

Corporate Plan 2025-2026

January 2025

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About the Corporate Plan

This document is Scale AI's corporate plan for fiscal year 2025-2026. It summarizes accomplishments in 2024-2025 and outlines goals and desired outcomes for 2025-2026.

It also provides a brief summary of results in the previous fiscal year, which are also covered in the fiscal 2024-2025 annual report that will be released later this year and will provide a more detailed portrait of our activities for the past year, including financial statements.

1. Scale AI at a glance

Scale AI is Canada's artificial intelligence (AI) Global Innovation Cluster dedicated to boosting industry performance by leveraging AI technologies to improve value chains, with a specific focus on building resilient and sustainable supply chains.

A business-led consortium, Scale AI drives economic growth, bolsters Canada's leadership in the global innovation race, supports the building of world-leading businesses, creates highly skilled jobs, and accelerates the adoption of AI-powered technologies.

Scale AI contributes to the development of an innovative, competitive, diverse, inclusive and greener Canadian economy, with a focus on Small and Medium Enterprises (SMEs).

OUR STRATEGIC VISION

By the end of our 2nd 5-year term, we will have **established Canada as an indisputable global hub for AI dedicated to business productivity and intelligent supply chains** with our technology and associated intellectual property setting the world standard and providing a source of competitive advantage for Canadian businesses. We will have reinforced the virtuous cycle of ecosystem synergies by creating new value-creation opportunities for industry players, **increasing connections between partners, accelerating SME scale-up, facilitating the creation of new companies, increasing external investment in AI and growing a world-class talent pool.**

OUR AREAS OF FOCUS

Scale AI is boosting widespread demand for AI while continuing to support initiatives that push the boundaries of existing AI applications in order to grow Canada into an attractive destination for establishing and scaling AI businesses.

Steering the ecosystem's attention toward difficult supply chain challenges helps Canada grow domestically and establishes a strong economic niche for the global growth of Canadian firms, boosting Canada's status as a global hub for trade. Through this vision, Scale AI is generating enormous positive and long-term impacts for Canadians, helping to secure our global leadership in a highly competitive sector.

Scale AI's vision includes four areas of focus:



OUR OBJECTIVES

Our strategy in our 2nd term builds on the investments and partnerships we have established and on ecosystem gaps that Scale AI uncovered during the first five years of our mandate and is uniquely positioned to address.

Collaboration with the rich variety of academic and research organizations in the AI ecosystem in Canada is a cornerstone of our vision, to draw on existing expertise and capabilities without duplication, and step up to address the gaps we have identified on the domestic adoption side.



To deploy our 2nd term strategy, Scale AI is leveraging a holistic approach with a deepening focus on [industry-led projects](#), [talent development](#) and [start-up acceleration](#).

While we extend our most impactful investment activities realized in the 1st 5-years of our mandate, we have recentered some of our activities on key ecosystem needs in the current 5-year mandate given the reduced available funding.

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Scale AI also received funding from ISED as part of the Pan-Canadian AI Strategy (PCAIS) and is dedicating these funds to support initiatives aimed at [deploying AI-powered solutions within Canadian hospitals](#).

OUR ACTION PLAN

Our action plan is organized around [6 streams](#):



2. 2024-2025 Year in review

To advance in our current 5-year mandate strategic plan, Scale AI defined twelve goals for fiscal 2024-2025. Notable achievements by streams are highlighted below.

1 Support industry-led investments in AI Solutions

GOAL 1

Build on the strong momentum from the last fiscal year by committing at least **\$110M** into **30-35** industry-led projects (**\$45M** from Scale AI and **\$65M** from industry)


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Goal far exceeded

In 2024-2025, Scale AI [effectively delivered on its ambitious goals](#), solidifying its position as a catalyst for AI adoption and commercialization across Canada. By mid-December, with one quarter to go, the organization had fully achieved its yearly objectives, with [28 projects](#) approved by the Board Selection and Ratification Committee, representing a cumulative value of [\\$150M](#). Scale AI's financial commitment amounted to [\\$45M](#), with the remaining [\\$105M](#) contributed by industry partners, demonstrating the growing willingness of Canadian businesses to invest in AI-driven transformation.

Notably, [75%](#) of these projects were initiated with [new partners](#), reflecting Scale AI's success in [broadening its reach](#) and [fostering first-time collaborations](#). At the same time, seven projects were launched with organizations previously supported by Scale AI, illustrating the growing maturity of repeat adopters along their AI journey. Expanding into new and underdeveloped verticals remained a priority, with significant strides made in areas such as [generative AI \(7 projects\)](#), [finance/insurance \(2 projects\)](#), [agriculture \(2 projects\)](#), [mining \(2 projects\)](#), [construction \(2 projects\)](#), and [waste management \(2 projects\)](#). These efforts highlight Scale AI's commitment to [diversifying its impact](#) and addressing the unique challenges of Canada's various industries.

Scale AI also continued to actively encourage AI service providers to invest in productizing their IP to serve a larger customer base. In 2024-2025, eight projects managed to [productize their IP within the project timeline](#). To support this, we ensure that all our funded projects have IP ownership & licensing arrangements appropriate for productization.

Prominent flagship projects involving leading organizations such as Loblaw, Rio Tinto, Air Transat, Transcontinental, ArcelorMittal, Bombardier, Aldo, Coveo, and Pratt & Whitney Canada further exemplify the program's success in supporting [both established industry leaders and emerging innovators](#).

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By fostering connections between adopters and service providers, Scale AI continues to drive widespread AI adoption, particularly within [small and medium enterprises](#). This collaborative ecosystem not only advances innovation but also ensures that Canadian businesses are well-positioned to compete globally. Through its strategic focus and impactful initiatives, Scale AI has demonstrated its unwavering commitment to transforming Canada into a global leader in AI innovation and commercialization.

GOAL 2

Commit **up to \$5M** in available funding for a **Call for projects** initiative (included in the above \$45M commitment target)



Goal far exceeded

Our Generative AI Call for Projects has garnered [tremendous interest](#), validating the need for such a focused initiative. This significant demand for GenAI project funding mirrors the over demand for funding we experienced in the [PCAIS projects](#). Overall, Scale AI committed to fund \$ 2.5M in additional funding to PCAIS projects, over and above the \$10M allocated for this program.

We received an overwhelming [140 applications](#), underscoring the growing enthusiasm and [demand for generative AI](#) projects across industries. From these, [64 projects](#) have been [deemed eligible](#) and are still under review, representing a total cost exceeding [\\$70 million](#) and reflecting the competitive and innovative nature of the proposals.

The eligible projects highlight the [broad applicability of generative AI](#), spanning [traditional sectors and new areas of interest](#). While familiar industries (like Healthcare, Transportation & Logistics, and Manufacturing) are well-represented, we are particularly excited to see participation from industries less common in our portfolio, such as:

- [Marketing](#): Bringing innovative approaches to customer engagement and campaign management.
- [Legal](#): Addressing challenges in document review, contract analysis, and regulatory compliance.
- [Finance](#): Leveraging generative AI for insights, automation, and operational efficiency.

The call has attracted a balanced portfolio of project types, with a notable emphasis on [commercialization projects](#). This healthy distribution highlights the dual focus on adopting generative AI to solve operational challenges and creating market-ready solutions. The strong representation of commercialization projects aligns closely with our mission to [promote innovative, scalable technologies](#) that deliver broad industry impact.

