2025-2026

ANNUAL BUSINESS PLAN



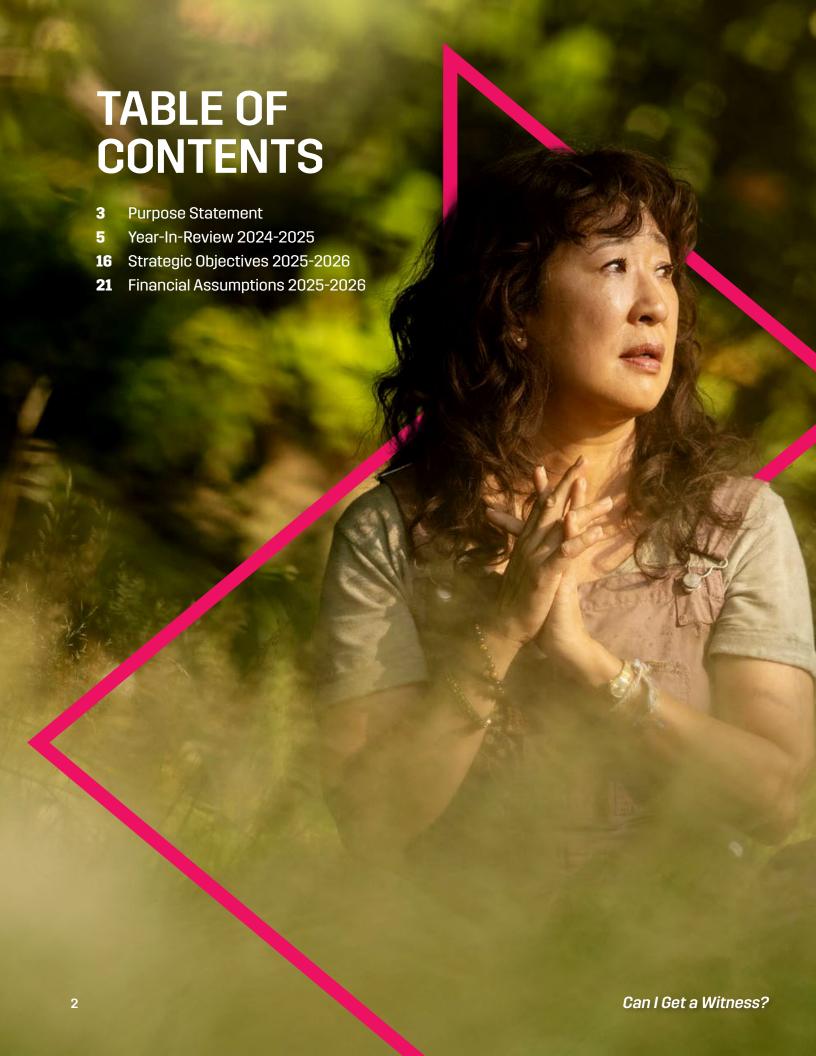












PURPOSE STATEMENT

The Canada Media Fund's Board of Directors has determined the following purpose statement for the CMF, including three strategic pillars:

MANDATE To foster, promote, develop, and finance the production of

Canadian content for all audiovisual media platforms.

MISSION To guide Canadian content towards a competitive global

environment by fostering industry innovation, rewarding success, enabling a diversity of voices, and promoting access

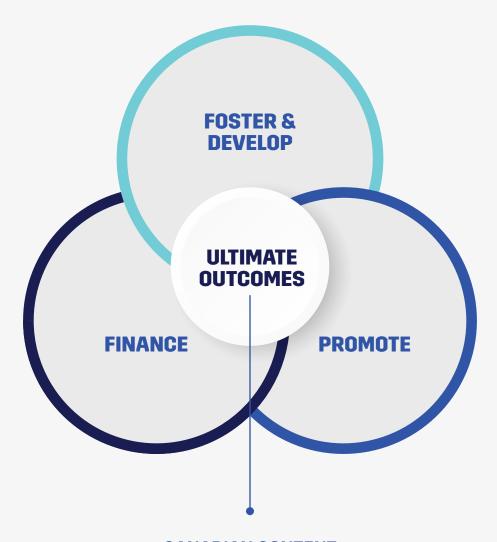
to content through industry and private sector partnerships.

