ALTO

Corporate Plan Summary 2026-2027 – 2030-31

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Executive Summary

The Alto Corporate Plan Summary 2026-2027 – 2030-2031 (Corporate Plan Summary) presents an overview of Alto's activities, operating environment, strategic objectives, and key planning highlights, and associated operating and capital budgets for the 2026-27 to 2030-31 reporting period.

Alto's mandate is to develop and implement a new passenger rail network in Ontario and Québec, including its design, construction, financing, operation and maintenance, through one or more agreements with the private sector, in cooperation with the Minister of Transport.

In February 2025, the Government of Canada announced that the new passenger rail service will 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. Project Cadence Rail S.E.C. (Cadence) was selected by the Government to become the private developer partner (PDP), following a comprehensive procurement process. In March 2025, Alto and Cadence signed a pre-development agreement (PDA) and launched the next phase of the initiative. Alto is now the Project Authority and Contracting Authority, serving as a strong public sector counterpart to the PDP.

In September 2025, the Government re-affirmed its commitment and identified the initiative as a transformative project that should benefit from a more predictable regulatory process that would enable construction to begin in four years. In January 2026, Alto was issued a directive by the Governor in Council under section 89 of the *Financial Administration Act* to align its policies, guidelines and practices with the *Buy Canadian Procurement Policy Framework (Buy Canadian Policy)*, in a manner consistent with its mandate and to report on the implementation of the directive in its next Corporate Plan.

Since then, Alto has been assessing ways to optimize the project schedule and collaborating with partners on the measures required to deliver on the Government's commitment. Alto has also collaborated with the Major Projects Office (MPO) and other Government partners to support the development of the initiative. In addition, the introduction of the *High-Speed Rail Network Act* as part of the Budget 2025 measures tabled on November 18, 2025, underscores the Government's intent to provide a legislative framework that supports timely implementation of the initiative. This Corporate Plan Summary reflects Alto's planned activities as Project Authority and Contracting Authority, outlining the regulatory, governance, and operational measures that must be implemented over the next five years to enable timely approvals, secure financing, and oversee the design and construction phases in alignment with the Government's objectives.

About the Alto high-speed rail initiative

Alto is set to transform how Canadians live, travel, work, and connect in the Toronto–Québec City corridor (the corridor) by introducing dedicated passenger tracks and delivering world-class high-speed rail service to Canada. Spanning nearly 1,000 kilometres of electrified infrastructure, the network will enable trains to reach speeds of up to 300 km/h—cutting travel times by half and connecting key urban centres across a region that is home to almost half of Canada's population.

Beyond faster journeys, the initiative is expected to generate more than 50,000 jobs during construction and, once operational, is expected to generate a $24.4 billion increase to Canada's annual GDP. These impacts would drive growth across industries, strengthening Canada's supply chains and supporting long-term competitiveness. Enhancing connectivity between key urban and rural areas will help increase regional economic development opportunities and increase economic prosperity across the regions. The new high-speed rail service and existing local routes will operate as an integrated network throughout the Windsor–Québec City corridor, with optimized local services designed to connect efficiently with high-speed rail.

The initiative will also bring significant environmental, and social benefits, aligning with broader Government priorities aimed at creating a more affordable and sustainable future for generations to come and advancing reconciliation with Indigenous Peoples. The initiative will also enhance travel safety and reduce greenhouse gas emissions.

The initiative is being delivered using a progressive Design, Build, Finance, Operate and Maintain (DBFOM) model that leverages a co-development approach to design, development, and delivery. Co-development enables detailed planning and risk reduction by bringing together experts with diverse experience early in the design process to find innovative solutions to complex challenges. This is expected to reduce costs to taxpayers, better mitigate risks, and ultimately lead to earlier benefits for Canadians.

Alto currently plans to deliver the initiative by segment (also referred to as the “network approach”), so that service between city pairs – still yet to be fully defined – can be commissioned before the entire network is complete. This will allow Canadians to benefit sooner from more frequent, reliable, affordable and faster intercity train services. On December 12, 2025, the Government of Canada announced the Montreal to Ottawa segment (Segment 1), as the first segment to be constructed.

Operating environment

As one of the largest infrastructure projects in Canadian history, Alto must navigate a complex operating environment. Talent attraction and retention, regulatory efficiency, and dialogue with rightsholders and stakeholders remain top of mind.

Alto is competing with other Canadian infrastructure projects, including rail and transit projects, for the expertise needed to deliver the initiative. Alto will need to mobilize the skilled labour and resources in a highly competitive market.

The initiative will need to meet federal impact assessment requirements before major construction begins. Strong coordination among federal experts and decision-makers, including Government oversight, will be needed to support timely implementation.

Alto has faced varying degrees of readiness and interest in its engagements with Indigenous groups, local communities, and stakeholders. Alto will need to continue tailoring its engagement strategies to meet the needs of those who could be affected by the initiative, ensuring that consultations are not only inclusive but actively inform the design and delivery of solutions. By listening to communities, stakeholders, and partners, Alto can incorporate local perspectives and priorities into project planning—helping to build trust, address concerns early, and shape an approach that reflects shared objectives.

Strategic objectives and key priorities and activities

Alto plans to invest $710.2 million on a cash basis in 2026–27 to advance activities aligned with its strategic objectives for the 2026-27 to 2030-31 planning period:

- Key Priority #1: Drive the design and development of a high-speed passenger rail network in the corridor
- Key Priority #2: Foster Indigenous partnerships, and engage stakeholders and other partners effectively
- Key Priority #3: Enable project advancement and support corporate stewardship

Key focus areas in 2026-27 will include:

- accelerating work to establish initial corridor and alignment options

- advancing the technical solutions required to deliver a world-class high-speed rail system in collaboration with Cadence
- developing a procurement strategy with clear commercial terms for all project suppliers
- advancing the land acquisition strategy
- advancing engagement and consultation with technical stakeholders and rightsholders along the corridor, including financial participation options with Indigenous communities
- advancing requirements under the *Impact Assessment Act* and other regulatory approvals, and
- launching the initiative's first formal public consultation campaign.

Alto will protect the Government's investment by acting as a strong counterparty to Cadence to ensure the initiative meets or exceeds the Government's project outcomes, is delivered on time, on budget, and in alignment with government policy objectives, strategic direction and decisions. Alto will maintain open communication, full transparency and close collaboration with Transport Canada, consistent with the Co-development charter and collaboration agreements, to facilitate the timely provision of strategic government direction and decisions. This collaboration will be critical to securing timely approvals and enabling the full suite of decisions required for the initiative to advance as planned.

Overview

This Corporate Plan Summary presents an overview of VIA HFR – VIA TGF Inc.'s (Alto or the corporation) activities, operating environment, strategic objectives, and key planning highlights for 2026-27 to 2030-31. It outlines the planned operating and capital budgets required to advance the corporation's activities over the reporting period.

Alto's 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. in 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. Despite being 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 in February 2025 to develop a high-speed rail network, as described below.

Strategic direction

Alto's leadership team engaged staff to refine the core principles that embody how Alto wants to grow as an organization. Alto's vision, mission and values have become a cornerstone of its 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 efforts 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 discipline 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–Québec City corridor (the corridor). Following a comprehensive procurement process, Project Cadence Rail S.E.C. (Cadence) was selected to become the private developer partner (PDP) that will collaborate with Alto in the Co-development phase. At that time, the Government also announced an additional investment of $3.9 billion over six years to develop the Alto initiative, starting in 2024-25. In March 2025, Alto and Cadence signed a pre-development agreement (PDA) and launched the next phase of the initiative. Alto is now the Project Authority and Contracting Authority, serving as a strong public sector counterpart and overseeing the PDP.

The initiative will transform passenger rail service in Canada with a nearly 1,000-km intercity passenger rail network that will run on dedicated electrified tracks at higher frequencies, higher speeds and with improved reliability between Toronto and Québec City, making it faster, more affordable, and easier for people to travel. The new high-speed services and existing local services will be treated as a network along the Windsor-Québec City corridor, connecting cities, including Toronto, Peterborough, Ottawa, Montréal, Laval, Trois-Rivières and Québec City, with local services that will be maintained and optimized to enable better connections.

The initiative will have significant economic, environmental, and social benefits, aligning with broader Government priorities aimed at economic growth, productivity, advancing reconciliation with Indigenous Peoples, and creating a more affordable and sustainable future for generations to come. Enhancing connectivity between key urban and rural areas will help increase regional economic development opportunities and more equitable economic prosperity across the regions.

Improving passenger rail services will offer significant social economic benefits by reducing travel times and costs for regular travellers and improving quality of life. Providing frequent, reliable, affordable and faster train services will attract more passengers to intercity rail travel, 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.

The initiative is being delivered using a progressive model that leverages a co-development approach for design, development, and execution. Co-development enables 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 complex challenges. This is expected to reduce costs to taxpayers, allow for better allocation of risks, and ultimately lead to faster results for Canadians.

Annex 2 contains a detailed project brief with additional background, including the initiative's outcomes, timeline, and governance.

Supporting broader government priorities

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

Stimulating economic growth and job creation: By stimulating economic growth and productivity, the initiative will significantly boost Canada's GDP and create jobs, directly and indirectly, during construction and operations.

Supporting the national interest: The initiative has been identified by Government as a transformative project that will help drive investment and create the conditions for a better connected, more productive, ambitious country; Alto is working with the Major Projects Office to accelerate engineering, regulatory, and permitting work to enable construction to start in four years.

Improving connectivity: Investing in high-speed intercity rail infrastructure will improve connectivity between major urban centres in one of the most densely populated and economically active regions in Canada.

Modernizing safety and accessibility: By incorporating accessible features that exceed minimum design standards, the initiative will make transportation in the corridor safer and more accessible by everyone, however they may encounter it.

Advancing reconciliation with indigenous peoples: By supporting ongoing engagement and consultation, Alto will foster meaningful, two-way dialogue and maximize opportunities for Indigenous Peoples to participate in the initiative.

Improving environmental sustainability: By encouraging a modal shift to a cleaner and greener transportation option, the initiative will support the Government's environmental goal of reducing greenhouse gas emissions.

Supporting Canadian industries: The initiative will align with the Government of Canada's *Buy Canadian Policy* and associated policies to strengthen local economies and supply chains, including by prioritizing Canadian suppliers of steel, aluminum and other local content to the greatest extent possible throughout its lifecycle.

The Corporate Plan Summary's annexes include further details about how Alto aligns with Government Priorities.

To support these Government priorities and allow for acceleration, Alto will require a number of authorities from Government. Timely action on these decisions will position Alto to confidently meet the timelines set forth by the Government, ensuring cost control, accelerating progress, and delivering transformative benefits for Canadians.

Operating Environment

As one of the largest infrastructure projects in Canadian history, Alto must navigate a complex operating environment. Alto conducted an environmental scan of the internal and external environment to identify strengths, weaknesses, opportunities, and threats that could impact Alto's current and future strategies to deliver the initiative.

STRENGTHS	WEAKNESSES
– Alto acts as a strong public sector counterparty and overseer to the private developer partner (PDP), as Contracting and Project Authority, allowing for efficient and effective decision-making that is informed by private sector and public sector experts. – The progressive Design, Build, Finance, Operate and Maintain (DBFOM) model leverages a co-development approach that allows for early integration of the design, construction and operations teams' expertise into the design phase, resulting in cost-effective enhancements and a whole lifecycle approach tailored to meet Alto's and the Government's expectations. – Alto benefits from having a diverse and inclusive Board, fostering robust debate and informed decision-making.	– Large linear 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. – Recognizing the changes to the expropriation process introduced via the High-Speed Rail Network Act as a step in the right direction to adapt the process for an initiative of this scale, Alto is of the view that further refinements would facilitate realization of the initiative in accordance with the accelerated timeline.

OPPORTUNITIES	THREATS
– Alto's approach to Co-development: – Leverages effective collaboration practices and governance with the PDP to drive innovation and project optimization. – Aligns with Government announcements on acceleration and identifies 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 initiative. – Mobilizes top expertise from Canadian and international firms to deliver a passenger rail initiative tailored for Canadians' needs. – Supports transit-oriented development opportunities to support project outcomes. – The initiative: – Stimulates regional economic growth and productivity through job creation and skills training, strengthening Canada's economy and improving Canadians' quality of life.	– Approval processes under current legislative and regulatory framework will impact project timelines and increase costs. – The increasing number of infrastructure projects in Canada and the world could further strain skilled labour availability and material supply, induce price volatility, and restrict access to capital. – Late land acquisition start date will directly impact the construction start date if key properties are unavailable, which becomes even more constrained under an accelerated schedule. – An inability to negotiate reasonable access to host railway tracks would complicate project design and development. – 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 the initiative advances.

OPPORTUNITIES	THREATS
– Aligns with global trends in advancing high-speed passenger rail projects to boost economic growth and enhance productivity. – Advances the Government's commitments to reconciliation with Indigenous Peoples by building meaningful relationships, fulfilling the duty to consult (and, where appropriate, accommodate), and creating opportunities for socio-economic benefits and financial participation. – Increases domestic industrial capacity by aligning with Government's *Buy Canadian Policy* and associated policies.	– The Government's commitment that construction should commence by 2029, including having defined the alignment and completed the impact assessment, has been criticized by some Indigenous communities and environmental groups. This could negatively impact public and engagement on the initiative.

Internal environment

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

Evolution of the initiative and interface with Government

As the initiative advances through Co-development, updated governance structures between Alto and other government agencies, as well as governance structures between Alto and the PDP, have been implemented to reflect Alto's increased role and responsibilities.

