

2025

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES REPORT

A MESSAGE FROM LEADERSHIP

We are pleased to share Destination Canada’s Task Force on Climate-related Financial Disclosures (TCFD) Report, reinforcing our continued commitment to transparency, accountability and climate resilience.

This report aligns with the recommendations of the TCFD¹, whose framework has continued to inform global climate-related disclosure practices following the completion of its mandate. This report describes how climate considerations are embedded in Destination Canada’s operations, planning and decision making. While focused on our internal activities, we recognize that climate change affects the broader tourism sector, and we believe leadership starts with responsible action at home.

At Destination Canada, we view tourism as a powerful force for good—strengthening communities, sustaining livelihoods, and celebrating the people and places that define our country. We recognize that the long-term success of tourism depends on responsible stewardship of our natural environment. For this reason, a regenerative approach to tourism continues to guide how we think about the sector and operate as an organization.

We continue our climate-related commitments within our organization. In 2025, we published our initial Climate Action Plan and will continue to measure and disclose our Scope 1 and Scope 2 emissions, in support of the Government of Canada’s Net-Zero Challenge and the Glasgow Declaration. Climate risks remain integrated into our enterprise risk management and governance processes, enabling informed oversight by the Board of Directors and Executive Team.

Our [Tourism 2030: A World of Opportunity](#) strategy continues to guide a regenerative, climate-resilient approach to tourism, reinforced by ongoing internal sustainability governance, education and responsible procurement practices.

We recognize that no single organization can address this challenge alone, but we believe that working collaboratively can drive meaningful progress. By starting within our own organization, we seek to model what is possible and help create the conditions for the broader tourism sector to thrive in a changing world.

The future of Canadian tourism depends on the actions we take today. By continuing to act responsibly together, we can help ensure that future is vibrant, inclusive and sustainable for our guests, our communities and future generations.



Liza Frulla
Chair of the Board of Directors,
Destination Canada



Marsha Walden
President and CEO,
Destination Canada


¹ The Task Force on Climate-related Financial Disclosures (TCFD) published its final [recommendations](#) in 2017. The task force completed its mandate in 2023, and responsibility for monitoring progress on climate-related disclosures has since transitioned to the International Financial Reporting Standards (IFRS) Foundation. The original recommendations remain the foundational reference for widely-used climate-related disclosure frameworks.


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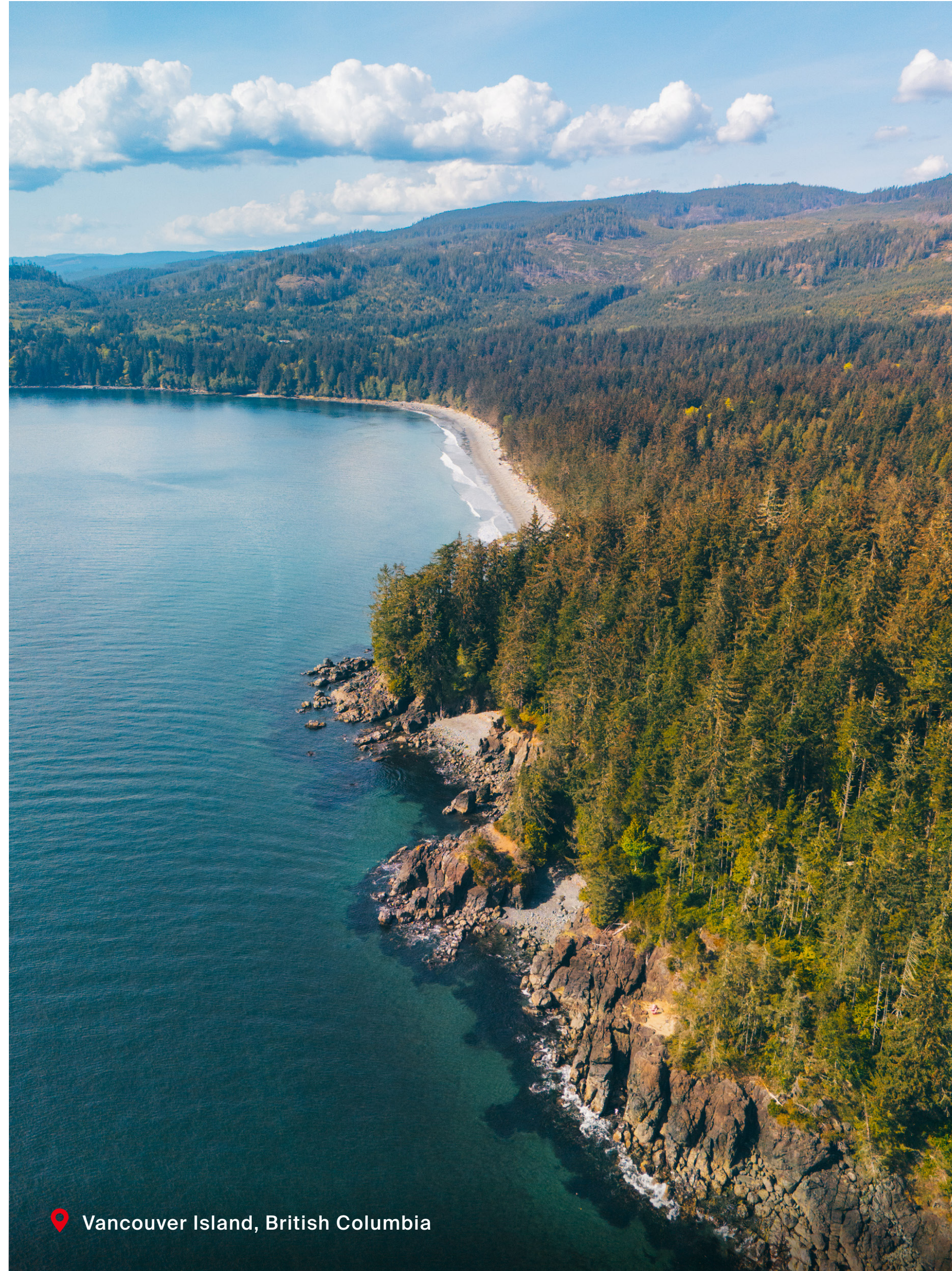
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 Vancouver Island, British Columbia

ABOUT DESTINATION CANADA

Destination Canada is a federal Crown corporation wholly owned by the Government of Canada, reporting to the Minister of Women and Gender Equality and Secretary of State (Small Business and Tourism). Established under the Canadian Tourism Commission Act in 2001, our legislative mandate is to:

- **Sustain a vibrant and profitable Canadian tourism industry**
- **Market Canada as a desirable tourist destination**
- **Support a cooperative relationship between the private sector and the governments of Canada, the provinces and the territories with respect to Canadian tourism**
- **Provide information about Canadian tourism to the private sector and to the governments of Canada, the provinces and the territories**

We drive demand through both leisure marketing in nine key geographic markets—Australia, China, France, Germany, Japan, Mexico, South Korea, the UK and the US—and a global Business Events program that competitively positions Canada as a host for major international meetings and conventions.