Among the eligible projects, we have seen the introduction of [47 new service providers](#) and [product companies](#) that we have not worked with in the past. This aligns with our mission to [diversify the ecosystem and foster broader participation](#) in generative AI innovation.

These projects demonstrate a clear alignment with our funding thesis by leveraging generative AI to address key operational challenges. The submissions highlight practical applications such as [streamlining industrial processes](#), [optimizing value chains](#), [enhancing customer experiences](#), and [automating complex workflows](#), showcasing the potential of generative AI to [drive efficiency, accuracy, and productivity](#) across diverse sectors.

GOAL 3	Support the cross-cutting national priorities of a Green Economy and Supply Chain resilience (included in the above \$45M commitment target)		Completed
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In Fiscal 2024-2025, Scale AI supported [28 projects](#) that made measurable contributions to advancing Canada's green economy. These projects demonstrated how AI can transform industries by [optimizing operations](#), [reducing waste](#), and [improving efficiency](#). Through enhanced supply chain visibility and real-time decision-making, AI helped reduce [resource consumption and minimize environmental impact](#) across diverse sectors.

For example, in the [agriculture sector](#), AI-driven solutions optimized resource allocation, reduced water and fertilizer waste, and improved crop yields. In the [transportation and logistics industry](#), projects [streamlined freight operations](#), [reducing fuel consumption](#) and [cutting down on emissions](#). Similarly, [in manufacturing](#), AI [minimized production downtimes](#) and [optimized energy usage](#), contributing to lower carbon footprints and reduced operational waste.

These projects collectively illustrate the role of AI in [driving operational excellence while achieving environmental goals](#), showcasing a clear path toward a more sustainable and efficient future across Canadian industries.

In Fiscal 2024-2025, Scale AI also supported projects addressing the Government's national priority of [Supply Chain Resilience](#). These projects leveraged AI to enhance the [efficiency, visibility, and adaptability](#) of supply chains across key sectors. Through the deployment of cutting-edge digital tools and optimization techniques, the projects strengthened Canada's ability to [withstand supply chain disruptions](#) and [maintain the flow of goods and services](#).

For example, in the [transportation and logistics sector](#), AI solutions [optimized freight scheduling and routing](#), reducing transit times and increasing operational efficiency. In the [cold chain industry](#), AI-powered tools ensured the [precise monitoring of perishable goods](#), optimizing storage and transport to reduce spoilage. The [retail sector](#) benefited from [AI-driven inventory management systems](#) that enhanced warehouse capacity and demand forecasting, minimizing stockouts and overstocking. Additionally, [in manufacturing](#), AI solutions [streamlined supply chain visibility](#) by enabling real-time

tracking of raw materials and finished products, improving production timelines and resource allocation.

These projects collectively enhanced Canada's supply chain resilience by [improving infrastructure utilization](#), [increasing efficiency](#), and [ensuring continuity in the face of potential disruptions](#), thereby reinforcing the country's economic stability and competitiveness.

2

Optimize Hospitals Operation


Our [Hospital Call for Projects](#) attracted [39 submissions](#) from across Canada, representing \$60 million in potential investments. Of these, 14 submissions met all investment criteria but given funding constraints, only [8 were selected](#), (total funding of [\\$12.5 million](#)).

To maximize scalability, Scale AI ensured that [intellectual property](#) from these hospital-led projects [remains with the AI service providers](#). This strategy empowers providers to expand their solutions across Canadian hospitals, driving nationwide growth and innovation.

The execution of these projects is equally remarkable. Every initiative has [successfully developed a minimum viable product](#) (MVP) with [validated clinical tests](#) and is now in the deployment phase, and [one project \(Humber River\) is already completed](#).

3

Accelerate Canadian AI Startups

GOAL 4	Accelerating the scale-up of 50-70 early-stage start-ups by committing \$2M in Scale AI funding to services focused on building AI capabilities	 ++	Goal far exceeded
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In Fiscal 2024-2025 we [successfully launched](#) our redesigned Acceleration Program. This new program shifted the focus from aiding startups in the supply chain, to focusing on [value chain](#) and the [specific stage of the AI journey](#) in which startups find themselves in.

Through the identification of [4 AI journey stages](#), Scale AI has been able to encourage AI talent and expertise in Canada and help startups increase their AI capabilities.

Through the continuing partnership with top accelerators and incubators in Canada, we were able to commit close to [\\$3M](#) in Scale AI funding for startups in Fiscal 2024-2025. Funds were committed to [108 startups](#) with an average funding amount of [\\$28,000](#) per startup. As for the AI Journey stages, we approved funding for [37](#) startups in the

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Discovery stage, 25 in Validation, 18 in Machine Learning (ML) Experts and Internships, and 28 in the Proof-of-Concept stage.

GOAL 5

Publicly launch our First-Client program to support AI start-ups to gain commercial traction by committing at least **\$5M into 5-10 start-up-led projects** (\$2.5M from Scale AI and \$2.5M from industry) by the end of March 2028



On track to be completed as planned by **end of March 2028**

This is a multi-year objective that Scale AI will continue to pursue till the end of its 2nd 5 year-term.

So far, Scale AI has successfully approved [two First-Client projects](#) led by startups [Mely.AI](#) and [Katalyse AI](#). Both projects were completed successfully, enabling the startups to strengthen their AI capabilities and secure new clients.

We are on track to achieve our objective of investing [\\$2.5M in this initiative](#) by the end of March 2028, and several additional First-Client projects are currently in the pipeline.

While this program provides an invaluable opportunity for [pre-revenue startups](#) to establish [critical commercial relationships that fuel growth](#), only a limited number of these discussions are expected to translate into actual projects. Convincing a company to become a startup's first client remains a significant challenge

To support these pilot projects, Scale AI has required that these AI SMEs [own all the IP](#) they generate in the [funded project](#).

GOAL 6

Host an investor event to offer **10 curated introductions** between start-ups and Venture Capital firms



Completed as Planned

We hosted a significant investor event in the Canadian ecosystem, ALL IN, centered around AI. The event brought together [leading AI thought leaders](#) from Canada and around the world, showcased a [diverse range of start-ups from our portfolio](#) alongside emerging companies, and [attracted investors across all stages](#). ALL IN celebrated the best of Canadian AI, proudly recognizing [Canada's top 100 AI start-ups](#) and featuring [leading local accelerators](#). Over the course of two days, the event created valuable opportunities for start-ups and investors to [connect, explore investment prospects](#) and [enhance the visibility of innovative companies](#) with key players in the industry.

Develop Canada's current and future AI Workforce

After holding several interviews with former and potential participants to gather insights and feedback, as well as rebuild relationships with key partners, we publicly announced the [re-opening of the program](#) in early 2024.

Since the launch, we have received over [85 preliminary applications](#). We approved [39](#) custom workforce projects and committed [1M\\$](#) in funding to SMEs looking to upskill their workforce, with a corresponding industry match of [2M\\$](#). The expected number of people trained through these projects is almost [1,200](#), and participants will receive over [7,000 hours of training](#). All the custom workforce programs are developed in collaboration with the service provider and their client(s), to [address their specific needs and challenges](#), and take into account the realities of their industry.

GOAL 7

Expand offer on the AI adoption journey



Completed as planned

Following the re-launch of the program, some terms have been changed to expand our offer on the AI adoption journey. The program is targeted to [integrate more practical training](#) to close the gap between general AI training and investment projects that previously existed in the AI adoption process. The objective was to broaden our previous scope, to include critical steps and [maximize conversion into adoption projects](#).