Alto welcomes the establishment of the new Major Projects Office (MPO). As a transformative project, the HSR initiative will benefit from the support of the MPO in helping to navigate the impact assessment (IA) and other regulatory decision-making processes. Alto will work with the MPO and other Government partners to promote efficient coordination across Government review processes.

Based on the analysis to date, Alto has identified the following four areas where Government action and collaboration will be important in enabling Alto deliver the initiative on the accelerated schedule:

- Impact assessment: A workplan or agreement for how Alto and the Impact Assessment Agency of Canada (IIAC) will complete the IA and other regulatory requirements necessary before commencing construction by 2029 on Segment 1.
- Land acquisition: A tailored land acquisition framework, beyond the initial measures introduced in the *High-Speed Rail Network Act*, that accommodates the needs of large linear projects.
- Indigenous financial participation: A Government decision on a framework for Indigenous financial participation.
- Government collaboration: Agile support and decision-making from the Government, federal partners, and regulators.

Together, with Alto's plan to deliver results, progress in these areas will enable Alto to deliver on the Government's accelerated timeline and better realize the full potential of the initiative. Alto remains committed to proactive collaboration with federal partners and internal stakeholders to ensure timely decisions, mitigate risks, and maintain momentum.

Recruitment, retention and capacity building

As it leads one of the largest transportation initiatives in Canadian history, Alto needs to have the right expertise and supporting technology, tools, and resources in place to serve as a credible representative of Government with the PDP. Alto's planning accounts for an increase in volume, scale, and diversity of activities both ongoing and emergent during the Co-development phase.

Despite the scarcity of resources with specialized expertise in the rail infrastructure and construction sectors, Alto has attracted highly skilled employees 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 January 26, 2026, Alto has 198 full-time employees. This figure is anticipated to rise to 249 by March 31, 2026. Recruitment efforts continue with the objective of building a permanent workforce of approximately 269 by March 31, 2030, in support of the initiative's acceleration.

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

High-speed rail expertise is extremely limited in North America, making specialized workforce recruitment a significant challenge. Canada is experiencing a shortage of construction workers, driven by high retirement rates and limited new entrants into the industry.

Multiple large-scale projects in rail, transit, transportation, energy, healthcare, and housing are also being planned or under construction in Canada (e.g., REM in Montreal, TramCité in Quebec City, light rail transit projects in Toronto and Ottawa, and GO Rail Expansion and Metrolinx in Toronto/Hamilton). Alto will be competing with these projects for the skilled labour and resources needed to deliver a new intercity high-speed passenger rail service.

Alto will also require a large, sustained construction workforce over a ten to fifteen-year horizon. Executing a project of this scale within the current labour market environment requires strategic, long-term workforce planning to secure the right skills and sufficient capacity. This will require attracting and maintaining the interest of construction and engineering companies to maintain competitive tension to ensure value for money during construction.

Alto will continue to monitor federal immigration policy, and federal and provincial workforce development programs to ensure the corporation is able to deliver on the initiative.

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

The coordination of decision-making bodies, including Government oversight, requires sustained 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 and opportunities, in collaboration with Transport Canada and other federal partners, and be prepared with approaches to adapt to changes.

Regulatory requirements and impact assessment

As the rail transportation sector is highly regulated, Alto has been actively engaging with the Government to ensure the initiative adheres to all regulatory requirements, such as, but not limited to, the *Railway Third Party Liability Insurance Coverage Regulations* and others outlined in various legislation (e.g., *Railway Safety Act*, the *Canada Transportation Act*, and the *Impact Assessment Act*). Alto will propose the *Company Specific Rule* for approval with Transport Canada.

Alto will ensure the initiative meets or exceeds all Government environmental, rail safety, and security regulatory requirements.

A preferred alignment for the initiative will be determined in 2026, and various options are being analyzed. Consultations and any impact assessment and regulatory review processes for the initiative will inform recommendations on the alignment, as well as outline its environmental, economic, social and health impacts and potential mitigation and accommodation measures. Alto will work collaboratively with the Major Projects Office, Transport Canada, the Impact Assessment Agency of Canada (IAAC), and other federal departments/agencies to advance impact assessment requirements applicable to the initiative.

Negotiations with host railways

Alto seeks to use dedicated tracks to the maximum extent possible, both to allow control over its operations and to reduce interactions with other rail operators so they can continue to grow their operations. However, certain rail segments the initiative may use are owned by host railways (e.g., Canadian National Railway, Metrolinx, and 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 major cities.

Negotiations with utilities

Alto will continue to build relationships with utility companies. Discussions will be advanced with utility companies to determine requirements for power, access and easements. Alto will continue to explore and propose measures to Government to ensure that utility infrastructure does not impede the timely advancement of the initiative.

Key Priorities and Strategic Objectives

For 2026–27, Alto's work builds on the strategic priorities defined in 2025–26, strengthening continuity while accelerating progress. 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. Enable project advancement and support corporate stewardship

The following section presents the key priorities, strategic objectives and activities Alto will advance in 2026-27 and during the planning period up to 2030-31.

Key priority #1: Drive the design and development of a high-speed passenger rail network in the corridor

Strategic Objective: Accelerating the Co-development phase is a key priority for Alto in 2026-27. Alto will collaborate with and oversee the PDP to develop and optimize the whole network design, which will include establishing an initial alignment corridor and route alignment options. This work will inform future investment decisions by the Government before construction begins. Alto aims to deliver the benefits of the initiative sooner through a segmented (network approach) construction and implementation plan where city pairs are connected and commissioned before the entire network is built. This will allow Canadians to benefit sooner from more frequent, reliable, affordable and faster intercity train services. On December 12, 2025, the Government of Canada announced the Montreal to Ottawa segment as the first segment to be constructed.

Alto will continue to advance project activities in a concurrent manner leading up to key Government decision points. This approach reflects a shared commitment to timely delivery, and it will enable Alto to undertake preparatory activities and critical path decisions without waiting for sequential approvals.

There are four stages in the Co-development process:

Stage 1 (Complete): Plan validation and initial Indigenous and stakeholder engagement (Mobilization)

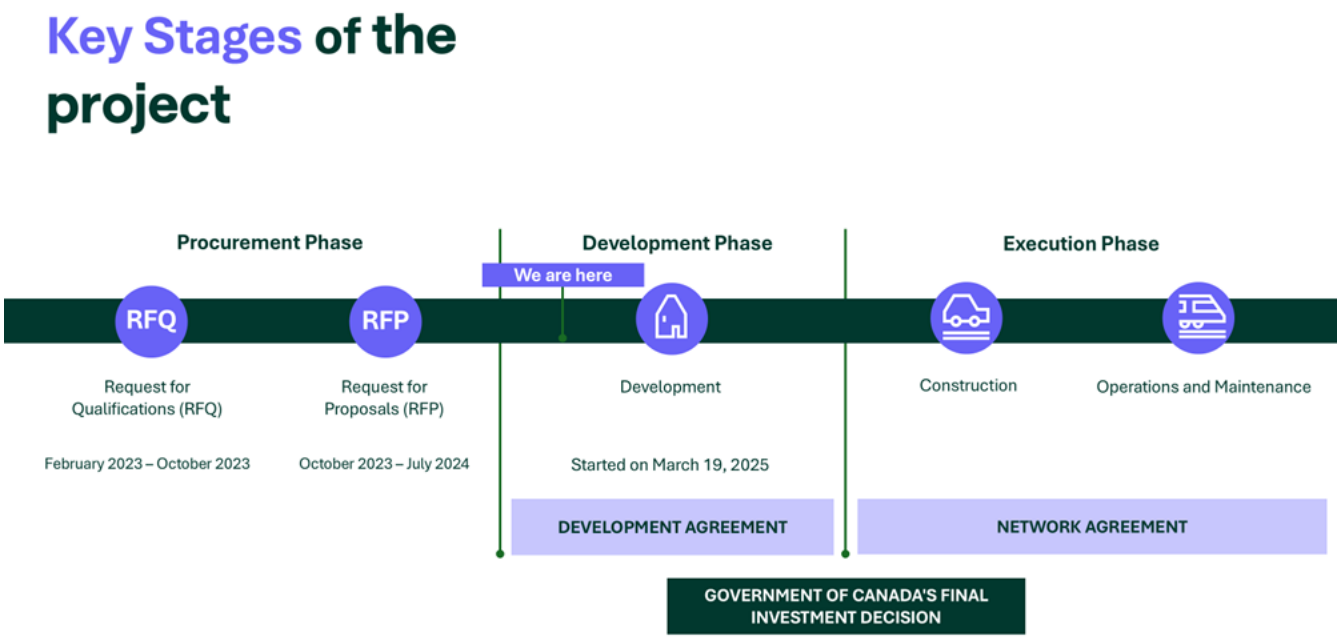
Stage 2: Project definition

Stage 3: Segment development

Stage 4: Segment transition to execution

Activities in 2026-27 will focus on advancing Stage 2. Annex 2 includes additional information on the four stages of the Co-development phase.

Key phases of the project



The initiative is currently in Stage 2 of the Development Phase. Stage 2 is expected to last 24 months, from July 2025 to July 2027, and includes the activities described below.

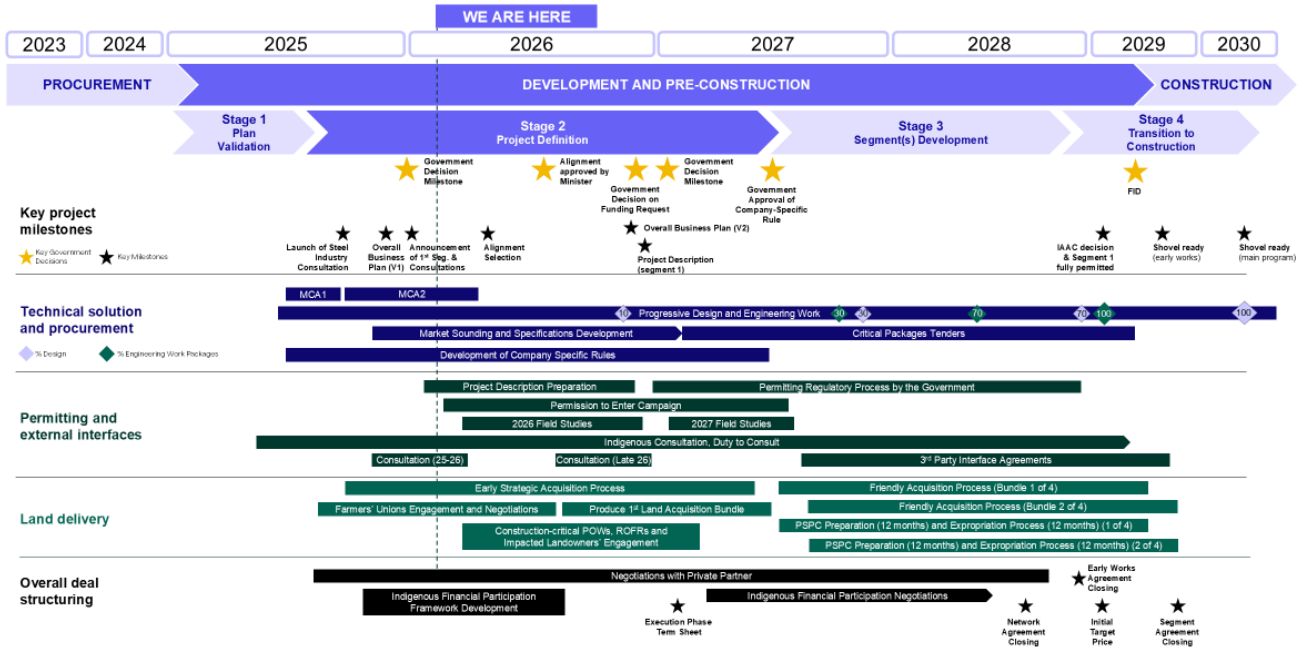
Activities

Workstream: Project management

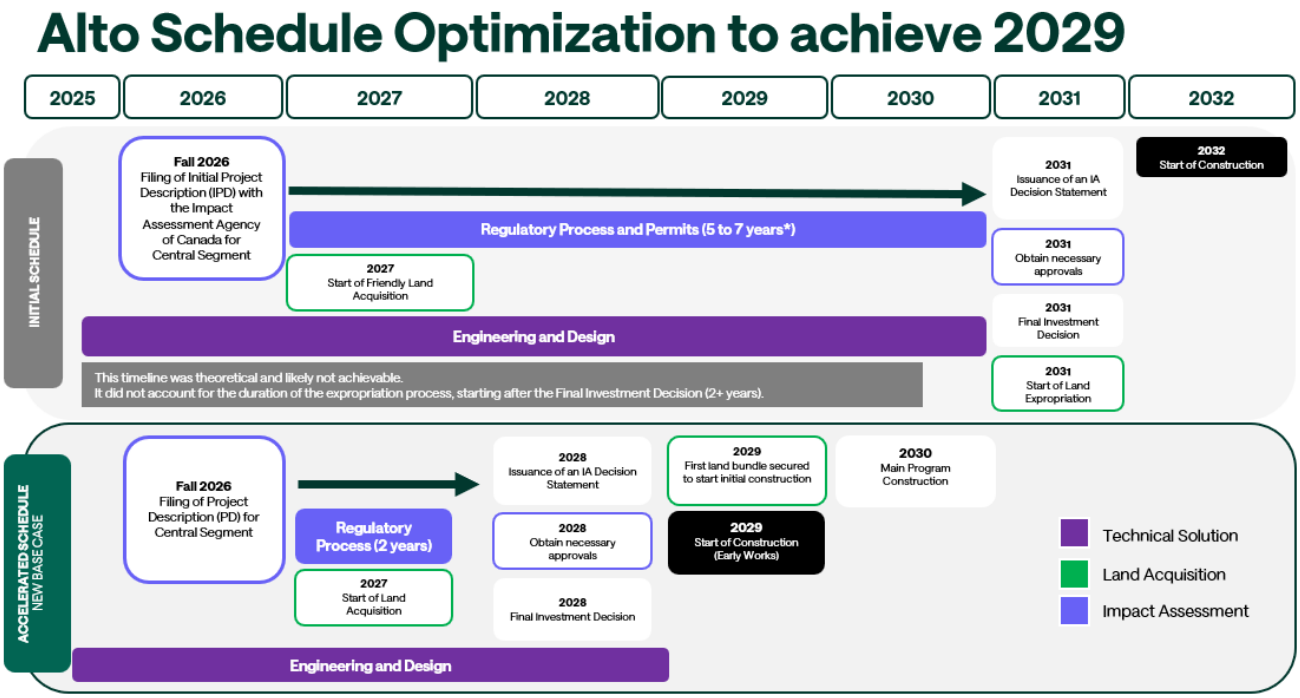
As part of the Government's commitment to accelerate the initiative and have the initiative serve as a catalyst for economic growth, by maximizing opportunities for Canadian businesses, creating good jobs, and strengthening domestic supply chains, Alto will continue to focus on accelerating project activities.

