Telefilm Canada Climate-Related Risks and Opportunities (2025-2026)

TELEFILM CANADA



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Introduction

Founded in 1967, Telefilm Canada (Telefilm) is a Crown corporation that invests in the development, production, promotion, and distribution of the Canadian and Indigenous audiovisual industry. As the largest investor in Canadian cinema, Telefilm supports the economic power and cultural impact of the audiovisual sector in collaboration with industry players. Telefilm also provides recommendations to the Department of Canadian Heritage regarding the certification of treaty-based audiovisual coproductions and administers programs on behalf of the Canada Media Fund (CMF).

Telefilm's mission is to invest in the Canadian and Indigenous audiovisual industry to make it shine brightly on every screen. Through its funding, partnerships, and industry leadership, Telefilm helps showcase Canada's diverse voices and communities to audiences across the country and around the world.

Our Vision for Sustainability

As a responsible leader and champion of the Canadian audiovisual industry, Telefilm is committed to adopting sustainability as a lens through which it operates and delivers its mandate. Sustainability is also embedded in Telefilm's strategic direction and informs its role as:

- → An investor across the audiovisual value chain;
- → A promoter of Canadian talent and the industry, both nationally and internationally;
- → A financial administrator; and
- → An employer and Crown corporation.

By integrating sustainability considerations into its activities and decision-making processes, Telefilm aims to support a healthy, resilient, inclusive, and future-facing audiovisual industry. This commitment aligns with the Government of Canada's target to achieve net-zero greenhouse gas emissions by 2050.

This vision is reflected in Telefilm's 2024-2027 Corporate Plan, which includes the development of a reference framework grounded in Environmental, Social and Governance (ESG) principles to guide the implementation of responsible, inclusive, and sustainable policies and practices. The resulting sustainability framework strengthens and aligns commitments across the organization and supports a coherent and consistent approach to advancing lower-carbon practices across the screen-based sector.

About this Report

This report is Telefilm's second disclosure of climate-related risks and opportunities. It has been prepared with reference to the Canadian Sustainability Standards Board's (CSSB) Canadian Sustainability Disclosure Standards (CSDS), which build on the recommendations previously established by the Task Force on Climate-Related Financial Disclosures (TCFD).

Telefilm's first Climate-Related Risks and Opportunities report, published last year, outlined a phased approach to developing TCFD-aligned corporate disclosures and laid the groundwork for ongoing maturity in climate reporting. Building on that foundation, Telefilm has continued to strengthen its understanding of climate-related risks and opportunities by engaging internal and external stakeholders, advancing climate governance practices, and integrating climate considerations into its enterprise risk management activities. These efforts support the gradual maturation of Telefilm's climate-related disclosure practices and decision-making processes.

This report outlines Telefilm's approach to identifying, assessing, and managing climate-related risks and opportunities. Organized around the four core pillars of the TCFD framework—Governance, Strategy, Risk Management, and Metrics and Targets—the report provides an overview of:

- → **How climate related risks and opportunities are governed and overseen;**
- → **The potential impacts of climate change on Telefilm and the audiovisual sector;**
- → **The processes used to identify, assess, and manage climate-related risks; and**
- → **The metrics, emissions, information, and future strategy that will support Telefilm's ongoing climate journey.**

Governance

Telefilm recognizes that strong governance is foundational to the effective identification, assessment, and management of climate-related risks and opportunities. Since its previous Climate Risk Report (2024-2025), Telefilm has enhanced its governance framework by establishing a dedicated Corporate Impact sector and a Corporate Impact and EDIA Steering Committee. Together, these structures strengthen accountability, promote shared ownership of organizational commitments, and support the integration of climate-related considerations into decision-making, risk management, and corporate reporting.

The Board of Directors provides strategic oversight of Telefilm's activities and operations and oversees the organization's Enterprise Risk Management (ERM) framework. To support informed oversight, Board members have participated in information sessions on climate-related risks and opportunities, sustainability, and climate-related reporting. The Board reviews enterprise risks on an ongoing basis, and the corporate risk register is reviewed annually.



Corporate services

- Business Intelligence
- Corporate Impact
- Finance
- Governmental Affairs and Communications
- Information Technologies
- Legal Services and Information Management
- Procurement and Material Resources
- Project Management
- Talent and Culture

Programs and investments

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

In 2025, Telefilm established a Corporate Impact sector, grounded in its Environmental, Social and Governance (ESG) framework, to strengthen oversight, coordination, and accountability for key corporate priorities. The sector coordinates and monitors corporate plans, reporting, and accountability obligations in several areas, including sustainable development; equity, diversity, inclusion and accessibility (EDIA); official languages; and Indigenous reconciliation.