In our revamped Workforce Program, beyond general training in AI, eligible costs now include practical formats, such as coaching, workshops, ideation sessions, and change management.

The vast majority of projects approved in phase 2 have one or more of the following components: [practical workshops, use case identification, AI strategy planning](#). These training sessions are targeted to [all levels of the organizations](#), from decision-makers to end users, and aim to equip all the key players with the level of knowledge needed based on their [role](#) and their position in the [AI adoption journey](#).

GOAL 8

Further [capture synergies](#) with our industry-led program



In Progress

We have had early-stage [discussions](#) with businesses from our industry-led Program that have been identified as potential workforce participants, based on their [current](#) and [future needs](#) in training following the start of a project. Properly exploring their

educational needs is key to [ensure their objectives are met](#) and their project is [successfully implemented](#).

We have also transitioned the workforce application forms in our Customer Relationship Management (CRM) system to [facilitate the process, reduce pain points for applicants](#) and allow us to [better identify opportunities for collaboration](#).

Lastly, we have focused on getting the word out so [industry players are made aware of the program](#) at the beginning of their initiative and can work [training needs in their project planning](#).

GOAL 9

Maximize outreach of [STEM program](#)



Completed as planned

[After consulting](#) with the majority of the training organizations that participated in our first 5-year term and other interested entities, we are on the way to launching a call for projects in winter 2025. During our discussions, partners have highlighted how our funding was key in making a difference and bringing valuable experiences to communities that have very limited opportunities to access this type of education. After a bright success, some of the initiatives we supported are still in existence and have evolved into projects that contribute to exposing youth to a variety of STEM career paths. These events include mentoring, simulations, company visits, networking, workshops, competitions, that are targeted to kids and teenagers, from elementary school level to university level.

The budget allotted to this initiative is [\\$600,000](#), and we will prioritize projects that can demonstrate an [impact on underrepresented groups, and for which our funding is critical](#).

4

Showcase Canadian AI on the Global Stage

In Fiscal 2024-2025, Scale AI largely contributed to [fostering the commercial offering of Canadian AI](#), all while [creating local and international demand](#) for Canadian-made AI. This was made possible thanks to various significant initiatives such as :

- [Scale AI's flagship event ALL IN](#) - which became in 2024 the [largest AI event in Canada](#) with 4,000 attendees from over 40 countries,
- and the organization of the [largest AI delegation ever sent to an international event by Canada at VivaTech 2024](#), the largest tech event in Europe, among several other initiatives.

The [content created](#) around those events, along with the [meetings organized](#) with global and Canadian leaders as part of these initiatives, grandly contributed to the strengthening of the positioning of Canada as an [AI leader on the global stage](#).

GOAL 10

Continue to **create demand for AI adoption with large and small companies across industries, at home and abroad**



Goal far exceeded

In Fiscal 2024-2025, Scale AI worked hard to [build local and international demand](#) for Canadian AI.

ALL IN 2024

[ALL IN 2024](#) gathered more than [4,000](#) participants from over [40 countries](#) and [110+ journalists](#) from [60+ local and international media](#). With a ratio of [55% AI Adopters](#) and [45% AI Providers](#), this event proved to be [an impressive success](#) in showcasing and boosting the demand for Canadian AI, all while positioning Canada as a leader in AI. [View the detailed report here.](#)

AI Action Summit in Paris

Scale AI was invited to participate in the [Paris AI Action Summit](#), hosted by the [French Presidency](#) at the [Grand Palais](#). The event brought together heads of state and government, leaders of international organizations, academics, researchers, NGOs, and members of civil society to shape the future of AI. Scale AI was on-site to represent [Canada's leadership](#) and the [progress of its AI industry](#) on the international stage.

AI Official Council for G7 2025

Scale AI is working on the B7 with The [Canadian Chamber of Commerce](#) and will participate in the [AI Ministerial preparation](#) to be held before the Official G7, where AI will be one of the main themes discussed by world leaders. These events will be held in FY2025-2026.

International Delegation

Scale AI organized the [biggest delegation ever sent abroad by the Canadian AI ecosystem](#) as part of [VivaTech 2024](#), the largest tech event in Europe. This delegation was the result of a collaboration with multiple [key federal and provincial entities](#), [60+ Canadian AI organizations](#) and [5 media](#) dedicated to the delegation. Building on this success from Scale AI, Vivatech has announced that [Canada will be the country of the year for its 2025 edition](#), with a delegation of more than [100+ Canadian organizations](#).

Host Role for Delegations

Scale AI welcomed [30 international delegations](#) of clusters, enterprises, leaders and AI builders from all over the world in its Montreal office, to discuss the cluster program, its benefits for the Canadian economy and the offering of Canadian AI makers.

Increased Presence in Ontario

Scale AI [increased its presence in Ontario](#) with the sponsorship of The Logic's The Summit event in Toronto, and the organization of the [Pre-ALL IN Discussions in Ottawa](#), a major initiative meant to reinforce ties between governmental entities and Canadian AI providers, to accelerate the growth of Canada's AI sector.

Presence at Global Events

Scale AI was present in [global key events](#) such as Collision, Upperbound, Hannover Messe and The Logic's yearly Summit, to showcase what Canadian businesses are doing with AI. Additionally to what was planned and achieved, Scale AI also participated in the [FrancoTech Summit](#) in France in October 2024.

GOAL 11	Continue to be a thought leader , sharing insights and lessons learned from Scale AI Portfolio		Completed as planned
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In Fiscal 2024-2025, Scale AI created plenty of thought leadership content on stage, online, and in traditional media.

Thought leadership through Scale AI's presence at key events in Canada and abroad

Scale AI had the opportunity to share more on [successful AI projects](#) in various major and smaller events like ALL IN 2024, VivaTech, The Logic's Summit, among others. In total, representatives of Scale AI took the stage more than 20 times to talk about Scale AI and the Canadian AI ecosystem.

Thought leadership online

Scale AI's [presence online grew massively in Fiscal 2024-2025](#), with more than 1,907 registered to attend our weekly webinars (+139% YoY), 13,000 subscribers on LinkedIn (+30% YoY) and 110,000 visits on our website (+30% YoY). This increase means Scale AI succeeded in [reaching a wider audience](#) of stakeholders to teach them about the benefits of building an AI-powered economy, further strengthening Canada's AI ecosystem by stimulating demand.

Presence in traditional media

Scale AI connected with [hundreds of new journalists](#) from local and international media to share the best of Canada's AI, also acting as a connector between project leads (adopters and providers) and journalists interested in showcasing Canadian AI.

In Fiscal 2024-2025, there were [112 mentions of Scale AI in traditional media](#), representing a size of 251 million readers. Scale AI is mentioned in media across Canada, in La Presse, Betakit, Radio-Canada, Toronto Sun, Canadian Manufacturing and The Logic.

