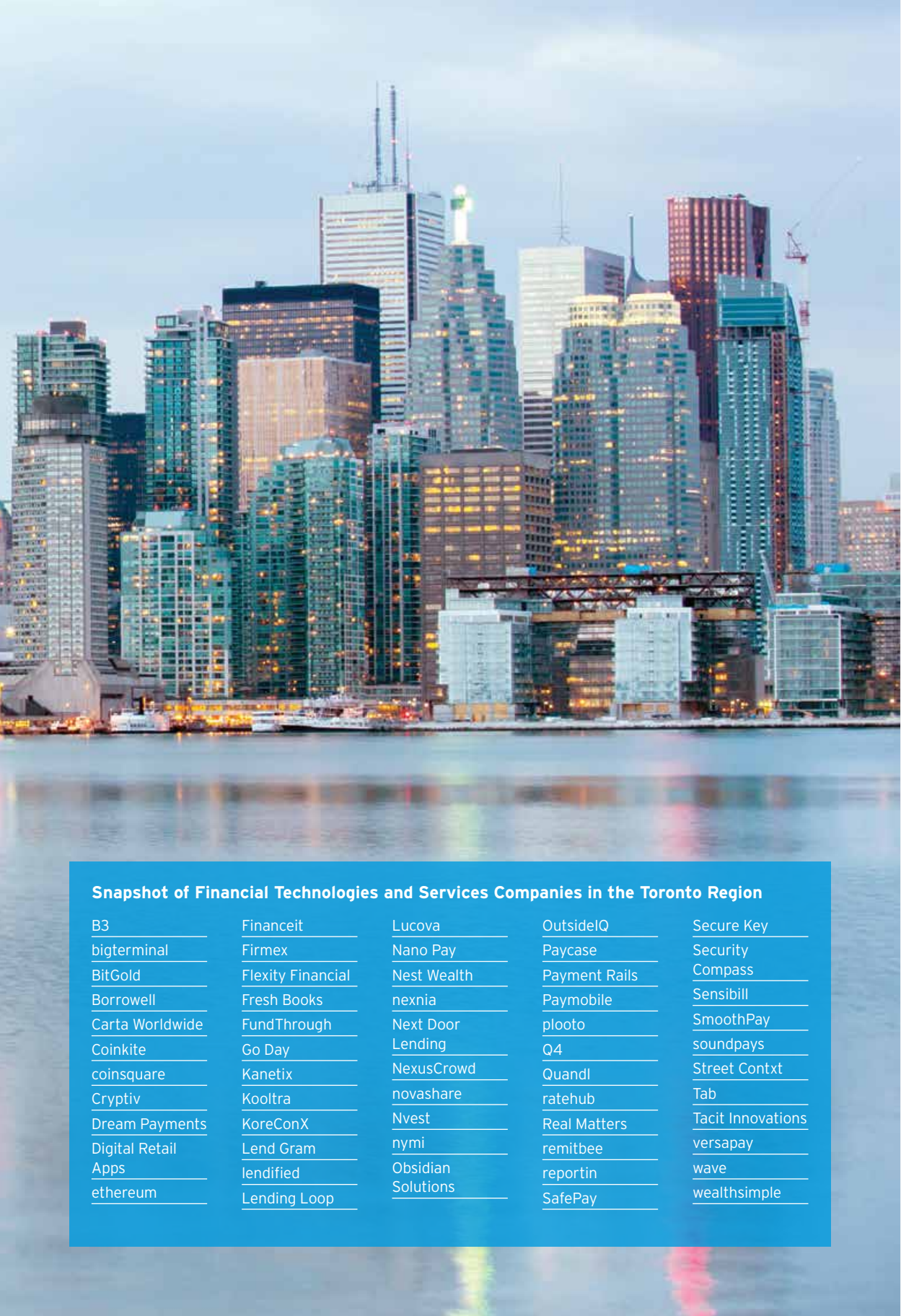
Incubes

MaRS

OneEleven

3rd

The third-largest ICT cluster in North America, the Toronto region is the Canadian headquarters for some of the world's leading wireless and telecom companies.



Location

Located just over an hour by road from the U.S. border and by air from New York, Boston and other major business centres on the continent, Toronto has unlimited access to the world's largest economy and to many of the world's leading financial institutions.

As the capital of Canada's financial services industry, Toronto is the headquarters for:

- 3 of the world's largest life insurers;
- 3 of the world's top 25 banks;
- 123 financial securities firms;
- 3 of the top 50 global pension funds;
- 9 of Canada's top 10 mutual fund companies;
- 3rd largest equity exchange (TSX) in North America and the 7th in the world.

