ALTO

Corporate Plan Summary 2025-2026 – 2029-30

Table of Contents

Executive Summary ____ 2

Overview ____ 7

Operating Environment ____ 10

Key Priorities and Strategic Objectives ____ 14

Risks and Planned Results ____ 25

Financial And Human Resources Overview ____ 26

Appendices ____ 28

Appendix 1: Statement of Priorities and Accountabilities ____ 29

Appendix 2: Alto Project Brief ____ 38

Appendix 3: Corporate Governance Structure ____ 43

Appendix 4: Working with Indigenous Groups and Partners ____ 47

Appendix 5: Risks & Responses ____ 48

Appendix 6: Financial Statements / Budget ____ 51

Appendix 7: Borrowing Authority Plan ____ 58

Appendix 8: CFO attestation ____ 60

Appendix 9: Planned Results ____ 61

Appendix 10: Compliance with Legislative, Regulatory and Policy Requirements ____ 74

Appendix 11: Alignment with Government Priorities and Direction ____ 78

Appendix 12: High-Speed Rail Network and Alto - Chronology ____ 80

Appendix 13: Glossary of Acronyms and Terms ____ 82

Executive Summary

This Corporate Plan Summary presents an overview of VIA HFR – VIA TGF Inc's (Alto) activities, operating environment, strategic objectives, and key planning highlights for 2025-26 to 2029-30.

Alto's (also referred to in this document as "the Corporation") mandate is to develop and implement a new passenger rail network in Ontario and Québec, including design, construction, financing, operation and maintenance, through one or more agreements with the private sector, in cooperation with the Minister of Transport.

Alto was established as VIA HFR – VIA TGF Inc. on November 29, 2022, and is accountable to Parliament through the Minister of Transport. As a wholly owned subsidiary of VIA Rail Canada Inc. ("VIA Rail"), the Corporation operates at arm's length from VIA Rail and acts as a parent Crown corporation under the *Financial Administration Act* (FAA), with some exceptions. It is overseen by an independent Board of Directors and funded through Government appropriations. It is headquartered in Montreal, with offices in Toronto, Ottawa and Quebec City.

In February 2025, the Government of Canada announced that the new passenger rail service would be developed as a high-speed rail network (also referred to in this document as "the Initiative"). The Corporation now conducts activities under the name "Alto" to reflect the Initiative's evolution.

Cadence was named by the Government as the winning consortium to become the private developer partner (PDP), following a comprehensive procurement process. At that time, the Government also announced an additional investment of $3.9 billion over six years to develop the Initiative, starting in 2024-25. Alto now leads the Initiative on behalf of the Government, serving as Project Authority and Contracting Authority for Cadence. Additionally, by fall 2026, Alto will develop options and recommendations to enhance passenger rail in Southwestern Ontario.

In March 2025, Alto and Cadence signed a pre-development agreement (PDA), marking the beginning of the Co-development phase.

About the Alto High-Speed Rail Initiative

With dedicated passenger tracks and higher speeds, Alto will significantly reduce travel times between major cities in the Toronto–Québec City corridor (the Corridor). Relying on nearly 1,000 kilometres of dedicated, electrified tracks, the network will help reduce intercity transportation's greenhouse gas emissions while transforming the passenger user experience. As Canada's largest public infrastructure project in the last 70 years since the construction of the St. Lawrence Seaway, the Initiative will drive the economy and shorten journey times for people in Canada's most densely populated corridor.

The new high-speed rail network and the existing local services will be treated as an integrated network system throughout the entire Windsor-Québec City corridor, with continued local service that is optimized to enable better connections with the new high-speed services.

The Initiative has the potential for significant economic, environmental, and social benefits, aligning with broader Government priorities and direction related to advancing reconciliation with Indigenous groups and partners and creating a more inclusive, sustainable and economically robust future for generations to come. Investing in major infrastructure projects such as Alto demonstrates a long-term commitment by the Government towards sustainable urban and rural planning and transportation. Enhancing connectivity between key urban and rural

areas will help increase regional economic development opportunities and encourage more equitable economic prosperity across the regions.

The modal shift benefits of the Initiative are expected to enhance travel safety and reduce greenhouse gas emissions. A more appealing high-speed passenger rail option can also boost domestic and international tourism to destinations within the Corridor, further supporting local and Indigenous economies and promoting cultural exchange.

The Initiative is being delivered using a progressive public-private partnership (P3) model that leverages a co-development approach to design, development, and delivery. Alto will work closely with the PDP to deliver value for Canadians.

The co-development approach will enable detailed planning and risk reduction. It brings together experts with diverse experience early in the design process to find innovative solutions to complex challenges. This approach is expected to reduce costs to taxpayers, better allocate risks and mitigation measures, and ultimately lead to faster benefits for Canadians.

Alto is currently planning for a segmented construction and implementation plan (also referred to as the “network approach”) where certain city pairs are connected and commissioned earlier. This will allow Canadians to benefit sooner from more frequent, reliable and faster intercity train services. Final decisions regarding the Corridor alignment and which phases will advance to construction first will be made by the Government.

Operating Environment

Internal and external factors influence Alto’s operating environment. Issues related to recruitment, labour market pressures, and regulatory efficiency remain top of mind.

As one of the largest infrastructure projects in Canadian history, Alto needs the right people and skills to reach its objective. Securing and retaining employees, particularly for highly technical positions, is an ongoing challenge.

Alto will be competing with other Canadian rail and transit projects for the skilled labour and resources needed to deliver a new intercity high-speed passenger rail service.

Impact assessment can inform infrastructure projects by identifying, understanding, and addressing potential environmental, social, Indigenous, and economic implications early, to ensure compliance with applicable standards, and enhance design. It is anticipated that the Initiative will be subject to federal impact assessment (IA) requirements before construction begins. The coordination of federal experts and decision-makers, including Government oversight, will be needed to support timely implementation of the Initiative. Alto could also face varying degrees of readiness in its engagements with Indigenous groups and partners, local communities, and stakeholders. Alto’s engagement strategies will be tailored to meet the needs of those who could be affected by the Initiative.

Highlights of Objectives and Key Priorities and Activities

Alto’s strategic objectives for the 2025-26 to 2029-30 planning period are consistent with last year’s priorities:

- Drive the Design and Development of a High-Speed Passenger Rail Network in the Corridor
- Foster Indigenous Partnerships, Engage Stakeholders, and Other Partners Effectively
- Strengthen the Corporation

Key milestones during the 2025-26 fiscal year will include updating the Co-development plan (CDP), establishing an initial alignment corridor, and advancing consultations with Indigenous groups and partners, stakeholders and the public.

Key Priority #1: Drive The Design and Development of a High-Speed Passenger Rail Network in the Corridor

Alto will advance the Initiative by collaborating with the PDP on the first stages of Co-development. The Co-development phase will optimize the design to achieve or exceed the Government of Canada Project Outcomes. This work will inform the Government before it makes a final decision on whether to fully implement the Initiative.

There are four stages in the Co-development phase:

- Stage 1: Plan validation and initial Indigenous and stakeholder engagement
- Stage 2: Project definition
- Stage 3: Segment development
- Stage 4: Segment transition to execution

The Co-development plan will be updated by the PDP to describe the steps needed to deliver the expected outcomes, meet the project requirement specifications (PRS) established by Alto, and comply with the PDA. Alto will also establish reporting and monitoring processes with the PDP.

Options for the final route alignment throughout the Corridor will be analyzed during the first two stages of Co-development, and planning for the IA process will continue. Alto is engaging with federal experts and decision-makers, to inform early planning, build relationships, and design processes aimed at navigating any IA and regulatory processes as efficiently and effectively as possible. Alto will also engage with Government to explore how the Initiative can be implemented as efficiently as possible under existing legislative and regulatory frameworks and provide input that Government may consider in the context of any broader legislative or regulatory reviews.

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

Alto continues to build relationships with Indigenous groups and partners and to engage stakeholders and other partners to broaden public support for the Initiative. Effective engagement fosters transparency, builds trust with the communities along the Corridor, and helps identify concerns early, leading to more comprehensive planning and acceptable mitigation strategies.

Activities in 2025-26 will continue to support reconciliation with Indigenous groups and partners, expanding the breadth of Alto's engagement and consultation. Alto will also launch community consultations about the Initiative, as well as engage with external experts to support our work.

Key Priority #3: Strengthen the Corporation

As Alto carries out its responsibilities as Project Authority and Contracting Authority, it will demonstrate effective governance and stewardship of resources. Alto will strengthen its corporate governance processes to support informed decision-making, prudent resource management, and financial sustainability.

Investments in information technology, including software and applications, will provide employees with the tools they need to deliver Alto's mandate. Additionally, new tools for human resources management will be implemented to support the organizational culture Alto needs to attract, mobilize, and retain a highly skilled workforce.

Moving Forward

Bringing high-speed rail to Canada’s most densely populated Corridor is a necessary investment that will benefit the entire country. Alto is pleased to present this Corporate Plan Summary, which describes the next steps in this important journey.

Overview

This Corporate Plan Summary presents an overview of VIA HFR – TGF (Alto)'s activities, operating environment, strategic objectives, and key planning highlights for 2025-26 to 2029-30. It outlines the planned operating and capital budget required to advance the Corporation's activities over the reporting period.

Alto's (also referred to in this document as "the Corporation") mandate is to develop and implement a new high-speed passenger rail network in Ontario and Québec, including design, construction, financing, operation and maintenance, through one or more agreements with the private sector, in cooperation with the Minister of Transport.

Key Authorities

Alto was established as VIA HFR – VIA TGF Inc. on November 29, 2022, under the *Canada Business Corporations Act*, consistent with Orders in Council P.C. 2022-0259 and P.C. 2022-261, and is accountable to Parliament through the Minister of Transport. As a wholly owned subsidiary of VIA Rail Canada Inc. ("VIA Rail"), the Corporation operates at arm's length from VIA Rail and 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.

In February 2025, the Corporation began conducting activities under the name "Alto" to reflect the evolution of the Initiative following the Government decision announced on February 19, 2025, to develop a high-speed rail network, as described below.

Strategic Direction

Alto's leadership team has engaged staff to refine the core principles that embody how Alto wants to grow as an organization. The updated vision, mission and values have become a cornerstone of Alto's corporate culture.

Vision

Building the train we need.

Mission

Together, we're connecting communities and driving society's progress by building a high-speed rail network.

Values

Collective Commitment

Together, we're leveraging individual effort to meet shared goals and achieve a social, environmental and economic impact that is positive, equitable and inclusive.

Responsible Velocity:

Together, we're striking a balance between flexibility and rigour to maintain a high level of performance within an adaptable framework.

Spirit of Initiative:

Together, we dare to explore promising new horizons and take calculated risks to optimize our success.

Inspiring Collaboration

Together, we're building an inclusive and collaborative environment based on trust where each person is valued for their expertise, respected for their ideas and recognized for their contributions.

About Alto

In February 2025, the Government of Canada officially announced the ambition of the Alto Initiative as a high-speed rail network to improve passenger rail service in the Toronto, Peterborough, Ottawa, Montreal, Laval, Trois-Rivières and Québec City Corridor (Corridor). Cadence was selected as the private developer partner (PDP) to Alto for Co-development. Initial Co-development funding was approved in support of the high-speed rail network Initiative as part of this announcement. Additionally, by fall 2026, Alto will develop options and recommendations to enhance passenger rail in Southwestern Ontario.

The Initiative will transform passenger rail service in Canada with 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. The operations of new high-speed services and existing local services will be treated as an integrated network system along the entire Windsor-Québec City Corridor, connecting cities including Toronto, Peterborough, Ottawa, Montreal, Laval, Trois-Rivières and Québec City with operations of local services to be maintained and optimized to enable better connections with the new high-speed services.

The Initiative has the potential for significant economic, environmental, and social benefits, aligning with broader Government priorities and direction aimed at advancing reconciliation with Indigenous Peoples and creating a more inclusive, sustainable and economically robust future for generations to come. Investing in major infrastructure projects such as Alto demonstrates a long-term commitment by the Government towards sustainable urban and rural planning and transportation. Enhancing connectivity between key urban and rural areas will help increase regional economic development opportunities and more equitable economic prosperity across the regions.

Improved passenger rail services can offer significant social economic benefits by reducing travel times and costs for regular travellers, helping to improve quality of life. Providing faster, more reliable, and more frequent train services will attract more passengers to intercity rail transport, reducing road congestion and potentially decreasing the demand for other travel modes. This modal shift is expected to enhance travel safety and reduce greenhouse gas emissions. A more appealing high-speed passenger rail option can also boost domestic and international tourism to destinations within the Corridor, which further supports local economies and promotes cultural exchange.

Alto is being delivered using a progressive public-private partnership (P3) model that leverages a co-development approach for design, development, and execution. The Co-development approach will enable detailed planning and de-risking of the Initiative by bringing together skilled experts with diverse backgrounds and ideas early in the process to encourage creative solutions to the complex challenges of the Initiative. This approach is expected to lead to a lower cost to taxpayers, a better allocation of risks, and ultimately lead to faster results for Canadians.

A detailed project brief can be found in Appendix 2, which includes additional background, such as Project Outcomes, timelines and governance.

Supporting Broader Government Priorities

The Alto Initiative 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 through the creation of employment opportunities, both directly and indirectly, during the construction phase and subsequent ongoing operations and maintenance, the efficiency of the transportation Corridor will be improved. This enhancement will also facilitate 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 will be improved.
- **Advancing reconciliation with Indigenous Peoples:** by supporting ongoing consultation and engagement to foster meaningful, two-way dialogue and maximizing opportunities for Indigenous Peoples to participate in the project.
- **Innovation and Technology:** by implementing a progressive and competitive procurement model to encourage creativity and innovative design concepts during the Procurement phase.
- **Safety and Accessibility:** by making transportation within the Corridor safer and more accessible through the incorporation of accessible features that exceed minimum code or design standards to accommodate use of service by everyone, however they may encounter it.
- **Buy Canadian Policy:** by prioritizing Canadian content, such as labour and materials, services and technology, to the extent possible throughout the project lifecycle, the project could support a broader government initiative to strengthen local economies and supply chains across Canada.
- **Prioritizing Canadian Steel:** in line with Government of Canada direction to prioritize Canadian-sourced materials, Alto and Cadence are actively developing procurement strategies that favour domestic suppliers. This includes planned outreach and engagement with key Canadian steel manufacturers to assess their readiness and technical compatibility with Alto's material requirements.

Further details about how Alto aligns with Government of Canada Priorities and Direction can be found in Appendix 11.

Operating Environment

An environmental scan of the internal and external environment was conducted to identify strengths, weaknesses, opportunities, and threats that could impact current and future strategies of the Initiative.

Strengths	Weaknesses
– Uses a progressive P3 procurement model, offering flexibility for Alto to fulfill its mandate through innovative project design and risk mitigation strategies. – Rapidly brings people on board with the talent and skill sets required to successfully drive the project forward through innovation and agility. – Benefits from a diverse and inclusive Board, supported by third-party expertise, fostering robust debate and informed decision-making. – Acts as a strong public sector counterparty to the Private Developer Parter (PDP), as Contracting and Project Authority, allowing for efficient and effective decision-making that is informed by private sector and public sector experts.	– Large infrastructure capital projects have faced significant challenges in Canada and abroad with public perception often questioning whether such projects can be built, based on scheduling delays and costing challenges.

