



October 3, 2025

Daniel Nowlan
Chair
Venture Ontario
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Dear Daniel:

We are pleased to share our government's 2026-27 priorities for Venture Ontario (VO).

In a time of economic uncertainty, agencies play a critical role in supporting our commitment to Protect Ontario by improving service delivery, driving innovation, and ensuring responsible stewardship of public resources.

In accordance with the Agencies and Appointments Directive, agencies are required to align their goals, objectives and strategic direction with our government's priorities. As Chair, you are responsible for ensuring that VO's business plan clearly demonstrates how the agency will fulfill these expectations. Progress and achievements must be reported through your Annual Report, and compliance with these requirements will be monitored and reported to Treasury Board/Management Board of Cabinet annually.

This letter sets out our expectations for 2026-27, with a focus on how VO will contribute to protecting Ontario by delivering better services and driving innovation and value for money.

Protect Ontario

1. Expand domestic partnerships within Canada, to promote the development of supply chains and economic opportunities across Canada and support economic resilience, particularly in light of ongoing U.S. tariff threats and economic uncertainty.
2. Procure from Ontario and Canadian businesses whenever feasible.
3. Provide economic relief for Ontario families, consumers and businesses by freezing government fees and fares, unless approved by the oversight Minister.

Deliver Better Services

4. Focus on a user-centered client/customer experience by simplifying interactions, improving satisfaction, and expanding and optimizing digital service offerings.
5. Identify opportunities to enhance efficiency, improve services, drive innovation, and achieve cost savings for the people of Ontario, including through the use of AI and other advanced technologies.
6. Eliminate unnecessary bureaucracy and red tape by applying lean methodologies or other modalities to achieve operational efficiency.

Drive Innovation & Value for Money

7. Find innovative solutions to use public resources efficiently and to effectively deliver on the agency's mandate while operating within agency's financial allocation, supported by accurate financial reporting, effective internal controls, and proactive fraud management practices.
8. Prudently and responsibly manage workforce size, working within agency-allocated Full Time Equivalents.
9. Create a span of control policy that recognizes different streams of work within the organization and sets minimum span of control benchmarks and provide it to the Minister for approval by March 31st, 2026.
10. Provide to your oversight minister by October 1, 2025, the amended human resource policy, guideline or directive that adheres to the OPS in-office standard of four (4) days per week effective October 20, 2025, and five (5) days per week effective January 5, 2026, and work with your oversight ministry to address any office space constraints.

These are the government-wide commitments for board-governed provincial agencies. Please see the attached guide for further details of each priority and the accompanying outcomes and performance measures that can be utilised if measurements are not currently in place.

We are also sharing several priorities specific to VO:

1. Managing VO's investment portfolio and business operations in a prudent and cost-effective manner using self-generated revenue to cover operations.
2. Supporting the development of Ontario's venture capital ecosystem and strategically investing in venture capital funds while maintaining VO's high rate of net positive returns to the province.
3. Sourcing and considering more investments in seed/early-stage venture capital funds focused on the life sciences sector to address the identified gap in venture capital deal sizes ranging from \$2 to \$10 million and support the creation of more

pools of capital at this stage, while maintaining an overall balanced investment portfolio.

4. Ensuring that Venture Ontario Fund (VOF) investments are consistent with the agency's Investment Framework and aligned with current government priorities, including but not limited to the commercialization and protection of intellectual property in Ontario and support for growth-oriented venture funds critical to Ontario firms reaching international prominence.
 - a. This also includes allocating the additional \$90M committed by the government in the 2025 Budget to the VOF, which includes \$50 million to Ontario-based venture capital funds focused on technologies that support national defence and related technologies and \$40 million to venture capital funds that will help life sciences companies and biomanufacturers.
 - b. It is expected that VO will include in its Annual Report a breakdown of all investments made by sector and stage as per the government's commitments.
5. Working alongside Invest Ontario to align investment attraction efforts to support the growth of both local venture capital funds and companies.

We are grateful for your unwavering support and the commitment that you and fellow board members have demonstrated to VO's success. The time and resources you have dedicated to strengthening our venture ecosystem has been invaluable to our government and the people of Ontario.

We look forward to meeting to discuss how these priorities will be reflected in the agency's upcoming business plan and ongoing operations. Should you have any questions, please feel free to contact Rachel Simeon, Assistant Deputy Minister of the Innovation and Economic Partnerships Division, 416-206-2949.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Vic Fedeli', with a long horizontal stroke extending to the right.

Vic Fedeli
Minister of Economic Development, Job Creation and Trade

Enclosure