

SEIZING NEW HEIGHTS

10th ANNIVERSARY



2016
ACTIVITY REPORT

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QUÉBEC, A GLOBAL AEROSPACE HUB





HÉLÈNE V. GAGNON
Vice President, Public Affairs
and Global Communications
CAE

MEETING THE CHALLENGES OF THE FUTURE

In 10 years, Aéro Montréal has become the recognized voice of Québec's aerospace industry on the national and international stages. Aéro Montréal is viewed as a world benchmark for good reason: the organization has helped to make Québec the 3rd international capital of aerospace with Seattle and Toulouse. Aéro Montréal would not be the strategic forum it is today without the vision, the boldness and the unwavering commitment of its early supporters.

We are fortunate to have Suzanne M. Benoît as our president, who, from the founding of the organization exactly 10 years ago, and in the years that have followed, has surrounded herself with exceptional talent. Passionate people who have demonstrated their total commitment as members of the team and of the board of directors as well as in our various working groups. Experienced people who have helped to build strong governance practices and developed a 2016-2018 Strategic Plan that is moving us forward. I commend their dedication because this great team has been able to create promising projects that are enabling Québec's aerospace industry to pursue its future plans and enhance its influence and the excellence of its products and services.

It is for them and for all of you, key players in Québec's aerospace industry, that we so proudly celebrated our 10th anniversary year!

The vision and boldness of Aéro Montréal are reflected concretely in the strategic role played by the organization in tackling the industry's major challenges and developing solutions to increase the competitiveness and sustainability of our aerospace companies in Québec and internationally.

The Québec Aerospace Strategy, unveiled in May, champions one of Aéro Montréal's major programs, MACH FAB 4.0, which will support our SMEs in the transition to Industry 4.0. Aéro Montréal published the "Propelling the talents of aerospace towards Industry 4.0" White Paper, focusing on meeting companies' workforce needs through 4.0 skills development. The year 2017 will see increasing plant modernization and digitization, essential for companies in our sector.

In 2016, Aéro Montréal produced several briefs and supported the interests of its members, including consultations on Canada's Innovation Agenda and on the new Québec International Policy. Aéro Montréal shared the industry's position on succession and workforce issues with the Government of Québec in anticipation of the « Rendez-vous national sur la main-d'œuvre » scheduled for 2017. The inclusion of cultural diversity and more women in aerospace careers are among the priorities of Aéro Montréal. In this regard, our goal is to enhance the labour pool while our society is experiencing an inter-generational transformation.

The organization has supported innovation in all its forms. Whether technological, manufacturing or environmental, innovation plays a catalytic role for companies and research centres. In a rapidly expanding global industry, Aéro Montréal's vision of supporting the SA²GE greener aircraft project will lead to new niches of excellence in Québec in the next five to 10 years.

“Aéro Montréal is a strategic think tank that groups all major decision makers in Québec's aerospace sector, including companies, educational and research institutions, as well as associations and unions.”

Aéro Montréal has gained global credibility and recognition in 10 years with close to 20 collaboration agreements with international clusters and competitiveness hubs. This demonstrates how well the organization is reaching members in Québec, Canada and around the world. The growing influence of the Québec aerospace cluster has also led to an increasing interest by specialized and business media in the organization and its members. This enhanced visibility supports the business development and exceptional capabilities of Québec companies of all sizes in national and global markets. Collaboration and internationalization are key success factors for the future of Québec's aerospace industry.

In my second year as chair of the board of directors of Aéro Montréal, I am more convinced than ever that the Québec aerospace cluster will continue to demonstrate its leadership in every way. Given the prospects for growth in global air traffic, an accelerated digital shift, increased demand for more eco-responsible aircraft, and a more specialized workforce, Aéro Montréal is in an excellent position to pilot the industry in meeting the challenges of the future.

MESSAGE FROM THE PRESIDENT

AEROSPACE, A SECTOR CREATING SIGNIFICANT WEALTH FOR OUR SOCIETY



SUZANNE M. BENOÎT
President

A review of the achievements of Aéro Montréal in 2016 means looking back at an evolving, 10-year journey to represent and support an industry subject to the ups and downs of economic cycles. However, thanks to fundamental economic factors, an improved business climate, and investments in innovation and productivity, we can look at the impacts of the changes taking place in our industry with optimism.

Economic, financial and research experts agree that, despite the global economic downturn, the outlook for Canada is strong. According to Consensus Economics¹, Canada had one of the highest GDP growth rates of all G7 countries between 2012 and 2015. This situation should continue for the 2016-2018 period. The OECD agrees, estimating Canada's economic growth at 2.3% in 2018².

Several aerospace niches will act as key levers to boost the local and global economy. The IATA expects demand for air transport to increase by an average of 5% per year over the next 10 years. Higher passenger traffic translates into more aircraft being built and maintained, as well as a greater focus on developing more fuel efficient and quieter aircraft.

In the age of the digital shift in aerospace, government support for modernizing facilities, transforming supply chains and developing the next generation of employees – as well as a more specialized workforce – will lead to productivity gains. Competition is intense on a global scale. Our Québec aerospace companies stand out through their ingenuity and their quality products and services. In this regard, the deployment of the Québec Aerospace Strategy 2016-2026, in close coordination with Québec's digital and export strategies, will enable our SMEs and OEMs to be more competitive and to establish themselves in new markets.

As soon as the cluster was created, we set up working groups dedicated not only to meeting the needs of Québec aerospace but above all to propelling the ingenuity and know-how of our ecosystem to the forefront. The programs and activities proposed by our six working groups are demonstrating a multiplier effect in terms of productivity, excellence and competitiveness. In 2016, our six working groups helped our members make significant progress in these areas, both at home and internationally.

Our 10th anniversary celebrations opened with the "AéroPortail-Vitrines 2016" event in February and closed with the Seminar on Financing in December. In between, the year was marked by many successes and milestones. All the events we held in 2016 provided an opportunity to highlight our 10th anniversary and sharply increase our visibility. Our companies and partners benefited from these efforts. For example, our SMEs were recognized at the 2016 Gilles-Demers Awards event, with each winning company gaining coverage in local and international media.

The loyalty of our members and of our public and private partners is a tremendous source of pride for me. Our membership increased by 18.8% this year compared with 2015. With such a strong base united around a common goal, Aéro Montréal has gained a privileged position as a leading voice for aerospace, a sector that is creating significant wealth for our society.

In 2016, we welcomed more political and business leaders than ever before at our events. This included Québec Premier Philippe Couillard at the 2nd edition of International Aerospace Week – Montréal. When consulting key decision-makers to establish government policies, we were among the first to be called. We are at the heart of the action. This was the case for the Québec Aerospace

“ I am very pleased to report on our accomplishments in 2016 and in our 10 years of existence. ”

Strategy 2016-2026, the Government of Québec's digital action plan, Québec's International Policy, the Québec Export Strategy 2016-2020, and the Canadian governments' Innovation Agenda. With the investment announcements for the second phase of the SA²GE greener aircraft project, the Government of Québec is acknowledging the relevance of our programs to the strength of the cluster.

In 2016, we raised our support for companies, especially SMEs, seeking to take the digital shift and increase their presence internationally. The MACH Fab 4.0 program, the launch of the 5th MACH cohort, the financial decision-making tool, and the "Propelling the talents of aerospace towards industry 4.0" White Paper aim to increase the competitiveness of SMEs in global supply chains and ensure that they have the right financial levers and new 4.0 skills.

I would be remiss if I did not mention the strong bonds of trust that we enjoy with our partners in education at all levels. They have thrown open their doors to allow us to hold activities aimed at fostering young talent. These range from the "Passion for flight" program for elementary and high school students to the promotion of aerospace careers in collaboration with WIA organization. In the "Aerospace of tomorrow: Towards a 100% Recyclable Aircraft" case study at the ÉTS, we saw how much young people can impress with their inventiveness and business acumen! Our SMEs need access to this pool of talent to innovate and be among the best in the world. The second phase of the AeroPortal was launched with this in mind.

After 10 years, we are far from resting on our laurels. In the interest of continuous improvement, we are conducting a major survey among members of the Québec aerospace industry. This will help us better prioritize our actions based on the needs they express. The results of the consultation will be available in 2017 and allow us to update our strategic plan for the coming years.

In summary, 2016 was a pivotal year. Every building block laid since the establishment of Aéro Montréal is providing us with a solid foundation – one that serves as a springboard for companies of all sizes and for thousands of current and future workers. The Québec aerospace cluster is now in a better position than ever to deploy its innovative manufacturing capabilities.

I am fortunate to be surrounded by an experienced team that deserves much credit for the successes that Aéro Montréal is achieving through the programs and activities conceived and implemented by our six working groups. I'd like to thank them wholeheartedly.

I now invite you to read about the achievements of each working group in the following pages.

¹international.gc.ca/economist-economiste/assets/pdfs/invest/invest_investir_FRA.pdf
²oecd.org/fr/eco/perspectives/canada-projections-economiques.htm



01

CHAIR OF THE BOARD



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VICE-CHAIR OF THE BOARD



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CORPORATE TREASURER



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12 > Marc Donato
Vice President, Operations
& Institutional Relations,
Information System Group
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19 > Guillermo Alonso
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Alta Precision

20 > Hugue Meloche*
President & CEO
Groupe Meloche

21 > Nathalie Paré
Executive Director
CAMAQ

22 > Jerzy Komorowski
General Manager,
Aerospace
National Research
Council (NRC)

23 > Denis Faubert
President & CEO
CRIAQ

24 > Mario Hérroux
Director
École des métiers de
l'aérospatiale de Montréal

25 > Sylvain Lambert
Director
École nationale
d'aérotechnique

26 > David Chartrand
Grand Lodge
Representative
IAMAW

27 > Alan Shepard
President & Vice-Chancellor
Concordia University

Observers
28 > Julie Insley
Executive Director,
Québec Region,
Strategic Policy Sector
Innovation, Science &
Economic Development
Canada

29 > Mario Bouchard
Assistant Deputy Minister,
Strategic Industries &
Major Projects
Ministry of Economy,
Science & Innovation

* MEMBERS OF THE EXECUTIVE COMMITTEE

BRANDING & PROMOTION WORKING GROUP



President of Branding & Promotion Working Group
PASCALE ALPHA
 Director
 Global Communications
 CAE

MESSAGE FROM THE PRESIDENT

The year of the 10th anniversary of Aéro Montréal provided a special opportunity for the Branding and Promotion Working Group team to put into action a communication plan focused on the unique positioning of the aerospace cluster as an engine of economic growth. Through numerous activities, organized by all Aéro Montréal working groups, we highlighted the achievements of companies in the sector, both at home and abroad. We shared and applauded the announcement of major contracts and the establishment of strategic alliances and new manufacturing technologies. We underscored the pride and passion of the people who are working in our sector. In short, we generated a lot of attention - for you, for our members and for our industry partners - in both the print media and on social media!

The launch of the 10th anniversary celebrations on February 11 at the Montréal Science Centre featured "AéroPortail: Vitrines 2016," the Québec aerospace industry's first major event focused on recruitment in the aerospace sector.

The important work of promotion and media relations enabled Aéro Montréal to make the second edition of the International Aerospace Week - Montréal a highpoint of the year. More than 1,300 participants and over 100 speakers from 15 countries led to more than 1,400 B2B meetings during a week of activities that opened with the Aerospace Innovation Forum and ended with the Aéro Talents Forum.

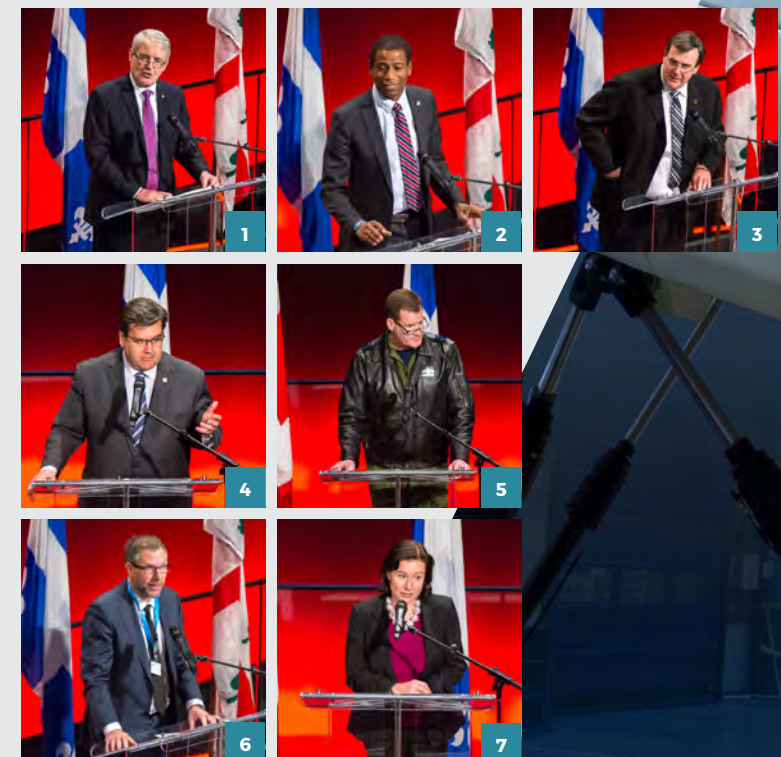
High-level representatives from the Government of Québec made special appearances at various activities during the week, including Premier Philippe Couillard, Dominique Anglade, Minister of Economy, Science and Innovation and Minister responsible for the Digital Strategy, Martin Coiteux, Minister of Municipal Affairs and Land Occupancy and Minister responsible for the Montréal region, and Christine St-Pierre, Minister of International Relations and La Francophonie. We also had the privilege of hosting federal government officials, including Leona Alleslev, Parliamentary Secretary to the Minister of Public Services and Supply, and Marc Miller, MP for Ville-Marie, Sud-Ouest, Île-des-Sœurs.

