

Corporate Plan 2026-2027

January 2026



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About the Corporate Plan

This document is Scale AI's corporate plan for fiscal year 2026-2027. It summarizes accomplishments in 2025-2026 and outlines goals and desired outcomes for 2026-2027.

It also provides a brief summary of results in the previous fiscal year. These results are further detailed in our 2025–2026 Annual Report, which offers a comprehensive overview of our activities over the past year, including financial statements.

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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).

Ultimately, Scale AI's mission is to build Canada into a global hub for AI innovation and

leadership, while ensuring the country's technological and intellectual property sovereignty. By strengthening domestic capabilities, reducing dependence on foreign technologies, and expanding international visibility, Scale AI is creating a truly Canadian 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.

OUR STRATEGIC VISION

By the end of our second 5-year mandate, we will have established Canada as an indisputable global hub for AI dedicated to business productivity and intelligent value 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 to grow Canada into an attractive destination for establishing and scaling AI businesses.

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Steering the ecosystem's attention toward difficult supply and value 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 mandate builds on the investments and partnerships we have established and on ecosystem gaps that Scale AI uncovered during the first 5-year 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 mandate 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 commercializing [AI-powered solutions](#) and at deploying AI within Canadian hospitals.

OUR ACTION PLAN

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



2. 2025-2026 Year in review

To advance in our current 5-year mandate strategic plan, Scale AI defined eight goals for fiscal 2025-2026. Notable achievements by streams are highlighted below.

1. Support industry-led investments in AI Solutions

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**.



Completed

In 2025–2026, Scale AI successfully delivered on its ambitious objectives, further solidifying its role as a catalyst for AI adoption and commercialization across Canada. By mid-December, with one quarter remaining in the fiscal year, the organization had already achieved 90% of its annual targets. A total of **44 projects** were approved by the Board Selection and Ratification Committee, representing a **cumulative project value of \$130M**. Scale AI committed **\$45M**, with the remaining **\$85M** (65 %) contributed by industry partners - **demonstrating a growing willingness among Canadian businesses to invest in AI-driven transformation**.

Notably, **70% of these projects were initiated with new partners**, underscoring Scale AI's success in expanding its ecosystem and enabling first-time collaborations. At the same time, 11 projects were launched with organizations previously supported by Scale AI, reflecting the **increasing maturity of repeat adopters** as they progress along their AI journeys.

Expanding into new and underdeveloped verticals remained a strategic priority. Significant progress was achieved in **finance and insurance (3 projects)**, **agriculture (2 projects)**, **energy and utilities (5 projects)**, **construction (2 projects)**, and **defence-related adopters (5 projects)**. These results highlight Scale AI's commitment to diversifying its impact and addressing the distinct challenges faced by Canada's industries.

Scale AI also continued to actively encourage AI service providers to invest in the productization of their intellectual property to reach broader markets. In 2025–2026, nine projects successfully productized their IP within the project timeline. To support this outcome, **all funded projects are structured with IP ownership and licensing arrangements that are conducive to productization**.

Several flagship projects involving leading organizations - such as Bombardier, Air Transat, Deloitte Canada, Unilever Canada, Transcontinental and BDO Canada - further demonstrate **the program's ability to support both established industry leaders and emerging innovators**.

GOAL 2

Expand **Generative AI** adoption and commercialization across industries by allocating an additional up to **\$5M** to our Call for Projects



Completed

The Generative AI Call for Projects launched in 2024-2025 generated tremendous interest, confirming the relevance and urgency of a focused initiative dedicated to applied GenAI adoption and commercialization. Building on the five projects approved in the previous year (representing \$6.3M in total project value and \$3.0M in Scale AI funding), Scale AI approved seven additional projects in 2025–2026. These additional projects represent a cumulative project value of \$11M, including \$4.2M in Scale AI funding, contributing to the above overall \$50M funding target in industry-led projects.

These projects demonstrate a clear alignment with our funding thesis by leveraging generative AI to address key operational challenges.

2. Optimize Hospitals Operation

GOAL 3	Commit up to \$5M in funding to support AI-powered solutions aimed at improving operational efficiency and patient care in Canadian hospitals		Exceeded
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The 2025-2026 Hospital Initiative attracted strong interest, receiving 18 submissions from across Canada and representing more than \$20M in potential investments. Of these, 16 submissions met all investment criteria, however due to funding constraints, only 11 projects were selected, representing \$10M in Scale AI funding for a total project value of \$15M.

