

LEADING THE **NEW** **HEALTH CARE** **ECONOMY**

CAN Health Network
Strategic Vision

Thank you.

On behalf of everyone at the CAN Health Network, we want to thank all of you who supported us in our initial, early start-up days and continue to believe and invest in what the CAN Health Network can do for the Canadian economy and health care. Thank you to the Federal Government, which has funded the Network. And thank you to our private sector sponsors for believing in our mission. Finally, our thanks to all of you who contributed to our plan. We hope you will continue to join us on our journey to creating the new health care economy.





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Each of us has the power and the duty to imagine better ways, better things, better times. Canadians have a knack for innovation, and our prosperity as a nation is more dependent than ever on fresh ideas.

”

David Johnston & Tom Jenkins
Ingenious, 2017

WE BELIEVE IN CANADIANS

Many laud Canada as one of the best places in the world to live. We have enough energy resources to be self-sufficient, we're growing economically, we're regularly ranked as one of the most desirable places in the world to live, and we are home to incredible innovators.

And yet, we continue to face enormous challenges. And nowhere are challenges more evident than in health care. What was once a pillar of our national identity – a public health care system that serves everyone no matter their income, age, or status – is struggling under the weight of demographic changes, a global pandemic, staffing constraints, regionalism, and financial pressures. The current system is not connected across regions, provinces, or territories and is holding back opportunities for Canadian innovations to make an impact on our country.

What has always reigned true is the strength of our regional differences and that Canada is a country of innovators. Economic and cultural diversity across our provinces and territories allows for distinct and autonomous characteristics to develop and flourish. And it shows. Scattered across our country are visionaries – diverse groups of people who are inspired by what Canada has to offer – creating new, innovative ideas that can generate prosperity for our country and change health care and our world for the better.

We need to be bold in our choices and challenge the status quo to unlock this creative talent.

That's where we come in. The Coordinated Accessible National (CAN) Health Network coordinates health care providers from across the country into an integrated marketplace – a first for Canada.

The CAN Health Network brings Canada together to create a marketplace to scale Canadian technology innovations that will drive prosperity and solve Canadian and global health care problems.

When united, our 13 provinces and territories become a competitive advantage for Canada. By pairing health care providers with Canadian entrepreneurs, the CAN Health Network breaks down procurement barriers and de-risks technology adoption. The results are better tools in health care, improved patient outcomes, more jobs here at home, and the opportunity to drive economic prosperity.

The CAN Health Network brings uniquely Canadian solutions to the market to change the world. Our goal is to grow our Network to position Canada to lead the new global health care economy. While our first Strategic Vision is largely focused on the road ahead, we know that this model can work in other industries and health care is just the beginning.

With three years of success behind us, we are looking to the future. We hope you will continue to join us.



Dr. Dante Morra
Chair
CAN Health Network



Dr. Deepak Kaura
Vice Chair
CAN Health Network



“Canada needs to invest in Canadian innovators. We will put ourselves at a significant disadvantage versus our competitors if Canadian health care operators keep spending large portions of their budget on foreign-made technology.”

About The CAN Health Network

WE THINK DIFFERENTLY

Canada can lead the global economy and generate prosperity in the process. But we have to start with health care. Here's why:

Health care in Canada accounts for 12% of our GDP. It makes up 20% of the GDP in the United States. And we know that health care will be a major driver in the future global economy.

Canada needs to be a part of that global health care economy that is now emerging. But there are challenges in the way.

Deloitte's report, *Canada at 2030*, predicts that our country's GDP growth will slow to half of the annual averages from the past decade if we return to our pre-pandemic trajectory.

We must boost our total GDP growth and keep Canadian companies here at home. It is our country's best pathway to creating a stronger, healthier future. And the CAN Health Network is here to help do exactly that.

Why we're here

The CAN Health Network harnesses our country's full potential to build prosperity for all Canadians today and through tomorrow.

Canada is rich in talent. We have world-class post-secondary schools, training institutions, and a thriving business and technology ecosystem. We welcome immigration and have made diversity our superpower. There is a strong history of governments supporting entrepreneurship. Many of our health care practitioners, educators, researchers, and programs are world-renowned. And Canada is increasingly recognized as a trusted world leader in technology and a pillar of innovation. The CAN Health Network brings those incredible national strengths together to help Canadian companies grow and bring new solutions to the frontline.

