

Community Partnerships

1. Objectives

Alto (the “Corporation”) aims to provide a framework for receiving, evaluating and managing community partnership opportunities.

This Policy sets out the principles, parameters, and evaluation criteria that will govern the establishment of community partnerships.

Additionally, the policy will ensure fairness and transparency in selecting partnership opportunities, as well as accountability for the use of public funds.

Alto will diligently select community partnership opportunities that are aligned with its objectives, vision, mission and values. This selection will be disclosed publicly and free of personal or political influence.

2. Definition

A *community partnership* is defined as an agreement between the Corporation and an eligible community organization delivering supported initiatives, where the Corporation provides funding to achieve agreed upon partnership outcomes.

Eligible organizations and supported initiatives are defined in this Policy.

3. Supported Initiatives

The Corporation will support initiatives in three areas – economic, environmental and social that contribute to the achievement of project outcomes such as provide meaningful environmental benefits, contribute to reconciliation with Indigenous Peoples, and enhance social cohesion in the communities along the Corridor.

3.1 Economic Vitality: Economic Development, Education and Innovation

The Corporation wishes to contribute to economic development, support innovation opportunities, and promote education and training, as this will help stimulate community economic growth and strengthen community ties. For example, supported initiatives could include (without limitation):

- Education programs related to the project’s core business (professional trades, engineering, land use planning, sustainable development, information technology, etc.)
- Academic conferences with activities that benefit the Corporation and the development of safe, sustainable mobility in Canada
- Innovative projects in the rail industry
- Projects run by organizations supporting local economic development and entrepreneurship, such as projects led by chambers of commerce and community economic development corporations as well as Indigenous-led projects that work to empower their communities
- Other initiatives that foster economic vitality

3.2 Environmental Vitality: Ecosystem Protection and Green Innovation

The Corporation wishes to support projects designed to conserve or rehabilitate destroyed or damaged natural environments, activities designed to raise public awareness of environmental issues, and social or technological innovation projects that promote low-carbon and/or regenerative practices for the environment.

It is important to mention that the scope of this Policy does not include compensation and other mitigation measures that would result from regulatory obligations, including the impact assessment process.

For example, supported initiatives could include (without limitation):

- Forest and wetland conservation
- Vegetation planting activities that promote biodiversity
- Educational programs
- Programs fostering green innovation
- Environmental projects that support Indigenous stewardship and traditional knowledge
- Other initiatives that foster environmental vitality

3.3 Social Vitality: Services and Events for Local Communities

The Corporation wishes to support projects aimed at developing social cohesion and well-being in the communities along the project corridor, with a focus on initiatives that value local culture, strengthen community ties, and contribute to social vitality.

For example, supported initiatives could include (without limitation):

- Events to promote or revitalize Indigenous culture
- Local community events, such as shows and festivals
- Educational activities
- Seasonal programming, such as holiday markets and local family activities
- Other initiatives that foster social vitality

4. Eligibility

4.1 Eligible Areas

The Corporation has outlined three geographic tiers linked to the project corridor that are eligible for partnership, prioritized as follows:

- Projects and organizations located in municipalities along the Québec City and Toronto corridor. The corridor will be defined in collaboration with the Private Developer Partner (PDP).
- Indigenous initiatives, organizations, and communities located along the Québec City and Toronto corridor.
- Regional, provincial or national initiatives and organizations whose activities affect communities along the Québec City and Toronto corridor.

4.2 Eligible Organizations, Projects and Expenses

The following **organizations** are eligible to apply:

- Registered charities or non-profit organizations headquartered in Canada
- Designated schools and educational institutions (including research chairs)
- Specific projects lead by municipalities and their associated services (public libraries, recreation and leisure services, land use planning, etc.)
- First Nations organizations
- Community associations (i.e. amateur local sports teams, festival committees)

Organizations may also submit collaborative projects jointly, identifying the organization leading the project and naming all other members of the group and their type of organization.

The following **types of projects** are eligible for partnership:

- Research and innovation projects
- Vocational and higher education projects
- Projects to improve the local natural and built environment
- Events and conferences
- Community events

The following **expenses** are eligible:

- Direct salaries of staff involved in carrying out the project
- Fees for professional services used to carry out the project
- Inter-city travel expenses for staff involved in carrying out the project
- Purchase of material goods required to carry out the project

Only one partnership application is allowed per project.

4.3 Ineligible Organizations, Projects and Expenses

The following **organizations** are not eligible:

- Individuals
- For-profit companies
- Federal, provincial or municipal political organizations (political parties, partisan groups, lobbyists)
- Religious organizations
- Charitable organizations that raise and redistribute funds to other organizations (foundations, service clubs)

The following **types of projects** are not eligible:

- Construction, renovation and improvement of facilities intended for organizations rather than the general public
- Projects that promote political or religious views
- For-profit projects
- Debt repayment
- Projects of a controversial nature (e.g., involving gambling activities, environmentally damaging activities) or raising issues of social acceptability in the community
- Lobbying campaigns
- Fundraising activities (fundraisers and galas)

The following **expenses** are not eligible:

- Staff training costs
- Working capital
- Fees for attending events (ticket purchases)
- Advertising expenses
- International travel expenses and activities outside Canada
- Activities that took place prior to confirmation of funding
- Fees for alcohol

4.4 Timelines and Outcomes

Selected partnerships will be governed by a partnership agreement that sets out agreed upon deliverables, funding timelines and accountability mechanisms.

The project must be started within the fiscal year in which the application is submitted or within the first quarter of the following fiscal year. Applicants must identify other confirmed or prospective partners, if any.