VALUES Innovation

Transparency Accountability







CANADIAN CONTENT

Canadian audiovisual content succeeds at home and abroad.

SECTOR HEALTH AND SUSTAINABILITY

An inclusive, competitive, and resilient Canadian audiovisual sector.





YEAR-IN-REVIEW 2024-2025

he 2024-25 fiscal year marked a significant milestone for the Canadian media industry, as rules and regulations resulting from the passing of Bill C-11 were finalized. On June 4, 2024, the Canadian Radio-television and Telecommunications Commission (CRTC) ordered certain foreign-owned online undertakings to contribute 5 per cent of Canadian revenues as a base contribution requirement within the broadcasting system. The contributions were to be allocated to various funds in the audio and audiovisual sectors, including the CMF. The CRTC estimated that approximately \$140M of \$200M would be directed to the audiovisual sector.

business plan
was based on
three pillars—
Modernization,
Contribution,
and Innovation.

From the CMF's perspective, the result was intended to be a contribution of 2 per cent of their Canadian annual gross revenues, with a large exception. Online Undertakings ("OUs") would be allowed to deduct any certified Canadian content expenditures (production or acquisition) of up to 1.5 per cent of annual contribution revenues. Ultimately, contributions to the CMF could range between \$14M - \$56M.

The implementation of the decision was delayed in December 2024 when the Federal Court of Appeal granted OUs leave to appeal and agreed to hear their case. While an expedited schedule has been set, the proceeding will take place no later than June 2025. It is not known how quickly a decision will be rendered or if further appeals will be sought. Similarly, if a new Government is elected in 2025, the Bill could be amended.

Meanwhile, Broadcasting Distribution Undertaking ("BDU") contributions to the CMF continue to experience a steady decline. In response, the federal government implemented a stabilization initiative in 2017 to offset these declines. However, the CMF has now exceeded the cap of this stabilization funding. Compounding this decline, the federal government's renewed investment of \$20M for two years to increase investments in projects by Equity-Deserving Communities will sunset at the end of 2025-26. As a result of these multiple converging factors, in the upcoming fiscal year our program budget will face another substantial year-over-year decrease unless the government fulfills its promise to double its contribution to the CMF or unless the stabilization fund is increased, as requested from the authorities by the CMF.

In light of these challenges, the CMF remained steadfastly committed to our growth and inclusion work, building on the strength of our programs directed towards Indigenous and Equity-Deserving Communities. As part of a new, two-year agreement with the Department of Heritage (DCH), the CMF was granted new and expanded authorities. The flexibilities unlocked by DCH included expansion of our Sector Development Program and the development of a three-year Equity, Diversity, Inclusion, and Accessibility (EDIA) strategy.

Our 2024-25 business plan was based on three pillars—Modernization, Contribution, and Innovation.



YEAR-IN-REVIEW 2024-2025 cont'd

MODERNIZATION



Responsibly navigate the transition period until a fresh regulatory framework and updated contribution requirements are implemented. In the meantime, the flexibilities in the CMF's mandate from DCH will empower us to take important steps towards executing our broader vision.

OUTCOMES:

- Launch the content-centric and platform-agnostic program model that supports storytelling at every stage via our newly designed Ideation, Creation, and Industry streams.
- Streamline and simplify all core CMF program guidelines and formats.
- Work with funding agencies and the federal government to determine the CMF's leading role in future audiovisual sector modernization.
- Actively engage in work to modernize the definition(s) of Canadian content, support the work of the Indigenous Screen Office (ISO) to develop a definition of Indigenous content, and implement any new definitions within the CMF's programs.
- Further explore and model innovative financing tools and flexible funding approaches.
- Provide new program criteria that lowers barriers to access and expands market tests and triggers for linear content.
- Be responsive to changes in funding availability.
- Align structure and functionality of the CMF to ensure staff has the appropriate support, tools, and infrastructure.
- Establish an accessibility strategy across all departments to improve understanding of the CMF's processes and programs, internally and externally.