The content published in Fiscal 2024-2025 by Scale AI:

- [The AI Ecosystem at VivaTech 2024: Scale AI launches a call for applications for Canadian AI suppliers](#) (Feb 2)
- [Scale AI Launches Its New Workforce Training Program to Empower Canada's Workforce in Digital Intelligence](#) (Mar 25)
- [SCALE AI welcomes the historic investment in artificial intelligence announced by the Government of Canada to drive economic growth](#) (Apr 7)
- [Record-Breaking 60-Member Delegation to Showcase Canadian AI Excellence at VivaTech 2024, Europe's Largest Tech Event](#) (Apr 11)
- [Scale AI Unveils Enhanced Acceleration Program to Propel Canada's AI Startup Ecosystem](#) (Apr 16)
- [Bridging the Skill Gap: Scale AI's Impact on Digital Intelligence Training for Canada's Workforce](#) (Apr 19)
- [Empowering Tomorrow's Innovators: Scale AI's Engagement in Accelerating Canada's AI Startup Ecosystem](#) (Apr 19)
- [SCALE AI announces a major financing round with more than \\$96M in investments supporting 22 AI projects](#) (June 4)
- [Scale AI launches a call for projects in generative AI for Canadian industries](#) (Sept 26)
- [AI for the Manufacturing Industry](#) (Dec 5)
- [The Successful Bet of Scale AI: A Robust AI Ecosystem Contributing to Canada's Economy](#) (Dec 9)
- [A Robust AI Ecosystem is the Key to a Strong Canadian Economy](#) (Op-Ed, Dec 12)
- [ALL IN blog](#) - including articles sponsored by Scale AI & press releases (ongoing)
- [Essential Business Principles for Patenting in AI \(White Paper\)](#)
- [Intellectual Property Strategy Foundations for AI \(White Paper\)](#)
- [Patents in AI: It's Time to Modernize Your Approach](#)

**GOAL
12**

Continue to advance **multi-cluster collaboration**



Completed as planned

In Fiscal 2024-2025, Scale AI achieved all its objectives with regards to the goal of advancing multi-cluster collaboration. Scale AI continued the [ongoing dialogue with its fellow Global Innovation Clusters](#), including working together with them on various key initiatives including strengthening their presence at the second edition of ALL IN 2024.

Scale AI also benefitted from this collaboration by taking part in the [Hannover Messe event in Germany](#).

5

Maintain best in class operations management

Scale AI is committed to [continuous improvements](#) on the [4 guiding principles](#) we operate under. Those principles have been established to ensure that we serve our members effectively while also maintaining the highest level of rigour in managing public funds.

→ **Business friendliness:** we regularly review and improve our processes to be as simple as possible for users; and we provide clear feedback on the relevance of project proposals as early as possible to improve the quality of their submissions and avoid inefficient effort.

→ **Lean through automation:** we use digital tools, such as Salesforce and Asana, to automate and streamline tasks, project management and reporting, so that team members can focus on higher-value-added work.

→ **High-quality experienced talent:** our mix of high-potential youthful employees and industry veterans yields ample opportunities for professional growth and a highly engaged team; and

→ **Stringent funding allocations:** we manage our funds as if they were our own, focusing on investments that will truly raise the ecosystem's standards in AI adoption. We also perform significant financial due diligence before investing, both on the health of the companies, and on the relevance and appropriateness of the proposed costs.

Over recent years, Scale AI worked diligently to improve its **controls and processes**:

→ **Enhanced Enterprise Resources Planning (ERP) System:** Scale AI has invested in its ERP (Salesforce) to further accommodate the intake of projects, allow clients an [effective and efficient method](#) for applying and monitoring project performance and secure its controls.

→ **Resources Expansion:** Scale AI has also added additional resources, [enhancing internal processes and controls](#). Still a [lean organization](#), Scale AI has increased its workforce by 50% since 2020.

→ **Improved Cash Management:** Using a very rigorous process implemented at the end of our first 5-year mandate, Scale AI is very efficient to [anticipate project cancellations](#) and [control underspend](#) on in-flight projects, better managing its cash position.

3. Action Plan for Fiscal Year 2025-2026

In line with our strategic plan and in continuity with last year's objectives, Scale AI will focus on the following goals and actions in Fiscal 2025-2026.

1

Support industry-led investments in AI Solutions

Scale AI remains committed to driving Canada's leadership in AI by supporting industry-led projects that strengthen productivity, foster innovation, and create long-term economic value. AI is no longer a strategic advantage—it is a necessity for businesses seeking to compete in a rapidly evolving global market. Through targeted investments in AI adoption and commercialization, Scale AI is helping Canadian businesses unlock new levels of operational efficiency, increase automation, and enhance customer experience.

The 2024 Fall Economic Statement provided a significant boost to Scale AI's ability to deliver on this mission, with an additional \$150 million, over three years, starting in 2024-2025, for the Global Innovation Clusters to support the continuation of their AI commercialization activities. Scale AI has secured \$68 million from this envelope, which will enable it to expand its support for industry-led projects and accelerate the adoption of AI solutions across key sectors. This funding reflects the strategic importance of AI commercialization for Canada's economic development and positions Scale AI to deepen its impact on the national and global stage.

Scale AI will continue to act as a catalyst for collaboration within the ecosystem, fostering connections between adopters, service providers, and researchers. By encouraging the creation and commercialization of new intellectual property (IP), Scale AI is reinforcing Canada's position as a global hub for AI innovation. This approach will ensure that Canadian businesses—particularly small and medium-sized enterprises (SMEs)—can leverage AI to improve competitiveness and achieve sustained growth.

GOAL 1	Accelerate investments in industry-led AI solutions by committing at least \$125M in funding to support 30 to 35 industry-led projects, with Scale AI contributing \$50M .
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In 2025-2026, Scale AI will generate \$125M investments in AI through 30 to 35 industry-led projects, with \$50M directly funded by Scale AI and \$75M from industry partners. This strategic funding aims to drive productivity gains, foster the creation of new intellectual property (IP), and accelerate the commercialization of AI solutions across key sectors of the Canadian economy. The projects will focus on enhancing operational efficiency, improving value chain resilience, and increasing automation, ensuring that Canadian businesses remain competitive on a global scale.

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A significant portion of the funding will target [Small and Medium Enterprises \(SMEs\)](#), encouraging wider adoption of AI technologies and enabling smaller companies to integrate advanced AI solutions into their business models.

Scale AI will prioritize projects with [strong potential for commercialization](#) and [measurable economic impact](#), reinforcing Canada's position as a global leader in AI innovation and technology deployment.

GOAL 2

Expand [Generative AI](#) adoption and commercialization across industries by allocating an additional up to [\\$5M](#) to our Call for Projects

Scale AI will increase its financial commitment to the ongoing Call for Projects on Generative AI by an [additional \\$5M](#), reflecting the strong demand and the strategic importance of generative AI technologies. This increase follows the exceptional response to the initial call, which attracted 140 applications and identified 64 eligible projects. The [high level of interest](#) highlights the [growing potential of generative AI to transform business processes, enhance customer experiences, and drive operational efficiency](#).

The additional funding will allow Scale AI to [support more projects](#) within the existing framework, ensuring that high-potential initiatives receive the resources needed to reach commercialization. This increase will enable Scale AI to [broaden the reach and scale](#) of its generative AI investments, encouraging wider industry adoption and reinforcing Canada's position as a global leader in AI innovation.

2

Optimize Hospitals Operations

GOAL 3

Commit up to [\\$5M](#) in funding to support AI-powered solutions aimed at improving operational efficiency and patient care in [Canadian hospitals](#).

In 2025-2026, Scale AI will allocate an [additional \\$5M](#) to [strengthen the adoption of AI solutions in healthcare](#), building on the momentum created by the previous Hospital Call for Projects. This call attracted significant interest, with 39 submissions representing a total value exceeding \$60M, highlighting the critical need for AI-driven innovation in hospital operations.

The additional funding will allow Scale AI to [increase the number of supported projects](#) and [accelerate their implementation](#) in clinical and operational settings.