5. Assessment Process

STEP	ACTIONS
Step 0: Online form	All applicants must fill out the form on the Corporation's website. Assessment criteria will be clearly stated.
Step 1: Eligibility approval	An initial review will be done by the Senior Advisor, Partnership and Membership Management to ensure all applications are complete and compliant with the criteria and of this Policy. A summary analysis of the applicant's social and financial reputation will be carried out, based on public information available. Applications deemed eligible will proceed to the next step. If not, an email is sent to applicants informing them that their project will not be considered.
Step 2A: Individual assessment	Applications deemed eligible will then be evaluated by an internal committee. The following assessment criteria have been established to analyze the eligible applications: ▪ Adherence to one or more areas presented in section 4.1 ▪ Benefits for the communities targeted by the project ▪ Alignment with the Corporation's values ▪ Belonging to one of the eligible territories ▪ Geographic scope of the project ▪ Quality of project planning, implementation and schedule ▪ Visibility for the Corporation ▪ Opportunity for the Corporation to engage directly with the community (activation) ▪ Integration of the principles of diversity, equity and inclusion (DE&I) ▪ Alignment with the principles of sustainable development Not all criteria apply to all applications.
Step: Compilation	The Senior Advisor, Partnership and Membership Management will review the points awarded to each application.
Step 2C: Consensus et recommendation	A consensus meeting will then be organized to enable members of an employee committee to discuss the applications. An external fairness monitor will be present to ensure that the consensus process is respected.
Step 3: Selection et approval	The Chief Officers Committee will meet on a periodic basis to analyze the recommendations and reach a consensus to either approve, approve with conditions, or reject applications. The external fairness monitor will be present to ensure that the consensus process is respected.
Step 4: Final notification to applicants	Each applicant will be informed of the final decision in the days following the Chief Officers Committee meeting.

STEP	ACTIONS
Step 5: Publishing approved partnerships	Each approved partnership will be published quarterly on a dedicated page on the Corporation's website.
Step 6: Reporting	The Corporation will seek confirmation that commitments are honoured and expected outcomes are achieved. At a minimum, a written confirmation or statement from the organization attesting to project completion and fulfillment of commitments will be required, tailored based on the granted amount, the nature of the project and the level of risk. The Corporation also reserves the right to engage the services of an audit firm to assess risks of non-compliance with partnership agreements, from time to time.

6. Conflicts of Interest

Committee members must promptly disclose any conflicts of interest, whether actual, potential or perceived (as defined in the Corporation's Code of Business Conduct and Ethics) related to an application received. If a member must recuse themselves, they may propose a proxy from their team to take over the evaluation process.

7. Terms and Conditions

If an application is accepted, an agreement specifying the terms and conditions of the support will be drafted by the Corporation's Legal team (consistent with the funding level and risk) and sent to the applicant for signature. Once the Corporation receives the signed agreement, the Corporation will proceed with payments in accordance with the terms of the agreement.

8. Community Partnerships with Indigenous Communities

The Corporation is committed to contribute positively to the Government of Canada's commitment to reconciliation – specifically economic reconciliation – with Indigenous communities and aims to establish effective and meaningful relationships with Indigenous nations, organizations and institutions, through potential Memoranda of Understandings. In order to support and encourage the participation of Indigenous peoples, the Corporation will engage with Indigenous communities and encourage the submission of Indigenous applications for community partnerships.

As per the definitions of the I4DM Definitional Matrix from The Circle on Philanthropy and Aboriginal Peoples in Canada (2022), 'Indigenous-led organizations' refers to organizations where Indigenous leadership is present at all levels of decision making and where programs are owned, led and delivered by Indigenous peoples in response to community needs. Conversely, 'Indigenous-benefitting organizations' refers to organizations that do not have Indigenous leadership at their board or staff level but that have an interest or mandate to serve Indigenous communities.

The following terms are specific to Indigenous-led organizations.

8.1 Eligibility and Evaluation Criteria

To ensure a flexible approach to evaluation and collaborative relationship-building, the Corporation will pay special attention to projects submitted by Indigenous-led organizations. While all the eligibility criteria set out in

this Policy apply to Indigenous organizations and communities, projects submitted by Indigenous-led organizations will be analyzed using a dedicated evaluation grid. Specific criteria and thresholds are set to account for the diverse realities of Indigenous communities.

9. Implementation and Compliance

Compliance with this Policy will be ensured through regular reporting and transparent financial oversight. Analysis will be conducted for each project. These analyses will maintain accountability and support continuous improvement, reinforcing the Policy's effectiveness and sustainability in achieving mutual goals.

In the event of non-compliance with terms of a partnership agreement, funds may be subject to full or partial recovery, and civil or criminal legal action may be taken. Furthermore, the non-compliant applicant (including its partners) will be blocked from making any subsequent requests, unless they have resolved their non-compliance to the satisfaction of the Corporation.

10. Budget

The resources will be allocated to selected applicants according to the yearly budget for memberships, corporate outreach opportunities and community partnerships.

Particular attention will be paid to the geographical distribution of community partnerships. The assessment committees will ensure that the financial support granted is distributed fairly among the target areas and according to the project development (see "Eligible Areas") by implementing rigorous assessment mechanisms.

The Corporation retains the discretion to award less than the requested sum and will emphasize fairness, transparency, and strategic alignment in partnership selection. Additionally, the Corporation reserves the right to distribute the funds in multiple installments.

The Corporation has identified three levels for project evaluation based on the amount requested:

- \$0 à \$9,999
- \$10,000 à \$24,999
- \$25,000 à \$50,000

For the first year of this Policy's implementation, Alto will not allocate amounts exceeding \$50,000.

Alto will not enter into multi-year partnerships

10. Out of Scope

The scope of this Policy does not include compensation and other mitigation measures that would result from regulatory obligations, including the impact assessment process.