Telefilm Canada Climate-Related Risks and Opportunities (2024-2025)

TELEFILM CANADA

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Introduction

The Government of Canada has committed to achieving net-zero greenhouse gas (GHG) emissions by 2050. As part of this commitment, the federal government has mandated that all Crown Corporations disclose climate-related information aligned with best practices no later than fiscal year 2024.

These disclosures are based on the Canadian Sustainability Standards Board's (CSSB) Canadian Sustainability Disclosure Standards (CSDS), which were developed based on the previous Task Force on Climate-Related Financial Disclosures (TCFD) guidelines. The TCFD framework is structured around four core pillars: Governance, Strategy, Risk Management, and Metrics and Targets. They are intended to enhance transparency, comparability, and accountability in how public institutions address climate-related financial risks and opportunities.

To meet these reporting obligations, Telefilm Canada (Telefilm) has prepared the following TCFD-aligned disclosure outlining its approach to climate-related risks and opportunities. Telefilm is committed to transparency and accountability in supporting the transition to a low-carbon economy, and is taking ownership of this commitment through its dedicated sustainability team. Founded in 1967, Telefilm is a Crown corporation that invests in the development, production, promotion, and distribution of the Canadian and Indigenous audiovisual industry. Telefilm also makes recommendations regarding the certification of audiovisual coproduction treaties to the Minister of Canadian Heritage and administers the financing programs of the Canada Media Fund. In 2024-2025, Telefilm Canada provided $144.5M in ongoing financial support to Canada's audiovisual sector.

In 2025, Telefilm Canada began laying the groundwork to meet the government's disclosure and reporting expectations. As part of the development of this climate report, the organization initiated a multi-phased engagement to build internal capacity and deepen its understanding of physical and transition climate-related risks and opportunities over various time horizons, as climate change impacts become more frequent and severe. This includes engaging internal stakeholders to gather insights across the organization. These efforts are designed to inform a robust integration of climate considerations into Telefilm's enterprise risk management framework, ensuring that it appropriately identifies, assesses, and manages climate-related risks over the short, medium, and long term.

Telefilm's work to date on corporate sustainability, Environmental, Social, and Governance (ESG) strategy, and GHG emissions measurement and reporting play a foundational role in supporting the development of meaningful metrics and targets. These metrics guide the organization's long-term contributions to Canada's decarbonization goals and its broader efforts in climate change adaptation and mitigation, in collaboration with partners and clients.

Governance

Telefilm recognizes that effective governance is essential to identifying, assessing, and managing climate-related risks and opportunities. Telefilm is actively developing the processes needed to align with climate-related disclosure best practices and embed climate considerations into its strategic oversight and risk management functions.

The Board of Directors (the Board) provides strategic oversight of Telefilm's activities and operations to ensure the organization effectively fulfills its mandate. The Board has defined its fiduciary responsibilities through a formal mandate to exercise its stewardship role.

Board of Directors

Executive Director & CEO

Program Strategy and Industry Development

- → Project Financing
- → Business Affairs and Coproduction
- → National and International Promotion Programs
- → Partnerships and Export Initiatives
- → Talent Fund
- → CMF Program Administrator

Governmental Affairs and Communications

Equity, Diversity, Inclusion and Official Languages

Legal Services and Information Management

Sustainability, Talent and Culture

Finance and Information Technology

Project Management

The Vice President of Sustainability, Talent, and Culture is responsible for delivering the ESG-related strategic priority initiative under the corporate plan. The Sustainability, Talent, and Culture division leads sustainability-focused initiatives, including those laid out in Telefilm's Sustainability Action Plan, and implements ESG principles across the organization. This team reports to the Executive Director & CEO and the Board.

Over the past year(s), the Board engaged in a climate change information session to strengthen its understanding of climate-related risks and opportunities, and a climate-risk reporting orientation session. These sessions were designed to build the Board's capacity and raise awareness of sustainability practices, associated risks, and emerging opportunities.

The Board is also responsible for overseeing and approving Telefilm's Enterprise Risk Management (ERM) framework. Board members review the risk assessment continuously, and its related risk register is reviewed annually.

Operationally, Telefilm's sustainability team leads both internal and external ESG initiatives. Internally, the team is responsible for calculating the organization's annual corporate GHG emissions inventory, conducting prioritization assessments, and developing action plans to meet ESG strategic priorities. Externally, the team integrates sustainability into the film investment portfolio by requiring sustainability plans and carbon reporting from Telefilm-financed projects, and advancing industry research and training. Together, these efforts reflect a broader, integrated approach to ESG responsibility across the organization.