We provide leadership in destination development and investment attraction to help Canada’s tourism offerings remain fresh and globally competitive, and we leverage leading-edge technology to deliver robust insights and analysis to support informed decision making across the sector and all levels of government.

With a mandate to advance Canada’s economic interests through a vibrant and profitable tourism industry, Destination Canada maximizes the economic and social returns of one of Canada’s top service export sectors and largest job creators.

Through high-impact partnerships to attract international travellers and investors, Destination Canada accelerates economic growth, advances trade diversification, and sustains a diverse network of local enterprises. This work strengthens Canada’s economic and social fabric, generating long-term wealth and wellbeing for Canadians and their communities.

ABOUT THIS REPORT

This TCFD report reinforces Destination Canada’s commitment to transparency and accountability in how we address climate-related risks and opportunities across our organization.

Climate change is widely recognized as a key source of risk. Its physical impacts, such as more frequent extreme weather events, and transition impacts, including regulatory changes and evolving market expectations, can affect organizations’ operations, strategies and long-term resilience. The TCFD was established in 2015 by the Financial Stability Board to develop a framework to support consistent, decision-useful disclosure of climate-related financial risks and opportunities.

In alignment with the Government of Canada’s Budget 2021 decision, Destination Canada has adopted the TCFD recommendations as an element of our corporate reporting. As a Crown corporation with less than \$1 billion in assets, Destination Canada is reporting on climate-related risks associated with our internal operations and activities for the reporting period noted below.

Destination Canada’s TCFD Report provides a comprehensive overview of how the organization identifies, assesses, and manages climate-related risks and opportunities across the four key areas of the TCFD framework: **Governance, Strategy, Risk Management, and Metrics & Targets.**

The boundaries of this report are limited to the staff, footprint and activities of our organization:

- **Reporting period:** from January 1, 2025 to December 31, 2025
- **Business locations:** Head office in Vancouver and offices in Ottawa, London, Tokyo and Beijing

While this report is focused on Destination Canada’s internal operations and does not assess the climate-related impacts of the broader tourism industry, we recognize that climate-related developments affecting the tourism sector may have implications for the organization’s long-term sustainability.

As you read this report, please note:

- some data points rely on estimates due to data or measurement limitations
- forward-looking statements reflect current expectations and assumptions subject to change



GOVERNANCE

Strong governance, built on transparency and accountability, is fundamental to Destination Canada’s success. This foundation was independently validated through the most recent Special Examination conducted by the Office of the Auditor General of Canada, which concluded that the corporation has sound governance and management practices.

Approach to Climate Governance

At Destination Canada, effective governance is essential to navigating organizational complexity, including climate change, while embedding sustainability into our strategic decision making. Our commitment to climate-related governance is reflected in the clearly defined roles and responsibilities of our Board of Directors and Executive Team, which are integral to our governance framework. We have established a governance structure that ensures accountability and supports the integration of climate-related considerations into our strategy, key initiatives and enterprise risk management processes. This approach enables disciplined oversight and proactive management of climate-related risks and opportunities, reinforcing our commitment to transparency, accountability and responsible stewardship across the organization.



Western Brook Pond,
Gros Morne National Park,
Newfoundland and Labrador

<p>Board of Directors</p>	<ul style="list-style-type: none"> → Oversees the management of Destination Canada and provides strategic guidance and effective fiduciary oversight, including with respect to the organization's climate-related efforts. → Ensures that appropriate systems of governance, leadership and stewardship are in place, including risk management of the organization and climate-related risks and opportunities. 			
<p>Audit and Risk Committee</p>	<ul style="list-style-type: none"> → Reviews and recommends to the Board processes for identifying and managing risk, and internal control systems and processes for complying with related laws and regulations, including climate-related risks. → Supports the Board in its oversight of Destination Canada's enterprise risk management by gathering information about the organization's strategic risks, including climate-related, fraud and cybersecurity risks. 			
<p>Executive Team</p>	<ul style="list-style-type: none"> → Works closely with the Board to set objectives, develop strategies, implement actions and manage performance. → The Senior Vice President, Chief Financial Officer and Chief Data & Analytics Officer is responsible for overseeing enterprise risk management at Destination Canada, including coordinating with the Senior Management Group to identify and address climate-related risks and opportunities. 			
<p>Senior Management Group</p>	<ul style="list-style-type: none"> → Comprises business unit leaders and drives coordinated operational execution of Destination Canada's corporate strategy across the organization. → Identifies, assesses and manages key enterprise risk exposures, including climate-related risks and opportunities, through established processes, and integrates environmental sustainability considerations into internal business practices. → Oversees the execution of the organization's key priorities, ensuring alignment with the four strategic drivers of Destination Canada's Tourism 2030: A World of Opportunity strategy: Sector Advancement, Brand Leadership, Destination Development and Collective Intelligence. 			
<p>Sector Advancement</p> <p>Destination Canada works closely with the tourism sector and government to enhance sector competitiveness, including advancing sustainability across the sector and supporting the response to climate-related issues.</p>	<p>Brand Leadership</p> <p>Destination Canada leads the Canada brand work to differentiate Canada through global sales and marketing initiatives, including strategizing around climate change and adapting marketing in response to climate-related matters. This includes integrating sustainability into the promotion of Canada as a destination for responsible business events while building capacity across destinations to meet evolving expectations.</p>	<p>Destination Development</p> <p>Destination Canada creates and shares guiding principles and frameworks to support destination development that takes a regenerative approach to tourism. This factors in societal wealth and wellbeing, and contributes to environmental sustainability.</p>	<p>Collective Intelligence</p> <p>Destination Canada coordinates and shares leading analytics to inform sector strategies, sharing timely in-depth monitoring, analyses and outlooks following climate-related events. This includes the development of innovative measurement frameworks that consider the economic, sociocultural and environmental impacts of tourism, ensuring a holistic understanding of sustainability and resilience across the sector.</p>	
<p>Global Procurement and Environmental Programs</p>	<p>Destination Canada embeds environmental sustainability efforts in its work by overseeing carbon emissions reporting, advancing sustainability across operations, and developing decarbonization initiatives. Our organization-wide environmental programs are guided by Destination Canada's commitments as a signatory of the Government of Canada's Net-Zero Challenge by 2050 and the Glasgow Declaration.</p>			

BOARD-LEVEL OVERSIGHT

Board of Directors

The Board of Directors oversees the management of Destination Canada and provides strategic guidance and fiduciary oversight, including with respect to the organization’s climate-related efforts. With the support of the Audit and Risk Committee and the Human Resources and Governance Committee, the Board ensures that appropriate systems of governance, leadership and stewardship are in place while empowering management to deliver on its mandate.