The Toronto region is also the Canadian headquarters for some of the world's leading wireless and telecom companies, including Cisco, Ericsson and Alcatel, and for world-leading software and data analytics companies such as HP, IBM and Microsoft. Together, these companies contribute to Ontario's nation-leading ICT sector, which accounts for 65% of the sector's R&D and 66% of its exports from Canada.

Ontario is the 2nd largest ICT Cluster in North America



**California
#1**



**Ontario
#2**



**Texas
#3**



**New York
#4**

Snapshot of Financial Technologies and Services Companies in the Toronto Region

B3	Financeit	Lucova	OutsideIQ	Secure Key
bigterminal	Firmex	Nano Pay	Paycase	Security Compass
BitGold	Flexity Financial	Nest Wealth	Payment Rails	Sensibill
Borrowell	Fresh Books	nexnia	Paymobile	SmoothPay
Carta Worldwide	FundThrough	Next Door Lending	plooto	soundpays
Coinkite	Go Day	NexusCrowd	Q4	Street Contxt
coinsquare	Kanetix	novashare	Quandl	Tab
Cryptiv	Kooltra	Nvest	ratehub	Tacit Innovations
Dream Payments	KoreConX	nymi	Real Matters	versapay
Digital Retail Apps	Lend Gram	Obsidian Solutions	remitbee	wave
ethereum	Lending Loop		reportin	wealthsimple
			SafePay	



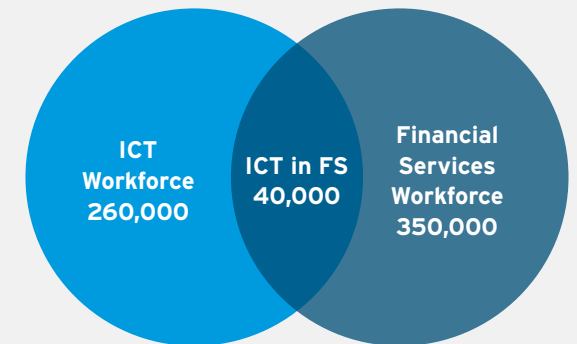
Tech Talent

With 50% of the country's approximate 60,000 Fintech employees, the Toronto region offers one of the most highly educated workforces in the developed world.

While more than 80% of Toronto's financial services workers have post-secondary degrees and accreditations, the city's 61 technology-related programs train more than 5,000 graduates a year. These programs foster many start-ups. For example, in 2014/2015, the incubators and accelerators at the University of Toronto worked with 226 student-led start-up teams and produced 79 registered companies, the most in the country.

Toronto's talent pipeline is continually replenished by Ontario's 44 colleges and universities that produce approximately 38,000 skilled graduates in science, technology, engineering and mathematics each year. They also offer more than 200 cooperative education programs in ICT fields, including the University of Waterloo's program, the largest in the world, involving 19,000 students and 6,300 employers.

Employees in Ontario by Sector



Competitive Environment

As a competitive location for conducting business, KPMG ranks Toronto ahead of New York, Chicago, London and Tokyo.

A positive and supportive national business environment:

On Bloomberg's 2014 list of the world's best countries for doing business, Canada ranked second behind Hong Kong but ahead of the U.S., Singapore, Germany and Australia.

Fintech companies doing business in Toronto benefit from one of the lowest software development costs in the industrialized world. Running a software development centre in Toronto is much more affordable than in London and New York City which is one of the many reasons why the Canadian software industry has grown 23% from 2009 to 2014.

Based on the combined costs of labour, utilities, telecommunications and property, the cost of operating a data centre is also more affordable in Toronto than other jurisdictions.

Toronto's Fintech sector can also take advantage of a broadly based system of R&D tax credits from the federal and provincial governments. These can reduce the gross cost of C\$100 in R&D to C\$42 to C\$54 depending on the size and type of company.

Competitive Business Costs: Financial Services Operations

Overall Business Costs Index (U.S. Average = 100)

Toronto	93.6
Chicago	99.1
London	99.9
Benchmark U.S.	100
Sydney	101
Tokyo	102.1
NYC	103.6
San Francisco	104.2

Canada has ranked as one of the soundest banking systems in the world for the 9th year by the World Economic Forum (WEF).



The Toronto Financial Services Alliance (TFSA) is a unique public-private partnership dedicated to building Toronto as a global financial services centre.

For more information on the TFSA and Toronto's financial services sector, please visit tfsa.ca or call 416-933-6780.