



Corporate Plan Summary 2024-2025 – 2028-29

hfr-tgf

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A FAST, FREQUENT AND RELIABLE PASSENGER TRAIN: A NECESSARY PATH FORWARD

As the Chairperson and Vice Chairperson of the VIA HFR Board of Directors, we are pleased to introduce the Corporate Plan for 2024-25 to 2028-29. This Plan outlines the intricate planning and expertise needed to successfully deliver a passenger rail project that will run on dedicated and electrified track and provide fast, frequent, and reliable service in the Quebec-Toronto Corridor (the 'Corridor').

As stewards of the Corporation's early foundations, we recognize the responsibility bestowed upon us by the Government of Canada. With a commitment to multi-stakeholder engagement, partnering with Indigenous peoples, and environmental sustainability we embrace the opportunity to redefine intercity passenger rail transportation within Canada's busiest travel Corridor. The Corporation envisions a future where the High Frequency Rail (HFR) project provides a safe and accessible passenger rail network that supports a modal shift toward greener transportation services. It aims to transform intercity passenger rail service in the Corridor - connecting three capitals, the two largest Canadian cities, 15 million people and many communities between Toronto and Quebec. By fostering greater proximity between close to half of Canada's population, who collectively represent nearly half of Canada's GDP, the project promises to enhance quality of life and boost productivity. It will, among its many benefits, facilitate access to more housing options and help make life cost less.

Public transportation expansion is rapidly increasing to meet demand nationwide, particularly evident in major cities like Montreal, Ottawa, and Toronto. As numerous transit expansion initiatives are underway and more are planned, the HFR project, as a modern intercity transportation system, will seamlessly link millions of Canadians to these localized transit networks and vital economic centers. The intercity passenger rail system will serve as the backbone connecting these local systems, providing a service comparable to European and other G20 countries where trains will travel at average speeds of up to 200 km per hour, significantly faster than current services, and with limited stops that will result in significantly reduced journey times. Furthermore, the new services will provide enhanced reliability due to trains operating on dedicated tracks and more departure times to ensure service availability at key times during the day for customers - neither of which are currently available with Canada's existing intercity train services.

As one of the largest infrastructure initiatives under way globally, this project is also Canada's biggest investment towards its future generation. Today, nearly all passengers travelling along the Corridor use cars and planes, resulting in an increase demand on the existing transportation network, lost productivity and higher GHG emissions. The dedicated tracks of the HFR project will play a crucial role in enhancing national supply chains by not exacerbating further the congestion along the existing freight rail network within the Toronto to Quebec City Corridor. As urban congestion rises, and the effects of climate change become more pronounced, robust transportation networks and infrastructure are indispensable for maintaining efficient and resilient supply chains.

Over the last year the Corporation welcomed three new directors to its Board and in September 2023 after a thorough search, Mr. Martin Imbleau was appointed as VIA HFR Chief Executive Officer (CEO). The Board of Directors would like to express appreciation to Mr. Marc-Olivier Ranger, whose leadership and professionalism in the role of interim CEO, steadied the Corporation during this period.

Since the launch of the Request for Proposals (RFP) in fall 2023, the Government-led procurement process has progressed steadily and generated promising results. It is expected that the proposals, when submitted in summer 2024, will meet and exceed the required outcomes for the HFR project. Several project management approaches were considered for the HFR project, and after careful evaluation, a progressive public-private model with integrated delivery emerged as the optimal choice. This approach is anticipated to reduce costs for taxpayers, allocate project risks effectively to the most capable entity, ensure robust stakeholder engagement, and ultimately yield improved project outcomes for Canadians. To achieve these goals, a deliberate and diligent initial Co-development phase will be crucial, emphasizing meticulous design, risk assessment and active involvement of stakeholders.

We are also pleased to report that efforts by the Government and VIA HFR to explain our vision and the project's objectives are paying off. We have garnered substantial support from elected officials and many stakeholders including various municipalities along the Corridor. There is a consensus emerging on the broad societal benefits that such a large investment will yield.

VIA HFR is dedicated to ensuring meaningful participation of Indigenous peoples in the project. As a key project outcome, the Corporation will propose concrete measures that will create mutual socio-economic benefits and maximize project participation opportunities for Indigenous peoples.

As VIA HFR builds momentum moving forward, planning and preparation will remain of critical importance to ensure readiness for the increased responsibilities and activities that it will assume when a Private Developer Partner is selected for the Co-development phase is launched. After the execution of the Pre-Development Agreement, the corporation will become, on behalf of the Government, the single window counterparty to the selected Private Developed Partner.

Looking ahead to 2024-25 and through the 2028-29 planning period, VIA HFR's key priorities are: Drive the Design Development of a Passenger Rail Service in the Corridor; Foster Indigenous Partnerships, Engage Stakeholders and other Partners effectively; and Strengthen the Corporation.

The Corporation will also continue to support federal horizontal policies by working with Government partners and ensuring that the Minister of Transport, as the accountable owner of the HFR project, has transparent and timely access to information required to make decisions as the project advances.

Finally, the Corporation is only where it is due to significant efforts made by the Government over the last two years. On behalf of the Board of Directors and the Corporation, we want to thank the Minister of Transport and his officials, our federal partners at Transport Canada, VIA Rail, Public Services and Procurement Canada, Infrastructure Canada, and Justice Canada, for their commitment and hard work that has brought us to this point.

More than a large infrastructure project, this project is required now to contribute to the prosperity and quality of life of all Canadians. As VIA HFR continues on its journey, it does so with enthusiasm, determination, and a unified sense of purpose to deliver a modern, electrified passenger rail service that is socially, environmentally, and financially sustainable for future generations.

Warm regards,

J. Robert S. Prichard

Chairperson of the Board of Directors

Marie-Josée Nadeau

Vice-Chair of the Board of Directors

EXECUTIVE SUMMARY

VIA HFR - VIA TGF Inc. (VIA HFR) was incorporated on November 29, 2022, and acts as a parent Crown corporation, with some exceptions, pursuant to Order in Council PC Number 2022-0260, with a mandate to develop and implement the High Frequency Rail (HFR) project including the design, construction, financing, operation, and maintenance of passenger rail services in Ontario and Quebec through one or more agreements with the private sector, in cooperation with the Minister of Transport. This will be achieved through a procurement model that includes an innovative public private partnership Co-development approach to project design and development of the project. The HFR project will build a new network of mainly electrified and dedicated tracks that extends over 1,000 km. It will operate a modern, accessible, and reliable passenger rail service connecting Toronto, Peterborough, Ottawa, Montréal, Laval, Trois-Rivières and Québec City.

The Corporation is a wholly-owned subsidiary of VIA Rail Canada Inc. (VIA Rail). It operates at arm's length from VIA Rail, is overseen by an independent Board of Directors, is funded through Government appropriations and is accountable to Parliament through the Minister of Transport. VIA HFR has its headquarters in Montreal, with offices in Ottawa and Toronto and soon Quebec.

VIA HFR has made considerable progress in developing and advancing the HFR project in cooperation with the Government, including building capacity, engaging key stakeholders, and establishing the Corporation. The organization became operational on July 1, 2023, when it formally integrated a small technical team hosted under the Canada Infrastructure Bank and all its associated professional services contract. Since then, the Corporation has ramped up capacity to provide advisory services for the technical and commercial aspects of the project and, as of March 2024, has a workforce of 79 employee positions comprised of full-time, interchange and contract personnel. It currently has a fully functioning management team with a permanent CEO and an operational Board of Directors.

The upcoming fiscal year will be marked by two key milestones in the evolution of the project: the closure of the Request for Proposals (RFP) launched in fall 2023 culminating with the selection of a Private Developer Partner, and, subject to Government decisions, once VIA HFR and PDP has signed the PDA, the launch of the Co-development phase (i.e. detailed design of the project) of the project. During the Procurement phase led by the Government, VIA HFR and the Government are participating in confidential commercial meetings with the three pre-qualified bidders (comprised of Canadian and international firms). The Government and VIA HFR are actively exchanging information that will support these bidders in developing proposals that will meet or exceed project outcomes for the HFR project (e.g., shorter journey times, more frequent

departures, more reliable service, greener transportation option, accessible, etc.). The ongoing Procurement phase is already demonstrating promising results. The ideas and concepts that are being brought forward through a competitive tension environment are creative and innovative. VIA HFR is confident that with this approach, solutions will be presented to the Government that will exceed the minimum project outcomes for the HFR project.

Following the competitive process and an evaluation period in fall 2024, the Government is expected to select a winning bidder who will become the Private Developer Partner for the duration of the Co-development phase of the project. Commercial and technical terms of the relationship with the Private Developer Partner will be finalized and subject to ratification by the Government prior to the execution of the Pre-Development Agreement (PDA) by VIA HFR and the selected bidder (i.e., the Private Developer Partner). After the PDA is executed, VIA HFR will assume the important role of the strong public sector counterparty to the PDP and the responsibilities of Project Authority and Contracting Authority.

VIA HFR's strategic objectives and activities for the 2024-25 to 2028-29 planning period will be guided by three key priorities:

Drive the design development of a passenger rail service in the Corridor

The Corporation will support the Government-led competitive progressive procurement process in preparation for the Co-development phase. VIA HFR will also advance all preparatory work that will support and accelerate the design phase of the project that will start once a PDP is selected (e.g., engineering, technical work, field studies, security, safety and regulatory assessment, negotiation with host railway operators). As soon as a PDP and VIA HFR sign the PDA, VIA HFR will assume the responsibility of Project Authority and Contracting Authority, and is the single window counterparty to the PDP, on behalf of the Government.

Foster Indigenous Partnerships, Engage Stakeholders, and other Partners effectively

The Corporation is committed to reconciliation and fulfilling the Crown's duty to consult, and, where appropriate accommodate, through meaningful engagement with potentially impacted Indigenous peoples. The participation of Indigenous peoples is essential to the success of the HFR project, from building strong partnerships and relationships to creating mutually beneficial socio-economic development opportunities.

The Corporation will effectively collaborate with stakeholders and partners, including federal and other levels of government as well as external stakeholders to seek their support for the project.

The project needs to be known, required and desired. VIA HFR will continue to build awareness of the HFR project and ensure that its benefits are well understood. The Corporation will continue to

listen and be responsive in order to mitigate concerns early and proactively address them.

Strengthening the Corporation

To fulfil its mandate, VIA HFR will continue to effectively manage itself as a Crown corporation. This will include demonstrating strong financial stewardship, seeking funding to allow for the long-term stability of the Corporation and building a strong project management culture focused on delivering on Canada's largest infrastructure project.

As VIA HFR delivers on its strategic objectives, the Corporation will also pay particular attention to showcasing the project to meaningfully advance broader Government priorities, including:

- growing a more resilient economy,
- promoting access to housing,
- engaging in open and constructive, and meaningful relationships with Indigenous peoples,
- fighting climate change, and
- promoting diversity, inclusion, and accessibility and official languages.

Approved funding of \$413.7 million (M) from Budget 2024 will allow VIA HFR to advance on these objectives through the 2024-25 to 2028-29 planning period.

OVERVIEW

VIA HFR Corporation

Mandate

The mandate of VIA HFR is to develop and implement the High Frequency Rail project including the design, construction, financing, operation and maintenance of passenger rail services in Ontario and Quebec through one or more agreements with the private sector, in cooperation with the Minister of Transport, and in accordance with the Minister's Statement of Priorities and Accountabilities (Mandate Letter) provided upon VIA HFR's incorporation (see Appendix 1).

Key Authorities

Incorporated on November 29, 2022, in accordance with the *Canada Business Corporations Act*, as per *Order in Council P.C. 2022-0259*, and under the authority of *Order in Council P.C. 2022-261*, VIA HFR is accountable to Parliament through the Minister of Transport. As a wholly-owned subsidiary of VIA Rail but operating at arm's-length from its shareholder, VIA HFR acts as a parent Crown corporation under the *Financial Administration Act (FAA)*, with some exceptions, in accordance with *Order in Council P.C. 2022-0260*.

Vision

VIA HFR's vision is to transform, and support modal shift to faster, passenger rail services in the Toronto to Québec City corridor (Corridor) by providing Canadians a more frequent, more reliable, and greener transportation option.

Mission

To advance for the benefit of all Canadians a high frequency passenger rail service between Québec City and Toronto that is socially, economically, environmentally, and financially sustainable, in collaboration with the private sector.

HFR Project

Initially proposed by VIA Rail in 2016, the original High Frequency Rail (HFR) project was put forward to improve passenger rail service in the Toronto-Ottawa-Montreal corridor by operating VIA trains on predominantly dedicated tracks in order to improve on-time performance.

After significant analysis by the Government, and subsequently by a small dedicated Joint Project Office, the Government explored a number of different procurement approaches for the HFR project and ultimately chose a progressive P3 model with an integrated delivery model. This approach is expected to lead to a lower cost to taxpayers, a better allocation of project risks to the best entity capable of managing the risks and ultimately lead to better project results and results for Canadians.

The project will transform passenger rail service in Canada by constructing an approximately 1,000 km intercity passenger rail network, run on predominantly dedicated electrified tracks at higher frequencies, higher speeds and with improved reliability between Québec City and Toronto, making it faster and easier for people in Canada's most populated areas to travel for work or leisure. The operations of new HFR services and local services will be treated as an integrated network system along the entire Corridor with operations of local services to be maintained and optimized to enable better connections with HFR.

A detailed project brief can be found in Appendix 2 which includes background, project outcomes, costs and governance.

Supporting Broader Government Priorities

The VIA HFR project aligns with the following Government priorities to help create a more connected, sustainable, and economically vibrant Canada:

- **Infrastructure Investment:** as part of a broader Government initiative to invest in modern, efficient, and sustainable transportation infrastructure across the country;
- **Environmental Sustainability:** by fostering modal shift to a cleaner and greener transportation option the project will support the Government's environmental goals of reducing greenhouse gas emissions;
- **Economic Growth and Job Creation:** by stimulating economic growth from the creation of employment opportunities, directly and indirectly, during the construction phase and subsequently through ongoing operations and maintenance; improving the efficiency of the transportation Corridor will also enhance the movement of goods and people;
- **Improved Connectivity:** by making intercity travel more accessible, connectivity between major urban centres in one of the most densely populated and economically active regions in Canada;
- **Advancing reconciliation with Indigenous peoples:** by supporting ongoing engagement to foster meaningful, two-way dialogue and maximizing project participation opportunities for Indigenous peoples;
- **Innovation and Technology:** by implementing a progressive and competitive procurement model to encourage creativity and innovative design concepts during the Procurement phase; and
- **Safety and Accessibility:** by making transportation safer and more accessible within the Corridor, by incorporating accessible features that exceed minimum code or design standards; to accommodate use of service by everyone however they may encounter it.

Further details regarding VIA HFR's Government Priorities and Direction can be found in Appendix 10.

Public Benefits

The proposed investment in the project is underpinned by the potential for significant economic, environmental, and social returns, aligning with broader governmental goals and policies aimed at creating a more inclusive, sustainable and economically robust future.

Investing in infrastructure like the HFR project demonstrates a long-term commitment by the Government toward sustainable urban and rural planning and transportation. It presents a strategic vision for future mobility needs and urban/suburban development, preparing for population growth and technological advancements. Enhancing connectivity between key urban and rural areas, will facilitate balance in regional economic development opportunities and more equitable economic prosperity across the region.

Improved rail services can offer significant social benefits and improve the quality of life by reducing travel times and costs for regular commuters. Providing a faster, more reliable, and more frequent train services will attract more passengers to rail transport, reducing road congestion and potentially decreasing the demand for other travel modes for short haul commutes for business or leisure. A more appealing transportation option can also boost domestic and international tourism to destinations within the Corridor, which further supports local economies and promotes cultural exchange.

OPERATING ENVIRONMENT

During its initial years of operation, as a newly established Crown Corporation, VIA HFR will face a diverse array of challenges. An environmental scan of the internal and external environment of the organization was conducted in order to identify opportunities, threats, trends, and weaknesses which can impact the current and future strategies of the organization.