Directors are appointed based on an extensive range of skills, experience and competencies required to add value to our decisions on strategic opportunities and risks. In 2025, the Board Skills Matrix was updated to include climate-related skills. Further, climate-related education was provided to the Board through existing governance practices.

Audit and Risk Committee

In addition to its duties under the Financial Administration Act, the Audit and Risk Committee reviews and recommends processes for risk identification, management and internal controls, ensuring compliance with relevant laws and regulations. A key responsibility is monitoring risks in Destination Canada’s Risk Register, including emerging climate-related risks, and proactively advising the Board to help the organization stay ahead of potential challenges.

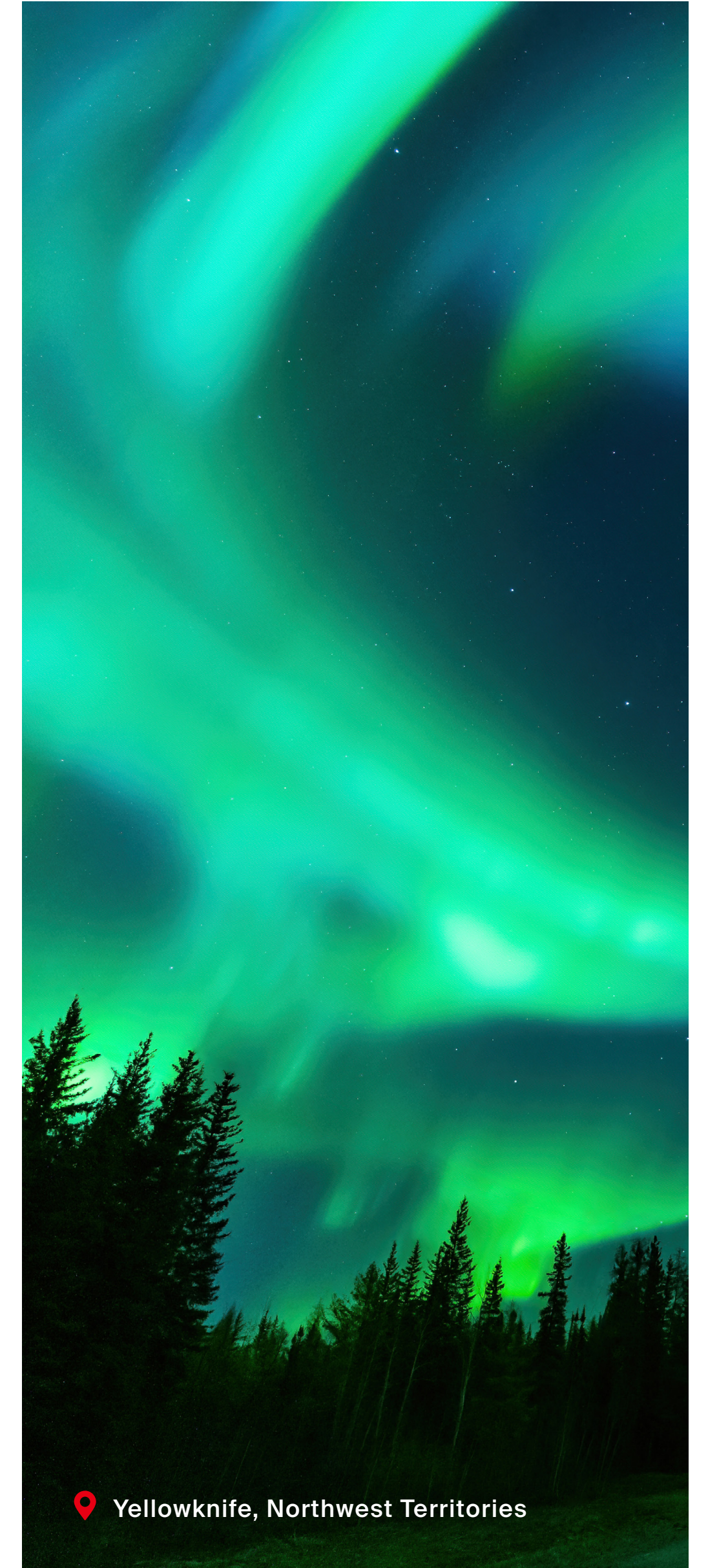
As an example of climate-related risk oversight in practice, the Audit and Risk Committee reviewed the potential impacts of climate-related events, including Canadian wildfires, on Destination Canada and


The Board is committed to providing comprehensive oversight of risk management, which includes oversight of climate-related risks and opportunities. They convene on a quarterly basis to discuss and evaluate these critical factors, ensuring they are integral to our strategy and operations. Climate change is a key consideration in the Board’s review and guidance of the organization’s strategy, major plans of action, risk management and business plans.

The Board oversees the organization’s strategy, which was developed and approved in 2024 and includes initiatives to strategically target more engaged international travellers, disperse visitors across all seasons, and improve the sustainability of business events held in Canada. This strategic direction supports business and community resilience in the face of climate-related challenges and reflects a regenerative approach to tourism.

its stakeholders. While Canada’s natural beauty is a key tourism asset, seasonal wildfires can disrupt travel. In response, Destination Canada has supported government emergency response plans and partnered with stakeholders to deliver messaging before, during and after wildfire season, including marketing efforts focused on sector recovery.

The Audit and Risk Committee continues to assess climate-related risks and their broader implications for the tourism industry, ensuring proactive strategies are in place to mitigate disruptions and adapt to evolving environmental challenges.