The CMF aimed to deliver a reorganized program model that would provide stability to the industry, while advancing policy direction from DCH and our Equity and Inclusion Strategy. Previous programs and activities from Convergent, Experimental, and Sector Development were re-classified into three new pillars: Ideation, Creation, and Industry. The shift from separating programs based on ultimate platform consumption to stages of the project emphasized the CMF's objective of moving towards a content-centric, platform-agnostic approach. Each of the new pillars contain programs that supported both Linear and Interactive Digital Media content.



YEA

YEAR-IN-REVIEW 2024-2025 cont'd

With over 30 different programs that shared similar rules, the CMF also looked to modernize the format of our program guidelines by creating a core set of Linear and IDM guidelines. This simplification will save applicants time and allow the CMF to more easily adapt our programs in the future. Updated guidelines will make it easier for applicants to navigate program requirements, result in fewer and shorter documents to draft and read, and will ensure improved consistency among all program guidelines. To provide even more flexibility to broadcasters and further simplify CMF programs, the CMF combined the Development and Performance Envelopes into a singular Broadcaster Envelope system.

The CMF expanded the existing Canadian broadcaster market test in linear content programs by allowing Canadian-owned and controlled distribution companies to contribute financing to help unlock CMF funds. This alternate access to CMF funds was a step forward to opening the possibility for more creative financing solutions. Broadcasters will still have to provide the majority of the licence fee in the program, but distributors can help contribute to the threshold required to unlock CMF funds. In addition, in the fall of 2024, the pilot Distributor Program was launched to offer more flexibility to applicants to trigger CMF funds

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without the requirement of a Canadian broadcaster. The objective of this program is to open the CMF to a wider array of applicants and market tests that may not have been accessible in the past. The new funding system offers creative financing solutions so more Canadian content will be seen in Canada and internationally. Successful projects will still have a "shown in Canada" requirement.

Initial demand of the pilot project was very positive with 105 applications (33.8 per cent French-language; 66.2 per cent English-language) and \$45.9M funding requested, representing \$243.3M in production volume. The program attracted a different genre mix compared to the Broadcaster Envelope Program, with higher percentages of Children and Youth content (24 per cent versus 10 per cent) and Documentaries (54 per cent versus 20 per cent), and a lower percentage of Dramas (15 per cent versus 63 per cent). 61 parent companies were identified as applicants while 55 distribution companies, 17 Canadian broadcasters, and 10 international broadcasters appeared in the financing structure.

To further reduce barriers in access to the Broadcaster Envelope Program, factor weights were adjusted to reflect the change in market demand. Changes included (i) decreasing the weight attributed to conventional TV audiences, (ii) further rewarding the employment of members of Diverse Communities and Women, (iii) incentivizing the licensing of projects with a plan to export to international markets, and (iv) incorporating broadcaster development activity as the Development and Performance Envelopes are consolidated. Broadcaster Envelope allocations continue to have 100 per cent flex allowance to licence projects in any of the CMF's four genres.





On November 15, 2024, the CRTC issued Broadcasting Notice of Consultation CRTC 2024-288, seeking consultation to modernize its definition of Canadian content as part of its broader regulatory plan to implement the Online Streaming Act and ensure the sustainability and growth of Canada's broadcasting system. In reply, the CMF submitted that any new CRTC regulatory measure include (i) the need for robust contributions to production funds to ensure investment in the creation of diverse, original content and (ii) minimum expenditure requirements or incentives for original, independently produced, and French-language content. In addition, the CMF submitted that once the Commission's proposed new Canadian programming expenditure ("CPE") contribution regime is implemented, the 1.5 per cent expenditure incentive within the CMF's base contribution allocation should be rescinded. The incentive acts as a de facto CPE requirement and has the potential to reduce contributions to the CMF.

Throughout our journey, the CMF has come to better understand the critical importance and role of accessibility and full participation. For this reason, we have added Accessibility as a core pillar of our 2024-27 EDIA Strategy to ensure accessibility practices are incorporated throughout the CMF's internal and external work. We are significantly increasing our accessibility services by expanding the number and specialty of service providers, boosting annual program support, and enhancing eligibility for applicants with disabilities. This ensures a more equitable application process, breaking down barriers for disabled creators and production companies to thrive.