The need for Canadian-led innovation

The Canadian health care system often struggles to adapt to new technologies, and invest in new products. But it is also a challenge to find Canadian market-ready solutions, as our system is not set up to make way for companies with high potential.

During the COVID-19 pandemic, health care providers had to dramatically revise their strategies and practices for delivering quality patient care. Health teams adopted new technologies at an unprecedented speed. They rose to the occasion during a rapidly changing crisis.

But the pandemic also highlighted the need for more Canadian-made technology, tools, and domestic production to solve local and global problems.

Canada is vulnerable to interruptions in foreign supply chains, rising costs, and reduced quality. We need to do a better job of keeping talent at home, and we need more of our Canadian companies to be successful domestically and internationally.

The next big shift is health care

Massive industry shifts driven by technological change have marked every decade for the last thirty years. In the 1990s, digital content became king with the dawn of the internet. In 2010, ride-share apps transformed the transportation industry. During the 2020s, advances in financial technology put easy-to-use financial apps in everyone's pocket.

Health industries are next - driven by necessity. Technology brings down costs, allows us to do more with less, and improves care.

Robotics, AI automation, digital health, network connectivity, and more are on the rise. They are changing how health care operates. And these advances are leading to better results and experiences for Canadian patients.

But Canada needs to invest in Canadian innovators. We will put ourselves at a significant disadvantage compared to competitors if Canadian health care operators keep spending large portions of their budget on foreign-made technology.

WE WORK DIFFERENTLY

The CAN Health Network brings together health care organizations that care directly for patients from coast-to-coast-to-coast. The Network creates an integrated marketplace – a first for Canada.

Our Network works with buyers (health care organizations), companies, investors, innovators, partners, and sponsors, and together, we help Canadian companies commercialize, grow, and scale here in Canada.

Companies have a better chance of competing internationally when they scale domestically. Companies also have a greater chance of keeping their jobs, revenue, talent, and intellectual property here at home, when they are supported by Canadian investment.

When we help Canadian companies stay in Canada, we improve our economy and improve the health of all Canadians.

Helping Canadian Entrepreneurs Overcome Barriers

Our singular focus is helping Canadian health care companies scale. We do that by helping them overcome structural and financial barriers.

Canada has built a strong foundation of nurturing technology supply and start-ups. However, until now, we haven’t understood or coordinated the demand side of the market for those who will purchase technology. We also know how hard it is for companies to scale and win procurements throughout Canada and access sophisticated capital. As a result, companies find themselves in what’s dubbed: The Canadian Disadvantage. Small, successful companies hit a growth ceiling. They burn through resources trying to break

into different regions across Canada, applying for multiple procurements, or accessing capital, and they struggle to become profitable. All these factors come together into a series of frustrating, self-perpetuating stumbling blocks for technology startups in Canada.

Canada’s talented entrepreneurs – dreamers, visionaries and operators – need support in overcoming these barriers, which is where we step in to create a Canadian Advantage.

CAN Health is giving Canadian entrepreneurs help by coordinating the demand side of the equation and leveraging innovative procurement tools and, in the future, access to capital.

Coordinating Market Demand

Canada’s health care market is complex and spread across the country in multiple levels of government. Each care for patients and purchase technology. But they work in silos, purchasing and procuring technology at an individual level, rarely sharing with like-minded providers when a solution has been successful.

The CAN Health Network brings these groups of health providers together as one coordinated buyer’s market. Vetted Canadian companies are then connected directly to that coordinated buyer’s market. The Network works collaboratively with all our partners’ procurement agencies and focuses exclusively on Canadian innovation.

Once the CAN Health Network removes the disadvantages of the disconnected market, health providers (buyers) can come together in our Network to identify shared problems. Companies (sellers) connected to those operators can then create better tools to meet our market’s shared needs. That results in cost savings and a more efficient health care system. Canadian companies are then poised to win international procurements that are fair, open, and transparent.

Also, and most crucially, a nationally coordinated marketplace that works together to help companies create better products has greater odds of buying those products – across the country. It’s that

CAN Health Network



increased potential for widespread adoption that helps Canadian companies grow and scale at home. Providers get better tools, companies grow their capacity for production, and Canadians get better health outcomes.