Strategy

One of the key pillars of Telefilm's 2024-2027 corporate strategic plan focuses on evolving organizational culture and optimizing operational efficiency. A central initiative therein involves developing a reference framework grounded in ESG principles to guide the implementation of responsible, inclusive, and sustainable policies and practices.

To support this, Telefilm has developed a sustainability policy framework informed by ESG principles. This year, Telefilm conducted its first qualitative scenario analysis to better understand the potential impacts of climate-related risks and opportunities.

These risks may include:

- → **Transition risks-** such as policy and regulatory changes, market shifts, and reputational impacts associated with the transition to a low-carbon economy.
- → **Physical risks-** stemming from acute events like extreme weather, or chronic changes such as rising temperatures.

Conversely, climate-related opportunities may generally emerge through improved resource efficiency, the development of new products and services, and enhanced organizational resilience.

The scenario analysis evaluated these risks and opportunities under both low- and intermediate-warming scenarios. Specifically, the Intergovernmental Panel on Climate Change's (IPCC's) SSP1-1.9 and SSP1-2.6[1] pathways align with limiting global warming to 1.5°C and 2°C, respectively. Each was assessed for its potential impact and likelihood across short-, medium-, and long-term time horizons to inform strategic planning and strengthen Telefilm's climate resilience.

1. Shared Socioeconomic Pathways (SSPs) are scenarios that describe possible future developments in society, economy, and environment, used to analyze climate change impacts and adaptation strategies. They provide a range of future climate scenarios that encompass various levels of GHG emissions.

Climate Risks

Risk Type	Physical	Transition
Risk Description	Acute and chronic physical risks such as wildfires, flooding, and rising sea levels may disrupt Telefilm and the audiovisual industry operations. These risks apply to both Telefilm's internal functions, such as office operations and staff wellbeing, and the external production and distribution efforts for the films, festivals, and markets financed by Telefilm. Telefilm does not own its offices and therefore faces a low inherent risk to physical assets. However, indirect risks remain, including increased insurance costs, employee displacement, utility outages from damaged transmission lines, and the potentially broader impacts on employee health and well-being. Externally, film productions and events financed by Telefilm may be located in regions increasingly affected by extreme weather. These activities face risks such as higher production and insurance costs, interruptions, and prolonged delays to filming, or even the need to relocate.	As climate change reshapes the landscape for the screen-based sector, Telefilm may need to adapt its financing strategies to align with evolving climate and sustainability expectations. This includes both production financing and promotional and marketing activities. In the case where film production and promotional activities integrate low-carbon practices, climate adaptation measures, or emissions disclosure requirements, Telefilm's financing models may need to evolve in response to emerging market norms and stakeholder expectations.
Time Horizon	Short-, medium-, and long-term	Medium- and long-term
Estimated Impact	Low - Moderate	Low - Moderate
Likelihood	Likely - Very Likely	Likely – Very Likely

Scenario 1

The low-emission scenario (1.5°C) considers that society will rapidly reduce GHG emissions through a more orderly transition.

Risk Type	Physical	Transition
1.5°C Scenario Description and Impact on Telefilm's Business	• Under a 1.5°C global warming scenario, acute physical climate risks are still expected to increase across Canada, but the severity and frequency of extreme events may be somewhat lower than in a 2°C scenario. However, many of the same risks remain material to Telefilm's operations and the productions it finances, particularly due to the sector's geographic spread (four offices across the country) and reliance on physical infrastructure. • **Atlantic Canada**, including Halifax, will still face rising sea levels and more frequent flooding, though these events may be less extreme than under a 2°C scenario. The Halifax office remains at risk of operational disruptions and access issues during storm surges or heavy rainfall events. • **Ontario and Quebec** will continue to experience more frequent severe storms, flash flooding, and heatwaves. While the intensity of these events may be moderated under a 1.5°C pathway, they still pose risks to energy infrastructure, employee health, and operational continuity, especially during summer months. • **British Columbia**, particularly Vancouver, will remain vulnerable to wildfire smoke, atmospheric rivers, and extreme rainfall. Even under a 1.5°C scenario, these events can disrupt transportation, utilities, and production schedules, especially for location-based shoots. • Productions in high-risk areas may still face elevated logistical challenges, though the likelihood of catastrophic disruption may be somewhat reduced compared to a 2°C scenario. • Internationally, festivals and pavilions that are key to Telefilm's promotional strategy may be affected by climate-related disruptions, particularly in regions like Europe, where heatwaves and flooding are already intensifying.	• In a 1.5°C warming scenario, Telefilm may be faced with the challenge and growing pressure around financing productions that have climate-related uncertainties, especially in areas with lagging infrastructure. • Insurance premiums and contingency costs still rise in this scenario, but at a slower pace compared to the higher emissions scenario, giving Telefilm more time to adapt its financing thresholds and risk management practices. • Climate-related transition risks may intensify as international and national festivals and markets begin to adopt stricter sustainability standards. These could include GHG emissions disclosures, green certifications, or climate policies. Failure to align with emerging standards could pose reputational risks, particularly in European markets where climate accountability is quickly becoming an expectation. • Localized disruptions and uneven adoption of climate standards may impact Telefilm's ability to support or promote Canadian content abroad, especially if climate-conscious partners prioritize low-carbon events or productions. • The industry's transition toward climate accountability would likely accelerate under a 1.5°C scenario, driven by stronger policy signals and stakeholder expectations. This could lead to greater variability in production readiness, as some projects adopt green standards more quickly than others.