S The CMF has come to better understand the critical importance and role of accessibility.





YEAR-IN-REVIEW 2024-2025 cont'd

CONTRIBUTION



Identify gaps in Sector Development and address them through the next phase of the CMF's Growth and Inclusion strategy, prioritizing funding for projects that embrace the voices, perspectives, and experiences of Indigenous and underrepresented communities.

STRATEGIC ACTIONS

- Execute the updated three-year Growth & Inclusion strategy, embedding principles throughout the CMF's programs, initiatives, and communications.
- Maintain funding and commitment to Growth & Inclusion, focusing on Content and Sector Development.
- Recognize and support the distinctiveness between the Indigenous, French-language, and Englishlanguage markets.
- Expand industry leadership in PERSONA-ID to include Sector Development and more robust ownership data; reconvene stakeholder consultations with users and agencies to discuss a unified approach to help measure impact, inform priorities, and guide decision-making across the industry.
- Implement Year 3 of the Data Strategy to formalize ongoing program evaluation and streamline reporting in alignment with the CMF logic model and DCH requirements.
- Further refine data architecture systems to address gaps and promote rapid turnaround of insights for use in program development and outreach / communications activities.

The specific objective of the newly designed Industry pillar was to recognize, organize, and further empower all the essential work the CMF already performs and provides to CMF partners and collaborators though research, data collection, sector development, and promotion under one pillar, but managed by specific CMF departments and budget allocations.



YEAR-IN-REVIEW 2024-2025 cont'd

On September 12, 2024, the CMF launched its new three-year EDIA Strategy. The priority is to create structural changes within the CMF that strengthen EDIA principles across the organization and build the foundation of our new content-centric program model that supports storytellers across all platforms. With industry modernization and updated regulations, the first year of the Strategy continued to focus on specific communities, while maintaining the new incentives and programs launched during the 2021-23 Equity and Inclusion Strategy, including Sector Development Support and the Program for Racialized Communities. In the 2024 budget, the federal government renewed a \$40M commitment to EDIA funding over a two-year period. This allowed the CMF to maintain and build our EDIA investments and achieve the objectives set out in our 2024-27 EDIA Strategy.

The first Demographic Report was published in January 2025. The objective of the report was to provide a comprehensive overview of demographic representation across the CMF programs during the 2023-24 period. The demographic information used in the report was collected through PERSONA-ID, the CMF's voluntary self-identification system launched in early 2022. Alongside this singular year-over-year data, the report incorporated results from a PERSONA-ID user survey conducted in February 2024 and feedback gathered from consultations with industry guilds, associations, and community organizations during the spring and summer of 2024.

PERSONA-ID participation increased in 2023-24. 89 per cent of all declared Key Roles included a PERSONA-ID number, compared to 83 per cent in 2022-23. Meanwhile, shareholder participation rose from 67 per cent in the previous year to 85 per cent in 2023-24. The overall representation of First Nations, Inuit, and Métis peoples in Key Roles within linear content increased from 7 per cent to 9 per cent. This growth was especially notable in Indigenous-language productions, where Indigenous representation rose from 57 per cent to 68 per cent. Across all linear content, Diverse Community representation in Key Roles rose from 32 per cent to 36 per cent. In IDM content, representation grew from 46 per cent to 49 per cent.

2024-25 also marked the final year of the three-year Data Strategy. Investing in data enables the CMF to make better decisions, design better programs, and deliver more effective services. New funding and new authorities to the CMF will provide the opportunity to align resources with a modernized program model, measure cultural and economic objectives, and evaluate CMF programs using quantitative and qualitative information. A renewed approach to data collection will allow the CMF to evaluate the effectiveness and achievements of objectives and maximize value for decision-makers and day-to-day operations.

is to create structural changes within the CMF that strengthen EDIA principles.





Several new flex measures were rolled out in 2024-25 for Indigenous-owned and -controlled production companies. Indigenous producers will now have expanded flexibility in some eligible genres. Indigenous producers are now permitted to apply for funding with Indigenous cultural projects that classify as "how-to" programming, which had been an ineligible subgenre of the CMF's Documentary definition. The aim of this change was to increase the number of projects Indigenous producers can make connected to the

S Indigenous producers will now have expanded flexibility in some eligible genres.

revitalization of Indigenous cultures and increase capacity building in the Indigenous production community.