WORKING GROUP MEMBERS

Members

- **Sylvie Bourassa**
Executive Director - Government Relations
Concordia University
- **Fannie Couture**
Communications & Marketing Supervisor
AV&R
- **Marc Duchesne**
Director, Communications
Pratt & Whitney Canada
- **Éric Edström**
Project Manager
CAMAQ
- **Renaud Festraets**
Sales & Marketing Manager
FDC Composites
- **Stephan Fogaing**
Aerospace Advisor,
Transportation & Logistics Division
Ministry of Economy, Science & Innovation
- **Josée Gaulin**
Marketing & Communications
Senior Specialist, Human Resources
L-3 MAS
- **Sylvie Gauthier**
Director, Communications
Product Development
Engineering, Aerospace
Bombardier
- **Caroline Joubert**
Manager,
Communications Strategies
Ministry of Economy,
Science & Innovation
- **Marlène Joubert**
Senior Advisor, Communications
Bombardier
- **Michael Muldoon**
Director, Aerospace Operations
Radix
- **Anne-Julie Ouellet**
Assistant Director,
Communications,
Public Affairs &
Governmental Relations
Cégep Édouard-Montpetit
- **Christoph Schewe**
Managing Director
IFALPA
- **Hélène Séguinotte**
General Delegate
Safran Canada
- **Lucie Tessier**
Communications
Site Manager
Bell Helicopter
Textron Canada

- 1 The Honorable Marc Garneau, Minister of Transport, Canada
- 2 Greg Fergus, Parliamentary Secretary to the Minister of Innovation, Science and Economic Development, Canada
- 3 François Blais, Minister of Employment and Social Solidarity, Québec
- 4 Denis Coderre, Mayor of Montréal
- 5 Lieutenant-General Michael J. Hood, Commander of the Royal Canadian Air Force
- 6 Stephen P. Creamer, Director, ICAO Air Navigation Bureau
- 7 Hélène V. Gagnon, Chair of the Board of Aéro Montréal and Vice President, Public Affairs and Global Communications, CAE



MESSAGE FROM THE PRESIDENT (CONT'D)

We also increased media coverage of Aéro Montréal's trade missions to Germany, France, Vermont, Ohio, as well as during the Farnborough Airshow in the United Kingdom. As part of Montreal's Civil Aviation Week, we organized company visits at SME and other facilities so that international business and trade media could report on the excellence of our sector. The working group concluded this week with a large public activity, broadcast live on the AeroPortal Facebook page, at ÉTS: a multidisciplinary case study competition organized throughout Québec and entitled "Aerospace of tomorrow: Towards a 100% recyclable aircraft."

In 2016, the working group became more actively involved in the five other working groups to optimize interactions among members and communications about the progress of their key projects. This initiative enabled us:

- ✓ To launch a communication plan designed to enhance the promotion and visibility of our SMEs and support them in their market development;
- ✓ To initiate the development of a global communication plan for International Aerospace Week - Montréal, to be held in April 2017;
- ✓ To demystify and clarify the concept of "Industry 4.0" in order to better address issues related to the digital shift - the current and next-generation workforce, educational institutions, etc.;



- ✓ To support Phase 2 of the SA²GE greener aircraft project by promoting the mobilization of research centers and SMEs;
- ✓ To develop new functionalities of the AeroPortal to share information on training, employment and industry news in a more dynamic and interactive way. The goal is to make it the main public media source for the Quebec aerospace industry

The cluster's contribution to raising the reputation of Québec, and especially Greater Montreal, was powerfully recognized during the 10th anniversary year of Aéro Montréal: we were given the honour of signing the City of Montreal's Golden Book in the presence of Mayor Denis Coderre, municipal officials, members of the team and the board of directors.

At the end of a year full of activities and impacts, the working group has launched a wide-ranging consultation with members and non-members of Aéro Montréal. Results from the focus groups, surveys and one-on-one interviews, which will be available in 2017, will more accurately align our strategy and tactics with the priorities of the cluster and our members for the years to come.



ACHIEVEMENTS



10 years on the scene!

The working group ensured that the Aéro Montréal logo and all communication tools proudly displayed the number “10” by updating the visual imagery. The official unveiling of the new corporate identity took place during the 10th anniversary celebrations at the Montréal Science Centre on February 11th. More than 3,000 students from high school, colleges and universities, and industry members were in attendance. A “Red Carpet” evening with many prestigious guests at the IMAX theater closed the day with the special presentation of “Living in the Age of Airplanes,” a film produced by National Geographic, sponsored by ADM.

In April, as part of the 2nd International Aerospace Week – Montréal, 400 people attended a networking cocktail during which we presented an animated video and photos providing a 10-year retrospective of the cluster. A special performance by The “7 Fingers of the Hand” Cirque on the theme of the relationship between humans and space entertained our guests during the evening.

Our website continues to evolve

The redesign of Aéro Montréal’s website took a further step in 2016. Fully adaptable to smart phones, tablets and laptops, the site was optimized for easy navigation and information retrieval. The “member” area is now linked to our customer relationship management system. This simplifies the management of content published on the site or disseminated to our members.

Advisory services to support Aéro Montréal’s priorities

The working group team is becoming increasingly involved in the development and deployment of strategic and tactical communications plans in support of the structuring projects of Aéro Montréal’s working groups. The range of services available for Aéro Montréal and its working groups include: the production of content based on target audiences and its distribution through our various communication tools; the development of Phase 2 of the AeroPortal; the management of the visibility of our partners and sponsors; media relations and production of promotional materials or videos. This expertise ensures the success and the visibility of the many diverse projects that are noted in each of the working groups’ achievements.

- 1 Christine St-Pierre, Minister of International Relations and La Francophonie, Québec.
- 2 Performance by The “7 Fingers of the Hand”.
- 3 Conference held by Brigadier-General Lise Bourgon, a Royal Canadian Air Force maritime helicopter pilot.
- 4 Panel on the thematic of space, with the participation of Marc Donato, Vice President, Operations, MDA Information Systems, and students from Concordia University and Polytechnique Montréal.
- 5 Inter-university drones competition.

A growing national and international profile

The year of our 10th anniversary allowed us to reaffirm the strengths of the cluster, the achievements of our members, and the brand image of Aéro Montréal. Our efforts with traditional and social media are gaining momentum year after year, judging by the steady growth of our subscribers on LinkedIn and Twitter. The AeroPortal has also reached the 5,000-strong mark, a figure that could double in 2017 with the enhancements we will be putting in place. Journalists regularly contact us to understand the challenges of Québec’s aerospace industry and we are increasingly in the public eye.

In 2016, Aéro Montréal signed four open letters:

- ✓ In LaPresse+, we published an open letter entitled “Canada must support its champions” and another in the newspaper Les Affaires on the theme of “Maintaining a strong aerospace supply chain.”
- ✓ We co-signed, with several organizations, a letter published in La Presse about the Temporary Foreign Worker Program (TFWP).
- ✓ As part of Civil Aviation Week, we joined forces with MI in LaPresse + to raise awareness among ICAO, aerospace players and the general public about the importance of the fight against climate change and the role that the aerospace sector can play in this regard in Quebec.

We were featured in four Aerospace Portfolios in La Presse and Les Affaires about “Training”, “Innovation” and “Women in Aviation”.

The working group enjoyed a considerable increase in the number of its subscribers on LinkedIn and Twitter.



MEDIA RELATIONS AND COVERAGE FOR 2016:

74

DIRECT INTERVIEW REQUESTS

24

PRESS RELEASES

118

ARTICLES IN TRADITIONAL AND WEB MEDIA, INCLUDING A QUOTE FROM AÉRO MONTRÉAL

418

ARTICLES ON THE AEROSPACE INDUSTRY THAT COULD INCLUDE A MENTION OF AÉRO MONTRÉAL





President of Market Development – SME Working Group
HUGUE MELOCHE
 President and Chief Executive Officer
 Groupe Meloche

MARKET DEVELOPMENT – SME WORKING GROUP

WORKING GROUP MEMBERS

Members

- **Guillermo Alonso**
President
Alta Precision
- **Anne-Marie Bertrand**
General Manager
Héroux-Devtek Inc.- Laval
- **Jean Blondin**
President
Abipa Canada
- **Graham Campbell**
Programs Director
Sonaca
- **François Cyr**
Executive Director
PCM Techfab
- **Christian Delisle**
President
Électro-Kut
- **Jean-François Dupont**
Chief Executive Officer
AV&R
- **Sébastien Farkas**
Chief Executive Officer
Techniprodec
- **Steve Lavoie**
Senior Director,
Aerostructures & Wiring
Bombardier
- **Éric Ledoux**
Chief Executive Officer
DCM Group
- **Mario Lépine**
President
Lego Finishing Center
- **Jacques Ouellet**
Chief Executive Officer
NSE-Automatech
- **Jean Proteau**
Co-President
APN

- **Stéphane Turcotte**
Vice President Operations
& co-owner
Nétur
- **Nancy Venneman**
President
Altitude Aerospace

Observers

- **Gilles Brabant**
Coordinator, Aerospace
& Defense sector
Ministry of Economy,
Science & Innovation
- **Étienne Lapalme**
Trade Commissioner
Aerospace, Defence
& Security
Canadian Trade
Commissioner Services

MESSAGE FROM THE PRESIDENT

Aéro Montréal's SME members are key drivers of Québec's economic growth and critical to the future of our aerospace industry. More than ever, we are supporting them in their development efforts and helping them tackle their challenges. During 2016, we focused on the need to penetrate new markets, export and consolidate in order to gain access to prime contractors and Tier 1 suppliers.

To optimize the impacts of this support, the Market Development – SME Working Group organized five trade missions and shared examples of successful acquisitions. Our SMEs have benefited from training to better identify potential customers and to develop new skills in market development.

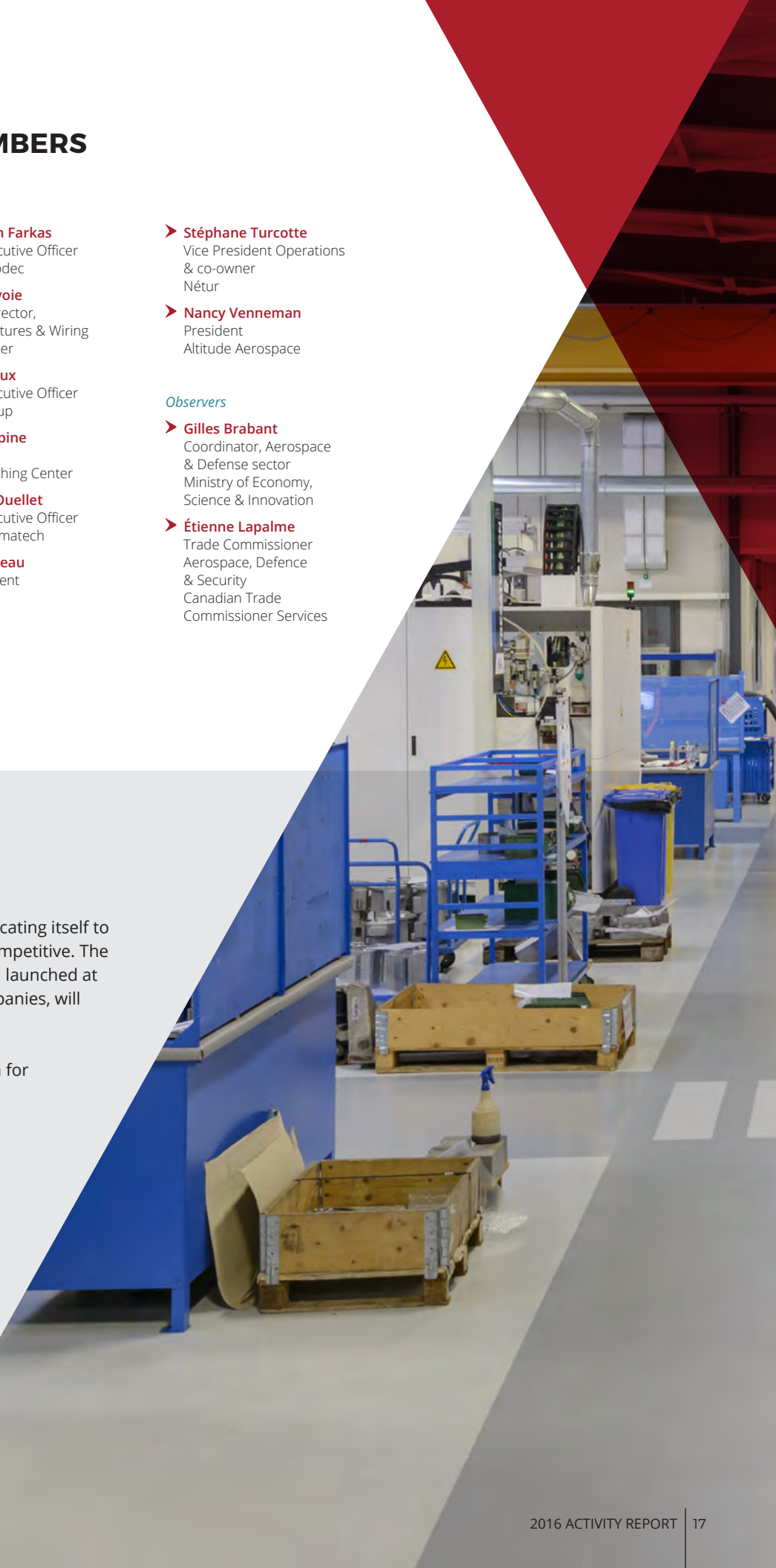
The working group's team carried out a major project in support of these efforts, one aimed at providing SMEs with a deeper understanding of their business reality, their needs and the specific challenges they are facing. This is the "SME Mapping," project, during which 50 companies were interviewed. The main findings revealed notably that SMEs are open to collaboration, partnerships and consolidation and are having difficulties attracting and retaining employees.

Aéro Montréal also created a financial decision-making tool to help SMEs access to all existing financial levers. We are helping companies develop their value proposition and providing market research that enables them to analyze and identify international business opportunities. Efforts have also been made to raise awareness among SMEs with little or no export activity.

At the same time, the working group is always keen to highlight SMEs' outstanding accomplishments that are setting them apart. There are so many! Whether it is for their culture of innovation, their achievements in business development and foreign markets, or their influence in the industry here and elsewhere, our SMEs are creating wealth. And Aéro Montréal is proud to recognize them. Hence the large participation in the Gilles-Demers Awards event this year, which was in its second edition.

Year after year, the working group is dedicating itself to ensuring that our aerospace SMEs are competitive. The "Sharing best business practices," project, launched at the end of 2016 and attended by 11 companies, will be part of these efforts in 2017.