Our Network “Edges”

The new health care economy comes from the edge of the old. That is why we call health providers in our Network “Edges.” It is the receptive Edge that allows for challenges to be solved. CAN Health Network Edges are powerful organizations from across the country that are leading today and will lead the future.

CAN Health Network Edges commit to collaborating to identify shared problems. They also commit to early adoption of new Canadian-made health care technology and buying successful Canadian products to improve patient care.

How Edges Work

An Edge shows a sellable problem to the marketplace. The Edge – supported by the CAN Health Network – picks a best-in-class Canadian company with a market-ready product and attaches the company to the Edge.

The company gets access to the Edge’s clinicians, resources, data, and a guided opportunity to improve its product in a working care environment. In exchange, the Edge gets a tailored tool in under a year.

The Edge can then buy that technology once the project is complete. Other Edges in the Network can also buy the new technology by leveraging fair, transparent, impartial, and innovative procurement tools. This decreases the length of the sales cycle and lowers the overall prices for the health care provider. And the other Edges have a higher likelihood of buying the technology based on the success of the initial Edge’s experience. The collaborative Network builds personal connections across the country and allows Edges to do more with less by sharing successes, thus increasing faster adoption of technology across Canada.

Our Network shares knowledge and access to successful products to take the risk out of innovation and adoption and to streamline procurement. We work together to save resources and drive more Canadian-made technology and revenue.

Our shared work – led by our Edges – gives patients better, faster care and saves the system money.

WE ARE DIFFERENT

We acknowledge that we are successful only when both our Edges and our companies win. Our Canadian companies must scale and become profitable. And our Edges must have their problems solved. We are unapologetically focused on these results – because these results drive change.

Our integrated marketplace of 29 Edges (and growing), along with public and private investment, have achieved great success in creating jobs and supporting better tools for the front line in less than three years.

We celebrate our wins and learn and grow from our failures. We are highly ambitious while recognizing we may not get it right every time. But when it comes to the care Canadian patients deserve – there is no bar too high.

29 Edges in our Network	80% success rate in technologies being purchased
40 companies supported	\$55M in procurement supported
46 commercialization projects launched across Canada	1,000+ jobs created with companies we work with

Source: CAN Heath Network: September 2022





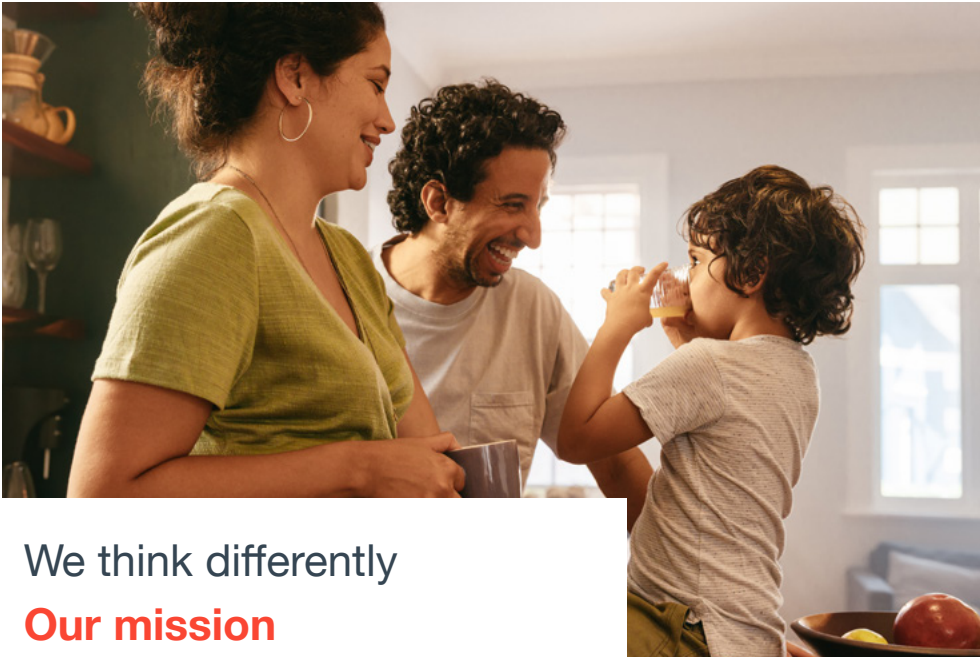
CAN Health Network Strategic Vision

In this first CAN Health Network Strategic Vision, we outline our mission, vision, values and strategic direction to support Canadian companies and drive economic activity for our country.