Scenario 2

The low-emission scenario (2°C) considers that business continues as usual, with little government and policy action taken to combat climate change.

Risk Type	Physical	Transition
2°C Scenario Description and Impact on Telefilm's Business	• Under a 2°C global warming scenario, acute and chronic physical climate risks are expected to intensify across Canada, with region-specific implications for Telefilm's operations and the productions it finances. • Atlantic Canada is projected to experience the most significant relative sea level rise in the country. Flooding events are anticipated to rise, posing a direct risk to Telefilm's Halifax office and potentially disrupting operations and affecting employee safety and access. • Ontario and Quebec have already seen an increase in extreme weather events, including severe storms and flash flooding. These events are expected to become more frequent and severe in Scenario 2, placing additional strain on energy infrastructure. Heatwaves are projected to increase, likely exacerbating air pollution, impacting employee health and well-being. • While the Vancouver office has not been directly affected, the region is exposed to wildfire smoke, heavy winds, and extreme rainfall, increasing in severity and frequency in Scenario 2. These events may disrupt transportation, utilities, and employee commutes, and may lead to temporary office closures. • Additionally, the broader film industry in the region could face production delays due to location-specific climate impacts, such as wildfires or damage from flooding. • Indirect disruptions continue to remain material to Telefilm's operations. In addition, festivals and pavilions, which are key components of Telefilm's film promotion strategy, will likely be increasingly affected under Scenario 2, particularly in regions like Europe and the United States, where intensifying heatwaves and flooding could lead to event cancellations, reduced attendance, or logistical disruptions.	• In a 2°C scenario, Telefilm could face operational and financial pressure due to increased climate volatility. • Transition risks may vary depending on how the industry, insurers, and stakeholders respond to this volatility. Insurance providers may raise premiums for productions in high-risk regions. These could lead to higher contingency costs, production delays, and a more complex financing structure. • As climate-related costs rise in Scenario 2, Telefilm may experience greater pressure to finance productions that are less predictable and more expensive to insure or deliver. • Inconsistent adoption of green production standards across the industry may complicate Telefilm's ability to assess climate readiness or risk exposure in financing decisions. • The international nature of Telefilm's film marketing efforts means that global climate impacts are a growing risk to the viability of festivals and pavilions. These events are critical to the visibility and success of Canadian content abroad, and their disruption could impact business operations, reduce market access, and limit future growth opportunities.

Scenario 2

The low-emission scenario (2°C) considers that business continues as usual, with little government and policy action taken to combat climate change.

Risk Type	Physical	Transition
Management's Response / Controls	• **Green-standard buildings**: Telefilm's head office is located in a LEED Certified building and benefits from greater energy efficiency and climate resilience, reducing direct exposure to physical climate-related risks. • **Crisis management plan**: A formal crisis management framework is in place to address operational disruptions caused by extreme weather, supporting business continuity. • **Integration into its risk register**: Telefilm has begun to identify and consider climate impacts in its risk assessment process.	• **Sector-wide collaboration**: Telefilm joined Green Frame, the first-ever coalition of Canada's major screen-based content funders committed to reducing the environmental impact of TV and film production. Through this collaborative initiative, the industry aims to harmonize sustainability efforts across the sector. • **Carbon footprint insights**: Telefilm commissioned the *Estimating the Carbon Footprint of Canada's Audio-visual Sector* report to understand emissions across the industry better; further details are provided in the Risk Management section below. • **Sustainable production guidance**: Published in January 2025, Telefilm supported the development of a comprehensive guide entitled *Best Practices for Documentaries and Nature Shoots* issued by Rolling Green. Further details are provided in the Risk Management section below.