Indigenous producers in the North will also benefit from expanded market tests and flexibility on current rules related to Canadian key personnel and from the removal of barriers to production across the circumpolar region. The CMF will allow non-Canadian broadcasters in the circumpolar region to act as a market test to, solely or help, unlock CMF funds for Indigenous-owned and -controlled projects. Despite this flexibility, the same CMF rules connected to Canadian IP and the project being shown in Canada within two years would still apply.

The third season of Now & Next's Lights, Camera, Inclusion, which focused on children and youth programming, had over 2,000,000 views across YouTube (full episodes) and other social platforms (short clips). The breakdown: 1,856,800 (short clips + ads on all social channels) + 183,000 (YouTube views).





YEAR-IN-REVIEW 2024-2025 cont'd

INNOVATION



Establish measures that build the resilience, sustainability, and growth of all of Canada's domestic production industry across all content forms.

STRATEGIC ACTIONS

- Research, evaluate, and design new and innovative initiatives to address certain genres facing challenges—Children and Youth programming and one-off Documentaries—while exploring opportunities for new partnerships.
- Partner with the ISO to transition the administration of the Indigenous Program and provide ongoing market and sector development support.
- Increase investment in innovation, immersive digital media, and next generation of creators.
- Invest in the audiovisual sector's adoption of environmentally sustainable practices in production.
- Expand support to companies beyond project-by-project funding.
- Invest in talent development programs, mentorship, and training to nurture emerging creators and provide pathways for career growth.
- Develop a stronger international strategy to provide market access for Canadian and Indigenous producers and facilitate international collaborations, co-productions, and distribution opportunities.
- Collaborate with local and international organizations to ensure our system remains future-ready.

In January 2025, the CMF released our first-ever Genre Report exploring challenges facing producers working in the Documentary and Children and Youth (C&Y) genres. The mandate was to determine how and why CMF participation in these two genres has changed, to analyze causes of the change, to explore why producers are moving outside the Canadian ecosystem, to identify what remedies are viewed as priority, and to suggest potential solutions. Contrary to overall growth of the Canadian television industry in the last decade, Broadcaster participation in CMF funding has decreased in C&Y and one-off documentaries. Given the CMF's overall mandate to support drama, documentary, C&Y, and variety and performing arts, this shift called for a closer examination of how the CMF can best support producers, consumers, and broadcasters in these two at-risk genres.





At the beginning of the year, the CMF increased the genre allocations devoted to C&Y and Documentary content in both English and French. In addition, the Documentary genre calculation divided one-off documentaries and documentary series to ensure that Broadcasters have an increased incentive to license the extra-vulnerable one-off sub-genre, which has seen a decline in support over several years.

the CMF increased the genre allocations devoted to Children & Youth and Documentary content.

At the Indigenous Screen Summit during the Banff World Media Festival, the ISO and the CMF announced that first steps had been taken towards the ISO fully administering the CMF's Indigenous Program, a future-facing decision that will ensure the best Indigenous stories are seen on screens at home and around the world. The Indigenous Program for development and production funding will come under the full administration of the ISO starting April 1, 2025.

In alignment with our mandate to support Indigenous production, the Indigenous Company Impact Support (ICIS) program was launched in 2024. The ICIS provides one-time funding to companies owned and controlled by First Nations, Inuit, and Métis individuals with projects funded by the CMF in 2022–23 or 2023–24. The successful applicants will receive up to \$50,000 from the CMF. The program focuses on supporting a range of activities that promote professional and company advancement, including company stabilization or growth, training and capacity building, community engagement, and market access.

Funding devoted to IDM activities increased as a percentage of total CMF funding. In addition, the CMF announced the renewal of the Digital Creators Pilot Program (DCPP) for a second year. The program supports the growth trajectory of mid-career Canadian digital content creators making short-form video content exclusively on YouTube, Instagram, TikTok, and Facebook. The first year of the program saw a total of 23 successful projects chosen from 71 applications by a jury comprised of peers in the digital creation ecosystem and CMF Program Administrator analysts. The total commitment for the 2023-24 edition of the DCPP is \$438,050.