Opportunities	Threats
– Leverages effective collaboration practices and efficient governance with the PDP to drive innovation and project optimization. – Collaborates with Transport Canada and the federal family to deliver mandate and allow for efficient Government decisions to be made. – Opportunities to streamline and accelerate project delivery to stimulate the economy and bring benefits to Canadians sooner. – Explores opportunities for integrating cutting-edge technologies into the project. – Early project planning activities such as field studies, land surveys and engaging Indigenous peoples to inform project development and prepare for Impact Assessment (IA). Successfully undertaking these activities better informs and could decrease risk of delays in decision-making.	– Existing legislative and regulatory requirements and approval processes could significantly delay project delivery and increase costs. – Geopolitical developments could increase uncertainty regarding sourcing of materials and cost of inputs required to develop major infrastructure projects. – Increasing number of infrastructure projects in Canada and the world could strain skilled labour availability, material supply, induce price volatility and restrict access to capital. – Alto could face varying degrees of readiness through engagement with local and Indigenous groups and partners, and stakeholders. – Timely adaptation and Government approvals, of regulatory and safety standards required to facilitate higher-speed passenger rail.

− Aligns with global trends in advancing high-speed passenger rail projects, bolstering Canadians' quality of life. − Stimulates regional economic growth through job creation and skills training, thereby strengthening Canada's economy. − Contributes to the Government's ambition of achieving net-zero emissions by 2050 by significantly reducing greenhouse gas (GHG) emissions in the project's operations. − Advancing commitments to reconciliation with Indigenous groups and partners by building meaningful relationships, fulfilling the duty to consult (and, where appropriate, accommodate), and creating opportunities for socio-economic benefits and economic participation. − Mobilizes top expertise from Canadian and international firms to deliver a passenger rail Initiative tailored for Canadians' needs. − Better connects communities and facilitates movement of people through an enhanced passenger rail service. − Incorporates housing considerations with the aim of increasing supply of housing and affordable housing near key railway hubs, fostering transit-oriented development. − Strengthens Canadian economic growth by creating jobs and using Canadian content.	− Inability to negotiate reasonable access to host railway tracks. − Potential challenges, such as misalignment or miscommunication could arise between Alto and the PDP. These issues would require strategies and solutions to mitigate risks and ensure advancement of the Initiative.

Internal Environment

Several internal factors will influence how Alto adapts as the Initiative advances through each phase (i.e., Co-development, Construction and Execution), as described below.

Evolution of the Initiative and interface with Government

A robust governance structure was established between the Corporation and the Government to guide the Procurement phase of the Initiative and support the Corporation's early operations. With the Pre-Development Agreement (PDA) between the Corporation and the PDP in place, the Corporation now serves as the Project Authority, Contracting Authority, and the strong public sector counterparty to the PDP. As the Initiative enters Co-development, updated governance structures between other government agencies, and the Corporation, as well as governance structures between the Corporation and the PDP, have been implemented to reflect the increased roles and responsibilities the Corporation has assumed.

Recruitment, Retention and Capacity Building

It is essential for Alto as one of the largest transportation initiatives in Canadian history to have the required employees and supporting technology, tools, and resources in place to serve as a credible representative of Government with the PDP. This planning will account for an increase in volume, scale, and diversity of activities both ongoing and emergent during the Co-development phase.

Attracting employees for highly technical positions presents a challenge, given the ongoing demand for specialized expertise in the rail infrastructure and construction sectors. Despite the scarcity of resources in those fields, Alto managed to attract highly skilled workforce and strategically expanded its workforce by tapping into a variety of talent pools.

Alto remains committed 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).

As of May 2025, Alto has 148 full-time employees. Recruitment efforts continue with the objective of building a permanent workforce of approximately 250 employee positions by March 31, 2026.

External Environment

Several external factors will influence Alto's operating environment, such as market dynamics, economic conditions, Government decision-making and project requirements as described below.

Labour market and economic trends

As Alto moves the Initiative to the next stage, other rail and transit projects are already under construction in Canada (e.g., REM in Montreal, LRT projects in Toronto, and GO Rail Expansion in Toronto/Hamilton), while others are progressing in planning and design. Alto will be competing with these projects for the skilled labour and resources needed to deliver a new intercity high-speed passenger rail service.

Canada faces a shortage of construction workers because of high retirement rates and fewer young people entering the industry. With a young and growing Indigenous population, Indigenous economic development provides potential opportunity to support Canada's future economic growth and labour market.

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

The coordination of decision-making bodies, including Government oversight, requires concerted attention to ensure it supports timely implementation. The Co-development and Execution Phases of the Initiative may also be influenced by legislative developments, judicial decisions and fiscal conditions of the Government. The Corporation will continue to 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.

Regulatory Requirements and Impact Assessment

As the rail transportation sector is highly regulated, Alto has been actively engaging with the Government to ensure all regulatory requirements, such as but not limited to the *Railway Third Party Liability Insurance Coverage Regulations*, are abided to as outlined in various legislation (e.g., *Railway Safety Act*, the *Canada Transportation Act* and the *Impact Assessment Act*). Alto has a key leadership role in ensuring the Initiative meets or exceeds all Government environmental, rail safety, and security regulatory requirements.

While a final route alignment for the Initiative has not yet been determined, various options are being explored. Consultations and any impact assessment and regulatory review processes for the Initiative will inform its development and outline its environmental, economic, social and health impacts and potential mitigation and accommodation measures. Alto will work collaboratively with Transport Canada, the Impact Assessment Agency of Canada (IAAC), and other federal departments/agencies to advance any Impact Assessment (IA) requirements that may apply to the Initiative.

Negotiations with Host Railways

The Alto Initiative 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 Initiative may use are owned by host railways (e.g., Canadian National Railway, Metrolinx, others). As a result, Alto will need to negotiate long-term, predictable track and rights-of-way access agreements with host railways to secure the best possible route for Alto, including access to centres of major cities.

Key Priorities and Strategic Objectives

For 2025-26, Alto's activities are organized under the same priorities and strategic objectives established in 2024-25. Alto and the Private Developer Partner (PDP) are evolving their approach to support efficient project management, coordination, and reporting. Consistent with Alto's mandate, activities are currently focused on the following three priorities:

1. Drive the Design and Development of a high-speed passenger rail network in the Corridor
2. Foster Indigenous Partnerships, Engage Stakeholders, and Other Partners Effectively
3. Strengthen the Corporation

The following section presents the key priorities, strategic objectives and activities Alto will advance in 2025-26 and during the planning period up to 2029-30.

Key Priority #1: Drive the Design and Development of a High-Speed Passenger Rail Network in the Corridor

Strategic Objective: Alto will advance the Initiative by collaborating with the PDP on the first stages of Co-development. The Co-development phase will optimize the design to achieve or exceed Project Outcomes in accordance with the Pre-Development Agreement (PDA). This work will inform future Government decisions before an investment decision to proceed with the execution of the project is made. Alto aims to deliver the benefits of the Initiative sooner through a segmented (network approach) construction and implementation plan where certain city pairs are connected and commissioned earlier, which will allow Canadians to benefit sooner from more frequent, reliable and faster intercity train services.

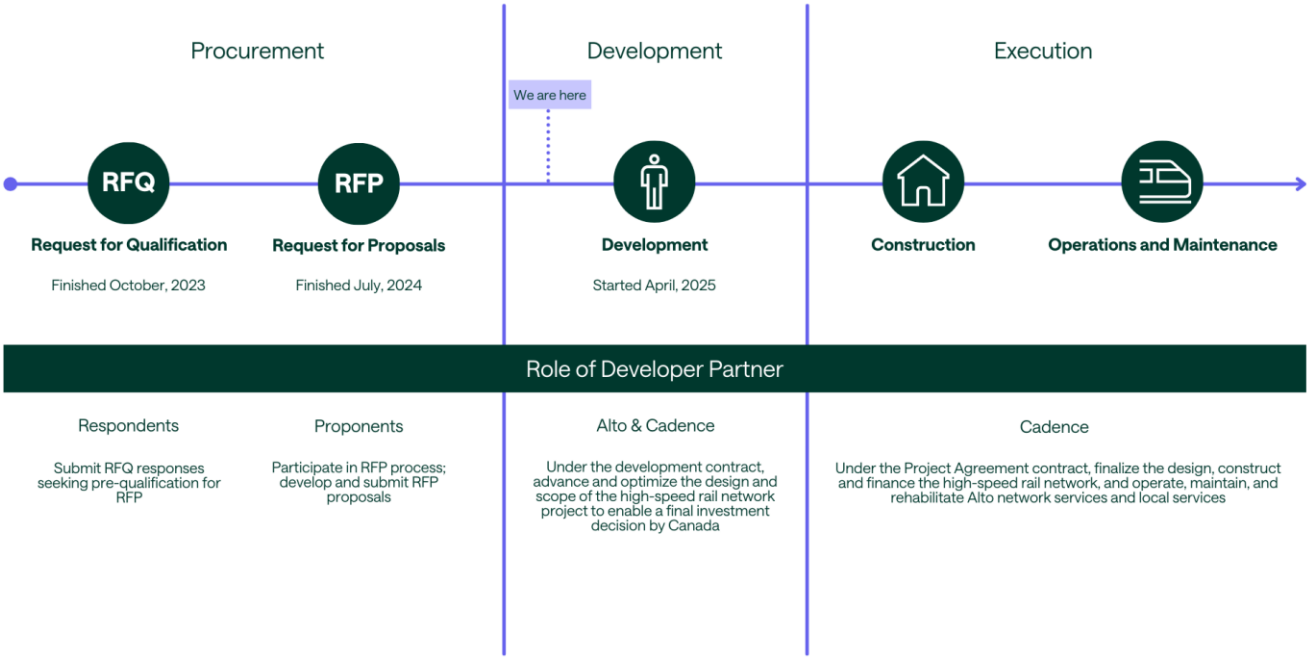
Recognizing the importance of key Government decision points, Alto will continue to advance project activities in a concurrent manner—ensuring alignment without dependency. This approach reflects a shared commitment to timely delivery, enabling Alto to undertake preparatory activities and critical path decisions without waiting for sequential approvals, thereby reducing delays and accelerating public benefit realization.

There are four stages within the Co-development process:

- Stage 1: Plan validation and initial stakeholder engagement
- Stage 2: Project definition
- Stage 3: Segment development
- Stage 4: Segment transition to execution

Activities in 2025-26 will focus on the first two stages. For additional information on the four stages of the Co-development phase, please see Appendix 2: Alto Project Brief.

Overview of Delivery Phases



Activities

Project Management

In the Co-development phase, Alto is the Project Authority, Contracting Authority, and the strong public sector counterpart to the PDP.

Collaborate with the PDP to Launch Co-development

Activities will be guided by a Co-development plan (CDP), which will be developed by the PDP to describe the steps needed to deliver the expected outcomes, meet the project requirement specifications (PRS) established by Alto, and comply with the PDA. An updated plan is expected from the PDP in Summer 2025. Activities in 2025-26 will include reviewing and approving the CDP and conducting start-up workshops for each workstream, as well as dedicated workshops on risk, collaboration and governance. Key steps are outlined below.

Stage 1 (Plan Validation and Initial Network Development) occurred from April 2025 to July 2025 and focused on the following outcomes:

1. Agree on effective forms of collaboration
2. Review and approve Cadence's updated CDP
3. Establish initial alignment corridor
4. Conduct targeted initial stakeholder pre-consultations and engagement

Stage 2 (Network Concept Design Development) is expected to take 24 months from August 2025 to August 2027 and includes the following activities:

1. Advance project development and design (e.g., rolling stock, civil work, electrification systems, signaling, station design, operating and maintenance requirements)

2. Consult with stakeholders and Indigenous groups
3. Define host railways' requirements
4. Define rail network segmenting and sequencing of construction and operation
5. File an Initial Project Description (IPD) to initiate work on impact assessment and regulatory requirements

Advance Rail Systems and Infrastructure Planning and Engineering

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

Ensure Rail Safety and Security

Rail transportation projects in Canada must comply with various safety and security requirements. Alto will continue to actively engage with the Government to ensure compliance with relevant legislation and regulations, including standards and requirements under the *Railway Safety Act,* the *Canada Transportation Act*, and the *Railway Third Party Liability Insurance Coverage Regulations.*

Since this will be Canada's first high-speed rail Initiative, Alto will also work with the Government to identify issues that need to be addressed to enable safe high-speed train operations.

Advance Discussions with VIA Rail

The Corporation will continue to collaborate with VIA Rail and Transport Canada during the development of a final Transition plan for VIA Rail's services and assets in the Québec 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 Transition plan to ensure corridor services are properly included in future Alto services is expected to unfold over multiple years and any implementation of the plan will be subject to future Government decisions.

Advance Discussions with Host Railways and Utility companies

The Corporation will also continue to build relationships with host railways and utility companies that are required to advance the Co-development phase of the project. Critical partnerships will be formed to ensure adequate electricity supply is secured for the running of the high-speed rail network. 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 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 and easements, etc.

Commercial Project

Alto's role as Project Authority and Contracting Authority includes ensuring the Initiative is financially sound, contracts and commercial partnership agreements protect Canada's interests, and the PDP meets its obligations under the PDA. The following activities will support this work.

Update Financial Models and Revenue Forecasts

Alto will develop and manage a financial model to support the Initiative, which will include conducting scenario analyses, market benchmarking, and Strength, Weakness, Opportunities and Threats (SWOT) analysis to support policy choices, deal structuring, and contract negotiations.

Alto will conduct market analysis on ridership and pricing demand, including scenario and elasticity analysis, to inform Network Agreement negotiations. This will include assessing customer and train service propositions and reviewing the analysis and projections of operations and maintenance costs. Analysis of the demographic and geographic demand across segments and the overall network will continue, along with ongoing revenue and cash flow projections. Alto will also carry out due diligence on the PDP's revenue and ridership projections to ensure all Project Outcomes are met.

Control Project Costs

As part of the CDP, the PDP is required to submit updated budget and schedule information on a quarterly basis. In the Project's cost management plan, outlined objectives are to enable proactive cost control and oversight as the project requires a rigorous approach to monitoring and challenging costs to ensure that it delivers value for money. The plan will ensure a robust approach to decision making by communicating timely and intelligible cost data into reporting channels to ensure that Alto leadership receive an accurate level of information in accordance with their decision-making. Alto in collaboration with the PDP has established a consistent framework for the management of project budgets, tracking of actual costs, and accuracy of forecasts for each workstream, advisor and activity.

Negotiate Contracts and Commercial Partnerships

Alto will commence negotiations with the PDP on the structure and details of the Network Agreement, including strategies to ensure the Initiative is successfully delivered, commercial partnerships are effective, and the agreement provides value to Canada.

Alto will develop funding and financing strategies to inform the allocation of capital between the Government and the private sector. The private financing will be allocated between debt and equity capital, with Canada Infrastructure Bank (CIB) being a potential equity participant alongside the PDP. The private capital allocation will need to be examined to ensure that the risk is transferred to the party best positioned to manage it, while also considering the long-term, lifecycle costs to the government. The approval of the project's capital structure will be subject to future Government decisions.