 Yellowknife, Northwest Territories

MANAGEMENT OVERSIGHT

Executive Team

The President and CEO is accountable to the Board and has responsibility for day-to-day operations. Senior management plays a vital role in strategic leadership, working closely with the Board to set objectives, develop strategies, implement actions and manage performance. Senior management also recommends to the Board major changes, identifies business risks, and manages the complex intellectual, capital and technical resources of Destination Canada.

The Senior Vice President, Chief Financial Officer and Chief Data & Analytics Officer leads efforts to ensure sound fiscal management, advance data-driven decision making, and enhance analytics capabilities, strengthening the organization's fiscal resilience and collective intelligence in the tourism sector. The role also oversees enterprise risk management at Destination Canada, which includes coordinating with the Senior Management Group to identify and address risks, and reporting on climate-related risks, opportunities and issues to the Audit and Risk Committee and the Board.



Manitoulin Island, Ontario



Essipit, Quebec

Senior Management Group

The Senior Management Group is comprised of the President and CEO and business unit leaders, ranging from Directors to Senior Vice Presidents.

Sector Advancement

Led by the Senior Vice President, Industry Advancement and Corporate Secretary, the Sector Advancement driver of our strategy engages Corporate Communications & Outreach, Industry Engagement, the federal government and national associations, and more. A core focus is enhancing sector competitiveness, with sustainability as a key lever.

Destination Canada works closely with the tourism sector and all levels of government to address climate-related matters and disruptions, ensuring the industry is prepared while fostering long-term resilience. Destination Canada hosts joint communications working groups with national tourism associations and Provincial/Territorial Destination Marketing Organization (PTDMO) communications partners to support the sharing of best practices and the identification of consistent sources of information during climate-related incidents or emergencies. This approach helps ensure international visitors are directed to appropriate information, reducing the risk of misinformation, which can adversely affect tourism businesses.

Beyond emergency management, this collective effort helps attract investment, create jobs and drive innovation in tourism infrastructure that prioritizes environmental stewardship. Destination Canada is a key convener between industry and government, driving positive change that aligns with Canada's climate goals and strengthens the sustainability of the tourism sector.

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Brand Leadership

Our Marketing team, led by the Senior Vice President, Marketing Strategy and Chief Marketing Officer, crafts the work behind Destination Canada's Brand Leadership strategic driver. The work focuses on developing strategic marketing partnerships for priority markets, regions and audiences. By showcasing Canada's unique brand value proposition, the team positions Canada as an ideal destination for travelers who prioritize sustainability and cultural engagement. This includes supporting travel across seasons and regions to align demand with destination capacity, contributing to long-term sector resilience.

Every interaction throughout the travel journey, from pre-trip marketing to post-trip reflections, is designed to create meaningful and memorable experiences that resonate with travellers. By supporting Canada's commitment to

environmental stewardship and sustainable practices, our work to drive global Brand Leadership enhances the country's appeal while fostering a deeper connection between highly engaged guests and the communities they visit.

As well as leisure travel marketing, Brand Leadership integrates sustainability into business events by promoting Canada as a leading destination for sustainable conferences and meetings. This includes showcasing venues with recognized sustainability certifications, low-carbon event solutions and industry best practices that align with global sustainability standards. Through these efforts, Destination Canada reinforces a brand that champions tourism and climate action, while positioning Canada as a forward-thinking destination for business events.



 Lake Louise, Alberta

Destination Canada's Canadian Business Events Sustainability Plan

In May 2022, Destination Canada launched our Canadian Business Events Sustainability Plan.

The plan focuses on elevating the sustainability of business events hosted in Canada, such as international association conferences, trade exhibitions, workshops and seminars.

As part of this plan, 16 Canadian destinations participated in the annual Global Destination Sustainability Index (GDS-Index) benchmarking process. The GDS-Index, a leading sustainability benchmarking and performance improvement program for destinations around the world, is aligned with the United Nations Sustainable Development Goals.

To improve the economic, sociocultural and environmental sustainability practices of business events hosted in Canada, Destination Canada provides educational content and workshops on hosting sustainable events for Canadian destinations.

In 2023, more than 60 destination representatives nationwide completed training in sustainability and regenerative event practices provided by Destination Canada. In 2025, an additional group earned their Sustainable Events Professional Certification (SEPC) from the Events Industry Council (EIC).

Now in the third phase of the plan, Destination Canada is highlighting sustainability initiatives across Canadian destinations, primarily through our Sustainability Storybook and Pavilion. The Storybook provides a guidebook for event organizers who wish to host more sustainable events in Canada. The Sustainability Pavilion was created specifically for international trade shows and events to showcase Canadian event sustainability practices and solutions to our target audience.

View the Canadian Business Events Sustainability Plan



Destination Development

Led by the Senior Vice President, Investment and Destination Development, the work to strengthen our Destination Development strategic driver champions [a regenerative approach to tourism](#), ensuring long-term sustainability within Canada’s tourism sector. As climate patterns shift and demand for meaningful, environmentally responsible experiences grows, the momentum toward a regenerative approach to tourism has grown stronger.

Our Destination Development team collaborates with communities to design long-term strategies for tourism corridors that align tourism growth with local sustainability goals. By attracting and influencing strategic investments from the private sector and government, the team also enhances tourism infrastructure while ensuring it reflects the needs of the communities involved.

This work includes identifying and developing products, services, workforce and experiences that not only meet traveller expectations, but also support climate resilience and the wellbeing of local communities. Through this integrated approach, the Destination Development team fosters a tourism landscape that prioritizes environmental stewardship, supports adaptation to climate-related challenges and contributes to a more sustainable future for both the industry and the communities it serves.

In addition, the Tourism Corridor Strategy Program incorporated a dedicated climate risk analysis workstream across four corridors, led by Risklayer, specialists in risk analytics, modelling and strategy. This work produced Climate Resilience Reports that included risk assessments, scorecards, roadmaps and prioritized actions—providing a foundation to guide resilient, regenerative corridor development and inform future investment decisions.

Destination Canada’s Regenerative Approach to Tourism in Canada

Wouldn’t it be powerful if tourism didn’t just sustain, but actively restored and enriched the communities and places people touch, leaving them better than we found them?

In this thought-provoking publication, we explore:

- Why a new approach?
- What does it mean to be regenerative?
- How do we practice regeneration?
- How will we know we are making progress?
- Where do we go from here?

[View the Regenerative Approach to Tourism](#)



Lillooet, British Columbia

Collective Intelligence

The work supporting our Collective Intelligence strategic driver is led by the Senior Vice President, Chief Financial Officer and Chief Data & Analytics Officer. Our Insights & Analytics team and programs enhance Destination Canada’s overall performance and provide valuable resources for partners, industry, innovators, investors and governments to make informed decisions, including those related to environmental and climate indicators.