Gaps were also identified and addressed through the Changing Narratives Fund. Initiated by DCH, the program aims to support creators from diverse communities, including Indigenous, Black, Racialized, ethno-religious minorities, Disabled Persons / Persons with Disabilities, and 2SLGBTQ+ communities. The objective is to fund professional development, training, and mentorship initiatives that increase the number of qualified and skilled diverse creators in the industry. This fund also supports organizations in developing and delivering innovative, high-impact activities that build capacity and maintain resilience within the Canadian audiovisual sector. In 2025, the CMF allocated over \$2.4M to over 17 non-profit organizations through this fund.

The CMF continues to communicate in an open, transparent, and inclusive manner. In the summer and fall of 2024, the CMF held several consultations to engage with key industry members and organizations to ensure we are future ready. Sessions included EDIA, Children and Youth programming, CMF program model, and the Broadcaster Envelope system.



In December 2024, the CMF hosted a conversation with audiovisual industry leaders to explore the possibility of finding points of commonality in planned representations before the CRTC as part of their ongoing consultation regarding the definition of Canadian content and expenditures to Canadian programming (Broadcasting Notice of Consultation 2024-288). A cross-section of associations, union and guilds, and industry organizations were invited. Following the meeting, the CMF provided a list of proposed points of alignment for consideration and inclusion in respective partner submissions to the CRTC.

Throughout the 2024-25 fiscal year, the MADE | NOUS campaign continued its mission to promote Canadian creators who find success at home and abroad within the film, television, and digital entertainment industries. Namely, communication strategies that were developed in the previous fiscal year entered their implementation phase and were rolled out through various tactics.

The MADE | NOUS campaign's digital ambassadors spent the year creating content for the brand's social media channels, all while discovering and recommending Canadian media for their viewers. They also had the opportunity to attend special events and film premieres, and continue to build bridges between the small screen and the big screen. This broadened the campaign's social media editorial strategy and provided a foundation for many future collaborations with different online creators.

Throughout the 2024-25 fiscal year, the MADE | NOUS campaign continued its mission to promote Canadian creators.

In October 2024, three striking portrait-style murals that celebrate drag superstar Priyanka, award-winning Canadian actor Paul Sun Hyung-Lee, and one of Canada's most celebrated filmmakers, the late Jean-Marc Vallée, were erected in Toronto, Calgary, and Montreal respectively. The murals celebrate the profound influence and achievements of these individuals who have shaped Canadian culture and inspire future generations of creative talent. In addition to the murals, MADE | NOUS donated \$5,000 to local charities chosen by each of the murals' subjects and families.

In January 2025, a new media campaign was launched for MADE | NOUS featuring several video ads that highlight creativity that is "MADE Here." Three distinct creatives for the English-language market and three for the French-language market were deployed in a paid media campaign that will last through March 2025 across various digital platforms, as well as certain television networks. The campaign also included cameos from Emily Hampshire (*Schitt's Creek*, *The Rig*), as well as Geneviève Schmidt (*STAT*, *Sisters and Neighbors!*). In addition, this campaign debuted a brand-new look for the MADE | NOUS brand, including a new logo and visual identity, designed to reflect the campaign's ongoing effort to reflect the values of its audience.







STRATEGIC OBJECTIVES 2025-2026

PREAMBLE

espite some changes last year, much of the industry remains unaffected. The CRTC issued its long-awaited decision directing online streaming platforms to contribute to the Canadian production ecosystem. That decision is now in the middle of a lengthy federal appeal process, which has resulted in some uncertainty. But major changes are on the horizon in 2025. The CRTC, with guidance from the industry, is working on developing a new regulatory framework, including redefining Canadian and Indigenous content.

The CMF's strategic direction in the 2025-2026 fiscal year will be impacted by:

- Unresolved and continued CRTC decisions connected to the Online Streaming Act
- The Department of Canadian Heritage (DCH)'s ongoing work to modernize the tools and institutions that support the audiovisual sector
- Continued declines in all sources of CMF revenues including regulated BDU contributions and sunsetting EDIA funding
- Unprecedented demand across all programs, partnerships, and Sector Development

In the face of budget declines, the CMF aims to reimagine the program model and infrastructure to serve a growing pool of industry partners, while minimizing the destabilization to Canada's audiovisual industry. A fresh, bold approach is required.