Alto will also engage with Indigenous communities for collaboration, partnership, and potential economic opportunities.

Monitor Contract Administration

As part of PDA contract administration, Alto will establish reporting and monitoring processes with the PDP. Alto will implement procedures to oversee the PDA (e.g. key performance indicators, payment processing, invoice review, Committee participation, management of PDA changes, process management). This will include regularly reviewing the PDP's procurement plan and managing sub-contractors' authorization requests. Alto will also manage commercial issues and claims.

Environment and Regulatory Planning

Alto is committed to meeting high standards for sustainability and environmental protection and will work with the PDP to ensure the Initiative meets or exceeds legislative and regulatory requirements. Alto will also engage Government to explore how the Initiative can be implemented as efficiently as possible under existing legislative

and regulatory frameworks and provide input that Government may consider in the context of any broader legislative or regulatory reviews. Each year of delay before construction could add up to $3.4 billion to the overall project costs.

Should the Initiative be designated as a *Project of National Interest* under Bill C-5: *One Canadian Economy – Building Canada Act*, Alto will rapidly adapt its environmental approach to meet the requirements of the permitting regime, ensuring continued momentum. This would result in schedule changes and variances in Alto's funding requirements.

Advance the Impact Assessment Process

Alto is taking a phased approach to implementing the Initiative, which will allow passenger rail service between selected city pairs (yet to be determined) to begin before the entire network is completed. Options for the final route alignment throughout the Corridor will be analyzed during the first two stages of Co-development, which will include consultation with local communities and Indigenous groups and partners. Decisions regarding the corridor alignment and which phases will advance to construction first, will require future Government decisions.

It is anticipated that the Initiative will be subject to federal impact assessment requirements. The *Impact Assessment Act* (IAA) sets out a process for assessing and preventing significant adverse effects on the environment, and consulting with Indigenous Peoples, other levels of government, and the public. The Impact Assessment (IA) process is a critical path item for the schedule. For each segment of the Initiative, a positive IA decision is needed before construction can begin.

The IA process will help inform how the Initiative is developed and will help Alto identify the environmental, economic, social, and health impacts of the Initiative, as well as mitigation measures to minimize any negative effects. There are five stages in the IA process: planning, impact statement, IA, decision-making and post-decision. Alto's activities in 2025-26 will support the planning phase and development of the Initial Project Description (IPD) that will be submitted to the Impact Assessment Agency and formally initiate an impact assessment process. These activities will include:

- transitioning technical work from Alto's advisors to the PDP;
- directing and conducting field studies to support preliminary design and inform the impact assessment;
- consulting and collaborating with federal agencies and regulators;
- engagement and consultations with Indigenous communities and community stakeholders who may be affected by the Initiative;
- advancing planning for environmental compensation projects; and
- planning for early works.

It is common for federal regulations to require compensation plans for certain adverse environmental impacts, such as the loss of wetland function, impacts to species at risk, or the loss of fish habitat. Alto will prioritize strategic planning activities, such as identifying key impacts and potential early compensation projects that could offset impacts of the Initiative. A detailed compensation strategy will be developed as IA work progresses.

Alto will also need to secure various permits from regulatory agencies that will participate in the IA process. To support this work, Alto will collaborate with federal departments and agencies to identify potential information requirements early, to advance the IA and regulatory processes as efficiently as possible.

Land Acquisition

Alto will need a substantial amount of land for the Initiative, covering nearly 1,000 km. Consequently, Alto will collaborate with the PDP to undertake a series of preliminary planning activities. These activities will include staffing and capacity building to ensure that the necessary human resources and expertise are in place.

Additionally, Alto will engage in early strategic proactive acquisitions to secure key parcels of land that are critical to the success of the Initiative.

Build Capacity for Land Acquisition

Alto will build capacity and further develop its land acquisition strategy, including properties potentially required. While pursuing amicable negotiations, Alto will complete all necessary due diligence and approvals to initiate expropriation, if required. Alto will provide a clear and transparent negotiation framework to all landowners, outlining the process and terms of acquisition.

To support this strategy, Alto will hire professionals in this area (e.g., surveyors, appraisers, geospatial technicians), identify land parcels in potential rail corridors and their ownership. The development of the land acquisition strategy will 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.

To advance Transit-Oriented Development (TOD) while remaining aligned with its mandate to deliver high-speed rail, Alto is developing a TOD strategy to ensure it acts as a catalyst for community development, through coordination with relevant authorities, development proponents, and Indigenous partners in the areas surrounding future station sites. Details of the strategy will be provided in the next corporate plan.

Initiate Early Land Acquisition Activities

Alto intends to acquire early strategic land rights (including potential options, leases, purchases) in key areas along the project corridor that will result from the alignment development work, including any facility lands (i.e. stations or maintenance buildings), segments of railway subdivisions to acquire from host railways, and lands critically required for staging and construction. Early acquisitions may also be required to support early works, namely for utility relocations.

Early strategic acquisitions will be influenced by the project's growth and market opportunities. As such, land acquisition expenditures will vary year over year, and Alto will require flexibilities to opportunistically acquire.

Early acquisitions are expected to reduce costs, improve cost certainty, minimize negotiation conflicts, and avoid price escalation resulting from land speculation, and by doing so, de-risk project delivery. Alto is of the view that early strategic land acquisitions will need to be carried out as soon as there is sufficient confirmation of the need to acquire specific property rights, and that acting to acquire such rights meets the requirements associated with the early acquisitions approach. Alto would seek to make use of new legislative changes to advance the project.

By taking these steps, Alto aims to create a collaborative and respectful approach to land acquisition, ensuring that the interests of both the company and the landowners are considered and addressed.

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

Strategic Objective: Alto continues to foster partnerships through relationship building with Indigenous groups and partners and engage stakeholders and other partners effectively in order to ensure, enhance and broaden public support for the Initiative. The Initiative 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 planning and acceptable mitigation strategies.

Activities

Communications and Engagement

Alto intends to build and maintain respectful, trusting and collaborative relationships with Indigenous groups and partners, provincial, municipal and local communities, and other stakeholders throughout the life of the Initiative. To effectively implement activities, Alto has an Indigenous Participation Plan, a Communications and Engagement Plan, a Community Benefits Program and a Partnership Policy, all serving distinct strategic purposes in delivering the Initiative mandate and fostering support for the high-speed train network.

Advance Indigenous Reconciliation, Participation and Collaboration

The participation and support of Indigenous Peoples is essential to the success of the Initiative and contributes to the Government of Canada's commitment to reconciliation. The Corporation's approach to Indigenous reconciliation, participation and collaboration is based on four strategic objectives:

- Build effective and meaningful relationships with Indigenous groups and partners;
- Fulfill the Crown's duty to consult and, where appropriate, accommodate;
- Create mutually beneficial socio-economic development opportunities; and
- Develop options for Indigenous economic participation.

The Corporation is developing an Indigenous Participation Plan that outlines how Alto aims to achieve its four Indigenous-related strategic objectives. Through the plan, Alto aims to build awareness, consensus, and support for the Initiative while striving to be a leader in how to advance Indigenous reconciliation and participation in the context of major project developments in Canada. 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.

Expand the breadth of engagement and consultation with Indigenous Peoples, including urban and off reserve in Ontario and Québec

Indigenous consultation and engagement work is significantly increasing in volume and complexity during the Co-development phase. As part of fulfilling the Duty to Consult, Alto will further advance and increase engagement and consultations with Indigenous Peoples, inclusive of potentially impacted Indigenous groups and urban and off-reserve Indigenous populations, on important components of the high-speed rail network, such as the proposed alignment, and overall Initiative design and delivery.

Engagement and consultation activities will include work to incorporate Indigenous knowledge in the planning; co-developing socio-economic benefits with Indigenous groups, urban and off-reserve Indigenous populations and partners; exploring economic participation opportunities; identifying potential adverse impacts of the Initiative on Aboriginal and Treaty rights and developing mitigation and/or accommodation strategies where appropriate; and supporting Indigenous participation in the Impact Assessment process. All engagement and consultation activities will be implemented in alignment with the Indigenous Participation Plan and in partnership with the PDP.

Work with Provinces, Municipalities, and Interest Groups

Alto has been engaging with elected government officials and public servants at both the provincial and municipal levels to share project information and establish relationships early in the project development process. Guided by the principles for public engagement, Alto will continue building these relationships based on respect, trust, transparency, accountability, responsiveness, and collaboration throughout the co-development

phase. As the project design work progresses, the engagement plan will be further refined to support local governments not only at station locations, but in neighbouring communities along the corridor.

With the goal of establishing and maintaining positive, long-term relationships with members of the local communities, the engagement team has grown, adding geographically focused Alto representatives along the corridor to gather more diverse and regional input to inform project planning decisions. These representatives have expanded the current list of stakeholders by identifying localized interest groups representing a variety of sectors and organizations who will add valuable insights that will strengthen project design and outcomes. Through formalizing provincial collaboration in Ontario and Quebec with the Government of Canada in order to advance the Initiative, Statements of Intent (SOIs) will be signed between the Minister of Transport, Alto and Ontario and Quebec to signal strong support.

Launch Community Consultations with Canadians and Engagement in Support of Social Acceptability

Alto will communicate with local authorities, host railways, utilities, and communities in the context of ongoing field studies, technical assessments, and environmental surveys. Community consultation activities (town halls, open house meetings, round tables) will be organized throughout the Co-development phase.

The Partnerships Policy will help further engage the public and Alto's stakeholders. This policy has been developed to raise awareness of the Initiative and its positive impact on communities in the Corridor. The policy aims to collaborate with local businesses and organizations that support economic, social and environmental vitality. The policy also aims to establish effective and meaningful relationships with Indigenous nations, organizations and institutions.

Keep Canadians Consulted and Informed About the Initiative

Alto's Communications and Engagement Plan is evolving as the Co-development phase progresses. Early work focuses on developing engaging information products to raise public awareness of the Initiative and its benefits and increase the social acceptability of the Initiative. Comprehensive marketing efforts include advertising, social media posts, web content, videos, and other material to help the public understand why the Initiative is needed and the results it will deliver for Canadians. The Corporation will continue to update its website and marketing campaigns to promote Alto to different target audiences.

Ensuring that the Initiative is known, required and desired is a driving element of the Plan. The Plan's objectives include raising awareness and building trust for the Initiative while actively listening and mitigating concerns, deconstructing myths, and building a reliable and supportive network of third-party validators and champions for the Initiative. To support this, funding will be allocated to specific activities such as publicity and targeted partnerships over the duration of the Initiative, following a rigorous internal evaluation process overseen by the Board of Directors.

Launch community benefits plan for impacted communities

Alto will be delivering a Community Benefits plan that will allow the corporation to fully maximize the economic and social opportunities of the project for local communities across the corridor. The first step will be launched in 2025-26, with Alto leading the development of a Community Benefits plan. Close collaboration and partnership with local municipalities and established local organizations will ensure that communities benefit from the federal government's significant capital investments. Community benefits are typically codified through agreements, which often address opportunities for employment and training, business support and social procurement, and community improvement projects. Alto will explore these and other opportunities in consultation with interested communities.

Strategic Policy Supports

Alto focuses on effective business case management to consolidate, analyze, and provide rationale in support of decision-making. Ensuring strategic alignment of project development with Project Outcomes and Government expectations, Alto provides strategic advice to ensure policy alignment, incorporating government guidance into decision-making, and tracks Project Outcomes.

Partner with External Experts

Alto plans to engage with external experts and stakeholders to collect and disseminate high-speed rail and intercity passenger rail information, knowledge and ideas in support of its mandate. For example, Alto plans to establish a pool of qualified experts in topics such as rail, infrastructure, transit-oriented development, and economics who can ensure up-to-date, evidence-based data is collated to help quantify the network's nation-building effects. Alto also plans to establish a policy innovation lab with academia to help translate academic research into relevant insights that will inform the design phase of the project. This work will promote interdisciplinary collaboration among leading experts on topics such as transit integration and planning, land use, economic development, and labour supply.

In addition, Alto is actively seeking and establishing relationships with industry leaders around the world to exchange knowledge and best practices related to high-speed rail and intercity mobility. Alto will ensure that its interests are represented at the International Union of Railways (UIC) and the International Association of Public Transport (UITP), as well as other relevant international rail sector forums. By connecting with global industry experts who have navigated similar challenges, Alto will gather valuable insights from projects and agencies worldwide.

The close collaboration between Alto, rail experts, academics and international stakeholders will enhance the project's design and implementation by incorporating proven strategies and innovative solutions from around the globe to ensure the Canadian high-speed rail is amongst the best in its class.

Engage and Collaborate with the Government of Canada

Alto will continue to engage with the federal family on strategic policy and governance issues to stay apprised of overarching government priorities, meet reporting requirements, and secure timely policy and funding approvals at key decision points as the Initiative advances.

To support the Co-development phase, Alto will:

- Refine tools and processes to support timely decisions through engagement with federal partners;
- Seek necessary funding and policy authorities from the government for Alto's activities; and
- Adhere to governance frameworks in place to support due diligence and oversight with Transport Canada, VIA Rail and the PDP.

Together, these activities will enable Alto to effectively play its role as a strong public sector counterpart to the PDP.

Alto will maintain a governance structure with Transport Canada and other involved departments as a forum to provide updates on progress in alignment with Government policy objectives and financial decisions, and to collaborate on areas that require coordination and/or decisions (e.g., land acquisition, Indigenous consultations, final alignment, transition of local services, etc.).

This includes regular oversight committee meetings between senior officials of Alto, Transport Canada, and VIA Rail, as well as leveraging the existing Deputy Minister Oversight Committee with current representatives from Housing, Infrastructure and Communities Canada, Canada Infrastructure Bank, Crown-Indigenous Relations

and Northern Affairs Canada, Public Services and Procurement Canada, VIA Rail, and central agencies (Treasury Board Secretariat, Department of Finance and Privy Council Office).

These governance and collaboration forums will support the exchange of information on the overall management and direction of the project in a timely manner and ensure that all required decision-making processes are embedded in the project implementation schedule. This would include ongoing and regular updates on meeting Project Outcomes and broader Government-wide priorities, and project implementation with regards to scope, budgets, schedule and risk management.

Alto will continue to engage the Government to share information and be kept apprised of the latest Government direction and considerations related to the Initiative. The Corporation now assumes new accountabilities in the delivery of the Initiative (i.e. procurement, technical and project authority roles) during the Co-development phase. As Alto grows, it will continue to effectively collaborate, cooperate, promote appropriate stewardship and meet transparency and reporting requirements to the Government.

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 Initiative.

Activities

Corporate Services

Alto will continue to strengthen corporate services such as finance, information management (IM) and information technology (IT), and facilities management to ensure employees have the tools to deliver Alto's mandate.

Ensure Effective Corporate Governance and Stewardship of Resources

As Alto carries out its responsibilities as Project Authority and Contracting Authority, the management team will focus on ensuring strengthening its corporate governance. This will be accomplished by providing effective support to the Board of Directors, continuing to develop and implement corporate policies to effectively manage the resources of the Corporation, and by ensuring efficient stewardship of resources through robust cost management.

Alto will deliver and report on clear and measurable outcomes, incorporate best practices of good governance and report on performance management, PDP activities, and risk management in a transparent way.