Becoming an insights-driven organization enables us to be better marketers, more effective in destination development and accountable to Canadians. A key

outcome for our Collective Intelligence strategic driver is the development of new ways to measure progress, including:

- **Organizational Performance – Assessing the effectiveness of our operations**
- **Sector Competitiveness – Tracking the global competitiveness of the Canadian tourism sector**
- **Societal Wealth & Wellbeing – Measuring the economic, sociocultural and environmental impacts of tourism**



Montreal, Quebec

Wealth & Wellbeing Index

In 2025, Destination Canada publicly released the Tourism Wealth & Wellbeing Index through the Canadian Tourism Data Collective, alongside a comprehensive national report—marking a significant step forward in how tourism performance is measured and understood in Canada.

As a first-of-its-kind approach globally, the Index positions Canada as a leader in full-system measurement of tourism, moving beyond a narrow focus on economic impact to capture the sector’s economic, social and environmental contributions in an integrated way. It supports a more balanced approach to growth, recognizing the need to advance economic prosperity while managing climate impacts and supporting broader sustainability outcomes.

Accessible through a dynamic digital platform, the Index enables partners across the sector to explore and apply insights on tourism’s impact, including indicators related to greenhouse gas emissions, ecosystem health, and community wellbeing. The accompanying report highlights areas of strength across provinces and territories, showcasing leading practices and enabling shared learning and benchmarking to support continuous improvement across the country.

The 2025 release establishes a national baseline for tracking tourism’s contribution to wealth and wellbeing over time and strengthens the sector’s ability to align with climate-related commitments and evolving sustainability expectations.

The Index and report are available online through the Canadian Tourism Data Collective.

[View the Wealth & Wellbeing Index](#)



Global Procurement and Environmental Programs

Led by the Senior Director, Global Procurement and Environmental Programs, this department drives Destination Canada’s internal environmental commitments and sustainability initiatives. Reporting to the Executive Team on carbon emissions and organizational sustainability performance, the Senior Director provides strategic leadership to embed sustainability across the organization’s operations and decision making, including integrating environmental considerations into procurement practices through bid documents and an updated Supplier Code of Conduct.

Under this leadership, Destination Canada has become a signatory of both the [Canadian Government’s Net-Zero Challenge](#) and the [Glasgow Declaration on Climate Action in Tourism](#). Destination Canada has now published its initial Climate Action Plan, which outlines a clear roadmap to support its commitment to achieving net-zero emissions by 2050. The plan establishes baseline measurements, targets and priority actions to reduce carbon emissions across operations, and serves as a foundational framework to guide ongoing sustainability efforts and track progress over time.

Selected Commitments to Climate Action and Sustainable Tourism



Grand Pré, Nova Scotia

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Our **Tourism 2030: A World of Opportunity** strategy provides Destination Canada with a long-term framework to support sustainable growth and maximize the tourism sector’s economic contribution to Canada. Within this framework, climate-related risks and opportunities are considered as part of the broader environment influencing resilience and long-term sustainability. They are incorporated into ongoing assessments to inform decision making and broader sustainability efforts, with enhancements guided by the TCFD framework. Tourism 2030 supports Canada’s competitiveness as a destination by positioning the sector to adapt to evolving conditions, including climate-related considerations, while sustaining benefits for communities across the country.

Climate-Related Risks and Opportunities

Destination Canada considers climate-related risks and opportunities within the broader context in which its strategy is delivered. We recognize that climate change has the potential to influence the tourism sector. Therefore, Destination Canada incorporates climate-related considerations into existing strategic planning processes to inform decisions related to operations, financial performance and long-term resilience. These considerations support planning and prioritization across Destination Canada’s ongoing strategic activities.

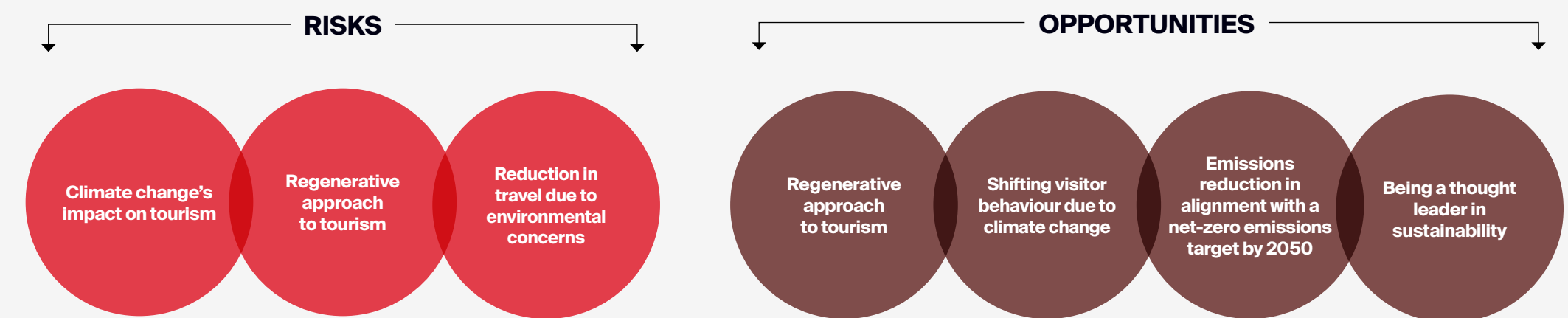
In alignment with the TCFD framework, Destination Canada uses defined time horizons and risk categories to assess the potential impacts of climate-related risks and opportunities consistently across different planning periods. These time horizons are defined as short-term (up to one year), medium-term (one to five years), and long-term (more than five years). Climate-related risks and opportunities are also categorized in accordance with the TCFD framework to support consistent identification and assessment.

Risk and opportunity types include:

- Transition, arising from the shift toward a lower-carbon economy, including policy and legal changes, technological advancements, market shifts and reputational considerations
- Physical, related to the physical impacts of climate change, including acute risks such as extreme weather events and chronic risks associated with longer-term shifts in climate patterns.




Destination Canada’s key climate-related risks and opportunities

On the right is a depiction of our identified climate-related risks and opportunities. Further details on each of the risks and opportunities identified are outlined in the subsequent sections.





Climate-Related Risks

We have identified the following climate-related risks impacting the Canadian tourism sector in which we operate, and the potential impacts to our organization.