Telefilm also established the Corporate Impact and EDIA Steering Committee. The Committee promotes shared accountability and cross-functional oversight of Telefilm's impact priorities and supports the implementation and alignment of key corporate plans and commitments, including those related to sustainable development.

At the operational level, a team composed of a Sustainability advisor and other key members from various departments working closely with the Director of Corporate Impact coordinates the implementation of Telefilm's Sustainability Action Plan. The team also supports climate-related reporting, emissions measurement, priority-setting, and the integration of sustainability considerations into Telefilm's corporate and funding activities. It collaborates with domestic and international industry partners, funding organizations, and other stakeholders to advance sustainable practices, share knowledge, and promote greater alignment on sustainability priorities across the audiovisual sector.

Together, these governance structures support an integrated approach to climate-related oversight, accountability, and risk management across the organization.

Julie Roy (CEO)
Chair of the Steering Committee

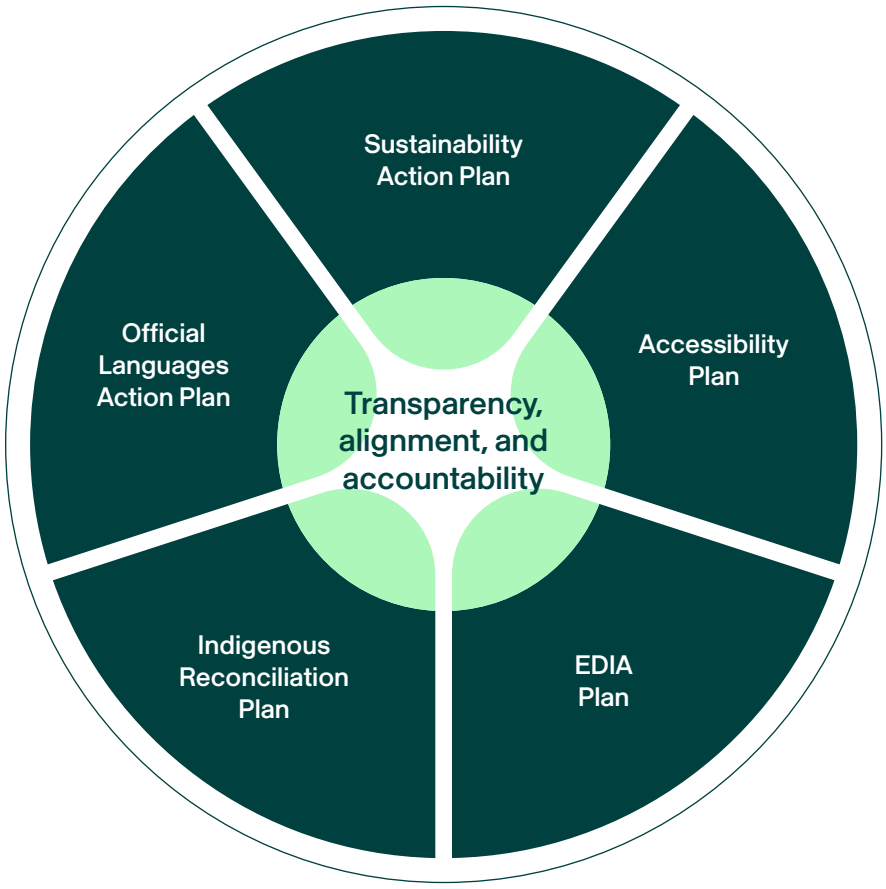
Corporate Impact Sector

Steering Committee
Corporate Impact and EDIA
(all sectors represented)

Internal EDIA Committee
(HR)

Cross-functional collaboration with shared responsibilities – integrated across all our actions.

Impact Plans and Priorities



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 within this pillar 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.

Since completing its initial qualitative climate scenario analysis in the prior reporting period, Telefilm has continued to strengthen its assessment of the potential effects of climate-related risks and opportunities on its business activities, funding programs, and stakeholder ecosystem over time.