Invest in Information Technology

Alto will continue to invest in information technology, including software and applications. The overarching strategy is to maintain a 100% cloud-based ecosystem. Key components include:

- a new Enterprise Resource Planning (ERP) solution with core functionality was launched on April 1, 2025, and incremental functionality will be added over the course of 2025-26 enabling a full suite of integrated finance, human resources, and procurement functions;
- office automation and document management software;
- geographic information system, and stakeholder management software; and,
- project management and controls software, including Schedule Management Risk Management, and Requirements Management capabilities that enable close collaboration with the PDP.

People and Culture

Alto will continue to implement new tools for human resources management that will support the organizational culture it needs to attract, mobilize, and retain a highly skilled workforce.

Establish Our Employee Value Proposition

Since the Corporation was established, it has been a magnet for top-level talent, thanks to the Initiative's scope and reach. Alto plans to build on this success by articulating its Employee Value Proposition (EVP) that is appealing and relevant to prospective and current employees. The objective is to differentiate what Alto offers as an employer, so it stays competitive in the labour market, and focuses on key elements that enhance the work and employee experiences at Alto. The proposition goes beyond monetary aspects and includes work environment, relationships, projects and other aspects that showcase Alto's commitment to the mobilization and overall well-being of employees.

Develop a Performance Management Process

Alto has developed and launched a performance management process that provides comprehensive tools and training to help employees and managers succeed. This process helps ensure managers and employees have the support they need to:

- Set work objectives that align with the Corporation's priorities;
- Develop a common understanding of expectations and desired behaviours; and
- Share regular feedback and adjust.

The process launched is aligned with key steps in the Co-development phase.

Promote Our Organizational Values

Values are a central element of Alto's organizational culture. Building on work initiated in 2024-25 to update the vision, mission, and values, Alto will continue to embed these principles into the Corporation's human resources processes, policies, and business practices.

Ensure a Safe and Healthy Workplace

Alto 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. As part of its commitment to creating an accessible workplace, the Corporation also developed an Accessibility Plan, which will be implemented starting in 2025–26.

Continue Legal Support

Alto's legal services will continue to provide advice during the Co-development Phase, including support related to Alto's role in the PDP's procurement activities; land acquisition strategy; compliance with any legislative and regulatory requirements; intellectual property protection; rail systems and infrastructure; regulatory issues and rail access.

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, Alto, has developed an enterprise risk management framework to reflect an enterprise-wide approach toward risk management.

Further details are outlined in Appendix 5.

Planned Results

As a new Crown Corporation, the results that Alto plans to achieve in 2025-26 are presented in Appendix 9. The near term planned results are aligned with the Corporation's three key priorities for 2025-26:

Drive the Design and Development of a High-Speed Passenger Rail Network in the Corridor

The Corporation will advance the Initiative by collaborating with the PDP on the first two stages of Co-development. The Co-development phase will optimize the design to achieve or exceed Project Outcomes in accordance with the PDA (see Appendix 2: Alto Project Brief). It will lead to an investment decision by the Government of Canada to finalize its design and advance the execution of the project.

Foster Indigenous Partnerships, Engage Stakeholders, and Other Partners Effectively

The Corporation will foster partnerships through relationship building with Indigenous groups and partners 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, Alto will continue to establish and build awareness of the Initiative 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, Alto 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 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 2026-27 will report on Alto's outcomes with respect to planned results as presented in this Corporate Plan Summary.

Financial And Human Resources Overview

Financial

The following section provides key highlights of Alto's financial overview for the planning period 2025-26 to 2029-30. This Corporate Plan covers the planning period of five years (2025-26 to 2029-30), with a total funding of $3.912 billion for that period.

A total of $520.8 million (M), on a cash basis, was provided to the Corporation to advance its objectives in 2025-26.

By key priority, for 2025-26, on a cash basis, $443.9M for will go toward advancing the Toronto – Québec City rail project, $38.2M to foster Indigenous partnerships, engage stakeholders, and other partners effectively and $38.7M will strengthen the Corporation. For 2025-26, $95.6M of the total $520.8M will be spent on expenditures that are capital in nature. This funding will allow for an achievable, full suite of activities that will mitigate risk and advance the project.

Statement of Operations

	ACTUAL	Budget					Total
For the year ending March 31 ($'000s)	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	
Drive the Design and Development of a high-speed passenger rail network in the Corridor	42,277	350,350	448,923	277,081	183,352	80,368	1,340,074
Foster Indigenous Partnerships, Engage Stakeholders, and Other Partners Effectively	8,588	38,193	61,087	53,604	33,376	32,855	219,115
Strengthen the Corporation	26,115	36,741	39,744	42,642	41,517	46,668	207,312
TOTAL EXPENSES	**76,980**	**425,284**	**549,755**	**373,326**	**258,245**	**159,891**	**1,766,501**
NET FINANCIAL ASSETS							
Government transfers, Appropriations Operating	70,284	520,875	710,159	1,097,443	927,073	656,254	3,911,804
Interest Income	413	-	-	-	-	-	-

TOTAL REVENUE	**70,696**	**520,875**	**710,159**	**1,097,443**	**927,073**	**656,254**	**3,911,804**
ANNUAL OPERATING SURPLUS (DEFICIT)	**(6,284)**	**95,592**	**164,404**	**724,117**	**668,828**	**496,363**	**2,145,303**

For fiscal year 2025-26, the Office of the Auditor General (OAG) serves as the Corporation's external auditor and will audit the annual financial statements and verify that the statements fairly present Alto's operating results and financial position in all material respects.

The Corporation has established a third-party internal audit function to ensure support of Alto's mandate by ensuring robust oversight and fostering public trust. Focus areas of this function include risk management, internal controls and governance driven by key principles including objectivity, competence, integrity and confidentiality.

Human Resources

As of May 2025, Alto has a workforce of 148 full-time employee positions filled through various employment arrangements (i.e. Alto employees, contractors, and individuals on Government of Canada Interchange). There are currently 85 employees based in Québec and 63 based in Ontario. Alto's workforce will expand as the Corporation continues to focus on staffing in 2025-26, anticipating approximately 250 positions to be filled by March 31, 2026.

Alto Workforce

Permanent, Interchange and Contractors (Full-time equivalent) - Real utilization rate

Fiscal Year Ending March 31					
2024-25*	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**
145	209	232	246	254	269

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

Procurement Policy

Alto'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 Letters)

Appendix 2: Alto Project Brief

Appendix 3: Corporate Governance Structure

Appendix 4: Working with Indigenous Groups and Partners

Appendix 5: Risks & Responses

Appendix 6: Financial Statements / Budget

Appendix 7: Borrowing Authority Plan

Appendix 8: CFO attestation

Appendix 9: Planned Results

Appendix 10: Compliance with Legislative, Regulatory and Policy Requirements

Appendix 11: Alignment with Government Priorities and Direction

Appendix 12: High-Speed Rail Network and Alto - Chronology

Appendix 13: Glossary of Acronyms and Terms

Appendix 1: Statement of Priorities and Accountabilities

Mandate Letters

Minister of Transport and Internal Trade

Ministre des Transports et du Commerce intérieur

Ottawa, Canada K1A 0N5

March 18, 2025

J. Robert S. Prichard
385, Av. Viger Ouest, 2nd Floor
Montreal QC H2Z 0C2
rprichard@torys.com

Dear Robert:

I write to inform you that all authorities are now in place for VIA HFR-VIA TGF Inc. (known as Alto) to launch the Co-Development Phase of a High-Speed Rail (HSR) network and to outline the associated Government of Canada's priorities and expectations for this Initiative.

This letter builds on the letter sent by my predecessor in August 2024.

Advancing the design and development of the Initiative

The government approved funding beginning in 2025-26 to enable Alto to work with the Private Developer Partner (PDP) on the detailed design, due diligence, permit work, and obtaining the social license required to prepare for a future final investment decision by the government. The government has also authorized the launch of the Co-Development Phase to design a high-speed passenger rail network (300 km/h) and advance the development of all phases comprising the corridor (Toronto-Ottawa, Ottawa-Montréal, Montréal-Québec City).

I am pleased to have received from the Board of Directors confirmation that Alto has advanced to a fully operational Crown corporation, recruited the necessary talent, and established its governance framework and internal processes.

Roles and responsibilities during the Co-Development Phase

As we move to the Co-Development Phase, the Initiative will be delivered in line with the following roles and responsibilities.

Alto will act as the Delivery Agent and Project Authority for the Initiative, leading its development and implementation, based on the policy direction of Transport

Canada

Canada. I expect Alto to protect the government's investment by acting as a strong counterparty to the PDP to ensure the Initiative is delivered on time, on budget, and in alignment with government policy objectives, direction, and decisions. Alto will lead the development of the overall implementation strategy and the day-to-day activities of the Initiative, collaborate and co-develop the Initiative with the PDP and ensure the PDP meets its obligations in a timely fashion. During Co-Development, Alto will work towards delivering the HSR Initiative efficiently, meeting or exceeding each of the required Project Outcomes, while reducing risks, lowering costs for Canadians and ensuring value for money.

During Co-Development, Transport Canada will retain a critical oversight and enabling role with respect to the Initiative. Transport Canada will provide guidance and direction to Alto on government policy objectives and priorities relating to the Initiative, perform strategic oversight to monitor progress, and ensure alignment with government policy objectives, direction, and priorities to deliver the Initiative in a timely manner. Transport Canada will also develop the necessary legislative and regulatory frameworks. Guidance and direction will be communicated in writing by myself, the Deputy Minister, or relevant Assistant Deputy Ministers of Transport Canada.

Part X of the Financial Administration Act outlines obligations, whereby Alto, among other things, is required to submit its corporate plans and budgets to me, for the approval of Treasury Board, on my recommendation, and to act in a manner consistent with its last approved corporate plan or approved amendment thereto.

In addition to these obligations, my Deputy Minister issued a Co-Development Charter detailing the government approved parameters for implementing the HSR Initiative, the roles and responsibilities of key parties involved, as well as governance, oversight, and reporting mechanisms. This includes Alto actively supporting Transport Canada in its strategic oversight role and providing it with quarterly updates on the progress of Co-Development, as well as developing a Project Management Plan. The Charter also includes a Decision Matrix outlining Designated Matters referring to specific issues of strategic importance that require my, or government approval or direction before proceeding.

I expect Alto will deliver the Initiative in close collaboration with my Department and will ensure alignment and seamless implementation as per the Charter and our collaboration agreement, as well as the tripartite agreement with VIA Rail. My Deputy Minister will update the Charter as the Initiative progresses.

To ensure efficient and timely delivery of the Initiative, I expect Alto to work with my officials in establishing structured forums to collaborate with the government

on matters of shared responsibility and support the formal governance committees identified in the Charter.

Development of the Initiative by 2027

Alto will work with the PDP to develop a comprehensive HSR proposal, by the winter of 2026-27, that combines economic and social benefits, innovation, deliverability, affordability, and high-quality services for Canadians. The proposal will offer a competitive, low-carbon solution that promotes transit-oriented development, delivers benefits to communities, and addresses housing needs via a strategic plan to spur transit-oriented development around stations.

This proposal will include the preliminary design of the Initiative, the network Corridor, the location of stations, the concept of operations, and the train service proposition. Alongside the proposal, Alto will provide an updated business case that includes the equivalent of a Class 4 cost estimates and a schedule for the subsequent stages of the Initiative.

Alto will ensure that its implementation plans—developed in collaboration with the PDP—prioritize Canada's economic growth, job creation, and the inclusion of unionized jobs, where applicable, throughout the development, construction, and operation of the Initiative. Alto is expected to encourage the PDP to develop procurement strategies that, where appropriate, benefit Canadian businesses and supply chains or that are aligned with the Government of Canada's priorities to favor bidders originating from countries which allow fair Canadian participation.

The proposal will also include an Indigenous Participation Plan, developed in consultation with Transport Canada and impacted Indigenous communities, a strategic plan for transferring VIA Rail services in the Quebec City-Windsor Corridor, developed in collaboration with Transport Canada and VIA Rail.

Alto will continue engaging the provinces of Ontario and Quebec, and transit authorities in collaboration with Transport Canada, during the Co-Development Phase to ensure effective coordination and integration of all relevant aspects to deliver on the Project Outcomes, including integrating transit considerations in both provinces. Additionally, by fall 2026, Alto will develop options and recommendations to enhance passenger rail in Southwestern Ontario.

The Co-Development Charter includes further details on the government expectations.

In closing, I want to express my gratitude to you, the Alto Board of Directors, and the entire Alto team for achieving this important milestone. As the Initiative progresses, I will communicate further guidance and direction beyond what is outlined in this letter.

Sincerely,

The Honourable Chrystia Freeland, P.C., M.P.
Minister of Transport and Internal Trade

c.c. Arun Thangaraj, Deputy Minister of Transport Canada
Françoise Bertrand, Chairperson of the Board of Directors of VIA Rail

Minister of Transport
and Quebec Lieutenant

Ministre des Transports
et lieutenant du Québec

Ottawa, Canada
K1A 0A3

August 20, 2024

J. Robert S. Prichard
3450-1 Place Ville Marie
Montréal QC H3B 3N2

Dear J. Robert S. Prichard:

It is an honour to serve Canadians as Minister of Transport and a privilege to work with key partners like VIA HFR – VIA TGF Inc. (VIA HFR) to develop a project that will transform intercity passenger rail service in Canada for generations to come.

I would like to begin by acknowledging the extensive efforts that VIA HFR has undertaken since its inception to advance the High Frequency Rail (HFR) project. I note the considerable steps that have been made to establish the corporation and ensure that it is prepared to continue to advance the HFR project, including ensuring resources are in place to be a strong partner to the private sector and setting up the organization with best practices in corporate governance and project management.

I look forward to building on a strong working relationship and a shared commitment to advancing the government's strategic priorities and objectives in ensuring that the HFR project is a success and becomes a key component of Canada's transportation system.

I am writing to congratulate you on your initial success as Chair of the VIA HFR Board of Directors and to share with you my expectations for VIA HFR going forward. As Chair of VIA HFR's Board, you will continue to be accountable to me for the conduct of the organization and the achievement of results on the HFR project. As such, it will be important that my officials and I continue to have access to accurate and timely information from VIA HFR to enable the government to make decisions on the project as it advances. This includes continuing to provide me with updates on a quarterly basis, reporting on both the progress of the corporation and the HFR project itself.

Board Members and Governance

I expect VIA HFR to finalize the director selection process so that VIA Rail's Board can elect the remaining member of VIA HFR's Board, following consultation with me.

All Crown corporations are expected to maintain robust codes of business conduct and ethics, reflective of these obligations, ensuring that the highest standard of ethical conduct is promoted in all their activities. All appointees should abide by the principles found in the Prime Minister's statement on Open and Accountable Government. All boards must 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 am pleased that you have established the Board's Audit and Risk Committee and Human Resources, Corporate Governance and Nominating Committee, and that VIA HFR has introduced a Code of Business Conduct and Ethics, which includes conflict of interest provisions, and a Policy on Hospitality, Events and Conferences, among others. I would ask that you continue to establish and update appropriate governance processes and corporate policies that ensure value for taxpayer's dollars, including a compensation regime and employee benefits package, in accordance with your approved corporate plan and operating budget. While VIA HFR's Board is responsible for evaluating the CEO's performance, I expect you to seek input from me and my Deputy Minister as part of the evaluation process prior to the Board's final decision in this regard.