STRENGTHS	WEAKNESSES
<p>Utilizes a progressive P3 procurement model, offering flexibility for VIA HFR to fulfill its mandate through innovative project design and risk mitigation strategies.</p> <p>Rapidly assembled an initial team of skilled and dedicated employees by leveraging talent from VIA Rail, Transport Canada and contractors.</p> <p>Benefits from a diverse and inclusive Board, fostering robust debate and informed decision-making.</p> <p>VIA HFR will assume the important role of the strong public sector counterparty to the PDP, allowing for, among other strengths, nimble and quick decision-making informed by private sector and public sector experts.</p>	<p>Onboarding a large number of employees with varying expertise can lead to challenges in building a cohesive high-performance team aligned with priorities. Learning curve is steep for all new employees with a rapidly evolving project.</p>
OPPORTUNITIES	THREATS
<p>Leverage collaboration with the Private Developer Partner to drive innovation and project optimization.</p> <p>Explore opportunities for integrating cutting-edge technologies into the project.</p> <p>Deliver faster journey times for passengers.</p>	<p>Financial uncertainty may impede the Corporation's capacity to make long-term decisions.</p> <p>Recruiting professional talent in a tight labour market, especially in highly technical fields, could be challenging.</p>

OPPORTUNITIES	THREATS
<p>Early project planning activities such as field studies, land surveys and engaging Indigenous peoples to prepare for Impact Assessment (IA). With information from these project planning activities, it is expected to decrease the risk of the IA process.</p> <p>Align with global trends in advancing passenger rail projects, bolstering Canada's quality of life.</p> <p>Stimulate regional economic growth through job creation, skills training, and various opportunities, thereby strengthening Canada's economy.</p> <p>Contribute to the Government's ambition of achieving net-zero emissions by 2050 by significantly reducing greenhouse gas (GHG) emissions in the project's operations as it fosters modal shift from higher emitting GHG transportation modes.</p> <p>Engage with Indigenous communities, entities, and organizations to advance reconciliation objectives, to foster meaningful partnerships and to explore socio-economic opportunities and to fulfill any legal duty to consult and, where appropriate accommodate.</p> <p>Mobilize top expertise from Canadian and international firms to deliver a premier passenger rail project tailored for Canadians' needs.</p>	<p>Increasing number of infrastructure projects in Ontario and Quebec and the world could strain skilled labor availability, material supply, induce price volatility and restrict access to capital.</p> <p>VIA HFR could face varying degrees of readiness amongst Indigenous communities, entities, and organizations with respect to engagement in the HFR project. Potential factors include resource availability and consultation fatigue resulting from numerous infrastructure projects in Ontario and Quebec.</p> <p>Timely adaptation of regulatory and safety standards may be required to facilitate higher-speed passenger rail.</p> <p>Inability to negotiate reasonable access to third party (host railways) tracks.</p>

Internal Environment

Several internal factors will influence and impact how the Corporation adapts to the evolution of the project through its various phases (i.e., Procurement, Co-development, Construction and Execution). The key internal factors are listed below.

Evolution of the Project and interface with Government

There is currently a robust governance structure in place between VIA HFR and the Government. As the HFR project is expected to transition from the Procurement phase to the Co-development phase in the course of the year, an updated governance structure between Transport Canada and VIA HFR, and between VIA HFR and the PDP will be implemented to reflect the increased roles and responsibilities that VIA HFR is expected to assume. Once the PDA between VIA HFR and the PDP is executed, VIA HFR will become the Project Authority, Contracting Authority, and the strong public sector counterparty to the PDP.

Capacity Building

In support of its increasing role, the Corporation continues to expand its project management capacity and rail sector expertise to support the project. It is essential for the Corporation to have the required employees and supporting technology, tools, and resources in place early to ensure it can be a credible counterparty to Government and the private sector as it takes over the lead role during the Co-development phase of the project.

Recruitment and Retention of Employees

Developing one of the largest transportation projects in Canadian history, demands having a workforce with skills aligned with the work required. As a new organization in start-up mode, it is important to recognize the substantial surge in volume, scale, and diversity of project activities both ongoing and emergent that VIA HFR will assume over the next year. Securing and retaining employees, particularly for highly technical positions, presents a challenge for VIA HFR given the increased demand for specialized expertise in the rail infrastructure and construction sectors. Several prospective candidates were hesitant to join the organization due to the perceived limited duration of opportunities stemming from short-term funding of the organization. To address this issue, as a short term solution, VIA HFR has expanded its workforce by tapping into talent pools from VIA Rail, the Government of Canada, and to the extent possible the private sector.

Without sufficient qualified professionals, VIA HFR faces heightened risks of control errors, non-compliance with legislative, regulatory, and policy requirements, incomplete or inaccurate public reporting, and being outmaneuvered by the PDP.

The organization remains steadfast in its commitment to fostering a diverse workforce and will actively seek talent from designated groups (i.e. as defined in the *Employment Equity Act*,

comprising women, Aboriginal peoples, persons with disabilities, and members of visible minorities). Recruitment efforts continue with the objective of building a permanent workforce of approximately 160 employee positions by March 31, 2025.

External Environment

Several external factors will influence and impact the evolution of the project. The Corporation's operating environment will be influenced by such factors as economic conditions, population changes, Government policies and funding decisions, market dynamics and public interest/perception. The key external factors are listed below.

Market trends and Competitors

The Corporation through the project development must assess and respond to various issues such as market trends and competitors. Historically, market trends in Canada have included efforts to improve infrastructure, move toward more environmentally sustainable transportation operations and address changing needs of travellers.

Demand for reliable transportation among communities in the Corridor continues to grow and is already exceeding the existing capacity of the current transportation system. Transportation options in Ontario and Quebec include:

- **Automobiles:** Cars compete with rail due to cost, convenience and flexibility, especially for shorter distances or access to areas with limited rail connectivity.
- **Buses:** Intercity and regional bus services compete with passenger rail as cost-effective and flexible transportation options. In many instances, journey times tend to be shorter than current rail options (when available).
- **Air Travel:** Air travel may compete with passenger rail services, offering faster transit times between major cities, despite sometimes long commute times and security screening processes at airports.
- **Ride-share and Carpooling Services:** While more limited, ride-sharing and carpooling are services that present an alternative for travelers, but less so in intercity transportation.

Understanding both market trends, and transportation competitors and how they impact demand and supply will inform how VIA HFR, with the private sector, Co-develops an improved, affordable and accessible passenger rail service in the Corridor.

Government of Canada decision-making, evolving legal, environmental & economic landscapes

The coordination of decision-making bodies, including Government oversight, requires concerted attention to ensure it supports the timely advancement of the project. The development and execution of the project may also be influenced by judicial decisions and changes in environmental and economic conditions. It is necessary for VIA HFR to thoroughly identify and

analyze risks, in collaboration with Transport Canada and other federal partners and be prepared to adapt to these external factors with well-developed mitigation measures.

Negotiations with Host Railways

The HFR project seeks to use dedicated tracks to the maximum extent possible, both to allow control over its operations, and reduce interactions with other rail operators so that they can continue to grow their operations. However, certain rail segments that the HFR project is expected to use are owned by host railways (e.g., Canadian National Railway, Metrolinx, others). As a result, VIA HFR will need to negotiate long-term, predictable track and rights-of-way access agreements with host railways to secure the best possible route for HFR, including access to centres of major cities.

Regulatory Requirements and Impact Assessment

As the rail transportation sector is highly regulated, VIA HFR is actively engaging with the Government to ensure all regulatory requirements, such as but not limited to *Railway Third Party Liability Insurance Coverage Regulations*, are abided to as outlined in various legislation (i.e. *Railway Safety Act*, the *Canada Transportation Act* and *Impact Assessment Act*). VIA HFR is seen as having a key leadership role that will enable the advancement of the regulatory posture to satisfy Government requirement and meet or exceed all rail safety and security regulatory requirements.

While a track alignment for the project is not yet determined, various options are being explored. Consultations and the impact assessment and regulatory review processes are expected to inform the development of the project and outline environmental, economic, social and health impacts of the project. The organization will work collaboratively with Transport Canada, the Impact Assessment Agency of Canada (IAAC), and other federal departments to advance any Impact Assessment (IA) requirements that may apply to the HFR project. The organization will closely monitor the ramification of the October 13, 2023, Supreme Court decision regarding the constitutionality of the *Impact Assessment Act* and how it could affect the project upcoming assessments, including with other level of governments.

STRATEGIC OBJECTIVES, KEY PRIORITIES AND ACTIVITIES

STRATEGIC OBJECTIVES AND KEY PRIORITIES

This Corporate Plan presents the strategic objectives which VIA HFR will focus on during the important transition period from the Procurement phase to the Co-development phase. Many of the corresponding activities that support the objectives have continued from 2023-24 and will endure into the Co-development phase that will extend through the planning period of this Corporate Plan. The following section presents the strategic objectives and activities the Corporation will undertake in 2024-25 and during the planning period up to 2028-29 to achieve its key priorities.

Based on the mandate set forth by the Government, VIA HFR has identified three key priorities that it will focus on for 2024-25:

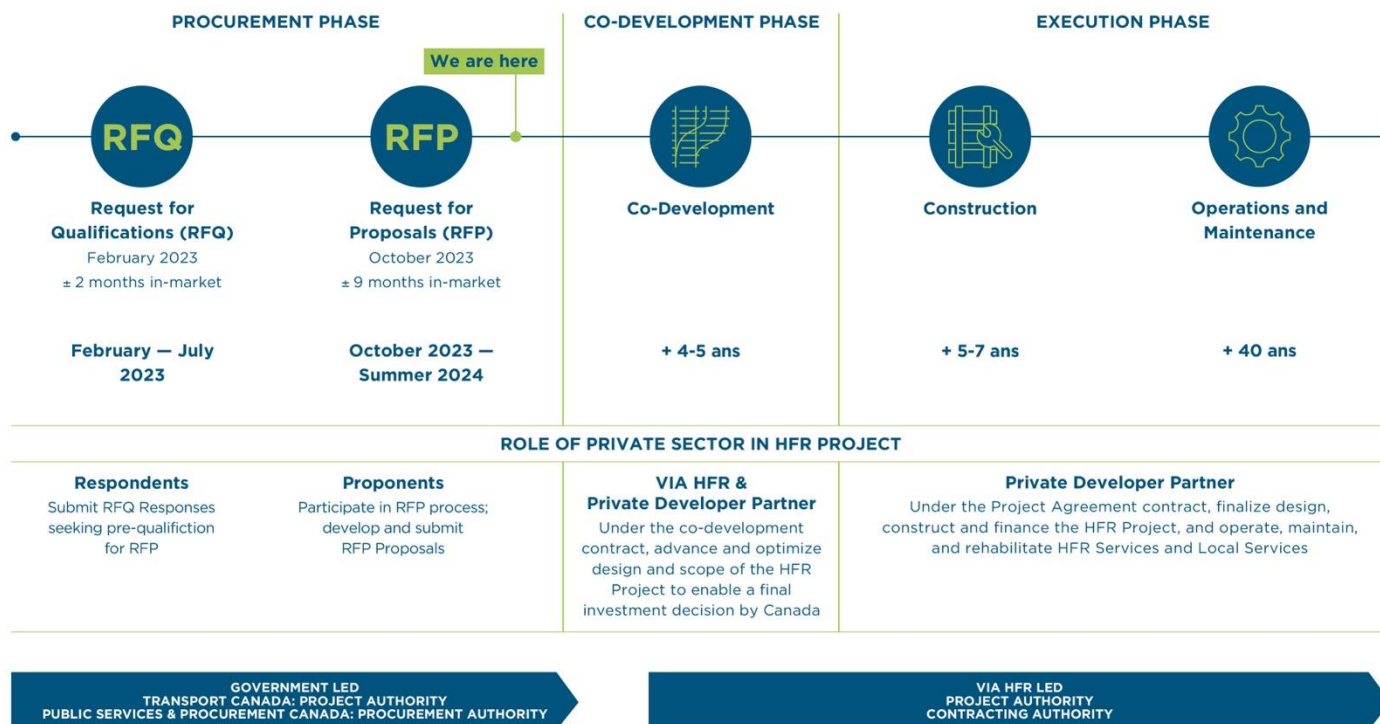
1. Drive the Design Development of a Passenger Rail Service in the Corridor
2. Foster Indigenous Partnerships, Engage Stakeholders, and other Partners Effectively
3. Strengthen the Corporation

The following section presents the strategic objectives and activities the Corporation will undertake in 2024-25 and during the planning period up to 2028-29 to achieve its key priorities.

Key Priority #1: Drive The Design Development of a Passenger Rail Service in the Corridor

Strategic Objective: The Corporation will advance the project by supporting the Government-led competitive RFP phase, help negotiate its commercial and technical terms, and advance all preparatory work that will support and accelerate the design phase of the project. In 2024-25, VIA HFR will focus on the important transition period from the Procurement phase to the Co-development phase and enter Co-development, subject to Government decisions and the PDA being executed between VIA HFR and the PDP. The Co-development phase will optimize the design to achieve or exceed project outcomes in accordance with the PDA. With Transport Canada, the Corporation is looking at novel approaches to deliver the benefits of HFR sooner, through a segmented (network approach) construction and implementation plan where certain city pairs are connected and commissioned earlier allowing Canadians to benefit from more frequent, reliable and faster intercity train services.

Overview of the VIA HFR Procurement Process to Select a Private Developer Partner



ACTIVITIES

Support to the Government-led procurement process

The Government, VIA HFR and the bidders are currently engaging so that bidders can develop proposals that will meet or exceed project outcomes for the HFR project (e.g., shorter journey times, more frequent departures, more reliable service, etc.). The RFP stage of the Procurement phase has demonstrated promising results. The ideas and concepts that are brought forward through a competitive tension environment are creative and innovative. VIA HFR is confident that with this approach, solutions will be presented to the Government that will exceed the minimum project outcomes for the HFR project. Refer to Appendix 2 for additional information on the project and its outcomes.

To support this objective, VIA HFR will provide expertise in technical and commercial aspects of the project.

On the technical side, VIA HFR will continue providing project management support across workstreams in preparing for Co-development phase and will also participate in evaluation of proposals submitted at the conclusion of the RFP stage. With respect to the commercial side, VIA HFR commercial and legal services will support the development of all contractual, legal, and commercial terms that will govern the upcoming relationship between VIA HFR and the PDP.

Selection of Private Developer Partner

Following the close of RFP bid submission in July 2024, Public Services and Procurement Canada (PSPC), with the support of VIA HFR and other Government partners, will complete bid evaluations that will result in the selection of a preferred bidder.

Selection of Project

In parallel, and in collaboration with federal partners, VIA HFR will recommend a preferred project solution (e.g. alignment, technical specifications, speed, services, etc.) to the Government for decision. This recommendation would be informed by a detailed analysis of the expected project benefits, project outcomes, and other considerations.

Following Government decision of a preferred solution and PDP, VIA HFR will finalize a PDA with the PDP, subject to the necessary authorities being obtained, and begin the Co-development phase.

Co-development phase

VIA HFR will enter into the Co-development phase with significantly increased roles and responsibilities as the lead Project Authority and Contracting Authority. In preparation of these added responsibilities, VIA HFR has been planning in order to mitigate risks to initiate the Co-development phase as soon as possible.

Further, execution of the PDA will initiate additional project oversight activities that VIA HFR will lead, such as continuous monitoring and reporting on the progress of design and development, schedule, expenditures and cashflow forecasting, claim payment processing, and risk monitoring analysis.

Consultations and engagement with Indigenous communities, entities and organizations will broaden, to not only consult, but also inform Government of material issues that arise from such consultations. Finally, the Corporation will continue and broaden data collection and studies required to inform evidence-based decision making.

Advance the Impact Assessment process

The project is subject to requirements of the Impact Assessment Act (IAA), which sets out a process for assessing and preventing significant adverse effects on the environment and includes consulting with Indigenous communities, entities and organizations, other levels of government and the public.

There are five stages in the IA process: Planning, Impact Statement, Impact Assessment, Decision Making and Post Decision. With respect to Impact Assessment and other regulatory approvals

and processes, new activities will include planning for early works on land acquisition and, subject to approvals, directing and conducting all studies required to advance preliminary project design. The planning activities stages of the IA process, including the identification of relevant stakeholders who may be affected and the continuation of the collection of environmental information.

Land Acquisition

VIA HFR will also build capacity and further develop a preliminary land acquisition strategy, including properties potentially required. To support this, VIA HFR will hire professionals in this area (e.g., surveyors, appraisers, geospatial technicians), identify land parcels in potential rail corridors and their ownership. Until a final track alignment is approved, no land or land rights and interests are expected to be acquired. However, the development of a strategy, will likely inform preliminary estimation of overall costs including costs associated with purchasing land or land rights and interests, legal fees, surveys, and any potential compensation to landowners or affected communities.

Regulatory Approvals and Compliance

The project will need to secure all necessary regulatory approvals and ensure compliance with environmental, safety, and other regulatory standards. This could involve detailed environmental assessments, consultations with local communities, and obtaining various permits.

Advance Discussions with VIA Rail Canada Inc.

The Corporation will continue to collaborate with VIA Rail Canada Inc. and support TC in the development of a final transition plan for some of VIA Rail's services and assets in the Quebec City to Windsor corridor. Further collaboration is expected to include multilateral committee meetings where various topics regarding the current operations of VIA Rail, will be discussed. The development of the final transition plan to ensure corridor services are properly integrated in future VIA HFR services is expected to unfold over multiple years and any implementation of the plan will be subject to a formal Government endorsement.