	Risk Description	Type	Potential Impacts to Destination Canada	Mitigations
Climate change's impact on tourism (Extreme Weather Events)	There is a risk that the effects of climate change (e.g., forest fires, extreme weather, warm and dry winters, floods) and Canada's response to it (e.g. communications) reduce our country's capacity to accept visitors at times of high risk and adversely impact their perception of the health and safety of Canada, undermining Canada's appeal as a travel destination.	Type: Physical-Acute Time-Horizon: Short-, Medium-, and Long-term Risk Rating: 	The effects of climate change in Canada impact how Destination Canada fulfills our mandate of promoting and enhancing Canada as a destination. The impacts of climate events may affect Destination Canada's attributable revenue or the costs incurred in strategic response and recovery.	We will support the sector's crisis response and maximize tourism's economic benefits by working with industry partners to promote seasonal and regional dispersion of visitors, enhancing resilience against climate-related challenges. From May to October, our Market Signals reporting helps us understand the impact of extreme weather events on travel sentiment and behaviours related to Canada. In addition, a custom survey is used to directly assess how these events influence travel intentions, with the goal of informing mitigation strategies. Further, we have completed economic modelling that utilizes both our Lodging Aligned Spend Reporting (LASR) and Value of Tourism to quickly assess the economic impact of an event on the region. This allows a rapid response from all levels of government to offset the economic loss.
Regenerative approach to tourism (Regenerative Systems)	There is a risk that Destination Canada may be unable to foster collaboration among tourism industry stakeholders, hindering the collective effort to transform Canada's tourism industry into a regenerative system. Failure to achieve this could negatively impact the reputation of both Destination Canada and the tourism sector.	Type: Transition-Reputational Time-Horizon: Medium-term Risk Rating: 	Part of Destination Canada's mandate is to increase visitor demand to Canada, which may be influenced by visitors' perceptions of Destination Canada's commitments to addressing climate change. Therefore, if Destination Canada is perceived as not making sufficient progress on our regenerative approach to tourism and climate-related aspirations, it could lead to negative public perceptions of the Canadian tourism industry and reputational impacts to Destination Canada as an organization.	As destination stewards for Canada, we will share low-carbon pathways and practices for tourism, including business events, strengthen diversity, equity and inclusion, and support sector response to crisis. Our Destination Development team is also supporting tourism corridors that create distinctive journeys and embed regenerative practices into strategy, implementation and investment planning. Tourism Corridor Strategy Program incorporated a dedicated climate risk analysis workstream across four corridors, led by Risklayer, specialists in climate risk analytics, modelling and management. This work produced Climate Resilience Reports that included risk assessments, scorecards, roadmaps and prioritized actions—providing a foundation to guide resilient, regenerative corridor develop corridor development and inform future investment decisions.
Reduction in travel due to environmental concerns (Changing Consumer Behaviour)	There is a risk that international visitors reduce air travel due to environmental impact concerns.	Type: Transition-Market Time-Horizon: Long-term Risk Rating: 	Should international visitors reduce their air travel due to environmental concerns, Destination Canada's attributable tourism revenue will be negatively impacted. This will in turn require Destination Canada to increase marketing efforts to regain these potential visitors to achieve our mandate of enhancing Canada as a travel destination, resulting in increased operating costs (i.e., marketing and promotion, training programs, and sustainability initiatives).	We will address this through our regenerative approach to tourism, which acts to preserve, improve and repair our environment. Through the Wealth & Wellbeing Index, we will measure how tourism yields net positive economic, sociocultural and environmental benefits for all—both Canadians and guests. Our consumer monitoring in all of our 9 international markets allow for us to pick up any changes in travel sentiment or behaviours that will provide an early indicator of this behaviour.

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Climate-Related Risks



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Climate-Related Opportunities


Aligned with our strategy, climate-related opportunities can drive sustainable growth and resilience. The opportunities outlined below reflect how we are proactively positioning the organization to realize their potential benefits.

	Opportunity Description	Type	Potential Impacts to Destination Canada	Ongoing or Planned Initiatives
<p>Regenerative approach to tourism (Regenerative Systems)</p>	<p>One of the key initiatives within Destination Canada’s strategy is supporting sector adoption of regenerative principles, which balance economic prosperity with environmental stewardship and social inclusivity. Research increasingly demonstrates growing demand for meaningful and environmentally responsible tourism experiences that create value for visitors while safeguarding the wellbeing of host communities.</p> <p>By promoting regenerative practices, Destination Canada supports visitor trust, helps protect local communities, and preserves the natural and cultural assets that define Canada as a tourism destination. Over time, regenerative tourism approaches may support a reduced environmental footprint, with activities designed to enable environmental restoration and strengthen destination resilience.</p> <p>This strategic focus also supports long-term, sustainable growth for the tourism sector. Embedded within Tourism 2030: A World of Opportunity, regenerative tourism provides a pathway to enhance Canada’s global competitiveness and unlock the sector’s full economic potential, contributing to the objective of generating up to \$160 billion in annual tourism revenue by 2030.</p>	<p>Type: Transition</p> <p>Time-Horizon: Medium-term</p> <p>Opportunity Rating: </p>	<p>This may boost Destination Canada’s reputation as a leader of destination marketing organizations and enhance the global competitiveness of Canada, an important metric of our corporate strategy. Additionally, as demand increases for regenerative approaches to tourism—both leisure and business events—this will positively impact our attributable tourism revenue.</p>	<p>In our Tourism 2030 strategy, we are:</p> <ul style="list-style-type: none"> → Supporting sector adoption of regenerative principles → Embracing regenerative principles as a sustainability lever, to support the advancement of sector competitiveness → Leading on corridor strategies and related implementation and investment plans which incorporate regenerative practices
<p>Shifting visitor behaviour, perceptions and preferences (Emerging Travel Trends)</p>	<p>The effects of climate change have influenced the visitor perception of Canada as a destination, offering an opportunity to boost Canadian tourism. For example, where other destinations are experiencing extreme heat waves in the summer, Canada is increasingly perceived as a preferred destination due to its relatively moderate temperature.</p>	<p>Type: Transition</p> <p>Time-Horizon: Medium-term</p> <p>Opportunity Rating: </p>	<p>Fall and winter are under-exploited opportunities. With our corporate strategy, we can increase interest in visitation in non-peak seasons, which may involve expanding operations and creating new products.</p>	<p>We are:</p> <ul style="list-style-type: none"> → Supporting seasonal and geographic dispersion by marketing Canada as a cool-weather destination and promoting shoulder-season travel → Discussing climate risk annually with the Board, including forecasting and strategic initiatives to address climate-related tourism impacts → Aligning with leading practices in sustainable tourism initiatives to futureproof Canada’s tourism sector