Climate Opportunities

Opportunity Type	Innovation & Collaboration	Reputation
Opportunity Description	Telefilm is well-positioned to foster innovation and cross-sector collaboration by continuing to advance sustainable practices in film production and events. Through initiatives such as sustainable cost centers available in the updated production budget template, carbon reporting, and the requirement for a sustainability plan, Telefilm can help normalize low-carbon approaches across the industry. Its role as a financing body and responsible leader enables it to engage diverse stakeholders, both domestic and international, to accelerate the adoption of climate-conscious production models and infrastructure.	Telefilm plans to continuously strengthen its reputation as a leader in supporting sustainability within the screen-based sector. By aligning with stakeholder expectations and leading by example, Telefilm will continue to enhance trust and increase visibility nationally.
Time Horizon	**Short-, medium-, and long-term**	**Short-, medium-, and long-term**
Estimated Impact	Driving innovation and collaboration around sustainable production practices could lead to industry-wide improvements in combating climate change. These efforts may also reduce long-term financing risks by encouraging more resilient, lower-emission production models and enabling knowledge-sharing across the sector.	By demonstrating its commitment to sustainability and holding itself accountable, Telefilm can enhance its reputation as a sustainability and climate leader. This approach not only strengthens stakeholder trust and improves public perception but also increases the organization's ability to secure future funding. This would position Telefilm as a preferred partner for climate-conscious collaborators and elevate the visibility of Canadian content and content creators in global markets.
Likelihood	**Likely**	**Likely**

Climate Opportunities

Opportunity Type	Innovation & Collaboration	Reputation
Management's Response/Controls	• Telefilm updated its procurement policy, approved in June 2025 and published in August 2025. The policy now includes sustainability considerations. In addition, with carbon reporting becoming a requirement for film productions, Telefilm will begin compiling emissions data from financed productions to support broader sector-wide engagement and inform future climate action. • **Global sustainability development**: Telefilm is recognized as a leading participant at major industry events and a supporter of sustainability initiatives and research. Recently, Telefilm was invited to join the Eurimages Sustainability Study Group. • **Indigenous Lens Collaboration**: In collaboration with the Indigenous Screen Office, Telefilm supported Sustainable Filmmaking and Best Practices from an Indigenous Lens, a first-of-its-kind pilot workshop organized by Sacred Earth, founded by Melina Laboucan Massimo, an internationally renowned advocate for Indigenous rights and environmental justice.	• **Government reporting alignment**: Telefilm has aligned its reporting with the requirements of the federal government, reinforcing its commitment to transparency and accountability. • **Sustainable forum leadership**: For the third year, Telefilm played a prominent role as Signature Partner of the Sustainable Production Forum (SPF). This flagship multi-event forum features speakers and workshops in Toronto, Vancouver, and virtually, with the mission of connecting people, sparking ideas, and advancing sustainable practices. • **Carbon reporting and sustainability engagement**: In 2024-25, carbon reporting was required for all productions with budgets of $3.5 million and above. This, alongside the introduction of mandatory Sustainability Plans, marked a key step in embedding environmental accountability and increasing engagement across the sector. Effective April 1, 2025, all productions receiving financing over $500,000 must submit a carbon footprint report. This expanded requirement supports broader industry awareness, encourages consistent GHG tracking, and promotes alignment with emerging climate disclosure standards.

As climate scenarios evolve, Telefilm will regularly assess its strategic positioning and explore opportunities to further integrate climate resilience into financing criteria, operational planning, and stakeholder engagement.

Risk Management

Telefilm uses an integrated risk management approach that ensures risks are considered throughout the entire business cycle. From strategic planning to ongoing business operations, Telefilm reviews risks across all levels of the organization to support informed decision-making.

Telefilm's risk management policy and framework outline the core principles guiding this approach. The Risk Management committee, comprising the Executive Director & CEO, all members of the Executive Committee, and the head of project management, is responsible for identifying and assessing risks and ensuring that adequate mitigation measures are in place. Risks are reviewed quarterly, with management evaluating both internal and external factors and their potential impacts.

The enterprise risk management (ERM) framework historically identified "Eco-responsibility" (inclusive of climate change) as a key risk. However, as Telefilm conducted its climate-related risks and opportunities assessment, it was determined that the title of eco-responsibility no longer accurately reflected the evolving nature of the social, political, and physical landscape. Moving forward, it will be classified as "Environmental and Climate Risks." Telefilm is working to integrate climate-related risks and opportunities into the organization's risk registers.