Advance Discussions with Host Railways and Utility companies

The Corporation will also build relationships with host railways and utility companies that are required to advance the Co-development phase of the project. The Corporation has entered into separate Memoranda of Understanding (MOUs) with host railways to initiate non-binding privileged discussions and exchange preliminary information. These MOUs are expected to evolve over time and following the selection of the PDP, will establish standardized frameworks to identify requirements related to track access and train capacity, operations, and maintenance practices. The MOUs will also support the incorporation and integration of these requirements into design development. Further discussions will be advanced with utility companies, to determine access,

easements, etc.

Advance Rail Systems and Infrastructure Planning and Engineering

VIA HFR will work with Transport Canada to better understand requirements related to the development of a new rail project and ensure that safety processes/standards are met, creating an efficient, safe, and sustainable rail transportation network. Coordination and collaboration with Transport Canada will help identify relevant safety and regulatory requirements governing rail systems, network use policies, and procedures for obtaining necessary permits and approvals. As the HFR project will be the first of its kind in Canada, network integration and safety regulations will be thoroughly explored and identified with the appropriate authorities.

Key Priority #2: Foster Indigenous Partnerships, Engage Stakeholders, and Other Partners Effectively

Strategic Objective: The Corporation will continue to foster partnerships through relationship building with Indigenous communities, entities, and organizations and engage stakeholders and other partners effectively in order to ensure, enhance and broaden public support for the project. The project needs to be known, required and desired. Effective engagement fosters transparency, builds trust with the communities along the corridor and allows for the early identification of concerns, leading to more comprehensive project planning and acceptable mitigation strategies.

ACTIVITIES

Advance Indigenous Reconciliation, Participation and Collaboration

The participation and support of Indigenous peoples is essential to the success of the HFR project and is a key outcome of the Government's commitment to reconciliation. The Corporation's approach to Indigenous reconciliation, participation and collaboration is based on four strategic objectives:

- Co-developing / executing collaboration agreements and establishing strategic and economic partnerships;
- Lead consultations and engagement on behalf of the Crown to fulfill any duty to consult and, where appropriate accommodate;
- Build effective and meaningful relationships with potentially impacted Indigenous communities, entities, and organizations; and
- Create mutually beneficial socio-economic development opportunities.

The Corporation has built an engagement plan that integrates Indigenous perspectives and knowledge across the enterprise and throughout the lifecycle of the Project. The plan aims to build awareness, consensus, and support for the project while striving to be a leader in advancing

Indigenous reconciliation and participation in major project development in Canada. In this regard, VIA HFR has a calendar with planned engagements with specific communities, Indigenous business organizations, and government partners in 2024-25. The Corporation's commitment to reconciliation is grounded in the principles of engaging early, meaningfully and in accordance with the principles of the *United Nations Declaration on the Rights of Indigenous Peoples*. Please refer to Appendix 4 for additional information.

Supporting relations with the Government of Canada and federal partners

The Corporation will continue to engage the Government in order to share information and be kept apprised of the latest Government direction and considerations related to the project. As the Corporation grows, it will continue to effectively collaborate, cooperate promote appropriate stewardship and meet transparency and reporting requirements to the Government.

Throughout the project the Accountable Owner is the Minister of Transport. The Deputy Ministers' Oversight Committee (DMOC), an oversight body of Deputy Ministers and other senior officials, chaired by the Deputy Minister of Transport, from key departments to advise the Minister of Transport on key aspects of the project, including to guide project implementation based on Government-wide objectives.

DMOC's role will also evolve however, it will remain a key forum for deliberations between Government and VIA HFR. With a shift of roles and responsibilities, while following Government direction, VIA HFR's role will increase in importance as assumes new accountabilities in the delivery of the HFR project (i.e. procurement, technical and project authority roles) during the Co-development phase. The Government will continue to be an important partner, including through policy and financial decisions.

Working with Provinces, Municipalities, and Interest Groups

VIA HFR will engage provinces, municipalities and interest groups and provide a forum for them to present ideas. In future years, once an alignment is confirmed, provinces, municipalities and interest groups will be provided a forum to assess potential adverse and/or beneficial impacts, present ideas, conceptual designs and alignment options and mitigation measures.

VIA HFR will work with all municipalities and collaborate with the provinces along the Corridor while respecting the responsibility of the Minister of Transport and Transport Canada officials in the coordination of federal-provincial relations.

The VIA HFR community and stakeholder relations capture plan has been developed to ensure that the project is known, required and desired. This Plan's objectives include raising awareness and building trust for the project while actively listening and mitigating concerns; deconstructing

myths, such as a perceived lack of speed and ambition, by refocusing the conversation on the project's merits in reducing journey times; and building a reliable and excited network of third-party validators and champions for the project. The execution of the Plan aims to increase the awareness and social acceptability of the project. To support this, small funding could be allocated to specific activities such as publicity and targeted partnerships over the duration of the project, according to an internal policy and a rigorous internal evaluation process overseen by the Board of directors.

Strengthening Public Awareness of the Project

The Corporation will also have to increase the public's awareness of the project, and trust in its success, in order for the public to see its benefits. With a number of past unsuccessful proposals to improve passenger rail in the Corridor, the public may not have confidence that this new project will actually come to fruition. As a result, it will be important to implement an effective communication strategy, to demonstrate and promote the need for the project and its benefits.

Key Priority #3: Strengthen The Corporation

Strategic Objective: Demonstrate financial sustainability and responsibility for prudent resource management while delivering on the Government mandate. The Corporation will continue to provide effective support to the project.

ACTIVITIES

Ensuring Effective Corporate Governance and Stewardship of Resources

As a newly established Crown corporation, the management team's focus will be on strengthening its corporate governance. This will be accomplished by ensuring the effective support of and oversight by its Board of Directors, continuing to develop corporate policies to effectively manage the resources of the Corporation and by ensuring efficient stewardship of resources through robust cost management. During the planning period, VIA HFR will deliver and report on clear and measurable outcomes, incorporate best practices of good governance and required reporting including that on performance management, PDP activities and its progress, and risk management in a transparent way.

The Corporation plans to undertake a rebranding exercise expected to better align the brand with the project's evolution. VIA HFR will work with the Government to properly consult and ensure the rebranding aligns with Government policies on branding.

Strengthening Corporate Services (HR, IM/IT, facilities management) to its Employees

VIA HFR will continue to strengthen corporate services such as finance, human resources, information management (IM) and information technology (IT), facilities management and

corporate infrastructure in order to support the expansion of the organization so that it can effectively advance the HFR project.

Promoting Talent Development

The Corporation will continue to recruit and retain talent and foster a culture of engagement and collaboration. In order to retain talent, the Corporation will invest in employee training and development programs, further develop employees' skills and allow for professional growth within the organization.

Ensuring a Safe and Healthy Workplace

VIA HFR will continue to build its organizational health and safety policies and practices to promote a supportive work environment where employees are engaged, feel valued and want to remain with the organization.

Continuing Legal Support

VIA HFR's legal services will also be provided in respect to the project during the Procurement Phase, including to support VIA HFR's role in the ongoing Procurement process, and with respect to the Impact Assessment process; land acquisition strategy, permits and approval strategies; intellectual property protection; rail systems and infrastructure; regulatory issues and rail access. Legal support will also be provided in the Co-development phase, subject to Government decisions regarding this phase.

VIA HFR's legal services will also be provided to the project, including to support the ongoing Procurement process, namely: considerations with respect to the Impact Assessment process; land acquisition strategy, permits and approval strategies; intellectual property protection; rail systems and infrastructure; regulatory issues and rail access. Legal support will also be provided in the Co-development phase, subject to Government decisions regarding this phase.

At this time, the Corporation does not have any ongoing litigation.

RISKS AND PLANNED RESULTS

RISKS

Risk management is an ongoing process that identifies and assesses risks and manages those with mitigation measures. To identify and assess existing and emerging risks and develop appropriate mitigation measures, VIA HFR, has developed an enterprise risk management framework to reflect an enterprise-wide approach toward risk management.

This framework is intended to provide for effective risk management and controls that will be implemented across the organization, to ensure risks are managed effectively and in compliance with governance and legislative requirements. It will identify and monitor all corporate and project-related risks such as those related, but not limited to human and financial resources, project schedules, regulatory processes, and project delivery.

Risk development has and will continue to be a collaborative effort, led by VIA HFR, with the Government. Some of the HFR project's risks will be borne by the Government, some jointly by the Government and VIA HFR, some primarily by VIA HFR and some by the PDP. During the Procurement phase, the five main risks for VIA HFR and the project include:

- **Funding Uncertainty:** If funding certainty is not available then VIA HFR's ability to deliver on its mandate and strategic objectives will be significantly compromised. With funding not provided for new Co-development activities, there will be limited ability to plan, grow, and advance the project. Industry and private sector confidence in the project may also be impacted.
- **Social License, Public Perception and Stakeholder Support:** If public perception and awareness of the project's benefits is low and/or inconsistent with the actual project intent then support for the project may be diminished. Support from municipal and provincial stakeholders, including elected officials is also critical to secure the social license required to continue with the project.
- **Lack of Indigenous Engagement and Participation:** If Indigenous engagement and participation are lacking, it will be a missed opportunity to improve the well-being of Indigenous peoples, to develop mutual socio-economic benefits, and to contribute toward reconciliation, and may jeopardize efforts consultations with the aim of seeking free, prior and informed consent. VIA HFR will also coordinate with other federal authorities to ensure the Crown's duty to consult is appropriately fulfilled.
- **Legislative and regulatory approval processes are not appropriately designed, planned and executed:** If legislative and regulatory approval processes are not appropriately designed, planned and executed then commercial viability may be reduced, and project timelines extended.
- **Bidder Engagement:** If progress is slowed and funding uncertainty, interest among bidders

may wane, leading to one or more withdrawing from participation. Reduced participation would be a loss in competitive tension that is helping drive creativity and innovation in the design of the project.

Further detail including the risk level of each and mitigation measures to address the top five most pressing risks, are outlined in Appendix 5.

PLANNED RESULTS

As a new Crown Corporation, the results that VIA HFR plans to achieve in 2024-25 are presented in Appendix 8. The near term planned results are aligned with the Corporation's three key priorities for 2024-25:

Drive the design development of a passenger rail service in the Corridor: The Corporation will advance the project by supporting the Government-led procurement process, help finalize the terms of the Pre-Development Agreement and advance all preparatory work that will support and accelerate the design phase of the project.

Foster Indigenous Partnerships, Engage Stakeholders, and other Partners effectively: The Corporation will foster partnerships through relationship building with Indigenous communities, entities and organizations and effectively engage external stakeholders and other partners, including federal and other levels of government, to enhance public support. The project needs to be known, required and desired. As a result, VIA HFR will continue to establish and build awareness of the HFR project and ensure that its merits are known. The Corporation will also listen to mitigate concerns early and proactively address them.

Strengthen the Corporation: To fulfil its mandate, VIA HFR will effectively manage itself as a Crown Corporation. This will include demonstrating strong financial stewardship, seeking funding to allow for the long-term stability of the Corporation and building a strong project management culture focused on delivering on Canada's largest infrastructure project.

Many activities are anticipated to endure beyond 2024-25 and throughout the planning period. As such, the indicators and targets for long-term outcomes will be refined over the course of the Co-development phase.

The Annual Report for 2024-25 and the Corporate Plan for fiscal year 2025-26 will report on VIA HFR's outcomes with respect to planned results as presented in this Corporate Plan.

FINANCIAL AND HUMAN RESOURCES OVERVIEW

FINANCIAL

The following section provides key highlights of VIA HFR's financial overview for the planning period 2024-25 to 2028-29, as it delivers on its mandate and key priorities for fiscal year 2024-25. A total of \$51.7M was approved by Parliament to establish the Corporation and advance its objectives in 2023-24.

The Government of Canada's 2024-25 Main Estimates includes \$45.3M for VIA HFR. Budget 2024 further announced \$371.8M for High Frequency Rail over six years, beginning in 2024-25, including \$368.4M for VIA HFR to complete the Procurement phase and support the Corporation over this period.

This Corporate Plan covers the planning period of five years (2024-25 to 2028-29), including \$360.3M of the funding announced in Budget 2024 and 2024-25 Main Estimates.

By key priority, for 2024-25, \$73.5M will go toward advancing the Toronto – Québec City rail project, \$8.4M to engage stakeholders and partners effectively and \$36.3M will sustain and strengthen the operations of the Corporation. This funding will allow for an achievable, full suite of activities that will mitigate risk and advance the project.

Statement of Operations

FOR THE YEAR ENDING MARCH 31 (\$'000S)	BUDGET	BUDGET					TOTAL
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	
Drive the Design Development of a Passenger Rail Service in the Corridor	-	73,439	27,297	-	-	-	100,736
Engage Stakeholders, Indigenous Communities, and Partners effectively	-	8,410	10,000	-	-	-	18,410
Strengthening the Corporation	-	36,172	41,435	53,835	53,835	53,835	239,112
TOTAL EXPENSES	(51,670)	(118,021)	(78,732)	(53,835)	(53,835)	(53,835)	(358,258)
NET FINANCIAL ASSETS							
Government transfers, Appropriations Operating	51,670	120,954	79,000	53,435	53,435	53,435	360,259
Reimbursement of Appropriations	-	-	-	-	-	-	-
Government transfers - Recoveries	-	-	-	-	-	-	-
TOTAL GOVERNMENT FUNDING	51,670	120,954	79,000	53,435	53,435	53,435	360,259
ANNUAL OPERATING SURPLUS (DEFICIT)	-	2,933	268	(400)	(400)	(400)	2,001

Advancing to the PDP phase is subject to future Government decisions. The 2023-24 budget amount is based on approved Parliamentary Appropriations. Total expenses will be made available in the VIA HFR Annual Report later this fall.

HUMAN RESOURCES

As of March 2024, VIA HFR has a workforce of 79 employee positions filled through various employment arrangements (i.e. VIA HFR employees, contractors, and individuals on Government of Canada Interchange). VIA HFR's workforce will expand as the Corporation continues to focus on staffing in 2024-25, anticipating approximately 160 positions filled by March 31, 2025.

VIA HFR WORKFORCE PERMANENT, INTERCHANGE AND CONTRACTORS

FISCAL YEAR ENDING MARCH 31					
2023-24*	2024-25	2025-26	2026-27	2027-28	2028-29
79	160	160	160	160	160

*Permanent staff: full time and part time

VIA HFR is aligned with the Government of Canada directive for the federal public service to shift to a balanced 50/50 employee/employer share of pension contributions, as announced in Budget 2012.

For fiscal year 2023-24, the Office of the Auditor General (OAG) is serving as the Corporation's external auditor and will audit the annual financial statements and verify that the statements fairly present VIA HFR's operating results and financial position in all material respects.

A RFP will be launched in 2024-25 to acquire the services of a third-party Internal Auditor and is leveraging a low value contract until a time when a supplier is competitively identified.

Procurement Policy

VIA HFR's procurement policy sets the guiding principles and procedures for procurement of goods, services, and construction works, ensuring transparency, fairness, and accountability in the procurement process. These principles are in line with the contracting and procurement policies of other federal crown corporations.

APPENDICES

Appendix 1: Statement of Priorities and Accountabilities (Mandate Letter)

Appendix 2: VIA HFR Project Brief

Appendix 3: Corporate Governance Structure

Appendix 4: Working with Indigenous Communities, Entities and Organizations

Appendix 5: Risks & Responses

Appendix 6: Financial Statements / Budget

Appendix 7: CFO attestation

Appendix 8: Planned Results

Appendix 9: Compliance with Legislation and Policy Requirements

Appendix 10: Alignment with Government Priorities and Direction

Appendix 11: HFR Project Chronology

Appendix 12: Glossary of Acronyms and Terms

APPENDIX 1

STATEMENT OF PRIORITIES AND ACCOUNTABILITIES (Mandate Letter)



December 16, 2022

Rob Prichard
1, Place Ville Marie
Bureau 3450
Montréal QC H3B 3N2

Dear Rob Prichard:

I am writing to congratulate you on your appointment as the Chair of VIA HFR - VIA TGF Inc. (VIA HFR), a subsidiary of VIA Rail Inc. The High Frequency Rail (HFR) project is a once-in-a-generation project that will transform passenger rail service in Canada through the creation of a faster, more frequent, more reliable rail service among Québec City, Trois-Rivières, Montréal, Ottawa, Peterborough, and Toronto. I am grateful that you have accepted to serve as the inaugural Chair of this new Crown corporation, along with Marie-José Nadeau, as Vice-Chair.

On March 9, 2022, I announced that the Government of Canada was launching the Request for Expressions of Interest (RFEOI), marking a major step in supporting the procurement phase for the HFR project. On October 31, 2022, the next steps in the procurement process were released through an update to the RFEOI, which answered key questions received from industry about the project.