The sustained competition observed across hospital-focused initiatives underscores the critical need for AI solutions that improve the efficiency and resilience of Canada's healthcare system. It also highlights the ongoing lack of dedicated funding mechanisms besides Scale AI to support the development, deployment, and scaling of such solutions within hospitals.

To maximize scalability and long-term impact, Scale AI ensured that the intellectual property generated through these hospital-led projects remains with the AI service providers. This approach enables providers to scale their solutions across hospitals nationwide, accelerating adoption, fostering innovation, and driving system-wide benefits for the Canadian healthcare ecosystem.

3. Accelerate Canadian AI Startups

GOAL 4	Accelerate the scale-up of 50-70 early-stage startups by committing \$2M in Scale AI funding to services focused on building AI capabilities.		Exceeded
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In line with its objective to accelerate the growth and commercialization of Canadian AI startups, Scale AI continued to deploy targeted support through its acceleration activities. In FY2025–2026, Scale AI invested \$2.4M to support 72 startups, reflecting the sustained demand for acceleration support and the program's ability to engage a broad and diverse pipeline of early-stage AI companies across Canada. These investments supported startups at critical

stages of development, helping reduce execution risk, accelerate the transition from innovation to market deployment, and reinforce the depth and diversity of Canada's AI startup ecosystem.

4. Develop Canada's current and future AI Workforce

GOAL 5

Commit an additional \$300K in customized trainings in FY2025-2026



Completed

The Customized Workforce program successfully met its financial objectives, as an additional \$345K was committed this fiscal year. A total of 25 projects were approved, involving 39 companies and 8 training organizations, and resulting in the training of 805 employees. These outcomes confirm that the program achieved its targeted funding goals while continuing to generate meaningful impact across Canadian SMEs of all sectors.

GOAL 6

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



On track to be completed by end of FY 2025-2026

The call for projects was successfully launched within the planned timelines and generated strong national interest, with 47 applications received from across 8 provinces. To date, 4 projects have been approved and are already being delivered representing a total commitment of \$417K. The remaining program budget will be allocated through the selection of one to two additional projects in early 2026. The program is on track to achieve its objectives of promoting studies and careers in science, technology, engineering, and mathematics (STEM), with a specific focus on diversity and inclusion, while also introducing Canada's future workforce to artificial intelligence and data science.

5. Showcase Canadian AI on the Global Stage

In Fiscal 2025-2026, 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 and grew once again in 2025 with a total of 6,500 participants from 2,500 companies and 40 countries represented
- Scale AI organized the largest AI delegation ever sent to an international event by Canada at VivaTech 2025. Vivatech is the largest tech event in Europe, with 600 delegates from more than 230 Canadian leading organizations attending.

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

Goal 7

Continue to strengthen **domestic capabilities**



Completed

In 2025-2026, Scale AI intensified 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. The team strengthened its collaboration with all players of the AI ecosystem and acted as a catalyst for connections between governments and AI makers, among others. By creating synergies across sectors, Scale AI contributed to [accelerating](#) the development of practical AI solutions and ensuring their [swift commercialization](#). This collaborative approach has proven once again to be fruitful, with Canada's AI builders addressing 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



Completed

Canadian companies are developing groundbreaking solutions, yet [global deployment and recognition](#) are essential for sustaining their momentum. In 2025-2026, through [strategic partnerships](#), [international trade missions](#), and [participation in global AI events](#), Scale AI continued its work to [build local and international demand](#) for Canadian AI, both at home and abroad.

ALL IN 2025

Canada's largest AI event [ALL IN 2025](#) gathered more than [6,500](#) participants from over [40 countries](#) and [130+ journalists](#) from [80+ local and international media](#). With a record ratio of [60% AI Adopters](#) and [40% 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](#).

Canadian Tour: Record announcements in 2025

The year 2025 marked record funding rounds for Scale AI since its debut. The team closed the year with a round of announcements across Canada, including in Vancouver, Winnipeg, Calgary, Toronto and Montreal, to highlight its pan-Canadian impact and to promote the adoption of Canadian-made AI alongside leaders and representatives of the AI ecosystem. This tour has benefited from high visibility in the media, both online and offline.