Climate-related risks fall into two categories:

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

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

The tables below outline Telefilm's current understanding of its most significant climate-related risks and opportunities based on the climate risk assessment conducted in 2024-2025. Consistent with last year's approach, the assessment considered potential impacts under both 1.5°C and 2°C climate scenarios. The findings continue to inform Telefilm's strategic planning and the ongoing integration of climate considerations into its enterprise risk management framework, supporting organizational climate resilience as its disclosure practices mature.

Climate Risks

Risk Type	Description	Potential Impact	Scenario Insights	Key Management Actions
Physical Risk	• Acute and chronic climate events, including flooding, wildfires, extreme weather, and rising sea levels, may disrupt Telefilm's operations and the productions, festivals, and markets it supports. Impacts may include business interruptions, increased operating costs, employee wellbeing concerns, and production delays.	**Low–Moderate**	• Physical climate risks are expected to increase under both climate scenarios. Impacts are expected to be more frequent and severe under a 2°C scenario, resulting in greater disruptions to operations, production activities, transportation networks, and industry events.	• Business continuity, emergency response, and crisis management processes are maintained and regularly reviewed to support organizational resilience and preparedness. • Operational resilience is supported through the use of energy-efficient and LEED-certified office space, while opportunities to enhance resiliency continue to be evaluated. • Telefilm continues to collaborate with industry stakeholders to advance climate resilience and support the adoption of sustainable production practices across the sector.
Transition Risk	• As climate expectations evolve across the screen-based sector, Telefilm may face increased pressure to adapt financing approaches, reporting requirements, and sustainability expectations to align with stakeholder, market, and industry developments.	**Low–Moderate**	• In a 1.5°C scenario, policy developments and stakeholder expectations accelerate adoption of sustainability standards and disclosure requirements. In a 2°C scenario, increasing climate volatility may contribute to rising production and insurance costs, creating additional pressures across the sector. In both scenarios, climate-related considerations are expected to play an increasingly important role in financing decisions and industry partnerships.	• Climate-related transition risks are incorporated into enterprise risk management and strategic planning processes and are reviewed as industry expectations evolve. • Emerging climate-related regulations, policies, and stakeholder expectations are actively monitored to inform organizational decision-making and program development. • Industry emissions and sustainability data are collected and analyzed to support ongoing decision-making, reporting, and continuous improvement initiatives. • Telefilm participates in industry collaborations and working groups, including Green Frame, to contribute to and remain informed on evolving sustainability practices. Sustainable production guidance and best practices continue to be promoted and refined in collaboration with industry participants and funding recipients.

Climate Opportunities

Opportunity Type	Description	Potential Impact	Scenario Insights	Key Management Actions
Innovation and Collaboration	• Telefilm can support the transition to lower-carbon production practices by embedding sustainability requirements within funded productions and collaborating with industry stakeholders to advance sustainable filmmaking practices.	**Moderate**	• Under both climate scenarios, increasing focus on sustainability presents opportunities to strengthen industry collaboration, improve access to climate-related data, and accelerate adoption of sustainable production practices across the screen-based sector.	• Sustainability and carbon reporting requirements have been embedded within relevant funding programs and continue to be enhanced as practices mature. • Funded productions are encouraged and supported in implementing sustainability planning and lower-carbon production approaches. • Production emissions data are collected and analyzed to improve decision-making, support continuous improvement, and strengthen emissions measurement and reporting. • Telefilm continues to collaborate with industry stakeholders to identify and advance innovative approaches to sustainable filmmaking. • Participation in sector-wide initiatives, partnerships, and knowledge-sharing forums is maintained to support industry-wide progress on sustainability.
Reputation and Leadership	• By integrating sustainability into its operations and decision-making processes, Telefilm can strengthen its reputation as a trusted funding partner and sustainability leader within the screen-based sector.	**Moderate**	• Stakeholders increasingly expect organizations to demonstrate climate accountability and transparency. Continued leadership in sustainability initiatives may strengthen stakeholder trust, enhance visibility, and support future funding and partnership opportunities.	• Climate-related reporting and disclosures are aligned with applicable federal requirements and evolving stakeholder expectations, with ongoing enhancements as reporting practices mature. • Telefilm maintains an active leadership role in industry sustainability initiatives, working groups, and collaborative forums. • Partnerships with domestic and international organizations continue to be leveraged to advance sustainable production practices and sector-wide climate action. • Sustainability performance, initiatives, and progress are communicated through ongoing reporting and stakeholder engagement activities. • Climate considerations continue to be integrated into governance, decision-making, and program delivery processes to strengthen organizational leadership and accountability.