As you know, the mandate of VIA HFR is to develop and implement the HFR project with the private sector, in cooperation with the Minister of Transport and his officials. As the Chair of VIA HFR, which is accountable to report to Parliament through the Minister of Transport, you will be accountable to me on the conduct of the organization and the achievement of results on the HFR project. In this regard, I ask that you provide me with updates on a quarterly basis on the progress being made to establish VIA HFR and to launch the HFR project. It will be important to ensure that I have access to effective, transparent, and timely information from VIA HFR to enable me, as the accountable owner of the HFR project, to make decisions on the project as it advances, with the support of my Deputy Minister and departmental officials.

I would like to take this opportunity to share with you my expectations for VIA HFR. In the short term, your first priority is to lead the selection process for the recruitment of the Chief Executive Officer (CEO) for VIA HFR and the remaining four positions on the Board of Directors. I have asked the chair of the current selection process to brief you

The logo for the Government of Canada, featuring the word "Canada" in a stylized font with a red maple leaf above the letter 'a'.

on the process to date in order to develop a path forward. To support the Government's commitment to indigenous reconciliation, VIA HFR should ensure representation of Indigenous Peoples through at least one member of its Board of Directors. I would ask that you aim to have the full VIA HFR Board and CEO in place by April 2023. Based on the selection process you oversee, the VIA HFR Board will appoint the CEO, in consultation with me, and the VIA Board will elect the remaining members of the VIA HFR Board, in consultation with me.

The second priority should be to establish the appropriate governance processes and corporate policies that bear the highest level of scrutiny. The Board of VIA HFR is not subject to the *Conflict of Interest Act*, but I expect the Board to establish a robust conflict of interest policy that reflects the best-in-class standards for corporate boards in Canada today and is consistent with the standards under this Act. As a Crown corporation, VIA HFR shall maintain appropriate codes of business conduct and ethics, reflective of these obligations, ensuring that the highest standard of ethical conduct is promoted in all its activities. All appointees should abide by the principles found in the Prime Minister's statement on Open and Accountable Government. All boards should ensure ongoing compliance, both for their organization and for themselves, with relevant legislation and any applicable Treasury Board policies, Governor in Council, and ministerial directives.

I would ask that you work with my officials in developing the first corporate plan and operating budgets for VIA HFR, as your organization is limited to initial set-up activities until these documents receive Treasury Board of Canada approval. I would ask that you oversee the development of the organizational chart and the recruitment of key staff, as well as the adoption of an appropriate compensation regime for VIA HFR, in accordance with your approved corporate plan and operating budget.

The Government of Canada is leading the procurement phase of the project and will be the decision-maker on the selection of the Private Developer Partner (PDP). In the subsequent stage, VIA HFR will then be the Contracting Authority and overseer of the relationship with the PDP in the co-development phase. During the procurement phase, certain VIA HFR subject matter experts will be members of specialized evaluation committees and contribute to the assessment of proposals from RFQ/RFP proponents.

While the procurement process to select the PDP is underway, VIA HFR will have an opportunity to advance work on several aspects of the project, so there is a better starting point for negotiations between VIA HFR and the Private Development Partner during the co-development phase. For example, the HFR project is subject to the Physical Activities Regulations under the *Impact Assessment Act* and thus is expected to require an impact assessment. There are major opportunities to advance basic design and consultations on the project to be better prepared to move forward on this process once the PDP is selected – thereby saving many months in the project timeline.

I expect both VIA HFR and VIA Rail to work collaboratively to ensure the success of the HFR project. This includes working with Transport Canada on the development of options and the eventual implementation of approved investments to enhance passenger rail service in Southwestern Ontario. VIA Rail will have a key role to play in supporting the procurement process, providing back-office support to VIA HFR and eventually facilitating the transfer of its operation in the Toronto-Québec City Corridor. It is a priority of the Government that the rights, benefits, and collective agreements of employees are respected throughout all stages of the project.

I would also ask on an ongoing basis that you, the Board, and senior management of VIA HFR work to support key horizontal policies of the Government of Canada, which are outlined below.

Fighting climate change is a cornerstone of the Government's plan to create middle-class jobs and ensure Canadian industry remains competitive. The *Canadian Net-Zero Emissions Accountability Act* has legislated Canada's efforts to achieve net-zero greenhouse gas emissions by the year 2050. In this respect, VIA HFR should continue to seek opportunities to advance measures that support Canada's transition to net-zero.

Canada is committed to open and constructive relationships with Indigenous Peoples grounded in the principles of early and meaningful engagement, fulfilling the Crown's duty to consult and, where appropriate, accommodate nation-to-nation and government-to-government relationships and advancing priorities on reconciliation, including its commitment to implement the United Nations Declaration on the Rights of Indigenous Peoples. This has already included meetings and discussions, the timely sharing of detailed information about the proposed project, providing funding through a grant program to support Indigenous participation, and maintaining a record of all interactions and communications. Being aligned with Canada's commitments to Indigenous Peoples, VIA HFR will consult and engage broadly with Indigenous communities, organizations, and entities on the proposed HFR project, and will incorporate Indigenous knowledge and perspectives into organizational operations and planning processes where appropriate.

As part of the Crown, VIA HFR must ensure that consultation and engagement processes are meaningful and are guided by the principle of the honour of the Crown to further the objective of reconciliation with Indigenous Peoples. I encourage you to work with my officials to operationalize this important part of the HFR project. VIA HFR, by fostering strong relationships as the project advances, will also work with Indigenous communities, organizations, and entities to develop the project effectively to create mutually beneficial socio-economic development opportunities.

Canadians know that fighting systemic racism and encouraging diversity and equity within the workforce help make Canada stronger and the Government is committed to operationalizing this understanding. When hiring, VIA HFR will implement outreach and recruitment strategies that uphold the principles of equity, diversity, and inclusion, including relevant federal legislation such as the *Official Languages Act*. In addition, as

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you are engaging in developing the passenger rail transportation system of the future, I look forward to seeing accessibility by design principles in your work. To that end, VIA HFR should strive to meet and exceed the standards set out in the *Accessible Canada Act* to support a barrier-free Canada.

In closing, I would like to congratulate you on your appointment, and thank you for your commitment to public service in leading the delivery of the largest transportation infrastructure project in Canada in the last fifty years. My Deputy Minister will follow up with you immediately to provide additional information and support to guide your early actions as we launch this historic project to modernize and expand Canada's passenger rail service for Canadians.

Sincerely,



The Honourable Omar Alghabra, P.C., M.P.
Minister of Transport

c.c. Michael Keenen, Deputy Minister of Transport
Françoise Bertrand, Chairperson of VIA Rail

APPENDIX 2

VIA HFR PROJECT BRIEF

Background

While VIA Rail's (VIA) services in the densely populated Windsor-Quebec City corridor are significant, acute challenges have prevented VIA from attracting additional passengers from more carbon-intensive options, such as air or private vehicles. Many of these challenges stem from VIA having to operate on congested rail infrastructure owned and controlled by freight rail companies. As a result, VIA has inflexible service offerings, longer trip times, and unreliable on-time performance, limiting its appeal as a transportation option.

Initially proposed by VIA in 2016, the original High Frequency Rail (HFR) project was put forward as a relatively limited project to rapidly improve passenger rail service in the Toronto-Ottawa-Montreal corridor by operating VIA trains on predominantly dedicated tracks in order to improve on-time performance.

After significant analysis by the Government, and subsequently by a small dedicated Joint Project Office, the Government explored a number of different procurement approaches for the HFR project and ultimately chose a progressive P3 model with an integrated delivery model. This approach is expected to lead to a lower cost to taxpayers, a better allocation of project risks to the best entity capable of managing the risks and ultimately lead to better project results and results for Canadians.

Project Overview

The High Frequency Rail Project

The current HFR project being advanced by the Government has built on VIA Rail's proposal and evolved into a more ambitious project. The project would create a new 1,000 km intercity passenger rail network on mostly dedicated track between Toronto, Peterborough, Ottawa, Montreal, Laval, Trois-Rivières and Québec City.

The project will run on primarily dedicated and mostly electrified tracks at higher frequencies, higher speeds, and with greater reliability within the Toronto - Québec City corridor, making it faster and easier for people in Canada's most populated areas to travel. The network will also introduce passenger rail service to communities that are currently under-served or without service such as Peterborough and Trois-Rivières. The HFR project is expected to provide greater intermodal connectivity and passenger travel service between major urban areas (Toronto, Ottawa, Montreal, and Québec City), providing a safe and accessible passenger transportation option.

The main differences between the original and current proposals include extending the project scope to include Laval, Trois-Rivières and Québec City, considering higher speed segments, and procuring the project as an innovative procurement model.

Project Outcomes

The project aims to achieve seven outcomes as listed in the table below. These project outcomes are at the foundation of the Request for Proposal currently under way.

PROJECT OUTCOMES	MINIMUM TARGET OUTCOME
Significantly Increase Intercity Rail Passengers	<ul style="list-style-type: none"> • Increase annual passenger trips in the Corridor to at least 17 million by 2059 (up from 4.8 million in 2019), including both HFR Passenger Rail Services and Local Services • Operational and fleet strategies include increased annual seat capacity to enable expected growth in passengers
Enhance Passenger Experience in the Corridor	<ul style="list-style-type: none"> • Faster service with shorter journey times between Major Cities (Québec City, Montreal, Ottawa, and Toronto) that are less than: <ul style="list-style-type: none"> ○ 4h10 between Toronto and Montreal ○ 2h55 between Toronto and Ottawa ○ 1h45 between Ottawa and Montreal ○ 2h50 between Montreal and Quebec City • More reliable service with improved on-time performance within the Corridor (up to 95 per cent on dedicated tracks from an average of 68 per cent in 2019) • More frequent departures (e.g., minimum 12 departures per day) between major cities • Add new services to Peterborough, Laval and Trois-Rivières • Maintain connectivity between cities currently serviced by meeting or exceeding minimum service requirements to be established by Canada/the Project Authority for Local Services • Improve integration with other modes of transportation (e.g., regional, and local public transit, non-Corridor services, airports) by engaging collaboratively with municipal stakeholders, transit authorities and other orders of government or service providers. • Provide a passenger rail system that is significantly less dependent on sharing tracks with Host Railways

PROJECT OUTCOMES	MINIMUM TARGET OUTCOME
<p>Provide Meaningful Environmental Benefits to Support the Government of Canada's Net Zero Commitment</p>	<ul style="list-style-type: none"> • Provide a greener rail system and cleaner travel option using electrified technology (zero or low emission power technology where electrification is not feasible, including alternative fuels or electric power cells) • Reduce total emissions associated with HFR, including those associated with construction. Targets, including interval targets, would be developed by the Authority and the Private Developer Partner during the Co-development phase • Reduce greenhouse gas (GHG) emissions during operations by a minimum of 10 million tonnes of CO₂ over a 30-year term in support of Canada's net zero 2050 target • Report on GHG emissions savings achievements (e.g., annually with rolled up reporting as intervals, such as every 5 years and/or to support Canada's emissions savings reporting)
<p>Significantly Increase Availability of Accessible and Affordable Services</p>	<ul style="list-style-type: none"> • Provide barrier-free access to services aligned with the <i>Accessible Canada Act</i>, meeting or exceeding the latest accessibility standards and best practices and significantly increase availability of accessible services to travellers in the Corridor • Incorporate an affordable and socially equitable fare and ticketing policy for passengers in the Corridor that meet the minimum parameters to be established by Canada • Incorporate findings into the Project of a Gender Based Analysis Plus (GBA+) analysis that considers diverse identity factors, including how different individuals might experience the Project, to deliver positive GBA+ outcomes
<p>Enable Safe Intercity Journeys</p>	<ul style="list-style-type: none"> • Provide a safe and secure environment for customers, staff and communities by incorporating proven standards of world-class safety-focused passenger rail systems • Provide a level of safety for Project railway operations comparable to proven North American and European rail safety standards

PROJECT OUTCOMES	MINIMUM TARGET OUTCOME
Minimize Financial Costs to Taxpayers	<ul style="list-style-type: none"> • Eliminate operating subsidies by the Government of Canada in the Corridor while achieving defined levels of customer satisfaction • Provide a solution that yields best value for money for taxpayers, through: <ul style="list-style-type: none"> ○ the integration of design, construction, maintenance, and operations; and ○ optimal revenues and cost management • Establish and adhere to an affordability range for the Project throughout the project lifecycle • Contribute positively to the Government of Canada's priorities on economic growth by generating jobs, creating new supply chains and supporting training and skills development while respecting trade obligations and ensuring cost efficiencies
Contribute Positively to the Government of Canada's Commitment to Reconciliation with Indigenous Peoples	<ul style="list-style-type: none"> • Create socio-economic benefits and maximize project participation opportunities for Indigenous peoples • Support ongoing engagement to foster meaningful, two-way dialogue

The above project outcomes are minimum thresholds to meet. Under the Government's progressive P3 procurement model, including a Co-development approach, it is expected that the innovative and creative solutions being put forward by the three consortia bidding on the project will exceed these minimum thresholds.

Project Scope

The project scope includes 6 key elements:

- Up to 1,000 km of new or upgraded corridor and track
- New civil / engineering works (for e.g. tunnels, bridges, grade crossings) supporting the new services
- New and upgraded railway stations

- Advanced signaling and control system
- New intercity passenger rolling stock
- Maintenance and operational control centres, for maintenance and operations of the railway

Cost

Cost estimates will evolve as the project is further defined, including confirmation of alignment, stations, speed, safety and supporting infrastructure, etc. Some of these decisions, including those that may have an impact on the scope of the project, will have to be decided in collaboration with Government.

Once a final design is confirmed, the Corporation will have a formal costing approach that is expected to include: detailed cost estimation, procurement planning, cost management plan including proper contingency allocation and a robust third-party review process.

VIA HFR will strive to ensure that the PDP is properly incentivized to innovate and seek cost reductions, as required, to create better value for money, while protecting the public interest.

Project Charter & Project Governance

Project Charter

To ensure that the HFR project is delivered in a manner consistent with the vision put forth by the Government, a Project Charter (Charter) was developed which sets out the broad parameters of the project and its governance. It describes in detail the roles and responsibilities of the key stakeholders and provides for the respective authorities of the Government Office (i.e., officials from Transport Canada, Public Services and Procurement Canada, and Infrastructure Canada) and VIA HFR during the Procurement phase. It has been signed by the Deputy Minister of Transport after consultations with VIA HFR.

Project Governance

Given the size and complexity of the project, a governance structure of the Project was developed by the Government of Canada that ensures effective and efficient oversight of the project while allowing for VIA HFR, a Crown corporation, to advance key aspects of the project in a manner consistent with obligations and responsibilities of a federal Crown corporation.

Various Government organizations have direct roles in advancing the HFR project. These roles will continue to evolve as the HFR project advances in the various phases of the project. Throughout the entirety of the Project, the Minister of Transport is the Project's Accountable Owner that answers to the project to Parliament, brings forward recommendations to Cabinet and Treasury Board, and provides overall policy guidance to project implementation based on Government-

wide objectives. The Minister of Transport is supported by the Deputy Minister of Transport.

Current phase: Procurement phase

During the Procurement Phase, the Government Office supports the Deputy Minister of Transport and ultimately the Minister of Transport in their role as Accountable Owner, and acts as the Project Authority.

The Minister of PSPC is the Procurement Authority during the Procurement Phase. In collaboration with the Project Authority, PSPC will manage the procurement process for selecting the PDP.

During this phase, VIA HFR is assisting and supporting the Government-led procurement through the activities consistent with its Corporate Plan. It is accountable to Parliament, through the Minister of Transport, in accordance with Part X of the *Financial Administration Act* (FAA) and is accountable to that Minister through the HFR Project corporate governance structure, as set out in the Project Charter that forms part of the collaboration agreement between VIA HFR and the Government and establishes the roles and responsibilities of the parties regarding the HFR Project during the Procurement Phase.

The Project Charter will include a Responsible, Accountable, Consulted, and Informed (RACI) model that sets out the roles and responsibilities of VIA HFR and the Government for the main activities during the Procurement Phase of the HFR Project.

VIA HFR will continue to provide the technical support (for e.g., rail specific) and subject matter expertise to the Government-led procurement. It will lead the creation of technical documents for the procurement and support the drafting of commercial and financial elements of the PDA and will execute the PDA. During this phase, the Corporation will also lead consultations and engagement, including with Indigenous peoples.

Additional mechanisms that control the project include a tripartite agreement among Transport Canada, VIA Rail and VIA HFR as well as a bilateral agreement between Transport Canada and VIA HFR that defines VIA HFR's roles in the HFR Project.

Next phase: Co-development phase

Among future activities, in this phase and subject to Government decisions, a new governance structure is expected, and VIA HFR will assume the roles and responsibilities of Project Authority, Contracting Authority, and the strong public sector counterpart to the PDP. VIA HFR will collaborate with the PDP, to co-develop the project and exceed project outcomes in accordance with the PDA. VIA HFR will continue to be accountable to Parliament, through the Minister of Transport, in accordance with Part X of the FAA and will be accountable to that

Minister through the HFR Project corporate governance structure, as set out in the Project Charter for the Co-development phase, which will form part of a collaboration agreement to be entered into between VIA HFR and the Minister of Transport for that phase. The updated Project Charter is expected to include a RACI model setting out the roles and responsibilities of VIA HFR and the Government for the main activities during the Co-development phase.