Many thanks to the working group's team for making 2016 even more productive than the previous year and promising for the years to come!



ACHIEVEMENTS

Consolidation and company transfer

In 2016, the working group reflected on the issues of consolidation and company transfer. This review and analysis resulted in two specific actions: the organization of the Seminar on Financing and the agreement-in-principle with the Centre de transfert d'entreprises du Québec to help our members benefit from the tools of this organization.

Specialized training

Aéro Montréal, CAMAQ, Emploi NEXUS and Norton Rose Fulbright offered free training on "Legal issues related to the acquisition and implementation of the ITAR standard." Twenty-two participants gained a better understanding of these challenges and discussed their own cases.

Enhancing skills to support business development

A second cohort of seven of the most dynamic SMEs in Québec benefited in 2016 from the skills enhancement and market development coaching program. Launched in 2015, the program is organized in partnership with Emploi Québec and the Montréal Regional Office of MESI.

Aéro Montréal annual golf tournament

With a total of 296 golfers and 360 guests at the cocktail reception, the prestigious Elm Ridge Golf Club was the venue for this networking event in August, which was greatly appreciated by all. Aéro Montréal kept up its tradition of giving part of the profits of its Golf Classic to the Air Cadets to support the cause of school perseverance.



"Mapping SMEs": to better understand the challenges and needs of our SMEs

Aéro Montréal set up the "Mapping SME" program, which consists of meeting Québec aerospace SMEs – whether they are members of Aéro Montréal or not – to learn more about them and to identify their challenges and needs. In 2016, 50 companies were visited. Four main objectives support this approach:

1

To increase knowledge of SMEs in Québec's aerospace sector, both members and non-members, through field visits by a representative of Aéro Montréal.

2

To give SMEs the necessary tools and contacts related to the needs identified during the meeting.

3

To draft and distribute reports of the meetings to the members of the Aéro Montréal team. This gives them a clearer overview of the market, allowing them to better understand and represent our industry and adapt projects to real needs.

4

To share the identified trends and needs with the members of Aéro Montréal's five other working groups so that they can take them into account when deploying new projects.

ACHIEVEMENTS



GILLES-DEMERS

2016 Gilles-Demers Awards: recognition for performing SMEs

There was a full room and a festive atmosphere at the Gilles-Demers Awards Gala on September 30, with more than 230 guests gathered at the magnificent Ritz-Carlton Hotel. Now only in its second edition, the competition is gaining popularity and visibility in the industry by highlighting the leadership and excellence of Québec's aerospace SMEs.

Arconic Titanium and Engineered Products (ATEP) Laval (formerly RTI Claro) was awarded top honours for its leadership, excellence and exceptional contribution to the advancement of Québec's aerospace industry. This year, the Gilles-Demers Awards criteria were modified with the addition of three categories:

The 2016 Gilles-Demers Awards event is supported by several partners. The honorary chair was Manon Brassard, Deputy Minister and President of the Economic Development Agency of Canada for the Regions of Quebec.

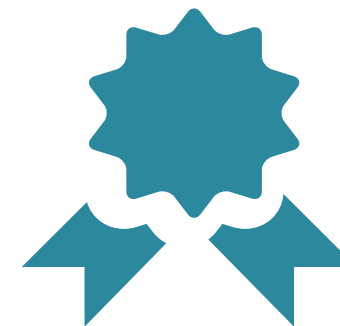
SMEs of the year - MACH Initiative



Through a strategic partnership with Air & Cosmos, each of the award-winning companies was featured in an article in this specialized magazine. A full-page colour advertisement dedicated to the contest was also published in the newspaper Les Affaires.

1	2	3
Creation of wealth and influence	Commitment to Innovation	Business development and internationalization
The award was presented to GROUPE DCM	The award was presented to OPTIMUM CANADA	The award was presented to NÉTUR

The gala evening of 2016 Gilles-Demers Awards was held at the prestigious Ritz-Carlton Hotel. The guests appreciated the elegance of the hall and discussed in a festive and relaxed ambiance.



WINNER

2016 Aerospace SME of the year Award
Mr. Christian Sauv e and Mr. Christian Ouimet
from ATEP Laval (previously, RTI Claro)



ACHIEVEMENTS

The Farnborough International Airshow: an event full of action and visibility

A trade mission to the Farnborough Airshow in the United Kingdom from July 9 to 17 enjoyed a record participation of 33 companies and organizations represented by 73 participants. At this major event, Aéro Montréal and Hamburg Aviation signed an agreement on the internationalization of industrial clusters.

In addition to the many activities held with the Government of Québec during this mission, in the presence of Premier Philippe Couillard and Minister Dominique Anglade of MESI, announcements were made related to Sonaca, Mecaer and APC.

Aéro Montréal was front and centre at many other Farnborough Airshow activities:

- ✓ We contributed, with the BDC, the FSTQ and the law firm Norton Rose Fulbright, to the organization of the **welcome cocktail in the office of the law firm;**
- ✓ During a series of conferences given by Airbus, **Aéro Montréal was invited to represent the industry;**
- ✓ At the Canada Chalet, an **"Afternoon Tea"** networking event was organized jointly with the Ontario Aerospace Council (OAC) and AIAC Pacific;
- ✓ An inter-cluster meeting on sharing best practices in growth niches was held with five European clusters: Hamburg Aviation (Germany), Helice (Spain), Niedersachsen Aviation (Germany), Skywin (Belgium) and Torino Piemonte Aerospace (Italy);
- ✓ **120 people** representing **65 companies** took part in our International Networking Dinner.

The Government of Canada was also very active at the Aéro Montréal and Government of Québec booth, with visits by several federal elected representatives. They included the Honourable Navdeep Bains, Minister of Innovation, Science and Economic Development Canada.



Raising the profiles of our SMEs in Canada and abroad – At a glance

Seventeen SMEs took part in a mission organized in collaboration with the Government of Québec at the "Aerospace and Defense Supplier" Summit in April in Seattle.

Organized in partnership with the Ontario Aerospace Council (OAC), the "Doing MRO in Canada" conference at the Palais des congrès de Montréal on April 28 attracted 18 speakers, 150 participants and seven exhibitors. Twenty per cent of participants came from outside Québec.

A round table featuring players from the drones sector in Québec and France brought together 25 participants - 12 from France and 13 from Québec.

Thanks to a cooperation agreement between Aéro Montréal and the Vermont Chamber of Commerce, we provided a dozen SMEs with free admission and a booth during Vermont's Premier Supply Chain Conference Trade & Show. The event was held in September and welcomed more than 600 participants, 90 exhibitors and 17 prime contractors from the United States and Canada. A total of 457 B2B meetings were held.



At the end of November, Aéro Montréal manned a booth at the Aeromart Toulouse event. Our onsite presence enabled us to organize a networking dinner in presence of 21 representatives of Québec companies.

Finance Seminar and Networking Dinner

This event, organized by our working group in December at the Westin Hotel, closed 2016, the year of Aéro Montréal's 10th anniversary! Minister François Blais (MESS) took advantage of the seminar to confirm his department's commitment to grant \$2 million to skills enhancement. The funds will be used to launch a fifth cohort of the MACH program. Nearly 110 companies listened to a speech on innovative manufacturing given by keynote speaker Pierre Gabriel Côté, President and CEO of IQ. Two themes were discussed in a panel format in the afternoon. At the networking dinner, BDC President and CEO Michael Denham gave a speech entitled "Tackling the Productivity Gap in the Aerospace Sector: It All Starts with Entrepreneurs," and unveiled a very interesting productivity measurement tool developed by the BDC.

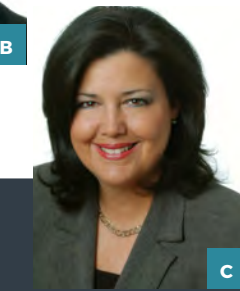
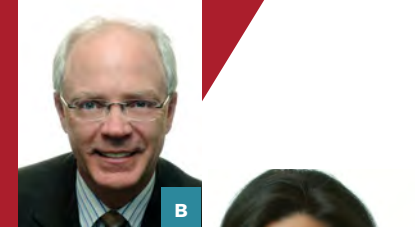
Our Table of honor at the *Séminaire Financement et Souper réseautage* held on December 12. Many Aéro Montréal's Board members pose with our guest speaker, Michael Denham, President and Chief Executive Officer, BDC.





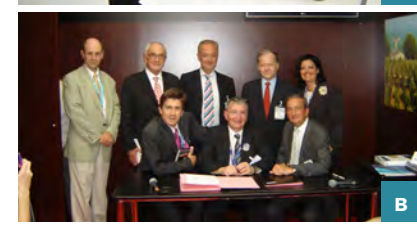
AÉRO MONTRÉAL

**Ten years of
success, excellence
and commitment
to promoting
Québec's
aerospace
industry!**



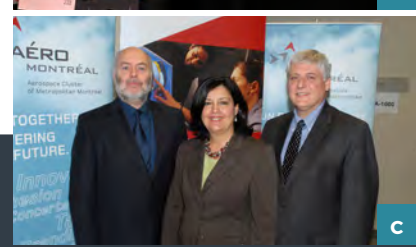
2006 Bringing together the Québec aerospace sector's key stakeholders

- A** MAY 15th, 2006: Press conference and launch of Aéro Montréal at CAE, in the presence of the four OEMs' Presidents and of Federal, Provincial and Municipal elected officials.
- B** Jacques St-Laurent, Chairman of the Board of Aéro Montréal and founder of the cluster.
- C** AUGUST 2006: Nomination of Suzanne M. Benoit as Aéro Montréal's first President.



2007 Positioning aerospace as a future-oriented sector in Québec and internationally

- Launch of the first Aerospace Innovation Forum and publication of the first White Paper.
- A** Aéro Montréal's first participation at the Paris Air Show in Le Bourget, in the presence of Raymond Bachand, Québec Minister of Economic Development, Innovation and Exportation, and Martin Malvy, President of Midi-Pyrénées region's regional council.
- B** Signature of the agreement between Aéro Montréal and Aerospace Valley in the presence of Raymond Bachand, Québec Minister of Economic Development, Innovation and Exportation, and Martin Malvy, President of Midi-Pyrénées region's regional council.
- C** Award given for Aéro Montréal's first corporate video during the Davey Awards in New York in the "2007 Silver Winners" category.



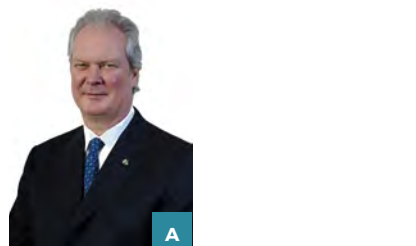
2008 Ensuring the competitiveness of our businesses in international markets

- A** Nomination of Marc Parent as Aéro Montréal's new Chairman of the Board.
- First participation at the Farnborough International Airshow in the United Kingdom. Signature of agreements with two German aerospace clusters: BavAIRia and Hamburg.
- B** Opening of the AéroMart Montréal event in presence of Minister Raymond Bachand.
- C** Summit on training of aerospace sector engineers and specialists at the ÉTS with Christophe Guy, General Manager of ÉTS (on the left) and François Caza, Vice President and Chief Engineer at Bombardier Aerospace.



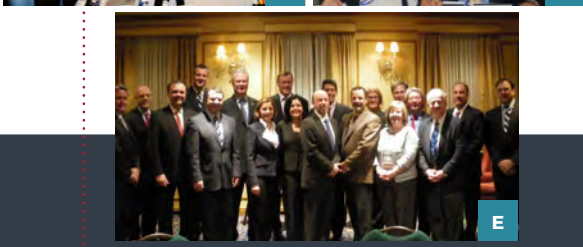
2009 Innovating to take on the competition

- Participation in the 2nd edition of the Aerospace Innovation Forum.
- Participation in the first EurÉkal Festival.
- A** Publication of the Journal de l'Industrie Aérospatiale Québécoise as part of the events marking the first centennial of aviation.
- B** First Aerospace Day in Montréal and signature of the agreement related to school perseverance in the presence of Minister Raymond Bachand and Marc Parent, Chairman of the Board of Aéro Montréal and Jacques Ménard of the Groupe d'Action sur la Persévérance et de la Réussite Scolaires.



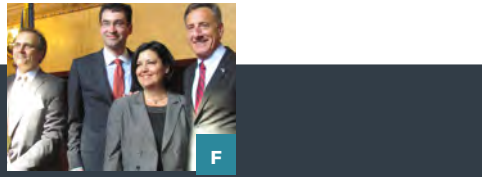
2010 A leading strategic concertation forum

- A** Nomination of Gilles Labbé as Aéro Montréal's new Chairman of the Board.
- B** Sam Hamad, Québec Minister of Transportation, visiting Aéro Montréal's booth promoting the development of greener aircraft program SA'GE, at the Aerospace Innovation Forum.
- Launch of the MACH Initiative in the presence of Clément Gignac, Québec Minister of Economic Development, Industry and Exportation, and of Philippe Hoste, President of the Supply Chain Working Group and CEO of Sonaca Montréal.
- Signature of an agreement between Aéro Montréal and NAAA (North West Aerospace Alliance).
- C** A day of scientific-related events in Longueuil titled "The sky is the limit". An initiative to build interest among youth in scientific-related careers, in the presence of Longueuil's mayor Caroline St-Hilaire and of Benoit Brossoit, Senior Vice-President, Global Operations at P&WC.



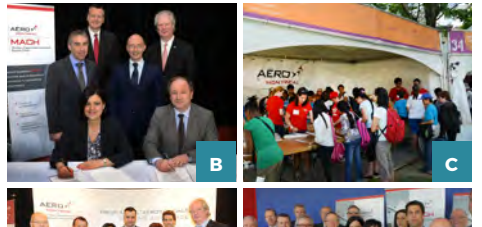
2011 Montréal, world aerospace capital

- A** Third edition of the Aerospace Innovation Forum: Promotion of the MACH project in the presence of Sam Hamad, Québec Minister of Economic Development, Industry and Exportation.
- B** Signature of a partnership agreement with the ASIS-Saxony aerospace cluster during the Aerospace Innovation Forum.
- C** Photo taken at the Aerospace Innovation Forum in the presence of governmental partners including Christian Paradis, federal Industry Minister, members of the Aéro Montréal board, and other partners.
- D** Participation at the Paris Air Show in Le Bourget: Signature of an agreement with Arizona in the presence of Minister Clément Gignac.
- E** First "Aerospace Day" on Parliament Hill in Québec City, in the presence of Premier Jean Charest and various Ministers.