A detailed overview of where the initiative is in its development is below:

Master Schedule Overview (Segment 1)



Alto's schedule optimization is as follows, with the target of allowing construction to begin by 2029. Annex 3 includes additional information about the optimized schedule. In addition to Alto's accelerated and optimize workplan, achieving these timelines depends on securing decisions from the Government of Canada in a timely manner.



Activity #1.1 - Collaborate and oversee the PDP to advance Co-development

Collaboration between Alto and the PDP is guided by a co-development phase plan (CDP Plan), which was 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. The CDP Plan is updated quarterly by the PDP and submitted to Alto for review and approval. Alto will review and approve updates to the CDP Plan, which will include incorporating acceleration measures and establishing an initial alignment corridor and alignment options.

Workstream: Project development and design

Project development and design activities will focus on Stage 2 of the Co-development phase in 2026-27 and include:

Activity #1.2 - Advance project development and design

Alto will collaborate with and oversee the PDP to continue to develop an integrated approach to planning and engineering across multiple disciplines throughout the Co-development phase. This will include advancing specifications and configurations for rolling stock, civil works such as grading, bridges, station infrastructure, and electrification systems. Specifications for signaling and train control systems will be developed to meet stringent safety and reliability. Station design, operating and maintenance requirements will be advanced.

Alto will continue to actively engage with the Government to explore how the initiative can be implemented as efficiently as possible under existing 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.* As well, Alto will collaborate with Transport Canada and the Canadian Transportation Agency to explore and provide input on the development of new high-speed rail requirements that the Government may consider in the context of creating an efficient, safe, and sustainable rail transportation network. As Alto will be the first high-speed rail service in Canada, such input may help the Government identify relevant regulatory requirements, network use policies, and procedures for obtaining necessary permits and approvals.

Activity #1.3 - Define the preferred alignment through a multicriteria analysis (MCA) process

A detailed MCA will be completed to establish an initial alignment corridor and route alignment options. This MCA will build on earlier work that divided the analysis criteria into nine categories: one for each of the seven project outcomes, plus additional categories for social acceptability and delivery. The MCA will include new qualitative and quantitative data, as well as information gathered during the initial Indigenous and stakeholder engagement. The analysis will produce the preferred alignment, which will be presented for the Government’s decision.

Activity #1.4 - Define host railways’ and utilities requirements

Alto will continue to build relationships with host railways and utility companies. Partnerships will be formed to secure an adequate electricity supply to operate the high-speed rail network. The corporation has entered separate Memoranda of Understanding (MOUs) with host railways to initiate non-binding privileged discussions and exchange 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 requirements for access and easements. Alto plans on negotiating and potentially entering into agreements with host railways and utilities to define the terms of its future collaboration with various entities required during the execution phase of the initiative.

Activity #1.5 - Advance discussions with VIA Rail

Alto will continue to collaborate with VIA Rail and Transport Canada to develop a transition plan for local services and assets in the Québec City to Windsor corridor. Alto participates in multilateral committee meetings, where various topics regarding local service operations are discussed. Alto plans to further develop the transition plan in 2026 to ensure corridor services are properly connected to future Alto services. The plan will be refined as the initiative develops. Implementation will be subject to future Government decisions.

Activity #1.6 - Advance planning constructability

Alto will work with the PDP to develop a procurement strategy for the Execution phase, including an analysis of the Canadian supply chain, and potential packaging and delivery models. The strategy includes consultations with market participants. Discussions also continue between Alto and the PDP to accelerate procurement packages to enable construction to begin in 2029.

Alto may enter into agreements with educational institutions and professional and sector associations (e.g., the Association de la construction du Québec and the Ontario General Contractors Association) to better define the training programs and requirements that will be needed to ensure workforce and equipment is available and mobilized ahead of project construction in 2029.

Workstream: Commercial oversight and deal structuring

Alto's role as Project Authority and Contracting Authority includes ensuring the initiative is financially sound, the 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.

Activity #1.7 - Update financial models and revenue forecasts

In collaboration with the PDP and Alto's external advisors, Alto will refine its financial model and develop an investment-grade model to provide a detailed estimate of overall project costs and revenues. Project costs, which will be developed by the PDP and reviewed by Alto, will include capital expenditures, operating expenditures, and financing costs. Demand and revenue projections will also be developed by the PDP and reviewed by Alto. This work will be based on a market analysis to be conducted in 2026, which will include travel patterns, travelers' willingness to pay for rail services, and growth projections.

This financial model will inform scenario analysis, risk analysis, and funding and financing analytics, which will be used to support policy options, deal structuring, target price models, and contract negotiations for the Execution phase.

Activity #1.8 - Monitor contract administration

As part of administering the PDA, Alto has established robust reporting and monitoring processes. In collaboration and with the PDP, Alto has implemented comprehensive processes to oversee the PDA, including key performance indicators to track progress, and procedures for payment processing, invoice review, managing PDA changes, and reviewing the PDP's procurement plan. These measures ensure rigorous financial stewardship and cost integrity across Alto's commitments. Proactive management of commercial issues and claims will also continue to safeguard Alto's commercial position and mitigate dispute risk.

Activity #1.9 - Control of project costs

In collaboration with the PDP, Alto has established robust framework to manage costs and ensure that Alto's leadership receives accurate information to support decision-making. This framework includes a formal quarterly budget review process, as well as a change process, and governance structure. Key components

include tracking actual costs through monthly progress reporting, an invoice review committee and approval process, and regular governance meetings.

To further strengthen cost governance and support informed decision making, Alto is rolling out analytics and reporting tools to our workstream leads and the leadership team. These tools will provide greater visibility and insight into the initiative's performance.

Activity #1.10 - Negotiate contracts and commercial partnerships

Alto is in discussion with the PDP on the structure and key terms to guide a long-term partnership for the Execution phase (construction and operations) of the initiative. Contracting terms will be outlined in an Execution Phase Term Sheet, which will be finalized and presented for Government decision in 2027. The Term Sheet will form the basis of the Execution Phase agreements, including a Network Agreement and different Segment Agreements, which will be developed during the Co-development phase. These agreements will outline the rights and obligations between Alto and the Private Partner, optimized to ensure that the initiative is successfully delivered and the agreements provide significant value to Canada.

Alto is also overseeing and collaborating with the PDP to develop funding and financing strategies to inform the allocation of capital between the Government and the private sector. Private financing will leverage equity capital through the PDP, with the Canada Infrastructure Bank (CIB) alongside as a potential investor. The use of private sector debt is also being examined. The private capital allocation will need to be structured to ensure that the initiative's risks are effectively allocated to the party best positioned to manage them, and that the participation of private sector financing brings a positive overall benefit to Canada. The initiative's funding structure will be subject to future Government decisions.

Activity #1.11 - Develop the Indigenous communities financial participation strategy

As part of its broader commitment to support reconciliation with Indigenous Peoples, Alto will engage with Indigenous communities on potential opportunities for financial participation in the initiative. Alto will develop a strategy for and with Indigenous communities to explore financial participation options on a commercial basis. These options could include equity participation alongside Alto. This work will be presented to the Government decision.

Workstream: 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 continue to propose legislative, policy, or program changes and measures to Government that Alto believes would improve the efficiency and effectiveness of regulatory processes for the initiative. Alto will also continue engaging the MPO to accelerate engineering, regulatory, and permitting work and seek its guidance and support to accelerate Government reviews, including the impact assessment process.

Activity #1.12 - 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 to begin before the entire network is completed. Options for the preferred route alignment throughout the corridor will be completed during Stage 2 of Co-development, which will include engagement with local communities and consultations with Indigenous groups and partners. On December 12, 2025, the Government of Canada announced the Montreal to Ottawa segment as the first segment to be constructed.

The initiative will be subject to federal impact assessment requirements. The *Impact Assessment Act* (IAA) sets out a process for identifying and assessing potential adverse effects of projects and possible mitigation measures, for preventing significant adverse effects on the environment, and for consulting with Indigenous Peoples, other levels of government, and the public. The impact assessment (IA) process is a critical path item for the schedule. 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 potential environmental, economic, social, and health impacts of the initiative, as well as mitigation measures to minimize any negative effects. In 2026-27 Alto will engage in activities required for the impact assessment documentation that will be submitted to the relevant authority. 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 the Major Projects Office, federal agencies and regulators;
- engagement and consultations with Indigenous groups and partners and community stakeholders who may be affected by the initiative;
- advancing planning for environmental compensation projects; and
- planning for early works.

Compensation projects and programs will be developed to offset adverse environmental impacts, such as the loss of wetland functions, 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 the impacts of the initiative. A detailed compensation strategy will be developed as IA work progresses.

To support this work, Alto will collaborate with the IAAC, MPO, and other federal departments and agencies to identify requirements early, to advance the permitting and regulatory processes as efficiently as possible. Alto anticipates filing the project description for Segment 1 before the end of fiscal year 2026-27.

Workstream: Land acquisition

Alto will require a substantial amount of land across the nearly 1,000-kilometre corridor to successfully deliver the initiative. In collaboration with the PDP, Alto will undertake preliminary planning activities to support land acquisition, including staffing, process development, and capacity building. As part of this work, Alto will also initiate strategic proactive acquisitions to secure key parcels of land that are critical to the success of the initiative and to protect the future alignment from speculative pressures or incompatible development.

Alto may exercise any and all powers conferred to the corporation under the *High-Speed Rail Network Act*, once that Act has received Royal Assent, and may secure lands required for the initiative. Alto is collaborating with Transport Canada and Public Services and Procurement Canada to ensure engagements with landowners are streamlined and clear, including for the implementation of new and amended tools proposed in the *High-Speed Rail Network Act*, such the filing of notices of the right of first refusal and of prohibition on work, and expropriation.

In 2026-27, Alto will develop a detailed AACE Class 4 cost estimate for acquiring the lands, including all costs associated with purchasing land or land rights and interests, legal fees, surveys, and any potential compensation entitlements to landowners and/or affected communities. Based on the preferred alignment, this estimate will also be influenced by the details of what powers, responsibilities and obligations Alto obtains under the *High-Speed Rail Network Act*. Updated tools and authorities are required to fulfil legal, contractual and technical obligations tied to land acquisitions.

To deliver the lands required for the initiative, Alto and Cadence will build capacity, hiring professionals required to support real property transactions (e.g., surveyors, appraisers, geospatial technicians).

Activity #1.13 – Manage lands during the pre-construction period

During the co-development and pre-construction phases, Alto will have the authority to maintain, operate, and manage lands under its control to support project readiness. This includes the ability to manage and control vacant sites from safety and security perspective, e.g. public use or trespassing; clear vegetation and remove trees for site preparation and environmental assessments; demolish structures and remediate contaminated

sites as required; install fencing, signage, and temporary access infrastructure; and enter into short- or long-term leases, lease-back arrangements, or occupancy agreements to manage interim use and site conditions. These activities will ensure that Alto preserves land assets, mitigates safety and environmental risks, and maintains project readiness prior to the commencement of construction.

Activity #1.14 – Conduct early land acquisition

Alto may acquire lands identified as necessary or potentially necessary through an Early Acquisition Program. This program enables Alto to purchase lands available for sale within the proposed corridor, secure strategic parcels to prevent incompatible development, and preserve areas required for the future alignment, station footprints, maintenance facilities, and construction staging areas. Early strategic acquisitions will reduce delivery risks by improving cost certainty, avoiding price escalation from speculation, and minimizing negotiation conflicts. Alto will retain flexibility to opportunistically acquire land as opportunities arise, recognizing that expenditures will vary year over year depending on market conditions and corridor development progress.

Activity #1.15 - Acquire and dispose of property interests

Alto will have the authority to purchase, hold, lease, exchange, or dispose of real property interests required for project implementation. This includes lands and easements required for track alignment, stations, road widening, and utility relocation, as well as property required for temporary works, staging areas, ancillary infrastructure, and any other mitigation or project-supporting activities. Alto may also purchase, or seek to have expropriated, lands for industrial production and for resource acquisition, including borrow pits, quarries, or excavated material disposal areas necessary to supply construction materials. All such activities will comply with applicable environmental, rehabilitation, and safety standards.

Activity #1.16 – Enter into utility and infrastructure agreements

Alto may enter into agreements with utility providers and infrastructure owners to coordinate the relocation, protection, or modification of existing services affected by the project. These agreements may include provisions related to resourcing, cost sharing, access, indemnification, or other requirements necessary to support project delivery.