For more information on Telefilm's qualitative climate risk scenario analysis, please refer to the Climate Risks Section of last year's report.

Risk Management

Telefilm applies an integrated approach to risk management that embeds risk considerations across the full business cycle. From strategic planning to day-to-day operations, risks are examined at all levels of the organization to enable informed and consistent decision-making.

The organization's risk management policy and framework set out the guiding principles for this approach. The Risk Management Committee, comprising the Executive Director & CEO and all members of the Executive Committee, is responsible for identifying and assessing enterprise risks and ensuring that appropriate mitigation measures are in place. Risks are reviewed on a quarterly basis, with management considering both internal and external factors along with their potential implications for Telefilm's operations and objectives.

2025 marked the first year that Environmental and Climate Risks were formally integrated into the enterprise risk register, better reflecting the social, political, and physical dimensions of the risk landscape. Building on this, Telefilm has continued to strengthen the connection between its climate-related work and its broader ERM processes this year.

During the reporting year, Telefilm continued to build on the processes and governance structures used to identify, assess, and manage climate-related risks and opportunities across the organization. Through the newly established Corporate Impact sector, Telefilm reviewed 45 corporate policies and guidance documents to assess alignment with its sustainability vision. In 2025, Telefilm implemented an **updated procurement policy** that incorporates sustainable development principles. Climate considerations were further embedded into operational and funding processes through expanded sustainability requirements for funded productions, including mandatory Sustainability Plans and carbon footprint reporting for qualifying projects.

Telefilm also advanced its understanding of climate-related risks across the screen-based sector through industry collaboration, data collection, and stakeholder engagement. Participation in initiatives such as Green Frame, The National Reel Green Committee and the Sustainable Production Forum provided additional insight into emerging climate-related challenges and industry practices, supporting ongoing risk identification and assessment. Together, these initiatives strengthened Telefilm's ability to assess climate-related risks, support informed decision-making, and further integrate climate considerations into its enterprise risk management framework.

Metrics & Targets

Scope 1 & 2 GHG Emissions Metrics

Telefilm has been measuring its Scope 1, 2, and 3 GHG emissions for more than three years, in alignment with the GHG Protocol. In fiscal 2025-2026, Telefilm's Scope 1 and 2 emissions made up approximately 1% 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

Consistent with prior years, the majority of Telefilm's carbon footprint (approximately 99%) 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. Of these categories, PG&S and business travel remain the most material, together representing up to 97% of Scope 3 emissions. The remaining Scope 3 categories are not material to Telefilm's business operations.

To address these material categories, Telefilm continues to advance supplier engagement strategies and is exploring a business travel policy that prioritizes virtual meetings and low-emission travel options. The organization has recently begun collecting and assessing carbon footprint information from its funded productions and investment portfolio, strengthening its understanding of these emissions and laying the foundation for future climate-related reporting and disclosure.

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

Scope and Categories	2019 – 2020 (baseline)	2023 – 2024	2024 – 2025	2025 – 2026
Scope 1	47	89	82	41
Scope 2	24	12	8	15
Scope 3 Total	2,015	2,231	2,032	3,710
Category 1: Purchased Goods and Services	1,328	1,800	1,576	3,366
Category 3: Fuel- and energy-related activities	68	69	54	49
Category 5: Waste generated in operations	46	41	53	15
Category 6: Business Travel	308	289	290	225
Category 7: Employee Commuting	264	28	55	50
Category 8: Upstream Leased Assets	1	4	5	4

Note that the emissions data do not reflect a typical reporting year. Telefilm relocated its Montréal headquarters to a new, more energy-efficient office building with stronger environmental performance, which affected both Scope 1 and Scope 2 emissions. The relocation also increased Scope 3 emissions in 2025-2026, particularly those associated with Purchased Goods and Services, contributing to the overall increase in emissions during the fiscal year.

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.

During the reporting year, Telefilm continued to build elements required to support future greenhouse gas reduction targets. Efforts focused on improving emissions data quality, expanding understanding of emissions drivers, and integrating climate-related considerations into risk management processes.

As Telefilm continues to advance its climate-related reporting practices, the organization plans to evaluate potential emissions-reduction targets and determine an appropriate approach to measuring and monitoring progress.

As a responsible investor and champion of the Canadian audiovisual industry, Telefilm continues to encourage sustainable and responsible practices throughout the audiovisual sector.

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