2012 Focusing our efforts on what makes us stand out

- A** Announcement of the merger between Aéro Montréal and the Association Québécoise de l'Aérospatiale (AQ) during the Annual General Meeting, by Gilles Labbé, Aéro Montréal's Chairman of the Board.
- B** Signature of an agreement between Aéro Montréal, Ohio and CRIAQ during the Global Supply Chain Summit.
- C** First Symposium on Defence in the presence of the Honourable Denis Lebel, Minister of the Economic Development Agency of Canada for the Regions of Québec.
- D** As part of the Global Supply Chain Summit, awarding of the first MACH Initiative performance labels in the presence of Janice Davis, Vice President, Supply, Bombardier.
- E** Aéro Montréal's first Golf Classic.
- F** As part of a trade mission, signature of an agreement with Vermont in the presence of Governor Peter Shumlin and Jean-Stéphane Bernard, head of Québec's delegation in Boston.



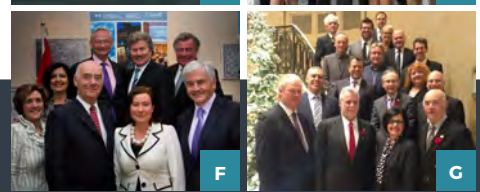
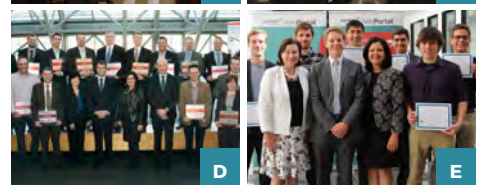
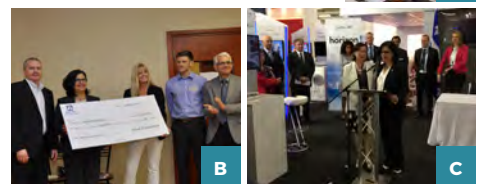
2013 Leading structuring projects for the Québec's aerospace industry

- A** Nomination of Maria Della Posta, Senior Vice President, Pratt & Whitney Canada, as Aéro Montréal's new Chair of the Board.
- B** Aéro Montréal signs a collaboration agreement with the Skywin Wallonie aerospace cluster at the Paris Air Show in Le Bourget, in presence of Nicolas Marceau, Québec Finance Minister, for the implementation of the MACH Initiative in Wallonia.
- C** EurÉkal Festival.
- D** Fourth edition of the Aerospace Innovation Forum in the presence of the Honourable James Moore, federal Industry Minister.
- E** The awarding of a second series of MACH Initiative performance labels at the Global Supply Chain Summit, in the presence of Éline Zakaib, Québec Minister of Industrial Policy and of the Banque de Développement Économique du Québec.
- F** At the Aerospace Innovation Forum, Aéro Montréal, Québec's aerospace cluster, signed two collaboration agreements with the Vermont Aerospace & Aviation Association and with the New Hampshire Aerospace and Defense Export Consortium (NHADEC).
- G** Participation of a US delegation at the Aerospace Innovation Forum.



2014 Our industry: An economic pillar for the years to come

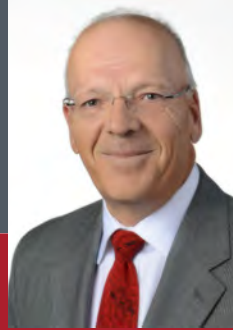
- A** Aéro Montréal's Annual General Meeting in the presence of the Honourable Denis Lebel, Minister in charge of the Economic Development Agency of Canada for the regions of Québec (and at which the Women In Aerospace association also took part).
- B** Launch of the AeroPortal.



2015 A clear vision. An exemplary governance.

- A** Nomination of Hélène V. Gagnon, Vice President, Public Affairs and Global Communications at CAE, as Chair of the Board of Aéro Montréal.
- B** The Alcoa Foundation giving a donation to Aéro Montréal to contribute to school perseverance initiatives.
- C** Signature of two agreements with Basque and Andalusian aerospace clusters (Hegan and Helical), and signature of a framework agreement with the Ontario Aerospace Council (OAC), Ontario's aerospace cluster, during the Paris Air Show in Le Bourget.
- D** Awarding of the fourth cohort of MACH Initiative performance labels and of the first MACH 5 performance label to Alcoa Titanium and Engineered Products, at the Global Supply Chain Summit.
- E** The awarding of diplomates to finalists in the first Case Study Competition: "The Airplane of the Future is in Your Hands." The event was organized at Concordia University in partnership with the British consulate.
- F** Participation of Jacques Daoust, Québec Minister of Economy, Innovation and Exportations, and of Michel Robitaille, Québec's Delegate General in Paris, during Aéro Montréal's networking dinner at the Paris Air Show in Le Bourget.
- G** Premier Philippe Couillard and some of his Ministers accompany members of Aéro Montréal's Board of Directors during Aerospace Day on Parliament Hill in Québec City.

2016 | 10 years of passion!



President of Supply Chain Working Group
SYLVAIN BÉDARD
 Chief Executive Officer
 Sonaca Montréal

SUPPLY CHAIN WORKING GROUP

WORKING GROUP MEMBERS

Members

- **Timothy Ayoub**
Senior manager, Supply chain and Planning - Operations
L-3 MAS
- **Marc Bigras**
Vice President & COO
Groupe Meloche
- **Louis Bouchard**
Director, Procurement
Bombardier
- **MarieChantal Chassé**
President & CEO
JMJ Aerospace
- **François Cyr**
Executive Director
PCM Techfab
- **Jacques Dodier**
Purchasing Manager
Pratt & Whitney Canada
- **Éric Faucher**
President-CEO
Hutchinson
- **Gilles Isabel**
Mirabel Site Leader,
Quality Assurance
Bell Helicopter Textron Canada
- **Jean-Louis Moreau**
Vice President,
Global Strategic Sourcing
CAE
- **Louis Marc Pinard**
Deputy General Manager
and Director, Strategic
Planning & Commercial
ATEP Laval
- **Martin Richard**
Director, Procurement
Strategy & Inventory
Management, Eastern Region
Héroux-Devtek

MESSAGE FROM THE PRESIDENT

If we could summarize the year 2016, we could say that our working group has been moving from vision to reality. Many years of analysis, strategic intelligence and consultations, as well as the implementation of concrete programs and initiatives adapted to the needs of our companies, are showing real results. Aéro Montréal has laid the groundwork to assist SMEs in their automation process. Focusing our actions on demystifying the concept of 4.0 and its real-life application in the supply chain is fundamental to support our members in this necessary transition.

During the first months of 2016, the working group prepared a project proposal as part of consultations on the Québec Aerospace Strategy carried out by the MESI. Also contributing to this proposal were STIQ, the CEFRIQ, and the ÉTS. The objective was to ensure that Québec and our aerospace SMEs improve their productivity and engage in the digital transition necessary for their competitiveness and positioning in global value chains.

Aéro Montréal's proactivity and influence on this point, as well as the contribution of all of you, members and partners of the working group, have been fully recognized by the Québec Government. We were very pleased to note the special place given to the MACH FAB 4.0¹ Initiative in the Québec Aerospace Strategy. MACH FAB 4.0 will support 50 aerospace SMEs and about 100 projects in their transition to the digital enterprise of the future. Implementation will take place in 2017.

To choose the best business strategy adapted to the new realities of supply chains in a clear and informed way - consolidation, delocalization, relocation, internationalization - our SMEs need the most up-to-date information on global trends in these new ways of doing things.

"The Government of Québec is supporting a new approach to improving the competitiveness of SMEs: MACH FAB 4.0, based on Aéro Montréal's MACH Initiative. MACH FAB 4.0 is a tailor-made mentoring program designed for SMEs. The aim is to encourage the introduction of digital technologies and advanced manufacturing processes in participating SMEs, in particular by training the workforce to use new digital tools. [...] The Québec Aerospace Strategy includes a contribution of \$9.5 million over five years from the Ministry of Economy, Science and Innovation, to which is added an equivalent contribution from the private sector."

Source: "Québec Aerospace Strategy 2016-2026: Reinventing the Horizon."

Thanks to the project to map the strategies of the supply chains of prime contractors and Tier 1 integrators launched by the working group, Québec SMEs will better understand the organization of these supply chains in the Québec market and elsewhere in the world. They will also be better able to compete with developed and emerging economies. Above all, they will be able to position themselves in full knowledge of the facts. This project is being overseen by a world-renowned expert and the results are expected by April 2017.

This overview of the major files tackled by the Supply Chain Working Group in 2016 shows that we are well aligned with developments that have affected aerospace in recent years. As you can see, there are concrete initiatives underway to improve the competitiveness and productivity of our companies. A big thank you to the entire working group team for making 2016 a "digital shift" year!

ACHIEVEMENTS

About MACH and MACH FAB 4.0 Initiatives

This program has been generating excellent results for all participating companies since its launch.

In 2016, new SMEs joined the MACH Initiative through the launch of a fifth cohort, which should increase the number of active SMEs to 70 by the end of 2017.

Minister François Blais (MESS) granted an additional \$2 million in funding to support skills development projects in the MACH Initiative.

Four “Évolution MACH” seminars ensured that participating companies could upgrade skills in areas relevant to them.

- ✓ “Enhance your operational performance by reducing the complexity of your management system.”
- ✓ “The transition to digital in a manufacturing context.”
- ✓ “Optimizing performance through point-of-execution management.”
- ✓ Three information sessions to learn more about the MACH Initiative and the process to adhere to the 5th cohort.



1 During the Aerospace Innovation Forum, Québec Minister of Municipal Affairs, Regions and Land Occupancy, Martin Coiteux, awarded new MACH performance labels to five participating SMEs having reached a new milestone following the audit process.

2 Minister François Blais presenting new performance labels to four SMEs participating to the MACH Initiative: CPS Industries, DICI Industries, Vestshell and M1 Composites Technology.

THE MACH INITIATIVE IN NUMBERS

4

ACTIVE COHORTS

47

SUPPLIERS

supported by 28 local and international mentors

NEARLY

600

ongoing and completed PROJETS

\$ 6.6

million

MORE THAN \$6.6 MILLION

invested in projects (private and public funds)

- > More than \$1.6 million of in-kind contributions from mentors
- > More than \$5 million of indirect investment by SMEs in their projects



The Evolution MACH and ACTION SMEs events are made possible thanks to the financial support of JPMorgan Chase Foundation.

Launch of preparations for the Global Supply Chain Summit 2017

A subcommittee of the working group is already preparing for what is turning out to be a major event in 2017: the Global Supply Chain Summit. Again this year, the event will be held at the Palais des congrès de Montréal during the International Aerospace Week - Montréal in April. Because you, our members, need more than ever to understand and integrate 4.0 into the supply chain on a day-to-day basis, the Summit will take you from vision to reality.



6th Hamburg Aviation Forum

In December, Aéro Montréal participated in conferences and round tables on the impact of digitization in the aerospace industry held in Hamburg. This event gave us the opportunity to identify best practices related to the deployment of the digitization in Québec.

Trade mission to Germany

In July, Aéro Montréal and 32 SMEs took part in a mission focused on automation and aerospace in Munich, Germany, with Québec Premier Philippe Couillard and Minister Dominique Anglade (MESI). Industrial visits and round tables on the topic of “Industry 4.0” made it possible to evaluate and better understand the German concept of the factory of the future. These exchanges also helped to identify best practices and differences between the Québec and German models.



HUMAN RESOURCES WORKING GROUP



President of Human Resources Working Group
KEVIN P. SMITH
 Vice President, Human Resources and Communications
 Pratt & Whitney Canada

WORKING GROUP MEMBERS

Members

- **Marie-Pier Allard**
Senior Business Partner, Competency Development
Bell Helicopter Textron Canada
- **Frances Arthur**
Leader, Talent Acquisition
CAE
- **Sylvie Bourassa**
Executive Director, Government Relations
Concordia University
- **Élise Bourgeois**
Senior Director, Human Resources
Pratt & Whitney Canada
- **Jacques Cabana**
President & CEO
FDC Composites
- **Aude Clotteau**
Director of Continuing Education and Business Services
ÉNA
- **Louis-Marie Dussault**
Associate Director, Studies
ÉNA
- **Melissa Fafard**
Administrative Assistant
AÉROÉTS
- **Solange Fresneau**
Director of Corporate Affairs and Administration
PCM TechFab
- **Dominique Gérin-Lajoie**
Director, Human Resources Expertise Centre
Bell Helicopter Textron Canada
- **Mario Héroux**
Director
ÉMAM
- **Nancy Jobidon**
Manager, Organisational Learning - Saint-Laurent
Manufacturing Centre
Bombardier
- **Hany Moustapha**
Professor and Director
AÉROÉTS,
École de technologie supérieure

Observers

- **Geneviève Nantel**
Human Resources Senior Advisor and Organization Development,
STELIA Aerospace
- **Nathalie Paré**
Executive Director
CAMAQ
- **Claude Picard**
Director, Work Organization and Training
Pratt & Whitney Canada
- **Merling Sapene**
People Change Management
Director Product Life Cycle Management - Engineering
Bombardier
- **Xavier Wnuk**
Program Customer Account Manager, CRJ Series-Commercial
Aircraft
Bombardier
- **Donald H. Violette**
Advisor, Partners and Strategy, Direction régionale adjointe à la prestation de services aux clientèles
Emploi-Québec de l'Île-de-Montréal
- **Réjean Charbonneau**
Director, Direction régionale adjointe à la prestation de services aux clientèles
Emploi-Québec de l'Île-de-Montréal

MESSAGE FROM THE PRESIDENT

In 2016, the Human Resources Working Group focused on the challenges and trends related to Québec's socio-demographic changes in recent years and the transformation Québec aerospace is experiencing, especially SMEs, with digitalization. Through its projects and activities, the working group is addressing the full range of needs for succession and workforce in the aerospace ecosystem:

- ✓ **Develop a passion for science, technology and aerospace among young people and increase the school retention rate;**
- ✓ **Raise awareness about careers in our industry among women and immigrants;**
- ✓ **Effectively manage the intergenerational transfer of knowledge;**
- ✓ **Ensure that training is aligned with the needs of companies in the era of Industry 4.0.**

As part of International Aerospace Week - Montréal, the working group organized the Aero Talents Forum as a closing event. The forum, the group's flagship event in 2016, provided SMEs with a comprehensive picture of available training programs and funding options as well as company internships.