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Opportunity Description	Type	Potential Impacts to Destination Canada	Ongoing or Planned Initiatives
<p>Achieving net-zero emissions by 2050 (Emissions Reductions)</p> <p>In 2021, Canada committed to reducing its greenhouse gas emissions by 40-45 per cent from 2005 levels by 2030 and achieving net-zero emissions by 2050 through the Canadian Net-Zero Emissions Accountability Act.</p> <p>In March 2022, the Government released the 2030 Emissions Reduction Plan (ERP), outlining a credible pathway to meet the 2030 target. The ERP includes measures to reduce emissions across various economic sectors, such as buildings, transportation and heavy industry, along with investments in jobs and skills.</p> <p>Achieving net-zero emissions by 2050 requires efforts from the entire economy, including the tourism sector, which is currently undertaking various initiatives to achieve these climate-related goals.</p>	<p>Type: Transition</p> <p>Time-Horizon: Short-, Medium-, and Long-term</p> <p>Opportunity Rating: </p>	<p>As a federal Crown corporation, Destination Canada supports Canada's net-zero initiatives. Just as we work to position Canada as a top global travel destination, we are also dedicated to ensuring a sustainable, livable and prosperous future for Canadians.</p>	<p>We will continue:</p> <ul style="list-style-type: none"> → Measuring and tracking Destination Canada's organizational Scope 1 and Scope 2 GHG emissions → Updating our Climate Action Plan regularly, aligning actions with our goals as a signatory to the Glasgow Declaration → Promoting regenerative tourism as a natural climate solution, reinforcing its role in reducing carbon emissions
<p>Sustainability thought leadership (Thought Leadership)</p> <p>Thought leadership in sustainability involves developing and advocating for transformative approaches that balance economic prosperity with environmental and social responsibility. This includes promoting regenerative tourism practices, fostering collaboration across sectors to enhance sustainability, and leveraging data-driven insights to shape policies that support long-term resilience. By embracing innovation and influencing industry-wide adoption of sustainable solutions, thought leadership ensures Canada's tourism sector remains competitive and aligned with net-zero goals.</p>	<p>Type: Transition</p> <p>Time-Horizon: Short- and Medium-term</p> <p>Opportunity Rating: </p>	<p>Thought leadership is a key competitive advantage for Destination Canada and the broader tourism sector. It positions Canada as a global leader in sustainable and regenerative tourism, attracting travellers, investment and industry-wide collaboration.</p>	<p>Destination Canada has launched several key initiatives that reinforce its role as a sustainability thought leader:</p> <ul style="list-style-type: none"> → Wealth & Wellbeing Index to measure economic, sociocultural, and environmental contributions of tourism → Business Events Sustainability Storybook to showcase sustainable event initiatives → Four new tourism corridors designed to attract investment and foster regenerative tourism → Continued collaboration with UN Tourism's on the Statistical Framework for Measuring the Sustainability of Tourism (MST)

RISK MANAGEMENT

- INTRODUCTION ∨

- GOVERNANCE ∨

- STRATEGY ∧

- RISK MANAGEMENT ∧

- Enterprise Risk Management & Climate-Related Risks

- METRICS & TARGETS ∨

Enterprise Risk Management

Destination Canada’s Enterprise Risk Management (ERM) policy outlines a framework to identify, assess, manage and monitor the risks in a systematic and consistent manner, including the establishment of risk appetite and tolerance levels to support overall business objectives and strategy. Our ERM practices align with the principles outlined by the [Committee of Sponsoring Organizations of the Treadway Commission \(COSO\)](#).

These risk parameters are applied across all risk categories, including climate-related risks, to ensure risks are managed within, or progressed toward, defined limits. Risk appetite statements, including those related to climate-related risks, support the identification and assessment of

risks and are reviewed annually by the Audit and Risk Committee to remain responsive to changes in the operating environment. Identified risks are monitored and reviewed by the Board on a quarterly basis.

As part of Destination Canada’s ERM framework, climate-related considerations are integrated alongside other organizational risks to support the identification, prioritization and management of climate-related risks and opportunities, in alignment with organizational strategy. This approach supports ongoing oversight of climate-related risks and ensures the framework remains responsive to the organization’s operating context.



Manitoulin Island, Ontario



East Point Lighthouse, Elmira, Prince Edward Island

Climate-Related Risks

Climate-related risks follow the same identification and management process as other organizational risks and are embedded within the ERM policy and process. Current climate-related risks are viewed through the environmental lens of our Economic, Environmental, Social and Governance risk framework:

→ **Economic:** Considers changes in macroeconomic conditions, including recessionary or inflationary pressures, geopolitical developments, and major global events that could affect business strategies, operations and investments.

→ **Environmental:** Considers climate change, emissions reduction and environmental sustainability, including the stewardship of tourism assets.

→ **Social:** Examines how the organization manages sociocultural factors such as diversity, equity and inclusion, customer values, public and policy support for tourism, workforce development and Indigenous reconciliation.

→ **Governance:** Considers leadership, internal controls, ethical standards and oversight mechanisms to support accountability, transparency and regulatory compliance.

METRICS & TARGETS

Greenhouse Gas Emissions of Destination Canada

In 2022, the Government of Canada introduced [Canada's 2030 Emissions Reduction Plan](#). Destination Canada supports the move to a cleaner, more prosperous economy. We are committed to being more environmentally conscious and understand that while this is an urgent priority, it will require sustained effort over the years and decades ahead. Having a solid understanding of our environmental impact through measuring and reporting our greenhouse gas emissions enables us to increase awareness within the organization of how we can collectively work to adopt more sustainable operating practices. This will also allow us to assess options and pursue initiatives that will support our goal to reduce our overall carbon footprint, and to routinely consider the environmental impacts of our business decisions over the long term.

Destination Canada's greenhouse gas (GHG) emissions have been calculated following the [Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard](#). These emissions include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃), which are all converted into tonnes of carbon dioxide equivalent (tCO₂e) for ease of comparison and analysis.