By [enhancing patient flow, improving resource management, and supporting AI-assisted clinical decision-making](#), these projects will help hospitals operate more efficiently while improving patient outcomes. The increased funding will also create opportunities to develop scalable solutions that can be transferred across healthcare facilities, strengthening Canada's healthcare infrastructure and reinforcing the country's position as a leader in AI-driven healthcare innovation.

3

Accelerate Canadian AI Startups

GOAL 4

Accelerating the scale-up of **50-70 early-stage start-ups** by committing **\$2M** in Scale AI funding to services focused on building AI capabilities.

In 2025-2026, Scale AI will continue to drive the growth of Canada's AI ecosystem by funding and mentoring **innovative startups**. This program bridges the gap between innovation and commercialization, **empowering entrepreneurs** to scale their solutions and address challenges across industries. The program ensures startups have the **resources and connections needed to thrive**, reinforcing Canada's position as a global leader in AI innovation.

4

Develop Canada's current and future AI Workforce

Scale AI will continue investing in **talent development**, an essential pillar for the ecosystem's sustainable growth, through targeted **training programs** and initiatives that promote the **inclusion of underrepresented groups**.

GOAL 5

Commit an additional **\$300K** in customized trainings in **FY2026**

By ensuring Canadian businesses have access to **highly specialized professionals**, Scale AI will strengthen the foundation for innovation and global competitiveness. These efforts will ensure that Canada has the human capital to sustain its leadership in AI while creating opportunities for diverse voices to contribute to its growth.

GOAL 6

Launch a Call for Proposition for **STEM program** and commit **\$600K**

In 2025-2026, Scale AI will conclude its call for projects for **STEM program**. This project target upwards of 10k youth. Projects that can demonstrate an **impact on diversity and inclusion, and for which our funding** is critical will be prioritized

Ultimately, Scale AI's mission is to build Canada into a [global hub for AI innovation and leadership](#), while [ensuring the country's technological sovereignty](#). By [strengthening domestic capabilities](#), [reducing dependence on foreign technologies](#), and [expanding international visibility](#), Scale AI is creating an ecosystem that delivers economic, technological, and societal benefits. This is not just about keeping pace with global developments; it is about setting the standard. Scale AI envisions a future where [Canadian AI expertise is recognized worldwide](#) for its excellence, tackling global challenges, while ensuring [Canada's continued economic independence and prosperity](#).

Goal 7 Continue to strengthen **domestic capabilities**

Scale AI will intensify its role as a [catalyst within the national ecosystem](#). This includes creating and strengthening collaborations between private companies, research institutes, startups, investors, and government partners.

By creating synergies across sectors, Scale AI will continue to [accelerate](#) the development of practical AI solutions and ensure their [swift commercialization](#). This collaborative approach strengthens Canada's ability to address pressing challenges, from supply chain optimization to healthcare innovation, while setting the stage for long-term economic resilience.

Goal 8 Expand **international visibility** of Canadian AI expertise

Beyond national borders, Scale AI is equally committed to [amplifying the international visibility of Canadian AI expertise](#). Our companies are developing groundbreaking solutions, yet [global deployment and recognition](#) are essential for sustaining their momentum. Through [strategic partnerships](#), [international trade missions](#), and [participation in global AI events](#), Scale AI will continue to pave the way for Canadian businesses to access new markets, forge alliances, and showcase their technological leadership. These initiatives will amplify the international reach of Canadian AI, reinforcing Canada's position as a [top-tier player in the AI sector](#).

To achieve the goals mentioned above, Scale AI will intensify its efforts in key initiatives built to boost the influence and promote the excellence of the Canadian AI ecosystem at home and abroad. This includes doubling down on its flagship event, [ALL IN](#), which has since its creation become the largest AI event in Canada. In 2025, ALL IN will gather more than 6,000 participants from over 40 countries in Montreal for the third edition. Scale AI will also expand its presence at [VivaTech 2025](#), the largest tech event in Europe, as part of the nomination of Canada as the Country of the Year. At VivaTech 2025, Scale AI will lead a Canadian delegation of more than 150 key industry players in collaboration with 40+ federal and provincial stakeholders.

Maintain best in class operations management

Scale AI is committed to [continuous improvements](#) on the [4 guiding principles](#) we operate under. Those principles have been established to ensure that we serve our members effectively while also maintaining the highest level of rigour in managing public funds.

→ **Business friendliness:** we regularly review and improve our processes to be as simple as possible for users; and we provide clear feedback on the relevance of project proposals as early as possible to improve the quality of their submissions and avoid inefficient effort.

→ **Lean through automation:** we use digital tools, such as Salesforce and Asana, to automate and streamline tasks, project management and reporting, so that team members can focus on higher-value-added work.

→ **High-quality experienced talent:** our mix of high-potential youthful employees and industry veterans yields ample opportunities for professional growth and a highly engaged team; and

→ **Stringent funding allocations:** we manage our funds as if they were our own, focusing on investments that will truly raise the ecosystem's standards in AI adoption. We also perform significant financial due diligence before investing, both on the health of the companies, and on the relevance and appropriateness of the proposed costs.

4. Financials

Table 1 outlines our [planned expenditures](#) for the fiscal year Fiscal (FY) [2025-2026](#) including operating and administration expenditures, project spending, and Ecosystem Initiatives (including Showcase events, Acceleration, and Workforce).

Table 1: Planned Expenditures (spending) FY 2025-2026

<u>Planned Expenditures</u>	GIC \$	PCAIS \$	Total \$
Ops & Admin	4,266,667	2,316,000	6,582,667
Projects *	25,500,000	33,340,346	58,840,346
Ecosystem-Showcase *	4,800,000	0	4,800,000
Ecosystem-Acceleration	2,500,000	0	2,500,000
Ecosystem-Workforce	700,000	0	700,000
Total *	37,766,667	35,656,346	73,423,013

* The [\\$4.8 million in ecosystem expenses](#) represents the total cost of two major events in 2025, [All In and Vivatech 2025](#), which will be funded by our 2nd 5-year mandate fund and industry.

Vivatech planned expenses amount to \$1.3 million, which are higher than in 2024 due to [Canada being the country of honor in 2025](#). The [All In](#) event accounts for \$3.5 million, with 86% of its expenses offset by sponsorship revenues (\$2.2 million) and conference revenues (\$0.8 million), resulting in a [net cost of \\$0.5 million](#).

Table 2 outlines the additional [\(planned\) sources of funding, over and above that funded by ISED](#) for the Fiscal year [2025-2026](#), including funds planned to be invested by Industry in the various projects (Industry matching funds).

Scale AI's audited financial statements do not include any industry matching funds as part of the total revenues, since these contributions are made directly by the project participants and do not flow in Scale's Statement of Operations.

Table 2: Additional (planned) Sources of Funding FY 2025-2026

<u>Additional (planned) Revenues</u>	GIC \$	PCAIS \$	Other \$	Total \$
Industry Matching Funds:				
Industry Contribution Towards Eligible Project Costs	44,625,000	35,677,500	0	80,302,500
Industry Sponsorships & Conference fee	3,000,000	0	0	3,000,000
Membership & Registration Fee	676,238	400,000	0	1,076,238
Total:	48,301,238	36,077,500	0	84,378,738
Other Sources:				
Interest Income	70,000	50,000	0	120,000
Total:	70,000	50,000	0	120,000
<u>Total Additional Revenues:</u>	48,371,238	36,127,500	0	84,498,738

Table 3 outlines a statement of [annual cash flows](#) for the fiscal year [2025-26 to meet project and operational spending](#). Note that the industry in-kind contribution is not an actual incoming cash flow for Scale AI, as it represents a direct contribution to projects by ultimate recipients. Therefore, these amounts will not appear in the audited financial statements as part of the total revenues.