The concept of "Industry 4.0" was presented as part of this activity. However, Aéro Montréal wanted to further develop its understanding of the concept for the benefit of the industry by producing a White Paper, "Propelling the talents of aerospace towards Industry 4.0" produced with the support of the CEM. The White Paper makes four recommendations and proposes concrete ways to facilitate the digital shift. The paper was the subject of several presentations and was submitted to federal and provincial government stakeholders.

Another highlight event organized by the working group was the "Heritage: Retaining Critical Knowledge" event. World-class speakers shared best practices in knowledge management and transfer. This is a major challenge for our industry since the baby-boomer generation will be leaving the labour market in large numbers over the next five to 10 years. At the other end of the spectrum, new generations are coming up. The aircraft recycling case study competition, which was held in the fall, demonstrated the incredible potential of the next-generation of workers, composed of young men and women powered by creativity and skills.

Our working group's team will continue to build on this momentum in 2017, further identifying what future skills will best meet the needs of our aerospace companies. I would like to recognize the indispensable contribution of each member of the working group in supporting Aéro Montréal's leadership in this regard.



ACHIEVEMENTS



1



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Aero Talents Forum: A successful first edition!

Aéro Montréal held the first edition of the Aero Talents Forum, organized in collaboration with CAMAQ and Emploi Québec de l'île-de-Montréal, in April. More than 100 participants, 19 speakers and 17 exhibitors discussed available training programs and funding options as well as company internships. Minister Dominique Anglade from MESI gave a speech highlighting the importance of the Québec aerospace sector for the economy and the government's commitment to its development.

- 1 Nathalie Paré, Executive Director, CAMAQ, and Hélène V. Gagnon, Chair of the Board of Aéro Montréal and Vice President, Public Affairs and Global Communications, CAE, surrounding Suzanne M. Benoît, President, Aéro Montréal, and Québec Minister Dominique Anglade from the MESI.
- 2 Our Honorary Chair for the 2016 Aero Talents Forum, Kevin P. Smith.

Action plan on skills of the future

The "Forum métropolitain sur les compétences du futur", held in February, resulted in a unanimous observation: the need to prepare a metropolitan plan of action for the skills of the future. The CEM, which is overseeing the project, mandated Aéro Montréal to work in consultation with a dozen organizations to coordinate strategic actions aimed at developing future skills through the action plan, which should be completed at the end of 2017.

White Paper "Propelling the talents of aerospace towards Industry 4.0"

"Industry 4.0" is at the heart of the challenges facing all players in our industry. It is one of the main preoccupations of Aéro Montréal. The Aero Talents Forum provided an ideal opportunity to better understand the impact of this phenomenon in terms of the next generation, the workforce and training needs. The recommendations and actions of the White Paper focus on the demystification of the concept, the development of a new concerted vision for education programs, the definition of future skills and their alignment with the labour needs of companies - particularly SMEs. The working group created a subcommittee to prioritize certain actions outlined in the White Paper that will be implemented starting in 2017, including a 4.0 skills symposium.



Attracting female talent in aerospace

As part of the Aero Talents Forum, Aéro Montréal partnered with WIA to organize a "speed mentoring" event. The event enabled some 30 university students to meet industry professionals and learn more about career opportunities in aerospace.



1



2

- 1 The "speed mentoring" event was a great success!
- 2 Our President Suzanne M. Benoît was part of a panel at the occasion of the 28th Annual Conference of the International Aviation Womens Association (IAWA).

"Heritage: Retaining critical skills" event

Aéro Montréal and Mosaic HEC Montréal (Creativity and Innovation hub), in partnership with Emploi-Québec de l'île-de-Montréal, wanted to address solutions and best practices in knowledge transfer and management. This is a key issue for companies in the face of rising retirements among baby boomers. Eight speakers facilitated the event, including Étienne Wenger, a leader in the field of communities of practice, and Edward Hoffman, Chief Knowledge Officer of NASA. The roundtable discussion by industry partners and conferences gave rise to excellent questions from the 200 participants from business and academic circles.

The symposium was intended as a prelude to the completion of Phase 3 of the Heritage project, which involves deploying a web-based knowledge transfer platform. The project will continue in 2017.



About 200 people from business and academic circles participated at the "Heritage: Retaining critical skills" event.

Mapping of the training ecosystem and aerospace support organizations

This long-term project, carried out in collaboration with CAMAQ, advanced in 2016 and will be launched in the first half of 2017. It encompasses a comprehensive mapping of training, programs and organizations related to the succession and workforce, of educational institutions, government and support agencies, as well as R&D organizations. The map will be available online and updated on an ongoing basis.

ACHIEVEMENTS

AéroFormation: aeromontreal.ca/aeroformation

Aéro Montréal renewed its partnership with AéroFormation, a consortium of the following partners: ÉMAM, ÉNA, CAPE – McGill University and ÉTS, the CAMAQ and Emploi-Québec de l'Île-de-Montréal.

Raising the next generation's interest in aerospace

Various events and activities tailored for the next generation enjoyed tremendous success in 2016:

AeroPortal Phase 2 - Upgrading the Portal

The working group began the year by redesigning the portal and adding new sections appealing to our members as well as young people seeking careers in aerospace! The official launch will take place during the first quarter of 2017. It will feature a comprehensive Jobs section, a virtual Advisor to guide you in your career interests, Webinars and many other surprises!

Eurêka! Festival

For the 8th year, Aéro Montréal participated in this public festival in June on the quays of the Old Port of Montréal. Young people are introduced to the field of aerospace by building their own glider. They learn about the concepts of gravity and the forces acting on an aircraft in flight. Aéro Montréal mandated the Réseau CDLS-CLS to operate Aéro Montréal's booth. More than 2,100 gliders were assembled there!

Case study competition: "Aerospace of tomorrow: Towards a 100% recyclable aircraft!"

In October, nearly 400 people attended a very exciting case study competition held at the ÉTS. Following a nomination process, four finalist teams from ÉTS, Polytechnique, ÉNA and the University of Sherbrooke were invited to present their projects to a jury on the model of the popular "Dragons' Den" TV program concept. The jury was composed of six industry experts and representatives: ADM, Aerospace Valley from Toulouse, Air Transat, Avianor, Bombardier, and the CRIAQ. The Polytechnique team won the highest honours from the jury and a trip to Toulouse, France.

Québec Minister Hélène David, from MES, who honoured us with her presence, was very impressed by the creativity and know-how demonstrated by 13 student clubs in the exhibition area.

- 1 Hélène David, Québec Minister responsible for Higher Education, visiting the exhibition area accompanied by Christiane Beaulieu, Vice President, Public Affairs and Communications at ADM and Suzanne M. Benoit, President, Aéro Montréal.
- 2 The jury was composed of six industry experts and representatives: ADM, Aerospace Valley of Toulouse, Air Transat, Avianor, Bombardier and CRIAQ.
- 3 The City of Montréal's education and university and collegial adviser, Richard Deschamps.
- 4 Nathalie Paré, Executive Director of CAMAQ, spoke about their program "Ton premier emploi en aérospatiale".
- 5 Our winners and finalists, members of the jury and of the organizing committee, and the dignitaries.



INNOVATION WORKING GROUP



President of Innovation
Working Group
FASSI KAFYEKE
Senior Director, Strategic
Technology and Innovation
Bombardier

MESSAGE FROM THE PRESIDENT

The undeniable success of the 5th edition of the Aerospace Innovation Forum, which opened the International Aerospace Week – Montréal in April, stands out as the highlight of 2016 for our working group and for Aéro Montréal. This major event captured the attention of our members, the political and business communities, the media and the general public.

The event was timely given the new aerospace strategies put forward in recent Québec and Canadian government budgets. The presence of high-level politicians from both the provincial government - including the participation of Québec Premier Philippe Couillard - and federal members of the Parliament, underscores how much innovation is being recognized as an engine of economic growth and key factor in the sustainability for our aerospace companies.

The Québec Aerospace Strategy 2016-2026 focuses on innovation as one of the main areas of growth. Through various measures, including an improvement in the basic financing for CRIAQ projects designed to integrate SMEs into the innovation chain, it seeks to promote the development of innovative products and processes. By encouraging collaborative synergies between industry and the research community in Québec and outside of Québec, aerospace will be better equipped to meet the challenges of advanced manufacturing and automation.

In recent years, the Aerospace Innovation Forum has contributed to creating collaborative projects and agreements, including with the state of Vermont in the United States and the Aerospace Cluster of Saxony in Germany. In 2016, the working group focused on ways to strengthen collaborative innovation between Canada and the United States. In October, Aéro Montréal produced, in collaboration with CRIAQ, a White Paper on "Improving Cross-Border Aerospace Innovation between Canada and the United States".

Another milestone of 2016: the renewal of the SA²GE greener aircraft mobilization project. The Government of Québec funded for up to 65 million dollars the second phase of the project, which will totalize 130 million dollars (public and private) by 2020-2021. This support is part of the Québec Aerospace Strategy.

The year 2016 was one of strategic consultations in Innovation. Aéro Montréal produced two briefs for the SQRI and Canada's Innovation Program.

For our working group, 2016 proved to be a unique opportunity to highlight innovation's strategic contribution to enhancing the competitiveness and productivity of our sector. The teamwork of the Innovation Working Group reflects the priority that Aéro Montréal is giving to emerging opportunities for the entire aerospace ecosystem and I thank them for their unwavering support.

WORKING GROUP MEMBERS

Members

- **Houssam Alaouie**
Director, Research & Development Programs and University Relations
CAE
- **François Arrien**
Vice President, Robotic Finishing & CTO
AV&R
- **Alain Aubertin**
Vice President, Business Development and International
CRIAQ & CARIC
- **Sylvie Béland**
Director, Research & Development
NRC
- **Nadia Bhuiyan**
Vice Provost, Partnerships and Experiential Learning, Professor, Mechanical and Industrial Engineering and Director of Education, CIADI
Concordia University
- **Stéphane Blais**
Project Director, Flight Operations
Marinvent
- **Sylvain Boisvert**
General Manager Canada
Safran
- **Patrick Champagne**
Vice President, Engineering and R&D
Esterline CMC Electronics
- **Christine Chanal**
CFO
Fusia
- **MarieChantal Chassé**
President and CEO
JMJ Aerospace
- **Sylvain Cofsky**
Executive Director
GARDN
- **Jean Colpin**
Industrial Advisor, MIAE
McGill University
- **Mathieu Demers**
Vice President & General Manager
Avianor
- **Pascal Désilets**
General Manager
CTA
- **Marie-Christine Désilets**
Director, Quality and Continuous Improvement
L3-MAS
- **Michel Dion**
Innovation Lead
Bell Helicopter Textron Canada
- **Marie-Christine Ferland**
Business Development and Commercialization Manager
INO
- **Denis Lacroix**
Industrial Technology Advisor
NRC-IRAP
- **Sylvain Laroche**
Technology Collaboration Office Manager
Pratt & Whitney Canada
- **Éric Laurendeau**
Assistant Professor, Mechanical Engineering
École Polytechnique de Montréal
- **Christian Moreau**
Professor, Mechanical and Industrial Engineering, Director of CIADI
Concordia University
- **Hany Moustapha**
Professor and Director
AÉROÉTS, École de technologie supérieure
- **Dany Paraschivoiu**
Program Leader, Aircraft Product Development Technologies
Aerospace, NRC-CNRC
- **Éric Roberge**
CFO & Owner
Luxia
- **Darli Rodrigues Vieira**
Professor, Project Management
Université du Québec à Trois-Rivières
- **Peter Rosenthal**
Industrial Technology Advisor
NRC-IRAP

- **Dominique Sauvé**
Director
Coalition for Greener Aircraft (SA2GE)
- **Marc-André Talbot**
Director, Research & Development
Thales Canada
- **Christine Tarquini**
Technical Manager, RRD
Engine Line
Rolls-Royce Canada

Observers

- **Dominique Leroy**
Sector Officer Aerospace and Defence, Strategic Policy Sector
Innovation, Science and Economic Development
Canada
- **Marco Blouin**
Director, Innovation Sector, Networking and Industrial Partners Directorate
MESI
- **Stephan Fogaing**
Aerospace Advisor, Transportation and Logistics Division
MESI



ACHIEVEMENTS

Aerospace Innovation Forum

Held on April 25 and 26 as the opening event of the 2nd International Aerospace Week – Montréal, the Forum reaffirmed Québec's global leadership in aerospace innovation! With the theme "Collaborate globally to develop aerospace innovation," the event was a real success.

more than
1,000
PARTICIPANTS

1,400
B2B MEETINGS

more than
80 INTERNATIONAL
SPEAKERS

more than
50
EXHIBITORS

many
foreign delegations
from
12 countries

80% of the participants indicated in a satisfaction survey that they met potential customers



more than
150 TWEETS
before, during
and after the event



31
JOURNALISTS
attended the conferences,
including **12** from the international
trade medias



about
40 ARTICLES
in local, national and
international media



Collaboration with the Hamburg aerospace cluster to develop a 4.0 KPI for aerospace SMEs

Aéro Montréal teamed up with the aerospace cluster in Hamburg, Germany, to explore the feasibility of developing a grid of indicators on levels of digital maturity that Québec and German aerospace SMEs demonstrate.

Launch of Phase 2 of the SA²GE greener aircraft mobilization project

At a press conference in October, Minister Dominique Anglade from MESI announced that, through a call for tenders launched at the end of 2015, five projects were selected for Phase 2 of SA²GE. Bombardier, CAE, Esterline CMC Electronics, TeraXion and Thales Canada will implement strategic initiatives for the Québec aerospace industry under Phase 2 of SA²GE.



Announcement of Phase 2 of SA²GE by Québec Minister Dominique Anglade from the MESI and Jean-Marc Fournier, Minister responsible for Canadian Relations and the Canadian Francophonie and Government House Leader, in presence of industrial officials and dignitaries, at CAE.