Activity #1.17 – Obtain access for studies and due diligence

To carry out the environmental, archaeological, geotechnical, and engineering studies required for planning and design, Alto will seek to negotiate Permission to Enter (PTE) agreements with landowners. These agreements ensure timely access to lands while respecting landowner rights and minimizing disturbance.

Activity #1.18 – Conduct incremental and protective land acquisitions

To safeguard long-term project development potential, Alto may acquire incremental lands required to protect construction staging areas, preserve access routes, and maintain options for rail-adjacent or project-specific development. These acquisitions will be strategically targeted and supported by cost–benefit analysis and evaluation of future expansion and integration needs. This type of futureproofing may also require an incremental spend on design and engineering.

Activity #1.19 – Proceed with station and corridor development integration

Alto will ensure that station design, corridor engineering, and adjacent land planning incorporate provisions for future integrated or mixed-use development. Where feasible, Alto may reserve or assemble parcels adjacent to station areas to enable sustainable, transit-oriented development (TOD) and to leverage long-term value creation, while maintaining full control over transportation and operational functions. Alto is developing a TOD strategy to act as an influencer and partner for community development in collaboration with relevant

authorities, development proponents, and Indigenous groups. Alto will also collaborate with Transport Canada to develop a new regime for developing suitable crossings that meet the safety and operational needs of high-speed rail while promoting and preserving community connectivity and access for landowners.

Activity #1.20 – Enter into compensation, farmland trust, and community agreements

Alto will implement a comprehensive compensation and mitigation framework to ensure fair treatment of affected landowners and sustainable outcomes for agricultural communities. This framework may include 1:1 farmland compensation, providing equivalent agricultural lands to those directly affected by the project, and the establishment of a Farmland Trust or similar mechanism to manage replacement lands, administer community benefit programs, and preserve agricultural capacity in perpetuity. Alto will also have the authority to enter into framework agreements, memoranda of understanding (MOUs), resourcing agreements, or settlement agreements with farmers' unions, municipalities, Indigenous governments, and other stakeholders to facilitate compensation, mitigation, and collaboration. This approach supports equitable, long-term arrangements and maintains strong relationships with rural and agricultural groups.

Activity #1.21 – Respect governance, oversight, and compliance requirements

All real estate transactions, compensation activities, and land-related agreements will be conducted in accordance with applicable federal laws and relevant government policy frameworks and associated policies. Legislative measures announced in Budget 2025 would support the corporation's land acquisition and expropriation activities. Alto will continue to seek additional amendments that would create a more predictable and reliable land acquisition framework for the initiative, and so better enable meeting the initiative's accelerated schedule.

Activity #1.22 - Advance work on developing options for enhanced passenger rail services in southwestern Ontario

In collaboration with the PDP, Alto is developing recommendations to enhance passenger rail in Southwestern Ontario (SWO), which Alto will submit to the Minister of Transport in 2026.

Key priority #2: Foster Indigenous partnerships, engage stakeholders and other partners effectively

Strategic Objective*:* Alto continues to build relationships with Indigenous groups and partners and engage stakeholders and other partners to secure and broaden public support for the initiative. Effective engagement fosters transparency, builds trust with communities along the corridor, and enables Alto to identify concerns early, which leads to more comprehensive planning and acceptable mitigation strategies. As the Co-development phases advances, Alto will consult with Indigenous groups and engage with other stakeholders to collect data, receive input, and integrate that feedback into its alignment development work.

Activities

Workstream: 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 developed an Indigenous Participation Plan, a Communications and Engagement Plan, a Community Benefits Program, and a Partnership Policy, all serving

distinct strategic purposes in delivering Alto's mandate and fostering support for the high-speed rail network. These plans, programs, and policies will guide the following activities.

Activity #2.1 - 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 including procurement and employment; and
- Develop options for Indigenous financial and legacy participation.

Alto developed an Indigenous Participation Plan, which outlines how Alto aims to achieve its four Indigenous-related strategic objectives. With activities that span multiple years, the Plan provides a roadmap to support Alto as it aims to build awareness, consensus, and support for the initiative while striving to advance Indigenous reconciliation and participation in the context of major project developments in Canada. Alto'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*.

Guided by the four pillars, Alto is supporting potentially impacted Indigenous groups' participation in the initiative by establishing ways of working together and by providing capacity funding through Collaboration Agreements (eight finalized to date) and other funding mechanisms.

In alignment with the strategic objective of creating mutually beneficial socio-economic development opportunities, Alto is developing strategies to meet the 5% procurement and employment targets for Indigenous people and businesses. To support this, Alto is pursuing Memoranda of Understanding (MOUs) with key Indigenous partners. These agreements will help Alto develop meaningful and relevant procurement, business and employment opportunities to support long-term Indigenous participation in the initiative. These approaches involve working directly with Indigenous communities, organizations and people to ensure that Alto has the reach to attract talent and include Indigenous communities in socio-economic benefits related to the initiative.

In addition, Alto is exploring options for Indigenous communities to participate financially in the initiative. Alto will engage Indigenous communities in 2026 on financial participation options and develop an Indigenous Financial Participation Strategy. Following engagement, Alto must also obtain Government approval to implement this Strategy, including financial participation options and funding amounts, and to negotiate approved options.

Alto is also working to strengthen the corporation by integrating Indigenous perspectives into all Alto and PDP workstreams.

Activity #2.2 - Expand the breadth of engagement and consultation with Indigenous Peoples, including urban and off reserve, in Ontario and Quebec

Indigenous engagement and consultation work is significantly increasing in volume and complexity during the Co-development phase. As the initiative advances, Alto will deepen its engagement and consultation with 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 options and overall project design and delivery. Alto will work with the Government to ensure Indigenous groups have the capacity to engage and participate in project processes and opportunities.

Engagement and consultation activities will include:

- Working to understand how Indigenous knowledge could be incorporated in planning
- Co-developing socio-economic benefits with Indigenous groups and partners, including urban and off-reserve Indigenous populations
- Exploring financial participation opportunities
- Understanding how Indigenous design principles and considerations could be integrated
- identifying potential adverse impacts of the initiative on Aboriginal and Treaty rights and developing mitigation and/or accommodation strategies where appropriate, with an accommodation plan to be presented to Government for decision 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. Following each engagement and consultation process, a *What We Heard Report* will be completed and shared with Indigenous groups and partners to outline feedback received and how it was or was not integrated.

Activity #2.3 - Work with provinces, municipalities, and interest groups

Alto has been engaging with provincial and municipal elected officials and public servants to share project information and establish relationships early in project development. Alto will continue building these relationships based on respect, trust, transparency, accountability, responsiveness, and collaboration throughout the Co-development phase. As project design work progresses, the engagement plan will be refined to support local governments not only at station locations, but in neighboring communities along the corridor.

Alto, the Minister of Transport, and provincial ministers responsible for transportation in Ontario and Quebec are developing statements of intent, which formalize close collaboration between parties and signal commitment to advance this initiative.

To establish and maintain positive, long-term relationships with members of the local communities, Alto has expanded its engagement team, adding geographically focused representatives along the corridor to gather more regional and diverse input to inform project planning. As a result, Alto has expanded its list of stakeholders to include local interest groups representing a variety of sectors that will add valuable insights as the initiative is developed.

Activity #2.4 - Launch community consultations and engagement with Canadians to support social acceptability

During the final quarter of fiscal year 2025-26, Alto launched a comprehensive engagement strategy with in-person activities (open houses and roundtables) in station cities throughout the corridor and in rural areas in Ontario and Quebec. Participants had the opportunity to learn about the initiative, ask questions and provide input to help inform the decision-making process for the railway’s alignment. The engagement strategy also provided opportunities for individuals to provide feedback via virtual engagement sessions and through a digital engagement platform that ran throughout the engagement period. Following an initial engagement period in 2026, Alto is expected to re-engage communities and Canadians during the Co-development phase.

Early in 2026-27, Alto will publish an engagement report to highlight key activities, share the feedback received, and outline how Alto is addressing the key themes raised during the engagement period. These efforts will help support the alignment selection process, and, if required, the project description targeted for submission to the Impact Assessment Agency before the end of fiscal year 2026-27. Subsequent engagement with stakeholders is planned in the fourth quarter of fiscal year 2026-27.

A *Partnership Policy* has been developed to allow Alto to play its role as a good corporate citizen and 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 Peoples, organizations and institutions.

Alto is assessing the need for limited additional offices, to serve as points of presence in key communities, and may enter into additional leases over the planning period.

Activity #2.5 - Keep Canadians informed about the initiative

Alto's Communications and Engagement Plan will continue to evolve 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. Multi-year efforts will include awareness campaigns, that could include 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 as well as support a comprehensive Engagement strategy. Alto will continue to update its website to promote Alto to different target audiences.

Ensuring that the initiative is known, required and desired is a driving element of the Communications and Engagement Plan. The Plan's objectives include raising awareness and building trust 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 awareness campaigns and targeted partnerships over the duration of the initiative, following a rigorous internal evaluation process overseen by the Board of Directors.

Activity #2.6 - Launch community benefits plan for impacted communities

In 2025-26, as mandated, Alto developed a Community Benefits Plan to help the corporation maximize project-related economic and social opportunities for local communities throughout the corridor. Subject to Government decisions, Alto will refine and deliver the plan in collaboration with municipalities and established local organizations to ensure that communities benefit from the federal government's significant capital investments. Alto will also refine the plan based on findings from stakeholder engagements and public consultations, and in-line with any evolving policy or direction from Government.

Community benefits are typically codified through agreements, which often address opportunities for local employment and social projects for economically disadvantaged and equity-deserving groups, procurement initiatives to support locally owned and diverse businesses, and other community and neighbourhood enhancement projects. Alto will explore these and other opportunities in consultation with interested communities.

Workstream: Strategic policy supports

Alto uses effective business case management to analyze data, consolidate information, and provide robust rationale to support decision-making.

Alto will to continue to develop strategic, evidence-based advice to support Government decisions about the initiative, ensure policy alignment between Alto and Government, incorporate Government guidance into Alto's decision-making, ensure the initiative aligns with Government expectations, and track project outcomes.

Activity #2.7 - Partner with external experts

Alto will continue to engage with rail experts, academics and stakeholders to collect and disseminate information on high-speed rail and intercity passenger rail, and related knowledge and ideas in support of its mandate. For example, Alto will continue its Policy Innovation Lab with the academic community, leveraging a pool of qualified academics and experts in topics such as rail, infrastructure development, station design, urban planning, and economics. The goal is to foster interdisciplinary collaboration among leading Canadian academics and experts, collate evidence-based data, bridge knowledge gaps, and generate actionable insights to support the development and implementation of the initiative. This forum will contribute to translating academic research into relevant insights that will inform the design phase.

In addition, Alto is collaborating with the PDP to establish relationships with industry leaders around the world and 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, lessons learned and best practices from projects and agencies worldwide.

Close collaboration between Alto, the PDP, rail experts, academics and international stakeholders will enhance the initiative'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. Alto may enter into agreements with external experts to advance the initiative's development.

Activity #2.8 - Advance project design

Alto will expand the evidence base on the benefits of high-speed rail service for the corridor and Canada through economic studies with the PDP and external advisors. This will include market assessments, economic and financial studies, and modelling of key strategic design parameters such as anticipated ridership and wider economic spillovers. Alto will seek and incorporate government guidance to refine the design and inform decision-making.

Activity #2.9 - 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 and align with government priorities and policy objectives, meet reporting requirements, and secure timely policy and funding approvals at key decision points as the initiative advances.

To advance in the Co-development phase, Alto will:

- Refine tools and processes to support timely decisions through engagement with federal partners, including the Major Projects Office;
- Seek necessary funding and policy authorities from the Government for Alto's activities;
- Collaborate with federal partners on issues of common interest; 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 to share updates on progress and alignment with Government objectives. This includes regular Deputy-level and Assistant Deputy-level advisory committee meetings between senior officials of Alto, Transport Canada, Public Service and Procurement Canada, Housing, Infrastructure and Communities Canada, Crown-Indigenous Relations and Northern Affairs Canada, VIA Rail and other key federal departments and agencies.

Following the September 2025 announcement of the initiative as a transformative project, Alto has also engaged with the MPO to accelerate engineering, regulatory, and permitting work to enable construction to start in four years. 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: Enable project advancement and support corporate stewardship

Strategic Objective: Demonstrate financial sustainability and responsibility for prudent resource management while delivering on the Government mandate. Alto will also continue to implement new strategic initiatives and build on existing tools for human resources management to shape and support the organizational culture needed to attract, mobilize, and retain a highly skilled workforce.

Activities

Workstream: 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.

Activity #3.1 - 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 strong 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 corporation's resources, and by ensuring efficient stewardship through robust cost management and internal controls.

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.

Activity #3.2 - Ensure adequate facilities to support our employees

Alto has offices in Montreal, Toronto, and Québec City. Alto expects to move into dedicated office space in the National Capital Region in 2026-27. Additional spaces may be leased in key cities along the corridor to support project execution and outreach. Annex 7 includes additional information.

Alto may enter into agreements to lease, or purchase vehicles and equipment to support the development of the initiative and project execution.

Activity #3.3 - 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 system. Key components include:

- adding new functionality to the Enterprise Resource Planning (ERP) solution launched on April 1, 2025, to enable a full suite of integrated finance, human resources, and procurement functions;
- office automation and document management software;
- a geographic information system and stakeholder management software;

- an artificial intelligence strategy, and,
- project management and controls software, including Schedule Management, Risk Management, and Requirements Management capabilities that enable close collaboration with the PDP.