Corporate Plan and Budgets

VIA HFR has met many milestones since it was incorporated as a new organization in November 2022, including becoming operational with the transfer and integration of the HFR project technical office resources and responsibilities from the Canada Infrastructure Bank.

Budget 2023 highlighted the government's goal of reducing government spending, particularly with travel and professional services. I expect VIA HFR to prioritize the efficient use of public funds in all its activities, to take steps to avoid unnecessary public expenditures, and to work with the private development partner and Transport Canada to avoid any duplication of work.

The corporate plan and annual report remain important vehicles to assess VIA HFR's results. I expect you to continue working collaboratively with my officials in the development of future corporate plans and funding requests. Further, VIA HFR is expected to develop a project management plan and performance measurement framework, initially primarily focussed on the relationship with the private developer partner, and to continue to develop and implement a robust risk

management process to ensure it properly measures progress towards the achievement of project outcomes while diligently managing risks.

HFR Project

Fostering innovation is essential to the success of HFR. The government is advancing HFR as a progressive public-private partnership that engages the private sector early in the project design to optimize innovation while meeting and preferably exceeding the government's minimum project outcomes.

In leveraging the input received through the procurement process, I expect that VIA HFR will continue to work towards delivering the HFR project efficiently, meeting or exceeding required project outcomes in a timely fashion, while reducing project risks and lowering costs for Canadians. To do so, I expect VIA HFR to continue to work closely with my officials to assess options provided by bidders and recommend solutions aimed at maximizing economic and social benefits that combine innovation, feasible and well-established project timelines, and the ability to provide affordable, frequent and high-quality service for Canadians, all through an updated business case for the project. I also expect that national security considerations remain top of mind throughout the HFR project.

While the competitive and open procurement process to select the private partner is underway, VIA HFR will need to continue to build support for the project through an effective engagement and communications plan. I expect VIA HFR to lead on several aspects of the project, including awareness and support-building for the project, meaningful engagement of Indigenous communities, field studies, impact assessment-related activities, and land acquisition strategies. I also expect VIA HFR to advance discussions with host railways and obtain, in due course and where possible, collaboration agreements. Further, I expect VIA HFR to achieve full readiness to become the Project Authority and Contracting Authority in fall 2024.

Following a positive government decision and after consultation with VIA HFR, my Deputy Minister will issue on my behalf a new Project Charter that will outline the government-approved parameters, governance, and roles and responsibilities under which VIA HFR, VIA Rail, Transport Canada and other government institutions, will operate. In addition, VIA HFR will be expected to sign collaboration agreements with VIA Rail and Transport Canada to operationalize the Project Charter, prior to becoming the Project Authority and the Contracting Authority.

Collaboration with Key Federal Departments and VIA Rail

The success of the HFR project hinges upon effective collaboration and seamless information-sharing between VIA HFR and my officials. I expect VIA HFR to continue to work in partnership with the government to develop and integrate approaches to the HFR project that contribute to addressing broad government priorities such as leveraging opportunities to increase the supply of housing and to enable transit-oriented development.

I expect VIA HFR and VIA Rail to continue to work collaboratively and support Transport Canada in defining a prudent approach to transition VIA Rail's existing services in the Quebec City–Windsor Corridor to the private partner.

Key Horizontal Government of Canada Policies

Climate Change
Fighting climate change is a cornerstone of the government's plan to create middle-class jobs and maintain a competitive Canadian industry. VIA HFR is expected to work with the Treasury Board of Canada Secretariat to align itself with the Greening Government Strategy (Strategy) or adopt an equivalent set of commitments in each significant area of the Strategy of its operations, including the commitment to net-zero emissions by 2050 and to be climate resilient and green in its operations. It is also expected that VIA HFR publishes information on these commitments in its annual report beginning in 2024-25. VIA HFR should also be prepared to provide key related data to the TBS Centre for Greening Government to facilitate the reporting of the complete Government of Canada GHG emissions footprint as recommended by several parliamentary committees and the Commissioner of the Environment and Sustainable Development.

Reconciliation
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, accommodating 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. As part of the Crown, I expect VIA HFR to continue communication while developing and maintaining long-term relationships with Indigenous partners. This work will incorporate Indigenous knowledge and perspectives into organizational operations and planning processes, where appropriate, and will support the creation of mutually beneficial socio-economic development opportunities.

Inclusion
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 further develop outreach and recruitment strategies that uphold the principles of equity, diversity, and inclusion, including relevant federal legislation such as the *Official Languages Act*. As you are developing the passenger rail transportation system of the future, I look forward to seeing accessibility incorporated into its design. VIA HFR should strive to meet and exceed the standards set out in the *Accessible Canada Act* to support a barrier-free Canada.

Transparency, Accountability, Results
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. I thank you for proactively disclosing your quarterly financial reports and executive/Board expenses. I encourage you to continue to abide by VIA HFR's responsibilities under various legislative and policy requirements; for example, the Directive on Proactive Publication under the *Access to Information Act*, as you need to report on your efforts to comply with them in your next corporate plan.

I encourage VIA HFR to enhance its public financial reporting where possible to increase transparency into Crown corporations' expenditures. In this context, detailed guidance from the Treasury Board of Canada Secretariat has been shared with your officials. Further, many recent reports have reviewed the government's procurement practices. I encourage VIA HFR to review these reports and initiatives and to take action and strengthen its own internal policies and procedures when awarding and managing professional services contracts to ensure value for Canadians.

In closing, I would like to thank you for your work and your commitment to public service in leading the delivery of the largest transportation infrastructure project in Canada in the last 50 years. I look forward to continuing to work with you to advance the HFR project.

Sincerely,

The Honourable Pablo Rodriguez, P.C., M.P.
Minister of Transport and Quebec Lieutenant

Appendix 2: Alto Project Brief

Background

In February 2025, the Government announced that Alto would proceed with Cadence, the selected private development partner (PDP), to co-develop the Alto High-Speed Rail Initiative (Initiative) in the Toronto to Québec City corridor to improve speed, frequency and inter-city connectively for high-speed passenger rail.

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

Initially proposed by VIA Rail 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 Rail trains on predominantly dedicated tracks in order to improve on-time performance.

Project Overview

The High-Speed Rail Initiative

Alto will spearhead the design, execution, financing, operating and maintenance of a new 1,000 km intercity high-speed passenger rail network 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 and 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-serviced or without service such as Peterborough and Trois-Rivières. The Initiative 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.

Project Outcomes

The seven Government of Canada Project Outcomes, and their expected benefits, for the Initiative are as follows:

1. **Significantly Increase Intercity Rail Passengers** to at least 17 million by 2059 through both the new passenger rail services (NPRS Services) and Local Services through increased annual seat capacity;
2. **Enhance Passenger Experience in the Corridor** by offering more frequent, more reliable, and faster services between the serviced communities;
3. **Provide Safe Intercity Journeys** through the integration of proven standards of world class safety passenger rail systems;
4. **Contribute to Reconciliation with Indigenous Peoples** by creating socio-economic benefits and maximize their participation opportunities;

5. **Significantly Increase Availability of Accessible and Affordable Services** by providing barrier-free access and affordable and socially equitable fare and ticketing policy;
6. **Minimize Ongoing Financial Costs to Taxpayers** by eliminating operating subsidies and providing a solution that yields best value for money through optimal cost management;
7. **Provide Meaningful Environmental Benefits to Support the Government's Net Zero Commitment** by providing a greener rail system and cleaner option using electrified technology and reducing greenhouse gas emissions.

Additional benefits that the Initiative could achieve include:

- Reduce GHG emissions along the corridor during operations by up to 39M tonnes of CO2 over 60 years.
- Could support up to 51,000 jobs during construction across a ten-year period.
- Catalyst for agglomeration and productivity benefits, access to new housing supply and a lasting GDP uplift of 1.1%.

Project Scope

The project scope includes 7 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
- Electricity supply to power the network
- 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.

Alto 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 Delivery

The Government selected a procurement model that leverages a co-development approach for project design, development, and execution. This progressive model, based on the Design-Build-Finance-Operate-Maintain (DBFOM) concession, effectively combines public and private sector strengths for efficient and effective delivery.

This approach has been successfully used in other large infrastructure projects, including the Sepulveda Transit Corridor and several Metrolinx projects, and encourages innovation and flexibility. It will enable Alto and its Private Developer Partner (PDP) to collaboratively develop the Project in a Co-development phase (CDP) to present it to the Government for a final investment decision.

During the bid phase, the Government benefited from innovative approaches and technical solutions from all bidders through broad licensing rights in all intellectual property generated during the procurement. As a result, the Government can apply the best aspects of each bidder's approach as the Project enters the CDP.

The Co-development approach enables detailed planning and derisking of the project by bringing together skilled experts with diverse backgrounds and ideas to encourage creative solutions to the complex challenges of the Project. Co-development also enables quality improvement for high-quality outcomes and effective risk sharing.

Ultimately, this collaborative project delivery method aims to deliver the Project in a way that will support the Project Outcome sought by Canada, benefiting Canadians for generations to come.

Project Governance

The Corporation, pursuant to, and in accordance with its Mandate, acts as the Project and Contracting Authority, leading the development and implementation of the Project in cooperation with the Minister of Transport. Alto manages the relationship with the PDP as official counterparty to the PDP through a single-window communication approach to ensure success of the Project. Alto oversees the PDP's compliance with its contractual obligations laid out in the PDA. Transport Canada provides guidance and direction on Canada's policy objectives and priorities relating to the Project, monitors the Project's progress to ensure alignment with policy objectives and coordinates Government decisions required to advance the Project. Transport Canada is also a designated regulator for the Project under the *Canada Transportation Act*.

Alto is accountable to Parliament through the Minister of Transport, in accordance with Part X of the *Financial Administration Act* (FAA). A Co-Development Charter includes a RACI model (Responsible, Accountable, Consulted, and Informed) setting out the roles and responsibilities of Alto and the Government for the main activities during the Co-development phase.

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

Alto will report on project-based performance during the Co-Development phase and continue to report on the overall corporate performance through the Minister of Transport to Treasury Board.

As Alto is the Project and Contracting Authority in the Co-Development phase, enhanced governance structures and processes will be implemented within Alto, with the PDP, and with the Government. These will facilitate efficient decision-making, sound management of Co-Development budgets, and ensure timely and effective delivery of key Project Outcomes. Alto is committed to collaboration with federal partners for the successful advancement of the Project, specifically with Transport Canada and VIA Rail, as provided for in bilateral and tripartite collaboration agreements between the parties for the Co-Development phase.

Alto will maintain a governance structure with Transport Canada and other involved departments to provide updates on progress in alignment with Government policy objectives and financial decisions, and to collaborate on areas that require coordination and/or decisions (e.g., land acquisition, Indigenous consultations, final alignment, transition of existing local services etc.).

This includes regular advisory committee meetings between senior officials of Alto, Transport Canada, and VIA Rail, as well as leveraging the existing Deputy Minister Oversight Committee with current representatives from Housing, Infrastructure and Communities Canada, Canada Infrastructure Bank, Crown-Indigenous Relations and Northern Affairs Canada, Public Services and Procurement Canada (PSPC), VIA Rail, and central agencies (Treasury Board Secretariat, Department of Finance and Privy Council Office).

These governance and collaboration forums will support the exchange of information on the overall management and direction of the project in a timely manner and ensure that all required Government decision-making processes are embedded in the project implementation schedule. This would include ongoing and regular updates on meeting Project Outcomes and broader Government-wide priorities, and project implementation with regards to scope, budgets, schedule and risk management.

Government decision gates (e.g., investment decisions, project off-ramps) are expected to align with the stages of the Co-development phase, allowing greater opportunity for Government to provide strategic direction, including on the Project's policy objectives and value-for-money.

Phases of the Initiative

The Alto HSR Initiative began in the procurement phase and has now moved to the Co-development phase in Collaboration with Cadence the selected PDP.

Completed phase: Procurement phase

During the Procurement Phase which began in 2023, Transport Canada acted as the Project Authority, supported by PSPC in managing the procurement process for selecting Cadence, the PDP, with the Corporation providing technical support and expertise. The Corporation was accountable to Parliament through the Minister of Transport and engaged Indigenous groups, facilitating feedback and expert evaluations. The Corporation also provided support in drafting of the commercial and financial elements of the Pre-development Agreement (PDA) that has now been entered into between Alto and Cadence.

Current phase: Co-development phase

The Co-development phase of the high-speed rail network project aims to advance the project through careful planning and design, ensuring alignment with the project's scope, which includes up to 1,000 km of new or upgraded dedicated corridor and track, new civil/engineering works, new and upgraded railway stations, advanced signaling and control systems, electricity supply, new intercity passenger rolling stock, and maintenance and operational control centres. This phase involves advancing the development and design of all infrastructure components in prevision of a final investment decision and ensuring full readiness for mobilization and procurement.

In the Co-development phase, Alto has assumed the roles and responsibilities of Project Authority, Contracting Authority, and the strong public sector counterpart to Cadence the selected PDP. By partnering with Cadence, the Initiative can better manage risks, optimize costs, and ensure that the service is delivered on time and within budget. Alto will maintain a strong oversight role, acting as the guardian of public interests throughout the project.

Activities will be guided by a Co-development plan (CDP), which will be developed by the PDP to describe the steps needed to deliver the Project Outcomes, meet the project requirement specifications (PRS), and comply with the PDA. An updated CDP was submitted by the PDP in April 2025.

Early activities in 2025-26 will include reviewing and approving the CDP and conducting start-up workshops for each of the 27 dedicated project workstreams, as well as dedicated workshops on risk, collaboration and governance.

Examples of project workstreams include:

- Corridor Alignment Development
- Station Location and Design
- Rolling Stock Design and Acquisition Plan

- Systems Engineering Integration
- Rail Safety and Regulatory Measures
- Ridership and Rail Revenue Analysis
- Project Financing Strategy
- Communication and Engagement Plan
- Indigenous Collaboration and Participation Approach
- Civil work, Grading and Bridges Design
- Rail Systems and Signaling Design and Plan

Stage 1 (Plan Validation and Initial Network Development) occurred from April 2025 to July 2025 and focused on the following outcomes:

1. Agree on effective forms of collaboration
2. Review and approve Cadence's updated CDP Plan
3. Update initial alignment corridor
4. Conduct targeted initial stakeholder engagement

Stage 2 (Network Concept Design Development) is expected to take 24 months and includes the following activities:

1. Advance project development and design
2. Consult with stakeholders and Indigenous groups
3. Define host railways' requirements
4. Define segments and sequencing; complete survey and titles search and advance land acquisition and real property activities
5. File Initial Project Description (IPD) with IAAC for the first segment

Stage 3 (City Pair Development) is expected to take 24-26 months and extends until an Impact Assessment (IA) decision is received and includes the following activities:

1. Advance the design for each city-pair to a Class 3 estimate (could reach as high as 30% design)
2. Complete negotiation with the PDP of the Network Agreement and Segment Agreements overseeing the execution phase.
3. File an Initial Project Description and advance any impact assessment requirements. Alto will seek to advance impact assessment requirements by segment, filing IPDs for each city-pair, (1 to 1.5 years apart)
4. Identify potential federal regulatory requirements and integrate information requirements into any Impact Assessment requirements

Stage 4 (Transition of Execution Phase) time period of completion is to be determined. This phase is divided into two sub-stages.