Additional mechanisms that control the project are expected to include: a tripartite agreement among Transport Canada, VIA Rail and VIA HFR as well as a bilateral agreement between Transport Canada and VIA HFR which define VIA HFR's roles in the HFR Project.

Project Delivery

The Government chose a procurement model that includes a Co-development approach toward project design and development. Such a progressive procurement model based on a design-build-finance-operate-maintain (DBFOM) concession, with an innovative Co-development approach was selected.

The Co-development approach has been used in other large infrastructure projects (e.g., Metrolinx, Sepulveda) and encourages innovation and flexibility, whereby VIA HFR and a PDP will be engaged early in the design process to jointly develop the project that will then be presented to the Government for a final investment decision.

This approach also allows the Government to benefit from the bidders' input to inform next steps and Government decisions regarding the implementation of the HFR project. Each bidder will bring innovative approaches to delivering on the project outcomes set by the Government. The Government will benefit from broad licensing rights in all the intellectual property rights generated during the procurement. The Government will be able to take the best aspects of each approach.

The ultimate goal of the procurement process is to select a PDP that can bring world-class innovation and expertise to deliver the best results for Canadians in a sustainable, reliable, accessible, and environmentally conscious way.

Annual updates to the Project Brief will be made and amendments will be noted.

APPENDIX 3

CORPORATE GOVERNANCE STRUCTURE

As per the Government's *Open and Accountable Government*, 2015, Crown corporations operate with considerable operational autonomy under governance provisions in Part X of the *Financial Administration Act* and/or their constituting statutes. This provides Crown corporations with the requisite managerial and administrative flexibility to perform functions that require engagement with customers, suppliers, and/or competitors in commercial or quasi-commercial contexts, while also allowing appropriate control and oversight on the part of Ministers.

As a result, it is the prerogative of the Board of Directors to oversee the management of VIA HFR activities, consistent with the activities detailed in this Corporate Plan and in line with its mandate noted below.

On March 24, 2022, as per *Order in Council P.C. 2022-0259*, Her Excellency the Governor General in Council, on the recommendation of the Minister of Transport, pursuant to section 89 of the *Financial Administration Act*, directed VIA Rail Canada Inc.:

- a) to procure the incorporation under the *Canada Business Corporations Act* of a wholly-owned subsidiary, yet to be named, the mandate of which is to develop and implement the High Frequency Rail project, including the design, construction, financing, operation and maintenance of passenger rail services in Ontario and Quebec through one or more agreements with the private sector, in cooperation with the Minister of Transport;
- b) to provide all necessary support, expertise, and co-operation to the subsidiary to facilitate the subsidiary's role and fulfillment of its mandate; and
- c) provide all necessary support, expertise, and co-operation to the Minister of Transport to facilitate the Minister's role in the development and implementation of the High Frequency Rail project.

VIA HFR – VIA TGF, Inc., is a wholly-owned subsidiary of VIA Rail that operates at arm's length and acts as a parent Crown corporation as per the FAA, with some exceptions in accordance with *Order in Council P.C. 2022-0260*. The subsidiary is overseen by its own independent Board of Directors and CEO.

The Corporation is accountable, through the Minister of Transport, to Parliament in accordance with Part X of the FAA.

Governance and Collaboration

To facilitate collaboration with Government, an oversight body of Deputy Ministers chaired by the Deputy Minister of Transport, provides a consensus-based forum for key departments to advise the Minister of Transport, through the Deputy Minister of Transport, and guides HFR project implementation by ensuring the proper integration of Government-wide priorities.

Board of Directors and its Committees

The Board of Directors is currently comprised of six Directors, out of a maximum of seven, as specified in the articles of incorporation and Order in Council P.C. 2022-0261. The Board possesses a strong and relevant balance of skills, knowledge, and experience as well as diversity in gender, language, and Indigenous and regional representation, to support the achievement of VIA HFR's vision and strategic objectives.

Candidates for directorship are identified by the Board and recommended to the Minister of Transport. Directors are then formally appointed by the Corporation's sole shareholder, VIA Rail Canada Inc., in consultation with the Minister of Transport.

The Board is responsible for appointing the Corporation's CEO, in consultation with the Minister of Transport.

Since the beginning of its operations, the VIA HFR Board has been building a solid foundation for sound governance. As required in VIA HFR's by-laws, the Board has established an Audit and Risk Committee and a Human Resources, Corporate Governance and Nominating Committee. It also has developed and implemented a robust Code of Business Conduct and Ethics which applies to directors, employees, and its contractors.

The Audit and Risk Committee fulfills oversight responsibilities with respect to financial reporting, financial risk management, disclosure, internal controls, internal and external audits and budgets, among other topics.

The Human Resources, Corporate Governance and Nominating Committee fulfills oversight responsibilities with respect to governance matters including areas such as human resources and compensation, management succession plans, policies and processes relating to employee business conduct and ethical behaviour, annual objectives for the CEO, and any other matter assigned to it. All directors are independent from VIA HFR management.

Over the last year, the Board of Directors and its committees met twice a month on average during the start-up and operationalization phase of the Corporation. All directors have attended all Board and Committee meetings to which they were invited during the year (i.e., 100% participation rate).

The Board and committees will soon be transitioning to a more regular schedule with meetings at a minimum once every quarter and more often where required to effectively oversee the Corporation's business.

Director compensation is based on a flat fee structure for the first two calendar years (2023-2025), with a built-in review of compensation after two years to reflect the evolving responsibilities and workload following the initial standing-up phase of the Corporation. VIA HFR's Board of Directors currently comprises of:

MEMBERS	ANNUAL REMUNERATION (2024-25)	APPOINTMENT DATE	APPOINTMENT TERM
J. Robert S. Prichard Chairperson	\$120,000	Dec 13, 2022	3 years
Marie-José Nadeau Vice-Chairperson and Chair of the Human Resources, Corporate Governance and Nominating Committee	\$90,000	Dec 13, 2022	3 years
Robert Fonberg Chair, Audit and Risk Committee	\$55,000	Nov 29, 2022	3 years
Fiona Blondin	\$45,000	June 2, 2023	3 years
Michael Keenan	\$45,000	Dec 28, 2023	3 years
Marie-France Poulin	\$45,000	Mar 27, 2024	3 years

Additional information on the Board of Directors can be found here: <https://hfr-tgf.ca/team>

Executive Leadership

Martin Imbleau was appointed VIA HFR's President and Chief Executive Officer (CEO) on September 8, 2023, and assumed responsibility for leading and managing VIA HFR and reporting to the Board of Directors from interim CEO Marc-Olivier Ranger.

Executive responsibilities are divided amongst six key work units (Project Management & Current Procurement Process; Communications, Public Affairs and Indigenous Relations; Commercial Project, Legal Affairs & Corporate Secretariat; Strategic Policy & Partnerships; Chief Financial Office & Corporate Services). With these workstreams and dedicated leaders now in place, this will allow for the management team to support the Procurement phase and lead into the Co-development phase.

This structure will enable VIA HFR to:

1. Attract talent dedicated to advancing the project;
2. Be a credible counterparty to the private sector;
3. Operationalize decisions to be made on a timely basis while allowing the Government of Canada and Minister of Transport to focus their attention on strategic HFR project considerations / issues; and
4. Leverage the human resources and contracting structure of a Crown corporation to adapt rapidly, as necessary.

The Executive leadership comprises of:

Martin Imbleau

President and Chief Executive Officer

Marc-Olivier Ranger

Senior Vice President, Strategic Policy and Partnerships

Tom Roberts

Chief Financial Officer & Senior Vice President, Corporate Services

Jacynthe Audette

Senior Vice President, Commercial Project

Graeme Hampshire

Project Management & Current Procurement Process

Julie Boucher

Senior Vice President, Communications, Public Affairs and Indigenous Relations

Félix Turgeon

Vice President, Legal Affairs & Corporate Secretariat

Compensation and Benefits

Competitive total compensation package is key to VIA HFR's ability to attract and retain a diverse and qualified management team. The organization's total compensation program consists of a base salary as well as performance incentives.

VIA HFR Board of Directors, through the Human Resources, Corporate Governance and Nominating Committee, reviews the compensation package regularly to ensure that it is reasonable and is competitive with similar public and private sector organizations.

The table below provides an overview of the senior executives' compensation.

CASH COMPENSATION	CEO	SENIOR EXECUTIVES
Base Salary Range	\$562,200 - \$661,400	\$170,000 - \$330,000
Short-term Incentive Program Range (as % of base salary)	32.5% - 65%	15% - 40%
BENEFITS		
Allowances, insurance, pension	10% of base salary	

APPENDIX 4

WORKING WITH INDIGENOUS COMMUNITIES, ENTITIES AND ORGANIZATIONS

The Government of Canada has stated its commitment to Reconciliation and to the development of a nation-to-nation relationship with Indigenous peoples. As part of this effort, VIA HFR has developed core principles underpinning its approach to Indigenous Relations which aims to achieve four strategic objectives:

1. Build effective and meaningful relationships with Indigenous communities, entities, and organizations;
2. Fulfill the Crown's duty to consult and accommodate;
3. Create mutually beneficial socio-economic development opportunities; and
4. Develop options for economic participation of Indigenous communities, entities, and organizations in the project.

The Indigenous Relations Plan is informed by numerous early engagement activities, including findings compiled in the October 2023 report available on our website – [What We Heard & What We're Doing Report](#).

Indigenous perspectives will be integrated throughout the work of the enterprise since it is a critical factor in successfully planning, constructing, and operating the Project. This approach is as much internally and externally focused and intended to be applied throughout the project lifecycle.

In this context, the above-mentioned strategic objectives underlying the VIA HFR's Indigenous Relations Plan drive all consultation and collaboration approaches, initiatives, and activities with an aim to:

- Create a network of Indigenous proponents and partnerships for the project;
- Enrich the quality of deliverables and design through the integration of Indigenous cultural input;
- Undertake project in a manner that seeks the free, prior, and informed consent of potentially impacted Indigenous peoples;
- Ensure that the project meets Canada's growing expectations on matters of Indigenous inclusion and respect;
- Aim to have the Project become a meaningful vehicle for economic reconciliation through socio-economic benefits and economic participation; and
- Be a leader in advancing Reconciliation in major project development in Canada.

The following tables present a list of some of the organizations and associations that VIA HFR has interacted with or identified for engagement as well as potentially impacted communities and organizations within the Corridor.

LIST OF INDIGENOUS ORGANIZATIONS

INDIGENOUS REPRESENTATIVE ORGANIZATIONS	INDIGENOUS BUSINESS DEVELOPMENT ORGANIZATIONS	INDIGENOUS SKILLS AND LABOUR MARKET ORGANIZATIONS	INDIGENOUS COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATIONS
National			
<ul style="list-style-type: none"> • Assembly of First Nations • Inuit Tapiriit Kanatami • Métis National Council • Native Women's Association of Canada 	<ul style="list-style-type: none"> • National Aboriginal Capital Corporations Associations (NACCA) • First Nations Bank of Canada 	<ul style="list-style-type: none"> • Aboriginal Labor Force Development Circle • Indspire 	<ul style="list-style-type: none"> • Canadian Council for Aboriginal Business • National Indigenous Economic Development Board • First Nation Municipal Community Economic Development Initiative (CEDI) • First Nations Finance Authority • First Nations Financial Management Board

INDIGENOUS REPRESENTATIVE ORGANIZATIONS	INDIGENOUS BUSINESS DEVELOPMENT ORGANIZATIONS	INDIGENOUS SKILLS AND LABOUR MARKET ORGANIZATIONS	INDIGENOUS COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATIONS
Québec			
<ul style="list-style-type: none"> • Assembly of First Nations Québec & Labrador Québec Native Women • Regroupement des centres d'amitié Autochtones du Québec 	<ul style="list-style-type: none"> • Investissements Première Nations du Québec • Société de crédit commercial autochtone • Tewatohnni'saktha Business Loan Fund • Two Rivers Community Development Centre 	<ul style="list-style-type: none"> • First Nations Human Resources Development Commission • Centre de formation de la main-d'oeuvre • Wendake • College Kiuna • Centre Mitshapeu 	<ul style="list-style-type: none"> • First Nation of Québec and Labrador Economic Development Corporation • Tewatohnni'saktha (Kahnawà:ke's Economic Development Commission)

INDIGENOUS REPRESENTATIVE ORGANIZATIONS	INDIGENOUS BUSINESS DEVELOPMENT ORGANIZATIONS	INDIGENOUS SKILLS AND LABOUR MARKET ORGANIZATIONS	INDIGENOUS COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATIONS
Ontario			
<ul style="list-style-type: none"> • Chiefs of Ontario • Ontario Native Women's Association • Ontario Federation of Friendship Centres • Association of Iroquois and Allied Indians • Mohawk Nation Council of Chiefs 	<ul style="list-style-type: none"> • Rainy Lake Tribal Area Business & Financial Services Corporation • Waubetek Business Development Corporation • Métis Voyageur Development Fund • Wakenagun Community Futures Development Corporation 	<ul style="list-style-type: none"> • Aboriginal Labour Force Development Circle • Gezhtoojig Employment and Training • Miziwe Biik Aboriginal Employment Training • Kagita Mikam Aboriginal and Training Inc. • Huronia Area Aboriginal Management Board Employment and Training Services • Kenjgewin Teg • Iohahi:io Akwesasne Education and Training Institute • Oqwehoweh Skills and Trades Training Centre 	<ul style="list-style-type: none"> • Ontario First Nations Economic Developers Association • Indigenous Resource Network • IndigenousWorks

POTENTIALLY IMPACTED INDIGENOUS COMMUNITIES

QUÉBEC	ONTARIO
<p>Première Nation des Innus de Pessamit</p> <p>Première Nation des Innus d'Essipit</p> <p>Première Nation des Pekuakamiulnuatsh</p> <p>Première Nation Wolastoqiyik</p> <p>Nation huronne-wendat</p> <p>Conseil de la Nation Atikamekw</p> <p>Première Nation des Atikamekw de Wemotaci</p> <p>Première Nation des Atikamekw de Manawan</p> <p>Première Nation des Atikamekw d'Opiticiwan</p> <p>W8banaki</p> <p>Première Nation des Abénakis d'Odanak</p> <p>Première Nation des Abénakis de Wôlinak</p> <p>Mohawks of Kahnawà:ke</p> <p>Mohawks of Kanehsatà:ke</p> <p>Algonquin Anishinabeg Nation Tribal Council</p> <p>Kitigan Zibi Anishinabeg First Nation</p> <p>Kebaowek First Nation</p> <p>Anicinapek de Kitcisakik</p> <p>Long Point First Nation</p> <p>Nation Anishnabe du Lac Simon</p> <p>Première Nation Abitibiwinni</p> <p>Algonquin Nation Tribal Council – Secretariat (ANS) and Programs & Services (ANPSS)</p> <p>Algonquins of Barrière Lake First Nation</p> <p>Timiskaming First Nation</p> <p>Wolf Lake First Nation</p>	<p>Apitipi Anicinapek Nation</p> <p>Algonquins of Pikwàkanagàn First Nation</p> <p>Algonquins of Ontario</p> <p>Shabot Obaadjiwaan First Nation</p> <p>Snimikobi Algonquin First Nation</p> <p>Mohawks of Akwesasne</p> <p>Mohawks of the Bay of Quinte</p> <p>Alderville First Nation</p> <p>Kawartha Nishnawbe First Nation</p> <p>Hiawatha First Nation</p> <p>Curve Lake First Nation</p> <p>Mississaugas of Scugog Island First Nation</p> <p>Chippewas of Georgina Island First Nation</p> <p>Chippewas of Rama First Nation</p> <p>Beausoleil First Nation</p> <p>Six Nations of the Grand River</p> <p>Haudenosaunee Confederacy of Chiefs Council (Represented by the Haudenosaunee Development Institute)</p> <p>Mississaugas of the Credit First Nation</p> <p>Métis Nation of Ontario</p>

APPENDIX 5

RISKS & RESPONSES

Project risks are jointly managed by Government and VIA HFR. The project risks identified in this corporate plan were approved by VIA HFR in February 2024. VIA HFR has developed an enterprise risk management framework to reflect an enterprise-wide approach toward risk management.

As a result, risk management is embedded into strategic decision-making and resource allocation within VIA HFR, thereby allowing the organization to make informed decisions. The Corporation has identified five critical risks for VIA HFR and the project.

Risk: Funding Uncertainty

Likelihood: Medium

Impact: High

Without long term financial certainty to advance the project, VIA HFR's ability to deliver on its mandate and strategic objectives may be compromised. Confidence in the project among industry and the private sector may also be impacted.