Two briefs on innovation

Aéro Montréal prepared a new brief for the SQRI, which main recommendations seek to restore R&D tax credits to their former levels. We also prepared a memoir for Canada's Innovation Agenda in which we support the recommendations made by AIAC. Our recommendations to the federal government are also aimed at supporting automation and the sharing economy.

Report of the CRIQ on the mapping of the carbon fiber recycling sector

This is a study of carbon fiber sources in eastern Canada and the northeastern United States that could be recycled and reused in the aerospace and related industries. The study also analyzes the enabling technologies and possible market applications. The results of the study will make it possible to interest players in the recycling sector to carry out commercial activities related to the recycling and value-added of composite waste of the aerospace industry in Québec.

White Paper on Collaborative Aerospace R&D between Canada and the United States

Aéro Montréal is proposing a consultation process between American and Canadian aerospace R&D stakeholders that could lead to a program of international calls for projects within 24 months.

DEFENCE AND NATIONAL SECURITY WORKING GROUP



President of Defence and National Security Working Group
SYLVAIN LEFRANÇOIS
 Director, Business Development
 Safran Electronics & Defence,
 Defence & Optronics Division

MESSAGE FROM THE PRESIDENT

Many actions were taken in 2016 to help our defence SMEs take advantage of opportunities arising from major Department of National Defence programs, including:

- ✓ **Future capabilities related to fighter jets**
- ✓ **Proposed purchase of fixed-wing search and rescue aircraft**
- ✓ **Canadian Surface Combatant (CSC)**
- ✓ **Canadian Multi-Mission Aircraft**

These projects represent a considerable volume of contracts which could amount to several tens of billions of dollars! They provide a unique opportunity for the aerospace industry in Québec to position itself advantageously – an opportunity that may not come around again for at least another decade.

With this in mind, the working group submitted two briefs dealing with the review of the Government of Canada's defence policy and the Security and Defence Development Fund.

We initiated the concept design of the Croissance Sécurité Défense Québec (CSDQ) portal project, a measure put forward in the Québec Aerospace Strategy.

WORKING GROUP MEMBERS

Members

- **Marc Bourret**
President
LTA Aerostructures
- **Nick Chalkiadakis**
Product Manager,
Air Transport FMS &
Navigation Systems Solution
Esterline CMC Electronics
- **Richard Crépault Jr**
Account manager,
Business Development,
Landing Gear division
Héroux-Devtek
- **Sue Dabrowski**
Director, Business
Development, Marketing
and Government Relations
Mannarino Systems and Software
- **Luc DeBargis**
Director, CSC-Industrial Strategy,
Planning and Operations
Lockheed Martin Canada
- **Marie-France Dubuc**
Director, Strategic Information
Investissement Québec
- **Sylvain Duhamel**
Assistant to the
National Executive
Safran Canada
- **Denis Faubert**
President and CEO
CRIAQ
- **Guillaume Gasparri**
Executive VP,
Business Development
DCM Group
- **Jean Hurtubise**
Director, Sales and
Business Development
CAE
- **Xavier Kauza**
Director-Sales
Thermetco
- **Jarred Knecht**
Vice President
Promark Electronics
- **Francis Leblanc**
Director, Canadian
Government Programs
Bell Helicopter Textron Canada
- **Wayne Levandier**
Vice president,
Advanced programs
CS Canada
- **Lorenzo Marendola**
President
M1 Composites
- **Paul Mercier**
Vice president,
Business development,
Sales and Programs
L-3 MAS
- **Keith Meredith**
President
AeroInsight
- **Marc Moffatt**
Managing Director
UAS Centre of Excellence
- **Stéphane Roy**
ADevelopment Agent
CSDA
- **Puthy Soupin**
Systems engineer
Marinvent

- **Nicolas Todd**
Associate Vice president,
Policy, Communications and
Government Relations
CADSI

Observers

- **Patrick Bouchard**
Advisor, Industrial Development,
Transport Equipement Division,
Aerospace Group
MESI
- **Jean-Marc Rochon**
Advisor, Industrial Development,
Transport Equipement
and logistics Division,
Aerospace Group
MESI

Following the announcement of the proposed acquisition of 18 Super Hornet fighter jets by the federal government, the working group set up a strategic committee to maximize the economic impact of this project in Québec. We have also developed and implemented an active opportunity monitoring process.

Undoubtedly, in 2017, our Working Group will accelerate the improvement and deployment of tools that will help optimize the impact of various federal programs for Québec. Even with a well-established defence industry base, we have the potential to do more in Québec. With the perspective of getting successful results for our defence SMEs, the working group, which I thank for its contribution, dedicated 2016 to promoting Québec know-how among key decision-makers in the sector.



ACHIEVEMENTS

Croissance Sécurité Défense Québec (CSDQ) Portal

With the support of the ITB committee from EDC and the MESI, Aéro Montréal acted as prime contractor for the deployment of a portal. The main purpose of the CSDQ portal is to provide the necessary tools for developing business in the defence market. The Portal will allow Québec defence companies to increase their market penetration. This project is being conducted in partnership with STIQ and QI.

Modernization of the Antonov AN-74: a model of collaboration between Canada and Ukraine

In September, Aéro Montréal signed a collaboration agreement to identify Québec suppliers as part of the Antonov AN-74 modernization project in presence of Minister Dominique Anglade (MESI). The agreement links several major aerospace players in Ukraine and Canada.



From left to right: Brian Metcalfe, Metcalfe & Associates, Patrick Champagne, Esterline CMC Electronics, Kateryna Rogach, Armed Forces Ukraine, John Maris, Marinvent Corporation (Chairman, AIAC), Viktor Popov, FED, Oleksandr Kotsiuba, Antonov Company, Dominique Anglade, MESI, Suzanne M. Benoît, Aéro Montréal, Giovanni Mulas, Pratt & Whitney Canada, Carl Kumpic, IMP Aerospace, Zoltan Fried, Esterline CMC Electronics, Volodymyr Paslavskyl, Phil Cole, Marinvent Corporation, Alexey Popov, Antonov Corporation, Thomas Galley, IMP Aerospace.

Industrial and Technological Benefits

ITBs will have a major impact in enabling defence companies to grow, especially in the area of innovation. However, companies need to fully understand the rules of the game and work effectively to seize the opportunities that will emerge. Aéro Montréal will organize a series of events in 2017 to facilitate business development efforts and play an advocacy role with government authorities.

Targeted business support

The defence market is a complex sector with its own characteristics. Our working group is aware of the challenges that this represents for SMEs. They will have to work in a targeted and efficient way to position themselves in major projects. To respond to this challenge identified by our cluster members, a coaching and support program has been set up to facilitate the development of business in this sector in 2017 and beyond.

Review of Canada's defence policy

Aéro Montréal organized a consultation session for the aerospace community regarding the Government of Canada's defence policy review. Federal Member of Parliament Sherry Romanado, who is a member of the Standing Committee on Defence of the Parliament of Canada, represented the Department of National Defence at this event.

The updating of this policy will greatly influence the defence decisions and orientations of the Government of Canada over the next few years. Aéro Montréal has made many suggestions and recommendations to further enhance its partnership with the defence industry and to improve SMEs access to this market. We also outlined ways to bring innovation to the forefront of the defence agenda.



GOVERNANCE

In 2016, Aéro Montréal's various bodies met 20 times

As Aéro Montréal completed Year 1 of its 2016-2018 Strategic Plan, the Board of Directors was able to review the excellent progress of all the established actions. The 2016-2018 Strategic Plan reflects the priorities of the cluster that emerged from the many meetings of the Board of Directors, the Executive Committee and committees of the board, working groups and members.

Among the intervention drivers identified in this strategic planning exercise, one of the highlights of 2016 was maintaining a dynamic and exemplary governance.

In April, members of the Board of Directors participated in a second training session on governance. This session covered the following subjects:

- ✓ Better understanding fiduciary obligations;
- ✓ Knowledge of best practices in governance;
- ✓ Developing group decision-making skills;
- ✓ Applying change management principles to improve the effectiveness of the Board of Directors.

In addition, in April, the Governance Committee was set up and officially started its work.

Board Committees

The members of the Governance Committee met four times between June and December. The first step taken by the committee was to define its mandate and establish processes for its proper functioning. Several of the set objectives have already been achieved, including:

- ✓ The development of a Code of Ethics for Aéro Montréal directors, employees and volunteers, which will eventually form part of a Corporate Governance Policy in 2017;
- ✓ A skills assessment grid for board members, resulting in a mapping of governance;
- ✓ An evaluation questionnaire for the Board of Directors.

The Finance and Audit Committee met four times. As part of best practices to ensure exemplary governance, members submitted a self-assessment of how the committee is functioning. The mandate of the committee is to assist the Board of Directors in fulfilling its oversight functions regarding the presentation of financial information and external auditing, as well as risk management and internal controls at Aéro Montréal.

EVALUATION REPORT BY QUÉBEC MINISTRY OF ECONOMY, SCIENCE AND INNOVATION (MESI)

In June, members of Aéro Montréal's Board of Directors received a very favourable evaluation report about Aéro Montréal conducted by the MESI for the period between January 1, 2011 and December 31, 2014. The CMM, the MAMOT and EDC were also part of the evaluation committee.

The main findings show that:

- ✓ The objectives of the public contributors are being met and the activities carried out by the secretariat respond to the needs and expectations of the companies and organizations involved;
- ✓ The secretariat complements other associations and organizations in the aerospace sector and stands out sufficiently to avoid duplication.

The report especially underscores the relevance of public funding provided to Aéro Montréal in terms of the quality, quantity and consistency of projects and activities carried out each year. The MESI highlights the resulting leverage effect for Aéro Montréal's members, including the MACH Initiative, major forums and symposiums, and the SA²GE greener aircraft development program. The effectiveness of the secretariat is especially recognized by the high percentage (95%) of achievement of the objectives of the action plan, the degree of satisfaction with activities and projects by members and organizations (96%), by the representation of key aerospace stakeholders in the working groups and on the Board of Directors, as well as the cluster's sound management practices.

AÉRO MONTRÉAL TEAM



FROM LEFT TO RIGHT

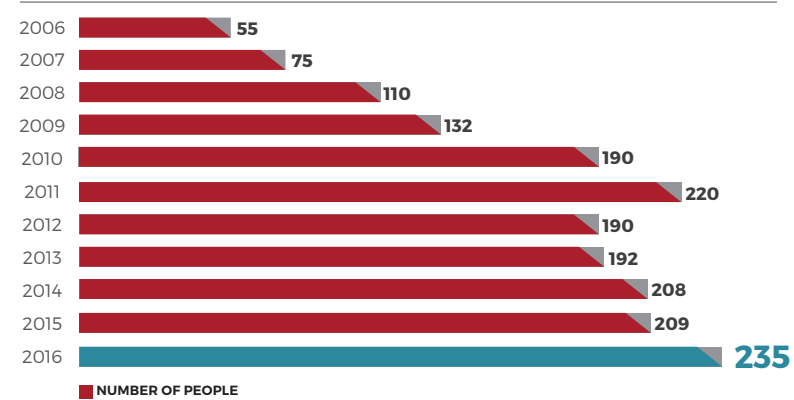
Eva Wolf, Administration and Events Coordinator, Membership, **Marie-Josée Kasparian**, Director - Strategy, Public Financing and Workforce, **Gwenaël Brisé**, Manager, Communications and Media Relations, **Cédric Lalaizon**, Associate Director, Image, Visibility, Influence and next generation workforce, **Pierrette Daigle**, Executive Assistant, **Mélanie Lussier**, Senior Director, Market Development - SME / Supply Chain, **Suzanne M. Benoit**, President, **Denyse Thiffault**, Director, Marketing & Communications Strategy, **Martin Lafleur**, Senior Director, Innovation, **Marie-Laure Limousin**, Project Manager, **Sharon Core**, Project Manager, Events and Special Projects, **Charlotte Laramée**, Project Manager, Market Development - SME and Supply Chain.

MOBILIZATION AND CONTRIBUTIONS

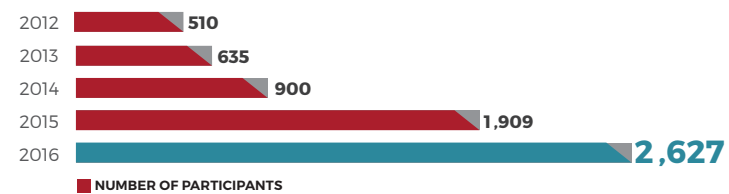
MOBILIZATION

The effectiveness of Aéro Montréal's actions and interventions relies on an impressive number of players in the industry. Again in 2016, hundreds of industry leaders and specialists were involved in our working groups and in the numerous events that were conceived and organized according to the needs of our members. By doing so, they demonstrated their commitment to the success of the cluster. Their strategic contribution and their valuable collaboration help to position our sector at the forefront of the issues and make Aéro Montréal a model of mobilization.

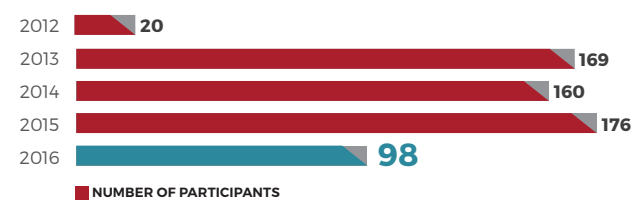
Industry mobilization



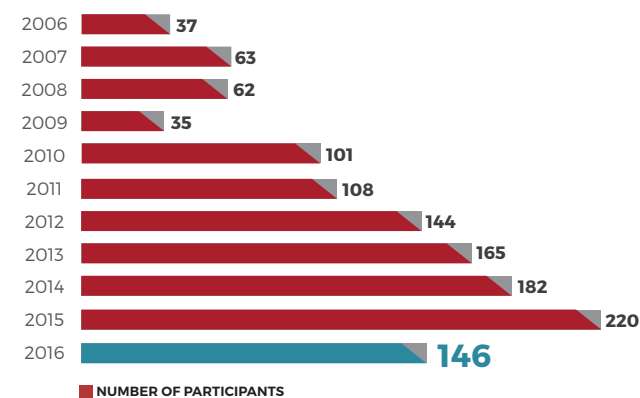
SMEs participation in events



MACH evolution events participation



Annual General Meeting participation



PARTICIPATION

Over the years, the activities and events organized by Aéro Montréal have attracted strong participation from our members, especially from our SMEs. Our fundamental goal is to cover subjects that most affect them. The themes we address capture their interest and increase their satisfaction. In a survey conducted at the end of 2016, more than nine out of ten participants expressed their great satisfaction with the staff at Aéro Montréal and the events we organize.