Activities of sub-stage 4a include:

1. Design advances to as high as 50% - remaining design will occur during the Execution Phase, including System Requirements Specification
2. Progress the Segment Agreement target price estimate for each city-pair
3. Continue land acquisition activities and expropriation process required to be carried out with respect to the unexecuted city-pair prior to SA Commercial Close
4. Begin early works such as utilities relocation, as required regulatory approvals are obtained

Activity of sub-stage 4b includes finishing preparations for the Execution Phase.

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* (FAA) 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 Alto's activities, consistent with the activities detailed in its 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 FAA, directed VIA Rail:

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 Québec 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.

The Corporation 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.

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 in Order in Council P.C. 2022-0261. The Board possesses a strong and relevant balance of skills, knowledge, and experience, and is composed of a diverse group of individuals, in terms of gender, language, Indigenous and regional representation, to support the achievement of Alto's vision and strategic objectives. All directors are independent from Alto management.

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, in consultation with the Minister of Transport.

Alto is requesting an amendment to the Corporation's Articles to increase the size of the Board to a maximum of nine Directors. Expanding the Board would broaden the skill sets represented during the Co-development phase and would ensure proper succession planning and support the continuity in decision-making and direction over the lifecycle of the project.

The Board is responsible for appointing the Corporation's CEO, in consultation with the Minister of Transport. Since the incorporation, the Alto Board has been building a solid foundation for sound governance. As required in Alto'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 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.

The Board of Directors and its committees hold in-person meetings over a two-day period every quarter, and they convene virtually, on an as-needed basis, between quarterly meetings. A total of 25 meetings were held during the 2024-25 fiscal year as the Board of Directors and committees fulfilled their oversight responsibilities at critical times in the development of the Corporation and the Initiative.

Director compensation was based on a flat fee structure for the first two calendar years (2023-2024) with a built-in review of compensation after two years to reflect evolving responsibilities and workload following the initial standing-up phase of the Corporation. A review took place at the end of the calendar year 2024, in consultation with the Minister of Transport. Based on the factors considered, including market compensation data, it was decided to keep the fee structure unchanged.

Alto's Board of Directors currently comprises:

Members	Annual Remuneration (2025-26)	Appointment Date	Term of Office
J. Robert S. Prichard Chair	$120,000	December 13, 2022	3 years
Marie-José Nadeau Vice Chair and Chair of the Human Resources, Corporate Governance and Nominating Committee	$90,000	December 13, 2022	3 years
Robert Fonberg Chair, Audit and Risk Committee	$55,000	November 29, 2022	3 years
Fiona Blondin	$45,000	June 2, 2023	3 years

Michael Keenan	$45,000	November 28, 2023	3 years
Marie-France Poulin	$45,000	March 27, 2024	3 years

Additional information on the Board of Directors can be found here: https://altotrain.ca/en/team/

Executive Leadership

Martin Imbleau was appointed Alto's President and Chief Executive Officer (CEO) and is the designated Deputy Head of the organization since September 8, 2023.

Executive responsibilities are divided amongst seven key work units (Strategic Policy & Partnerships, Financial & Technology, Commercial, CEO Office and Corporate Secretary, Project Management, Communications and Engagement, Legal and People and Culture).

The Executive leadership comprises:

Martin Imbleau
President and Chief Executive Officer

Marc-Olivier Ranger
Chief Strategic Policy & Partnerships Officer

Tom Roberts
Chief Financial & Technology Officer

Jacynthe Audette
Chief Commercial Officer

Josée Kouri
Head of the CEO Office and Corporate Secretary

Maria Luisa Dominguez
Chief Project Management Officer

Pierre-Yves Boivin
Chief Communications & Engagement Officer

Félix Turgeon
Chief Legal Officer

Gwenaelle Legendre
Chief People & Culture Officer

Compensation and Benefits

Competitive total compensation packages are key to Alto'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.

The 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	27% to 30%	

Proposal of Long-term Incentive Program (LTIP)

The Board of Directors, through its Human Resources, Corporate Governance and Nominating Committee, is currently reviewing the implementation of a long-term incentive plan for Alto's executives (Vice presidents and Chiefs). Should the Board approve, the LTIP will be established in 2025, and will be paid based on the achievement of pre-set corporate objectives approved by the Board of Directors within existing salary budget.

Appendix 4: Working with Indigenous Groups and Partners

The Government of Canada has stated its commitment to reconciliation with Indigenous Peoples. Contributing to reconciliation with Indigenous Peoples is a key project outcome, which aligns with ongoing national efforts to developing a nation-to-nation relationship with Indigenous Peoples based on the recognition of rights, respect, co-operation, and partnership and to support Indigenous socio-economic well-being. To help advance and contribute to reconciliation, Alto aims to achieve four strategic objectives:

- Build effective and meaningful relationships with Indigenous groups and partners;
- Fulfill the Crown's duty to consult and, where appropriate, accommodate;
- Engage Indigenous groups to inform and create mutually beneficial socio-economic development opportunities; and
- Develop options for Indigenous economic participation.

The Indigenous Participation Plan will be informed by feedback received from engagement activities conducted to date, including findings compiled in the October 2023 report available on our website – What We Heard & What We're Doing Report, principles related to reconciliation and Indigenous economic prosperity, and best practices in relation to the duty to consult.

Indigenous perspectives are critical in successfully planning, constructing, and operating the Initiative. Indigenous perspectives will be integrated throughout the development lifecycle as well as within Alto's organizational operations and planning processes where appropriate. The four strategic objectives underpinning Alto's approach to Indigenous relations will drive all consultation and collaboration initiatives and activities with an aim to:

- Create a network of Indigenous partnerships for the Initiative;
- Enrich the quality of deliverables and design through the integration of Indigenous cultural input;
- Undertake consultation in a manner that seeks the free, prior, and informed consent of over 40 potentially impacted Indigenous groups;
- Ensure the Initiative meets Canada's growing expectations on matters of Indigenous inclusion and respect;
- Aim to have the Initiative 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.

Appendix 5: Risks & Responses

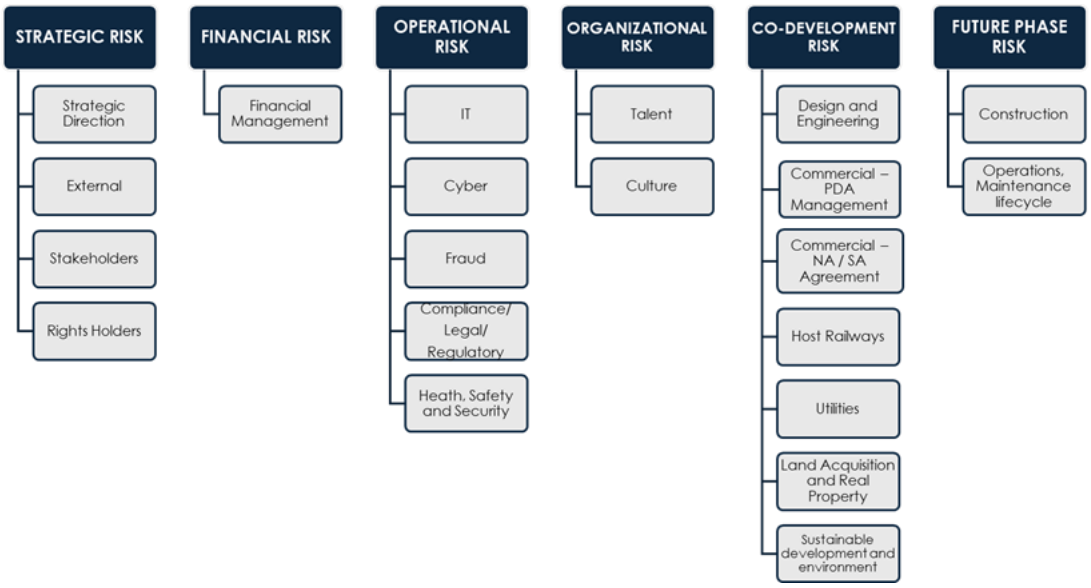
Alto is committed to managing risk in a proactive, transparent, and consistent manner.

Through the implementation of an Enterprise Risk Management (ERM) framework, Alto:

- Identifies, assesses and manages risks that may affect the achievement of its objectives,
- Integrates risk management into strategic planning and decision-making processes, and
- Creates a strong risk culture by promoting accountability and ownership of risk at all levels of the organization.

Alto has identified 21 key enterprise risks across 6 risk pillars. These risks make up Alto's Risk Taxonomy as summarized below.

Alto Risk Taxonomy



These enterprise level risks cascade into one or more risks as outlined in Alto's risk register and enable Alto's management and Board of Directors to focus on the most significant risks currently facing the Corporation. The risk register and taxonomy will continue to evolve over time as new risks are identified, or existing risks become more prominent or conversely are no longer considered to be significant.

All risks are defined along with their potential impact and are assessed based on likelihood and impact. If required, risk mitigation activities are identified to manage down risks to with acceptable levels. Risk analysis and reporting is detailed, consistently structured and systematized to enable holistic understanding and inform discussions and decisions.

Given the status of the Alto's work, as would be expected, the key risks are under the co-development risk pillar. The most significant current risks and accompanying mitigation activities are summarized below

Risk	Risk Description	Risk Mitigation Activities
Land Acquisition and Real Property	Alto incurs significant delays and/or additional costs during the design phase due to land acquisitions not progressing at the pace required to protect the project schedule.	– Work with the Government of Canada on options to streamline legislative measures by adapting them to the Alto project context and reality – Provide more efficiency and predictability with regards to the expropriation process – Request and secure the initial amount of funding to kickstart early strategic acquisitions – Following receipt of the alignment, review funding request to enable acquisitions for volume needed (12-18-month outlook) – Identify and secure the required professional services to be ready for Day 1 of the acquisition campaign – Developed an early acquisition strategy
Sustainable Development and Environment	Alto incurs significant delays and/or additional costs during the design phase due to inability or delays in obtaining the Impact Assessment decision in a timely manner.	– Early engagement with Indigenous Peoples, Impact Assessment Agency of Canada (IAAC), provincial authorities, other government departments, stakeholders, and provinces to deepen their awareness and understanding of the initiative, particularly in relation to the impact assessment – Active representation to Government of Canada officials to ask to be designated a project of national interest under C-5 – Active outreach to the IAAC and Privy Council Office-Major Projects Office to understand requirements related to the impact assessment, the decision-making process, and timelines. – Proactively advancing all "low risk" field studies along the existing corridor
Utilities	Alto experiences significant delays or additional costs due to Utilities being unwilling or unable to meet the needs of Alto in one or more of the following areas:	– Early stakeholder engagement with utilities to define needs and discuss requirements for development – Single point of contact for discussion with utilities – Confirmation of timeline and resources to support project delivery with Utilities

Risk	Risk Description	Risk Mitigation Activities
	− Utility relocates to accommodate construction, and the final network once built. − Utility infrastructure investments to connect the new network to the electrical grids in Ontario and Quebec, in particular in rural and remote areas. − Delivering power supply sufficient for the needs of Alto during operations.	
Host Railways	Alto incurs significant delays and/or additional costs during the design phase due to inability or delays in reaching necessary agreements with host railways.	− Decrease amount of shared track and property with host railways (initially by alignment selection while balancing cost and other project outcomes) − Engage with host railways early in Co-Development to negotiate minimum operating requirements thereby providing certainty in host approvals and maturing design through stages of Co-Development

It is important to note that while the above reflects the current key risks, Alto's risks will evolve as the Initiative progresses, with new risks surfacing and existing risks increasing or decreasing. As an example, risks related to engaging and consulting with Indigenous Peoples, partners, and other stakeholders may in future be reflected as significant risks, as the project advances and Alto's engagement and consultation activities expand. Therefore, Alto's management views these risks as having an increasing trend that likely cause them to become more significant over time.

Appendix 6: Financial Statements / Budget

The following section highlights Alto's financial overview for the planning period 2025-26 to 2029-30, including incremental funding announced in the Winter 2025 off-cycle funding decision.

Existing funding

Budget 2024 announced $371.8 million (M) for the high-speed rail network over 6 years, beginning in 2024-25, including $368.4M for Alto to complete the Procurement phase and support the Corporation activities over this period. This includes $292.7M for the 5 years starting in 2025-26.

New incremental funding

In February 2025, incremental funding of $3.9 billion (B) was announced for a high-speed rail network over 6 fiscal years (2024 to 2030) to develop a high-speed rail network in the Toronto-Quebec City corridor. Total operating and capital budgets over the 5-year planning period have increased to $1,766.5M and $2,145.3M respectively since the last approved amended 2024-25 corporate plan, reflecting resources required to fulfill new development activities that now are incumbent to the designated Project authority and Contracting authority.

Funding by priority

The Corporation's total overall funding of $3,911.8M is divided into ($1,766.5M) for the operating budget and ($2,145.3M) for the capital budget.

Spending by priority, on a cash basis over the 5-year planning period, will be allocated as follows:

- $3,355.1M to drive the design and development of a high-speed passenger rail network in the Corridor
- $290.4M to foster Indigenous partnerships, engage stakeholders, and other partners effectively
- $242.2M to strengthen the Corporation

For further breakdown see financial tables below.