Mitigation: Budget 2024 provided funding of \$368.3M over 6 years to allow VIA HFR to advance its objectives. However, this funding will not allow to advance the new Co-development activities. A future funding request by the Government is expected in 2024-25, in order to seek funds for the Co-development activities.

Expected Risk Level Post-Mitigation: Low - Medium

Risk: Social License, Public Perception and Stakeholder Support

Likelihood: Medium - High

Impact: High

If public perception and awareness of the project's benefits are low and/or inconsistent with the actual project objectives, support for the project may be diminished. Support from municipal and provincial stakeholders, including elected officials, is also critical for VIA HFR to secure the social license required to advance with the project.

Mitigation: A communication strategy has been developed, to be rolled out in 2024-25, that will coincide with a rebranding effort to seek to dispel misperceptions among the public regarding

the Government's intent and commitment toward delivering a faster, more reliable, and environmentally sustainable passenger rail service. Clear communication and/or messaging regarding the project, its various benefits and the positive stewardship of VIA HFR is necessary to gain confidence and support from stakeholders, which include the public, business communities, and elected officials of the municipalities within and around the Corridor.

Expected Risk Level Post-Mitigation: Medium

Risk: Insufficient Indigenous Engagement and Participation

Likelihood: Medium - High

Impact: High

If Indigenous engagement and participation in the project are lacking, it will be a missed opportunity to improve the well-being of Indigenous peoples, to develop mutual socio-economic benefits, and to contribute toward reconciliation. Further, it may jeopardize efforts to build project support with the aim of seeking free, prior and informed consent among Indigenous communities, entities, and organizations.

Mitigation: VIA HFR will continue active engagement with potentially impacted Indigenous communities, entities, and organizations (over 40 communities have been identified) and will incorporate Indigenous knowledge and perspectives into organizational operations and planning processes where appropriate.

Expected Risk Level Post-Mitigation: Medium

Risk: Legislative and regulatory approval processes are not appropriately designed, planned and executed

Likelihood: Medium - High

Impact: High

If legislative and regulatory approval processes are not appropriately designed, planned and executed then commercial viability may be reduced, and project timelines extended.

Mitigation: VIA HFR will continue to engage the Government and provincial authorities (including federal and provincial departments) to identify potential legal and regulatory issues that could be addressed to advance the project. In preparation to an upcoming Impact Assessment, the

Corporation will begin some early works in order to collect baseline data. This work will include starting field studies (e.g., noise, vibration, species at risk identification, archeological surveys) and all other related activities required to complete the Impact Assessment pre-planning phase which are aimed at identifying early the benefits and potential impacts of the project. This collection of data will inform an Impact Assessment submission for the project, expected to occur in the Co-development phase. VIA HFR will establish an Impact Assessment taskforce to analyze the risks related to the Impact Assessment process and potential measures that required to mitigate these risks.

Expected Risk Level Post-Mitigation: Medium

Risk: Bidder Engagement

Likelihood: Medium

Impact: High

If progress is slowed and funding uncertainty, interest among bidders may wane, leading to one or more withdrawing from participation. Reduced participation would result in a loss in competitive tension that is helping drive creativity and innovation in the design of the project.

Mitigation: VIA HFR will continue to actively and regularly engage with each bidder throughout the Procurement phase, promptly responding to requests from each bidder. Securing a long-term funding will provide more certainty to bidders regarding the Government's commitment towards the project.

Expected Risk Level Post-Mitigation: Low-Medium

APPENDIX 6

FINANCIAL STATEMENTS / BUDGET

Statement of Financial Position

FOR THE YEAR ENDING MARCH 31 (\$'000S)	BUDGET	BUDGET				
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
FINANCIAL ASSETS						
Cash and Cash Equivalents	-	13,305	8,691	5,874	5,874	5,874
Restricted Cash	-	-	-	-	-	-
Accounts Receivable	-	8,870	5,792	3,916	3,916	3,916
Deposits	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS	-	22,175	14,483	9,790	9,790	9,790
LIABILITIES						
Accounts payable and accrued liabilities	-	22,175	14,483	9,790	9,790	9,790
TOTAL LIABILITIES	-	22,175	14,483	9,790	9,790	9,790
NET ASSETS	-	-	-	-	-	-
NON-FINANCIAL ASSETS						
Tangible capital assets	-	2,933	3,200	2,800	2,400	2,000
Prepaid Expenses	-	-	-	-	-	-
TOTAL NON-FINANCIAL ASSETS	-	2,933	3,200	2,800	2,400	2,000
ACCUMULATED SURPLUS	-	2,933	3,200	2,800	2,400	2,000

The 2023-24 budget amount is based on a fourth quarter forecast. Actual amounts will be made available in the VIA HFR Annual Plan later this fall.

Statement of Operations

FOR THE YEAR ENDING MARCH 31 (\$'000S)	BUDGET						TOTAL
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	
Drive the Design Development of a Passenger Rail Service in the Corridor	-	73,439	27,297	-	-	-	100,736
Engage Stakeholders, Indigenous Communities, and Partners effectively	-	8,410	10,000	-	-	-	18,410
Strengthening the Corporation	-	36,172	41,435	53,835	53,835	53,835	239,112
TOTAL EXPENSES	(51,670)	(118,021)	(78,732)	(53,835)	(53,835)	(53,835)	(358,258)
NET FINANCIAL ASSETS							
Government transfers, Appropriations Operating	51,670	120,954	79,000	53,435	53,435	53,435	360,259
Reimbursement of Appropriations	-	-	-	-	-	-	-
Government transfers - Recoveries	-	-	-	-	-	-	-
TOTAL GOVERNMENT FUNDING	51,670	120,954	79,000	53,435	53,435	53,435	360,259
ANNUAL OPERATING SURPLUS (DEFICIT)	-	2,933	268	(400)	(400)	(400)	2,001

Advancing to the PDP phase is subject to future Government decisions. The 2023-24 budget amount is based on approved Parliamentary appropriations. Total expenses will be made available in the VIA HFR Annual Plan later this fall.

Statement of Cash Flow

	BUDGET		BUDGET			
FOR THE YEAR ENDING MARCH 31 (\$'000S)	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
OPERATING ACTIVITIES						
Net Deficit end of period	-	2,933	268	(400)	(400)	(400)
Amortization for the period	-	1,067	1,733	2,400	2,400	2,400
CHANGE in Accounts Payable	-	12,702	(7,692)	(4,693)	-	-
CHANGE in Accounts RECEIVABLE	-	(8,870)	3,077	1,877	-	-
CASH PROVIDED BY OPERATING ACTIVITIES	-	7,832	(2,614)	(816)	2,000	2,000
Capital transactions						
Acquisition of tangible capital assets	-	4,000	2,000	2,000	2,000	2,000
CASH PROVIDED BY CAPITAL ACTIVITIES	-	(4,000)	(2,000)	(2,000)	(2,000)	(2,000)
Investing transactions						
Cash used for investment activities	-	-	-	-	-	-
CASH PROVIDED BY INVESTING ACTIVITIES	-	-	-	-	-	-
Increase in Cash	-	3,832	(4,614)	(2,816)	-	-
Cash beginning of period	-	9,473	13,305	8,690	5,874	5,874
CASH AT THE END OF THE PERIOD	-	13,305	8,691	5,874	5,874	5,874

The 2023-24 budget amount is based on a fourth quarter forecast. Actual amounts will be made available in the VIA HFR Annual Plan later this fall.

Operating and Capital Budgets

	BUDGET		BUDGET			
FOR THE YEAR ENDING MARCH 31 (\$'000S)	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Operating	51,670	116,954	77,000	51,435	51,435	51,435
Capital		4,000	2,000	2,000	2,000	2,000
Total Government Appropriations		120,954	79,000	53,435	53,435	53,435

The 2023-24 budget amount is based on approved Parliamentary appropriations.

Summary

The above financial tables were developed by VIA HFR's corporate finance team, informed by estimates provided by its Owner's Engineer and private sector experts.

The row 'Government transfers, Appropriations Operating' contains the amounts provided by the Government through Budgets 2022 and 2024.

Funds over two years, starting in 2024-25, have been budgeted for advancing the design of the project (i.e. Drive the Design Development of a Passenger Rail in the Corridor in table) that will allow for work including on: supporting the Government-led procurement process, land acquisition strategy, Impact Assessment strategy, field studies, host railways and utility discussions. It is anticipated additional funding will be required to complete this work.

Funds, over two years, starting in 2024-25, have been budgeted to engage Indigenous communities, entities, and organizations, as well as stakeholders and other partners (i.e. Foster Indigenous Partnerships, Engage Stakeholders, and other Partners effectively in table). This funding will allow for enhancing awareness of the project and allow for teams to engage early and meaningfully with Indigenous peoples.

Core HFR funds over six years (i.e., Strengthen the Corporation in table) supports activities including: project management office, strategic engagement activities, corporate leadership including HFR's Board of directors and all corporate services (e.g., HR, IT, finance). It also includes \$4.0M in 2024-25 in capital expenditures for the acquisition of IT equipment and an internal IT system to support operations and the proper stewardship of Government resources.

Spending may be impacted by delays in completing the Procurement phase, and the scale of the professional services needed to support this phase. While VIA HFR is funded to manage its operational costs up to \$120.9M in 2024-25, should there be delays in the project and/or new funding, VIA HFR will take a risk-based approach to adjust expenses to reduce them on lowest risk activities first.

The budgets are provided on an accrual basis unless otherwise indicated. Consistent with the *Government of Canada's Directive on Payments (Article 4.5.1)*, the Crown (through Transport Canada, as a portfolio department) provides payments to HFR based on a cash basis from its approved Government funding, which may cause discrepancies in the "Total Government Funding" row.

Over the planning period, HFR will have no sources of revenue beyond Government of Canada appropriations, nor will it have any significant liquid investments.

Key Assumptions

The preparation of financial statements in accordance with PSAS (Public Sector Accounting Standards) requires management to make estimates and assumptions that affect the reported amounts as of the financial statements date and the reported amounts during the reporting period. Actual results could differ significantly from those estimates.

Current Fiscal Year (2023-24)

Financial statements for the period ending March 31, 2024, will be available no later than June 27, 2024.

Capital budget (2024-25)

In 2024-25, VIA HFR plans to acquire two main classes of capitalized assets: the implementation of an Enterprise Resource Planning (ERP) software system and the acquisition of IT equipment for office use. The split between both types is approximately \$2M each.

No capital investments have been made in previous years, with VIA Rail being the provider of both the ERP and equipment. All capital investments will be sourced from Government funding.

Enterprise Resource Planning (ERP)

As the ERP system will be subject to a competitive Request for Proposal, the numbers below are indicative. The ERP will be amortized over a 5-year period, in line with other comparable enterprise level systems.

ERP – Cash Basis Expenditure Table:

	ESTIMATE				
	2024-25	2025-26	2026-27	2027-28	2028-29
Vendor costs	\$1.25M	-	-	-	-
Capital internal costs	\$0.75M	-	-	-	-
Operating Costs	-	\$0.75M	\$0.75M	\$0.75M	\$0.75M

ERP – Accrual Basis Expenditure Table:

	ESTIMATE				
	2024-25	2025-26	2026-27	2027-28	2028-29
Vendor costs	\$0.25M	\$0.25M	\$0.25M	\$0.25M	\$0.25M
Capital internal costs	\$0.15M	\$0.15M	\$0.15M	\$0.15M	\$0.15M
Operating Costs	-	\$0.75M	\$0.75M	\$0.75M	\$0.75M

The ERP will result in improved and integrated data for decision making and reporting, fully digitized and mobile processes, and services to relieve pressure on people, and improved controls, built directly into systems and business workflows.

IT Equipment

The IT equipment will be purchased every year and HFR expects to be required to capitalize approximately \$2M / year with an amortization period of 3 years. There is no operating cost for this equipment as it will be under warranty for replacement for the duration of its useful life.

IT Equipment – Cash/Accrual Basis Expenditure Table:

	ESTIMATE				
	2024-25	2025-26	2026-27	2027-28	2028-29
Cash basis	\$2.00M	\$2.00M	\$2.00M	\$2.00M	\$2.00M
Accrual basis	\$0.67M	\$1.33M	\$2.00M	\$2.00M	\$2.00M

The IT equipment will be comprised of computers and other communications equipment used as part of HFR employees' daily activities to ensure connectivity and productivity using modern tools. The IT equipment will support multiple office locations, that will be independent of other organizations' systems and services. VIA HFR requires service-delivery and operational systems that are reliable, secure, timely, accessible, and easy to use from any device. VIA HFR requires digital operations for productivity and efficiency so the Corporation can make better data-driven decisions; operations are more effective and efficient; costs are lower; and the various multidisciplinary teams are digitally enabled in their work.

Capital Lifecycle Management/New Technology

VIA HFR capital plans over the planning period will incorporate lifecycle management strategy of its assets. When making capital acquisitions, VIA HFR will follow procurement and contracting policy which ensures transparency and consistency.

New technologies are changing the way corporations operate. VIA HFR will harness new technology and make strategic investments, based on its business goals, careful evaluation of the technologies and their benefits for the organization.

Office Space

VIA HFR has offices in Toronto and Montreal. It shares offices with Transport Canada in the National Capital Region. While the Montreal office space has served the Corporation well, with a growing workforce it has outgrown this space and, subject to final negotiations, VIA HFR plans to

move to a larger office space in 2024-25. VIA HFR will also have to lease office space in Quebec City in spring 2024. In Toronto, VIA HFR will seek to renew or replace its existing lease in 2024-25. VIA HFR will also assess market options for VIA HFR dedicated space in the National Capital Region in 2024-25.

APPENDIX 7

CHIEF FINANCIAL OFFICER ATTESTATION

In my capacity as Chief Financial Officer of VIA HFR, I have reviewed the Corporate Plan for the federal fiscal year 2024-25 and supporting information which I consider necessary, as of the date indicated below. Based on this due diligence review, I make the following conclusions:

- The nature and extent of the proposal is reasonably described and assumptions having a significant bearing on the associated financial requirements have been identified and are supported.
- Significant risks having a bearing on the financial requirements, the sensitivity of the financial requirements to changes in key assumptions, and the related risk-mitigation strategies have been disclosed.
- Financial resource requirements have been disclosed and are consistent with the assumptions stated in the proposal, and options to contain costs have been considered.
- Funding has been identified and is sufficient to address the financial requirements for the federal fiscal year 2024-25 and planning period.
- The Corporate Plan is compliant with relevant financial management legislation and policies, and the proper financial management authorities are in place or are being sought through the proposal.
- Key financial controls are in place to support the implementation and ongoing operation of the proposal.

In my opinion, the financial information contained in this proposal is sufficient overall to support decision making.

CFO signature:

“Tom Roberts”, Chief Financial Officer
VIA HFR-VIA TGF Inc.

[Original signed]

June 4, 2024

APPENDIX 8

PLANNED RESULTS

In the 2024-25 timeframe, VIA HFR will establish a performance measurement framework tailored to the project's needs, in collaboration with Transport Canada (TC). This strategy, in line with Government objectives, encompasses both organizational and project outcomes for VIA HFR. Results are categorized according to short, medium, and long-term timeframes, and are further broken down to distinguish between the project's specific achievements and those of the organization.

Planned Results Tables

1. Project

Short-term Outcomes (2024-25)

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Procurement activities are supported, and the RFP process is complete	Bidders have access to RFP to submit proposals. Number of proposals submitted for evaluation in response to RFP	Align with RFP close and RFP requirements	<ul style="list-style-type: none"> 100% of proposals submitted on time in response to RFP Evaluate 100% of the submitted proposals 	TC / VIA HFR Data
Collaborate effectively with TC and VIA Rail to achieve common goals of advancing HFR project	Establish formal and informal processes for proactive and timely communication and feedback	Align with Project Charter and bilateral and trilateral collaboration agreement	<ul style="list-style-type: none"> Sign collaboration agreement, a communications protocol in place, participate in working groups (e.g., transition of VIA assets) 	TC / VIA HFR Data
Plan for Co-development phase	Subject to Government decisions, form project teams that will engage the PDP during Co-development	Align with PDA project schedule for start of reporting period	<ul style="list-style-type: none"> VIA HFR project teams are in place and prepared to work with the PDP 	TC / VIA HFR Data

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Contribute positively to the Government of Canada's Commitment to Reconciliation with Indigenous communities, entities, and organizations	Level of participation of Indigenous communities, entities and organization participating in RFP process.	# of potentially impacted Indigenous communities, entities and organizations identified and invited to participate in RFP process	<ul style="list-style-type: none"> 100% participation of potentially impacted Indigenous communities, entities and organizations invited to participate in RFP process 100% of RFP submissions include Indigenous Participation Plan 	TC / VIA HFR Data
Effective project risk management for VIA HFR	Establish Enterprise Risk Management Plan	Align corporation activities with Enterprise Risk Management Plan	<ul style="list-style-type: none"> Identify risk tolerance, probabilities, impacts etc. in collaboration with TC for project risks Implement the Plan and risk mitigation measures Report on measures within the plan, measuring its results (Annual Report 2024-2025) 	TC/ VIA HFR Data

Medium-term Outcomes (3 to 5 years)

As part of the Co-development phase, indicators and targets for the medium term (project specific) outcomes will be refined with each level of design achieved. Consequently, the medium-term table will undergo updates as the level of design advances. The corresponding indicators and targets for these outcomes will be finalized at the time that a detailed design is 100% complete.