G7 2025

In December 2025, Scale AI met with foreign government representatives as part of the B7 alongside the [Canadian Chamber of Commerce](#), where AI was one of the main themes discussed by world leaders.



International Delegation at VivaTech 2025

With Canada being celebrated as the Country of the year at VivaTech 2025, the largest tech event in Europe, Scale AI led the [biggest delegation ever sent abroad by the Canadian AI ecosystem](#). This delegation was the result of a collaboration with multiple [key federal and provincial entities](#), including [230+ Canadian AI organizations](#) and [5 media](#) dedicated to the delegation. Building on this success from Scale AI, Canadian AI makers were able to foster fruitful partnerships with European clients and partners, and Canada has once again strengthened its leadership on the international stage.

Host Role for Delegations

In 2025-2026, Scale AI welcomed over [30 international delegations](#) of clusters, enterprises, leaders and AI builders from all over the world in its Montreal office, to discuss its model, role and its benefits for the Canadian economy and the offering of Canadian AI makers.

Increased Presence Across Canada

Scale AI [increased its presence across Canada](#) with its renewed sponsorship of The Logic Summit event in Toronto, participation in a growing number of events, including in Vooban's Impact AI event in Toronto and Amii's Upperbound in Edmonton, the Canadian Science Policy Conference in Ottawa, and the organization of a major announcement in various Canadian cities in December, 2025. Scale AI was also present in British Columbia, in Manitoba and in Alberta with dedicated announcements in December, 2025.

Presence at Global Events

Scale AI was present in [global key events](#) such as Hannover Messe and the Adopt AI Summit in France, to showcase what Canadian businesses are doing with AI and to highlight Canada's leadership in the field of AI.

3. Action Plan for Fiscal Year 2026-2027

Building a robust [Canadian AI ecosystem](#) is not just a strategic goal, it is an [economic and technological necessity](#). In a world increasingly dominated by AI, ensuring [Canada's sovereignty](#) in this domain is vital for maintaining [economic independence](#) and [global competitiveness](#). 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](#).

The rapid advancement of AI technologies presents both [opportunities and risks](#). If Canada does not prioritize its own AI development, it risks [becoming dependent on foreign entities](#) for their technological infrastructure.

This type of over-reliance would undermine Canada's AI sovereignty, requiring us to rely exclusively on foreign solutions instead of developing our own cutting-edge technologies. For sectors as varied as healthcare, transportation, agriculture, and mining, the [adoption of AI solutions created in Canada is essential](#), not only to boost productivity and drive innovation but also to [reduce vulnerability to external market pressures](#).

Over the course of the next year, Scale AI will focus on several complementary areas to address this major ambition.

1. Support industry-led investments in AI Solutions

GOAL 1

Invest additional \$28M PCAIS 2 funding in high impact industry-led projects while **maximizing the impact of the existing funded portfolio**

In FY2026–2027, Scale AI will continue to advance its mandate by [deploying additional funding received through PCAIS 2](#). These investments will support high-impact projects that help Canadian companies adopt AI solutions, improve productivity, generate measurable business outcomes, and strengthen the development and commercialization of Canadian-owned intellectual property. They will also contribute to the [continued growth of a competitive, dynamic, and resilient Canadian AI ecosystem](#).

In parallel, notwithstanding that most original objectives have been achieved or are nearing completion, Scale AI will continue, for the remainder of the mandate period, to focus on the [full delivery of all approved funded activities](#), including maintaining [rigorous oversight of project implementation](#), meeting [established performance indicators](#), and [fulfilling reporting obligations](#) in alignment with the approved work plan, milestones, and budget.

In particular, Scale AI will focus on:

- Monitoring the achievement of [key project milestones and deliverables](#);

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- Ensuring [continued compliance with contribution agreement requirements](#) and [results reporting obligations](#);
- Tracking the creation, and ownership of [intellectual property](#) generated through funded projects;
- Capturing [measurable outcomes](#) related to productivity, cost reduction, operational efficiency, commercialization, ecosystem development, and skills development;
- Ensuring that the remaining mandate period translates previously funded activities into [tangible economic and societal benefits for Canada](#).

Through this disciplined portfolio management approach, Scale AI will maximize the value of public and private investments already mobilized and ensure that funded projects deliver strong and measurable results through the final phase of the current mandate.