A strategy that puts Canadian and Indigenous creators, companies, intellectual property, and innovation at the forefront while continuing to attract valuable foreign investment is crucial. A new model will provide creators with more ways to unlock and access CMF funds, incentivizing the creation and distribution of high-quality Canadian and Indigenous content across all platforms for audiences both within Canada and globally.





STRATEGIC OBJECTIVES 2025-2026 cont'd

2025-2026 STRATEGIC OBJECTIVES:

- In preparation for significant changes to the future program model, maintain stability and consistency in the short-term with responsible, iterative innovation.
- Leverage data to inform decision making and performance evaluation.
- Bring together the Canadian audiovisual industry and audiences.
- Provide efficiency and simplified program design.
- Review our approach to underserved communities, genres, and regions.
- Enhance Canada's international visibility.
- Align People Strategy with Corporate Mission.

The 2025-26 business plan will focus on the CMF's fundamental mandate, core values, and principles: Finance, Foster & Develop, Promote.

FINANCE



Serve as a reliable and steady funding source, while evolving the existing Program Model to a modernized system that provides industry resources, autonomy, and stability.

STRATEGIC ACTIONS

- Provide more flexible and creative financing options for CMF applicants, facilitating enhanced collaboration between Canadian Broadcasters. Producers, and Distributors.
- Follow market forces but incentivize the market to invest in vulnerable content and communities.
- Create a new approach to stimulate the creation of Children and Youth content across all platforms, including incentives, budget carve outs, and financing flexibilities.
- Build on our past recognition and understanding of the differences between English and French language markets, Indigenous content, and regions across Canada.
- Implement scaled financing and external market validation to better manage Interactive Digital Media (IDM) Program demand.
- Review international partnership opportunities and consider new ways to reward Canadian projects that emphasize global reach.





STRATEGIC OBJECTIVES 2025-2026 cont'd

FOSTER & DEVELOP



Continue to evaluate and assess activities in the CMF's Industry pillar to create more opportunities for applicants to succeed in the Ideation and Creation pillars

STRATEGIC ACTIONS

- Implement the second year of the 2024-2027 EDIA Strategy, allowing more opportunities for underserved creators to access funding while fostering reach, promoting growth, and creating partnerships.
- Reframe our work with Equity-Deserving Communities, emphasizing growth and highlighting economic success
- Ensure accessibility practices are incorporated throughout the CMF's internal and external work while expanding accessibility support across programs.
- Provide mentorship, training, and development opportunities through the second year of the Changing Narratives Fund.
- Continue the journey of reconciliation by partnering with the Indigenous Screen Office (ISO), supporting their leadership, autonomy, and decision-making while administering the CMF's Indigenous Program.
- Ensure Indigenous applicants are provided with as much flexibility as possible.
- Improve data collection and transparency mechanisms through PERSONA-ID to track impact and guide CMF policy design.
- Participate in the audiovisual sector's adoption of environmentally sustainable practices in production.
- Align structure and functionality of the CMF to ensure staff has the appropriate support, tools, and infrastructure





STRATEGIC OBJECTIVES 2025-2026 cont'd

PROMOTE



Build on the CMF's reputation as an industry advocate and ally to develop a Canada-centric strategy that puts creators, companies, intellectual property. and innovation at the forefront.

STRATEGIC ACTIONS

- Promote the economic benefits and impact of our sector while highlighting the importance and innovation of Canadian and Indigenous content.
- Reach a wider audience to rally behind the audiovisual sector and its creators.
- Champion the CMF's mandate to fund new, original linear content in the genres of Drama, Documentary, Children & Youth, and Variety & Performing Arts.
- Enhance performance measurement, program evaluation, and reporting to inform data-driven decision-making for the CMF and the industry.
- Leverage our platforms to promote EDIA progress and accountability within the sector and the growth of the industry.
- Work with other funding agencies and the federal government to modernize the audiovisual sector and continue to advocate for the sector at upcoming CRTC consultations.
- Review our approach to international markets to support the industry and co-production.