By working together – as one Team Canada – we can help realize Canada's full potential in the service of prosperity for all of us. And as the market evolves, so will our plan.

Leading the new health care economy

CAN Health Network Strategic Vision



We think differently
Our mission

To bring Canada together to create economic prosperity and better health for all.

Our values

Deeply collaborative, boldy courageous, unapologetically results-driven, and humbly ambitious.



We work differently
Our vision

To lead the new health care economy.



We are different
Our strategic directions

Deliver

We will deliver a Network to commercialize and scale Canadian companies.

Partner

We will partner with leading public and private sector organizations to scale Canadian companies and attract investment.

Create

We will create future prosperity for Canadians by building an integrated ecosystem to steward innovation.

Our enablers

Teamwork and Sustainability

OUR STRATEGIC DIRECTIONS

Deliver

Deliver a network to commercialize and scale Canadian companies.

How we will do this:

- Expand the Network to include more Edges representing our entire country and all major health care access points.
- Include culturally and geographically diverse organizations and companies representing our country's range of health care challenges, united by an unwavering commitment to results.
- Further Canadian companies' access to an international market primed for procurement and early adoption.

Partner

Partner with leading public and private sector organizations to scale Canadian companies and attract investment.

How we will do this:

- Work with Canada's rich innovation and start-up ecosystem to partner with and scale Canadian companies.
- Create connections with capital investment to ensure companies remain fully Canadian as they scale, preventing the need to seek investment outside Canada.
- Connect with international partners to import and export ideas and products.
- Extend our relationship with all levels of government to ensure long-term economic prosperity and growth.

Create

Create future prosperity for Canadians by building an integrated ecosystem to steward innovation.

How we will do this:

- Connect all corners of the country by sharing access to best practices and winning Canadian companies.
- Break down regulatory, procurement, and legislative barriers to help create a Canadian advantage.
- Support and advocate for creating integrated markets in other industries like clean tech, agriculture, resource development, digital, and manufacturing.



OUR ENABLERS

Teamwork

The CAN Health Network Team will operate the Network with a Team-Canada approach and unite all regions while leveraging the diversity of each individual and organization, including:

- Generate value for every member of our network.
- Hold each other accountable to achieve deliverables and results.
- Share our successes while staying open to feedback and iteration.
- Create and build trust within the health system to strengthen the Network.
- Meet new partners from new industries where our model can be shared.

Sustainability

The CAN Health Network Team will lead the Network towards financial sustainability and growth by:

- Expanding investment opportunities and revenue streams with organizations that align with the CAN Health Network's mission and values.
- Aligning capital, high-potential companies and the marketplace to fuel the Network.
- Seeking new tools and ideas to generate profit and help grow and sustain our Network.

Measuring Success

We will track performance, measure how we are doing, and use the following key measurement to give us insights on where we can make improvements.

We believe success will be determined by continuously measuring our results in four key areas:

01 Prosperity	02 Process	03 Partnerships	04 Health
<ul style="list-style-type: none">• Canadian jobs created• Canadian companies scaled• GDP growth• Canadian health organizations supported	<ul style="list-style-type: none">• Procurements completed• New networks launched• Policy changes	<ul style="list-style-type: none">• New Edges joining the Network• Scaling partners• Our ecosystem's growth	<ul style="list-style-type: none">• Improvements in the health care system• Adaption of technology• Canada-wide technology scaling

WHAT WE DO

The CAN Health Network is a results-driven platform. We focus on achieving prosperity for all Canadians by successfully commercializing and scaling Canadian businesses.

How we do it:

- Scale Canadian companies to serve our domestic market needs and compete in international markets
- Bring customers to the marketplace
- Partner only with those who bring value to our companies
- Work as a national model that respects regional differences
- Attract capital through government and public and private organizations
- Advocate for policy regulation and funding changes to revitalize the Canadian economy
- Prioritize a result-driven focus on solving real-world problems
- Champion the commercialization of market-fit products

Scale to compete in the global market

Serve and stay in the Canadian market

Canadian companies

WHAT WE LEAVE TO OTHERS

The CAN Health Network's singular focus is on scaling Canadian companies through our integrated market and supporting health care organizations to adopt Canadian innovations.