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Execute the PDA	<p>Milestones achieved at various stages of Co-development</p> <p>VIA HFR becomes Project Authority and Contracting Authority</p>	Align with PDA	<ul style="list-style-type: none"> % of milestones achieved on schedule Sign PDA with the selected PDP 	PDP / VIA HFR Data

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
IA underway for corresponding project stage	Requirements of IA for the corresponding project stage as informed by IAAC requirements	Align with IA requirements from IAAC	<ul style="list-style-type: none"> Preliminary project description % complete 	VIA HFR / PDP / IAAC
Contribute positively to the Government of Canada's Commitment to Reconciliation with Indigenous communities, entities, and organizations	Level of participation of Indigenous communities, entities, and organizations	<p>Align with terms of respective collaboration agreements(s) such that requests to participate in activities</p> <p>Signed collaboration agreements at the beginning of reporting</p>	<ul style="list-style-type: none"> # of new collaboration agreements signed with Indigenous communities, entities, and organizations 100% of the invited Indigenous communities, entities and organizations participate Set targets for the number of consultations held, participation rates in community meetings, and feedback received from Indigenous communities, entities, and organizations 	VIA HFR Indigenous Relations Capture Plan and collaboration agreements
Supported Canada's commitment to achieving net-zero emissions by 2050	Measures and policies to in the PDA design, build, engineering solutions, design changes made during IA process to promote sustainable transportation solution and net zero objectives	<p>Align with Government's Net-zero 2050 objectives</p> <p>Align with sustainable development objectives</p>	<ul style="list-style-type: none"> % of milestones achieved on schedule 	VIA HFR Data
Decision from Government	<p>Confidence of Project Owner / Minister of Transport</p> <p>Demonstrated project benefits and VIA HFR's capacity to deliver/successful facilitation of Co-Development</p> <p>Reporting both on/off cycle requirements</p>	TBD	<ul style="list-style-type: none"> Strong public sector counterparty to the PDP Co-Development phase progressed as planned All reporting requirements met, including those established in collaboration agreements with TC 	VIA HFR Data
Execute Project Agreements with PDP	Level of consensus of relevant authorities and signatories of PA	Align with structure of project agreement	<ul style="list-style-type: none"> 100% consensus of relevant authorities Set deadline for signing PA after negotiations are initiated Set target for construction start date 	VIA HFR Data

Long-term Outcomes (5 years and beyond)

As identified in the Mandate Letter from the Minister of Transport and further detailed within the Project Charter (Appendix 2) the Ultimate Project Outcomes the Co-development phase, indicators / metrics for medium/longer term (project specific) outcomes will be explored and ultimately determined based on the final design and technology features of the project. As a result, the long-term table will be updated accordingly.

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Significantly Increase Intercity Rail travel	TBD	TBD	<ul style="list-style-type: none"> • Increase annual passenger trips in the Corridor to at least 17 million by 2059 (up from 4.8 million in 2019), including both HFR Passenger Rail Services and Local Services • Operational and fleet strategies include increased annual seat capacity to enable expected growth in passengers 	VIA HFR Data
Enhance Passenger Experience in the Corridor	TBD	TBD	<ul style="list-style-type: none"> • Faster service with shorter journey times between major cities (Québec City, Montreal, Ottawa, and Toronto) within the Corridor • More reliable service with improved on-time performance within the Corridor (up to 95 per cent on dedicated tracks from an average of 68 per cent in 2019) • More frequent departures (e.g., minimum 12 departures per day) between major cities • Add new services to Peterborough, Laval and Trois-Rivières • Maintain connectivity between cities currently serviced by meeting or exceeding minimum service requirements to be established by Canada/the Project Authority for Local Services • Improved integration with other modes of transportation (e.g., regional, and local public transit, non-Corridor services, airports) by engaging collaboratively with municipal stakeholders, transit authorities and other orders of government or service providers • Passenger rail system that is significantly less dependent on sharing tracks with Host Railways 	VIA HFR Data

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Provide Meaningful Environmental Benefits to Support the Government of Canada's Net Zero Commitment	TBD	TBD	<ul style="list-style-type: none"> • Provide a greener rail system and cleaner travel option using electrified technology (zero or low emission power technology where electrification is not feasible, including alternative fuels or electric power cells) • Reduce total emissions associated with HFR, including those associated with construction. Targets, including interval targets, would be developed by the Authority and the Private Developer Partner during the Co-development phase • Reduce greenhouse gas (GHG) emissions during operations by a minimum of 10 million tonnes of CO₂ over a 30-year term in support of Canada's net zero 2050 target • Report on GHG emissions savings achievements (e.g., annually with rolled up reporting as intervals, such as every 5 years and/or to support Canada's emissions savings reporting) 	VIA HFR Data
Enable Safe Intercity Journeys	TBD	TBD	<ul style="list-style-type: none"> • Provide barrier-free access to services aligned with the <i>Accessible Canada Act</i>, meeting or exceeding the latest accessibility standards and best practices and significantly increase availability of accessible services to travelers in the Corridor • Incorporate an affordable and socially equitable fare and ticketing policy for passengers in the Corridor that meet the minimum parameters to be established by Canada • Incorporate findings into the Project of a Gender Based Analysis Plus (GBA+) analysis that considers diverse identity factors, including how different individuals might experience the Project, to deliver positive GBA+ outcomes 	VIA HFR Data

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Significantly increase the availability of accessible and affordable services	TBD	TBD	<ul style="list-style-type: none"> • Provide a safe and secure environment for customers, staff and communities by incorporating proven standards of world-class safety-focused passenger rail systems • Provide a level of safety for Project railway operations comparable to proven North American and European rail safety standards 	VIA HFR Data
Minimize ongoing financial costs to taxpayers /	TBD	TBD	<ul style="list-style-type: none"> • Eliminate operating subsidies by the Government of Canada in the Corridor while achieving defined levels of customer satisfaction • Provide a solution that yields best value for money for taxpayers, through: <ul style="list-style-type: none"> ○ the integration of design, construction, maintenance, and operations; and ○ optimal revenues and cost management • Establish and adhere to an affordability range for the Project throughout the project lifecycle • Contribute positively to the Government of Canada's priorities on economic growth by generating jobs, creating new supply chains and supporting training and skills development while respecting trade obligations and ensuring cost efficiencies 	VIA HFR Data
Contribute positively to the Government of Canada's Commitment to Reconciliation with Indigenous communities, entities, and organizations	TBD	TBD	<ul style="list-style-type: none"> • Create socio-economic benefits and maximize project participation opportunities for Indigenous peoples • Support ongoing engagement to foster meaningful, two-way dialogue 	VIA HFR Data

2. Corporation

Short term Outcomes (2024-25)

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Strengthened corporate governance and internal processes	<ul style="list-style-type: none"> Staff have technology, access to information and training opportunities needed to succeed in their respective roles Hiring practices based on foundation of an inclusive, respectful work environment that does not tolerate harassment, discrimination, or violence Available, effective, and responsive corporate services Asset Owner is briefed regularly 	<ul style="list-style-type: none"> 6 appointees to Board of Directors # of employees at the beginning of reporting period Employee turnover rate at beginning of reporting period 	<ul style="list-style-type: none"> Board of Directors has a full complement of 7 appointees ~160 employees by March 31, 2025 Reduce employee turnover by 15% at the end of reporting period (from previous year) 100% of staff completing required training with 6 months of employment start Current and future policies incorporate accessibility standards and respectful workplace guidelines All reporting requirements met, including those established in collaboration agreements with TC 	VIA HFR Human Resources / Survey Results Data
Increased public awareness / public value creation	<p>Strategic Engagement Capture plan:</p> <ul style="list-style-type: none"> Digital communications and social media strategy Rebranding strategy Land acquisition strategy 	Align with objectives/goals of each strategy under the strategic engagement capture plan	<ul style="list-style-type: none"> Increased public knowledge and awareness. Align with objectives/goals of strategic engagement plan 	VIA HFR Strategic Engagement Team / Media coverage including news articles, press releases, social media
Positively Contributed to the Government of Canada's Commitment to Reconciliation with Indigenous communities, entities, and organizations	<ul style="list-style-type: none"> Indigenous relations capture plan Collaboration agreements with Indigenous communities, entities, and organizations 	Align with objectives/goals of Indigenous relations capture plan	<ul style="list-style-type: none"> # of collaboration agreements to be implemented 100% of staff complete cultural awareness and competency training 	VIA HFR Indigenous relations team and/or written support from respective Indigenous communities, entities, and organizations

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Support Canada's commitment to achieving net-zero emissions by 2050 to net zero commitment	<ul style="list-style-type: none"> Consistent with Greening Government Strategy. Consistent with Canada's Sustainable Development goals 	N/A	<ul style="list-style-type: none"> Incorporate greening / sustainable development practices into existing policies (e.g., procurement, travel, etc.) 	VIA HFR Data

Medium term Outcomes (3 to 5 years)

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Strong stakeholder relationships and effective stakeholder engagement	<ul style="list-style-type: none"> Digital communications and social media strategy Rebranding strategy Implement land acquisition strategy Host railway and utility company MOUs 	<ul style="list-style-type: none"> Align with objectives of Strategic Engagement Capture plan Align with Land Acquisition strategy 	<ul style="list-style-type: none"> Set survey results benchmarks for awareness levels among target audiences (achieve a certain % of awareness and understanding of key project aspects) Achieve Capture plan objective 18-month public support # of host railway and utility company MOUs signed 	VIA HFR Strategic Engagement Team / Media coverage including news articles, press releases, social media mentions, and other forms of publicity
Contribute Positively to the Government of Canada's Commitment to Reconciliation with Indigenous communities, entities, and organizations	<ul style="list-style-type: none"> Indigenous relations capture plan Collaboration agreements with Indigenous communities, entities, and organizations 	Align with objectives and goals under the Indigenous relations capture plan and terms of collaboration agreements	<ul style="list-style-type: none"> Objectives and goals under the Indigenous relations capture plan Set targets for the number of consultations held, participation rates in community meetings, and feedback received from Indigenous communities, entities, and organizations 	VIA HFR Indigenous consultations team
Support Canada's commitment to achieving net-zero emissions by 2050	Operations and internal services are consistent with Greening Government Strategy	Existing greening initiatives at VIA HFR	<ul style="list-style-type: none"> Promote green workplace initiatives (#/year) Development of a Sustainable Development strategy 	VIA HFR Data

Long-term Outcomes (5 years and beyond)

OUTCOMES	INDICATORS	BASELINE	TARGET	DATA SOURCES & METHODOLOGY
Maintain Financial Stability/Prudent resources stewardship	<ul style="list-style-type: none"> • Effective cost management of operating and capital budgets • Financial and resource management • Organizational Growth 	<ul style="list-style-type: none"> • Set benchmarks • Compare against to industry standards 	<ul style="list-style-type: none"> • Implementation of internal policies and procedures to ensure effective cost management of operating and capital budgets 	VIA HFR Data
Support Canada's commitment to achieving net-zero emissions by 2050	Operations and internal services are consistent with Greening Government Strategy	Existing greening initiatives at VIA HFR	TBD	VIA HFR Data

Chief Executive Officer commitment:

I, Martin Imbleau, as Chief Executive Officer of VIA HFR-VIA TGF Inc., am accountable to the Board of Directors of VIA HFR-VIA TGF Inc. for the implementation of the results described in this Corporate Plan and outlined in this Appendix. I confirm that this commitment is supported by the balanced use of all available and relevant performance measurement and evaluation information.

“Martin Imbleau”, Chief Executive Officer
VIA HFR-VIA TGF Inc.

[Original signed]

June 3, 2024

APPENDIX 9

COMPLIANCE WITH LEGISLATIVE, REGULATORY AND POLICY REQUIREMENTS

A number of federal legislative, regulatory and policy items govern how VIA HFR fulfills its mandate and conducts its work. In addition, the Corporation is guided by Treasury Board of Canada directives of government-wide application addressing such issues as financial accountability, official languages, impact assessments, privacy, access to information, accessibility, and employment equity, diversity and inclusion.

Accessible Canada Act

The purpose of the *Accessible Canada Act* is to make Canada barrier-free by January 1, 2040. This involves identifying, removing and preventing barriers in areas of federal jurisdiction including in transportation. The project scope and design are intended to meet or exceed the standards set out in the *Act* to support a barrier-free Canada.

Access to Information Act and Privacy Act

VIA HFR is subject to the requirements of the *Access to Information Act* ("ATIA"). The ATIA provides a right of access to records under the control of VIA HFR to Canadian citizens, permanent residents and corporations established in Canada in accordance with the principles that government information should be available to the public, that necessary exceptions to the right of access should be specific and limited, and that decisions on the disclosure of government information may be reviewed independently by the courts.

VIA HFR is also required to abide by the *Privacy Act* (the "Act"). The *Act* protects individuals against disclosure or use of their personal information under the control of a government institution in a way that is inconsistent with the purposes for which the information was obtained or compiled. Moreover, the *Act* gives any individual the right to access their own personal information, to request that this information be corrected or to request that the information be withdrawn from databases or any other systems where it is stored.

As the Corporation continues to establish itself, VIA HFR is expected to introduce training requirements for all employees, covering access to information and privacy essentials including the collection and use of personal information and the implementation of privacy protection measures.

Canadian Net-Zero Emissions Accountability Act

The purpose of this Act is to require the setting of national targets for the reduction of greenhouse gas emissions based on the best scientific information available and to promote transparency, accountability, and immediate and ambitious action in relation to achieving those targets, in support of achieving net-zero emissions in Canada by 2050 and Canada's international commitments in respect of mitigating climate change. As currently planned, the HFR project will use mostly electrified technology and advance modal shift toward less carbon intensive means of intercity travel.

Federal Sustainable Development Act

The *Federal Sustainable Development Strategy 2022 to 2026* (FSDS) is the first to be developed under a strengthened *Federal Sustainable Development Act*. Taking a whole-of-government approach, the Strategy brings sustainable development goals, targets, milestones, and implementation strategies across 101 federal organizations together in one place and supports Canada's efforts to advance the 17 Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda for Sustainable Development.

The Corporation is committed to advancing sustainable development and contributing to the Government of Canada's sustainable development goals and targets. As VIA HFR matures as an organization it will investigate the climate impacts from operational activities to help inform climate-related governance framework.

Code of Business Conduct and Ethics, and Recusal Procedures

With the operationalization of the Corporation and with the ongoing procurement process, VIA HFR's Code of Business Conduct and Ethics (the Code) was recently updated to ensure the Corporation is better placed to recognize and mitigate any real, perceived, or potential conflict of interests with any bidders, suppliers, or other entities. The Code was revised to broaden its scope and require that individual consultants, special advisors to the CEO, the Board or to a committee of the Board, as well as individuals under an interchange agreement with the Corporation abide by the principles set out in the Code.

The Code requires that individuals and Board members complete a disclosure form noting material relationships, personal interests or activities, and interests of family members, if any, that may require further assessment by the Corporation's Responsible Officer in order to identify any conflicts of interest, whether real, potential or perceived. A recusal policy for Board members who may have a real, perceived, or potential conflict of interest has also been implemented to accompany the Code.

Greening Government Strategy

Under the Greening Government Strategy, the Government of Canada's operations will be net-zero emissions by 2050 and will enhance its climate resilience by 2035, while also reducing environmental impacts beyond carbon, including on waste, water and biodiversity. Federal organizations are responsible for implementing this strategy in their operations. Organizations will review and update, if necessary, their net-zero emissions climate-resilient real property portfolio plan every 5 years to determine the most cost-effective pathway to achieve net-zero emissions by 2050.

Fighting Against Forced Labour and Child Labour in Supply Chains Act

The new *Act* introduces new reporting requirements pertaining to measures implemented to prevent and reduce the risks of modern slavery in their supply chain. The legislation applies to any government institution producing, purchasing, or distributing goods in Canada or elsewhere.

The *Act* imposes an obligation on Government institutions to submit an annual report to the Minister of Public Safety, by May 31 of each year, on the steps taken during the previous financial year to prevent and reduce the risk that forced labour or child labour is used by them or in their supply chains. In compliance with the *Act*, VIA HFR has submitted its report to Minister of Public Safety, for the fiscal year ending March 31, 2024.