GOAL 2

Secure [additional funding](#) to support [applied AI sovereignty](#)

Strengthening Canadian productivity relies on a [massive acceleration in the adoption and commercialization](#) of AI value chain solutions. While projects supported by Scale AI have delivered [measurable results](#), the [current demand from our ecosystem far exceeds the Scale AI's currently available funds](#). This imbalance underscores the urgent need for [additional funding](#) to ensure that Canada not only [sustains its progress](#) but also [capitalizes](#) on the vast opportunities AI presents.

Canadian businesses, particularly in critical sectors such as defense, healthcare, logistics and manufacturing, are at a [pivotal juncture](#). These industries face [intensifying global competition](#) and increasing pressure to [modernize and innovate](#). AI is no longer optional: it is essential to [improving productivity](#), [enhancing operational efficiency](#), and [securing competitiveness](#) on a global scale.

Thanks to years of [accumulated expertise](#) and [effective management of high-impact project portfolio](#), Scale AI is uniquely positioned to meet these challenges head-on. In FY 2026-2027, Scale AI will therefore pursue a [diversified funding strategy](#) built around three complementary sources of support.

First, Scale AI will continue to work with the [Government of Canada](#) to explore renewed federal funding for applied AI adoption and commercialization. This includes potential support for industry-led AI projects, AI deployment in strategic sectors, the scaling of Canadian AI companies, and broader initiatives related to AI sovereignty, productivity, and public-sector modernization.

Second, Scale AI will continue to pursue [partnerships with provincial governments and regional economic development organizations](#). These partnerships could support targeted deployment of AI in priority sectors or regions, including healthcare, manufacturing, logistics, natural resources, agriculture, defence-related industries, and SMEs. Such partnerships would build on Scale AI's existing [national delivery model](#) while [enabling provincial priorities](#) to be addressed through a proven, rigorous, and scalable platform.

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Third, Scale AI will seek to [increase private-sector and ecosystem contributions](#), including industry co-investment in projects, sponsorships, conference and event revenues, and strategic partnerships with corporations, investors, accelerators, and other ecosystem actors. These sources will complement public funding and reinforce Scale AI's core co-investment model, ensuring that public dollars continue to leverage meaningful private-sector commitments.

This diversified funding approach will allow Scale AI to sustain its role as a [national applied AI platform](#), [maintain continuity](#) for Canadian businesses and AI providers, and [support the next phase of Canada's AI adoption, commercialization, and technological sovereignty agenda](#).

2. Optimize Hospital Operations

GOAL 3	Support the delivery of AI-enabled operational improvements in hospitals
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The hospital modernization stream, funded through the Pan-Canadian AI Strategy, remains a priority area for 2026–2027.

Scale AI will:

- Support the [execution of ongoing projects](#) that improve patient flow, triage, diagnostics support, logistics, and operational efficiency.
- Actively support the adoption of solutions that demonstrate clear improvements in [service delivery, cost efficiency, and staff productivity](#).

This stream will continue to demonstrate how AI can make a [direct, measurable contribution to the performance of critical public systems](#).

3. Accelerate Canadian AI Startups

GOAL 3	Accelerate the scale-up of 40-50 early-stage start-ups by committing \$2M in Scale AI funding to services focused on building AI capabilities.
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Through the Acceleration 2.1 program, Scale AI will continue to support emerging Canadian AI companies in [strengthening their technical capabilities](#) and [achieving market traction](#).

In FY2026–2027, Scale AI will:

- Provide support for [40–50 early-stage startups](#), focusing on improving their AI stack, validating use cases, and accelerating commercialization.
- Facilitate connections between startups and Canadian adopters, enabling early pilots and customer validation.

These efforts help ensure that [high-potential Canadian companies](#) have the [support needed](#) to grow and compete.

4. Develop Canada's current and future AI Workforce

GOAL 4 Ensure **effective delivery** and **impact** of ongoing training initiatives

In FY2026-2027, Scale AI's focus will be on **supporting and completing** the initiatives already approved.

Scale AI will:

- Oversee the **full and timely execution** of ongoing training projects.
- Ensure funded projects meet their commitments and provide practical, industry-relevant skills.

This approach ensures that existing investments deliver **strong, measurable outcomes while maintaining continuity with partners**.

GOAL 5 Complete delivery of **STEM programs**

The STEM Call for Proposals launched last year is now fully allocated. FY2026-2027 is **focused exclusively on execution**.