There are strong organizations that focus on:

- Technology transfer
- Company development, incubation, and acceleration
- Regulatory frameworks and approvals
- Finance research
- Talent investment and education
- Pilot projects
- Academic studies and creating publications
- Ideation and startup exploration
- Pharmaceuticals

Looking to the Future

CAN Health Network 2.0 & Expanding into Other Industries

A Sustainable Future for Companies and the CAN Health Network

The CAN Health Network has successfully scaled many Canadian companies in under three years. But we need to fully support Canadian companies in order to realize our goal. Full support means helping companies access sophisticated capital.



According to Communitech, Canadian founders are delivering big returns for Canada – not in millions, but billions. In 2019, Canada was on par with the US with 12% venture capital returns. And in 2020 through 2021 there was a 217% increase year-over-year, making Canada the second-largest global hub and the fastest growing.

According to a September 2020 report from New York City-based CB Insights, investors are flocking to the health sector. The report states that health startups worldwide raised a total of \$17.8 billion in venture capital in the first nine months of 2020. So far, Canadian-based digital

health startups have captured \$1 billion of that venture capital. Unfortunately, we know that in 2021, 74% of capital invested was non-Canadian (CPE Analytics). That means that while Canadians are dominating here at home and globally, we are at risk of losing these companies if more of their investments are coming from outside of Canada.

Canada has excellent support for startups. But many Canadian small to medium-sized enterprises report capital challenges when growing. That challenge often forces companies to go elsewhere for investment. Canadian companies then take future revenue and jobs with them.

Bringing Capital to the Network

The final piece for the CAN Health Network is bringing in Canadian capital to help companies as they grow. We will connect companies to Canadian capital investment, keeping made-in-Canada ideas and jobs here at home.

We will start by partnering with existing Canadian capital funds. And we will be relentless in ensuring that whatever capital we bring into the Network meets the needs of our companies to help them grow.

We believe in a future where capital funds will grow in perpetuity and fuel the Network,

making it sustainable in the long term. We know that Canadian companies that receive investment from Canada are more likely to keep their jobs and head offices here at home. When our companies stay in our country, they help to grow the economy and increase the necessary investments into our health system and other institutions Canadians deeply care about.

Creating Other Integrated Markets

Our integrated market proves that you can bring together organizations from across Canada to champion Canadian business and support real, meaningful change.

While our Strategic Vision has largely focused on CAN Health Network's road ahead, we know that this model can work in other industries. Health care is only the beginning.

We see an opportunity to apply our integrated market model to other growing industries where Canada can lead. We will apply our model across multiple sectors by developing the CAN Prosperity Network.

The CAN Prosperity Network

The CAN Prosperity Network will be a collection of integrated markets. These markets will focus on developing the economies where Canada has natural

advantages such as clean tech, agriculture, resource development, digital, and manufacturing. We will work with leaders in each sector to form an integrated marketplace to help Canadian companies win.

The time is **now**

A new health care economy is coming.
And Canada is poised to lead it.

The CAN Health Network is a national organization with a platform to unite every sector and region of our country and ignite our economy.

Powerful global forces are transforming the health industry. Emerging technology to cure, prevent, and detect disease earlier is reshaping health care.

By thinking differently.

By working differently.

By having the courage to be different, we can:

- **Deliver** a network to commercialize and scale Canadian companies;
- **Partner** with leading public and private sector organizations to scale Canadian companies and attract investment; and
- **Create** future prosperity for Canadians by building an ecosystem to steward innovation.

It is our time. And our vision is to *lead the new health care economy* and our values will underpin this:

- Deeply Collaborative
- Boldly Courageous
- Unapologetically Results-Driven
- Humbly Ambitious

Right now, we have the power to keep the Newfoundland startup in Newfoundland to employ local talent.

We have the power to ensure the clinic in Nunavut has access to the same life-saving tools bought by a hospital in Montreal.

We have the power to support the young innovator in the Yukon, Calgary, or Fredericton who has an idea that will one day redefine health care technology and change the world.

We have the chance to ensure Canada is a global leader today, tomorrow, and for generations to come.

By working differently and together, we CAN succeed.



Leading the new health care economy

CAN Health Network
Strategic Vision



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