Statement of Financial Position

	ACTUAL	BUDGET				
FOR THE YEAR ENDING MARCH 31 ($'000S)	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**
FINANCIAL ASSETS						

Cash and Cash Equivalents	5,786	34,165	47,422	73,628	64,980	50,053
Restricted Cash	-	-	-	-	-	-
Accounts Receivable	6,575	32,555	44,385	68,590	57,942	41,016
Investments	-	**-**	**-**	**-**	**-**	**-**
TOTAL FINANCIAL ASSETS	**12,361**	**66,720**	**91,807**	**142,218**	**122,922**	**91,069**
LIABILITIES						
Accounts payable and accrued liabilities	12,664	65,109	88,770	137,180	115,884	82,032
TOTAL LIABILITIES	**12,664**	**65,109**	**88,770**	**137,180**	**115,884**	**82,032**
NET ASSETS	(303)	1,611	3,037	5,038	7,038	9,037
NON-FINANCIAL ASSETS						
Tangible capital assets	303	95,132	254,110	976,226	1,643,054	2,137,417
Prepaid Expenses	1,152	-	-	-	-	-
TOTAL NON-FINANCIAL ASSETS	**1,455**	**95,132**	**254,110**	**976,226**	**1,643,054**	***2,137,417***
ACCUMULATED SURPLUS	**1,152**	**96,743**	**257,147**	**981,264**	**1,650,092**	**2,146,454**

Statement of Operations

	ACTUAL	Budget					Total
For the year ending March 31 ($'000s)	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	

Drive the Design and Development of a high-speed passenger rail network in the Corridor	*42,277*	*350,350*	*448,923*	*277,081*	*183,352*	*80,368*	*1,340,074*
Foster Indigenous Partnerships, Engage Stakeholders, and Other Partners Effectively	8,588	38,193	61,087	53,604	33,376	32,855	219,115
Strengthen the Corporation	26,115	36,741	39,744	42,642	41,517	46,668	207,312
TOTAL EXPENSES	**76,980**	**425,284**	**549,755**	**373,326**	**258,245**	**159,891**	**1,766,501**
NET FINANCIAL ASSETS							
Government transfers, Appropriations Operating	70,284	520,875	710,159	1,097,443	927,073	656,254	3,911,804
Interest Income	413	-	-	-	-	-	-
TOTAL REVENUE	**70,696**	**520,875**	**710,159**	**1,097,443**	**927,073**	**656,254**	**3,911,804**
ANNUAL OPERATING SURPLUS (DEFICIT)	**(6,284)**	**95,592**	**164,404**	**724,117**	**668,828**	**496,363**	**2,145,303**

Statement of Cash Flow

	ACTUAL	BUDGET				
For the year ending March 31 ($'000s)	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**
OPERATING ACTIVITIES						
Net Deficit end of period	(6,284)	95,591	160,404	724,116	668,828	496,363
Amortization for the period	27	760	1,427	2,000	2,000	2,000

CHANGE in Accounts Payable	608	53,597	23,661	48,410	(21,296)	(33,852)
CHANGE in Accounts Receivable	4,154	(25,979)	(11,830)	(24,205)	10,648	16,926
CASH PROVIDED (USED) BY OPERATING ACTIVITIES	**(1,494)**	**123,969**	**173,662**	**750,321**	**660,180**	**481,437**
Capital transactions						
Acquisition of tangible capital assets	(282)	(95,591)	(160,404)	(724,116)	(668,828)	(496,363)
CASH USED BY CAPITAL ACTIVITIES	**(282)**	**(95,591)**	**(160,404)**	**(724,116)**	**(668,828)**	**(496,363)**
Investing transactions						
Cash provided by investment activities	4,500	-	-	-	-	-
CASH PROVIDED BY INVESTING ACTIVITIES	**4,500**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) in Cash	**2,724**	**28,378**	**13,258**	**26,205**	**(8,648)**	**(14,926)**
Cash beginning of period	3,060	5,784	34,162	47,420	73,625	64,977
CASH AT THE END OF THE PERIOD	**5,784**	**34,162**	**47,420**	**73,625**	**64,977**	**50,051**

Operating and Capital Budgets

	Actual	BUDGET					
For the year ending March 31 ($'000s)	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**Total**
Operating	70,002	425,283	549,755	373,326	258,246	159,891	*1,766,501*
Capital	282	95,592	160,404	724,117	668,827	496,363	*2,145,303*
Total Government Appropriations	**70,284**	**520,875**	**710,159**	**1,097,443**	**927,073**	**656,254**	**3,911,804**

Summary

The above financial tables were informed by estimates provided by its Owner's Engineer and private sector experts.

The row 'Government transfers, Appropriations Operating' in the Statement of Operations reflects the total funding announced by the Government through Budget 2022 and Budget 2024, an off-cycle decision in February 2025, and Budget 2025.

Funds over 5 years, starting in 2025-26, have been budgeted for advancing the design of the Initiative (i.e. Drive the design and development of a high-speed passenger rail network in the Corridor in Statement of Operations 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 that additional funding will be required to complete this work.

Funds over 5 years, starting in 2025-26, have been budgeted to engage with all necessary parties (i.e. foster Indigenous partnerships, engage stakeholders, and other partners effectively in Statement of Operations table). This funding will allow for enhancing awareness of the Initiative and will support Indigenous capacity to participate in engagement, collaboration, and consultation activities related to the Initiative during the Co-development Phase.

Core Alto funds over 5 years (i.e., Strengthen the Corporation in Statement of Operations table) supports activities including: project management office, strategic engagement activities, corporate leadership including the Board of directors and all corporate services (e.g., HR, IT, finance). Funding also includes $2.0M in 2025-26 in capital expenditures for the acquisition of IT equipment and an internal IT system to support operations and the proper stewardship of Government resources.

All 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 the corporation on a cash basis from its approved Government funding, which may differ from the Total Government Funding approved, with any variations reflected in the Statement of Cash Flow table.

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

Capital budget – Co-development phase

In 2025-26, Alto plans to start capitalizing spending on Co-development activities. Over the planning period, this represents an investment of $2,135.3M. Alto has also placed an emphasis on strategic and early lands acquisition resulting in an investment over the 5-year planning period of $391.9M. This shift reflects the importance of securing key parcels early in the development cycle to avoid delays and cost escalations. Design and Development work also remain essential, and the proportion that can be capitalized will increase significantly over the planning period as activities are more closely linked with the ultimate assets to be developed. This work totals $1,743.4M.

Co-development phase – Cash/Accrual Basis Expenditure Table

	ESTIMATE				
	2025-26	**2026-27**	**2027-28**	**2028-29**	**2029-30**
Cash basis	$93.592M	$158.4M	$722.1M	$666.8M	$494.4M
Accrual basis	$0M	$0M	$0M	$0M	$0M

IT Equipment

The IT equipment will be purchased every year, and Alto 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 a replacement for the duration of its useful life.

IT Equipment – Cash/Accrual Basis Expenditure Table

	ESTIMATE				
	2025-26	**2026-27**	**2027-28**	**2028-29**	**2029-30**
Cash basis	$2.00M	$2.00M	$2.00M	$2.00M	$2.00M
Accrual basis	$1.33M	$2.00M	$2.00M	$2.00M	$2.00M

The IT equipment will be comprised of computers and other communications equipment used as part of Alto 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. Alto requires service delivery and operational systems that are reliable, secure, timely, accessible, and easy to use

from any device. Alto 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

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

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

Enterprise Resource Planning (ERP)

A new ERP system is ready for launch on April 1, 2025. This system will see expansion of functionality during 2025-26. The costs of the system are presented as expenses.

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.

Office Space

Alto has leased offices in Montreal, Toronto, and Québec City. It shares offices with Transport Canada in the National Capital Region. The Montreal office space serves as the headquarters for the Corporation, and Alto may increase its footprint in the city based on need. Alto intends to lease dedicated office space in the National Capital Region in 2025-26.

Key Assumptions

The preparation of financial statements is in accordance with PSAS (Public Sector Accounting Standards), which 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. Some minor discrepancies may exist between tables due to rounding.

Appendix 7: Borrowing Authority Plan

Alto does not currently have any loans, nor does it have access to short- or long-term borrowing sources. As such, the corporation has no information to report in this regard.

As previously indicated, Alto has leased offices in Montreal, Toronto and Quebec City, and plans to sign new leases for the office in Ottawa and to significantly increase office space leased at the Montreal headquarters.

Given the corporation's current low asset value and the regulatory threshold fixed under the Crown Corporation General Regulations, all leases for office spaces must be submitted to the Minister of Finance for approval.

Therefore, Alto has sought the Minister of Finance's approval to enter into office space lease in the National Capital Region worth a maximum amount of $7.0M over a term no more than 10 years and also has sought the Minister of Finance's approval to enter into additional office space lease in Montreal worth a maximum amount of $15.0M over a term no more than 10 years.

The following table provides all the details required for current and future leases.

($'000s)	Current authorities (from last approved plan)	Forecast 2025-26 value	Projected 2026-27 value	Projected 2027-28 value	Projected 2028-29 value	Projected 2029-30 value	Outer years' value
Current Office Leases							
Montreal Office (Lease term 9 years, entered into in 2024-25)							
Maximum expected liability on the lease	-	1,148	1,176	1,206	1,236	1,267	3,646
Maximum expected number of years to be agreed	-	1	1	1	1	1	3
Toronto Office (Lease term 8 years, entered into in 2024-25)							
Maximum expected liability on the lease	-	600	616	576	649	665	1,177
Maximum expected number of years to be agreed	-	1	1	1	1	1	2

($'000s)	Current authorities (from last approved plan)	Forecast 2025-26 value	Projected 2026-27 value	Projected 2027-28 value	Projected 2028-29 value	Projected 2029-30 value	Outer years' value
Quebec City Office (Lease term 6 years, entered into in 2024-25)							
Maximum expected liability on the lease	-	155	158	163	165	125	-
Maximum expected number of years to be agreed		1	1	1	1	1	0
Future Office Leases							
Montreal Office - Estimate (Additional floor space, and to extend lease to 2035-36)							
Maximum expected liability on the lease	-	-	1,176	1,206	1,236	1,267	10,057
Maximum expected number of years to be agreed				1	1	1	6
Ottawa Office - Estimate (Lease term 10 years, expected to be entered into in 2025-26)							
Maximum expected liability on the lease	-	620	629	639	660	670	3,782
Maximum expected number of years to be agreed			1	1	1	1	5

Appendix 8: CFO attestation

In my capacity as Chief Financial Officer of Alto, I have reviewed the Corporate Plan for the federal fiscal year 2025-26 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 2025-26 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.

January 7, 2025

Appendix 9: Planned Results

Aligned with Government objectives below are tables describing the planned outcomes for the project and corporation over the short, medium and long-term.

Planned Results Tables

1. Project

Short-term Outcomes (2025-26)

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Establish collaboration and governance framework	– Establish direct channels of communication governed by the Pre-Development Agreement (PDA). – Adoption of collaboration agreements with Government.	– Collaboration workshop execution – Collaboration agreements with government – Governance and collaboration plan received from Cadence	– Successful adoption of the collaboration plan. – Collaborative approach on reviewing resources plans and time task matrix (TTM). – Active colocation plan to increase collaboration. – Management teams kickoff activities and workgroups.	Alto / PDP Data
Advance the design and development of the Project	– Scheduling of all startup workshops and document outcomes to advance the 27 workstreams.	– Compliance with PDA and establish collaboration	– Execute on all PDA clauses for Stages 1 and initial Stage 2 clauses. – Completion of management startup workshops scheduled by early April and technical workshops by mid-April.	Alto / PDP Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Successful completion of Stage 1 of Co-development phase and advancement to Stage 2	– Approval of checkpoint 1 submittals. – Issue Notice to Proceed (NTP) to stage 2.	– Criteria of checkpoints submittal and review in PDA.	– Conduct review process in a timely manner. – Have all submittals reviewed and accepted. – Coordination of all disciplines during the review process. – Issue NTP no later than end of August 2025.	Alto / PDP Data
Final alignment identification	– Design engineering criteria – Definition of alignment based on Multi Criteria Assessment (MCA).	– Compliance with PDA alignment definition criteria.	– Identify final alignment by end of Q2 2026.	Alto / PDP Data
Advance Impact Assessment (IA) process: Initial Project Description (IPD) filing	– Execute field studies. – Consultation with Indigenous communities and stakeholders.	– Align with IA requirements from the Impact Assessment Agency of Canada (IAAC)	– IPD submitted Q2 2026. – Alignment included based on optioneering of segment 1. – Consultations aligned with IA process.	Alto / PDP Data
Contribute positively to the Government of Canada's Commitment to Reconciliation with Indigenous Peoples	– Level of participation of Indigenous groups and partners participating in Stages 1 and 2 of the Co-development process.	– Align with terms of respective collaboration agreements(s) such that requests to participate in activities – Signed collaboration agreements at	– # 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	Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
		the beginning of reporting	Indigenous communities, entities, and organizations	
Engage with variety of stakeholders and community members along the Corridor	– Hold community townhall information sessions. – Establish strong relationships with key stakeholders.	– Ensure high interest and influence stakeholders are actively engaged – Communications and Stakeholder Engagement plan followed	– Ongoing information sharing on economic development impacts and community benefits generated by the project – All municipalities and key stakeholders along the corridor are actively engaged on a regular basis	Alto Data
Enter into Statements of Intent (SOI) with Ontario and Quebec	– Engage provincial governments (elected officials and public servants) to establish lines of communication and share Initiative updates	– Formalize provincial collaboration with the federal Government to advance the Initiative	– Sign SOIs between the Minister of Transport, Alto and Ontario and Quebec to signal strong support	Alto Data
Completion of onboarding Cadence into IT systems	– Successful implementation of workshop and deep dive plan. – Facilitate seamless collaborative environment between Alto and Cadence.	– Compliance with PDA Digital plan – Outcomes of IT startup workshops	– Implement requirement management toolset for both organizations. – Implement a schedule and risk management systems and realize integration. – Ensure Cadence's cost management system compliance with Alto's requirement.	Alto / PDP Data
Collaborate effectively with Transport Canada	– Establish formal and informal processes for governance and	– Align with Project Charter and bilaterial and	– Ensure all parties are following agreements to advance common goals.	TC / Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
(TC) and VIA Rail to achieve common goals of advancing the Initiative	proactive and timely communication and feedback.	trilateral collaboration agreements.	– Participate in working groups (e.g., transition of VIA Rail assets).	
Effective project risk management for Alto	– Maintain Enterprise Risk Management Plan.	– Align Corporation's activities with Enterprise Risk Management Plan	– Identify risk tolerance, probabilities, impacts etc. in collaboration with Cadence for project risks. – Implement the Plan and risk mitigation measures.	Alto 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.