Scale AI will:

- Monitor the delivery of all selected STEM initiatives across the country.
- Assess program reach, quality, and early outcomes related to youth exposure to AI and STEM pathways.

This ensures continuity and maximizes the value of last year's investments.

5. Showcase Canadian AI on the Global Stage

Goal 6 Strengthen **Canada's AI Ecosystem** and Expand **Global Reach**

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. This collaborative approach strengthens Canada's ability to address pressing challenges, while setting the stage for long-term economic resilience.

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 will gather more than 6,500 participants from over 40 countries in Montreal in 2026.

6. 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 simple and transparent for users; and we provide clear feedback on the relevance of project proposals as early as possible to improve the quality and efficiency of their submissions.

→ **Lean through automation:** we use digital tools 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 technical and financial due diligence before investing, on the robustness of proposed technologies, 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 [2026-2027](#) including Operating and Administration (O&A) expenditures, project spending, and Ecosystem Initiatives (including Showcase events, Acceleration, and Workforce). It also includes new “ZEM” funding from the Quebec government to bolster financing for Quebec projects – see Note 2 in Table 3.

Table 1: Planned Expenditures (spending) FY 2026-2027

Planned Expenditures FY 2026-2027	GIC	PCAIS	ZEM	Total
Operating & Administrative 100%	\$ 1,982,000	\$ 4,000,000	\$ 64,000	\$ 6,046,000
Projects	\$ 19,663,000	\$ 58,454,659	\$ 4,000,000	\$ 82,117,659
Ecosystem-Showcase	\$ 7,863,000	\$ -	\$ -	\$ 7,863,000
Ecosystem-Acceleration	\$ 2,650,000	\$ -	\$ -	\$ 2,650,000
Ecosystem-Workforce	\$ 300,000	\$ -	\$ -	\$ 300,000
Total	\$ 32,458,000	\$ 62,454,659	\$ 4,064,000	\$ 98,976,659

Table 2 outlines the additional (planned) [sources of funding, over and above that funded by ISED](#) for the Fiscal year [2026-2027](#), 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: Non ISED (planned) Sources of Funding FY 2026-2027

Non-ISED Planned Revenues	GIC	PCAIS	ZEM	Total
Industry Matching Funds :				
Industry Contribution Towards Eligible Project Costs	\$ 31,460,800	\$ 93,527,454	\$ -	\$ 124,988,254
Industry Sponsorships and Conference Fees	\$ 7,014,000	\$ -	\$ -	\$ 7,014,000
Membership & Registration Fees	\$ 674,768	\$ 1,889,232	\$ -	\$ 2,564,000
Total	\$ 39,149,568	\$ 95,416,687	\$ -	\$ 134,566,254
Other Sources:				
Other Government Contribution	\$ -	\$ -	\$ -	\$ -
Interest Income	\$ 52,500	\$ 52,500	\$ -	\$ 105,000
Total	\$ 52,500	\$ 52,500	\$ -	\$ 105,000
Total Non ISED Planned Revenues	\$ 39,202,068	\$ 95,469,187	\$ -	\$ 134,671,254

Table 3 outlines a statement of [annual cash flows](#) for the fiscal year [2026-2027 to meet project and operational spending](#). Note that the Industry Match (Including In-Kind Industry Contribution) is not an actual cash inflow for Scale AI, as it represents a direct contribution to projects by ultimate recipients. Therefore, these amounts will not appear in Scale AI’s audited financial statements as part of the total revenues.

The actual cash balance remaining as at March 31, 2027, may differ from the estimated amount.

Table 3: Annual Cash Flows FY 2026-27

Annual Cash in-Flows	Total
Global Innovation Cluster Contribution	\$ 25,030,500
Pan-Canadian AI Strategy Contribution	\$ 61,454,659
Quebec - Zone Economique Metropolitaine	\$ 4,064,000
Membership and Registration Fee	\$ 2,564,000
Industry Match (In-Kind Industry Contribution)	\$ 124,988,254
Sponsorship and Conference Fees	\$ 7,014,000
Interest Income	\$ 105,000
Total Cash Inflows	\$ 225,220,413
Items Not Involving Cash	\$ -
Total Items Not Involving Cash	\$ -
Total Annual Cash Flows	\$ 225,220,413

Note 1:

Table 3 is the summary of the financing required to fund the expenditures in Table 1. In addition, the 25% of eligible O&A expenditures not funded by ISED 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.