The actual cash balance remaining as at March 31, 2025, may differ from the estimated amount.

Table 3: Cash Flows FY 2025-26

<u>Cash Flows</u>	Total \$
Inflows:	

Global Innovation Clusters Contribution	36,700,000
Pan-Canadian AI Strategy Contribution	35,077,346
Industry Match (In-Kind Industry Contribution)	80,302,500
Membership & Registration Fee	1,076,238
Sponsorship & Conference Fees (Ecosystem Showcase)	3,000,000
Interest Income	120,000
Total cash Inflows:	156,276,084

Note: Table 3 is the summary of the financing required to fund the expenditures in table 1. Included in table 1 are \$4.8M ecosystem showcase expenses which are in part funded by GIC contribution (\$1.8M) and the remaining is funded by sponsorship and conference fees as per above (table 3). In addition, the 25% of ops & admin expenditures not funded by GIC contribution are funded by a combination of membership fees, as well as interest income.

The Scale AI does not owe any amounts to the crown pursuant to any legislation or agreement.

5. IP strategy & data strategy implementation

Intellectual property (IP) and data strategies should align with business objectives to optimize the tailwinds IP and data can provide towards achieving those objectives. Therefore, our IP and data strategies [focus on our primary goals](#) of growing domestic demand for Canadian AI and supporting SME scale-up.

Scale AI's [IP Strategy](#) is executed as follows (and as it also outlined elsewhere in this Corporate Plan):

- **Growing Domestic Demand:** by selecting for funding [only](#) industry-led projects that will generate IP [that will be used or licensed after project completion](#) to benefit other Canadian businesses, we ensure that every project will generate IP that can benefit the broader ecosystem; and
- **Supporting SME scale-up:** by insisting that all adoption projects include [ownership or licensing rights for the AI service providers](#) (who are usually also SMEs) to scale and enhance their product and service offerings; by encouraging AI service providers to [invest in the productization of their IP](#) to allow them to serve a larger customer base; and by offering workshops to [develop their intellectual property strategies](#), in addition to offering an ever-growing digital library of AI-specific IP educational content, we are taking active steps to support SME growth scale-up in Canada.

These latter measures in particular have been recognized within the SME service provider community as game-changing for their ability to acquire ownership or use rights within their business relationships and customer mandates and have also been instrumental in enhancing their own abilities and skills to negotiate IP agreements.

Scale AI's [Data Strategy](#) is aimed at robust measures to protect the confidential information data we possess. Data security is achieved through industry-standard cybersecurity measures that protect against intrusion and hacking, such as two-factor authentication, use of VPN and firewalls, encryption, and employee training on threat recognition and handling.

Our annual updates to our IP and data strategy documents focus on ensuring that these documents continue to reflect and support Scale AI's overall strategy as outlined in this Corporate Plan.

6. Performance Monitoring Strategies

Scale AI's performance monitoring strategy is aligned with its [strategic objectives](#) approved by our Board of Directors and the [program objectives](#) of the Global Innovation Clusters program.

OUR EXPECTED IMPACT 2023-2028

Scale AI's plan for our 2nd 5-year term is anchored in the experience we gained in our 1st 5-year term and will deliver tangible commercial results, including the creation of [\\$3 billion](#) of direct value (either costs saved, or new revenues generated), and [6,000 highly skilled, high paying jobs](#) within Canadian businesses.

In addition, our programs will deliver [over \\$200 million of industry investments](#), will create [100 new partnerships](#), and will support the training of [1,000 Canadians](#).

OUR ECOSYSTEM IMPACT FRAMEWORK

In addition to the core metrics mentioned above, the success of our efforts is measured against the [Innovation Cluster Ecosystem Impact Framework](#) (ICEIF), a unique made-in-Canada performance measurement framework co-designed by ISED and the Clusters.

The ICEIF was built around the Global Innovation Clusters program's four core objectives of being a [national force](#), [driving growth](#), [creating networks](#) and being a [catalyst for skills development](#).

Additional information and updates on the ICEIF can be found [here](#)

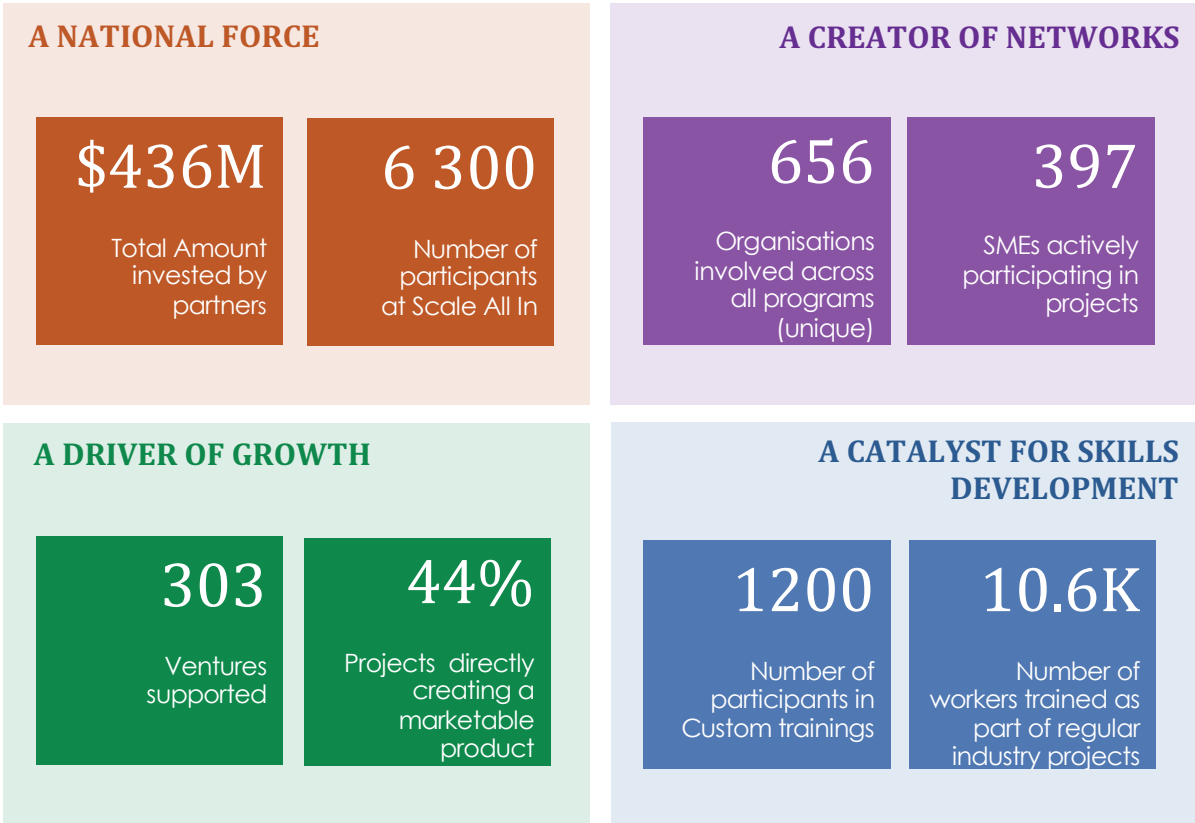


1. Scale AI is being a **National Force** by developing Canada's AI domestic market, driving widespread AI adoption in Canadian businesses, and contributing to securing Canada's international leadership within the global AI sector.
2. Scale AI is a **Creator of Networks** by directly supporting Canadian industry to gain and maintain market leadership, as well as create new Canadian Champion anchor firms, through cross-pollination and organization of interactions between key actors in the AI sector.
3. Scale AI is a **Driver of Growth** by enabling significant productivity gains across key economic sectors. Scale AI actively connects industry leaders with AI providers and targeted investment of public funds to create a large and diverse pool of AI services and solutions, primarily steered towards value chains. This results in the creation of a highly advanced and efficient network of infrastructures for goods and services that will benefit all Canadian businesses.