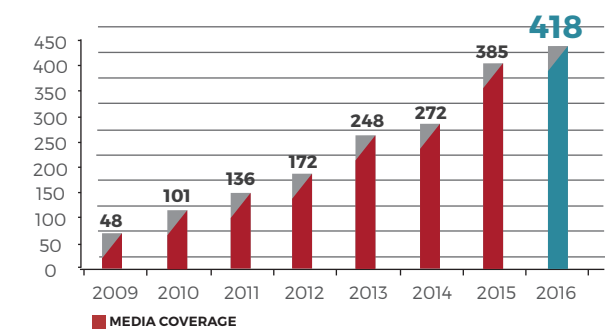
Aéro Montréal's Annual General Meeting welcomed almost 150 participants in 2016. It should be noted that this year's Aéro Montréal Annual General Meeting was held on April 25th, the first day of activities of International Aerospace Week - Montréal 2016.

CONTRIBUTIONS

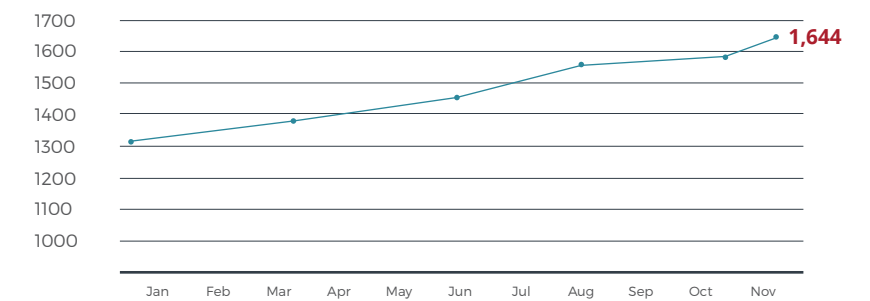
Aéro Montréal's promotional and visibility efforts are gaining momentum year after year, and 2016 reached new heights compared with previous years. Business and specialty media offer exceptional forums to showcase the dynamism of the cluster in Québec and abroad. We have established closer ties with many of them, which keeps channels of communication open on an ongoing basis.

We also saw a steady increase in the number of members on our LinkedIn (28%) and Twitter (26%) social networks in 2016. Our presence on social media will grow in 2017 with the deployment of Phase 2 of the AeroPortal and more targeted actions on our communications platforms.

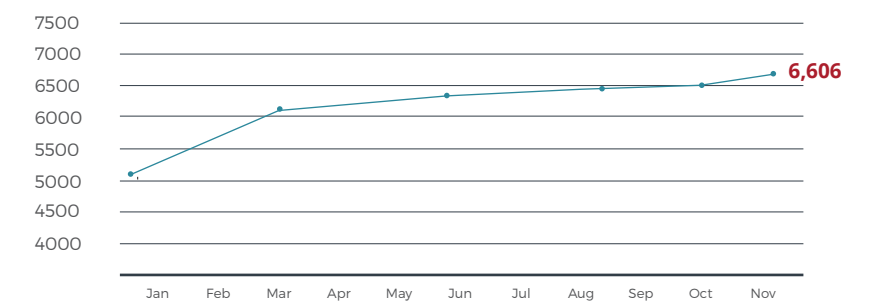
Media coverage growth



Twitter community growth



LinkedIn community growth



Projects generated by the MACH Initiative

612 PROJECTS COMPLETED OR ONGOING

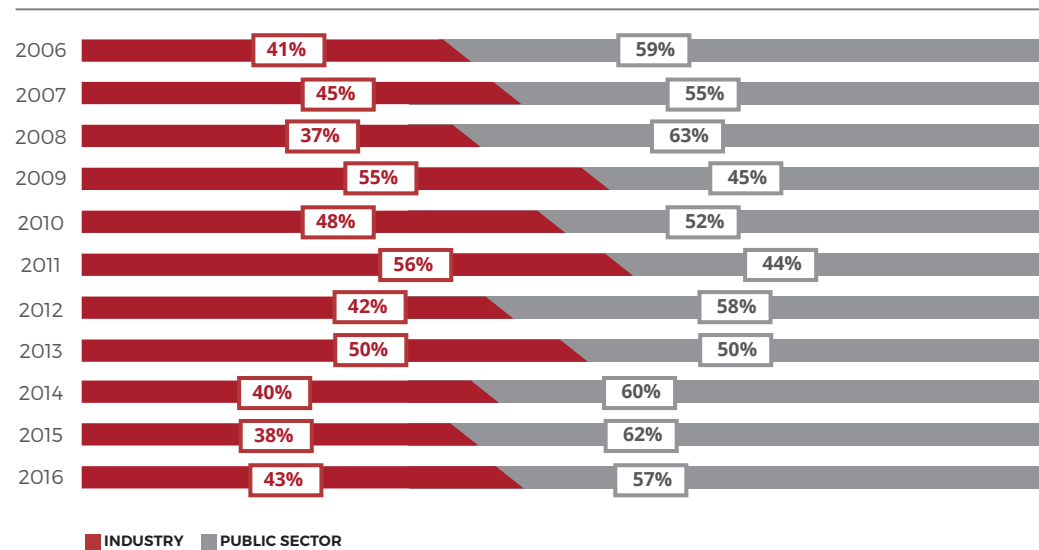
181
PROJECTS
REALIZED
INTERNALLY OR
WITH THE SUPPORT
OF A SPONSOR

219
PROJECTS
FOCUSED ON
EXPERTISES

212
PROJECTS
FOCUSED ON SKILLS
DEVELOPMENT

MOBILIZATION AND CONTRIBUTIONS (CONTINUED)

DISTRIBUTION OF TOTAL CONTRIBUTIONS FROM THE PUBLIC SECTOR AND THE INDUSTRY (2006-2016)

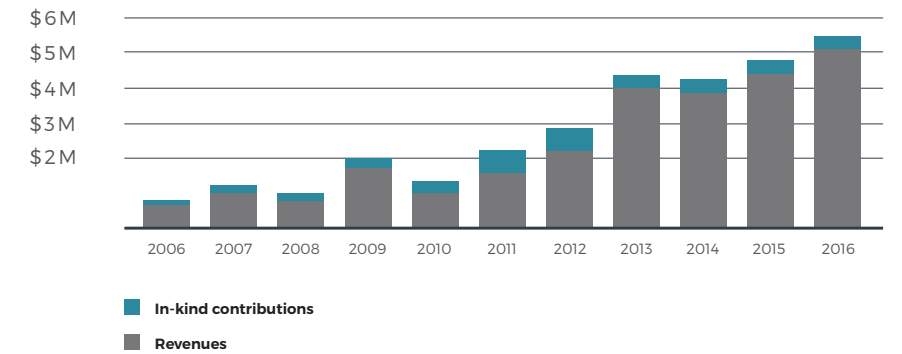


DISTRIBUTION OF CONTRIBUTIONS FROM THE PUBLIC SECTOR AND THE INDUSTRY IN 2016

	2016	2016
Contribution from the public sector in cash	\$3,089,283	54.2%
Contribution from the public sector in kind	\$151,000	2.6%
Contribution from the industry in cash	\$2,128,489	37.3%
Contribution from the industry in kind	\$336,000	5.9%
TOTAL	\$5,704,771	100%

EVOLUTION OF REVENUES AND IN-KIND CONTRIBUTIONS

Combining revenues and in-kind contributions, the cluster's total contributions reached \$5.7 million in 2016, a 20% increase in one year. These contributions are 7 times higher than in 2006 (\$837.8 k). In 2016, in-kind contributions from cluster members increased by 2.2% over the previous year, from \$476.6k to \$487k. In 2016, the cluster's cash contributions increased by 22% compared to the previous year, from \$4.27 million to \$5.22 million.



IN-KIND CONTRIBUTIONS BY SECTOR 2016

COMMITTEES AND MEETINGS DATES	Duration (in hours)	Total number of participants	Number of private participants	Rates (\$/hour/participant)	Industry total	Grand total industry and public
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EXECUTIVE COMMITTEE

April 6, 2016	2	6	6	\$400	\$4,800	\$4,800
June 1, 2016	2	6	6	\$400	\$4,800	\$4,800
July 6, 2016	0.5	7	7	\$400	\$1,400	\$1,400
September 1, 2016	0.5	5	5	\$400	\$1,000	\$1,000
October 5, 2016	2	6	6	\$400	\$4,800	\$4,800
October 19, 2016	0.5	6	6	\$400	\$1,200	\$1,200
November 10, 2016	0.5	4	4	\$400	\$800	\$800
December 6, 2016	0.5	7	7	\$400	\$1,400	\$1,400
December 14, 2016	2	6	6	\$400	\$4,800	\$4,800
December 19, 2016	0.5	6	6	\$400	\$1,200	\$1,200
					\$26,200	\$26,200

BOARD OF DIRECTORS

April 6, 2016	2	27	19	\$400	\$15,200	\$21,600
June 1, 2016	2	19	14	\$400	\$11,200	\$15,200
July 16, 2016	0.5	11	9	\$400	\$1,800	\$2,200
October 5, 2016	2	22	15	\$400	\$12,000	\$17,600
December 14, 2016	2	26	20	\$400	\$16,000	\$20,800
					\$56,200	\$77,400

FINANCE AND AUDIT COMMITTEE

March 23, 2016	2	3	3	\$400	\$2,400	\$2,400
June 1, 2016	2	3	3	\$400	\$2,400	\$2,400
September 28, 2016	2	4	4	\$400	\$3,200	\$3,200
December 6, 2016	2	5	3	\$400	\$2,400	\$4,000
					\$10,400	\$12,000

GOVERNANCE COMMITTEE

June 1, 2016	1	5	5	\$400	\$2,000	\$2,000
September 27, 2016	2	5	5	\$400	\$4,000	\$4,000
November 2, 2016	2	6	6	\$400	\$4,800	\$4,800
December 5, 2016	2	5	5	\$400	\$4,000	\$4,000
					\$14,800	\$14,800

COMMITTEES AND MEETINGS DATES	Duration (in hours)	Total number of participants	Number of private participants	Rates (\$/hour/participant)	Industry total	Grand total industry and public
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COMMITTEE OF WORKING GROUPS PRESIDENTS

May 25, 2016	2	5	5	\$400	\$4,000	\$4,000
November 1, 2016	3	6	6	\$400	\$7,200	\$7,200
					\$11,200	\$11,200

ANNUAL GENERAL MEETING

April 25, 2016	1.5	146	105	\$200	\$31,500	\$43,800
					\$31,500	\$43,800

INNOVATION WORKING GROUP

May 20, 2016	3	14	6	\$200	\$3,600	\$8,400
September 30, 2016	3	19	9	\$200	\$5,400	\$11,400
November 30, 2016	3	22	10	\$200	\$6,000	\$13,200
					\$15,000	\$33,000

INNOVATION FORUM 2016 WHITE PAPER COMMITTEE

May 11, 2016	3	8	3	\$200	\$1,800	\$4,800
June 3, 2016	3	7	4	\$200	\$2,400	\$4,200
August 19, 2016	2	7	3	\$200	\$1,200	\$2,800
					\$5,400	\$11,800

RECYCLING COMMITTEE

March 23, 2016	3	10	5	\$200	\$3,000	\$6,000
June 14, 2016	3	6	3	\$200	\$1,800	\$3,600
October 14, 2016	3	10	6	\$200	\$3,600	\$6,000
					\$8,400	\$15,600

IN-KIND CONTRIBUTIONS BY SECTOR 2016 (CONTINUED)

COMMITTEES AND MEETINGS DATES	Duration (in hours)	Total number of participants	Number of private participants	Rates (\$/hour/participant)	Industry total	Grand total industry and public
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DEFENSE AND NATIONAL SECURITY WORKING GROUP						
March 24, 2016	3	10	8	\$200	\$4,800	\$6,000
May 18, 2016	3	8	6	\$200	\$3,600	\$4,800
September 22, 2016	3	16	12	\$200	\$7,200	\$9,600
November 23, 2016	4	17	14	\$200	\$11,200	\$13,600
					\$26,800	\$34,000

DEVELOPMENT FUND FOR SECURITY AND DEFENSE SECTORS COMMITTEE						
October 19, 2016	2	8	4	\$200	\$2,400	\$3,200
					2,400	\$3,200

SUPER HORNETS ACQUISITION COMMITTEE						
December 7, 2016	2.5	8	4	\$200	\$2,000	\$4,000
December 22, 2016	2	10	7	\$200	\$2,800	\$4,000
					\$4,800	\$8,000

MARKET DEVELOPMENT - SME WORKING GROUP						
February 18, 2016	3	11	11	\$200	\$6,600	\$6,600
April 12, 2016	3	11	9	\$200	\$5,400	\$6,600
June 7, 2016	3	16	14	\$200	\$8,400	\$9,600
December 6, 2016	3	12	10	\$200	\$6,000	\$7,200
					\$26,400	\$30,000

GILLES-DEMERS 2016 AWARDS JURY						
March 31, 2016	1.5	7	7	\$200	\$2,100	\$2,100
June 22, 2016	2	7	6	\$200	\$2,400	\$2,800
August 18, 2016	2	6	5	\$200	\$2,000	\$2,400
November 10, 2016	1.5	7	7	\$200	\$2,100	\$2,100
					\$8,600	\$9,400

COMMITTEES AND MEETINGS DATES	Duration (in hours)	Total number of participants	Number of private participants	Rates (\$/hour/participant)	Industry total	Grand total industry and public
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SUPPLY CHAIN WORKING GROUP						
February 23, 2016	3	4	4	\$200	\$2,400	\$2,400
May 24, 2016	3	9	9	\$200	\$5,400	\$5,400
September 27, 2016	3	7	7	\$200	\$4,200	\$4,200
November 29, 2016	3	10	10	\$200	\$6,000	\$6,000
					\$18,000	\$18,000