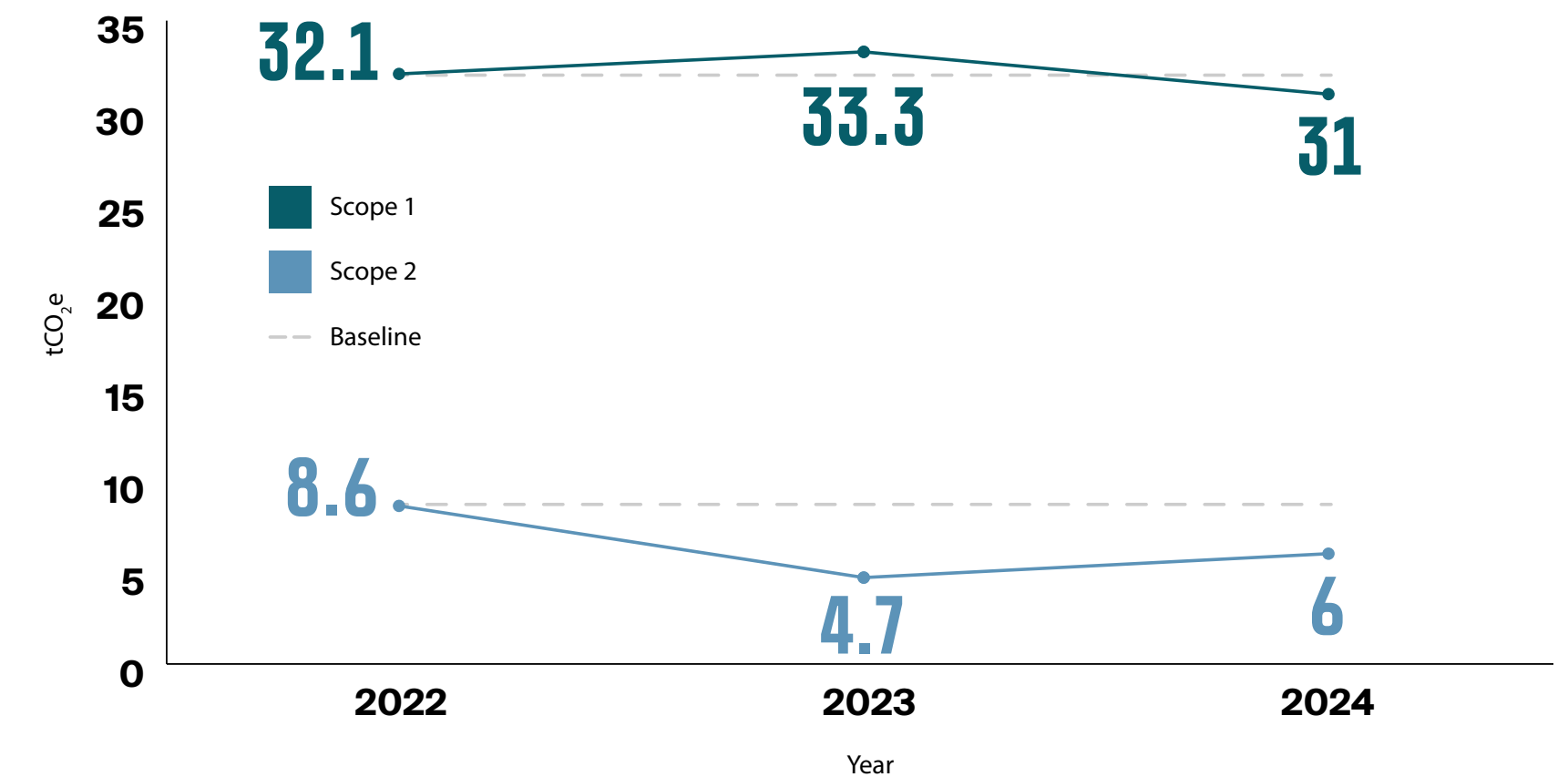


For the purposes of this report, Destination Canada is providing our Scope 1 and Scope 2 emissions. Scope 1 emissions are direct emissions from sources owned or controlled by Destination Canada. Scope 2 emissions are indirect emissions from the offsite generation of electricity, steam, heat or cooling purchased for consumption by Destination Canada.

Destination Canada uses 2022 as the baseline year for emissions reporting. This historical reference point marks the first year the organization began measuring its emissions. As of the date of this TCFD report, the most readily available emissions information dates from January 1, 2024 to December 31, 2024.

Destination Canada will continue to enhance its emissions reporting processes, including aligning reporting timelines and strengthening methodologies where feasible. This work will support more consistent, comparable and transparent disclosures, inform decision making, and enable the ongoing refinement of our climate-related targets, while contributing to the continued evolution of our Climate Action Plan and our long-term commitment to achieving net-zero emissions.

Destination Canada's Year-Over-Year GHG Emissions



Far Reaching Impacts of the Canadian Tourism Sector

In 2025, Destination Canada publicly launched the [Wealth & Wellbeing Index](#) to measure tourism’s far-reaching impacts across Canada. The Index is a first-of-its kind measurement tool that looks beyond traditional metrics like visitor spend and arrivals to comprehensively assess the impact and benefits tourism brings to Canadians.

The Index is comprised of six interconnected components that drive revenue, fuel reinvestment, support sustainable practices, supporting the long-term prosperity of businesses and the vitality of communities across the country.

The six components are:

- **Economy** examines tourism’s role in generating sustainable economic growth and prosperity.
- **Employment** focuses on inclusivity and assesses the extent to which tourism creates quality, accessible and diverse jobs.
- **Enablement** measures the impact of tourism on infrastructure that supports both tourism and local communities, ensuring accessibility and long-term sustainability.

→ **Environment** examines the environmental footprint of tourism, including sustainability practices and resource management.

→ **Engagement** assesses tourism’s role in fostering social inclusion and preserving cultural heritage.

→ **Experience** examines how tourism enriches the lives of guests, offering transformative and memorable experiences.

The Index is a cornerstone of Destination Canada’s Tourism 2030 strategy, a roadmap designed to unlock the full potential of Canada’s tourism sector. As a comprehensive framework, the Index aligns with global standards, including the United Nations Sustainable Development Goals (SDGs) and the Measuring the Sustainability of Tourism (MST) initiative. It was also presented to UN Tourism’s Expert Group on Measuring the Sustainability of Tourism.

The Wealth & Wellbeing Index and Report are available in the award-winning [Canadian Tourism Data Collective](#), a secure online platform for sharing and accessing tourism data.



 Mount Nimbus, British Columbia

STAY CONNECTED

DestinationCanada.com

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