In 2024, Telefilm introduced a sustainability plan requirement for all successful applicants receiving production financing. This plan must be submitted before the start of principal photography. Throughout the year, Telefilm also led and participated in industry-wide discussions on sustainability best practices and environmentally responsible production.

Telefilm commissioned a second eco-awareness survey among industry professionals, with the support of key partners. Results showed a notable increase in the use of carbon calculators and the number of respondents receiving support to implement sustainable practices. Telefilm is also a member of the Reel Green National Committee, contributing to national efforts to promote sustainable production practices.

Additional efforts included support for research on such topics as the Advancing Waste Management Practices in Ontario's Film and Television Industry report by Ontario Creates and Ontario Green Screen, which benchmarked best practices and identified opportunities in waste reduction.

Telefilm also commissioned the report, *Estimating the Carbon Footprint of Canada's Audio-visual Sector*, which provides the first national estimate of emissions from Canadian-funded film and TV productions. The study conducted by Green Spark Group identified key emission sources such as travel, transport, and materials. The report emphasized the importance of integrating sustainability into early production planning phases to reduce environmental impact.

In addition, Telefilm supported the development of *Rolling Green: Best Practices for Documentaries and Nature Shoots*, a guide tailored to the unique challenges of documentary and outdoor filming. The guide offers practical strategies for reducing carbon footprints, minimizing ecological disruption, and supporting local communities, with real-world case studies to inspire sustainable practices.

Finally, Telefilm joined Green Frame, the first-ever coalition of Canada's major screen-based content funders committed to reducing the environmental impact of TV and film production. Through this collaborative initiative, the industry aims to harmonize sustainability efforts across the sector.

Metrics & Targets

Scope 1 & 2 GHG Emissions Metrics

Telefilm conducted its GHG emissions inventory for fiscal year 2024-2025 following the guidance of the GHG Protocol. Telefilm's Scope 1 and 2 emissions make up approximately 4% of its total carbon footprint. These emissions are relatively limited due to the organization's operational structure, as Telefilm occupies four offices across Canada, all of which are leased. As a result, the organization has minimal direct control over building energy systems, and its energy-related emissions are correspondingly low.

Scope 3 GHG Emissions Metrics

The majority of Telefilm's carbon footprint (approximately 96%) is attributed to Scope 3 emissions. These include emissions from purchased goods and services (PG&S), fuel- and energy-related activities (FERA), waste, business travel, employee commuting, and upstream leased Assets. Among these, PG&S and business travel are the most material, together accounting for up to 88% of Scope 3 emissions. All other Scope 3 categories are not material to Telefilm's business operations.

To address these, Telefilm is pursuing supplier engagement strategies and considering a business travel policy that prioritizes virtual meetings and low-emission travel options. Additionally, the organization is beginning to assess the climate impact of its investment portfolio, recognizing its significance in the broader emissions profile.

Scope 1, 2, and 3 GHG Emissions (tonnes CO_2 equivalent)

Scope & Categories	2019 – 2020 (baseline)	2023 – 2024	2024 – 2025
Scope 1	47	89	82
Scope 2	24	12	8
Scope 3 Total	2,015	2,231	2,032
Category 1: Purchased Goods & Services	1,328	1,800	1,576
Category 3: Fuel- and energy-related activities	68	69	54
Category 5: Waste generated in operations	46	41	53
Category 6: Business Travel	308	289	290
Category 7: Employee Commuting	264	28	55
Category 8: Upstream Leased Assets	1	4	5

Targets

Over the past few years, Telefilm has been exploring, assessing, and reviewing target options that would be most suitable for its operations and impact.

Telefilm is currently developing both near-term and long-term decarbonization targets as part of its broader climate strategy. This work is ongoing and reflects Telefilm's commitment to a thoughtful, evidence-based approach.

The target-setting process is guided by the following principles:

Impact-oriented:
→ Targets will be designed to drive measurable and lasting reductions in GHG emissions, where Telefilm has the greatest influence.

Collaborative design:
→ Telefilm recognizes that meaningful progress requires engagement across Telefilm's value chain. Telefilm's targets will reflect a shared responsibility model, encouraging supplier alignment with science-based climate goals.

Adaptive and evidence-based:
→ Telefilm's targets will evolve as data quality improves, new technologies emerge, and the organization's understanding of climate risks deepens. This ensures Telefilm's commitments remain both ambitious and achievable.

Aligned with purpose:
→ Climate goals will support Telefilm's cultural and economic mission, ensuring that decarbonization efforts engage and not hinder Telefilm's ability to deliver value to the Canadian screen sector.

Telefilm is committed to disclosing more detailed targets in future reports as Telefilm's internal capabilities and external partnerships mature.

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