4. Scale AI is a **Catalyst for Skills Development** by supporting the development of the current and future workforce in data science, focused on fostering the conditions for attracting and retaining the high-potential talent necessary to grow the AI ecosystem in Canada

OUR ECOSYSTEM IMPACT METRICS

Within this framework, we employ several performance metrics to assess and improve the effectiveness of our activities.



7. Technology Leadership

OUR TECHNOLOGY APPROACH

Since its inception, Scale AI has focused on supporting the development, by Canadian service providers, of AI solutions dedicated to [business productivity and intelligent value chains](#) for the following reasons:

→ Value chains involve a wide range of business operations processes. [Focusing on productivity solutions applied to value chains](#) allows Scale AI to support companies from many sectors and ensures that AI applications we co-invest directly support the creation of value for businesses and generate significant gains in productivity.

→ Canada is a globally recognized hub of AI research made up of the world's largest community of [Operations Research \(OR\), Machine Language \(ML\) and Natural Language Processing \(NLP\)](#) research scientists. The combination of these fields creates new and unique methods to solve [complex business problems and improve decision-making across value chains](#).

→ Decision-making in industry, and particularly in value chain operations, is one of the [key areas where AI can be commercially applied](#).

OUR PROGRAMS

Scale AI continues to support a wide range of [diverse projects](#) submitted and led by [industry adopters and vendors](#). In our 2nd 5-year term, we still proactively reach out to and engage new companies, in addition to encouraging existing members to invest in follow-on initiatives. Scale AI has adapted its approach to promote these activities based on the level of digital maturity of each company:

- Scale AI encourage additional companies to launch initiatives that leverage the success of previous Scale AI projects, beginning with lower complexity solutions and then gradually increasing in sophistication through follow-on investments (e.g. building upon a demand forecasting engine by integrating an advanced inventory management tool, followed by a full network optimization system).

- For companies already proficient in AI, Scale AI funds AI-powered tools tackling new business problems or diffuse existing solutions into different business units.

In addition to our adoption and commercialization programs, we have added a third program, our 'First-Client' program, through which Scale AI facilitates early-stage start-ups to secure their first client.

In its 2nd 5-year term, Scale AI is also [expanding its intake approach](#) to launch [calls-for-proposal](#) on specific topics, to encourage our ecosystem to develop AI-powered solutions targeting critical issues for Canada.

For details on achievements, goals, and action plan, please refer to sections two and three of this document.

GENERATIVE AI

Generative AI represents a [transformative leap](#) in artificial intelligence, offering the ability to create new content, optimize decision-making processes, and enable entirely new modes of [human-computer interaction](#). Its rapid evolution is [opening new frontiers](#) in productivity, automation, and innovation across all sectors of the economy.

Scale AI is actively supporting the [integration of generative AI technologies](#) into business value chains, ensuring these innovations contribute to tangible productivity gains. Our goal is to ensure that Canadian businesses not only adopt these tools but also contribute to [shaping their development](#) and [global relevance](#).

OUR INDUSTRY-LED PROJECTS

Scale AI's [selection process](#) remains as described on the website at:
<https://www.scaleai.ca/projects/how-to-apply-for-funding/>

A summary of all industry-led projects we have invested in can be found at:
<https://www.scaleai.ca/projects/our-investments/>

8. Ecosystem Development

Building a [resilient and competitive AI ecosystem](#) is no longer just an aspiration for Canada—it is a [strategic necessity](#). AI is rapidly transforming industries, reshaping global economic power, and defining the technological leaders of tomorrow. For [Canada](#), [maintaining control over its AI capabilities](#) is [essential](#) to securing [economic independence](#) and [preserving its competitive edge](#). Scale AI is at the forefront of this mission, committed to positioning Canada as both a [leader in AI adoption and commercialization](#), while fostering an [innovation ecosystem that is self-sustaining and resilient](#).

Canada has long been a pioneer in AI research, but the transition from research to commercial success remains a key challenge. Without a [deliberate focus on developing and commercializing AI solutions](#) within Canada, there is a [growing risk](#) that foreign players such as Google and OpenAI will dominate the technological landscape—leaving Canadian companies [dependent on external platforms](#) and [paying for solutions developed abroad](#). This over-reliance would not only create economic vulnerabilities but also limit Canada's ability to [define AI standards](#) and [control data governance](#). Maintaining [technological sovereignty](#) is critical to ensuring that AI becomes a lever for Canada's [economic independence and long-term growth](#).

Ensuring that AI solutions are [created and commercialized within Canada](#) is particularly important for key industries such as healthcare, finance, agriculture, and transportation. Adopting Canadian-built AI technologies will not only drive productivity and innovation but also [protect domestic businesses](#) from [external market pressures](#) and [geopolitical instability](#). Scale AI's focus on [fostering Canadian intellectual property \(IP\)](#) and [supporting domestic AI companies](#) will empower Canadian businesses to maintain control over strategic assets and secure a competitive edge on the global stage.

Scale AI is creating the conditions for Canadian companies to [compete on the global stage](#)—while ensuring that Canada [retains control over its technological future](#). This is not just about leading in AI—it is about securing Canada's place as a [global economic and technological powerhouse](#).

OUR APPROACH

Each of our streams support our ecosystem core objectives of being a [national force](#), [driving growth](#), [creating networks](#) and being a [catalyst for skills development](#).

	National Force	Creator of Network	Driver of Growth	Catalyst for skills Development
1 Support Industry-led Investment in AI solutions	✓	✓	✓	✓
2 Optimize Hospitals Operations	✓	✓		✓
3 Accelerate Canadian AI Startups	✓	✓	✓	
4 Develop Canadian AI Workforce	✓			✓
5 Showcase Canadian AI on the Global Stage	✓	✓		

OUR INITIATIVES

In its 2nd 5-year mandate, Scale AI is reinforcing the development of a robust and self-sustaining AI ecosystem in Canada by focusing on industry-driven investments, hospitals operations, startup acceleration, workforce development, and global AI leadership. Each of these streams is designed to create synergies between businesses, AI service providers and research institutions, and policymakers, ensuring that Canada not only leads in AI research but also in real-world applications and commercialization.

Support industry-led investment in AI solutions

Scale AI actively connects [industry adopters](#) with [AI vendors](#), creating a strong network where [innovation meets real-world application](#). [SMEs](#) are [at the heart of this program](#), as it supports them in adopting AI, commercializing solutions, and expanding their market reach.

Moreover, Scale AI strengthens [collaboration with universities and research centers](#), leveraging academic expertise to drive commercialization. This interconnected approach ensures that AI research does not remain confined to laboratories but translates into [tangible business solutions](#).