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Continue to execute the PDA	– Milestones achieved at various stages of Co-development.	– Align with PDA.	– % of milestones achieved on schedule	PDP / Alto Data
IA underway for corresponding project stage	– Requirements of IA for the corresponding project segment as informed by IAAC requirements.	– Align with IA requirements from IAAC.	– Initial Project Description complete	Alto / PDP / IAAC Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Contribute positively to the Government of Canada's Commitment to Reconciliation with Indigenous Peoples	– Level of participation of Indigenous communities, entities, and organizations.	– Align with terms of respective collaboration agreements(s) such that requests to participate in activities – Signed collaboration agreements at the beginning of reporting	– # 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	Alto / PDP Data
Supported Canada's commitment to achieving net-zero emissions by 2050	– Measures and policies in the PDA to design, build, and promote sustainable transportation solution and net zero objectives.	– Align with Government's net zero 2050 objectives	– % of 2050 objectives reached	Alto / PDP Data
Achieved Positive Government Decision	– Confidence of Project Owner/ Minister of Transport – Demonstrated project benefits and Alto's capacity to deliver during Co-development	– TBD	– 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	Alto Data
Execute Project Agreements with PDP	– Level of consensus of relevant authorities and signatories of PA	– Align with structure of project agreement	– 100% consensus of relevant authorities. – Set deadline for signing PA after negotiations are initiated	Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
			– Set target for construction start date	

Long-term Outcomes (5 years and beyond)

As identified in the Mandate Letter from the Minister of Transport, the Project Outcomes of 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	– Increase annual passenger trips in the Corridor to at least 17 million by 2059 (up from 4.8 million in 2019), including both Alto Passenger Rail Services and Local Services – Operational and fleet strategies include increased annual seat capacity to enable expected growth in passengers	Alto Data
Enhance Passenger Experience in the Corridor	– TBD	– TBD	– 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)	Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
			– 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	
Provide Meaningful Environmental Benefits to Support the Government of Canada's Net Zero Commitment.	– TBD	– TBD	– 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 Alto, including those associated with construction. Targets, including	Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
			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)	
Enable Safe Intercity Journeys	– TBD	– TBD	– 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 –	Alto Data
Significantly increase the availability of accessible and affordable services	– TBD	– TBD	– Provide barrier-free access to services aligned with the Accessible Canada Act, meeting or exceeding the latest accessibility standards and best practices and significantly	Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
			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	
Minimize ongoing financial costs to taxpayers	– TBD	– TBD	– 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: – 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	Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
			jobs, creating new supply chains and supporting training and skills development while respecting trade obligations and ensuring cost efficiencies – Generate and facilitate opportunities for this Initiative to act as a catalyst for housing, including affordable housing, predominantly near stations and maximize potential for transit-oriented development with integrated access to community services including transit systems.	
Contribute positively to the Government of Canada's Commitment to Reconciliation with Indigenous Peoples.	– TBD	– TBD	– Create socio-economic benefits and maximize project participation opportunities for Indigenous Peoples – Fulfilment of the duty to consult and accommodate, as appropriate, with the aim of seeking Indigenous groups' free, prior and informed consent in matters that affect them and their rights in the context of the Project – Establish and maintain, as appropriate, opportunities to explore and implement Indigenous led governance and/or partnerships mechanisms. – Maintain Indigenous partnerships and participation	Alto Data

2. Corporation

Short term Outcomes (2025-26)

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Strengthen the Corporation, corporate governance and internal processes	– Employees, contractors, 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 – Effective, and responsive corporate services	– 6 appointees to Board of Directors – # of employees at the beginning of reporting period – Employee turnover rate at beginning of reporting period	– Board of Directors has a full complement of 7 appointees – ~209 employees by March 31, 2026 – 100% of staff completing required training with 6 months of employment start – Current policies incorporate accessibility standards and respectful workplace guidelines – Reporting requirements met, including those established in collaboration agreements with TC	Alto Data
Increased public awareness / public value creation	– Strategic Engagement Capture plan: – Digital communications and social media strategy – Rebranding strategy	– Align with objectives/goals of each strategy under the strategic engagement capture plan	– Increased public knowledge and awareness – Align with objectives/goals of strategic engagement plan	Alto Data

Positively Contributed to the Government of Canada's Commitment to Reconciliation with Indigenous Peoples	– TBC	– TBC	– TBC	Alto Data
Support Canada's commitment to achieving net-zero emissions by 2050 to net zero commitment	– Consistent with Greening Government Strategy – Consistent with Canada's Sustainable Development goals	– N/A	– Incorporate greening / sustainable development practices into existing policies (e.g., procurement, travel, etc.)	Alto Data

Medium term Outcomes (3 to 5 years)

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Strong stakeholder relationships and effective stakeholder engagement	– Digital communications and social media strategy – Implement land acquisition strategy – Host railway and utility company MOUs	– Align with objectives of Strategic Engagement Capture plan – Align with Land Acquisition strategy	– 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	Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Contribute Positively to the Government of Canada's Commitment to Reconciliation with Indigenous Peoples	– TBC	– TBC	– TBC	Alto Data

Long-term Outcomes (5 years and beyond)

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Maintain financial stability/Prudent resources stewardship	– Effective cost management of operating and capital budgets – Financial and resource management – Organizational Growth	– Set benchmarks – Compare to industry standards	– Implementation of internal policies and procedures to ensure effective cost management of operating and capital budgets	Alto Data
Contribute Positively to the Government of Canada's Commitment to Reconciliation with Indigenous People	– TBC	– TBC	– TBC	Alto Data

Appendix 10: Compliance with Legislative, Regulatory and Policy Requirements

A number of federal legislative, regulatory and policy items govern how Alto fulfills its mandate and conducts its activities. 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, cyber security, 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. Accessibility is at the core of the project, as one of the seven Project Outcomes identified by the Government of Canada. Given that the project is currently at the very early stages of co-development, many of the barriers identified in the plan are potential barriers, rather than barriers that exist today. The plan focuses on proactive measures the Corporation is taking in setting up the organization and initiating the co-development of the project in ways that consider accessibility for people with disabilities. The plan addresses all seven areas outlined in the *Accessible Canada Act*, namely Information and Communication Technologies (ICT); Communication, Other than Information and Communication Technologies; Procurement of Goods, Services and Facilities; Design and Delivery of Programs and Services; Transportation; Employment; and the Built Environment.

The Corporation published its first Accessibility Plan in 2024-25.

Access to Information Act and Privacy Act

Alto 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 Alto 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.

Alto is also required to abide by the *Privacy Act* (the "PA"). The PA 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 PA 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.

The Corporation published its first reports on the administration of the ATIA and the PA in 2024-25 and will continue to develop its Access to Information and Privacy function to provide comprehensive 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 the *Canadian Net-Zero Emissions Accountability 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 HSR project will use mostly electrified technology and advance modal shift toward less carbon intensive means of intercity travel.

The Corporation is committed to actively contributing to Canada's net-zero emission goal and has set a project outcome of providing meaningful environmental benefits to support Canada's net-zero commitment. The project outcome objectives include providing a greener rail system and cleaner travel option using electrified technology, reducing total emissions associated with the Project including those associated with construction, reducing greenhouse gas emissions during operations, and reporting on greenhouse gas emissions savings achievements.

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 the Initiative progresses, Alto will investigate the climate impacts from operational activities to help inform climate-related governance framework.

Through the Project Outcomes, the Corporation is committed to achieving certification for the project with sustainable development standards such as ENVISION, LEED and BOMA BEST as well as with the environmental management system standard ISO 14001.

Code of Business Conduct and Ethics, and Recusal Procedures

The Board of Directors adopted a Code of Business Conduct and Ethics (the Code). The Code applies to directors, employees, individual contractors, and individuals under an interchange agreement. It serves as the foundation for how the Corporation does business while maintaining its reputation for ethical excellence. The Code sets out the Corporation's values, its commitment to ethics, and expected behaviours from all members of personnel and directors in their dealing with colleagues, government authorities, suppliers, and other stakeholders.

The Code requires that individuals complete a disclosure form at least annually 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.

The Corporation will adopt an equivalent set of commitments in real property, mobility and procurement of goods and services. Measurable targets in the following categories will be determined and reported to the TBS Centre for Greening Government annually: low-carbon new construction and major retrofit, climate-resilient new construction and major retrofits, low-carbon operations, buy clean low-carbon construction, leased facilities, reduce water consumption and manage storm water, reducing waste, retain and restore biodiversity, low-carbon mobility options, zero-emission conventional fleet, greening products and services, working with suppliers to promote a circular economy, and further integrating greening into the Corporation procurement framework.

Fighting Against Forced Labour and Child Labour in Supply Chains Act

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Supply Chain Act) introduced 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, Alto submitted its first report to Minister of Public Safety in May 2024.

Official Languages Act

In compliance with the *Official Languages Act*, Alto 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, Alto will work to ensure open and transparent governance of the project by posting financial and operational information on the Alto website and/or to the Open Government portal (open.canada.ca), to support the availability of information related to the delivery of the Alto project as well as the operation and conduct of the Corporation.

Travel Policy and Hospitality, Conference and Event Expenditures Policy

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

In alignment with other Crown corporations, Alto 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 Alto business and shall guide employees and Board members in practicing fair, reasonable, and modern practices while promoting transparent and sound management of public funds.

Alto's compliance with this policy is subject to audit by the Office of the Auditor General. Alto 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 Alto's core mandate or legal requirements, engagement with its key stakeholders.

Alto has a rigorous set of controls that ensures compliance with this policy, and proactively discloses, through 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 Alto's core mandate or legal requirements, engagement with its key stakeholders, internal governance, and training.

Appendix 11: Alignment with Government Priorities and Direction

The Alto High-Speed Rail Initiative (Initiative) 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.

Alto 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 groups and partners in the sharing of the project’s socio-economic benefits. As an example, Alto has signed collaboration agreements, and is expected to sign more, with Indigenous groups along the Corridor. The collaboration agreements outline how Alto and the Indigenous signatories will collaborate and commit capacity funding to support Indigenous groups’ meaningful participation in the planning and Co-development phase of the Project that may include traditional land use studies, field studies, archeological workshops, Indigenous knowledge studies, short and long-term employment, economic development, and procurement opportunities.

Alto is actively recruiting persons from, and persons with extensive experience working with Indigenous groups and partners.

Furthermore, the Corporation has mandated Indigenous cultural awareness training, including in-person training, to help raise the level of understanding and sensitivity of Indigenous issues and priorities.

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

Alto is building a representative workforce. As of April 9, 2025, 48% 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.

Alto 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, funding organizations, community housing providers, post-secondary institutions, and Indigenous groups and partners to build the homes that Canadians need.

The Corporation 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 Canadians.

To this end, following a government decision on the integration of housing within the HSR project, the Corporation 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 12: High-Speed Rail Network and Alto - Chronology

2022	MILESTONES
March 3rd	An interim governance structure is approved under the leadership of Transport Canada to undertake the preparatory work and support the launch of the procurement process for a new dedicated rail network prior to Alto's incorporation.
March 10th	The Government releases a Request for Expressions of Interest (RFEOI) for the project. The objective of the RFEOI is to share information with interested industry participants and obtain feedback with respect to the project.
November 29th	VIA HFR-VIA TGF Inc. (VIA HFR) is incorporated.
December 15th	The Government announces the creation of VIA HFR, a wholly owned Crown corporation reporting to Parliament through the Minister of Transport to act as the dedicated Project Management Office.
2023	**MILESTONES**
February 17th	The Government releases a Request for Qualifications (RFQ), and Project Outcomes that the private developer partner (PDP) will be expected to meet or exceed.
April 24th	The RFQ period closes.
July 20th	The Government qualifies three bidding teams from the RFQ process that were invited to respond to the Request for Proposals (RFP). VIA HFR begins operating as a dedicated project office for the high-frequency rail (HFR) project.
September 8th	Martin Imbleau is appointed VIA HFR's President and Chief Executive Officer (CEO).
October 13th	The Government launches the RFP. The Government selects a PDP to co-develop 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, including Commercially Confidential Meetings are held.
2024	**MILESTONES**

April 16th	Budget 2024 announces the Government's intent to introduce legislative amendments to make VIA HFR an Agent of the Crown, enabling VIA HFR to deliver high frequency rail on behalf of the Government. Budget 2024 also announces funding of $371.6 million over six years, starting in 2024-25, to VIA HFR and Infrastructure Canada to advance design and development of high frequency rail.
June 20th	Budget Implementation Act receives Royal Assent.
July 24th	RFP submissions are submitted by three qualified respondents.
October	Bid evaluation period ends.
2025	**MILESTONES**
February 19th	Government announces the selection of Cadence as the PDP. Cadence which is composed of CDPQ Infra, AtkinsRéalis, Keolis, SYSTRA Canada, Air Canada and SNCF Voyageurs. Government announces that Alto, the new brand name of VIA HFR, will develop a high-speed rail network with Cadence and a $3.9B funding decision for the Co-development phase.
March 19th	Alto executes the pre-development agreement (PDA) with the PDP.
April 1st	Co-development phase begins.
April 1st	Stage 1 of the Co-development phase is under way.
August	Stage 2 expected to begin.

Appendix 13: Glossary of Acronyms and Terms

Acronym or Term	Definition
Accountable Owner	The Minister of Transport is the project's Accountable Owner. The Accountable Owner answers for the Initiative in Parliament, brings forward recommendations to Cabinet and Treasury Board, and provides overall policy guidance to project implementation based on Government-wide objectives, including Project Outcomes.
Bidders (Consortia)	The Government of Canada announced July 20, 2023, that it had qualified three bidding teams: • Cadence - CDPQ Infra, AtkinsRéalis, 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
Bilateral agreement	Agreement between Transport Canada and Alto that establishes the framework for these parties to work collaboratively to facilitate their respective roles during the Procurement phase in support of advancing the Initiative.
CIB	Canada Infrastructure Bank
Co-development Consortium	Cadence has been selected as the co-development partner through the RFP phase of the procurement process and is now serving as the Private Developer Partner (PDP) to Alto.
Co-development phase (CDP)	Refers to the phase that begins at the execution of the Pre-Development Agreement. Through the Co-development phase, Alto will work with the Private Developer Partner to further advance the design and finalize its technical, commercial and financial proposal for the design, construction, operation, maintenance and financing of the HSR 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.
Co-development approach	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. This

	Initiative’s Co-development phase began upon the selection of a PDP, and that PDP and Alto 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.
Contracting Authority	Refers to the party executing and managing the Pre-Development Agreement, on behalf of the Government of Canada.
DMOC (Deputy Ministers Oversight Committee)	An oversight body of Deputy Ministers chaired by the Deputy Minister of Transport Canada, providing a consensus-based forum for key departments to advise the Deputy Minister of Transport Canada, and advise on project implementation.
HICC	Housing, Infrastructure and Communities Canada
Host Railway	Owner and / or operator of existing rail track infrastructure.
Impact Assessment (IA)	A federal planning and decision-making process led by IAAC to assess the potential positive and negative effects of proposed undertakings. Impact assessments consider a wide range of factors and identify measures to mitigate projects' adverse effects.
IAAC	Impact Assessment Agency of Canada
Local Services	Existing VIA Rail Corridor Services between Québec City and Windsor.
Owner’s Engineer	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.
Pre-Development Agreement (PDA)	Refers to the agreement Alto has entered into with the preferred bidder that is selected by the Procurement Authority pursuant to the RFP. The agreement describes 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 Alto.
Private Developer Partner (PDP)	Refers to the private sector partner selected by the Procurement authority pursuant to the RFP to enter into the Pre-Development Agreement with Alto, who will work with the Government and Alto during the Co-development phase to advance and optimize the design and engineering of the project.
Procurement Authority	Refers to Public Works and Government Services Canada operating as Public Services and Procurement Canada (PSPC). Under the Project Authority guidance, PSPC staff managed the procurement process for selecting the Private Developer Partner.

Procurement phase	Refers to the phase that began when the RFQ was launched on February 17, 2023, and concluded at the end of the RFP stage with the selected PDP and Alto signing the Pre-Development Agreement on March 20, 2025.
Network Agreement	Refers to the agreement Alto will 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.
Project Authority	During the Procurement phase, the Deputy Minister of Transport delegated the Project Authority to Transport Canada Assistant Deputy Minister, HSR. Representing Transport Canada, the Project Authority had overall responsibility for the HSR 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 (Alto), and acting as the counterpart to private sector participants during the RFP and RFQ stages. As the Procurement phase has concluded, Alto is now the Project Authority and works with Cadence, the selected PDP, during the Co-development phase to co-develop the HSR project.
Project Charter	Refers to a high-level document for each phase of the Project that describes the parameters of the Project and of the project's governance. It outlines the Project Outcomes, scope, objectives and respective roles and responsibilities of the key stakeholders and establishes the respective authorities of the Government Office and Alto. There was a Project Charter for the Procurement phase and is a Project Charter for the Co-development Phase.
PSPC	Public Services and Procurement Canada
RFP	Request for Proposals
RFQ	Request for Qualifications
TC	Transport Canada
Tripartite agreement	Agreement between Transport Canada, Alto and VIA Rail that establishes a framework for the parties to work collaboratively with each other to enable the advancement and implementation of the Government's objectives and priorities with respect to the Initiative, specifically transition of existing VIA Rail Services in the Corridor.
VIA Rail Corridor	Québec City to Windsor corridor where VIA Rail trains currently operate.