FINANCIAL ASSUMPTIONS 2025-2026

OVERVIEW*

The 2025-2026 CMF annual budget is based on total revenue of \$358.2M and total expenses of \$379.9M. The shortfall of \$21.7M will be offset by an allocation from the program funding reserve.

REVENUE

Total revenue of \$358.2M, represents a \$41.5M or 10.4 per cent decrease over the 2024-2025 forecast (\$20.0M of the decrease is due to the end of the funding from the Canadian Heritage for French-language and underrepresented voices).

CANADIAN HERITAGE

The government's contribution is expected to be \$196.6M (net of Canadian Heritage administrative costs), representing a contribution of \$134.1M, maximum stabilization funding of \$42.5M, and \$20.0M for Equity and Inclusion.

Canadian Heritage contribution to the Changing Narratives Fund is \$1.0M, a decrease of \$1.5M or 59.3 per cent from the 2024-2025 forecast.

BROADCAST DISTRIBUTION UNDERTAKINGS (BDUs)

The contributions from the BDUs are assumed to be \$126.7M, a \$15.7M or 11.1 per cent decrease from the 2024-2025 forecast.

INTEREST AND RECOUPMENT

Interest is anticipated to be about \$7.0M, a \$1.0M or 12.5 per cent decrease from the 2024-2025 forecast. Recoupment revenue, including the repayment of development advances and recoupment of equity investments, is estimated at \$10.5M, a 4.1 per cent decrease from the 2024-2025 forecast.

TANGIBLE BENEFITS

Total tangible benefits are expected to be \$2.4M, a decrease of \$16.9M from the 2024-2025 forecast.

EXPENSES*

Total expenses of \$379.9M, a decrease of \$12.2M or 3.1 per cent from the 2024-2025 forecast.

PROGRAM COMMITMENTS*

The total program budget for 2025-2026 is \$346.7M, a decrease of \$9.8M or 2.8 per cent from the 2024-2025 budget. This includes program commitments for the G&I strategy.



FINANCIAL ASSUMPTIONS 2025-2026 cont'd

CHANGING NARRATIVES FUND

The 2025-2026 budget is \$1.0M, a decrease of \$1.5M or 59.3 per cent from the 2024-2025 forecast.

INDUSTRY PARTNERSHIPS

The CMF has a variety of industry partnerships. The total is anticipated to be \$2.0M, consistent with the 2024-2025 forecast.

CMF ADMINISTRATIVE EXPENSES

The CMF administrative expenses budget in 2025-2026 is \$10.3M, an increase of \$0.4M or 4.5 per cent from the 2024-2025 forecast.

PROGRAM ADMINISTRATION EXPENSES

This line item includes the Telefilm service fee of \$10.5M (including unrecoverable taxes), \$0.7M for ISO fees, jury fees, readers, and external reviewers. Total program administration expenses budget represents a decrease of \$0.4M or 3.6 per cent from the 2024-2025 forecast.

SECTOR DEVELOPMENT

Expenses related to the G&I strategy are \$6.9M for the year while expenses to support the MADE | NOUS campaign and other Sector Development costs make up the balance of this category. The 2025-2026 budget is \$8.5M, a decrease of \$1.0M or 10.3 per cent from the 2024-2025 forecast.

OTHER CMF EXPENSES

This category includes amortization and any unrecoverable HST/GST/QST not related to the Telefilm service fee. The budget for 2025-2026 of \$270K is \$40K higher than the 2024-2025 forecast.

EXPENSE RATIO*

Total administrative expenses are about 5.72 per cent of total revenue including 2025-2026 program funding reserve, which is within the administrative expense cap of 6.0 per cent in the Contribution Agreement. This category includes CMF administrative expenses, program administration expenses, and other CMF expenses.

CAPITAL BUDGET

The budget of \$225K includes the replacement of computers and equipment, as well as new furniture and leasehold improvements for the Montreal office.

 $^{^{*}}$ Updated to reflect changes made to the CMF Program Budget as of May 14, 2025.