Activity #3.4 – Maintaining effective human resources

Alto will also continue to implement new strategic initiatives and build on existing policies and tools for effective human resources management and support the organizational culture needed to attract, mobilize, and retain a highly skilled workforce.

Activity #3.5 - Established our employee value proposition

Alto has been a magnet for top-level talent, thanks to the initiative's scope and reach. Alto has built on this success by articulating an Employee Value Proposition (EVP) that resonates with prospective and current employees. The objective is to clearly differentiate what Alto offers as an employer to remain competitive in the labour market and identify key elements that enhance the employee and workplace experience at Alto. The proposition goes beyond monetary aspects and includes work environment, relationships, projects, and other aspects that showcase our commitment to the mobilization and overall well-being of our employees.

Values are a central element of Alto's organizational culture. Alto will continue to embed our values into the corporation's human resources processes, policies, and business practices, while ensuring that these values are reflected in employees' daily work, behaviours, and interactions.

Activity #3.6 - Developed a performance management process

To support an effective workforce, Alto developed and launched a rigorous 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.

Starting April 1, 2026, the process will be aligned with the fiscal year cycle to seamlessly align results with Alto's financial and performance reporting cycle.

Activity #3.7 - Enhance Training and Development Efforts

Alto is dedicated to providing employees with tools and opportunities to develop their skills and advance their careers and has started to formalize its approach to training and development. By investing in continuous learning and professional growth, Alto aims to cultivate a workforce that is not only highly skilled but also motivated and engaged.

Activity #3.8 - Ensure a safe and healthy workplace

Alto will continue strengthening its organizational health and safety policies and practices to promote a supportive work environment where employees feel engaged, valued, and motivated to remain with the organization for the long term. In 2025-26, Alto created a Health and Safety Committee, which developed and launched a Violence and Harassment Prevention Policy.

As part of its commitment to creating an accessible workplace, Alto also developed an Accessibility Plan covering the period from 2025 to 2027.

Workstream: Continue legal support

Alto's Legal Affairs department will continue to provide advice during the Co-development Phase, including support related to the management of the PDA, Alto's procurement needs, and Alto's role in the PDP's procurement activities. The workstream will also support:

- land acquisition and utilities strategy, including support to develop and enter into agreements on land acquisition, and host railways and utilities collaboration agreements
- compliance with legislative and regulatory requirements
- IA matters including any new processes coordinated by the Major Projects Office
- Alto's duty to consult and accommodate Indigenous communities
- access to information and privacy matters
- deal structuring and contractual negotiation; ethics and compliance matters
- intellectual property protection; and
- rail regulations and rail safety and security.

During the Co-development phase, Alto will continue to engage with Government and provide input on legislative changes that Alto considers necessary for the initiative, for Government consideration. Should new legislation be enacted, Alto will rapidly adjust its planning and operations accordingly.

Currently, the corporation is not involved in any litigation that could materially affect the corporation. Alto's Legal Affairs department is also responsible for the management of the corporation's insurance portfolio.

Risks and Planned Results

Risks

Risk management is an ongoing process that identifies and assesses risks and manages them with mitigation measures. To identify and assess existing and emerging risks and develop appropriate mitigation measures, Alto has reviewed the project risks in collaboration with the PDP and, separately, the corporate risks. Corporate risks include commercially sensitive risks or those where information may not be appropriate to share with the PDP. The two risk registers are integrated and summarized to form the enterprise risk register.

Further details are outlined in Annex 5.

Planned results

The near-term planned results are aligned with the corporation's three key priorities for 2026-27:

Drive the design and development of a high-speed passenger rail network in the corridor

Alto will advance the initiative by collaborating with and overseeing the PDP on Stage 2 of Co-development. During the Co-development phase, Alto will develop and optimize the design to achieve or exceed the project outcomes in accordance with the PDA. Alto will present this work to the Government of Canada to support its investment decision to invest in finalizing the initiative's design and advance its execution.

Foster Indigenous partnerships, engage stakeholders, and other partners effectively

Alto will foster partnerships by building relationships with Indigenous groups and partners and effectively engaging external stakeholders and other partners, including federal and other levels of government, to enhance public support. The initiative 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 concerns early and proactively address them.

Enable project advancement and support corporate stewardship

To fulfil its mandate, Alto will ensure effective corporate governance and prudent resource management. This will include demonstrating strong financial stewardship, seeking funding to enable 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.

Financial and Human Resources Overview

Financial

The following section provides key highlights of Alto's financial overview for the planning period 2026-27 to 2030-31.

A total of $710.2 million (M), on a cash basis, was provided to the corporation to advance its objectives in 2026-27.

By key priority, for 2026-27, $607.3M will go toward driving the design and development of the initiative, $61.1M to foster Indigenous partnerships, engage stakeholders and other partners effectively, and $41.8M will support enabling project advancement and corporate stewardship. For 2026-27, $160.4M of the total $710.2M will be spent on capital expenditures and reflected in the accumulated surplus. The large surplus balances do not reflect liquid assets that can be extracted.

Statement of operations

	BUDGET	Budget					5-Year Total
For the year ending March 31 ($'000s)	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**	
Drive the Design and Development of a High-Speed Passenger Rail Network in the Corridor	350,350	448,923	277,081	183,352	80,368	54,817	1,044,541
Foster Indigenous Partnerships, Engage Stakeholders and Other Partners Effectively	38,193	61,087	53,604	33,376	32,855	5,280	186,202
Enable Project Advancement and Support Corporate Stewardship	36,745	39,744	42,642	41,517	46,668	42,291	212,862
TOTAL EXPENSES	**425,288**	**549,754**	**373,327**	**258,245**	**159,891**	**102,388**	**1,443,605**
NET FINANCIAL ASSETS							
Government transfers, Appropriations Operating	520,875	710,159	1,097,443	927,073	656,254	624,787	4,015,716
TOTAL GOVERNMENT FUNDING	**520,875**	**710,159**	**1,097,443**	**927,073**	**656,254**	**624,787**	**4,015,716**
ANNUAL OPERATING SURPLUS (DEFICIT) [1]	**95,587**	**160,405**	**724,116**	**668,828**	**496,363**	**522,399**	**2,572,111**

[1] The Surplus reflects the capitalization of the project. Amortization will begin once the train is operational.

For fiscal year 2026-27, the Office of the Auditor General (OAG) serves as Alto'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.

Alto has established a third-party internal audit function to support 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. A Risk-Based Audit Plan has been approved by the Board of Directors' Audit and Risk Committee, which includes engagements in 2026-27.

In addition, third-party expert advice on major infrastructure projects is being provided by a megaproject management consultancy, reporting directly to the Board of Directors.

Human resources

As of January 26, 2026, Alto had a workforce of 198 full-time employee positions filled through various employment arrangements (i.e. Alto employees, contractors, and individuals on Government of Canada Interchange). There are currently 113 employees based in Québec and 85 based in Ontario. Alto's workforce expanded in 2025-26 and is anticipated to reach 249 positions (full and part-time) by March 31, 2026.

Alto workforce

Permanent, interchange and contractors (full-time equivalent) - real utilization rate

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

The above noted FTEs are Alto resources only, and do not include FTEs from the PDP.

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 procuring goods, services, and construction works, to ensure transparency, fairness, and accountability in the procurement process. Alto's procurement policy is in line with the contracting and procurement policies of other federal Crown corporations and will reflect the Government of Canada's new policy framework of prioritizing Canadian content in procurement of goods and services.

In December 2025, the Government announced the new *Buy Canadian Procurement Policy Framework (Buy Canadian Policy)*. In January 2026, the Governor in Council issued a directive to Alto under section 89 of the *Financial Administration Act,* directing Alto to align its policies, guidelines and practices with that policy and associated policies in a manner consistent with its mandate and to report on the directive's implementation in its next corporate plan. In parallel, the Government has also committed to the full implementation of the *Reciprocal Procurement Policy*, which establishes clear criteria regarding the trading partner of origin. Transport Canada will oversee policy development, regulatory alignment, and strategic direction while Alto is

leading its implementation for the initiative in collaboration with the PDP. Alto and the PDP launched a market engagement initiative on steel in November 2025.

Alto is developing an Indigenous procurement approach, to meet a 5% Indigenous procurement target, aligned with the Government's requirement of a minimum 5% of the total value of contracts held by Indigenous businesses.

Annexes

Annex 1: Statement Of Priorities and Accountabilities (Mandate Letter)

Annex 2: Alto Project Brief

Annex 3: Project Acceleration

Annex 4: Corporate Governance Structure

Annex 5: Risks & Responses

Annex 6: Financial Statements / Budget

Annex 7: Borrowing Authority Plan

Annex 8: CFO Attestation

Annex 9: Planned Results

Annex 10: Compliance with Legislative, Regulatory and Policy Requirements

Annex 11: Alignment with Government Priorities and Direction

Annex 12: High-Speed Rail and Alto - Chronology

Annex 13: Glossary of Acronyms and Terms

Annex 1: Statement Of Priorities and Accountabilities (Mandate Letter)

For historic mandate letters, see previous Corporate Plan Summaries: [Transparency and Trust | Alto]

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

Annex 2: Alto Project Brief

Background

While VIA Rail's current service in the densely populated Windsor-Québec City corridor is 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, resulting in inflexible service offerings, longer trip times, and unreliable on-time performance, limiting its appeal as a transportation option.

In February 2025, the Government announced that Alto would co-develop with the Private Developer Partner, Cadence, a high-speed rail network in the Toronto to Québec City corridor to improve speed, frequency and inter-city connectivity.

Project overview

The high-speed rail initiative

Alto will spearhead the design, execution, financing, operating and maintenance of a new, nearly 1,000-km intercity high-speed passenger rail network between Toronto, Peterborough, Ottawa, Montreal, Laval, Trois-Rivières and Québec City.

The high-speed rail network will run on dedicated and electrified tracks at higher frequencies and speeds and with greater reliability within the Toronto - Québec City corridor, making it faster and easier for people to travel. The network will also introduce passenger rail service to communities that are currently underserviced 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 a high-speed rail network are as follows:

- **Significantly increase intercity rail passengers** to at least 17 million by 2059 through both the new passenger rail services and local services through increased annual seat capacity;
- **Enhance passenger experience in the corridor** by offering more frequent, reliable, affordable and faster services between the serviced communities;
- **Provide safe intercity journeys** through the integration of proven standards of world-class safety passenger rail systems;
- **Contribute to reconciliation with Indigenous peoples** by creating socio-economic benefits and offer financial participation opportunities;
- **Significantly increase availability of accessible and affordable services** by providing barrier-free access and affordable and socially equitable fare and ticketing policy;
- **Minimize ongoing financial costs to taxpayers** by eliminating VIA Rail operating subsidies and providing a solution that yields best value for money through optimal cost management;

- **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 annual GDP uplift of 1.1%.
- Increase purchase of Canadian resources, materials, supporting the Canadian economy.

Project scope

The initiative's scope includes 7 key elements:

- Nearly 1,000 km of new or upgraded corridor and track
- New civil / engineering works (for e.g. tunnels, bridges, grade-separated crossings) supporting the new services
- New and upgraded railway stations
- Advanced signaling and traffic 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 initiative is further defined, including confirmation of alignment, stations, safety and supporting infrastructure, etc. Some of these decisions, including those that may have an impact on the scope of the initiative, will have to be decided in collaboration with Government.

Once a preferred 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, and encourages innovation and flexibility. It will enable Alto and the Private Developer Partner (PDP) to collaboratively develop the initiative 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 initiative enters the CDP.

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

Ultimately, this collaborative project delivery method aims to deliver the initiative in a way that will support the project outcomes 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 initiative 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 initiative. 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 initiative, monitors the initiative’s progress to ensure alignment with policy objectives, works with Justice Canada to develop the necessary legislative and regulatory frameworks, and coordinates Government decisions required to advance the initiative. Transport Canada is also a designated regulator for the initiative 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). The initiative’s Co-Development Charter includes a RACI model (Responsible, Accountable, Consulted, and Informed), which sets out the roles and responsibilities of Alto and the Government for the main activities during the Co-development phase. The Co-Development Charter also identifies designated policy matters requiring the approval or direction of the Government before proceeding.

Additional mechanisms that control the initiative 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 reports on project-based performance during the Co-development phase and continues to report on 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 have been implemented within Alto, with the PDP, and with the Government. These are aimed to facilitate efficient decision-making, sound management of Co-development budgets, and ensure timely and effective delivery of the key project outcomes. Alto is committed to collaboration with federal partners for the successful advancement of the initiative, 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 consultation and engagement, preferred final alignment, transition of existing local services etc.). This includes regular advisory committee meetings between senior officials of Alto, Transport Canada, VIA Rail, and other involved federal departments and agencies, as well as leveraging the Deputy Ministers' 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).

The above governance and collaboration forums will support the exchange of information on the overall management and direction of the initiative in a timely manner and ensure that all required Government decision-making processes are embedded in the project implementation schedule. This includes regular updates on meeting the 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 initiative'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 and partners, 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 aims to advance the initiative through careful planning and design, ensuring alignment with the initiative's scope, which includes nearly 1,000 km of new or upgraded dedicated corridor and track, new civil/engineering works, new and upgraded railway stations, advanced signaling and traffic 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 anticipation 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, Alto can better mitigate 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 initiative.

Activities are guided by a Co-development plan (CDP), which was developed by the PDP to describe the steps needed to deliver the project outcomes, meet the project requirement specifications (PRS), and comply with the Pre-Development Agreement (PDA). The CDP Plan is updated quarterly by Cadence.