Official Languages Act

In compliance with the *Official Languages Act*, VIA HFR promotes the use of both official languages by its employees to ensure its workforce reflects a balanced presence of both official languages, regardless of hierarchical level and geographic location. The Corporation is committed to producing outward facing information and communications, and making those available to Canadians, in the official language of their choice.

Open and Transparent Government

Through proactive disclosure measures and ensuring compliance with legislative requirements, VIA HFR will work to ensure open and transparent governance of the project by posting financial and operational information on the VIA HFR website and/or to the Open Government portal (open.canada.ca), to support the availability of information related to the delivery of the HFR project as well as the operation and conduct of the Corporation.

As part of the Government's Action Plan on Open Government, the Government of Canada has committed to the disclosure of contracting data via a centralized, machine-readable database available to the public. Departments are required to proactively publish information on contracts and amendments in accordance with Part 2 of the *Access to Information Act* and the Directive on the Management of Procurement.

Travel Policy and Hospitality, Conference and Event Expenditures Policy

It is VIA HFR's policy to extend hospitality or participate in events and conferences, in a cost-effective, consistent, and appropriate way when it will facilitate VIA HFR business or is considered desirable as a matter of courtesy.

In alignment with other Crown corporations, VIA HFR has established policies governing the reimbursement of reasonable expenses required for the purposes of business travel, hospitality, conferences, and events in accordance with Government of Canada direction. These policies include mandatory provisions for the reimbursement of expenses incurred on pre-approved VIA HFR business and shall guide employees and Board members in practicing fair, reasonable, and modern practices while promoting transparent and sound management of public funds.

VIA HFR's compliance with this policy is audited by the Office of the Auditor General. VIA HFR proactively discloses, through its website and/or the Open Government portal, the travel and hospitality expenses for the CEO, Board members and senior executives. These disclosures include business expenses related to business travel, hospitality, conferences, and event expenses for activities directly related to the delivery of VIA HFR's core mandate or legal requirements, engagement with its key stakeholders, internal governance, and training.

APPENDIX 10

ALIGNMENT WITH GOVERNMENT PRIORITIES AND DIRECTION

The HFR Project aligns with multiple Government of Canada transportation and infrastructure priorities, including, but not limited to:

- Building a resilient economy and taking action against climate change (2021 Speech from the Throne);
- Providing travelers with better service and more choice (Transportation 2030: A Strategic Plan for the Future of Transportation in Canada);
- Proposing infrastructure investments in social and green public transit and advancing new alternative finance procurement models (Investing in Canada Plan); and
- Building upon the Government of Canada's commitment to the Task Force on Climate Related Financial Disclosures and Budget 2021, starting in 2024 Crown corporations are required to disclose their GHG emissions annually where appropriate and relevant to their business activities.

In addition to taking action on these priorities, VIA HFR has also placed emphasis on:

Building mutually beneficial relationships with Indigenous communities, entities, and organizations

The Corporation's approach to working in partnership with Indigenous peoples is grounded in the principles of engaging early, meaningfully and in accordance with the principles of the *United Nations Declaration on the Rights of Indigenous Peoples*.

One of the key objectives of this engagement will be to promote the inclusion of Indigenous communities, entities, and organizations in the sharing of the project's socio-economic benefits. As an example, VIA HFR has signed collaboration agreements, and is expected to sign more, with Indigenous communities along the Corridor that clarify and confirm consultation and collaboration processes, including the provision of predictable sources of funding to support meaningful participation in the planning and Co-development phase of the Project.

In addition, the bidders are required, as part of the Procurement phase, to demonstrate evidence of their capacity to engage with Indigenous communities, entities, and organizations. To date, VIA HFR has facilitated initial engagement meetings between bidders and certain Indigenous communities.

Within VIA HFR itself, the Corporation is actively recruiting persons from, and persons with extensive experience working with Indigenous communities, entities, and organizations.

Furthermore, the Corporation has mandated Indigenous training, including in-person training with Indigenous communities, entities, and organizations where feasible, to help raise the level of understanding and sensitivity of Indigenous issues/priorities.

Gender-based Analysis plus (GBA+), Diversity, Employment Equity

VIA HFR is actively building a representative workforce. As of February 24, 2024, 50% of its employees are female, which is significant in what is a predominantly male-dominated industry. As well, the Board of Directors exemplifies diversity in gender, language, and Indigenous and regional representation.

VIA HFR has signed a service Memorandum of Understanding (MOU) with the Canada School of Public Service (CSPS) to provide access and encourage our employees to take advantage of the extensive library of courses offered by the CSPS, including GBA+ related training.

Supply of housing

The Government is committed to facilitating a national effort, bringing together all levels of governments, in partnership with home builders, financiers, community housing providers, post-secondary institutions, and Indigenous communities, entities and organizations to build the homes that Canadians need.

As a Crown corporation, VIA HFR is committed to fostering sustainable passenger rail transportation development, enhancing transportation accessibility, connecting urban centers to suburban areas, and contributing to the overall well-being of Canadian citizens. This integrated approach seeks to address housing challenges, promote economic growth, and ensure environmental sustainability.

To this end, following a positive Government decision on the integration of housing within the HFR project, VIA HFR will collaborate with government partners, agencies, and stakeholders to incorporate housing considerations with the aim of increasing supply of housing and affordable housing near key railway hubs, fostering transit-oriented development.

APPENDIX 11

HFR PROJECT CHRONOLOGY

2022	MILESTONES
March 3 rd	<p>An interim governance structure was approved, and the two teams described below were created to support the procurement process to commence prior to VIA HFR's incorporation:</p> <p>Government Office: comprised of officials from Transport Canada, Public Services and Procurement Canada (PSPC) and Infrastructure Canada (INFC) it leads the procurement process and acts as the public sector counterpart to the private sector during the RFQ (Request for Qualification) and RFP (Request for Proposals) stages.</p> <p>Technical Office: comprised of contracted firms and industry experts, as well as employees from VIA Rail and Canada Infrastructure Bank (CIB). Responsibilities include public-facing engagement; leading consultations with potentially impacted Indigenous peoples; advancing negotiations with host railways; developing project requirements and supporting the procurement process; and contracting strategic studies/projects to protect the future of the HFR route.</p> <p>This interim governance structure enabled HFR related procurement work to occur prior to VIA HFR's incorporation.</p>
March 10 th	<p>The Government released a Request for Expressions of Interest (RFEOI) for the project. The objective of the RFEOI was to share information with interested industry participants and obtain feedback with respect to the project.</p>
May 31 st	<p>Submissions responding to the RFEOI were provided to the Government for review.</p>
October 31 st	<p>After reviewing responses to the RFEOI, the Government provided an update to the marketplace on the next steps in the procurement.</p>
November 29 th	<p>VIA HFR-VIA TGF Inc. is established.</p>

2022	MILESTONES
December 15 th	The Government announced the creation of VIA HFR-VIA TGF Inc. (VIA HFR), a wholly-owned Crown corporation reporting to Parliament through the Minister of Transport.
2023	MILESTONES
February 17 th	The Government released a Request for Qualifications (RFQ), and outlined the context and features of the HFR Project, including the procurement process, key players in the process, and project outcomes that the PDP will be expected to meet or exceed.
April 24 th	The RFQ period closed.
July 20 th	<p>The Government qualified three bidding teams from the RFQ process that were invited to respond to the Request for Proposals (RFP).</p> <p>VIA HFR acquired the resources and responsibilities of the Technical Office and began operating as a dedicated project office for the HFR project.</p>
September 8 th	Martin Imbleau was appointed VIA HFR's President and Chief Executive Officer (CEO).
October 13 th	The Government launched a RFP. During the RFP, the Government will select a Private Developer Partner to collaborate with in order to optimize the HFR project prior to a final investment decision by the Government of Canada.
October to December	Regular meetings between the Government, VIA HFR and bidders were held.
2024	MILESTONES
January to July	Regular meetings between the Government, VIA HFR and bidders, are scheduled. Government preparing for the evaluation period through the selection of evaluators and development of an evaluation schedule.

2024	MILESTONES
April 16 th	<p>Budget 2024 announces the Government's intent to introduce legislative amendments to make VIA HFR-VIA TGF Inc. an Agent of the Crown enabling VIA HFR to deliver high frequency rail on behalf of the Government.</p> <p>Budget 2024 also announces funding of \$371.6 million over six years, starting in 2024-25, to VIA HFR-VIA TGF Inc. and Infrastructure Canada to advance design and development of high frequency rail.</p>
July 24 th	RFP bid submission deadline.
September	Preparation by the Corporation of the recommendation to the Government on the preferred HFR project.

APPENDIX 12

GLOSSARY OF ACRONYMS AND TERMS

ACRONYM OR TERM	DEFINITION
<i>Accountable Owner</i>	<p>The Minister of Transport, supported by the Deputy Minister of Transport, with the advice of the Deputy Ministers' Oversight Committee, is the project's Accountable Owner.</p> <p>The Accountable Owner answers for the HFR project in Parliament, brings forward, recommendations to Cabinet, and Treasury Board, and provides overall policy guidance to project implementation based on Government-wide objectives, including the HFR Project Outcomes.</p>
<i>Bidders (Consortia)</i>	<p>The Government of Canada announced July 20, 2023, that it had qualified three bidding teams:</p> <ul style="list-style-type: none"> • Cadence - CDPQ Infra, SNC Lavalin, Systra Canada, Keolis Canada • Intercity Rail Developers / Développeurs Ferroviaires Interurbains - Intercity Development Partners, Meridiam, Kilmer Transportation, First Rail Holdings, Jacobs, Hatch, CIMA+, RATP Dev Canada, First Group, Renfe Operadora • Partenaires Ferroviaires QCONNEXION Rail Partners - Fengate, John Laing, Bechtel, WSP, Deutsche Bahn
<i>Bilateral agreement</i>	<p>Agreement between Transport Canada and VIA HFR that establishes the framework for these parties to work collaboratively to facilitate their respective roles during the Procurement phase in support of advancing the HFR project.</p>
<i>CIB</i>	<p>Canada Infrastructure Bank</p>
<i>Co-development phase</i>	<p>Refers to the phase that begins at the execution of the Pre-Development Agreement. Through the Co-development phase, VIA HFR will work with the Private Developer Partner to further advance the design and finalise its technical, commercial and financial proposal for</p>

ACRONYM OR TERM	DEFINITION
	<p>the design, construction, operation, maintenance and financing of the HFR Project, delivered to the contracting Authority during the Co-development phase as per the terms and conditions of the Pre-Development Agreement, prior to the Execution phase.</p>
<p><i>Co-development approach</i></p>	<p>An innovative, collaborative approach where the private and public sectors will work jointly to co-design and optimize the project during a Co-development Phase which will commence upon the selection of a PDP and that PDP and VIA HFR executing the PDA, that will lead the design development, optimization, and implementation of the project under a design-build-finance-operate-maintain (DBFOM) delivery model in accordance with the PDA.</p>
<p><i>Contracting Authority</i></p>	<p>Refers to the party executing and managing the Pre-Development Agreement, namely VIA HFR.</p>
<p><i>DMOC (Deputy Ministers Oversight Committee)</i></p>	<p>An oversight body of Deputy Ministers chaired by the Deputy Minister of Transport, providing a consensus-based forum for key departments to advise the Minister of Transport, through the Deputy Minister of Transport, and guide project implementation based on Government-wide objectives.</p>
<p><i>Government Office</i></p>	<p>Comprises officials from Transport Canada, Public Services and Procurement Canada and Infrastructure Canada. The Government Office leads the procurement process and acts as the public sector counterpart to the private sector participants during the RFQ and RFP stages. During the Co-development phase, the Government Office will ensure the coordination and timeliness of Government decisions required to advance the Project.</p> <p>The Government Office is led by the TC Assistant Deputy Minister, HFR, and works collaboratively with VIA HFR. The Government Office supports the Minister of Transport, Deputy Minister of Transport and DMOC in their respective roles.</p>

ACRONYM OR TERM	DEFINITION
<i>Host Railway</i>	Owner and / or operator of existing rail track infrastructure.
<i>Impact Assessment (IA)</i>	A federal planning and decision-making tool used to assess the potential positive and negative effects of proposed projects. Impact assessments consider a wide range of factors and propose measures to mitigate projects' adverse effects.
<i>IAAC</i>	Impact Assessment Agency of Canada
<i>INFC</i>	Infrastructure Canada
<i>Local Services</i>	Existing VIA Rail Corridor Services between Quebec City and Windsor.
<i>Owner's Engineer</i>	An independent representative or advocate of the Accountable Owner. It is a critical supporting role that provides project management, technical advisory, and quality assurance support during all stages of the asset lifecycle in addition to performing due diligence on specific matters on behalf of the Accountable Owner.
<i>Pre-Development Agreement (PDA)</i>	<p>Refers to the agreement VIA HFR anticipates entering into with the preferred bidder that is selected by the Procurement Authority pursuant to the RFP.</p> <p>The agreement will describe the parameters required to advance and optimize the design and scope of the project during the Co-development phase and will provide the framework for delineating the roles and responsibilities of both the PDP and VIA HFR.</p>

ACRONYM OR TERM	DEFINITION
<i>Private Developer Partner (PDP)</i>	Refers to the private sector partner selected by the Procurement authority pursuant to the RFP to enter into the Pre-Development Agreement with VIA HFR, who will work with the Government and VIA HFR during the Co-development phase to advance and optimize the design and engineering of the project.
<i>Procurement Authority</i>	Refers to Public Works and Government Services Canada operating as Public Services and Procurement Canada (PSPC). Under the Project Authority guidance, PSPC staff will manage the procurement process for selecting the Private Developer Partner.
<i>Procurement phase</i>	Refers to the phase that began when the RFQ was launched on February 17, 2023, and conclude at the end of the RFP stage with the selected PDP and VIA HFR signing the Pre-Development Agreement.
<i>Network Agreement</i>	Refers to the agreement VIA HFR would sign with the Private Developer Partner, pursuant to and in accordance with the provisions of the Pre-Development Agreement, and under which the Private Partner is to implement the scope of the Project during the Execution Phase. Unless the context requires otherwise, references to Network Agreement shall be deemed to include all Segment Agreements that have been entered into between VIA HFR and the Private Partner.
<i>Project Authority</i>	<p>During the Procurement phase, the Deputy Minister of Transport delegates the Project Authority to TC Assistant Deputy Minister, HFR, who leads the Government Office, Representing Transport Canada, the Project Authority has overall responsibility for the HFR project, including keeping the DMOC and the Accountable Owner updated on progress and significant issues, guiding the work of the Procurement Authority and the Project Development Office (VIA HFR), and acting as the counterpart to private sector participants during the RFP and RFQ stages.</p> <p>At the conclusion of the Procurement phase (expected in late calendar year 2024), VIA HFR will take over the role of Project Authority and will</p>

ACRONYM OR TERM	DEFINITION
	work with the selected PDP during the Co-development phase to co-develop the HFR project.
<i>Project Charter</i>	Refers to a document for each phase of the Project that is endorsed by the Deputy Minister of Transport, with the support of DMOC, and consultation with the Board of Directors of VIA HFR, that describes the parameters of the Project and of the project's governance. It will provide the roles and responsibilities of the key stakeholders and establish the respective authorities of the Government Office and VIA HFR. There is a Project Charter for the Procurement phase and will be a Project Charter for the Co-development Phase.
<i>Project Development Office</i>	VIA HFR
<i>PSPC</i>	Public Services and Procurement Canada
<i>RFP</i>	Request for Proposals
<i>RFQ</i>	Request for Qualifications
<i>TC</i>	Transport Canada
<i>Technical Office</i>	<p>Refers to prior to the transfer and integration of the Technical Office into VIA HFR as of July 1, 2023, a temporary arrangement consisting of contracted firms and individuals, and employees borrowed from VIA Rail and CIB.</p> <p>It was led by a Project Director, who was responsible for advancing key HFR-related project activities under the guidance of the ADM, HFR,</p>

ACRONYM OR TERM	DEFINITION
	<p>including undertaking steps in the Impact Assessment process, such as public-facing engagement; leading consultations with Indigenous peoples; advancing negotiations with host railway; and developing projects requirements and supporting the procurement process. Contracts associated with the Technical Office were transferred to VIA HFR as of July 1, 2023, which signified that VIA HFR had become operational and was ready to take on the role of the of the Project Development Office for the HFR Project at VIA HFR.</p>
<p><i>Tripartite agreement</i></p>	<p>Agreement between Transport Canada, VIA HFR and VIA Rail Canada Inc. that establishes a framework for the parties to work collaboratively with each other to enable the advancement and implementation of the HFR Project while continuing to reflect the Government's policy objectives for the HFR Project during the Procurement phase without limiting in scope the directive issued to VIA Rail (PC 2022-259).</p>
<p><i>VIA Rail Corridor</i></p>	<p>Québec City to Windsor Corridor.</p>