GLOBAL SUPPLY CHAIN SUMMIT 2017 COMMITTEE						
September 27, 2016	1.5	8	7	\$200	\$2,100	\$2,400
November 3, 2016	1.5	8	8	\$200	\$2,400	\$2,400
					\$4,500	\$4,800

HUMAN RESOURCES WORKING GROUP						
March 15, 2016	2	8	6	\$200	\$2,400	\$3,200
May 16, 2016	2	14	7	\$200	\$2,800	\$5,600
September 12, 2016	2	11	7	\$200	\$2,800	\$4,400
November 14, 2016	2	12	8	\$200	\$3,200	\$4,800
					\$11,200	\$18,000

HERITAGE 3 COMMITTEE						
March 9, 2016	1	4	1	\$200	\$00	\$800
March 17, 2016	1	3	1	\$200	\$200	\$600
April 18, 2016	1	8	2	\$200	\$400	\$1,600
April 19, 2016	2.5	6	1	\$200	\$500	\$3,000
April 28, 2016	1	8	2	\$200	\$400	\$1,600
May 2, 2016	0.5	1	0	\$200	\$-	\$100
May 12, 2016	2	8	2	\$200	\$800	\$3,200
May 16, 2016	1	3	1	\$200	\$200	\$600
May 19, 2016	1	7	1	\$200	\$200	\$1,400
May 24, 2016	7	9	5	\$200	\$7,000	\$12,600
June 3, 2016	1	7	2	\$200	\$400	\$1,400
					\$10,300	\$26,900

IN-KIND CONTRIBUTIONS BY SECTOR 2016 (CONTINUED)

COMMITTEES AND MEETINGS DATES	Duration (in hours)	Total number of participants	Number of private participants	Rate (\$/hour/participant)	Industry total	Grand total industry and public
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ACTION PLAN 2017 COMMITTEE						
October 21, 2016	2	7	3	\$200	\$1,200	\$2,800
October 31, 2016	2	8	3	\$200	\$1,200	\$3,200
					\$2,400	\$6,000

AERO TALENTS COMMITTEE						
February 26, 2016	3	5	1	\$200	\$600	\$3,000
March 11, 2016	3	5	1	\$200	\$600	\$3,000
April 29, 2016	7	19	3	\$200	\$4,200	\$26,600
					\$5,400	\$32,600

AERO TALENTS WHITE PAPER COMMITTEE						
June 6, 2016	1.5	10	2	\$200	\$600	\$3,000
June 14, 2016	2	1	1	\$200	\$400	\$400
August 11, 2016	2	1	1	\$200	\$400	\$400
September 9, 2016	2	9	2	\$200	\$800	\$3,600
September 21, 2016	1	6	2	\$200	\$400	\$1,200
Summer 2016	1	8	3	\$200	\$600	\$1,600
					\$3,200	\$10,200

CASE STUDY COMPETITION COMMITTEE						
June 3, 2016	2	2	2	\$200	\$800	\$800
Summer 2016	2.5	2	2	\$200	\$1,000	\$1,000
September 22, 2016	2	6	5	\$200	\$2,000	\$2,400
Summer 2016	1.5	5	4	\$200	\$1,200	\$1,500
October 1, 2016	7	6	5	\$200	\$7,000	\$8,400
					\$12,000	\$14,100

COMMITTEES AND MEETINGS DATES	Duration (in hours)	Total number of participants	Number of private participants	Rate (\$/hour/participant)	Industry total	Grand total industry and public
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BRANDING AND PROMOTION WORKING GROUP						
March 17, 2016	3	7	5	\$200	\$3,000	\$4,200
June 10, 2016	3	6	4	\$200	\$2,400	\$3,600
November 24, 2016	3	13	11	\$200	\$6,600	\$7,800
					\$12,000	\$15,600

VITRINES 2016 COMMITTEE						
February 11, 2016	2	13	13	\$200	\$5,200	\$5,200
					\$5,200	\$5,200

FINANCE ROUND TABLE						
June 29, 2016	2	10	7	\$200	\$2,800	\$4,000
November 11, 2016	1.5	4	3	\$200	\$900	\$1,200
					\$3,700	\$5,200

GRAND TOTAL		922	635		\$336,000	\$487,000
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CALENDAR OF EVENTS 2016



DATE	EVENT	LOCATION
FEBRUARY		
11	AéroPortail : Vitrines 2016	Montréal Science Centre
16	Evolution MACH Series: Optimize performance through point of execution management	Groupe Proaction 257 Sherbrooke St. E #100, Montréal
APRIL		
5, 6 and 7	Canadian Armed Forces Outlook Mission 2016	Shaw Centre, Ottawa
14 - 15	Aerospace & Defense Supplier Summit	Seattle
25	Aéro Montréal Annual General Meeting	Palais des congrès de Montréal
25 - 26	Aerospace Innovation Forum 2016	Palais des congrès de Montréal
25 - 26	International journalists mission/industrial visits	Bell, Bombardier, CAE, P&WC, Héroux, Sonaca
27	8th CRIAQ Research Forum	Palais des congrès de Montréal
28	Conference: Doing MRO in Canada	Palais des congrès de Montréal
29	Luncheon conference with Marc Parent, CAE, in collaboration with the Chamber of Commerce of Metropolitan Montreal	Palais des congrès de Montréal
29	Aero Talents SME Forum 2016	Palais des congrès de Montréal
29	Women in Aerospace (WIA)- Speed Mentoring	Palais des congrès de Montréal
MAY		
5	Evolution MACH Series: Practical workshop on the digital transition in a manufacturing context	Norton Rose Fulbright
17	Speech by Ms. Suzanne M. Benoît: "The aerospace industry at the heart of economic growth in Québec and Canada"	Canadian Club of Toronto
24	Heritage Symposium: Retaining critical expertise	HEC Montréal
25-26	CANSEC Mission 2016	EY Centre, Ottawa
28	Orchid Ball	ÉNA
JUNE		
10 to 12	The Eureka! Festival	Old Port of Montréal

DATE	EVENT	LOCATION
JULY		
9	Welcome cocktail for the launch of the Farnborough Airshow organized with Norton Rose Fulbright and Pricewaterhouse Coopers	London, UK
11 to 17	Farnborough International Airshow	Farnborough, UK
12	Networking event with the OAC at Farnborough	Farnborough, UK
13	Aéro Montréal/ADM International networking dinner	London, UK
14-15	Québec Mission in Germany	Munich, Germany
AUGUST		
29	Aéro Montréal's Golf Classic	ELM RIDGE Country Club
SEPTEMBER		
21	Delegation to Vermont's Premier Supply Chain Conference & Trade Show in collaboration with the Vermont Chamber of Commerce	Vermont, USA
21	Siemens conference on aerospace	Sheraton, Aéroport de Montréal
26 to 30	Civil Aviation Week	Montréal
27	Signing of the City of Montréal's Golden Book	Hôtel de Ville de Montréal
30	Gilles-Demers Awards Gala	Ritz-Carlton, Montréal
OCTOBER		
1	Civil Aviation Week. Public Day featuring the AeroPortal: Case Study Competition	ÉTS, Montréal
13	Welcoming remarks delivered by Suzanne M. Benoît at the 8th edition of CTA Aerotechnical Colloquium	CTA, Saint-Hubert
15	Legal aspects to consider in adopting ITAR standards	Norton Rose Fulbright, Montréal
NOVEMBER		
1 to 3	NBAA2016 - Business Aviation Convention & Exhibition	Orlando, USA
29-30	Aéromart Toulouse	Toulouse, France
DECEMBER		
12	Seminar on Financing and End of Year Networking Dinner	Westin, Montréal

LEXICON

ADM

Aéroports de Montréal

AGM

Annual General Meeting

AIAC

Aerospace Industries Association of Canada

AMTC-NRC

Aerospace Manufacturing Technology Centre of the National Research Council Canada

B2B

Business-to-Business

BDC

Canada's business development bank

BoD

Board of Directors

CSA

Canadian Space Agency

CAMAQ

Comité sectoriel de main-d'œuvre en aérospatiale

CAPE

Centre for Aerospace Professional Education

CEFRIO

Centre facilitant la recherche et l'innovation dans les organisations

CRÉER

Collaboration pour des Ressources, Équipements et Expertises de Recherche

CRIAQ

Consortium for Research and Innovation in Aerospace in Québec

CTA

Centre technologique en aérospatiale

CSC

Canadian Surface Combattant

CSDQ

Croissance Sécurité Défense Québec Portal

DND

Department of National Defence

EC

Executive Committee

ÉMAM

École des métiers de l'aérospatiale de Montréal

ÉNA

École nationale d'aérotechnique

ÉTS

École de technologie supérieure

GARDN

Green Aviation Research and Development Network

IAMAW

International Association of Machinists and Aerospace Workers

IATA

International Air Transport Association

ICAO

International Civil Aviation Organization

IFA

Institut de formation en aérospatiale

IFALPA

International Federation of Air Line Pilots Associations

IQ

Investissement Québec

ITAR

International Traffic in Arms Regulations

ITB

Industrial and Technological Benefit

KPI

Key Performance Indicator

MES

Ministère de l'Enseignement supérieur du Québec

MESI

Ministère de l'Économie, de la Science et de l'Innovation du Québec

MESS

Ministère de l'Emploi et de la Solidarité sociale du Québec

MI

Montréal International

MRO

Maintenance, Repair & Overhaul

NASA

National Aeronautics and Space Administration

NBAA

National Business Aviation Association

NHADEC

New Hampshire Aerospace and Defense Export Consortium

NRC

National Research Council Canada

NRC-IRAP

National Research Council Canada – Industrial Research Assistance Program

OAC

Ontario Aerospace Council

OECD

Organisation for Economic Co-operation and Development

PARC

Project of Automated Resource Sharing within Communities

PNAAL

Pacific Northwest Aerospace Alliance R&D Research and Development

QI

Québec International

SA²GE

Smart Affordable Green Efficient project

SME

Small and medium size enterprises

SQRI

Stratégie québécoise de recherche et d'innovation

STIQ

Sous-Traitance Industrielle Québec

WIA

Women in Aerospace

Aéro Montréal thanks its business partners:

- > BDC
- > EDC
- > Alcoa Foundation
- > JPMorgan Chase Foundation
- > Norton Rose Fulbright

Aéro Montréal thanks its public partners:



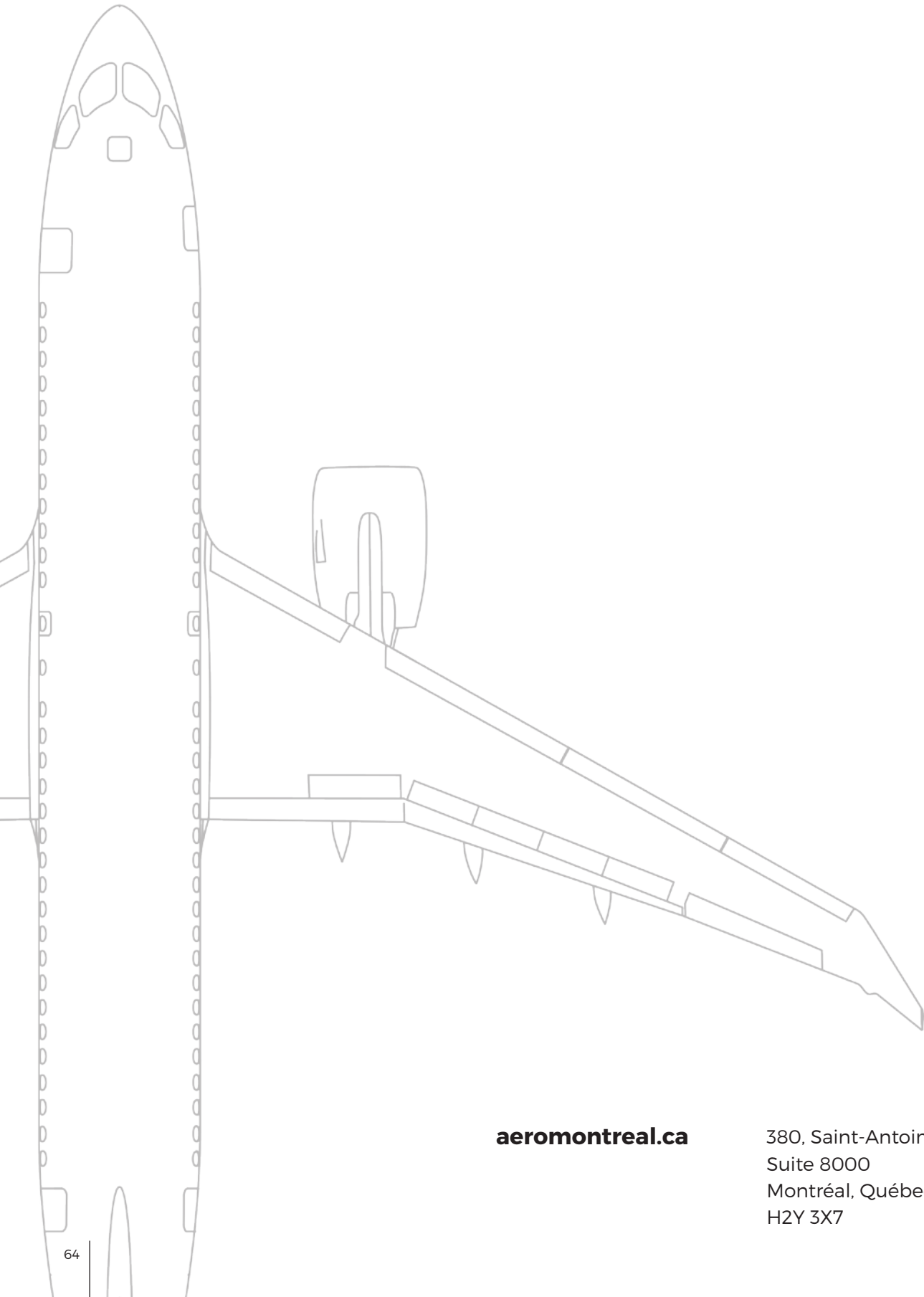
Editor: Aéro Montréal

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ISBN: 978-2-924136-08-9

Legal deposit – bibliothèques et archives nationales du Québec, 2016

Legal deposit – bibliothèques et archives nationales Canada, 2016



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