Stage 1 plan validation and initial Indigenous and stakeholder engagement (mobilization)

This stage took four months and focused on the following outcomes:

- Agree on effective forms of collaboration
- Review and approve Cadence's updated CDP Plan
- Update indicative alignment corridor
- Conduct targeted initial stakeholder engagement

Activities included reviewing and approving the CDP Plan and conducting start-up workshops for each 27 dedicated project workstreams (e.g., 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), as well as dedicated workshops on risk, collaboration and governance.

Stage 1 was completed successfully on time, and under budget (due to lower resources needed than planned). All 45 submittals were received on time, and they were all accepted.

Stage 2 Project definition

This stage started in July 2025 and is expected to take 24 months. It includes the following activities:

- Confirm acceleration measures to enable schedule optimization
- Define the preferred alignment through a multicriteria analysis process (MCA), including inputs from previous activities
- Advance the design for each city-pair to a Class 3 estimate
- Advance project development and design (e.g., rolling stock, civil work, electrification systems, signaling, station design, operating and maintenance requirements)
- Develop the deal structure and progress negotiation with the PDP on key terms for the Network Agreement and the Segment Agreements
- Advance the procurement strategy, through early procurement engagement, to enable the acceleration of procurement packages to the industry
- File the project description for Segment 1, as required and advance the impact assessment and federal permitting requirements. Alto will seek to advance impact assessment requirements by segment
- Proceed to identify early strategic acquisitions and develop acquisition strategies
- Define host railways' and utilities' requirements and advance agreements with them
- Advance discussions with VIA Rail
- Continue its engagement with Indigenous groups to consult on the initiative's impacts
- Elaborate and plan provincial and municipal permitting approach

Stage 3 Segment development

This stage is expected to take 24 months and will extend until an impact assessment decision is received. This stage includes the following activities:

- For the remaining segments, file project descriptions as required and advance their impact assessments and federal permitting requirements

- Complete negotiation with the PDP of the Network Agreement and Segment Agreements governing the execution phase
- Continue federal regulatory processes and integrate information, conditions and requirements into any design and construction planning

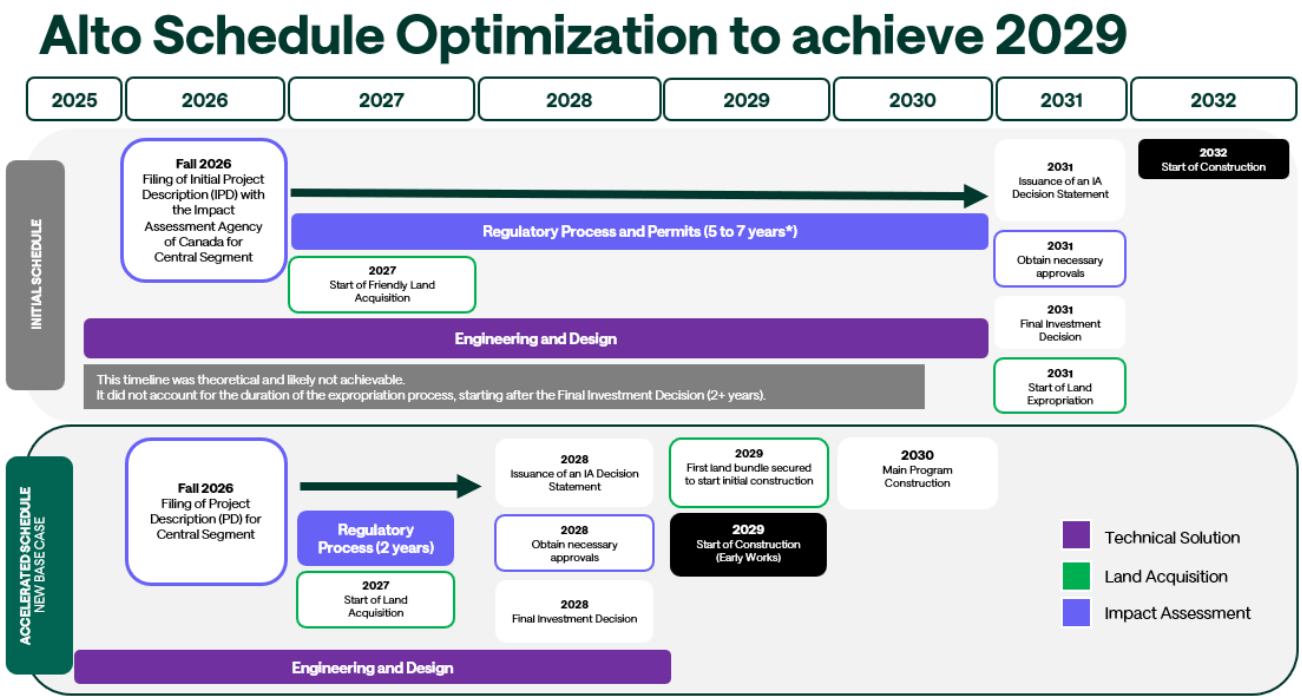
Stage 4 Segment transition to execution

The timing of this phase will be determined at a later date. This phase is divided into two sub-stages. Activities of sub-stage 4a include:

- Continued design advances will occur during the Execution Phase, including System Requirements Specification
- Progress the Segment Agreement target price estimate for each city-pair
- Continue land acquisition activities and expropriation process required to be carried out with respect to the unexecuted city-pair prior to Segment Agreement Commercial Close
- Following agreements with utilities, begin early works such as utilities relocation, as required regulatory approvals are obtained

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

Annex 3: Project Acceleration



With the Government announcing planned construction by 2029, Alto has updated its schedule. The optimized schedule is built on the following working assumptions:

- Public consultations are launched in 2025; preferred alignment is validated via technical consultations in summer 2026 and public consultations in fall 2026.
- Obtaining required impact assessment and regulatory decisions in order to commence construction by 2029, beginning with filing the Project Description for Segment 1 before the end of fiscal year 2026-27.
- Permissions to Enter (PTE) are secured by spring 2026 for field studies on private lands.
- A tailored land acquisition framework that can meet the needs of a large linear project is established; land acquisition begins in 2027 and completes by 2029 for the first bundles of segment 1.
- Alto initiates “willing buyer, willing seller” land acquisitions in 2027 with additional funding.
- Early works to prepare sites for construction begin as soon as land is acquired and required regulatory decisions are obtained.
- Alto completes one year of Indigenous engagement to co-design economic participation options before execution agreements.
- Market engagement starts in 2026 to align design, procurement, and Target Price feasibility.
- Government reviews Execution Phase term sheet in 2027; Alto and Cadence negotiate Network Agreement by 2028.
- Segment Agreements (SA) are signed near shovel-readiness to ensure Target Price and bid validity period; aside from early works, construction sub-contracts are prepared post-SA execution.

Annex 4: 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 Alto's Corporate Plan, the directives issued by the Governor in Council, and in line with Alto's mandate, described below.

The corporation was incorporated on November 29, 2022, as 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 corporation 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 seven directors, out of a maximum of eleven, as specified in Order in Council 2026-0181 and to be specified the articles of incorporation, as authorized by Order in Council P.C. 2026-0180. 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. Each Director may serve for one or more terms of no more than three years each, at the direction of VIA Rail in consultation with the Minister and may not hold office for more than an aggregate of ten years.

The Board is responsible for appointing the corporation's CEO, in consultation with the Minister of Transport. Since the incorporation, Alto's 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 19 meetings were held to date during the 2025-26 fiscal year as the Board of Directors and committees fulfilled their oversight responsibilities of the corporation and the initiative.

Director compensation was based on a flat fee structure for the first two calendar years (2023 and 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)	Initial Appointment Date	Term of Office
J. Robert S. Prichard Chair	$120,000	December 13, 2022	Initial term of 3 years, renewed on December 13, 2025, for a second term of 3 years
Marie-José Nadeau Vice Chair and Chair of the Human Resources, Corporate Governance and Nominating Committee	$90,000	December 13, 2022	Initial term of 3 years, renewed on December 13, 2025, for a second term of 3 years
Robert Fonberg Chair, Audit and Risk Committee	$55,000	November 29, 2022	Initial term of 3 years, renewed on November 29, 2025, for a second term of 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
Claude Généreux	$45,000	November 12, 2025	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 eight 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, short-term and long-term incentive programs, as well as benefits.

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[3]**
Base Salary Range	$573,500 - $674,700[2]	$233,755 - $434,120
Short-term Incentive Target (as % of base salary)	100%	40%
Long-term Incentive Target[4] (as % of base salary)	-	50%
Benefits		
Allowances, group insurance, pension	27% to 30%	

[1] This table does not report actual salaries and incentives paid or payable to executives, but rather the range for their positions, on an annualized basis.

[2] The CEO's base salary was benchmarked against a peer group of private and public sector companies and falls within the salary range for Governor in Council appointed Crown corporation CEOs (Group CEO 8).

[3] Senior Executives comprise those executives who report directly to the CEO.

[4] A long-term incentive plan (LTIP) was approved by Alto's Board of Directors during the fiscal year 2025-26. This plan aims to align a portion of executives' (excluding the President and CEO) total compensation with the long-term success of the organization and to foster retention. The first grants under the LTIP were made in 2025-26 and will vest in 2028-29, after expiry of a three-year performance period. Payout is contingent on (i) continued employment on the payout date, and (ii) achievement of performance objectives set by the Board of Directors prior to the start of each fiscal year comprising the three-year performance period.

Annex 5: Risks & Responses

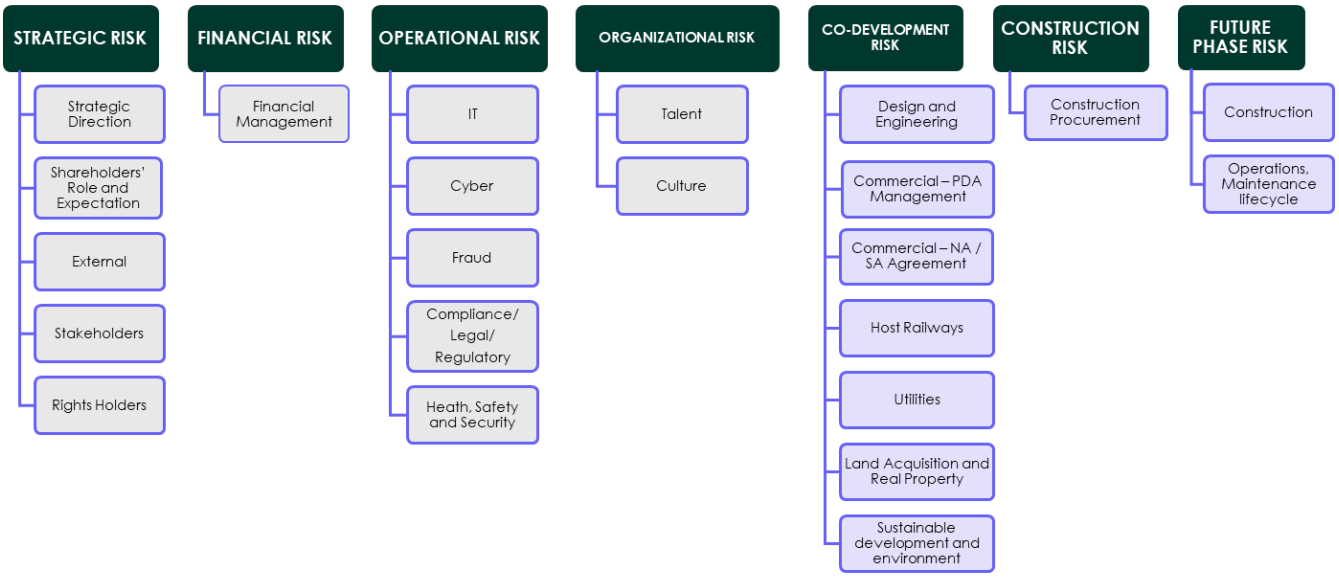
Risk management remains a central focus for the initiative as it advances through the Co-Development Phase. In 2025-26, Cadence and Alto collaboratively worked to develop the Risk Management Plan. The collaborative governance framework enables agile responses to risks. Alto and Cadence have also co-led the development of the initial risk register to identify, analyze and mitigate risks, with ongoing adjustments based on changes to the initiative, including the Government of Canada's announcement in September that it intends to accelerate engineering, regulatory, and permitting work to enable construction to start in four years, cutting the original eight-year timeline in half.

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 23 key enterprise risks across 7 risk pillars. These risks make up Alto's Risk Taxonomy, a common and stable set of risk categories, as detailed 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 within 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, highlighting the implications of key changes that are required to enable the initiative's acceleration to commence construction of Segment 1 by 2029, such as reducing the timeline for regulatory and permitting processes to 24 months:

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. – **Acceleration Impact:** Late land acquisition start date will directly impact the construction start date if key properties are unavailable, which becomes even more constrained under an accelerated schedule.	– Collaborating with the Government to provide input for Government's consideration regarding the streamlining of legislative and expropriation processes, secure initial and funding, engage necessary professional services, and implement an early acquisition strategy to enable efficient and predictable land procurement for the initiative.
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. – **Acceleration Impact:** While the *Building Canada Act* suggests changes to the IA submission, approval and timelines for national interest projects (to date, Alto High-Speed has not been so designated), it is unclear what these changes are and how they may impact the project schedule.	– Early engagement with all stakeholders, including direct outreach to IAAC and Major Projects Office (MPO) to clarify requirements and processes, and Government of Canada officials to support a 24-month timeline for regulatory and permitting processes, mapping the critical path for IA completion and formalization of escalation processes to ensure rapid resolution.
Construction Procurement	Alto incurs significant delays and/or additional costs due to delays in acquiring materials and labour required during the construction phase. – **Acceleration Impact:** Reduced timelines under the schedule acceleration increases the likelihood of challenges in acquiring materials and/or labour with other major projects for delivery.	– New Alto resource onboarded to focus on and address construction procurement risks. – Early engagement with industry on procurement of select materials. – Mitigation plan under development – to be completed in Q1 2026.
Commercial - Network Agreement / Segment Agreement Negotiation and Finalization	Alto faces significant delays and/or additional costs in the co-development phase as a result of postponed execution of the Network Agreement and Segment Agreements, compounded by evolving market conditions. – **Acceleration Impact:** The schedule acceleration process decreases the timelines under which NA/SA Agreement must be reached.	– Early engagement with Cadence on key commercial terms and the establishment of a common NA/SA negotiation workplan.