SCALE|AI

By maintaining a [high private investment leverage ratio](#), Scale AI encourages [sustainable funding flows into the ecosystem](#), ensuring that AI development in Canada is driven by both [public and private stakeholders](#).

Optimize Hospitals Operations

In healthcare, Scale AI is leveraging its ecosystem-building capabilities to deploy AI solutions that optimize hospital operations. By funding AI-powered hospital logistics projects, the organization is not only [improving patient care](#) but also [creating new commercialization opportunities](#) for AI vendors in the healthcare sector. Given the financial constraints faced by hospitals, Scale AI is offering higher funding rates to [encourage adoption](#), ensuring that [AI-driven efficiencies](#) become a standard in Canadian healthcare.

Accelerate Canadian AI Startups

Scale AI is actively [shaping an AI startup ecosystem](#) that is well-integrated into broader industry networks. Scale AI partners with [incubators and accelerators](#) across Canada, ensuring that startups receive the [mentorship, funding, and strategic connections](#) needed to scale. Additionally, Scale AI facilitates [matchmaking](#) between startups and established industry players, [fostering collaborations](#) that drive innovation and commercialization.

Develop Canadian AI workforce

By investing in [talent development](#) at multiple levels, Scale AI is creating a [sustainable pipeline of skilled professionals](#) who will contribute to the [growth and competitiveness](#) of Canada's AI ecosystem.

In its 2nd 5-year mandate, Scale AI prioritizes [targeted, high-impact training programs](#) that align with industry needs. [Custom corporate training initiatives](#) are being expanded to help businesses integrate AI seamlessly into their operations, ensuring that employees have the necessary skills to work with advanced AI systems.

The [STEM outreach program](#) is also being reinforced, with a focus on engaging [underrepresented youth](#) and [inspiring the next generation of AI professionals](#).

Showcase Canadian AI on the global stage

Scale AI plays a pivotal role in [strengthening the commercial presence](#) of Canadian AI while [stimulating both local and international demand](#) for homegrown AI solutions.

Scale AI drives momentum through continuously expanding its flagship event [ALL IN](#), [Canada's largest AI event](#), and engaging in a series of prominent local industry gatherings that highlight [Canada's leadership in cutting-edge AI innovations](#). These efforts not only [attract global talent and investment](#) but also reinforce Canada's position as a [premier destination for AI development](#).

Scale AI is also deepening its engagement [in international AI events](#) and [strengthening partnerships](#), including with Global Affairs Canada, to support the expansion of Canadian AI companies into global markets. By amplifying Canada's AI leadership

internationally, Scale AI is creating valuable opportunities for [collaboration](#), [commercialization](#), and [long-term growth](#) within the ecosystem.

Beyond these core programs, Scale AI is supporting the cross-cutting national priorities of a [Green Economy](#) and [Supply Chain resilience](#) that have a direct impact on the AI ecosystem's development,

A strong [intellectual property strategy](#) is also essential for fostering innovation. Scale AI prioritize projects that maximize the commercialization of AI technologies, ensuring that Service Providers retain ownership of critical IP (see section 5 of this document).

Through this [multi-faceted ecosystem development strategy](#), Scale AI is not only advancing AI adoption and commercialization in Canada but also ensuring that the country's AI ecosystem is robust, interconnected, and positioned for long-term success. By reinforcing collaborations between businesses.

9. Risks Assessments and Mitigation Strategies

Scale AI has a [robust risk management framework](#) in place. Organization-wide and program-specific risks and mitigation strategies are defined, reviewed and updated [by management, and reviewed by the Board](#), on an annual basis. For 2025-2026, the following significant risks and mitigation strategies are defined:

#	Risk	Description	Mitigation strategy
1	Recession, Inflation and Trade Risks	External economic shocks - including inflation, recession, and trade tariff disputes between - may impact companies' investment capacity and disrupt global value chains, limiting Scale AI's ability to support projects and foster commercialization.	<ul style="list-style-type: none"> Active monitoring of trade policy developments to anticipate and adjust project focus. Continued emphasis on value chain resilience and local value creation to reduce exposure to cross-border disruptions.
2	AI Talent Drain	A weak demand for AI expertise in Canada may lead to a talent drain to foreign markets.	<ul style="list-style-type: none"> Maintain focus on actively encouraging AI adoption and the development of local AI suppliers across Canada Support through direct ecosystem engagement and a strong push for corresponding private and public investments.

3	Governance and Compliance Risks	As a steward of public funds, we must maintain high standards of operational integrity and compliance, mitigating risks such as those posed by ethical considerations, business relationships, program requirements and applicable economic sanctions.	<ul style="list-style-type: none"> • Maintain comprehensive governance frameworks, supported by policies and training, with regular reviews to adapt to evolving standards and requirements. • Maintain robust processes to evaluate business and compliance risks, with ongoing monitoring to ensure effectiveness.
4	Significant Ecosystem Education Gap on AI and IP Issues	Given the advanced technological nature of AI and complexity of IP issues, significant educational efforts are required at all levels on how to apply AI and manage associated IP.	<ul style="list-style-type: none"> • Maintain focus on education, including through our ecosystem engagement activities to spread understanding of the capabilities, challenges and applications of AI throughout the ecosystem, and its IP implication.
5	Delays in Project Delivery	Since projects are heavily dependent on human resources and scheduling, projects are often delayed, sometimes avoidably.	<ul style="list-style-type: none"> • Maintain project controls to keep project delivery on schedule, but exceptionally provide duly-approved extensions and flexibility where appropriate.
6	Acceleration of AI startups	There is a need to increase the AI capabilities of startups and improve access to external AI talent.	<ul style="list-style-type: none"> • Leverage close relationships with top AI institutes (Amii, IVADO, Mila and Vector) and universities, to provide startups with access to AI experts (for AI exploration, scoping advisory, etc.), and AI talent (for internships), all orchestrated through our partner incubators and accelerators.
7	Integrate Training with Industry-led Projects	Training is often essential to project success, but integration requires adjusting the program's operating model and go-to-market strategy.	<ul style="list-style-type: none"> • Continue to consult ecosystem partners to achieve product-market fit for the updated training program. • Maintain flexibility internally to identify best operating model between industry investment and workforce development.

10. Board of Directors

Scale AI was created by key members of the Canadian AI ecosystem, and today we remain closely connected with these organizations through our board of directors. The Scale AI Board has representatives from the [key ecosystem stakeholders](#) - [universities](#) (e.g. HEC Montreal, Ecole Polytechnique, McGill), [research institutes](#) (e.g. IVADO, Mila), [AI service providers](#) (e.g. PwC, BCG, IVADO Labs), [AI adopters](#) (e.g. Optel, Bombardier, Canadian Tire) and the [AI investment community](#) (e.g. Investissement Québec), as well as [independent industry experts](#). This composition ensures that Scale AI has access to the [guidance and oversight](#) needed to effectively grow the Canadian AI ecosystem.

Our Board, composed of [48% independent members](#), [reviews all strategic and significant operational decisions](#) of Scale AI, including oversight of the [selection process](#) for our investment projects and programs. Scale AI is committed to [gender parity and diversity](#) on our Board, as we believe these also ensure more effective oversight and guidance for Scale AI. Committees of the Board are also involved in our various project selection processes.

The current structure of our Board provides at least 4 formal meetings per year of the full Board. Board committees, such as the [Audit, Governance and Selection and Ratification Board Committees](#), meet more frequently, as needed.