Note 2 :

In early February 2026, Scale AI and the Quebec government signed an Agreement to provide specific funding to companies in the Quebec City area wishing to implement AI. As part of this Agreement, companies will use the existing Scale AI process to submit AI projects, and the Scale AI selection & governance processes will be used to confirm funding. This Agreement will also allow Scale AI to fund up to 50% of eligible costs, of which 20% will be funded by the Quebec Government. The total funding available for projects under this Agreement will total \$4.3 million, of which \$ 0.3 million will be allocated for operating costs.

5. IP strategy & data strategy implementation

Intellectual property (IP) and data strategies must align with business objectives to optimize the tailwinds that IP and data can provide towards achieving our 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:

- **Growing Domestic Demand:** by selecting for funding [only](#) industry-led projects that will generate IP [that will be owned in Canada](#), and used or licensed after project completion [to benefit other Canadian businesses](#), we ensure that every project will generate IP that can benefit the broader Canadian ecosystem; and
- **Supporting SME scale-up:** by insisting that all adoption projects include [IP ownership 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 publicly offering an ever-growing digital library of AI-specific IP educational content.

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 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 second 5-year mandate is anchored in the experience we gained in our 1st 5-year mandate 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](#)

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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 mandate, we continue to 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 encourages 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 major client.

SCALE|AI

In its 2nd 5-year mandate, Scale AI is also launching [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/>

BUY CANADIAN

In the context of [Government's "Buy Canadian" policy](#), Scale AI affirms that it will continue to ensure that all Scale AI project funding is applied only to [Canadian costs](#). For all new purchases made by Scale AI, we will also adhere to the policy and its spirit.

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 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 defence, 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](#).

OUR INITIATIVES

In our 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](#).

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 our 2nd 5-year mandate, Scale AI has prioritized [targeted, high-impact training programs](#) that align with industry needs. [Custom corporate training initiatives](#) have been 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 will 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 2026-2027, the following significant risks and mitigation strategies are highlighted below:

	Risk Category	Description	Risk	Mitigation strategy
1	Financial & Operational	<u>Continuity of Operations:</u> Discontinued funding for Projects and external economic factors (i.e. recession and inflation) may potentially impact Scale AI's mission.		- New Funding announcements may occur in Calendar 2026, which will reduce this risk going forward. - Continued emphasis on Scale AI's value chain mission and its ability to contribute in creating value for Canadian enterprises
2	Financial & Operational	<u>Lack of investments in AI:</u> May lead to a weak demand for AI expertise in Canada and may result in a talent drain to foreign markets.		- Actively encouraging AI adoption, which enhances the development of AI suppliers across Canada. - Continued investments in the ecosystem and a sustained push for corresponding private and public funding limits the impact of this risk.
3	Financial & Operational	<u>Future funding to start-ups:</u> The increase in the AI capabilities of startups and their access to external AI talent may be limited due to funding.		Close relationships with AI institutes (Amii, IVADO, Mila and Vector) and universities, provide startups with access to AI experts and AI talent, all of which currently funded by incubators, accelerators and Scale AI.
4	Financial & Operational	<u>AI talent:</u> Adequately trained AI teams (Internal & External) are essential to a project's success and projects risk failing if AI personnel are not adequately trained.		- Ecosystem partners / service providers have reached a level of maturity and competency in AI to ensure staff are properly trained. - As part of industry-led projects, adopters continue to invest in training their internal workforce.
5	Financial & Operational	<u>Lapse of funding:</u> Projects are heavily dependent on human resources and scheduling, and require careful oversight to avoid delays		Effective project controls to assist with keeping project delivery on schedule; exceptionally, duly-approved extensions may be granted to secure the project's

		leading to lapse of funding.	success.
6	Compliance & Legal	<u>Steward of public funds:</u> As a steward of public funds, maintaining high standards of operational integrity and compliance is essential. Risks such as posed by ethical considerations, business relationships, program requirements and other circumstances must be closely monitored and carefully managed.	• Comprehensive governance frameworks, supported by board-approved policies, personnel training and regular reviews ensure compliance to policy standards. • Robust processes and internal controls to identify, evaluate and mitigate business and compliance risks, with ongoing monitoring to ensure effectiveness of mitigations.

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 and the University of Waterloo), [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 and Panache Ventures), 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 3 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.