Risk	Risk Description	Risk Mitigation Activities
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. – **Acceleration Impact:** While engagement is underway with host railways, schedule acceleration decreases the time under which agreements must be reached for access.	– Decreasing the amount of shared track required, as well as early engagement with the host railways to negotiate minimum operating requirements.
Utilities	Alto incurs significant delays and/or additional costs during design phase due to inability to align utility requirements with the initiative's needs and timeline. – **Acceleration Impact:** With decreased timelines on the construction schedule, there is a risk that delivering power to operate may be under pressure. This is mitigated partially by the fact that full access to power is not required early in the construction phase.	– Early engagement and collaboration with utility suppliers to ensure project timelines and requirements are known with sufficient lead time.

It is important to note that while the above reflects the current key risks, Alto's risk profile will continue to evolve alongside the initiative, with new risks emerging and existing ones potentially increasing, decreasing, or being mitigated over time. As an example, while risks related to engaging and consulting with stakeholders and Indigenous partners are not currently reflected above as significant risks, these risks may become significant as the initiative advances at its accelerated pace. Additionally, as major changes occur within the Co-development phase, such as confirmation of the alignment, or were the initiative to be designated as a national interest project under the *Building Canada Act*, risks will be reviewed to confirm whether there was any change to the likelihood or impact.

Annex 6: Financial Statements / Budget

The following section highlights Alto's financial overview for the planning period 2025-26 to 2029-31, 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's activities over this period.

New funding decisions

In February 2025, incremental funding of $3.9B was publicly announced for a high-speed rail network over six fiscal years, starting in 2024-25, to develop a high-speed rail network in the Toronto-Quebec City corridor.

Total capital and operating budgets over this 5-year planning period (2026-27 to 2030-31) have increased to $2,572.1M and $1,443.6M respectively since the last approved 2025-26 Corporate Plan, reflecting resources required to fulfill new co-development activities that now are incumbent to the designated Project Authority and Contracting authority.

The tables below reflect all funding decisions (inclusive of measures in the federal Budget 2025) as of the date of production, Feb 2, 2026.

Funding by priority

The corporation's total overall funding for the 5-year planning period is divided into two main portions: 33% of the funding will be expensed and 67% will be capitalized.

Spending by priority, totalling $1,443.6M on an accrual basis over the 5-year planning period, will be allocated as follows:

- $1,044.5M to drive the design and development of a high-speed passenger rail network in the corridor
- $186.2M to foster Indigenous partnerships, engage stakeholders, and other partners effectively
- $212.9M to support the initiative's advancement, enabling activities and Stewardship of the corporation

The capitalized investments, totalling $2,572.1M on a cash basis over the 5-year planning period, will be allocated as follows:

- $2,562.1M on the High-Speed Rail project
- $10.0M on tangible capital assets required for the operation of the corporation

The above capital items are reflected in the accumulated surplus projected for the corporation. Project investments will not be amortized until the High-Speed Rail is operational, while amortization of tangible capital assets required for the operation of the corporation occurs over their useful life. The material accumulated surplus balances are not sitting in form of liquid assets that can be extracted from the corporation.

For further breakdown see financial tables below.

Key assumptions

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

Statement of financial position

	Budget	BUDGET				
For the year ending March 31 ($'000S)	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**
FINANCIAL ASSETS						
Cash and Cash Equivalents	34,162	47,422	73,627	64,979	50,053	50,086
Accounts Receivable	32,555	44,385	68,590	57,942	41,016	39,049
TOTAL FINANCIAL ASSETS	**66,717**	**91,807**	**142,217**	**122,921**	**91,069**	**89,135**
LIABILITIES						
Accounts payable and accrued liabilities	65,109	88,770	137,180	115,884	82,032	78,098
TOTAL LIABILITIES	65,109	88,770	137,180	115,884	82,032	78,098
NET ASSETS	1,608	3,037	5,037	7,037	9,037	11,037
NON-FINANCIAL ASSETS						
Tangible capital assets	95,133	254,110	976,226	1,643,054	2,137,417	2,657,816
TOTAL NON-FINANCIAL ASSETS	**95,133**	**254,110**	**976,226**	**1,643,054**	**2,137,417**	**2,657,816**
ACCUMULATED SURPLUS[1]	**96,741**	**257,147**	**981,263**	**1,650,091**	**2,146,454**	**2,668,853**

[1] The Surplus reflects the capitalization of the project, which will begin amortization once the train is operational.

Statement of operations

	BUDGET	Budget					5-Year Total
For the year ending March 31 ($'000s)	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**	

Drive the Design and Development of a High-Speed Passenger Rail Network in the Corridor	350,350	448,923	277,081	183,352	80,368	54,817	1,044,541
Foster Indigenous Partnerships, Engage Stakeholders and Other Partners Effectively	38,193	61,087	53,604	33,376	32,855	5,280	186,202
Enable Project Advancement and Support Corporate Stewardship	36,745	39,744	42,642	41,517	46,668	42,291	212,862
TOTAL EXPENSES	**425,288**	**549,754**	**373,327**	**258,245**	**159,891**	**102,388**	**1,443,605**
NET FINANCIAL ASSETS							
Government transfers, Appropriations Operating	520,875	710,159	1,097,443	927,073	656,254	624,787	4,015,716
TOTAL GOVERNMENT FUNDING	**520,875**	**710,159**	**1,097,443**	**927,073**	**656,254**	**624,787**	**4,015,716**
ANNUAL OPERATING SURPLUS (DEFICIT) [1]	**95,587**	**160,405**	**724,116**	**668,828**	**496,363**	**522,399**	**2,572,111**

[1] The Surplus reflects the capitalization of the project, which will begin amortization once the train is operational.

Statement of cash flow

	BUDGET	BUDGET				
For the year ending March 31 ($'000s)	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**
OPERATING ACTIVITIES						
Net Surplus end of period	95,587	160,405	724,116	668,828	496,363	522,399
Amortization for the period	760	1,427	2,000	2,000	2,000	2,000
CHANGE in Accounts Payable	53,600	23,661	48,410	-21,296	-33,852	-3,934
CHANGE in Accounts Receivable	-25,980	-11,830	-24,205	10,648	16,926	1,967
CASH PROVIDED (USED) BY OPERATING ACTIVITIES	133,912	166,764	747,596	666,830	481,437	522,432
Capital transactions						
Acquisition of tangible capital assets	-95,591	-160,405	-724,116	-668,828	-496,363	-522,399
CASH USED BY CAPITAL ACTIVITIES	-95,591	-160,405	-724,116	-668,828	-496,363	-522,399

Investing transactions						
Cash provided by investment activities	-	-	-	-	-	-
CASH PROVIDED BY INVESTING ACTIVITIES	-	-	-	-	-	-
Increase (decrease) in Cash	28,376	13,259	26,205	-8,648	-14,926	34
Cash beginning of period	5,786	34,162	47,421	73,626	64,978	50,052
CASH AT THE END OF THE PERIOD	**34,162**	**47,421**	**73,626**	**64,978**	**50,052**	**50,086**

Operating and capital budgets

	Budget	**BUDGET**					
For the year ending March 31 ($'000s)	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**	**Total**
Operating	425,288	549,755	373,326	258,246	159,891	102,389	1,443,607
Capital							
IT & Equipment	2,000	2,000	2,000	2,000	2,000	2,000	10,000
Land Acquisitions	50,911	112,389	145,210	36,313	47,073	0	340,985
Infrastructure	42,676	46,015	576,907	630,514	447,290	520,398	2,221,124
Total Capital	95,592	160,404	724,117	668,827	496,363	522,398	2,572,109
Total Government Appropriations	**520,875**	**710,159**	**1,097,443**	**927,073**	**656,254**	**624,787**	**4,015,716**

Summary

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

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 and off-cycle funding decision in February 2025.

Funds over 5 years, starting in 2026-27, 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 2026-27, 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., *Support the Project's advancement, enabling activities and stewardship of 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 2026-27 in capital expenditures for the acquisition of IT equipment and an internal IT system to support operations and the proper stewardship of 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 2026-27, Alto plans to scale capital spending on Co-development activities. Over the planning period, this represents an investment of $2,562.1M. Alto has also placed an emphasis on strategic and early lands acquisition resulting in an investment over the 5-year planning period of $341M. This shift reflects the importance of securing key parcels early in the development cycle to avoid delays and cost escalations. Design & Development work also remains 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 $2,221.1M. Alto plans to acquire equipment for office use, totaling approximately $10M over the planning period.

Co-development phase – Cash/accrual basis expenditure table

	ESTIMATE				
	2026-27	2027-28	2028-29	2029-30	2030-31
Cash basis	$158.4M	$722.1M	$666.8M	$494.4M	$520.4M
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				
	2026-27	2027-28	2028-29	2029-30	2030-31
Cash basis	$2.00M	$2.00M	$2.00M	$2.00M	$2.00M
Accrual basis	$1.43M	$2.00M	$2.00M	$2.00M	$2.00M

The IT equipment will be comprised of computers and other communications equipment used for employees' daily activities to ensure connectivity and productivity. The IT equipment supports 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. The overarching strategy is to maintain a 100% cloud-based system. 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 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.

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 expects to move into dedicated office space in the National Capital Region in 2026-27.

Alto is assessing the need for additional offices, to serve as points of presence in key communities and support project execution, and may enter, subject to Government approval where required, into additional leases over the planning period.

Annex 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.

Given the corporation’s current low asset value and the regulatory threshold fixed under the Crown Corporation General Regulations, new leases for office spaces must be submitted to the Minister of Finance for approval. For future leases, the corporation will seek the Minister of Finance’s approval on a go forward basis prior to signing.

Alto has leased offices in Montreal, Toronto and Quebec City, and is currently working with Transport Canada and Finance Canada to seek the necessary approvals going forward from the Minister of Finance for these leases.

Alto received the Minister of Finance’s approval to enter into a new lease in Ottawa and has signed the associated lease.

In fiscal year 2026-27, Alto plans to sign a new lease to increase its office space in Montreal. Alto is working with Transport Canada and Finance Canada to seek the Minister of Finance’s approval to lease the additional space in Montreal.

Annex 8: CFO Attestation

In my capacity as Chief Financial and Technology Officer of Alto, I have reviewed the Corporate Plan for the federal fiscal year 2026-27 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 2026-27 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:

[Original signed]

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

March 13, 2026

Annex 9: Planned Results

The tables below describe the planned outcomes for the Project and corporation over the short, medium and long-term. This structure and planned outcomes are aligned with Government objectives and have been consistent over the previous years. Alto is moving swiftly to develop and implement the initiative. In fiscal year 2026-27, Alto will launch an exercise to refine the performance measurement framework for both the corporation and the initiative. The corporation would like the performance measurement framework to reflect Alto's commitment to respect schedule and take advantage of the various measures advanced by the Government to help accelerate the development and execution of the network.

An updated performance measurement framework can be anticipated in a future corporate plan summary, once the internal exercise concludes.

Planned results tables

1. Project

Short-term outcomes (2026-27)

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Advance Stage 2 of Co-development	− Advance all Stage 2 deliverables. − Establish an indicative alignment corridor and alignment options	− Criteria of checkpoints submittal and review in PDA. − Compliance with PDA	− Execute all PDA requirements for Stage 2. − Coordination of all disciplines during the development and review of submittals.	− 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 Stage 2 of the Co-development process.	− Align with terms of respective collaboration agreements(s) such that requests to participate in activities − Signed collaboration agreements and Memorandum of Understanding at the beginning of reporting	− # of new collaboration agreements and/or Memorandum of Understanding signed with Indigenous groups, entities, and organizations − 100% of the invited Indigenous groups, entities and organizations participate − Set targets for the number of consultations held, participation rates in community meetings, workshops and feedback received from Indigenous groups, entities, and organizations	− 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, if needed, complete	− Alto / PDP / IAAC Data
Contribute positively to the Government of Canada's Commitment to Reconciliation with Indigenous Peoples	− Level of participation of Indigenous groups, entities, and organizations.	− Align with terms of respective collaboration agreements(s) such that requests to participate in activities − Signed collaboration agreements and Memorandum of Understanding at the beginning of reporting	− # of new collaboration agreements and/or Memorandum of Understanding signed with Indigenous groups, entities, and organizations − 100% of the invited Indigenous groups, entities and organizations participate − Set targets for the number of consultations held, participation rates in community meetings, workshops, and feedback received from Indigenous groups, entities, and organizations − Create socio-economic benefits and establish financial participation opportunities for Indigenous Peoples − Fulfilment of the duty to consult and, as appropriate, accommodate, 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 initiative − Establish and maintain, as appropriate, opportunities to explore and implement Indigenous led governance and/or partnerships mechanisms.	− Alto / PDP Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
Supported Canada's commitment to achieving net-zero emissions by 2050	− Measures and policies in the PDA to design, build, and promote sustainable transportation solutions and net zero objectives.	− Align with Government's net zero 2050 objectives	− % of 2050 objectives reached − Follow the standards on LEED and BOMA BEST for buildings, ENVISION for linear projects	− 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 Network and Segment 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 − Set target for construction start date	− Alto Data

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 preferred design and technology features of the initiative. 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	− Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
			– Operational and fleet strategies include increased annual seat capacity to enable expected growth in passengers	
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) – 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	– Alto Data
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)	– Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
			– Reduce total emissions associated with Alto, including those associated with construction. Targets, including interval targets, would be developed by the Authority and the Private Developer Partner during the Co-development phase – Reduce greenhouse gas (GHG) emissions during operations by a minimum of 10 million tonnes of CO2 over a 30-year term in support of Canada's net zero 2050 target – Report on GHG emissions savings achievements (e.g., annually with rolled up reporting as intervals, such as every 5 years and/or to support Canada's emissions savings reporting)	
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 initiative 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 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 initiative of a Gender Based Analysis Plus (GBA+)	– Alto Data

Outcomes	Indicators	Baseline	Target	Data Sources & Methodology
			analysis that considers diverse identity factors, including how different individuals might experience the initiative, 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 initiative throughout the project lifecycle – Contribute positively to the Government of Canada's priorities on economic growth by generating jobs, productivity, 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 to maximize the potential for transit-oriented development with integrated access to community services, including transit systems.	– Alto Data
Contribute positively to the Government of Canada's Commitment to Reconciliation with Indigenous Peoples.	– TBD	– TBD	– Maintain Indigenous partnerships and participation – Maximize financial participation opportunities for Indigenous Peoples	– Alto Data

2. Corporation

Short term outcomes (2026-27)

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 complement of 7 appointees – 232 full-time employees by March 31, 2027 – 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
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

Annex 10: Compliance With Legislative, Regulatory and Policy Requirements

A number of federal legislative, regulatory and policy directions govern how Alto fulfills its mandate and conducts its activities. The corporation is also 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 transportation. Accessibility is at the core of the initiative, as one of the seven project outcomes identified by the Government of Canada. Given that the initiative 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 initiative 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's 2025-2027 Accessibility Plan is published on its website: *Transparency and Trust | Alto* (*https://www.altotrain.ca/en/about-us/transparency-and-trust*)

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 publishes reports on the administration of the ATIA and the PA on an annual basis on its website.

Buy Canadian Policy

In December 2025, the Government of Canada announced the new Buy Canadian Procurement Policy Framework (Buy Canadian Policy), intended to strengthen economic resilience and industrial capacity and support domestic businesses and workings, including by prioritizing Canadian suppliers, material and content in procurements. In accordance with Order in Council #2026-0009, Alto was directed to align its policies, guidelines and practices with this policy in a manner consistent with its mandate and to report on the implementation of that policy in its next corporate plan.

Alto is aligned with the Buy Canadian Policy Framework and associated policies. Alto has reviewed the framework and is determining how best to integrate the policies' objectives into the initiative's procurement strategy while maintaining the arms' length delivery relationship with Cadence.

The Government's commitment to the full implementation of the related Reciprocal Procurement Policy will also influence the initiative. This reciprocal policy limits eligibility for non-defence procurements to Canadian goods and services and goods and services originating from countries that offer reciprocal access under trade agreements. Alto is of the view this reciprocal policy may provide avenues to further integrate international expertise into Canadian supply chains for select materials or equipment that Canada may not be able to manufacture in a way that would meet the initiative's outcomes and timelines.

In November 2025, Alto and Cadence launched a Request for Information (RFI) related to gauging domestic capacity for steel and steel products, which will conclude in 2026. This market engagement step will inform an action plan on how critical steel components can be procured, which will be then integrated into the initiative's procurement strategy under development.

Building Canada Act

Alto has engaged with the Major Projects Office (MPO) to advance the initiative and seek the MPO's guidance and support to navigate federal regulatory processes, including the IA.

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. The initiative will use 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 outcomes include providing a greener rail system and cleaner travel option using electrified technology, reducing total emissions associated with the initiative, 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. Alto will continuously assess the climate impacts from operational activities to help inform climate-related governance framework.

Through the project outcomes, the corporation is committed to following 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 five years to determine the most cost-effective pathway to achieve net-zero emissions by 2050.

The corporation is considering adopting an equivalent set of commitments in real property, mobility and procurement of goods and services. Measurable targets in the following categories shall 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's procurement framework.

In addition, the corporation will comply with its obligation as a Crown corporation to demonstrate climate leadership by adopting the Task Force on Climate-related Financial Disclosures standards, or according to, more rigorous, acceptable standards as applicable to the public sector at time of disclosure, as an element of its corporate reporting.

The corporation's 2024-2025 Report on Climate-Related Financial Risks Management is published on its website at Transparency and Trust | Alto. https://www.altotrain.ca/en/about-us/transparency-and-trust

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 that aim to increase industry awareness and transparency about forced labour and child labour, and to encourage responsible business practices. This act applies to any government institution producing, purchasing, or distributing goods in Canada or elsewhere.

The *Supply Chain Act* also 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 most recent report to the Minister of Public Safety in May 2025.

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 initiative 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 initiative 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.

Annex 11: Alignment With Government Priorities and Direction

The initiative aligns with multiple Government of Canada transportation and infrastructure priorities, including:

- Building the strongest economy in the G7 and catalyzing projects of national significance that will connect Canada and create high-paying jobs for generations (2025 Speech from the Throne)
- Supporting the Government's new policy framework that will strengthen existing procurement requirements (new *Buy Canadian Policy*).
- Supporting the National Interest as a transformative project that will help drive investment and create the conditions for a better connected, more productive, ambitious country; Alto is working with the Major Projects Office to accelerate engineering, regulatory, and permitting work to enable construction to start in four years.

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*. Alto will also continue to lead consultation and engagement activities on behalf of the Crown to fulfill the Crown's duty to consult, and where appropriate, accommodate.

One of the key objectives of engagement will be to promote the inclusion of Indigenous groups and partners in the sharing of the initiative's socio-economic benefits. Alto is working with Indigenous and non-Indigenous experts to explore financial participation models and will engage Indigenous communities on these options.

To support participation of Indigenous groups and organizations in the initiative, Alto has signed collaboration agreements and Memoranda of Understanding, and is expected to sign more, with Indigenous groups and organizations 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 initiative that may include traditional land use studies, field studies, archeological workshops, Indigenous knowledge studies, short and long-term employment, economic development, and procurement opportunities.

Memorandum of Understanding with Indigenous organizations are each unique - setting the stage for partnership and to co-design mutually beneficial socio-economic benefits, which will strategically support our ability to engage beyond impacted communities to Indigenous urban populations, including labour markets and Indigenous business sectors to meet initiative employment and procurement targets.

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

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 December 1, 2025, 49% 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 initiative, the corporation is collaborating 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.

Annex 12: High-Speed Rail and Alto Chronology

2022	MILESTONES
March 3	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 10	The Government releases a Request for Expressions of Interest (RFEOI) for the initiative. The objective of the RFEOI is to share information with interested industry participants and obtain feedback with respect to the initiative.
November 29	VIA HFR-VIA TGF Inc. is incorporated as a wholly owned subsidiary of VIA Rail Canada Inc.
December 15	The Government announces the creation of VIA HFR-VIA TGF Inc., a Crown corporation reporting to Parliament through the Minister of Transport to act as the dedicated Project Management Office.
2023	**MILESTONES**
February 17	The Government releases a Request for Qualifications (RFQ), and project outcomes that the PDP will be expected to meet or exceed.
April 24	The RFQ period closes.
July 20	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 HFR initiative.
September 8	Martin Imbleau is appointed VIA HFR's President and Chief Executive Officer (CEO).
October 13	The Government launches the RFP to select a Private Developer Partner to co-develop the HFR initiative 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 16	Budget 2024 announces the Government's intent to introduce legislative amendments to make VIA HFR-VIA TGF Inc. an Agent of the Crown enabling VIA HFR to deliver high frequency rail on behalf of the Government. Budget 2024 also announces funding of $371.6 million over six years, starting in 2024-25, to VIA HFR-VIA TGF Inc. and Infrastructure Canada to advance design and development of high frequency rail.
June 20	Bill C-69, the *Budget Implementation Act, 2024,* receives Royal Assent.
July 24	Proposals are submitted by three qualified respondents.
October	Bid evaluation period ends.
2025	**MILESTONES**
February 19	The Government announces the selection of Cadence as the PDP. Cadence is composed of CDPQ Infra, AtkinsRéalis, Keolis, SYSTRA Canada, Air Canada and SNCF Voyageurs. The Government announces Alto will develop a high-speed rail network with Cadence and a $3.9B funding decision for the Co-development phase.

March 19	VIA HFR executes the PDA with the PDP. The Co-development phase begins, with Stage 1: plan validation and initial Indigenous and stakeholder engagement.
June 26	Bill C-5 receives Royal Assent. Legislation is intended to get projects of national interest built by focusing on a small number of executable projects and shifting the focus of federal reviews from “whether” to build these projects to “how” to best advance them.
July 17	Beginning of Stage 2 (Project definition) of the Co-development phase.
September 11	The Government announces the first five projects to be reviewed by the Major Projects Office and also identifies additional projects that could be truly transformative for the country, including Alto High-Speed Rail.
November 18	Introduction of the 2025 *Budget Implementation Act*, which includes the *High-Speed Rail Network Act*, and would support the initiative’s acceleration.

Annex 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 implementation based on Government-wide objectives, including the project outcomes.
Bidders	The Government of Canada announced July 20, 2023, that it had qualified three bidding teams: Cadence: CDPQ Infra, SNC Lavalin, Systra Canada, Keolis Canada with Air Canada joining in 2024 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 phases of the initiative. There was a Bilateral agreement for the Procurement phase and is one for the Co-development phase.
BOMA BEST	BOMA BEST (Building Environmental Standards) is a Canadian certification program developed by the Building Owners and Managers Association (BOMA) Canada. It evaluates and recognizes the environmental performance and sustainability of existing commercial buildings.
Cadence	Project Cadence Rail S.E.C.
CIB	Canada Infrastructure Bank
CIRNAC	Crown-Indigenous Relations and Northern Affairs Canada
Co-development phase	Refers to the phase that began upon execution of the Pre-Development Agreement. Throughout the Co-development phase, Alto will collaborate and oversee the work with the Private Developer Partner to advance the design and finalize its technical, commercial and financial proposal for the design, construction, operation, maintenance and financing of the initiative, 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 work jointly to develop and optimize the design during a Co-development Phase which began upon execution of the PDA by Alto and the PDP, and that will lead the design development, optimization, and implementation of the initiative under a progressive design-build-finance-operate-maintain (DBFOM) delivery model in accordance with the PDA.
DMOC (Deputy Ministers Oversight Committee)	An oversight body of Deputy Ministers chaired by the Deputy Minister of Transport, providing a consensus-based forum for key departments to advise the Minister of Transport, through the Deputy Minister of Transport, and to guide implementation based on Government-wide objectives.
ENVISION	Envision is a sustainability framework and rating system developed by the Institute for Sustainable Infrastructure (ISI). Envision provides a comprehensive framework to assess,

Acronym or Term	Definition
	guide, and recognize sustainable infrastructure across environmental, social, and economic dimensions. It helps stakeholders make informed decisions to reduce environmental impact, enhance community value, and improve project lifecycle performance.
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
HICC	Housing, Infrastructure and Communities Canada
ISO 14001	ISO 14001 is an international standard for Environmental Management Systems (EMS) developed by the International Organization for Standardization (ISO). Unlike building-specific certifications like LEED or BOMA BEST, ISO 14001 focuses on organizational environmental management rather than individual buildings or projects.
LEED	LEED (Leadership in Energy and Environmental Design) is a globally recognized green building certification system developed by the U.S. Green Building Council (USGBC). It provides a framework for designing, constructing, operating, and maintaining high-performance, sustainable buildings.
Local services	Existing VIA Rail Corridor Services between Québec City and Windsor, once these have transitioned to the Private Partner.
Multi-criteria analysis (MCA)	MCA is used to identify alignment options to produce an Indicative Alignment. Analysis is based on nine categories, following the themes of the seven project outcomes plus two additional categories added to aid in the analysis: social acceptability and delivery.
Network agreement	Refers to the agreement Alto would sign with the Private Developer Partner, pursuant to and in accordance with the provisions of the Pre-Development Agreement, and under which the Private Developer Partner, then designated as the Private Partner, is to implement the scope of the initiative during the Execution Phase.
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 bidder 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 initiative during the Co-development phase and provides the framework for delineating the roles and responsibilities of 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, now working with the Government and Alto during the Co-development phase to advance and optimize the design and engineering of the high-speed rail network.
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 19, 2025.

Acronym or Term	Definition
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 initiative, 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 initiative.
Project charter	Means a document endorsed by the Deputy Minister of Transport, which is appended to part of the Bilateral Agreement between TC and Alto, and which includes the governance of the initiative during the Co-Development Phase, the broad parameters of the initiative and the roles and responsibilities of Alto and the Government during this phase. There was a Project Charter for the Procurement phase, and there is a Project Charter for the Co-development Phase.
PRS	Project Requirements Specifications capture requirements for the integrated rail system, based on business and Authority (that represent the interests of Canada) and key stakeholders.
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 the framework for these parties to work collaboratively to facilitate their respective roles to advance the initiative. There was a Tripartite Agreement for the Procurement phase, and there is one for the Co-development Phase.
VIA Rail corridor	Windsor to Québec City corridor where VIA Rail trains currently operate.